Annexures to Final Report – State of the Art Review & Structures for UMTA and UTF
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List of Officials contacted for State of the Art Review

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<thead>
<tr>
<th>S No.</th>
<th>Name of Official</th>
<th>Organization</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Shri. N C Mathur</td>
<td>Jaipur Development Authority</td>
<td>Director Engineering – I</td>
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<tr>
<td>2.</td>
<td>Shri. C S Parashar</td>
<td>Jaipur Development Authority</td>
<td>Additional Chief Town Planner (ACTP)</td>
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<tr>
<td>3.</td>
<td>Smt. Asha Awasthi</td>
<td>Jaipur Development Authority</td>
<td>Senior Town Planner (STP)</td>
</tr>
<tr>
<td>4.</td>
<td>Ms. Preeti Mathur</td>
<td>Jaipur City Transport Services Limited</td>
<td>Officer on Special Duty</td>
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<tr>
<td>5.</td>
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<td>Land Transport Authority, Singapore</td>
<td>Group Director, Road Operations &amp; Community Partnership, Transportation &amp; Ticketing Technology</td>
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<tr>
<td>6.</td>
<td>Shri. Shrikant Savane</td>
<td>Pimpri Chinchwad Municipal Corporation</td>
<td>Executive Engineer</td>
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<tr>
<td>7.</td>
<td>Shri. Bapusaheb Gaikwad</td>
<td>Pimpri Chinchwad Municipal Corporation</td>
<td>Junior Engineer</td>
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<td>8.</td>
<td>Shri. Shashikant Limaye</td>
<td>Metro Cell, Pune Municipal Corporation</td>
<td>OSD</td>
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<tr>
<td>9.</td>
<td>Shri. Srinivas Bonala</td>
<td>Pune Municipal Corporation</td>
<td>Additional Chief Engineer</td>
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<td>10.</td>
<td>Mr. Kolawole Ojelabi</td>
<td>Lagos Metropolitan Area Transport Authority (LAMATA)</td>
<td>External Relations Specialist</td>
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<td>11.</td>
<td>Shri. K C Nagar</td>
<td>Urban Administration and Development Department, Madhya Pradesh</td>
<td>OSD Transport</td>
</tr>
<tr>
<td>13.</td>
<td>Shri. Madhwa Raja</td>
<td>Hyderabad Metropolitan Development Authority</td>
<td>Chief Engineer</td>
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<tr>
<td>14.</td>
<td>Shri. P.R.K. Murthy</td>
<td>Mumbai Metropolitan Region Development Authority</td>
<td>Chief (Transport &amp; Communication)</td>
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<tr>
<td>15.</td>
<td>Ms. K. Vijaya Lakshmi,</td>
<td>Mumbai Metropolitan Region Development Authority</td>
<td>Additional Chief (Metro, Monorail, and UMMTA)</td>
</tr>
<tr>
<td>16.</td>
<td>Ian Melsom</td>
<td>Auckland Transport</td>
<td>Programme Manager Integration</td>
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<tr>
<td>17.</td>
<td>Rosie Tong, PT</td>
<td>Auckland Transport</td>
<td>Customer Feedback Coordinator</td>
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<td>18.</td>
<td>Shri. Rakesh Saksena</td>
<td>Mumbai Railway Vikas Corporation Ltd.</td>
<td>Chairman and Managing Director</td>
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<td>19.</td>
<td>Mr. Vinoba Sunder Singh,</td>
<td>Transport Training Institute &amp; Consultancy, Bangalore</td>
<td>CEO</td>
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<tr>
<td></td>
<td>Name</td>
<td>Organization</td>
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<td>20.</td>
<td>Mr. Shailendra Singh</td>
<td>Directorate of Urban Land Transport (DULT), Karnataka</td>
<td>Commissioner</td>
</tr>
<tr>
<td>21.</td>
<td>Shri. Rajni Kant Pandey</td>
<td>Urban Development Department, Uttar Pradesh</td>
<td>Section Officer, Section 5</td>
</tr>
<tr>
<td>22.</td>
<td>Shri. J N Reddy</td>
<td>Lucknow Development Authority</td>
<td>Town Planner</td>
</tr>
<tr>
<td>23.</td>
<td>Shri. Tony Chammanani</td>
<td>Corporation of Cochin</td>
<td>Mayor</td>
</tr>
<tr>
<td>24.</td>
<td>Shri. Patil Ajit Bhagwatrao</td>
<td>Corporation of Cochin</td>
<td>Corporation Secretary</td>
</tr>
<tr>
<td>25.</td>
<td>Shri. Elias George</td>
<td>Kochi Metro Rail Corporation (KMRL)</td>
<td>MD</td>
</tr>
<tr>
<td>26.</td>
<td>Many other officials (as</td>
<td>Various departments / agencies</td>
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<td>27.</td>
<td>Tmt. M. Geetha</td>
<td>Senior Planner</td>
<td>Chennai Metropolitan Development Authority</td>
</tr>
</tbody>
</table>
ANNEXURE - II: REVIEW OF LAWS & AUTHORITIES GOVERNING URBAN TRANSPORT
INTRODUCTION

The legislative jurisdiction to enact laws is regulated by The Constitution of India (“The Constitution”). Under the framework of the Constitution, legislative competence is determined through Article 246 read with The Seventh Schedule of The Constitution. The Seventh Schedule comprises of three lists each having specific entries stipulating the competence to enact laws relating to the relevant entry, List I of The Seventh Schedule provides the entries over which the Union Parliament has exclusive competence to enact laws, List II of The Seventh Schedule provides the entries over which the legislature of each state has the exclusive competence to enact laws and List III of The Seventh Schedule provides legislative entries over which both the Union Parliament and the State Legislatures have concurrent competence to enact laws with the governing principles that a law enacted by the Union Parliament will prevail over the law enacted by a state legislature in relation to the same entry.

“Urban Transport” is not a single unified subject matter for legislation in the framework established for legislative competence under The Constitution. The various components of “urban transport” are spread over different legislative entries in The Seventh Schedule, which has resulted in multiple laws providing distinct and different frameworks for various aspects of “urban transport” which also tend to vary from state to state in relation to specific aspects of “urban transport” that fall under List II and are therefore governed by laws enacted by State legislatures, while some aspects are governed by laws enacted by the Union Parliament.

The creation of Unified Metropolitan Transport Authorities is therefore a complex issue in respect of jurisdiction and it is therefore necessary to undertake a comprehensive review of all laws applicable to urban transport systems particularly at the Union level and then in respect of identified states.

This Report provides a comprehensive review of applicable Union laws and laws of specific identified States. The Report is divided into two Parts: Part A dealing with a review of applicable Union laws and Part B dealing with review of relevant laws of identified States.

PART A: REVIEW OF UNION LAWS

1. The Constitution of India

The scheme of distribution of powers envisages four categories of subjects. First, over which the Union has competence to legislate; second, over which the constituent states have competence to legislate; third, over which both the Union and the states have competence to legislates, with the powers of the state being subject to any legislation passed by the center; and fourth, the residuary subjects (ie those not specified in either of the categories) which fall within the competence of the center. The first category falls in List I of the Seventh Schedule to the Constitution of India which is termed as the Union List. The second category falls in List II of the Seventh Schedule to the Constitution of India which is called the State List, the third category falls in List III of the Seventh Schedule to the Constitution of India which is called the Concurrent List. The fourth category is the last entry in the Union List, Entry 97 of List I of the Seventh Schedule to the Constitution of India.

In the scheme of distribution of powers, the Constitution maintains a distinction between subjects of legislation and subjects of taxation. The taxing powers of the centre and the state are mutually exclusive. The Supreme Court has specified a test for the determination of competence of the Union in relation to a subject. The test is to inquire whether the concerned
law is in relation to matters or taxes enumerated in List II of the Seventh Schedule to the Constitution of India. If the matter falls under List II, then the legislature of the state would have the competence to enact laws over such matters and if that is not the case then, it can be concluded that the Union Parliament has the competence to enact laws over such matter. It should be noted that the entries in the three lists are not ‘powers of legislature’ but fields of legislation. The power to legislate is conferred by Article 246 and other articles of the Constitution. The Supreme Court, has specified that everything necessary to exercise a power is included within the grant of power itself and, consequently the concerned legislature possesses the power to make any provision essential for the effective exercise of legislative authority.

The subjects specified in List III of the Seventh Schedule to the Constitution of India can be legislated over by both the Union and the state. There are, consequently, bound to be situations of conflict where both the Union and a specific state(s) have enacted laws with respect to the same subject.

Article 254 in Chapter I of Part XI of the Constitution of India determines the manner of resolution of such conflicts. Article 254(1) enunciates the normal rule that in the event a state law covering a concurrent subject is ‘repugnant’ to a law made by the Union Parliament relating to that same subject, then the Union law, irrespective of whether it was made before or after the law passed by the state, will prevail and the state law to the extent of such repugnancy would be void. To this general rule laid down by Article 254(1), Article 254(2), engrafts an exception, viz, if the President of India assents to a state law which is reserved for his consideration, it will prevail, notwithstanding the repugnancy to an earlier law of the Union dealing with a subject in the Concurrent List. The proviso to Article 254(2) empowers the Union Parliament to repeal or amend a repugnant state law even though such state law has become valid due to the consent of the President of India.

Judicial decisions indicate that the inconsistency between a state law and the law passed by the Union Parliament envisaged under Article 254 must necessarily be with respect to a matter in the Concurrent List.

Article 254, in effect, vests the Union Parliament with superior legislative power to enact laws in relation to subjects specified in the Concurrent List. Firstly, it makes the provision, as to what would happen in the case of a conflict between a Union and a state law with regard to the subjects enumerated in the Concurrent List, and secondly, for resolving such a conflict.

It can be summarized that Article 254 is applicable in the following circumstances:

1. The concerned laws must be in relation to the field that should be one over which both the Union and the state have jurisdiction. The question of repugnancy will not arise in the event the laws made by the Union and state deal with separate and distinct matters.

2. The concerned laws should be valid in the permitted field and should be ‘existing law.’ The term existing law has been defined in Article 366 as follows: ‘Existing law means any law, ordinance, order, bye-law, rule or regulation passed or made before the commencement of this Constitution by any Legislature, authority or person having power to make (italics added) such law, Ordinance, order, bye-law, rule or regulation.’

3. The existing laws should be in respect of a matter enumerated in the Concurrent List.

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1 Union of India v Harbajan Singh Dhillon
2 Edward Mills v State of Ajmer
It should be noted that a conflict under Article 254 does not render the entire legislation passed by the state void, but void only to the extent of the repugnancy with the law passed by Parliament.

The provisions of Article 254 have been interpreted in various decisions of the Supreme Court of India and the Supreme Court laid down three tests for determining inconsistency or repugnancy which are as follows:

1. whether there is a direct conflict between the statutes;
2. whether the Parliament intended to lay down an exhaustive code in respect of the subject matter, replacing the Act of the state legislature; and
3. whether the law made by Parliament and the law made by the state legislature occupy the same field?

Thereafter, the Supreme Court in the case of M Karunanidhi v Union of after analysing the principles stipulated in the cases of Deep Chand v Union of India, Tika Ramji v State of Uttar Pradesh, Zaverbhai Amaidas v State of Bombay, State of Orissa v A Tulloch & Co and TS Baliah v TS Rengachari laid down the following principles to test the existence of any repugnancy between the state statute and the Union statute pertaining to the same field under the Concurrent List:

1. That in order to decide the question of repugnancy it must be shown that the two laws contain inconsistent and irreconcilable provisions, so that they cannot stand together or operate in the same fields.
2. That there can be no repeal by implication unless the inconsistency appears on the face of the two statutes.
3. That where the two laws occupy a particular field, and there is room or possibility of both the statutes operating in the same field without coming into collision with each other, no repugnancy results.
4. That where there is no inconsistency but a statute occupying the same field seeks to create distinct and separate offences, no question of repugnancy arises and both statutes continue to operate in the same field.
5. One of the important tests to find out whether or not there is repugnancy is to ascertain the intention of the legislature regarding the fact that the dominant legislature allowed the subordinate legislature to operate in the same field pari passu the state law.

The principle that there should be repugnancy in fact and not be based merely on a possibility of conflict in order for there to be a conflict between two laws under Article 254 is the guiding principles adopted by the Supreme Court in determining whether there is repugnancy between two statutes or not.

The term ‘existing law’ under Art. 254 is to be interpreted in light of the definition of ‘existing law’ under Article 366(1) of the Constitution which includes an ordinance in force at the point of time. In the event of a repugnancy what is void is not the whole law made by the state legislature, but only to the extent of its repugnancy with the law made by the Union Parliament. However when both the pith and substance of the subject matter of the law and also the period of its operation coincide, the repugnancy is complete and the entire state law becomes void. It has been specified by the Supreme Court that the state law will prevail over the Union law, upon receiving the assent of the President, only to the extent of the repugnancy and no more.

3. Deep Chand v State of UP
Furthermore, in relation to obtaining the consent of the President under Article 254(2), the Supreme Court has specifically held that

‘...the assent of the President under the provisions of Article 254(2) is not a matter of idle formality. The President has, at least to be appraised of the reason why his assent is sought if there is any special reason for doing so. If the assent is sought and given in general terms so as to be effective for all purposes, different considerations may legitimately arise. But if the assent is sought ..for a specific purpose, the efficacy of the assent would be limited to that purpose and cannot be extended beyond it.’

The Supreme Court of India has specified that the result of obtaining the assent of the President to a state law which is inconsistent with a previous Union law relating to the concurrent subject would be that the state law will prevail in that state and override the provisions of the Union law to the extent of the direct inconsistency between the two laws. The Union Parliament may repeal or amend the repugnant state law either directly or by itself enacting a law, repugnant to the state law, with respect to the same matter. Even though the subsequent law made by the Union Parliament does not expressly repeal a state law, the state law will become void as soon as the subsequent law of Parliament creating the repugnancy is made.

Thus, the main principles laid down by the Supreme Court governing the application of Article 254 can be summarized as:

1. Repugnancy between the state law and the Union law can arise even in the absence of direct conflict, if the Union Law was intended to be an exhaustive code on the subject it seeks to govern. ‘Existing law’ includes an Ordinance in force at the time.

2. For curing the repugnancy, the law passed by the state legislature has to be reserved for the consent of the President and should receive the consent of the President.

3. The consent of the President, if taken for a general purpose, would be effective against all Union laws to which the state law is repugnant, but if taken specifically for a specified purpose or a specified legislation(s), then would be limited to curing the repugnancy with those legislation(s) only.

4. The state law, upon receiving the consent of the President, would override the Union law only to the extent of the inconsistency between the two laws and not completely, in other respects both the Union law and the state law would also apply in the state.

5. It is important to determine as to whether the assent of the President was given generally or specifically in relation to certain specified laws of the Union.

6. The Union Parliament may repeal or amend the repugnant state law either directly or by itself enacting a law repugnant to the state law with respect to the same matter. Even though the subsequent law made by the Union Parliament does not expressly repeal a state law, even then the state law will become void as soon as the subsequent law of Parliament creating the repugnancy is made.

It should be noted that the Constitution vide arts 249, 250, 252, 253 read with Article 251 provide for certain circumstances in which the Parliament can legislate on matters reserved for the state legislature.

*T Barai v Henry Ah Hoe*
Article 249 provides that if the Council of States (the Upper House of the Parliament that comprises of members elected by the state legislatures) has declared by a resolution supported by not less than two-thirds of the members present and voting that it is necessary or expedient in the national interest that Parliament should make laws with respect to any matter enumerated in the state list specified in such resolution, it shall remain lawful for the Parliament to make laws for the whole or any part of the territory of India with respect to that matter while the resolution remains in force.

A resolution passed under Article 249 shall be valid for such period as may be specified in the resolution provided it does not exceed one year. After one year the resolution lapses or has to be renewed with the same majority. A law made by Parliament which the Parliament, but for the resolution under Article 249, would not have been competent to enact would be valid for a period of six months after the date the resolution has ceased to be in effect, except in respect for things done or omitted to be done before the expiry of the said period.

Article 250 specifies that the Parliament, during the period of proclamation of emergency shall have the powers to make laws for the whole or any part of the territory of India with respect to any matters enumerated in the State List. A law made by Parliament which the Parliament, but for the operation of the proclamation of emergency, would not have been competent to enact would be valid for a period of six months after the date the proclamation of emergency has ceased to be in effect, except as respect for things done or omitted to be done before the expiry of the said period.

Article 251 specifies that the state legislature shall have the powers to enact laws under circumstances specified in Article 249 and Article 250 but such laws (whether passed before or after the exercise of the powers by the Parliament) shall, to the extent they are repugnant to the provisions of any law passed by the Parliament under its powers under Article 249 or 250, be inoperative for as long as the laws made by Parliament continue to be in force.

Article 252 provides that the Parliament can enact a law in relation to a matter under the State List if two or more States pass a resolution by all their houses of legislature that Parliament should pass a law regulating such matter or subject. In such circumstances the law so passed by the Parliament shall be applicable to only such states that had passed the resolution or have later passed a resolution to adopt such law. Such legislation can be amended or repealed only by Parliament and pursuant to a resolution passed in a like manner. Such legislation cannot be amended or repealed by the legislature of the concerned state or states.

One of the notable laws that has been enacted by the Union Parliament in exercise of its powers under Article 249 of the Constitution is the Water (Prevention and Control of Pollution) Act 1974 which was passed pursuant to the resolution of the legislatures of the states of Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Karnataka, Kerala, Madhya Pradesh, Rajasthan, Tripura and West Bengal.

Article 253 provides for the last exception to the distribution of legislative powers between the Union and the states. Article 253 vests the Union Parliament with the power to make any law for the whole or any part of the territory of India on any subject irrespective of the distribution of legislative subjects under the Seventh Schedule, for implementing any treaty; agreement or convention with any other country or any decision made at any international conference, association or other body. The Air (Prevention and Control of Pollution) Act 1981 and the Environment (Protection) Act 1986 are two notable statutes that concern infrastructure projects that have been enacted to implement the decision taken at an international conference (The United Nations Conference on Human Environment held at Stockholm in June 1972).
Apart from the Union and state levels of government, the Constitution of India provides for certain territories that are administered directly by the President of India, through an administrator appointed by him and even though such territories are centrally administered, they do not become merged with the central government and are treated by the Constitution as specific individual territories called as the Union Territories.

In relation to certain specified Union Territories, the President of India has the power to make regulations for the peace, progress and good government of such territories. In the case of Pondicherry, even though it is a Union Territory, the Union Parliament may by law provide for the constitution of a body whether elected, or partly nominated, to function as a legislature or a council of ministers with such powers and functions as may be specified in the law. The Union Parliament has enacted the Government of Union Territories Act 1963. Delhi used to be a Union Territory till 1991 when, by a constitutional amendment, a special provision for its governance was provided for and it was termed as ‘The National Capital Territory of Delhi’ and has a legislative assembly and a Lieutenant Governor. The powers and functions of both are governed by Arts 239AA and 239B of the Constitution of India and the National Capital Territory of India Act 1991.

The Constitution of India provides for the constitution of local government institutions at the municipal levels. The powers and functions of the municipal local self-government bodies would depend upon the powers and functions conferred on it by the relevant state under a law. The Constitution of India only provides for the matters in relation to which a state may, by law, empower the municipal bodies in that particular State. A majority of the matters specified by the Constitution as being capable of being vested with the municipality relate to urban planning and development.

The matters that relate to urban transport in the area within the jurisdiction of a municipality, that can be delegated to a Municipal body by law are: (i) urban planning, including town planning; (ii) regulation of land use and construction of buildings; (iii) roads and bridges; (iv) provision of urban amenities and facilities such as parks, gardens, playgrounds and (v) public amenities including street lighting, parking lots, bus stops and public conveniences.

**Laws Governing Urban Transport**

There are multiple laws both at the central and state government levels that have an impact on the urban transport sector. The following paragraphs summarises the key aspects of the legal review undertaken in relation to the legal framework governing this sector.

**Urban Transport in the Constitution of India**

The legislative jurisdiction to enact laws is regulated by The Constitution of India (“The Constitution”). Under the framework of The Constitution, legislative competence is determined through Article 246 read with the Seventh Schedule of The Constitution. The Seventh Schedule comprises of three lists each having specific entries stipulating the competence to enact laws relating to the relevant entry, List I of the Seventh Schedule provides the entries over which the Union Parliament has exclusive competence to enact laws, List II of The Seventh Schedule provides the entries over which the legislature of each state has the exclusive competence to enact laws and List III of the Seventh Schedule provides legislative entries over which both the Union Parliament and the State Legislatures have concurrent competence to enact laws with the governing principles that a law enacted by the Union Parliament will prevail over the law enacted by a state legislature in relation to the same entry.
The following is the illustrative list of distribution of jurisdiction over infrastructure sectors and in particular urban transport under the Seventh Schedule of The Constitution

**Distribution of Jurisdiction**

The following is the distribution of jurisdiction over infrastructure sectors under the Seventh Schedule:

**List I: Jurisdiction of the Union**

Entry 22: Railways

Entry 23: Highways declared by or under law made by Parliament to be national highways.

Entry 24: Shipping and navigation on inland waterways, declared by Parliament by law to be national waterways, as regards mechanically propelled vessels; the rule of the road on such waterways.

Entry 25: Maritime shipping and navigation, including shipping and navigation on tidal waters; provision of education and training for the mercantile marine and regulation of such education and training provided by states and other agencies.

Entry 26: Lighthouses, including lightships, beacon and other provision for the safety of shipping and aircraft.

Entry 27: Ports declared by or under law made by Parliament or existing law to be a major port, including their delimitation and the constitution and powers of the port authorities therein.

Entry 29: Airways; aircrafts and air navigation; provision of aerodromes; regulation and organization of air traffic and aerodromes; provision for aeronautical education and training, and regulation of such education and training provided by states and other agencies.

Entry 30: Carriage of passengers and goods by railways, sea or air or by national waterways in mechanically propelled vehicles.

Entry 32: Property of the Union and the revenue therefrom, but as regards property situate in a State subject to legislation by the State, save in so far as Parliament by law otherwise provides.

Entry 35: Public Debt of the Union

Entry 37: Foreign Loans

Entry 45: Banking

Entry 46: Bills of Exchange, cheques, promissory notes and other like instruments

Entry 47: Insurance

Entry 56: Regulation and development of interstate rivers and river valleys to the extent to which such regulation and development under the control of the Union is declared by Parliament by law to be expedient in public interest.

Entry 89: Terminal taxes on goods or passengers carried by railways, sea or air; taxes on railway fares and freight.

Entry 90: Rates of stamp duty in respect of bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts

Entry 97: Any other matter not enumerated in List II or List III, including any tax not maintained in either of those Lists.

**List II: Jurisdiction of the State**
Entry 5: Local Government, that is to say, the constitution and powers of municipal corporations, improvement trusts, district boards, mining settlement authorities and other local authorities for the purpose of local self-government or village administration

Entry 13: Communications, that is to say, roads, bridges, ferries and other means of communication not specified in List I; municipal tramways; ropeways; inland waterways and traffic thereon subject to the provisions of List I and List III with regard to such waterways; vehicles other than mechanically propelled vehicles.

Entry 17: Water, that is to say, water supplies, irrigation and canals, drainage and embankments, water storage and water power subject to the provision of Entry 56 of List I.

Entry 18: Land, that is to say, rights in or over land, land tenures including the relation of landlord and tenant, and the collection of rents; transfer and alienation of agricultural land; land improvement and agricultural loans; colonisation.

Entry 49: Taxes on lands and buildings

Entry 52: Taxes on the entry of goods into a local area for consumption, use or sale therein

Entry 56: Taxes on goods and passengers carried by road or on inland waterways

Entry 57: Taxes on vehicles, whether mechanically propelled or not, suitable for use on roads including tram cars subject to provision of Entry 35 List III.

Entry 59: Tolls

Entry 63: Rates of stamp duty in respect of documents other than those specified in the provision of List I with regard to the rates of stamp duty.

Entry 66: Fees in respect of any of the matters in this List, but not including fees taken in any court

List III Concurrent jurisdiction of the Union and the State

Entry 6: Transfer of property other than agricultural land; registration of deeds and documents

Entry 7: Contracts including partnerships, agency, contracts of carriage, and other special forms of contracts, but not including contracts relating to agricultural land

Entry 9: Bankruptcy and insolvency

Entry 17A: Forests

Entry 20: Economic and social planning

Entry 21: Commercial and industrial monopolies, combines and trusts

Entry 31: Ports other than those declared by or under law made by Parliament or existing law to be major ports.

Entry 32: Shipping and navigation on inland waterways as regards mechanically propelled vehicles, and the rule of the road on such waterways, and carriage of passengers and goods on inland waterways subject to the provision of List I with respect to the national waterways

Entry 35: Mechanically propelled vehicles including principles on which the taxes on such vehicles would be levied

Entry 42: Acquisition and requisition of property

Distribution of Jurisdiction to Municipal Bodies and Urban Local Bodies

The Constitution of India, vide the Seventy Fourth Amendment, recognises municipalities as the third level of self-governing elected bodies (after the Parliament of India and the
Legislatures of each State) under the overall constitutional framework of India. The
Constitution of India now mandates that there shall be a duly elected municipal corporation
for towns that have a population greater than a level specified by the State Government.
Although the Seventy Fourth Amendment does not provide for any specific rules relating to
municipal borrowing, it is critical in ascertaining the overall regulatory framework governing
municipal borrowing since enforcement action and possible regime on municipal borrowing
would have to work within the framework of the Constitution of India.

The State laws under which the municipalities of a State are constituted is the main
component of the regulatory framework governing municipalities. The relevant State laws
provide for the specific framework governing jurisdiction of municipalities and how they can
discharge their functions and exercise their jurisdictions. In some States certain
municipalities are constituted under their own specific law and not under the general law
regulating other municipalities that may also exist in such State\(^5\). All the State laws
consistently provide for the prior approval of the State Government as a pre-requisite for a
municipalities annual budget, and also for the municipality to undertake any major
development and any borrowing. There are however, no specific guidelines or criteria that
are provided (either in the relevant statute or under any rules or regulations) that provide the
criteria for giving such approval. It should be noted that each State has a number of specific
local authorities as well as municipalities, which also have jurisdiction over land, land
development and will impact transportation.

The difference between municipalities and other local authorities is that only municipalities
comprise of councillors elected by direct election from the areas under the jurisdiction of the
municipalities. All other local authorities such as development authorities, water boards,
housing boards etc. are arms of the State Government and are executive bodies.

The term "local authorities"\(^6\) is defined under the Local Authorities Loans Act, 1914 (as
amended by and applicable in each State), in a very broad manner and covers any person
legally entitled to the control or management of any local or municipal fund, or legally entitled
to impose any cess, rate, duty or tax within any local area. Thus, it would cover every type of
development authority or town planning authority or any other agency or authority created in
a manner such that it either manages a local fund or has the power to impose any cess, rate,
duty or tax within any local area. This is much wider than the definition of “municipalities”
under the Constitution of India.

Although the exact structure and constitution of municipalities depend on the provisions of
the relevant State law, the general structure of a municipality that is broadly followed across
India is as follows:

1. **The Corporation:** The Corporation usually comprises of the following:
   a) a Mayor, who is generally elected through direct election or may in certain
      municipalities be indirectly elected from the elected councillors;
   b) Councillors elected by direct election from the wards comprising the municipality;
   c) a specified number of persons nominated by the State Government;
   d) the Members of the State Legislature representing the constituencies falling within
      the municipality

\(^5\) For example in the state of Maharashtra : there is the general municipal law “The Bombay Provincial Municipal Corporation’s
Act, 1949”, but the municipalities for the cities of Mumbai and Nagpur have their own separate specific law namely the Bombay
Municipal Corporation Act, 1888 and the City of Nagpur Corporation Act, 1948

\(^6\) S. 2 Local Authorities Loans Act, 1914
2. The Commissioner: The Commissioner of a municipality is appointed by the State Government and is the principal executive officer of the Corporation. The Commissioner can be removed only by the State Government.

3. Officers and Servants of the Corporation: The executive officers of the Corporation report to the Commissioner and are generally appointed by the Commissioner. There are some State laws that also allow the Mayor to appoint certain municipal officers. The State Government can also depute its officers to municipalities.

The State laws regulating municipalities generally provide for two broad categories of functions for the municipalities: (1) Mandatory Functions; (2) Discretionary Functions and (3) Delegated Functions.

1. Mandatory Functions: Mandatory Functions of a municipality generally comprise of about twenty to twenty-five functions that usually cover critical urban infrastructure and urban services such as: (i) street lighting, (ii) waste collection, transportation, management and disposal, (iii) maintenance of fire brigade, (iv) management of municipal waterworks, (v) securing and removing dangerous buildings, (vi) construction and maintenance of public markets, (vii) establishing and maintaining primary schools, (viii) maintenance of slaughter houses, (ix) public health (providing ambulances, public vaccination and undertaking measures to prevent outbreak of infectious diseases), (x) registration of births and deaths, (xi) provision and maintenance of cremation grounds/crematorium and (xii) maintaining public parks, open spaces, gardens, recreational areas.

2. Discretionary Functions: Discretionary Functions of a municipality generally cover all types of infrastructure facilities and urban services that could be provided within an urban area. These could include activities such as: (i) plotted development, (ii) constructing residential quarters, (iii) establishing educational institutions, (iv) undertaking surveys, (v) constructing roads, (vi) establishing and maintaining low cost shelters for urban poor, (vii) control of dairies, (viii) acquisition and maintenance of cattle grazing grounds, (ix) establishing disaster management services, (x) urban poverty alleviation programs, (xi) establishing and maintaining public hospitals and (xii) regulating land use, building development, urban planning and town planning.

The Twelfth Schedule to the Constitution of India provides for eighteen (18) items that can be delegated by the State Governments to municipalities. Most of the items specified in the Twelfth Schedule are covered as either Mandatory or Discretionary Functions, but not many States have delegated all of the items specified in the 12th Schedule to the Constitution of India.

3. Delegated Functions: Delegated Functions are those functions that are separately delegated by the State Government to the municipalities in addition to the mandatory and discretionary functions that may have been vested by the State laws. Each State municipal law generally provides an overall power with the State Government to delegate such other functions to the municipalities as it may seem fit.

3. Overview of Laws of Union Parliament Impacting Urban Transport

The following are the laws enacted by the Union Parliament that have an impact on urban transport:

i. Motor Vehicles Act, 1989
ii. National Highways Act, 1956
 iii. The National Highways Authority of India Act, 1986
 iv. Road Transport Corporations Act, 1950
 v. The Central Road Fund Act, 2000
 vi. Railways Act, 1989
 vii. Major Port Trusts Act, 1963
 viii. Indian Ports Act, 1908
 ix. Inland Water ways Authority of India Act, 1985
 x. The Merchant Shipping Act, 1958
 xi. Indian Vessels Act, 1917
 xii. Coasting Vessels Act, 1838
 xiii. The Dock Workers (Regulation of Employment Act), 1948
 xiv. The Seaman Provident Fund Act, 1966
 xv. Airports Authority of India Act, 1994
 xvi. Aircrafts Act, 1934 read with the Aircraft Rules, 1937
 xvii. The Airports Economic Regulatory Authority of India Act, 2008
 xviii. The Carriers Act, 1865
 xix. The Indian Carriage of Goods by Sea Act, 1925
 xx. The Carriage by Air Act, 1972
 xxi. The Multimodal Transportation of Goods Act, 1993
 xxii. The Carriage by Road Act, 2007
 xxiii. The Cantonments Acts, 2006

4. Union Laws: A Review

4.1 National Highways and Roads

Roads in India, for the purpose of their management and administration have been divided into the following five categories: (i) national highways; (ii) state highways; (iii) major district roads; (iv) other district roads; and (v) village roads.

Under the Constitution of India, roads are of two categories: (i) highways declared by or under law made by Parliament to be national highways; and (ii) roads and bridges. The Union has been vested with the control over national highways and the States have control over every type of road other than a national highway. Therefore, for the purposes of discussion in this Report, the only distinction between roads that would be considered is: ‘national highways’ and ‘roads’.

The legal framework governing national highways is provided by: (i) The National Highways Act, 1956; and the rules made thereunder; and (ii) The National Highways Authority of India Act, 1988, and the rules made thereunder.

The National Highways Act, 1956 is the law enacted under Entry 23, List I of the Constitution of India as the law that would provide for the framework for declaration of certain highways as being national highways, and for matters connected with it. The National Highways Authority of India Act, 1988, was enacted to provide a framework for the establishment of an authority for the development, maintenance and management of the national highways and for matters connected to it.

4.1.1 The National Highways Act, 1956 (the “NH Act” )
The NH Act, vests the power with the Union Government to notify any highway as a national highway and also denotify any national highway as being no longer a national highway. The highways so notified are specified in the Schedule to the NH Act. Presently, 39 highways have been notified as being national highways.

The NH Act clearly stipulates that all national highways shall vest in the Union. In this regard, ‘highways’ has been defined to include: (i) all lands appurtenant thereto, whether demarcated or not; (ii) all bridges, culverts, tunnels, causeways, carriageways and other structures constructed on or across such highways; and (iii) all fences, trees, posts and boundary, furlong and milestones of such highways or any land appurtenant to such highways.

The NH Act, specifies, vide s. 8A, that ‘notwithstanding anything contained in this Act the Central Government may enter into an agreement with any person in relation to the development and maintenance of the whole or any part of a national highway’. It is also specified that the person with whom such an agreement is entered into, is entitled to collect and retain fees at such rate for such services or, benefit rendered by him as the Central Government may, by notification in the Official Gazette specify having regard to: (i) the expenditure involved in building, maintenance, management and operation of whole or part of such national highway, (ii) interest on the capital invested, (iii) reasonable return, (iv) the volume of traffic and (v) the period of such agreement. The levy of fees under s 8A is notwithstanding the provisions of s 7 of the NH Act. The person with whom an agreement is entered into under s 8A of the NH Act, shall have the powers to regulate and control the traffic.

4.1.2 The National Highways Authority of India Act, 1986

The primary object of the National Highways Authority of India Act, 1986, was to constitute a separate authority with statutory powers for the development, maintenance and management of national highways. The National Highways Authority of India (‘NHAI’) was created by this Act as a body corporate having perpetual succession and common seal, with the power, subject to the provisions of the National Highways Authority of India Act 1988, to hold and dispose of moveable and immovable property, to contract, and sue and be sued in its name.

4.2 Motor Vehicles Act

The Motor Vehicles Act, 1988 (“MV Act”) is the comprehensive law regulating motor vehicles enacted by the Union Parliament. The first enactment relating to motor vehicles in India was the Indian Motor Vehicles Act, 1914 which was subsequently replaced by the Motor Vehicles Act, 1939. The Motor Vehicles Act, 1939 was replaced by The Motor Vehicles Act, 1988.

The framework governing provision of bus services within a city or any other area as stipulated under the MV Act, 1988 can be summarized as follows:

- No owner of a motor vehicle shall use or permit the use of the vehicle as a transport vehicle in any public place except in accordance with a permit granted for the same by the relevant state transport authority or any authority as prescribed by the state government for this purpose7. This requirement, however, is not applicable for any transport vehicle owned by the Central Government or State Government that is used for, inter alia,: (a) purposes unconnected with any commercial enterprise or (b) police, fire brigade or ambulance, or (c) used for conveyance of corpses, (d) used for towing disabled vehicles, or (d) used by a local authority or by a person acting under contract with a local authority solely for the purposes of waste management/conservancy purposes, or (e) for such other public purpose as may be prescribed by the state government;

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7 See s.66 MV Act, 1988
The permit issued under the MV Act, 1988 may authorise use of the vehicle as contract carriage as well.

The state government, having regard to: (a) advantages offered to the public, trade and industry by development or motor transport; (b) the desirability of co-ordinating road and rail transport, (c) desirability of preventing the deterioration of the road system and (d) desirability of preventing uneconomic competition among holders of permits, may from time to time, by notification in the official gazette, issue directions both to the state transport authority regarding: (i) fixing of fares (including maximum and minimum in respect thereof) for stage carriages, contract carriages and goods carriages; (ii) prohibition or restriction, subject to such conditions as may be specified of the conveying of long distance goods traffic or specified classes of goods carriages; or (iii) any other matter which may appear to the state government as necessary or expedient for giving effect to any agreed entered into with the Central Government or any other country relating to the regulation of motor transport generally and in particular to its co-ordination with other means of transport and conveying of long distance goods traffic.

The state government shall constitute a state transport authority for the state and shall also constitute a regional transport authority which would, subject to directions issued by the state government, discharge the following powers and functions: (a) coordinate and regulate the activities and policies of regional transport authorities, if any; (b) perform duties of a regional transport authority, where there is no such authority and, if it thinks fit or if so required by a regional transport authority, perform those duties in respect of any route common to two or more regions, (c) settle all disputes and decide all matters on which differences of opinion arise between regional transport authorities and (d) discharge such other functions as may be prescribed.

The state government has been vested with the power to make rules regulating state carriages.

The MV Act provides that where any state government is of the opinion that for the purposes of providing an efficient, adequate, economical and properly co-ordinated road transport services in general or any particular class of such service in relation to any area or route or portion thereof should be run and operated by the state transport undertaking, whether to the exclusion, complete or partial, of other persons or otherwise, the state government may formulate a proposal regard a scheme giving particulars of the nature of the services proposed to be rendered, the area or route proposed to be covered and other relevant particulars respecting thereto. The proposed scheme has to be published in the newspapers and any objections have to be invited and the state government may amend the proposed scheme taking note of such objections and notify the finalised scheme in the Official Gazette. The scheme shall be final from the date of its publication in the Official Gazette. The state government has also been vested with the power to cancel or modify an approved scheme after giving the state transport undertaking and any other person who, in the opinion of the state government is likely to be affected by the proposed scheme.

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8 See s. 67 MV Act, 1988
9 See s. 68 MV Act, 1988
10 See s. 95-96 MV Act, 1988
11 See s. 99 MV Act, 1988
12 See s. 100 MV Act, 1988

Developing Operations Documents for Urban Metropolitan Transport Authority and Urban Transport Fund

modification13. Where, in pursuance of an approved scheme, any state transport undertaking applies in such manner as prescribed by the state government in this behalf it shall be issued the required permit and for the purposes of implementing the approved scheme, the relevant transport authority can: (a) refuse any further applications for permits, (b) cancel any existing permits, (c) modify any existing permits14.

4.3 Road Transport Corporation

In states that have created state transport corporations, the law constituting and governing such state transport corporation would, if the bus services in the city are provided by the state transport corporation, also govern such city bus services.

The Union Parliament enacted the Road Transport Corporation Act, 1950 (“RTC Act”) as a law that is applicable for creating state transport corporations in union territories and as a law that could be adopted by the state governments to create road transport corporations if they so decided. The Road Transport Corporation Act, 1950 governs the Delhi Transport Corporation (DTC), which provides city bus transport services within the NCT of Delhi.

The RTC Act specifies that it shall be the general duty of a road transport corporation to exercise its powers as progressively to provide or secure or promote the provision of an efficient, adequate, economical and properly co-ordinated system of road transport services in the State or any part of the State for which it is established15. The powers of the state transport corporation include: (a) to operate road transport services in the State and in any extended area, (b) to provide any ancillary service, (c) to provide for its employees suitable conditions of services, (d) to authorise the issue of passes to its employees and other persons either free of cost or at concessional rates and on such conditions as it may deem fit to impose; (e) to authorise the grant of refund in respect of unused tickets and concessional passes, (f) to manufacture, purchase, maintain and repair rolling stock, vehicles, appliances, plants, equipment or any other thing required for the purpose of any of the activities of the road transport corporation, (g) to acquire and hold such property, both movable and immovable as the corporation may deem necessary for the purpose of the said activities and to lease, sell or otherwise transfer any property held by it; (h) prepare schemes for the acquisition of and to acquire, either by agreement or compulsorily in accordance with the law of acquisition for the time being in force in teh state concerned, the whole or any part of any undertaking of any other person to the extent to which the activities thereof consist of the operation of road transport services in the state or in any extended area; (i) to purchase by agreement or to take on lease or under any form of tenancy any land and to erect thereon such buildings as may be necessary for the purposes of carrying on its undertaking; (j) to enter into and perform such contracts as may be necessary for the performance of its duties and the exercise of its powers under the Act; (k) to purchase vehicles of such type as may be suitable for use in the road transport services operated by the corporation, (l) to purchase or otherwise secure by agreement vehicles, garages, sheds, office buildings, depots, land, workshops, equipment, tools, accessories to and spare parts for vehicles, or any other articles owned or possessed by the owner of any other undertaking to use thereof by the corporation for its purposes; (m) to enter into and carry out any agreement with any person carrying on business as a carrier of passengers or goods providing the carriage of person or goods on behalf of the corporation by that other person at a through fare or freight; (n) to provide facilities for the consignment, storage and delivery of goods; (o) to enter into contractors for exhibition of posters and advertisements on its premises and vehicles, (p)

13 See s. 102 MV Act, 1988
14 See s. 103 MV Act, 1988
15 See s.18 RTC Act, 1950
with the prior approval of the state government to do all other things to facilitate the proper carrying on of the business of the corporation.

However, the RTC Act, specifies that the road transport corporation cannot without the previous approval of the state government, : (i) manufacture, or maintain anything which is not required directly or indirectly for use for the purpose of the undertaking of the corporation or to repair, store or provide any service for any vehicle which does not belong to the corporation or is not used directly or indirectly for the purpose of its undertaking; (ii) to purchase any vehicle for the purpose of sale to another person; (iii) to sell or supply to any person lubricants, spare parts, or equipment for or accessories to vehicles, (iv) to let vehicles on hire for the carriage of passengers or goods except as expressly provided by or under the RTC Act.

The RTC Act, specifies that the state government can determine the number of shares that the share capital of the road transport corporation would be divided into and also determine such other parties, other than the state government and central government, to whom the shares of the road transport corporation shall be allotted.

The RTC Act vests the state government with the power to issue instruction to the road transport corporation would have to follow in the discharge of its functions and exercise of its powers.

Since the enactment of the RTC Act, in 1950, state transport undertakings/corporations have been formed in every state. According to a study by TERI, there are 59 such corporations out of which 14 operate exclusively in urban areas, 8 operate exclusively in rural areas and 37 operate in both urban and rural areas. According to the study conducted by the Association For State Road Transport Undertaking in 2006, for the period of one year, namely 2005-06 only, the net loss of the state transport undertakings taken together was Rs. 2,660.35 crores and the average age of the buses owned by the state road transport undertakings ranged between 3.25 years to 10.33 years, with a fleet utilisation of 92.2%

4.4 Railways

The Indian Railways are governed by the Railways Act, 1989 (the “Railways Act”). The Railways Act recognizes two types of railways: (i) “non government railways”; and (ii) “government railways.”

A “non government railway” has been defined as a railway other than a government railway. A “government railway” is defined as a railway that is owned by the government. Presently, there is no clarity on what constitutes “ownership” for the purposes of the Railways Act. If general accounting standards are used it can lead to a certain level of control being also designated as a type of ownership.

The railways as an infrastructure sector is the critical backbone of logistics in India as it is the only economical and efficient way to transport goods in bulk quantities over long distances. The Railway Act, 1989 provides for the framework governing the liability of a Railway Administration as carriers of goods. The Railway Act, 1989 also provides the framework for issuance and transfer of Railway Receipts. It also provides for settlement of disputes through The Railway Claims Tribunal.

A detailed note relating to these aspects of the Railways Act, 1989 is provided as Schedule 3.

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16 See s.23 RTC Act, 1950
17 See s. 34 RTC Act, 1950
18 Deb, Kaushik & Sundar Sanjivi “Restructuring Urban Public Transport in India”, TERI, New Delhi
19 See “A Quick Review of STUs (2005-06) ASTRU available at www.asrtu.org
4.5 **Tramways and Metro Railways**

Under the distribution of legislative jurisdiction under the Constitution of India (as discussed earlier in this Report), there is a distinction that has been drawn between “Railways” (which is vested with the Union Parliament under Entry 22 List I, Seventh Schedule) and “municipal tramways” (which is vested with the State Legislature under Entry 12, List II, Seventh Schedule). Under Article 366(20) of the Constitution of India, a “railway” has been defined as not to include: (a) a tramway wholly within a municipal area or (b) any other line of communication wholly situate in one State and declared by the Union Parliament by law not to be a railway. Thus, only such “tramways” that are wholly within a municipal area will not be “railways” and instead fall under the jurisdiction of the State legislature under the entry of “municipal tramway”.

There is a pre-Constitution legislation that had been enacted namely The Indian Tramways Act, 1886, which can now be extended to a State only if the Government of the relevant State so notifies.

“Tramway” is defined in the Indian Tramways Act, 1886 to mean “a tramway having one, two or more rails, and includes-- (a) any part of a tramway, or any siding, turnout, connection, line or track belonging to a tramway; (b) any electrical equipment of a tramway; and (c) any electric supply-line transmitting power from a generating station or sub-station to a tramway or from a generating station to a sub-station from which power is transmitted to a tramway”\(^{21}\)

The Tramways Act, 1886 provides a framework for development, operation and maintenance of tramways by “promoters” which can be a local authority or any person authorized by a local authority.

Tramways and the jurisdiction relating to tramways has come into attention recently in relation to jurisdiction over metro railways. State Governments have been seeking to regulate metro railway development and some states like Andhra Pradesh and Karnataka have enacted their own laws classifying metro railways as “tramways” and seeking to overcome the issue relating to jurisdiction by continuously expanding the municipal jurisdiction of the relevant local authority/municipal authority.

If a tramway extends beyond the limits of a municipal authority/local authority then under existing law it would cease to be a tramway and become a railway and the Railway Act, 1989 would become applicable to such a Project.

The first metro railway project in India was the Kolkata Metro Railway and it was established as a “railway” project. The Union Parliament enacted The Metro Railways (Construction of Works) Act, 1978 to provide a framework for the construction of the metro railway in the city of Kolkatta. The Metro Railways (Construction of Works) Act, 1978 was initially applicable only to the city of Kolkatta and was then made applicable, vide notification, to the cities of Mumbai, Chennai and Delhi.

The metro railway project for the city of Delhi was always planned as a regional project covering the National Capital Region and was therefore also implemented as a railway project but through a special project company namely the Delhi Metro Rail Corporation Limited (DMRC).

Since the Metro Railways (Construction of Works) Act, 1978 only covered in scope the construction of the metro railway and not its operation and maintenance, the Union Parliament: (a) in relation to the Kolkata Metro, The Calcutta Metro Railway (Operation and Maintenance) Temporary Provisions Act, 1985 was enacted to cover the operation and maintenance of the Kolkata metro; and (b) later in 2002 in relation to the Delhi Metro, The Delhi Metro Railway

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\(^{21}\) S.3(5) Indian Tramways Act, 1886
In light of the growing demand for development of metro railways in various cities, the Metro Railways (Construction of Works) Act, and The Delhi Metro Railway (Operation and Maintenance) Act, 2002 were amended by the Union Parliament in 2009 by the Metro Railways (Amendment) Act, 2009. The main changes made by the amendments were: (a) enabling the two laws to be made applicable, by notification of the Union Government, to the metropolitan cities or metropolitan areas as notified; (b) The Delhi Metro Railway (Operation and Maintenance) Act, 2002 was changed to "Metro Railway (Operation and Maintenance) Act, 2002" to reflect that it would also be applicable to other cities so notified; (c) provided a framework for appointment of Safety Commissioners who would be under the administrative control of the Chief Controller of Railway Safety; and (d) provided for representation of both Central Government and the relevant State Government on the fare fixation committee for the relevant metro.

4.6 Ports & Shipping & Inland Waterways

The Union laws relating to ports and shipping are relevant in relation urban centres that are located at the sea or have major inland waterway thereby providing coastal shipping or inland waterway shipping to be a critical aspect of urban transportation for that urban centre. Also urban centres that have a port also have port authorities having jurisdiction over specified areas within the relevant urban centre thereby requiring their cooperation for any major urban transportation scheme.

4.6.1 Inland Waterways

The Inland Waterways Authority of India Act 1985, was enacted to provide for the constitution of an authority for the regulation and development of inland waterways for purposes of shipping and navigation, and for matters connected therewith or incidental thereto.

The Inland Waterways Authority Act 1985, is in addition to the provisions of the Indian Ports Act 1908 and the Major Ports Trusts Act 1963, and does not effect, in any manner the jurisdiction, functions, powers and duties to be exercised, performed or discharged by the officers and bodies established under those legislations to regarding any portion of the inland waterway falling within the limits of a port or major port covered by those legislations.

In the exercise of powers vested under the Inland Waterways Authority of India Act 1985, only the following stretches of rivers and canals have been declared as ‘national waterways’:

1. The Allahabad–Haldia stretch of the Ganga Bhagirathi-Hoogly River. (NW-1)
2. The River Brahmaputra (National Waterway. (NW-2)
3. West Coast Canal (Kottapuram-Kollam); Udyogmandal Canal (Kochi Pathalam Bridge); Champakara Canal (Kochi – Ambalamugal). (NW-3)
4. Kakinada-Puducherry stretch, Bhadradchalam-Rahahmundry stretch of River Godavari and Wazirabad – Vijayawada stretch of River Krishna (NW-4)
5. Brahmani River and Mahanadi Delta (NW-5)

It should be noted that unlike the National Highways Act 1956, the Inland Waterways Authority of India Act 1985, does not allow for the declaration of national waterways by mere notification and inclusion of the concerned stretch of river or canal in a schedule. Consequently, a specific law has to be enacted each time a national waterway has to be declared and brought under the jurisdiction of the Inland Waterways Authority of India.

The main functions vested with The Inland Waterways Authority are:
1. carry out surveys and investigation for the development, maintenance and better utilisation of national waterways and the appurtenant land for shipping and navigation, and prepare schemes in this behalf.

2. provide or permit the establishment of infrastructure facilities for national waterways. ‘Infrastructure’ include structures such as docks, wharves, jetties, landing stages, locks, buoys, inland ports, cargo handling equipment, road and rail access and cargo storage spaces.

3. Carry out conservancy measures and training works and do all other acts necessary for the safety and convenience of shipping and navigation, and improvement of national waterways. Conservancy measures means measures for the purposes of conservancy, but does not include measures for the protection of banks against floods or for restricting banks which have become eroded mainly on account of reasons not connected with shipping and navigation.

4. Control activities such as throwing rubbish, dumping or removal of material, in or from the bed of national waterways and appurtenant land, in so far they may affect safe and efficient, shipping and navigation, maintenance of navigable channels, river training and conservancy measures.

5. Remove or alter any obstruction or impediment in the national waterways and the appurtenant land which may impede the safe navigation and endanger safety of infrastructure facilities to conservancy measures where such obstruction or impediment has been lawfully made or has become lawful by reason of long continuance of such obstruction or impediment, or otherwise after making compensation to person suffering damage by such removal or alteration. Any dispute with respect to the compensation awarded regarding the removal of such obstruction or impediment, shall be determined in accordance with the procedure established for the determination of disputes relating to compensation for the acquisition of land for public purposes.

6. Provide for the regulation of navigation and traffic (including the rule of the road) on national waterways.

7. Regulate the construction or alteration of structures across or under the national waterways. Thus, the development of any bridge across a national waterway would require the prior approval of the Inland Waterways Authority of India.

8. Disseminate navigational, meteorological information about the national waterways.

9. Ensure coordination of inland water transport on national waterways with other modes of transport.

10. Establish and maintain pilotage on the national waterways.

11. Advise the Central Government on matter relating to inland water transport.

12. Carry out hydrographic surveys and publish river charts.

13. Assist, on such terms and conditions as may be mutually agreed upon, any state government, in the formulation and implementation of scheme for inland water transport development.

14. Develop consultancy services and provide services, on such terms and conditions as may be mutually agreed upon, in India and abroad, regarding planning and development of waterways for shipping and navigation or any facility thereat.

15. Conduct research in matters relating to inland water transport, including development of craft design, mechanization of country crafts, techniques of towage, landing and terminal facilities, port installations and survey techniques.
16. Lay down standards for the classification of inland waterways.

17. Arrange programmes for technical training of inland water transport personnel within and outside the country.

Furthermore, the Inland Waterways Authority has the power to perform such other functions as may be necessary to carry out the provisions of the Inland Waterways Authority Act 1985. Thus, the function of allowing for the development of adequate harbours for enabling inland water transportation regarding a national waterway vests with the Inland Waterways Authority of India Act 1985. Unlike the National Highways Act 1956 and the National Highways Authority of India Act 1988, the Inland Waterways Authority of India Act 1985, did not at any point of time establish a monopoly of the government over inland waterways. Consequently, it vests the Inland Waterways Authority of India with the function of permitting the development of 'infrastructural facilities for national waterways'.

4.6.2 Ports

The Indian legal framework distinguishes ports into two categories: (i) Major Ports, and (ii) Ports other than Major Ports (at times generally referred to as “Minor Ports”).

“Major Ports” fall under the jurisdiction of the Union Government. Entry 27 of List I of the Seventh Schedule to the Constitution of India specifies, “ports declared by or under law made by the Parliament or existing law to be a major port, including their delimitation and the constitution and powers of the port authorities therein,” to be Union subject. The primary law governing major ports is the Major Port Trusts Act, 1963 (the “MPTA”).

“Ports Other than Major Ports” is a concurrent subject, and falls under the jurisdiction of both the Union Government and State Government subject to the law governing the jurisdiction over concurrent subjects. Entry 31 of List III of the Seventh Schedule states, “ports other than those declared by or under law made by Parliament or existing law to be major ports.” The primary law governing ports other than Major Ports is the Indian Ports Act, 1908. The Indian Ports Act, 1908 is applicable to only those ports that are mentioned in the first schedule to it, and inter alia, contains provisions relating to levy of port dues, fees for pilotage, and port charges for ports other than major ports.

Further, there are a few State specific legislations which would have an impact on ports. For example, the State of Gujarat has enacted the Gujarat Maritime Board Act, 1981 that establishes a maritime board to exercise the powers and authority in relation to the ports under the administrative control of the State Government. The State of Karnataka has formulated a new port policy, which aims to use private investment for the creation of port facilities, development of new sites and supporting infrastructure, maritime related industries, and coastal shipping and port facilities for power projects. Private participation is allowed for three ports namely Belekere, Tadri, and Old Mangalore.

Ports other than Major Ports are administratively under the jurisdiction of the Government of the State in which they are located. Consequently, Minor Ports are also governed by the port policy, or related regulation formulated by the relevant State Government in relation to port development or port operation.

India has a little over 11 Major Ports and around 139 Minor Ports.22

22 The major ports include: Kandla (in Gujarat), Bombay Port (Maharashtra), Nhava Sheva (Maharashtra); Mormugoa (Goa), New Mangalore (Karnataka), Cochin (Kerala), Madras Port (Tamil Nadu), New Tuticorin Port (Tamil Nadu), Vishakhapatnam Port (Andhra Pradesh), Paradip Port (Orissa); Calcutta Port (West Bengal) and Ennore (Tamil Nadu) See : Part I, First Schedule Indian Ports Act, 1908. Parts III, IV, V, VI, VII, VIII, IX, X, XI, s of the First Schedule to the Indian Ports Act, 1908 lists the ports other than major ports and website of the Ministry of Shipping, Government of India at http://shipping.nic.in/. The India Infrastructure Report, Department of Economic Affairs, Government of India, New Delhi, 1996 specifies 139 minor ports to be in operation in India.
The MPTA was amended in 1997 to specifically enable major ports to be developed, operated and maintained with private participation.

Under the MPTA it is clearly mandated that the Board of Trustees of a Major Port may, with the prior approval of the Central Government, enter into any agreement or other arrangement (whether by way of partnership, joint venture or in any other manner) with, any body corporate or any other person to perform any of the services and functions assigned to the Board under the MPTA, including that of developing and providing infrastructure facilities and services to ships.23

The Government of India, acting through the Ministry of Shipping, has formulated guidelines for private participation in the development, operation and maintenance of major ports. The Guidelines have identified the following areas for participation/investment by the private sector:

1. Leasing out existing assets of the port;
2. Construction/creation of additional assets, such as:
   a. Construction and operation of container terminals;
   b. Construction and operation of bulk, break bulk and specialised cargo berths;
   c. Warehousing, container Freight Stations, storage and tank farms;
   d. Craneage/Handling Equipment;
   e. Setting up of captive power plants; and
   f. Dry docking and ship repair facilities.
3. Leasing of equipment for port handling and leasing of floating crafts from the private sector;
4. Pilotage; and
5. Captive facilities for port based industries.

The Guidelines specify that the ports should ensure that private investment does not result in the creation of private monopolies, and that private facilities are available to all users on equal and competitive terms. However, in the case of berths constructed or taken on lease by private entrepreneurs, they would be permitted to give priority berthing to their own ships, and they would service other ships on a first come first served basis.

4.6.3. Shipping

Apart from the MPTA and the Indian Ports Act, 1908 already mentioned above, there are some other legislations relating to shipping that are applicable in India which would have an impact on urban transportation for urban areas where sea transport has the potential of being an integral component of urban transport. These are listed below:

1. The Merchant Shipping Act, 1958 provides for the establishment of a National Shipping Board and a Shipping Development Fund, to provide for the registration of Indian ships, and to amend and consolidate the law relating to merchant shipping.
2. Inland Vessels Act, 1917 consolidates the enactments relating to inland vessels, which have been defined as mechanically propelled vessels that ordinarily ply on any inland water.
3. Coasting Vessels Act, 1838 extends to the territories which, immediately before the 1st November, 1956, were comprised in the States of Bombay, Saurashtra and Kutch, but the Central Government may, by notification in the Official Gazette, extend it to any other State or part of a State which has a sea-coast. It contains rules

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23 See s. 42(3A) of the MPTA and s. 43(3) read with s. 42 and 35.
regarding coasting with respect to vessels belonging to any citizen of India and employed on the coast of any State or part of a State to which this legislation is made applicable, or in trading coastwise, and also with respect to fishing vessels and harbor craft belonging to a citizen. This legislation, *inter alia*, requires the owner of a vessel to register the vessel and mark the vessels with the name of the place to which it belongs and the number assigned to the vessel.

(d) **Inland Waterways Authority of India Act, 1985** provides for the constitution of an authority for the regulation and development of inland waterways for purposes of shipping and navigation and for matters connected therewith or incidental thereto.

(e) **The Dock Workers (Regulation of Employment Act), 1948** provides for regulating the employment of dock workers.

(h) **The Seaman Provident Fund Act, 1966** provides for institution of provident fund for seaman.

4.7 **Airports**

The Constitution of India, vide Entry 29, List I, Seventh Schedule read with Article 246 vests the Union Parliament with the exclusive jurisdiction in relation to 'airways; aircraft and air navigation; provision of aerodromes; regulation and organization of air traffic and of aerodromes'. Therefore, it is the Union Parliament that has the exclusive jurisdiction over airports in accordance with the sector laws in relation to the same.

The general framework governing airports is provided by: (i) **Airports Authority of India Act, 1994**, and the rules made thereunder, and (ii) **Aircraft Act 1934**, read with the **Aircraft Rules, 1937**.

The Government of India also enacted **The Airports Economic Regulatory Authority of India Act, 2008** ("AERA Act") to establish a regulatory authority to regulate tariff and other charges for the aeronautical services rendered at airports and to monitor the performance standards of airports. The Airports Economic Regulatory Authority of India ("AERA"), has still to commence functioning and it is expected that the AERA will commence functioning over the course of the next few months and once it does, it will bring out regulations governing ground handling at airports and other airport related services.

The framework of these laws enables private participation in two basic structures: (i) through issuance of a license for an airport other than that owned by the Central Government, and (ii) formation of a joint venture with the Airports Authority of India.

There are certain terms that are used by the laws in respect of airports: (i) airports, (ii) aerodromes and (iii) air transport services. ‘Airports’ are defined in the **Airports Authority of India Act, 1994**, to mean a landing and taking off area of aircraft, usually with runways and aircraft maintenance and passenger facilities and includes an aerodrome as defined in the **Aircraft Act, 1934**. It should be noted that in order to be characterized as an ‘Airport’ the only component of the facility is a landing and taking-off area. ‘Aerodromes’ has been defined in the **Aircraft Act, 1934**, to mean any definite or limited ground or water area intended to be used either wholly or in part, for the landing or departure of aircraft and includes all buildings, sheds, vessels, piers and other structures thereon or appertaining thereto. It should be noted again that the only crucial factor for being characterized as an aerodrome is any definite or limited area intended to be used for landing or departure of aircraft.

‘Air transport services’ have been defined in the **Aircraft Rules, 1937**, to mean service for the transport by air of persons, mails or any other thing, animate or inanimate for any kind of remuneration whatsoever, whether such service consists of a single flight or a series of flights. The Aircraft Rules, 1934, provide for two main categories of airports:
1. Government aerodromes; and
2. Licensed aerodromes

‘Government Aerodromes’ are aerodromes which are maintained by or on behalf of the Government and includes an airport to which the Airports Authority of India Act, 1994, is applied or is made applicable.

Recently, guidelines have also been released on the grant of permission to Indian Air Transport Undertakings for operation of Scheduled International Air Transport Services (dated July 17, 2009) and for grant of Permission to Foreign Airlines to operate Additional Capacity to/from India (dated November 10, 2009)24.

4.8. Carriage of Goods

The Indian legal framework provides for a comprehensive regulation of carriage of goods and regulation of carriers and liability of carriers. The regulatory framework relating to Carriage of Goods is governed by the following main laws:

(i) The Carriers Act, 1865;
(ii) The Indian Carriage of Goods by Sea Act, 1925;
(iii) The Carriage by Air Act, 1972;
(iv) The Railways Act, 1989;
(v) The Multimodal Transportation of Goods Act, 1993; and

4.8.1 The Carriers Act, 1865

The Carriers Act, 1865 (the “Carriers Act”) regulates the rights and liabilities of “common carriers”, which is defined as persons, other than Government, who are in the business of transporting property under a multimodal transport document or of transporting for hire, property from place to place by land or inland navigation. The Common Carrier cannot be liable for loss or damage to property delivered to him for more than one hundred rupees and of description contained in the Schedule of the Carriers Act, unless the person delivering the goods or a person duly authorized expressly declares the value and description of the goods.25 If the value is declared as being above one hundred rupees, then the carrier has to be paid for the risk undertaken by him in carrying these goods.26 If these goods are lost or damaged due to the negligence of the carrier, the person entitled to the recovery will also be entitled to recover any money which was paid for the consideration of the risk.27

The Carriers Act has been repealed by the Carriage by Road Act, 2007. However, since the Carriage by Road Act, 2007 is still to be implemented as the required rules to operationalise the Act have still not been notified, The Carriers Act, can be said to continue to remain relevant.

A detailed note on the Carriers Act is provided in Schedule 4.

4.8.2. The Indian Carriage of Goods by Sea Act, 1925

The Indian Carriage of Goods by Sea Act, 1925 (the “COGSA”) regulates the carriage of goods by sea in ships from any port in India to any port outside India. COGSA provides for and regulates Bill of Lading by a shipper in India. The Act also imposes certain responsibilities and liabilities and confers certain rights and immunities upon the carrier28.

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24 Ibid
25 s. 3 of the Carriers Act.
26 s. 4 of the Carriers Act..
27 s. 5 of the Carriers Act..
28 Articles III and IV of the COGSA.
A detailed note on The COGSA is provided in Schedule 5.

4.8.3. **The Carriage by Air Act, 1972**

The Carriage by Air Act, 1972 was enacted to give effect to the Convention For The Unification of Certain Rules Relating to International Carriage by Air that was signed at Warsaw on 12th October, 1929, and was amended by the Hague Protocol of 28th September, 1955.

4.8.4. **The Multimodal Transportation of Goods Act, 1993**

The Multimodal Transportation of Goods Act, 1993, (the “MTGA”) provides a framework regulating multimodal transportation of goods in India. Multimodal Transportation is defined as carriage of goods, by at-least two different modes of transport under a multimodal transport contracts, from the place of acceptance of goods in India to a place of delivery of goods outside India.29 The said Act provides for framework governing issuance, delivery, and transfer by endorsement of a negotiable multimodal transport document. A person can carry out the business of multimodal transportation only after obtaining registration under the MTGA.

Significantly, the Government of India is currently considering amendments to the MTGA and the report of a working group that has been set up for this purpose is awaited. Among other things, the working group is considering the grievances put forth by industry bodies such as the Association of Multimodal Transport Operators which has raised the following concerns:

- The MTGA should be amended with respect to all logistic providers in order to weed out fly-by-night operators.
- In a situation where the owners cannot register themselves, the agents should be permitted to be registered on their behalf. However, all the responsibilities, liabilities, etc of the principal should be fulfilled by the agent.
- Same laws should govern both uni-modal and multi-modal transportation.
- Provision of torts should be incorporated in the amendments.
- Lien on cargo for payment of outstanding dues should be facilitated.

The Working Group in its Report on Shipping and Inland Water Transport for Eleventh Five Year Plan (2007-2012) also highlights a few shortcomings of the MTGA, as follows:

a. The progress of multimodal transportation in India has been rather slow mainly because of lack of adequate and efficient port infrastructure, hinterland connectivity and lacuna in Port-Rail Road interfaces as also Institutional and Legal issues.

b. There are also other institutional impediments relating to customs, excise, insurance and a lack of a clear liability regime, that affect the smooth and seamless flow of goods. These impediments impose a high cost burden on trade, apart from congesting the already over-burdened land based transport infrastructure.

In an effort to enhance the growth of multimodalism in India, the Working Group report states that the following amendments to the existing MMTG Act, 1993 are under consideration of the Government:

(a) include the import leg after the goods have landed in India

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29 s. 2 (k) of the MTGA.
(b) a person registered to carry or any person who commences the business of multimodal transportation shall quote the registration number on every Transport Document (TD) and produce the proof of registration to the custodian concerned.

(c) the prescribed TD so issued bearing registration number may be negotiable or non-negotiable at the option of the consignor.

(d) only the transport document like Bill of Lading or TD bearing registration number would be allowed in order to avoid illegal transportation/contracts of carriage.

A more detailed discussion on the Multimodal Transportation of Goods Act, 1993 is provided in Schedule 6.

4.8.5. The Carriage by Road Act, 2007

The Carriage by Road Act, 2007 (the “CRA”) aims to bring about reforms in the unorganized commercial road transport sector. It provides for the regulation of common carriers, limitation of their liability for loss and limiting their liability for loss or damage to such goods occasioned by the negligence or criminal acts of themselves, their servants or their agents. It defines a “common carrier” as a person engaged in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorized transport on road to everyone including goods booking company, contractor, agent, contractor, agent, broker but does not include the Government. It seeks to repeal the Carriers Act.

It requires every common carrier to obtain a certificate of registration from the Registering Authority which is the State Transport Authority.

Although the CRA was enacted in 2007, it is still to be implemented as specific rules under the CRA have not yet been formulated.

A detailed note on the CRA is provided in Schedule 7.

4.8.6. Difference between CRA and MTGA

The main difference between the CRA and the MTGA is that while CRA regulates common carriers in respect of carriage by road within the territory of India, the scope of the MTGA is with reference to registered operators of multimodal transportation for transport of goods from a place in India to a place of delivery outside India. The MTGA deals with multimodal transport operators engaged in transportation of goods by road, air, rail, inland water ways and sea. Also, while the CRA requires registration of common carriers, the MTGA requires registration of multimodal transport operators.

4.9 The Cantonments Act, 2006

The Cantonments Act, 2006 is a special legislation governing the notification and administration of cantonments, which are specially notified areas that are demarcated as being required for the service of one or more armed forces of India. Each cantonment area is notified by the Central Government and its administration is vested with a Cantonment Board.

Most urban areas have cantonments existing within them or in close proximity and they do impact urban transportation schemes particularly in relation to land acquisition or right of way requirements.

4.10 The Special Economic Zones Act, 2006

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30 s.2(a) of the CRA
The Special Economic Zones Act, 2006 provides for the notification of specific areas as “special economic zones” taking them out of the general jurisdiction of applicable local laws and making them governed by the framework established under the SEZ Act, 2006. Each SEZ falls administratively under the overall jurisdiction of the relevant Development Commissioner. This would have an impact on urban transportation schemes as notified SEZs would be outside the scope of any urban transport scheme and any urban transport scheme requiring going through a SEZ or requiring a right of way or land would be require an agreement with the relevant developer and approval of the relevant Development Commissioner.

5. **Environmental Norms applicable to the Indian Transport Sector**

The Auto Fuel Policy released by the Ministry of Petroleum and Natural Gas, Government of India in 2003 laid down the road map for emission norms for new vehicles and in-use vehicles, and fuel quality.

With the aim of controlling vehicular pollution, mass emission standards for various categories of motor vehicles have been progressively tightened in the country as per the road map. While implementing the road map, a distinction has been made between different parts of the country, with tougher emission standards being applied in certain specified eleven major cities, as compared with the rest of the country.

The emission norms applicable in India are referred to as Bharat Stage norms.

5.1. **Difference between Euro norms and Bharat Stage norms**

The Euro norms and Bharat Stage norms prescribe the same emission standards. The main differences between the two lies in environmental and geographical needs during testing. For example:

- **Difference in temperature for testing:** Euro-III is tested at sub-zero temperatures in European countries but in India, where the average annual temperature ranges between 24 and 28 degree celsius, the test is done away with.

- **Difference in maximum speed limit at which vehicle is tested:** A speed of 90 kmph is stipulated for Bharat Stage-III, whereas it is 120 kmph for Euro-III, keeping emission limits the same in both cases.

- **Differences in test procedures:** In Europe, the mass emission test measurements done in g/km on a chassis dynamometer require a loading of 100 kg weight in addition to unloaded car weight. However, in India, Bharat Stage-III norms require an extra loading of 150 kg weight to achieve the desired inertia weight mainly due to road conditions here.

5.2. **Existing emission norms for controlling vehicular pollution**

As on date, Bharat Stage III emission norms are effective in eleven mega cities namely National Capital Region, Mumbai, Kolkata, Chennai, Bangaluru, Ahmedabad, Hyderabad/Secunderabad, Kanpur, Pune, Surat and Agra whereas Bharat Stage II emission norms are applicable in the rest of the country.\(^{31}\)

The Central Motor Vehicles Rules, 1989, formed pursuant to the Motor Vehicles Act, 1988 have been modified from time to time to reflect the changes in the applicable emissions standards.

The Bharat Stage-III norms apply to the following categories of vehicles\(^{32}\):

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\(^{31}\) Annual Report 2008-09, Ministry of Road Transport and Highways.

\(^{32}\) Rule 115(14), Central Motor Vehicles Rules, 1989.
a) Motor cars with seating capacity of and up to six persons (including driver) and Gross Vehicle Weight ("GVW") not exceeding 2500 kg;

b) Four Wheeler Passenger Vehicles with GVW equal to or less than 3500 kg and designed to carry more than six persons (including driver) or 3000 kg.

c) Four Wheeled Vehicle (other than passenger vehicles) with GVW equal to or less than 3500 kg.

d) Diesel vehicles with GVW exceeding 3500 kg

5.3. Bharat Stage IV implemented From 2010

Bharat Stage- IV emission norms have been effective from April 1, 2010 in the eleven mega cities and Bharat Stage- III emission norms will be effective from the same date in the rest of the country, as notified on February 9, 2009.  

5.4. Mandatory fuel efficiency standards from 2011

The Indian Minister for Environment & Forests has announced that the government would be notifying fuel efficiency standards for the automobile sector in the country which would be enforced from 2011 onwards. The government is currently mulling administrative issues like whether to implement these fuel efficiency standards through the Energy Conservation Act or the Motor Vehicles Act.

It has been reported that as per the standards, by 2011 it would be mandatory for automobile manufacturers to sell vehicles with energy-efficiency tags, and the information on the labels will have to be certified by the Bureau of Energy Efficiency (BEE). There would be different standards for different categories of automobiles such as small cars and commercial vehicles, and the government would be legislating the KMP (kilometre per hour) figure instead of mandating curtail on emissions.

5.5. General Environmental Clearances for setting up Industries

Entrepreneurs are required to obtain statutory clearances relating to pollution control and environment as may be necessary, for setting up an industrial project for 31 categories of industries in terms of Notification S.O. 60(E) dated 27.1.94 as amended from time to time, issued by the Ministry of Environment & Forests under the Environment (Protection) Act, 1986. This list includes petrochemical complexes, petroleum refineries, cement, thermal power plants, bulk drugs, fertilizers, dyes, paper, etc.

However, if investment in the project is less than Rs. 1 billion, such environmental clearance is not necessary, except in cases of pesticides, bulk drugs and pharmaceuticals, asbestos and asbestos products, integrated paint complexes, mining projects, tourism projects of certain parameters, tarred roads in Himalayan areas, distilleries, paints, foundries and electroplating industries.

Setting up industries in certain locations considered ecologically fragile (e.g. Aravalli Range, coastal areas, Doon valley, Dahanu, etc.) are guided by separate guidelines issued by the Ministry of Environment and Forests.

Reason for Lack of Unified Urban Transport Authority: Distributed Jurisdiction and Roles of Various Authorities Having Some Implications on Urban Transport under Union Laws

7.1 Overview
In light of the above discussions, the main reason for a lack of a unified urban transport authority in India, either at a Union level or a State level is the distributed jurisdiction on various aspects of “urban transport” between the Union of India and the State at one level and between the various ministries and departments at both the Union and State levels. At a Union of India Level, just by way of illustration, the various authorities that may have a bearing on urban transportation can be summarised as follows:

<table>
<thead>
<tr>
<th>Name of Statute</th>
<th>Relevant Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport Economic Regulatory Authority of India Act, 2008</td>
<td>The Indian Judiciary: Supreme Court of India/High Courts</td>
</tr>
<tr>
<td>Indian Carriage of Goods by Sea Act, 1925</td>
<td>Airports Economic Regulatory Authority.</td>
</tr>
<tr>
<td>Indian Forests Act, 1927</td>
<td>Ministry of Finance, Ministry of Shipping, Government of India.</td>
</tr>
<tr>
<td>The Aircraft Act, 1934</td>
<td>Ministry of Civil Aviation, Government of India.</td>
</tr>
<tr>
<td>The Airports Authority of India Act, 1994</td>
<td>Airports Authority of India and Ministry of Civil Aviation, Government of India.</td>
</tr>
<tr>
<td>The Carriers Act, 1865</td>
<td>State Governments and the Government of India.</td>
</tr>
<tr>
<td>The Carriage by Road Act, 2007</td>
<td>State Transport Authority or Regional Transport Authority constituted under the Motor Vehicles Act, 1988.</td>
</tr>
<tr>
<td>The National Highways Act, 1956</td>
<td>National Highways Authority of India and Ministry of Road Transport and Highways, Government of India.</td>
</tr>
<tr>
<td>The National Highways Authority of India Act, 1988</td>
<td>National Highways Authority of India and the Ministry of Road Transport and Highways, Government of India.</td>
</tr>
<tr>
<td>The Major Port Trusts Act, 1963</td>
<td>Ministry of Shipping, Government of India.</td>
</tr>
<tr>
<td>Inland Waterways Authority of India Act, 1985</td>
<td>Inland Waterways Authority of India</td>
</tr>
</tbody>
</table>

It should be noted that this is only an illustrative list of the authorities that may have jurisdiction in relation to aspects of urban transportation depending on the urban centre. In addition to the authorities depending upon the legal framework of the applicable state, there would be additional multiple authorities that would have jurisdiction over various aspects of urban transport.

The fragmentation of jurisdiction over various aspects of urban transportation is therefore arising from the governing legal framework.

7.2 National Capital Territory of Delhi: Illustration on Multiple Authorities
The authorities that could be involved in a transportation project in National Capital Territory of Delhi, depending on the scope and nature of the proposed project, would be:

(i) **Office of Lieutenant Governor of Delhi**: The office of the Lieutenant Governor of NCT Delhi is a more powerful than governors of other states in India in light of the special constitutional status of the National Capital Territory of Delhi. Article 239AA of the Constitution of India provides the overall framework governing the administration of National Capital Territory of Delhi under which the administration of NCT Delhi will be undertaken by the President of India acting through the Lieutenant Governor of Delhi who will be aided and advised by the Chief Minister and his Council of Ministers. The Council of Ministers would be created from the Legislative Assembly and will not exceed 10% of the total strength of the Legislative Assembly. The Government of the National Capital Territory of Delhi Act, 1991 was enacted to provide the framework for the constitution of the Legislative Assembly. Under the provisions of Article 239AA(4) of the Constitution of India in the event that there is a difference of opinion between the Council of Ministers and the Lieutenant Governor, the Lieutenant Governor shall refer the matter for consideration of the President of India for decision and act according to the decision of the President of India and pending the decision of the President of India, if the matter is so urgent that immediate action is necessary, then the Lieutenant Governor can take such action or give such direction as he may deem necessary. Thus agreement between the Office of the Lieutenant Governor and the Government of NCT Delhi is necessary for effective decision making and implementation of large projects.

(ii) **Office of the Chief Minister, Government of NCT Delhi**: The Chief Minister’s office has the power over all the Departments and

(iii) **Department of Transport Government of NCT Delhi**: Any transportation project within the NCT Delhi would fall under the administrative jurisdiction of the Department of Transport, Government of NCT Delhi and depending upon the scope of the project and the estimated project cost, other agencies would be involved.

(iv) **Finance Department, Government of NCT Delhi**: Any project involving any assignment of revenue or concession, grant of any easement or privilege requires the prior concurrence of the Department of Finance. Thus depending upon the structure of the urban transport project intended to be undertaken, the approval of the Department of Finance would be needed. All PPP projects would require approval of the Finance Department

(v) **Planning Department, Government of NCT Delhi**: The Planning Department is administratively responsible for development of 5 year plans for the NCT Delhi

(vi) **Law Department, Government of NCT Delhi**: Under the Transaction of Business Rules for Government of NCT Delhi, all administrative departments are required to consult the Law Department on the preparation of important contracts to be entered into by or on behalf of the Government of NCT Delhi. Thus any PPP project would need to be vetted by the Law Department, Government of NCT Delhi.

(vii) **Public Works Department, Government of NCT Delhi**: Public Works Department of Delhi is the main agency of Government of NCT Delhi engaged in planning, designing, construction and maintenance of government assets in the field of built environment and infrastructure development.

(viii) **Department of Land and Building, Government of NCT Delhi**: The Land & Building Department of Government of NCT Delhi, is responsible for large scale acquisition of land for planned development of Delhi.
(ix) **Department of Urban Development, Government of NCT Delhi:** The Urban Development Department, Government of NCT Delhi formulates policy, provides funds, monitors and co-ordinates the activities of the urban local bodies, which includes the MCD, NDMC, Delhi Jal Board etc.. This department undertakes the planning for various infrastructure facilities and essential services being implemented by various agencies including municipal services.

(x) **Department of Environment, Government of NCT Delhi:** The Department of Environment has been assigned responsibility of improving the overall Environmental Quality in Delhi. The Department is actively engaged in overall environmental assessment, monitoring, protection and awareness rising among the people of Delhi. Multi-dimensional approach is being adopted by the Department for promotion, conservation and preservation of Environment.

(xi) **Municipal Corporation of Delhi:** The Municipal Corporation of Delhi is one of the two municipal corporations within the NCT Delhi. MCD is governed by the Delhi Municipal Corporation Act, 1958.

(xii) **New Delhi Municipal Corporation:** The New Delhi Municipal Corporation is the second municipal corporation within the NCT of Delhi that has jurisdiction over the New Delhi Municipal area and is constituted and governed by the New Delhi Municipal Corporation Act, 1994

(xiii) **Delhi Development Authority:** the Delhi Development Authority is the development authority for Delhi that was created in 1957 under the Delhi Development Act, 1957, with the primary objective of ensuring the planned development of Delhi. The DDA has the power to acquire, hold, manage and dispute land and other property and execute works in connection with supply of water and electricity, disposal of sewage and other services and amenities and to do anything necessary or experience for the purposes of planned development of Delhi. The DDA formulates and amends the Master Plan for Delhi

(xiv) **Central Public Works Department:** The Central Public Works Department is the department of the Central Government in charge of execution of public works of Government of India and on Government of India land.

(xv) **Delhi Jal Board:** The Delhi Jal Board is the statutory entity created pursuant of the Delhi Jal Board Act, 1998 and is the agency responsible for water supply, sewerage and sewage disposal and drainage within the NCT Delhi. Depending upon the scope of the proposed transportation plan, the approval/coordinations with Delhi Jal Board would be required (for example if roads are sought to be constructed on any major drains under DJB jurisdiction, or requiring work on DJB land or shifting of pipelines etc.

(xvi) **Delhi Pollution Control Board:** The DPCC is the state pollution control created under the Air (Prevention of Pollution) Act and Water (Prevention of Pollution) Act and the Environment Protection Act.

(xvii) **Delhi Metro Rail Corporation (DMRC):** The DMRC is the authority vested with the Delhi Metro Railway network. Any major transport project in NCT Delhi will require coordination with DMRC in the event it is impacting the metro routes or is on the right of way under the DMRC jurisdiction.

(xviii) **Delhi Transport Corporation (DTC):** DTC is the road transport corporation of NCT Delhi. It is the road transport corporation created under the Road Transport
Corporation Act, 1950. Depending upon the scope of any proposed urban transport project, the involvement of DTC may be required.

(xix) **Traffic Police Department:** The traffic police of NCT Delhi would require to provide inputs for urban transport projects in NCT Delhi.

(xx) **Delhi Urban Arts Commission:** The DUAC has been established pursuant to the Delhi Urban Arts Commission Act, 1973 to advise the Government of India in the matter of preserving, developing and maintaining the aesthetic quality of urban and environmental design within Delhi and to provide advice and guidance to any local body in respect of any project of building operations or engineering operations or any development proposal which affects or is like to affect the skyline or the aesthetic quality of the surroundings or any public amenity provided therein.

(xxi) **Delhi Cantonment Board:** Delhi Cantonment Board is the municipal body for the military base areas in NCT Delhi and is created pursuant to and governed by the Cantonment Act, 2006

(xxii) **National Highways Authority of India:** NHAI is the statutory authority created under the National Highways Authority of India Act, 1988 and is vested with the administrative responsibility of managing specific national highways vested with NHAI. There are five major national highways that intersect through NCT Delhi National Highway 1 (Amritsar – Delhi), National Highway 2 (Delhi-Kolkata), National Highway 8 (Delhi – Mumbai), National Highway 10 (Delhi-Pakistan Border) and National Highway 24 (Delhi-Lucknow).

(xxiii) **Airport Authority of India:** Airport Authority of India is the statutory authority that has jurisdiction over airports. The NCT Delhi presently has three airfields: the international and domestic airports located at Palam which are vested with Delhi International Airports Limited under a Concession Agreement and the smaller airfield located at Safdarjung. In the event any proposed transportation project has any interface with civil aviation or any land in possession of civil aviation purposes would require interface with AAI.

(xxiv) **Delhi International Airport Limited** (Concessionaire for Delhi Airport): DIAL is the concessionaire undertaking the development, operation and maintenance of the Delhi International Airport. Any transport project that has an interface with the airport would require interface and consent of DIAL.

(xxv) **DSC Limited** (Concessionaire for Delhi-Gurgaon Expressway): DSC Limited is the Concessionaire for the development of the NH-8 stretch between Delhi and Gurgaon. Any transport project that requires an interface with the NH-8 stretch would require interface and consent of DSC Limited

(xxvi) **Department of Irrigation and Flood Control, Government of NCT Delhi:** The Department of Irrigation and Flood Control is vested with the administrative function of undertaking and implementing schemes relating to irrigation works and flood control along the River Yamuna.

(xxvii) **Archeological Society of India:** The Archeological Society of India is presently governed by The Antiquities and Art Treasures Act 1972 and administers archeological sites and monuments. If the proposed urban transport project connects or impacts or has a location near an archeological site, the ASI approval and coordination would be required.

(xxviii) **National Capital Region Planning Board:** The National Capital Region Planning Board (NCRPB) is a statutory agency created pursuant to the National Capital Regional
Planning Board Act, 1985 and has the function of preparting regional development plan for the entire National Capital Region, which includes the NCT of Delhi but covers a much wider area of about 33,578 sq kms falling in jurisdiction of NCT Delhi, Haryana, UP and Rajasthan.

(xxix) **Trans-Yamuna Area Development Board** is an administrative body established in 1994 by the Government of NCT Delhi for reviewing and evaluating all schemes and projects that are intended to be implemented in the “trans-Yamuna” area of NCT Delhi

(xxx) **Indian Railways**: In the event the proposed transportation project has any impact or interface with railways, then the consent and approval/coordination with Indian Railways would also be required separately for the project

8. **Developments Since 2000 At Union Level**

Since 2000 till 2011, there have been very limited legislative developments at the level of the Union Parliament that have an impact on urban transport. The following are the laws and their impact that were enacted by the Union Parliament since 2000:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Statute</th>
<th>Purpose and Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Motor Vehicles (Amendment) Act, 2000</td>
<td>To Amend s. 52 to the Motor Vehicles Act. The purpose of the amendment was to mandate that owners of motor vehicles cannot make alterations to their vehicles in a manner that would change the particulars recorded in the certificate of registration of the motor vehicles. i.e the engine cannot be changed or the type of fuel cannot be changed. An exception was provided for conversion of fuel to battery or CNG or LPG but such conversion is required to be carried out in accordance with the rules as may be stipulated in that regard. Also s. 217A was added that allowed renewal of registration of vehicles registered under the previous 1934 M.V. Act.</td>
</tr>
<tr>
<td>2.</td>
<td>Motor Vehicles (Amendment) 2001</td>
<td>Deletion of s.66(3)(1) Deletion of s. 67(1)(i)</td>
</tr>
<tr>
<td>3.</td>
<td>Delhi Metro Railway (Operation and Maintenance) Act, 2002</td>
<td>The purpose of this Act was to provide a specific framework that would regulate the commencement of operations and the continued operation and maintenance of the Delhi metro railway network</td>
</tr>
<tr>
<td>4.</td>
<td>The Railways (Second Amendment) Act, 2003</td>
<td>The purpose of this Act was to amend the Railways Act, 1989 to specifically vest authorized railways officials or officers of Railway Protection Force to arrest offenders on railways as well as persons committing specific offences under the Railways Act, 1989.</td>
</tr>
<tr>
<td>5.</td>
<td>The Railways (Amendment) Act, 2005</td>
<td>The purpose of this Act was to amend the Railways Act, 1989 to specifically provide for the creation of a separate authority called the</td>
</tr>
<tr>
<td>Sl. No.</td>
<td>Statute</td>
<td>Purpose and Impact</td>
</tr>
<tr>
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<tr>
<td>6.</td>
<td>The Cantonments Act, 2006</td>
<td>The purpose of this Act was to provide a new comprehensive framework for governance of cantonment areas.</td>
</tr>
<tr>
<td>7.</td>
<td>The Carriage by Road Act, 2007</td>
<td>The purpose of this Act was to provide for the regulation of common carriers, limiting their liability for loss or damage to such goods occasioned by the negligence or criminal acts of themselves, their servants or their agents.</td>
</tr>
<tr>
<td>8.</td>
<td>The Metro Railways (Amendment) Act, 2009</td>
<td>This was enacted to amend the Metro Railways (Construction of Works) Act, 1978 and the Delhi Metro Railway (Operation and Maintenance) Act, 2002 so as to provide a framework whereby the said laws could be extended to other metropolitan cities and metropolitan areas as notified by the Central Government. The name of the Delhi Metro Railways Act was also amended to Metro Railways (operation and Maintenance) Act in order to reflect the change in its scope.</td>
</tr>
</tbody>
</table>

9. **NATIONAL URBAN TRANSPORT POLICY**

Policies on urban transport issued by the Government of India (National Urban Transport Policy, 2006 ("Policy")) and certain States (including NCT Delhi) are presently having very limited utility. The policies lack any statutory basis and are not clear in terms of the end result that they seek to achieve. Unlike the electricity sector where the Electricity Act, 2003 provided basis for National Electricity Plan as well as a National Electricity Policy, which in turn provided a clear direction for the electricity sector and for the policies and plans for effective foundation.

The Policy is a general broad based document that indicates a general declaration of intent, which does not provide any policy and specific direction to the sector.

The Policy gives a broad statement of priority to the “non-motorised transport” while at the same time records that use of non-motorised transport has in fact fallen in urban areas (like in Delhi for instance it has fallen from 17% in 1981 to 7% in 1994).

It talks of a need for providing innovative financing mechanism for urban transport but fails to provide any elements of the same or indicate what policy decision would be required, which will develop such measures.
PART B: REVIEW OF SELECTED STATES

1. REVIEW OF SELECTED STATES

I. DELHI

1.1 DELHI MUNICIPAL CORPORATION ACT, 1957

The Delhi Municipal Corporation Act ("DMC Act") is a legislation enacted by the Parliament, in relation to the Municipal Government of Delhi. The DMC Act provides that the Central Government shall by a notification establish a municipal corporation of Delhi ("Corporation").

The DMC Act lays down certain obligatory functions of the corporation, which includes but not limited to:

(i) the construction, maintenance, alteration and improvements of public streets, bridges, culverts, causeways and the like;
(ii) the lighting, watering and cleansing of public streets and other public places;
(iii) the removal of obstructions and projections in or upon streets, bridges and other public places;
(iv) the maintenance and development of the value of all properties vested in or entrusted to the management of the Corporation; and
(v) the fulfillment of any other obligation imposed by or under this Act or any other law for the time being in force.

Furthermore, the commissioner further has the power to turn or divert any public street. The commissioner also has the power to prohibit the use of public streets for certain kind of traffic, this includes prohibition of certain vehicular traffic on certain public streets to prevent danger etc., the transport of certain demarcated vehicles on the basis of weight / size classification and also prohibit access to premises from any particular public street carrying high speed vehicular traffic.

The DMC Act provides that all public streets, including pavements, stones and other materials are vested in the Corporation. The same shall be governed by the bye-laws and the commissioner shall oversee its functions.

It is also important to note that the following municipal authorities are under the Corporation under the DMC Act:

(a) the Standing Committee;
(b) the Delhi Electric Supply Committee;
(c) the Delhi Transport Committee;

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35 Section 1(2), DMC Act
36 Section 3(1), DMC Act.
37 Section 42, DMC Act
38 Section 2(44), DMC Act
39 Section 301(c), DMC Act
40 Section 303, DMC Act
41 Section 303(a), DMC Act
42 Section 303(b), DMC Act
43 Section 303(c), DMC Act
44 Section 298(1), DMC Act
45 Section 298(2), DMC Act
46 Section 44, DMC Act.
47 Section 45, DMC Act provides that the Standing Committee shall consist of 14 members who shall be elected by the councilors and aldermen from among themselves at the first meeting of the Corporation.
The Corporation has the power to impose:

(i) tolls; and
(ii) yearly taxes on vehicles used within the municipality;

The rates of taxes are determined by the Council within the limits prescribed by Schedule III of the Act for carriages.

1.2 THE NEW DELHI MUNICIPALITIES COUNCIL ACT, 1994


The NDMC Act lays down certain obligatory functions of the corporation, which includes but not limited to:

(i) the construction, maintenance, alteration and improvements of public streets, bridges, culverts, causeways and the like;
(ii) the lighting, watering and cleansing of public streets and other public places;
(iii) the removal of obstructions and projections in or upon streets, bridges and other public places;
(iv) the maintenance and development of the value of all properties vested in or entrusted to the management of the Corporation; and
(v) the fulfillment of any other obligation imposed by or under this Act or any other law for the time being in force.

The Council has the power to impose:

(i) tolls; and
(ii) yearly taxes on vehicles used within the municipality;

The rates of taxes are determined by the Council within the limits prescribed by Schedule II of the Act for carriages.

Furthermore, under the NDMC Act, NDMC has the power to make certain bye law so as to govern streets. This primarily includes closing down of streets for maintenance, setting up of hoards during construction of streets etc.

1.3 DELHI DEVELOPMENT ACT, 1957

The Delhi Development Act, 1957 ("DDA Act") is an enactment to provide for the development of Delhi in accordance to plans (such as the master plan, zonal development plans etc.).
The DDA Act provides that the Central Government shall by a notification establish a Delhi development authority ("DDA")\(^{56}\).

The DDA Act clearly provides that for the purpose of promoting planned development of Delhi the DDA shall have the power to acquire, hold, manage, and dispose of land and other property, to carry out building, engineering, mining and other operations, to execute works in connection with supply of water and electricity, disposal of sewage and other services and amenities which may be necessary or expedient for such purpose\(^{57}\). It is important to note that the term “amenity” has been defined in the DDA Act to include but not limited to roads, public works, and water supply\(^{58}\).

The DDA while preparing the Zonal Development Plan has to look into land use of such zones including provision of amenities, roads, etc.\(^{59}\)

The DDA has the power to require the local authority within whose local limits the area so developed is situated, to assume responsibility for amenities in such area on such terms and conditions as may be agreed between the DDA and the concerned local authority\(^{60}\). The DDA Act also specifies that notwithstanding anything contained in any law in force, no rule, regulation or bye-law, shall be made or amended by a local authority on matter such as sub-division of building sites, roads, lanes, etc. unless the DDA, upon consideration certifies that it does not contravene the provision of the master plan or zonal development plan\(^{61}\).

### 1.4 DELHI BYE LAWS AND REGULATIONS AND OTHER DEVELOPMENT REGULATIONS AS PER MASTER PLAN FOR DELHI PLAN FOR DELHI 2021.

Under the Master Plan 2021, Chapter 19 highlights the activities permitted in use premises and development code\(^{62}\) the following provisions have an impact on the transport sector:

<table>
<thead>
<tr>
<th>S/NO</th>
<th>Use Premises</th>
<th>Activities Permitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Airport</td>
<td>All facilities related to Airport/aviation passengers as decided by Airports Authority of India Including Watch Tower</td>
</tr>
<tr>
<td>2</td>
<td>Rail terminal/integrated Passenger Terminal Metropolitan Passenger Terminal</td>
<td>All facilities related to railway passenger, operations, goods handling, passenger change over facilities including watch and ward, Hotel</td>
</tr>
<tr>
<td>3</td>
<td>Rail</td>
<td>All facilities related to railway tracks, circulation operational areas including watch and ward</td>
</tr>
<tr>
<td>4</td>
<td>Bus Terminal/Bus depot</td>
<td>All facilities related to Bus and passengers parking including watch and ward, soft drink and snack stall, administrative office, other offices and hotel</td>
</tr>
<tr>
<td>5</td>
<td>ISBT</td>
<td>All facilities related to Bus and passengers parking including watch and ward, Bus terminal, soft drink and snack stall</td>
</tr>
</tbody>
</table>

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\(^{56}\) Section 3(1), DDA Act.

\(^{57}\) Section 6, DDA Act.

\(^{58}\) Section 2(a), DDA Act

\(^{59}\) Section 7, DDA Act.

\(^{60}\) Section 36, DDA Act.

\(^{61}\) Section 53A, DDA Act.

\(^{62}\) As per table 12.7 of the MPD 2021
### 1.5 THE DELHI METRO RAILWAY (OPERATION AND MAINTENANCE) ACT, 2002

The Delhi Metro Railway (Operation and Maintenance) Act 200 ("DMR Act") is an act to provide for operation and maintenance and to regulate the working of metro railway in the metropolitan city.

The Central Government may through notification for purpose of efficient administration of a Government metro railway, in the metropolitan city of Delhi, constitute such railways as it deems fit.

The function of a metro railway administration shall be to: (i) maintain and operate metro railway. For public carriage of passengers, constructed upon, across, under, or over any land, building, street, road or passage in the metropolitan city of Delhi; and (ii) engage in such other activities or perform such other functions as may be considered necessary for the purpose of operation and maintenance of metro railway in the metropolitan city of Delhi.

The metro railway administration has the power to:

(a) acquire, hold and dispose of all kinds of properties owned by it, both movable and immovable;
(b) improve, develop or alter any property or asset held by it;
(c) enter temporarily in or upon the lands adjoining the metro railway alignment in order to remove obstruction, or prevent imminent danger from any source, such as tree, post or structure, which may obstruct the movement of the rolling stock, or passengers, or the view of the signal provided for movement of the rolling stock;
(d) execute any lease or grant any licence in respect of the property held by it;
(e) enter into, assign and rescind any contract or obligation;
(f) employ an agent or contractor for discharging its functions;
(g) obtain licence from the Central Government to establish and maintain telegraph lines;
(h) lay down or place electric supply lines for conveyance and transmission of energy and to obtain licence for that purpose; and
(i) do all incidental acts as are necessary for discharge of any function conferred, or imposed, on it by this Act.

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63 Section 3, DMR Act.
64 Section 5, DMR Act.
65 Section 6, DMR Act.
Under the DMR Act, the Central Government also has the power to appoint one or more Commissioners of Metro Safety, whose duties include inspection of metro railway to see whether it is fit to be opened for public carriage of passengers, make periodical or other inspections of metro railway, its rolling stock used thereon and other installations, make inquiry under the provisions of this Act into the cause of any accident on the metro railway.

The Commissioner has the power to: (i) temporarily suspend traffic in case of an accident on the metro railway; (ii) close metro railway opened for public carriage of passengers; and (iii) re-open metro railway.

The metro railway administration has the power to establish fares on the basis of recommendations by the fare fixation committee. The fare fixation committee established by the central government for the purpose of recommending fare for carriage of passengers by metro railway. It is important to note that the recommendations of the Fare Fixation Committee shall be binding on the metro railway administration.

1.6 THE UNIFIED TRAFFIC AND TRANSPORTATION INFRASTRUCTURE (PLANING AND ENGINEERING) CENTRE

The Unified Traffic and Transportation Infrastructure (Planning & Engineering) Centre ("UTTIPC") is set up by Delhi Development Authority in exercise of powers conferred by the DDA Act notified in the Gazette vide S.O. No.1903 (E) dated 31.07.08.

As per the notification, all transportation projects/transport engineering solutions in Delhi by any agency having road engineering/infrastructure implication would require clearance of the centre ("UTTIEPC"). This would ensure the latest technology and research finding support is available to all new roads and projects.

The main functions of UTTIPEC are as follows:

i. To study and coordinate the norms and standards for Planning and Engineering Practices in Traffic and Transportation.


iii. Traffic Road Safety Audit Guidelines (TRSAG).

iv. To coordinate the Engineering and Infrastructure aspects of sustainable public transportation system.

v. To evolve a parking policy and evolve parking solutions.


vii. To act as a repository for sharing of traffic and transportation plans/database/information/digitization and website development.


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66 Section 7, DMR Act.
67 Section 8, DMR Act.
68 Section 17, DMR Act.
69 Section 18, DMR Act.
70 Section 19, DMR Act.
71 Section 33, DMR Act. As per section 34 of the DMR Act, the Fare Fixation Committee shall comprise of a chairman and two other members, the chairman mandatorily has to be judge of a High court
72 Section 34, DMR Act.
73 Section 37, DMR Act.
ix. Developing protocols and norms for signages, street furniture, lighting, signals, hoardings, trees, roadside landscapes, zebra crossing, pedestrian passages, commuter facilities etc.


xi. To take up other related activities as may be considered appropriate by the ‘TT Centre’ including co-ordination, capacity building and training.

1.7 THE DELHI MOTOR VEHICLE RULES, 1993

The Delhi Motor Vehicle Rules, 1993 (“DMV Rules”) have been formulated to provide for the implementation of the Motor Vehicles Act, 1988\(^\text{74}\). The DMV Rules provides for a Licensing Authority\(^\text{75}\), which is under the superintendence of the Commissioner. The Commissioner is the executive head of Transport Department of Delhi\(^\text{76}\).

For the purpose of grant of license under the DMV Rules, the Licensing Authority shall be the officer appointed/empowered as such by the Commissioner\(^\text{77}\), and under the DMV Rules the Registering Authority shall be any officer appointed by the Commissioner.\(^\text{78}\) The functions of such the Licensing Authority includes issuance of driver license; conductor license, and any other function assigned by the Commissioner.\(^\text{79}\)

There is also a State Transport Authority that is constituted under the Chapter V of the DMV Rules\(^\text{80}\). It has been clearly provided that there shall be no regional Transport Authority for the National Capital Territory of Delhi and there shall be only one State Transport Authority for the whole of National Capital Territory of Delhi.\(^\text{81}\)

Every application for a permit in respect of a transport vehicle shall be addressed to the Secretary, State Transport Authority, Delhi, and in the form as prescribed under the DMV Rules\(^\text{82}\). In granting the permit the State Transport Authority has the power to make the terms of the application in a reasonable degree (including the type of equipment that may be carried on such stage carriage or contract carriage and number of passengers that can be carried on such transport vehicles).\(^\text{83}\) Furthermore, it is important to note that every stage carrier is required to follow a specific route plan\(^\text{84}\), and a fare table duly attested by the State Transport Authority\(^\text{85}\).

The DMV Rules also provide that the every scheme for road transport service and every scheme proposing modification of an approved scheme for road transport service shall be prepared by the State Transport Undertaking\(^\text{86}\). After considering the objections the approved scheme (or modified) by the State Government shall be notified in the Official Gazette\(^\text{87}\).

1.8 BUS SERVICES IN DELHI

The road network is being developed and is maintained by NHAI, PWD, MCD, NDMC, DCB, and DDA.

\(^{74}\) In Exercise of section 28,38,65,95,96,101,11,138,176,211 and 213 read with 2(4) of the Motor Vehicles Act

\(^{75}\) Rule 3(1), DMV Rules.

\(^{76}\) Rule 3(2), DMV Rules.

\(^{77}\) Rule 3(3), DMV Rules.

\(^{78}\) Rule 30(1), DMV Rules.

\(^{79}\) Rule 3(5), DMV Rules.

\(^{80}\) Chapter V, DMV Rules.

\(^{81}\) Rule 63, DMV Rules.

\(^{82}\) Rule 53(1), DMV Rules.

\(^{83}\) Rule 53(2)(3), DMV Rules.

\(^{84}\) As per Rule 58, DMV Rules, the route plan shall show the place of origin, termination point and the detailed route that has to be followed by the stage carrier

\(^{85}\) Rule 58, DMV Rules.

\(^{86}\) Rule 89, DMV Rules.

\(^{87}\) Rule 92, DMV Rules.
In 2008, bus operations - stage carriage operations, in Delhi are provided by - a) Private Stage Carriages, and b) Delhi Road Transport Authority.

The Ministry of Transport, Government of India took over the local bus services of Delhi in May 1948 in the name of Delhi Transport Service when they found that the services offered by Gawalior and Northern India Transport Company Ltd., the then licensee, were inadequate. A Delhi Road Transport Authority (“DTC”) was constituted under the Road Transport Corporation Act, 1950. This Authority became undertaking of Municipal Corporation of Delhi by an Act of Parliament in April, 1958.

On the recommendation of a Working Group of Planning Commission which concluded that Delhi Transport as an extension of Municipal Corporation of Delhi had not been functioning efficiently and adequately resulting in leakage of revenue and very high operation cost, Govt. of India took over the management of the undertaking by passing the Delhi Road Transport Laws (Amendment) Act, in 1971. It took over the assets and liabilities from the erstwhile Delhi Transport Undertaking (DTU) operated by the Municipal Corporation of Delhi till 2nd Nov, 1971. Thus the DTC was set up in 1971. In section 22 of the Road Transport Corporation Act, 1950, following objectives were laid down for the DTC:

1. To provide or secure or promote an efficient, economical, reliable and properly coordinated system the road transport in Union Territory of Delhi and any extended area.
2. In doing so, it shall act on business principles.
3. To achieve a high level operational efficiency.
4. To charge fares not exceeding those prescribed by the State Under Section 43(1)(i) of the Motor Vehicle Act, 1939.
5. To attain financial self-sufficiency.

DTC which was functioning under the administrative control of Govt. of India, was finally taken over by Govt. of NCT, Delhi on 05.08.96 and is presently an undertaking of the Government of NCT Delhi.

It may be noted that DMRC, has recently introduced connector services to the Metro Rail. In addition, public transport services are being provided through operations of contract carriage (for point to point transport) and for/ by educational institutions.

In 2010 additional buses operated under a separate scheme providing for a grant of concession to a private sector operator for operating buses on certain identified routes was implemented. These buses operate under the scheme name “Delhi Transit”. This scheme is under DTC but monitored by DIMTS for GNCTD.

Besides the road network, Delhi is also served by a railway network comprising services of Indian Railways and DMRC. The Indian Railway network has about 43 railway stations. There are four major stations (Old Delhi, New Delhi, Nizammudin and Sadar Bazar) catering to more than 0.1 million passengers per day as per revised Master Plan for Delhi MRTS 2001. There are eight radial Railway lines extending to its suburban areas spread over states of Uttar Pradesh and Haryana besides the Delhi Metropolitan. DMRC is operating three corridors of metro rail network and has plans for future expansion.

The road transport services in Delhi have been subject to numerous litigation in Delhi High Court and Supreme Court.

The Supreme Court of India had ordered that the buses in Delhi be converted to CNG in 1998, which was implemented for the DTC fleet by 2002. The scheme of granting permits to private operators has also been subject of litigation which were consolidated and disposed by High Court in the case of Om Prakash Pahwa v. State of Delhi (75(1998)DLT3. The Delhi
High Court in the case of *Om Prakash Pahwa v. State of Delhi* (75(1998)DLT3) had struck down the earlier attempt to restructure the provision of non-DTC bus service in Delhi because it was not satisfied that due application of mind had been undertaken by the relevant authorities in formulation of the substitute scheme. The High Court particularly noted that since DTC was itself heavily in debt and beset with labour troubles, it cannot *prima facie* be expected to provide an efficient bus service that will meet the public interest. The Court struck down the “Km Scheme” (which was the earlier attempt to restructure the non-DTC public bus service) on ground that it was not in accordance with the applicable law regulating grant of permits under the M.V. Act. This was because M.V. Act did not allow the bus to be operated by a person other than the holder of the permit and the “KM Scheme” provided that buses will operate under DTC as DTC’s nominee – with DTC being the general permit holder as the authorised road transport corporation. The existing law (in the absence of a special law) does not allow a road transport corporation to appoint nominees to exploit the permits by running motor vehicles against payment of an amount, in the absence of a statutory provision authorising the grant of such permission. The Delhi High Court in its judgement in the *Om Prakash Pahwa* case clearly held that the Doctrine of Promissory Estoppel will not be applicable against a scheme implemented by the state government pursuant to s. 99 of the MV Act, 1988 and that the state government is free to formulate new policies to regulate public transport. Thus, existing permit holders cannot claim a “right” to continue in the business of providing bus service in the face of a change in policy in accordance with applicable law.

Pursuant to this order of the Delhi High Court the earlier “kilometer scheme” was scrapped and replaced by a more structured permit system and then eventually resulting in phasing out of old private buses to a very large extent.

### II. MUMBAI, NAGPUR AND PIMPRI CHINCHWAD

#### 2.1 THE CITY OF NAGPUR CORPORATION ACT, 1948

The City of Nagpur Corporation Act (“CNC Act”) was enacted to create a municipal corporation for the urban area comprising the city of Nagpur.88

The Municipal Authorities charged with carrying the provisions of the Act include:89

1) The Corporation
2) The Standing Committee
3) The Commissioner

In addition, there will be not more than ten Ward Committees,90 whose functions will include speedy redressal of common grievances of citizens connected with local and essential municipal services like water supply, drainage, sanitation and storm water disposal.91

The Special Consultative Committees are created under the Act to develop public works, public health and markets, education, hospitals, and waterworks.92 The Public Works

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88 Section 1(2) of the City of Nagpur Corporation Act
89 Section 6 of the City of Nagpur Corporation Act
90 Section 38(1) of the City of Nagpur Corporation Act
91 Section 38(7)(a) of the City of Nagpur Corporation Act
92 Section 39 of the City of Nagpur Corporation Act
Committee discharges the function of enquiring and reporting on any matter connected with roads, building, lighting, public parks and gardens.\(^{93}\)

The Municipal authorities are obligated to discharge the following functions:

- i) lighting public streets, places and buildings\(^{94}\)
- ii) cleaning public streets, places and sewers and all spaces that are not private property\(^{95}\)
- iii) removing obstructions and projections in public streets or places.\(^{96}\)
- iv) The construction and alteration of public streets.\(^{97}\)
- v) Provision of traffic signs\(^{98}\)
- vi) Construction, purchase, organization and maintenance or management of tramways, trackless trams or motor transport facilities for the conveyance of the public.\(^{99}\)

All public streets not being land owned by the Government, and the pavements, stone and other materials thereof and also trees growing on, and erections, materials, implements and things provided for such streets is property vested in the corporation.\(^{100}\)

The Corporation is empowered to impose a tax payable by the owners of all or any vehicles or animals used for riding, driving, draught, or burden where such animals or vehicles are kept within the city.\(^{101}\) The Corporation shall also impose a toll on vehicles and animals used as aforesaid entering the City and on boats moored within the City.\(^{102}\) Corporation shall also impose a lighting rate where the lighting of public streets and places is undertaken by the government.\(^{103}\)

The Corporation is vested with the power of closing public streets,\(^{104}\) laying railway, tramways or electric telephone poles,\(^{105}\) prohibiting obstructions on streets,\(^{106}\) and opening up or breaking up streets.\(^{107}\) The Corporation is in charge of ensuring maintenance of streets – leveling, metalling etc., construction of public streets,\(^{108}\) and bridges.\(^{109}\)

In 1992 an amendment was made to the CNC Act, empowering the Corporation to institute a pay and park system, in order to decrease the traffic congestion in the municipal areas.\(^{110}\)

The Corporation may direct the Commissioner to draw up a town planning scheme to regulate erection and number of buildings, shops, warehouses and factories on public streets and in public localities.\(^{111}\)

### 2.2 MAHARASHTRA MARITIME BOARD ACT, 1996

93 Section 39(1)(a) of the City of Nagpur Corporation Act
94 Section 39(1)(a) of the City of Nagpur Corporation Act
95 Section 57(1)(b) of the City of Nagpur Corporation Act
96 Section 57(f) of the City of Nagpur Corporation Act
97 Section 57(1)(j) of the City of Nagpur Corporation Act
98 Section 57(1)(w) of the City of Nagpur Corporation Act
99 Section 58(q) of the City of Nagpur Corporation Act
100 Section 73 of the City of Nagpur Corporation Act
101 Section 114(b), and Section 153-A of the City of Nagpur Corporation Act
102 Section 114(c) of the City of Nagpur Corporation Act
103 Section 297 of the City of Nagpur Corporation Act
104 Section 298 of the City of Nagpur Corporation Act
105 Section 299 of the City of Nagpur Corporation Act
106 Section 304 of the City of Nagpur Corporation Act
107 Section 309, 310, of the City of Nagpur Corporation Act
108 Section 312 of the City of Nagpur Corporation Act
110 Section 271, Of the City of Nagpur Corporation Act
The Maharashtra Maritime Board Act extends to the whole of Maharashtra and was made to vest administration, control and management of minor ports in the state to the Board and provide for mattes connected therewith.\textsuperscript{112}

The Government, by notification in the Official Gazette, is to establish the Maharashtra Maritime Board under the provisions of this Act.\textsuperscript{113}

The Board may execute and provide for buses, locomotives, rolling stock, sheds and other accommodation for passengers and for conveying, receiving and storing landed goods, to be shipped or otherwise\textsuperscript{114}, apart from providing vessels, tugs, boats, barges, launches and tuggers for use within or beyond the limits of the port including beyond territorial waters or for the purposes of towing, rendering assistance to any vessel saving or protecting life or landing, shipping and transshipping passengers or goods\textsuperscript{115} and ferry boats and other works and equipment's pertaining to running ferry services between ports\textsuperscript{116}. Additionally the Board is empowered to reclaim, excavate, enclose and raise any part of the foreshore of the port or port approaches which may be necessary for the execution of the works authorized by this Act.\textsuperscript{117} The Board is in charge of ferry boats and other works and equipment pertaining to running of a ferry service at or between ports.\textsuperscript{118}

The Board has the right to declare docks, berths, wharfs, quays, stages, jetties, piers or places or anchorage fit for the purposes of landing and shipping goods or passengers after obtaining the approval of the Collector of Customs by issuing a notification in the Official Gazette. The Board can then from time to time order vessels to come alongside such docks, etc for the purposes of landing or shipping of vessels.\textsuperscript{119} Similarly, the Board may direct the vessels to only ship from and upon the mentioned docks, etc if sufficient accommodation has been provided at any port.\textsuperscript{120}

Lastly, the Board may in cases of emergency or any other such reason order the owner, master or agent of any sea going vessel to remove or not bring such vessel from any dock, berth, wharf, quay, stage, jetty, pier or place of anchorage, and charge a fine if his orders are contravened.\textsuperscript{121}

The Board may from time to time frame a scale of rates (a rate means and includes any toll, dues, rent, fee or charge that is allowed to be levied for the purposes of this Act)\textsuperscript{122} for any service performed by itself or any person authorized so or in relation to port and port approaches including transshipping of passengers or goods between vessels in the port or port approaches, stevedoring, landing and shipping of passengers or goods from or to such vessels, or any other service in respect of vessels, passengers or goods.\textsuperscript{123}

2.3 THE BOMBAY MUNICIPAL CORPORATION ACT, 1888

The Bombay Municipal Corporation Act, 1888 (“BMC Act”) extends to Greater Bombay which includes the areas specified in Parts I, II, III of Schedule A of the Greater Bombay Laws and the Bombay High Court (Declaration of Limits) Act 1945 and on and from the date

\begin{itemize}
\item Section 1(4), MMB Act\textsuperscript{112}
\item Section 3 of the MMB Act\textsuperscript{113}
\item Section 25(2)(b) of the MMB Act\textsuperscript{114}
\item Section 25(2)(h) of the MMB Act\textsuperscript{115}
\item Section 25(2)(l) of the MMB Act\textsuperscript{116}
\item Section 25(2)(d) of the MMB Act\textsuperscript{117}
\item Section 25(2)(l) of the MMB Act\textsuperscript{118}
\item Section 27 of the MMB Act\textsuperscript{119}
\item Section 28 of the MMB Act\textsuperscript{120}
\item Section 30 of the MMB Act\textsuperscript{121}
\item Section 2(w) of the MMB Act\textsuperscript{122}
\item Section 37 of the MMB Act\textsuperscript{123}
\end{itemize}
of commencement of the Bombay Municipal [Further Extension of Limits and Schedule BBA(Amendment)] Act, 1956 includes the extended suburbs mentioned in Part IV of that Schedule.\textsuperscript{124}

The Act constitutes the following municipal authorities\textsuperscript{125} for carrying out the provisions of the Act:

- A Municipal Corporation\textsuperscript{126}
- A Standing Committee\textsuperscript{127}
- An Improvement Committee\textsuperscript{128}
- A Bombay Electric Supply and Transport Committee\textsuperscript{129}
- An Education Committee\textsuperscript{130}
- A Municipal Commissioner\textsuperscript{131} and
- A General Manager of the Bombay Electric Supply and Transport Undertaking\textsuperscript{132}

The Act makes the authorities responsible for levying certain taxes, constituting a fund for managing the finances of the municipal council, developing and promoting public health, safety and convenience by looking into areas like water supply, lighting, drainage, sewage disposal, scavenging, maintenance and repairing of public and private streets and buildings, maintenance of vital statistics of birth and death, prevention of nuisance, city improvement, and collection of licenses and fees.

The Municipal Corporation may from time to time, if it be their discretion, construct, purchase, organize, maintain, extend and manage tramways, trackless trams or mechanically propelled transport facilities for the conveyance of the public.\textsuperscript{133}

Taxes can be imposed on vehicles and animals\textsuperscript{134}. Vehicles are defined to include carriages, carts, cans, drays, trucks, handcarts and any wheeled conveyance of any description capable of being used on the streets of the city.\textsuperscript{135} However, taxes on motor vehicles can only be levied in accordance with Section 20 of the Bombay Motor Vehicles Tax Act, 1958.\textsuperscript{136} The tax rates are specified in Schedule G of the BMC Act for all vehicles kept within Greater Bombay.\textsuperscript{137}

The authorities have the power to exempt certain vehicles from taxation - vehicles certified by the Commissioner or the Police Commissioner to be employed by the owner of municipal or police purposes, gun carriages, ordinance carts or wagons, artillery, cavalry horses, vehicles exempted from municipal taxation under Section 16 of the Indian Territorial Force Act, 1920 or Section 34 of the Auxiliary Force ACT, 1920, vehicles vesting in the Central Government, or vesting in the Government solely for usage in public purposes and not for purposes of profit, vehicles belonging to the Corporation, motor vehicles belonging to a foreign Consular Officer de Carrier or Trade Commissioner, vehicles kept by bona fide

\begin{itemize}
\item Section 3(a1) of the BMC Act
\item Section 4 of the BMC Act
\item Section 5 of the BMC Act
\item Section 42 of the BMC Act
\item Section 49A of the BMC Act
\item Section 50 of the BMC Act
\item Section 50H of the BMC Act
\item Section 54 of the BMC Act
\item Section 60A of the BMC Act
\item Section 63(jja) of the BMC Act
\item Section 139(2) of the BMC Act
\item Section 3(q) of the BMC Act
\item Proviso to Section 139 of the BMC Act
\item Section 180 of the BMC Act
\end{itemize}
dealers in vehicles for mere sales, trucks used exclusively on a wharf or in or upon any premises appertaining to a factory, workshop, warehouse or railway, handbarrows having a single wheel and children’s perambulators from taxes. The said taxes are leviable from the owner of the vehicle or the person having possession and control of it and his name and the vehicles specifications along with the tax amount due would be noted in a book maintained by the Commissioner.

Moreover, the Commissioner has the right to refund the tax levied and paid on any vehicle in respect of any year if he is satisfied that such vehicle ceased to be kept within Greater Bombay, or was destroyed or otherwise rendered unfit for usage or was kept in for repairs. If the tax on the vehicle is not paid and a number plate is not obtained and affixed to the vehicle within thirty days from the date of which the tax became due, the Commissioner can seize or detain the vehicle. If the owner or any other person entitled to the vehicle does not claim the vehicle and pay the taxes along with any charges incurred in connection with the seizure and connection within seven days from the seizure, the vehicle may be sold and the proceeds applied to the discharge of the sum.

The Commissioner has the right to make reasonable and adequate provisions for the passage and diversion of traffic during the execution of any work being done by the Corporation on the street to secure access to all premises approached from such a street. The General Manager has the right to construct or acquire transport undertakings including tramways, trackless trams, and mechanically propelled transport facilities for the conveyance of the public, subject to the provisions of the Motor vehicles Act, 1939 or any other enactment in force at the specific time. The General Manager also has the right to exercise any of the powers of the licensee holding a stage carrier in relation to the provision of mechanically propelled transport facilities for the conveyance of the public.

The General Manager may also maintain, keep in good condition and repair any street where on any tramway of the Bombay Electric Supply and Transport Undertaking is laid. Moreover, he is responsible to maintain the area between two tramways which are not more than six feet apart and the street ways that extend eighteen inches beyond the rails of and on each side of any such tramway.

A new tramway can be laid on any public street or a single line tramway can be converted to a double line tramway with the permission of the corporation and the Provincial Government.

Fares and charges are leviable for the conveyance of passengers or the carriage of goods by any means of transport provided by the Bombay Electric Supply and Transport Undertaking at rates fixed by them. Fines can be imposed on people who try to travel in any such vehicle without paying the designated fare.

138 Section 181(a) to 181(i) of the BMC Act
139 Section 182 of the BMC Act
140 Section 186 of the BMC Act
141 Section 190 of the BMC Act
142 Section 208 of the BMC Act
143 Section 208 of the BMC Act
144 Section 320 of the BMC Act
145 Section 460A of the BMC Act
146 Section 460A(f) of the BMC Act
147 Section 460D of the BMC Act
148 Section 460E of the BMC Act
149 Section 460H of the BMC Act
The public streets are vested in the corporation,\(^{150}\) which is also empowered to make new streets,\(^{151}\) prescribing the regular line of a street,\(^{152}\) prohibiting projections and obstructions,\(^{153}\) naming streets,\(^{154}\) and giving permits for temporary erection on streets during festivals.\(^{155}\)

2.4 THE BOMBAY PROVINCIAL MUNICIPAL CORPORATION’S ACT, 1949

The BPMC Act extends to the areas of Municipal Corporation constituted or deemed to be constituted under the Act itself, in the State of Maharashtra.\(^ {156}\) It is important to note that the Pimpri Chinchwad Municipal Corporation was constituted on 5th October, 1982 under a notification issued by the State Government under section 3(2) of the Bombay Provincial Municipal Corporation Act, 1949.

The Corporation of every City constituted under the BPMC Act existing on the date of coming into force of the Maharashtra Municipal Corporations and Municipal Councils (Amendment) Act 1994 specified as a larger urban area in the notification issued in respect thereof under Article 243Q(2) of the Constitution of India, is deemed to be the Municipal Corporation of the city of that large urban area.\(^ {157}\)

The municipal authorities charged with carrying out the provisions of the Act include the Corporation, the Standing Committee, the Wards Committee and a Municipal Commissioner for each city. In the event of the Corporation establishing or acquiring a Transport Undertaking, a Transport Committee\(^ {158}\) and a Transport Manager\(^ {159}\) are also appointed.\(^ {160}\)

The Act makes the authorities responsible for levying certain taxes, constituting a fund for managing the finances of the municipal council, developing and promoting public health, safety and convenience by looking into areas like water supply, lighting, drainage, sewage disposal, scavenging, maintenance and repairing of public and private streets and buildings, maintenance of vital statistics of birth and death, prevention of nuisance, city improvement, and collection of licenses and fees.

The Municipal Corporation may from time to time, if it be their discretion, construct, purchase, organize, maintain or manage light, railways, tramways, trackless trams or other motor transport facilities for the conveyance of the public or goods within or without the City.\(^ {161}\)

The Municipal Corporation imposes taxes on vehicles, animals and boats\(^ {162}\) and toll on vehicles entering the city\(^ {163}\), such that no tax or toll is levied in contravention to the provisions of Section 20 of Bombay Motor Vehicles Act, 1958.\(^ {164}\)

Tax rates, not exceeding those prescribed by the State Government, are levied on vehicles, boats and animals when kept for use in the City for the conveyance of pass passengers and goods and boats used for riding, racing or draught.\(^ {165}\) Vehicles and boats belonging to the Corporation other than those used exclusively for the purposes of the Transport Undertaking,
those vesting in the Government and used solely for public purposes and not used or intended to be used for profiteering, those belonging to the defence forces, those intended exclusively for the conveyance free of charge of the injured, sick or dead, children’s perambulators and tricycles, those belonging to the municipal officers or servants for the discharge of their duties, those kept by bona fide dealers for sale or those used exclusively for the conveyance of disabled persons are exempted from such taxation.\textsuperscript{166}

The Commissioner has the right to prohibit vehicular traffic in any particular street vesting in the Corporation in order to prevent danger, obstruction or inconvenience to the public.\textsuperscript{167} Moreover, he has the right to prohibit the transit of any vehicle of any form, construction, weight or size or any vehicle laden with heavy or unwieldy objects which might cause injury to the roadways or any construction therein, or which might act as an obstruction to other vehicles or pedestrians along or over any said street.\textsuperscript{168}

The Transport Manager, under the superintendence of the Transport Committee and the Corporation, performs all necessary acts for the economical and efficient maintenance, operation, administration and development of the Transport Undertaking.\textsuperscript{169} He may construct or acquire transport undertakings, including mechanically propelled transport facilities for the conveyance of the public, subject to the provisions of the Motor Vehicles Act and even acquire the powers of a licensee holding a stage permit under the Motor Vehicles Act, 1939 in the same context.\textsuperscript{170}

Fares and charges are leviable for the conveyance of passengers or the carriage of goods by any means of transport provided by the Transport Undertaking at the rates that are fixed from time to time by the Transport Committee with the approval of the Corporation. Fines can be imposed on people who try to travel in any such vehicle without paying the designated fare.\textsuperscript{171}

The public streets are vested in the corporation,\textsuperscript{172} which is also empowered to make new streets,\textsuperscript{173} prescribing the regular line of a street,\textsuperscript{174} prohibiting projections and obstructions,\textsuperscript{175} and giving permits for temporary erection on streets during festivals.\textsuperscript{176} Section 243A was inserted by the 1992 Amendment to allow for parking and halting in certain specified areas where fees and charges can be imposed by the Corporation.\textsuperscript{177} Sections 244 and 245 empower the Corporation to regulate sky signs and advertisements on public streets.\textsuperscript{178}

2.5 BOMBAY AERIAL ROPEWAYS ACT, 1955

The Bombay Aerial Ropeways Act, 1955 defines an "aerial ropeway" as a system of overhead ropes on which carriers are used for the purpose of carriage of passengers, animals or goods and includes posts, ropes, carriers, stations, offices, warehouses, workshops, machinery and other works used for the purposes of, or in connection with, and

\textsuperscript{166} Section 143 of the BPMC Act
\textsuperscript{167} Section 208(1) (a) of the BPMC Act
\textsuperscript{168} Section 208(1)(b) of the BPMC Act
\textsuperscript{169} Section 342 of the BPMC Act
\textsuperscript{170} Section 345 of the BPMC Act
\textsuperscript{171} Section 343 of the BPMC Act
\textsuperscript{172} Section 202 of the BPMC Act
\textsuperscript{173} Section 205 and 207 of the BPMC Act
\textsuperscript{174} Section 210 of the BPMC Act
\textsuperscript{175} Section 226 of the BPMC Act
\textsuperscript{176} Section 234 of the BMC Act
\textsuperscript{177} Section 243A of the BPMC Act
\textsuperscript{178} Section 244 and 245 of the BPMC Act
all land appurtenant to, such aerial ropeway;\textsuperscript{179} and a “carrier” as any vehicle or receptacle
hung or suspended from or, hauled by, a rope and used for the carriage of passengers, animals or goods or for any other purpose in connection with the working of a ropeway.\textsuperscript{180}

Section 3 states that the State Government shall, by notification in the Official Gazette, constitute an Advisory Board for aerial ropeways comprised of experts in the field. Such Board shall consist of a Chairman to be appointed by the State Government who shall be a Chief Engineer to the Suite Government and two persons to be appointed by the State Government as expert members.\textsuperscript{181}

The State Government may, on application made by any intending promoter, and after due consideration of the details supplied in the application (a description of the undertaking and of the route to be followed by the proposed aerial ropeway; a description of the system of construction and management and of the advantages to the community to be expected from such ropeway; an estimate of the cost of construction thereof; a statement of the estimated working expenses and profits in respect thereof; a statement of the maximum and minimum rates which it is proposed to charge; such maps, plans, sections and drawings in connection therewith as the State Government may require in order to form an idea of the proposal),\textsuperscript{182} publish in the Official Gazette a draft of the proposed order authorising the construction by, or on behalf of, such promoter, subject to such restrictions and conditions as the State Government may think proper, of an aerial ropeway within any area, or along any route specified in such order.\textsuperscript{183}

\begin{itemize}
  \item a. for the public carriage of passengers;
  \item b. for the public carriage of passengers and goods;
  \item c. for (lie public carriage of animals and goods; or
  \item d. for the public carriage of passengers, animals and goods.
\end{itemize}

On application of the promoter the ropeway may be made open to the public\textsuperscript{184} on inspection of the same by the Board.\textsuperscript{185}

\begin{itemize}
  \item 2.6 THE MAHARASHTRA INDUSTRIAL DEVELOPMENT ACT, 1961
\end{itemize}

The Maharashtra Industrial Development Act, 1961 makes special provision for securing the orderly establishment of industrial areas and industrial estates in the state of Maharashtra.\textsuperscript{186}

The Act defines “amenity” as including road, supply of water or electricity, street lighting, drainage, sewerage, conservancy and such other convenience as the State Government may specify.\textsuperscript{187} The Act states that one of the general powers of the Corporation is to provide or cause to provide amenities and common facilities in industrial estates and industrial areas and construct and maintain or cause to be maintained works and buildings thereof.\textsuperscript{188}

The Act allows for the Corporation to levy fees or service charges to cover its expenses on maintenance of roads, drainage, water supply and such other services and amenities as may be provided by it, including the provision of street lighting, at such rates as may be

\textsuperscript{179} Section 2(a) of the Bombay Aerial Ropeways Act. 1955
\textsuperscript{180} Section 2(b) of the Bombay Aerial Ropeways Act. 1955
\textsuperscript{181} Section 3 of the Bombay Aerial Ropeways Act. 1955
\textsuperscript{182} Section 8 of the Bombay Aerial Ropeways Act. 1955
\textsuperscript{183} Section 9 of the Bombay Aerial Ropeways Act. 1955
\textsuperscript{184} Section 12 of the Bombay Aerial Ropeways Act. 1955
\textsuperscript{185} Section 14 of the Bombay Aerial Ropeways Act. 1955
\textsuperscript{186} Preamble of the Maharashtra Industrial Development Act, 1961
\textsuperscript{187} Section 2(a) of the Maharashtra Industrial Development Act, 1961
\textsuperscript{188} Section 15(c) of the Maharashtra Industrial Development Act, 1961
prescribed from time to time. Such fees or charges may be levied on the plot holders or other person receiving the benefits of those amenities.\textsuperscript{189}

2.7 THE BOMBAY METROPOLITAN REGION DEVELOPMENT AUTHORITY ACT, 1974

This Act was created to form Greater Bombay and certain areas around the area into a Bombay Metropolitan Region, to provide for the establishment of an Authority for the purpose of planning, coordinating and supervising the development of the areas and executing plans, projects and schemes, as there were several local authorities separately dealing with such matters in their own jurisdiction without the necessary coordination.\textsuperscript{190}

The Act defines ‘amenity’ as including road, bridge, any other means of communication, transport, supply or water and electricity, street lighting, drainage, sewerage and any other convenience as the State Government may notify for the purposes of this Act.\textsuperscript{191}

There are three Functional Boards of Authority under the aegis of the Act, each of which will consist of a full time Chairman and such other members, not exceeding five, as appointed by the State Government, two of whom shall have special knowledge and experience in relation to the functions that the Board needs to carry out: a Transport and Communications Board, a Water Supply and Sewage Board and a Housing, Urban Renewal and Ecology Board.\textsuperscript{192}

The Metropolitan Authority has to provide amenities\textsuperscript{193} and formulate schemes for the development or urban renewal of the Metropolitan region.\textsuperscript{194}

The Metropolitan Authority may impose a cess on buildings and lands, at a rate not exceeding five per cent, which shall be collected by the local authority within whose areas the properties are situated as if the cess was a property tax, and shall be credited to the Consolidated Fund for the State.\textsuperscript{195}

III. JAIPUR

3.1 THE RAJASTHAN HIGHWAYS ACT, 1995

The Rajasthan Highways Act, 1995 (hereinafter referred to as ‘RHA’) is an act to provide for the declaration of certain highways to be state highways, to provide for restriction for ribbon development along highways, for the prevention and removal of encroachment thereon, for the construction, maintenance and development of highways for the levy of betterment charges and for certain other matters.\textsuperscript{196}

\textsuperscript{189} Section 17 of the Maharashtra Industrial Development Act, 1961
\textsuperscript{190} Preamble of the Bombay Metropolitan Region Development Authority Act, 1974
\textsuperscript{191} Section 2(a) of the Bombay Metropolitan Region Development Authority Act, 1974
\textsuperscript{192} Section 8 of the Bombay Metropolitan Region Development Authority Act, 1974
\textsuperscript{193} Section 12(e) of the Bombay Metropolitan Region Development Authority Act, 1974
\textsuperscript{194} Section 12(a) of the Bombay Metropolitan Region Development Authority Act, 1974
\textsuperscript{195} Section 25 of the Bombay Metropolitan Region Development Authority Act, 1974
\textsuperscript{196} Preamble of the RHA
The RHA is applicable to the state of Rajasthan and further defines a ‘highway authority’ (Hereafter referred to as ‘Authority’) and ‘Highways’ which are critical to the transport sector.

This enables the state by means of official notification in the state gazette, declare any road, way or land to be a highway and classify it as a:

a. A state highway (special)
b. A state highway
c. A major district road
d. Other district road
e. A village road

The authority shall act under the provisions of the RHA for carrying out the following functions:

(i) Restriction of ribbon development along highways
(ii) Prevention and removal of encroachments

Preparation and maintenance of a map showing the alignment of the highway, the highway boundaries and building and control lines necessary for the purposes of this Act.

(iii) As per the State Government approval, it shall be lawful for the state highway authority to undertake the construction, maintenance, development or improvement of highways.

The authority may in the interest of safety or convenience of traffic, regulate or divert any existing right of access to highway or the land lying between the control line and the highway boundary. The same shall only be done after alternative access has been given, which further should not be unreasonably distant.

If it appears to the authority that any highway in its charge or portion otherwise has been rendered unsafe for vehicular or pedestrian traffic by reason of damage or otherwise, it may close the highway or that portion of it to all traffic, or any class of traffic as per weight standards of vehicles.

Where the highway authority is satisfied that any highway or a portion thereof or any bridge, culvert or cause way built on or across any highway, is not designed to carry vehicles of

197 As per section 2(h) of the RHA, it means the authority appointed as such to which the functions of such authority are entrusted under section 4 of the RHA
198 As per section 2 (l) of the RHA it means any road or way over which the public have a right of way or are granted access and which is declared to be a highway under section 3 and the expression includes -
(i) Any land acquired or demarcated with a view to construct a highway along it
(ii) The slopes, berms, borrow pits, footh paths, pavements and side wrath catch and boundary drains attached to such road or way
(iii) All bridges, culverts, causeways, carriageways and other structures built on or across such road or way
(iv) The trees, fences, posts, boundary, meter and kilometer stones, and other highway accessories and material stacked on the road or the way

199 Section 3 of the Rajasthan Highways Act, 1995
200 Section 5 of the Rajasthan Highways Act, 1995
201 Section 6 of the Rajasthan Highways Act, 1995
202 Section 33 of the Rajasthan Highways Act, 1995
203 Section 7 of the Rajasthan Highways Act, 1995
204 Section 12 of the Rajasthan Highways Act, 1995
205 Section 51 of the Rajasthan Highways Act, 1995
which laden-weight exceeds such limit as may be fixed in this behalf, it may prohibit or restrict the plying of such vehicles on or over such highways.\textsuperscript{206}

Where in exercise of Section 51, the authority wishes to close down a highway or any part of it thereof, permanently, it shall give due notice of the same in the official gazette of the state, which shall be published subsequently in at least 2 newspapers (one Hindi newspaper).\textsuperscript{207}

The notice shall indicate alternate routes and also shall invite objections to the closing down.\textsuperscript{208} The same shall be then considered and then duly sent to the state government for approval after duly considering the aforesaid objections; the state government may accept or reject the proposal.\textsuperscript{209} If the same has been accepted then it shall be published in the official gazette of the state and also publish the same in 2 newspapers (one Hindi).\textsuperscript{210} Reasonable compensation is to be supplemented to any such person who has suffered damage due to such a closure.\textsuperscript{211}

3.2 THE RAJASTHAN ROAD DEVELOPMENT ACT, 2002

The Rajasthan Road Development Act, 2002 provides for development of and private participation in the development of roads in the state.\textsuperscript{212} The act extends to the whole of Rajasthan.\textsuperscript{213}

The Act states that roads include:

\begin{enumerate}
\item all land appurtenant thereto,
\item all approach roads, bridges, flyovers, culverts, tunnels, causeways, carriage ways and other structures on over or across such roads
\item all fences, trees, posts, and boundary, 200 hundred metre and kilometer stones of such road.\textsuperscript{214}
\end{enumerate}

All roads developed by the State Government whether by itself or under an agreement under Section 5, shall be vested with the state.\textsuperscript{215}

The State Government may enter into an agreement with any person or any local body in relation to the development of any road or section.\textsuperscript{216} The person or body referred to as per the above mentioned agreement, shall have the powers to regulate and control the traffic in accordance with provisions contained in chapter VIII of the Motor Vehicles Act, 1988 on the road or section thereof forming the subject matter of the aforesaid agreement.\textsuperscript{217}

The person or local body as above mentioned shall be entitled to collect and retain the whole or such portion of fees leviable as per the schedule and for such period as may be agreed upon, having regard to the expenditure involved in development of road and collection of the fees, interest on the capital invested, reasonable return on the investment and the volume of the traffic.\textsuperscript{218}

A monthly pass may be issued as per the schedule of the notification.\textsuperscript{219} Exemption on fee payable on more than one facility in case within a distance of 30km, if there are 2 or more

\textsuperscript{206} Section 52 of the Rajasthan Highways Act, 1995
\textsuperscript{207} Section 53(1) of the Rajasthan Highways Act, 1995
\textsuperscript{208} Section 53(2) of the Rajasthan Highways Act, 1995
\textsuperscript{209} Section 53(3) of the Rajasthan Highways Act, 1995
\textsuperscript{210} Section 53(5) and (6) of the Rajasthan Highways Act, 1995
\textsuperscript{211} Section 53(7) of the Rajasthan Highways Act, 1995
\textsuperscript{212} Preamble of the Rajasthan Road Development Act, 2002
\textsuperscript{213} Section 1(2) of the Rajasthan Road Development Act, 2002
\textsuperscript{214} Section 2(a) of the Rajasthan Road Development Act, 2002
\textsuperscript{215} Section 3 of the Rajasthan Road Development Act, 2002
\textsuperscript{216} Section 5(1) of the Rajasthan Road Development Act, 2002
\textsuperscript{217} Section 5(3) of the Rajasthan Road Development Act, 2002
\textsuperscript{218} No 3 of the notification dated 1.1.2003
\textsuperscript{219} No 5 of the notification dated 1.1.2003
bridges or tunnels and within a distance of 50 kms on a road no fee shall be payable on more than one facility.\textsuperscript{220}

Certain vehicular owned classes have been given exemptions from the payment of the aforesaid levy of fee of the notification date, like Vehicles of defense dept, vehicles of police dept etc.\textsuperscript{221}

\textbf{3.3 RAJASTHAN MOTOR TRANSPORT VEHICLES TOLL ACT, 1991}

The Act provides for the levy of toll on certain motor vehicles entering in the state of Rajasthan.

The Act provides certain key definitions such as Motor Transport Vehicles,\textsuperscript{222} Operator,\textsuperscript{223} and Toll.\textsuperscript{224}

As per Section 3 of the Rajasthan Motor Transport vehicles Toll Act, a toll shall be levied and paid to the state government on every entry of any vehicle, operating under a permit obtained outside the jurisdiction of the state of Rajasthan; the same shall be paid by the operator.\textsuperscript{225}

The Toll Tax Officer or any other person authorized by him on his behalf is empowered to order the driver of a Motor Transport Vehicle to stop, and pay the toll. When the toll has not been paid, the Toll Tax Officer is empowered to detain the vehicle or any part thereof which is considered sufficient, in his opinion, for the realization of the toll until it’s paid.\textsuperscript{226}

\textbf{3.4 THE RAJASTHAN ROPEWAYS ACT 1966}

The Rajasthan Ropeways Act is an act which authorizes, facilitates and regulates the construction and working of ropeways in the state of Rajasthan.\textsuperscript{227} The act extends to the whole state of Rajasthan and further highlights certain key definitions like ‘carrier,’\textsuperscript{228} ‘Local Authority,’\textsuperscript{229} ‘Public ropeway,’\textsuperscript{230} ‘Rope,’\textsuperscript{231} and ‘Ropeway.’\textsuperscript{232}

\begin{enumerate}
\item \textsuperscript{220} No 6 of the notification dated 1.1.2003
\item \textsuperscript{221} No 7 of the notification dated 1.1.2003
\item \textsuperscript{222} Section 2(c) of the Rajasthan Motor Transport Vehicles Toll Act states that Motor transport Vehicles means stage carriage contract carriage or goods carriage as defined in the Motor Vehicles Act,1988
\item \textsuperscript{223} Section 2(d) Rajasthan Motor Transport Vehicles Toll Act states that operator means any person whose name is entered in the permit in respect of the Motor Transport Vehicles as the holder thereof and includes any person for the time being in charge of the vehicle.
\item \textsuperscript{224} Section 2(e) of the Rajasthan Motor Transport Vehicles Toll Act states that toll means the toll levied under section 3 of the act.
\item \textsuperscript{225} Section 3(2) of the Rajasthan Motor Transport Vehicles Toll Act
\item \textsuperscript{226} Section 6 of the Rajasthan Motor Transport Vehicles Toll Act
\item \textsuperscript{227} Preamble Rajasthan Motor Transport Vehicles Toll Act
\item \textsuperscript{228} Sect 2 (a) of the Rajasthan Motor Transport Vehicles Toll Act states that it means any vehicle or receptacle hung or suspended from, or hauled by a rope and used for the carriage of passengers, animals or goods or for any other purpose in connection with the working of ropeways.
\item \textsuperscript{229} Section 2(g) of the Rajasthan Motor Transport Vehicles Toll Act states that it means an institution of self government established by or under an act of the state legislature, whether for a rural or an urban area, and includes any other authority legally entitled to, or entrusted by the government with control and management of a municipal or local fund.
\item \textsuperscript{230} Section 2 (k) of the Rajasthan Motor Transport Vehicles Toll Act states that it means a ropeway used for public carriage of passengers, animals or goods or any of them.
\item \textsuperscript{231} Section 2(m) of the Rajasthan Motor Transport Vehicles Toll Act states that it includes any cable, wire, rail or way, whether flexible or rigid used for suspending, carrying or hauling a carrier
\item \textsuperscript{232} Section 2(n) of the Rajasthan Motor Transport Vehicles Toll Act states that it means a ropeway used for a public or private carriage of passengers, animals or good or any of them and includes posts, ropes, carriers, stations, offices, warehouse, workshop, machinery, where the wheels of carriers are made to run on the rails laid on the surface of the earth, such rails as well as any such other works as are used for the purposes of, or in connection with, such ropeway and all land appurtenant thereto.
\end{enumerate}
Section 3 lays down the licensing authority, which as per the R.R act is a District Magistrate having territorial jurisdiction appointed under section 20 of the Criminal Procedure Code.233

No ropeway shall be constructed, opened, maintained or worked except in accordance with the provisions of the act.234 Any ropeway which is being worked before the commencement of the act, whether for public or private or industrial purposes has to procure a license by means of an application.235 The application has to be made within a time span of 30 days in any technical format prescribed by the authority.

The licensing authority can publish a draft of the proposed license which authorizes the construction of a ropeway in the following areas:

a. For the public carriage of passengers
b. For the public carriage of passengers and goods
c. For public carriage of goods and animals
d. For the public carriage of animals, goods or passengers
e. For any private or industrial purpose.

The grant of license as per Section 10 of the Act, which enables the licensing authority to grant licenses to an application, with or without suggested modifications, furthermore the same shall be published in the official gazette.236

No ropeway can be opened and operated until and unless the same has been sanctioned by the licensing authority after receiving in writing the chief inspector’s report and observations237, he has to carefully examine and ascertain that all specifications of the ropeway has been complied with, that it is equipped for the traffic for which it is established, all measures have been taken to reduce and control pollution cause by the ropeway and the same is fit for usage without any danger.238

After the opening of a public ropeway, if it is proved to the satisfaction of the licensing authority that the promoter has discontinued the working of such a ropeway, after duly giving the aforesaid promoter a chance to be heard, the authority may subsequently by notification, cease the promoters interest in case of such ropeway.239

No permanent injury is to be accorded to any road, railway, waterwork or high power tension line during the course of repair, construction and maintenance of a ropeway.240

3.5 RAJASTHAN ROPEWAY RULES, 2000

The Rajasthan Ropeway Rules, 2000 (hereinafter referred to as RR Rules) provides for a supplementary framework for enforcing the Rajasthan Ropeways act and also provides for the regulatory mechanisms of inspection, etc of the composite authorizing agency under the principal act (Rajasthan Ropeways act 1966).

Important transport related sections of this act are as follows:

The rules notify various functions of the Chief Inspector which includes functions like, the checking and maintenance of the ropeway, ensure that all safety standards are duly met,
ensure that all technical specifications have been duly incorporated in the machine, ensure that all pollution control related measures have been taken, provide assurance that there is no danger to life and property during the embarkation and disembarkation of the ropeway, and instituting rates in case of public ropeways are as per the principal act and duly signed tickets etc. 241

The District Inspector’s functions and responsibilities are similar to that of the Chief Inspector but he has been given the operational jurisdiction of all the ropeways in the entire District. 242

3.6 THE RAJASTHAN MOTOR VEHICLE RULES, 1990 (RMV)

These rules have been devised to provide for a regulatory mechanism so as to implement the provisions of the Motor Vehicles Act, 1988.

The act provides certain key organizational definitions like Additional secretary to the State transport Authority/regional transport authority 243, District transport officer 244, Motor vehicles inspector 245, Passenger 246 etc.

The Licensing Authority shall be the District Transport Officer and for the purpose of Rules 24-28 of the Central Motor Vehicles Rules, 1989 shall be the Regional Transport Authority. 247

The Licensing Authority shall be responsible for providing individuals with the authorization to drive a transport vehicle 248 after a driving test 249, furnishing a medical certificate 250 and a recent photograph of the person concerned. 251

The conduct and duties of drivers of stage carriers and contract carriers other than motor cabs 252 state that the above mentioned class of drivers shall not allow any unauthorized person to sit on the drivers seat, shall not shout to attract a passenger, shall be diligent in ensuring the maintenance of the vehicle etc. 253

The Rules for conduct and duties of the drivers of motor cabs fitted with taxi meters 254 state that all drivers shall always stay by their motor cabs up and as vacancies occur on the stand be ready for immediate hire, no motor cab is to be in the stand if it is disabled, and no driver should prevent the first cab in queue from being hired, no cab should drive or make use of his motor cab in furtherance of prostitution etc. 255

The authority to provide the license to the Conductor of stage Carriages is the District Transport Officer. 256

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241 Refer to Rule 3(2)(i) to 3(2)(xii) of the Rajasthan Ropeway Rules, 2000 for all powers of the Chief Inspector

242 Refer to Rule 4(2)(i) to 4(2)(xii)for all powers of the District Inspector of the Rajasthan Ropeway Rules, 2000

243 Rule 1.2(b) of the Rajasthan Motor Vehicle Rules defines the same as any officer not below the rank of a district transport officer, appointed by the state government. He shall perform any of the functions of the secretary of the state transport authority/regional transport authority and shall also perform such other functions in connection with the work of the State transport/regional transport authority.

244 Rule 1.2 (e) of the Rajasthan Motor Vehicle Rules means any officer appointed by the Govt to perform functions and exercise powers of a District Transport Officer under these rules.

245 Rule 1.2(h) of the Rajasthan Motor Vehicle Rules means any officer appointed by the State Govt to perform the functions of a Motor Vehicles Inspector under the Act.

246 Rule 1.2(j) of the Rajasthan Motor Vehicle Rules means any person travelling in a public service vehicle other than the driver, conductor and a person engaged for loading and unloading the luggage of the passengers

247 Rule 2.1 of the Rajasthan Motor Vehicle Rules

248 Rule 2.2 of the Rajasthan Motor Vehicle Rules

249 Rule 2.4 of the Rajasthan Motor Vehicle Rules

250 Rule 2.7 of the Rajasthan Motor Vehicle Rules

251 Rule 2.8 of the Rajasthan Motor Vehicle Rules

252 Rule 2.23 of the Rajasthan Motor Vehicle Rules

253 Rule 2.23(i) to 2.23(vi) of the Rajasthan Motor Vehicle Rules

254 Rule 2.24 of the Rajasthan Motor Vehicle Rules

255 Rule 2.24 (1_ to 2.24(12) of the Rajasthan Motor Vehicle Rules

256 Rule 3.1 of the Rajasthan Motor Vehicle Rules
The Conductor shall ensure he attends to the passengers, and possesses a license to act as a conductor as a person not holding a license can act as a conductor only for a period of one month. 257

The registration of Motor Vehicles 258 shall be under the authority of the District transport officer, Registering Authority for the purpose of Rule 62 to 72 of the Central Motor Vehicles Rules 1989 shall be the Regional Transport Authority. 259

Temporary registration 260 shall be provided when any motor vehicle is sold or distributed by the manufacturer to his dealer or sub dealer, or its branch for resale, within or outside Rajasthan. 261

The allotment of registration number within the series 262 shall occur on receipt of an application. The issuing authority while assigning a registration mark to a new vehicle or a vehicle registered in a different state, the registration shall be complied with as per the serial mark after the last registration mark assigned.

The grant and renewal of certificate of fitness 263 under Section 56 of the Motor Vehicles Act shall be done by the District transport officer. The rules also cover other incidental provisions are like application fees, date of inspection, date of submission of application and subsequent failure related penalty etc. 264 The vehicle will be produced at the office of the District transport officers, office and at the approving centre for undergoing any battery of tests before grant of the above-mentioned license. 265 For the application for Grant of Permit 266 various prescribed forms for obtaining permits in respect of transport vehicles (for example particular stage carriage in form R.S.5.1 and in case of particular contract carriage in form R.S.5.3 etc. 267) need to be submitted.

The District Magistrate and District Collector are responsible for restricting and controlling speed limits, weights etc, to designate any road as main a main road. 268 The authorities are empowered to erect Traffic signals. 269 The officers are empowered to do the following tasks: production of registration certificate, 270 to demand information, 271 and empowered to inspect vehicles involved in accidents, 272 and empowered to remove and keep in their custody any vehicle abandoned on the road. 273 The Transport Commissioner, Deputy Transport Commissioner and Assistant Transport Commissioner shall exercise jurisdiction over the entire state of Rajasthan. 274

3.7 THE RAJASTHAN INDUSTRIAL AREA DEVELOPMENT AUTHORITY ACT, 1995

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257 Rule 3.2(l and ll) of the Rajasthan Motor Vehicle Rules
258 Rule 4.1 of the Rajasthan Motor Vehicle Rules
259 Supra Note 12 and Rule 4.1(2) of the Rajasthan Motor Vehicle Rules
260 Rule 4.2 of the Rajasthan Motor Vehicle Rules
261 Rule 4.2(a) of the Rajasthan Motor Vehicle Rules
262 Rule 4.3 of the Rajasthan Motor Vehicle Rules
263 Rule 4.18 of the Rajasthan Motor Vehicle Rules
264 Rule 4.18(2) to 4.18 (8) of the Rajasthan Motor Vehicle Rules
265 Supra Note 19
266 Rule 5.5. of the Rajasthan Motor Vehicle Rules
267 For complete list See R.5.5 (1)(i) to R.5.5(1)(x) of the Rajasthan Motor Vehicle Rules
268 Rule 8.1 of the Rajasthan Motor Vehicle Rules
269 Rule 8.2 of the Rajasthan Motor Vehicle Rules
270 Rule 8.4 of the Rajasthan Motor Vehicle Rules
271 Rule 8.5 of the Rajasthan Motor Vehicle Rules
272 Rule 8.6 of the Rajasthan Motor Vehicle Rules
273 Rule 8.7 of the Rajasthan Motor Vehicle Rules
274 Rule 12.3 of the Rajasthan Motor Vehicle Rules
The Rajasthan Industrial Area Development Authority Act, 1995 (hereafter referred to as RIADA) is an act to provide for the planned and integrated development of certain areas in the state into industrial and urban townships.\(^{275}\) It extends to the whole of Rajasthan, while also highlighting certain key definition(s) such as industrial area\(^{276}\) etc. Section 3 of the Act, provides for the constitution of an authority (Industrial development authority), which may be constituted by the state through an official notification in the state gazette.\(^{277}\) The authority constituted is a body corporate\(^{278}\) and is headed by a chairman who shall be the secretary to the government of Rajasthan, Industries department.\(^{279}\)

The Rajasthan Industrial Area Development Authority is responsible for providing civic amenities including transport, electricity, water Supply, housing, sewerage, removal of wastes etc. For the purpose of providing, maintaining and continuing any amenities in the industrial area, the Authority may with the prior approval of the State Government, levy fees or charges in respect of any site or building of transferee or occupier.\(^{280}\)

### 3.8 THE RAJASTHAN STATE ROAD TRANSPORT SERVICE (PREVENTION OF TICKETLESS TRAVEL) ACT, 1975

The Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975 provides for prevention of ticketless travel on the motor vehicles operated by the Rajasthan State Road transport Corporation\(^{281}\), and extends to the whole state. The Act lays down certain key transport related definitions such as a Corporation\(^{282}\), Fare\(^{283}\), Motor Vehicle\(^{284}\), Road Transport Service\(^{285}\), Ticket\(^{286}\).

The conductor on duty shall charge fare from every person who enters or remains in a motor vehicle with intent to travel and upon payment of fare, supply to such person a ticket containing such particulars as may be prescribed. No person shall enter or remain in any motor vehicle for the purpose of travelling unless he has a ticket / pass with him.\(^{287}\)

It stipulates and lays down classes of persons eligible for punishment in cases like refusal to furnish ticket/pass, not possessing a valid ticket or pass, using an invalid ticket etc.\(^{288}\) The punishment for indulging in the above-mentioned categories of offences is one month of imprisonment or fine which may extend upto Rs. 250 and also he shall be liable to pay for the...

\(^{275}\) Preamble of the Rajasthan Industrial Area Development Authority Act, 1995

\(^{276}\) Section 2(e) of the Rajasthan Industrial Area Development Authority Act, 1995, which “means an area declared as such by the state government by notification”

\(^{277}\) Section 3(1) of the Rajasthan Industrial Area Development Authority Act, 1995

\(^{278}\) Section 3(2) of the Rajasthan Industrial Area Development Authority Act, 1995

\(^{279}\) For entire composition see section 3(3) of the Rajasthan Industrial Area Development Authority Act, 1995

\(^{280}\) S.12 of the Rajasthan Industrial Area Development Authority Act, 1995

\(^{281}\) Preamble of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975

\(^{282}\) As per section 2(ii) of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975 it means the RSRTC as established by the Road transport Corporation Act ,1950

\(^{283}\) As per Section 2(iii) of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975 it means the total amount of all charges in whatever nature payable by a person or group of persons in respect of his or their carriage and luggage in a road transport service and includes the amount of any tax levied on such a fare under any law for the time being in force.

\(^{284}\) As per section 2(iv) of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975 it means a motor vehicle as defined by the motor vehicles act,1939

\(^{285}\) Section 2(vi) of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975 defines it as a service of motor vehicles operated by the corporation for carrying passengers or goods or both by road for hire or reward

\(^{286}\) As per section 2(vii) of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975 it includes a single ticket, a return ticket or a season ticket.

\(^{287}\) Section 4 of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975

\(^{288}\) Refer to Sections 6(1)(a),6(1)(b) and 6(1)(c) of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975
excess of charge on the ticket in addition to the distance he has travelled without a proper pass/ticket.289

Punishment(s) further have been prescribed for entering a motor vehicle in motion or otherwise improperly travelling without a pass/ticket, the prescribed punishment for this offence is imprisonment up to 3 years along with a fine which may extend up to Rs. 500 or both.

3.9 RAJASTHAN STATE ROAD DEVELOPMENT FUND ACT, 2004

The Rajasthan State Road Development Fund Act, 2004 primarily provides for establishing a fund for development of state roads and for the purpose to levy and collect by way of cess, a tax on sale of motor commonly known as petrol and high speed diesel oil.290

Section 6 of the Act creates a fund known as the Rajasthan State Road Development Fund which shall be under the control of the state government and all the money collected under the act as per section 4 or section 5 shall be credited to it along with any other amount allocated to the fund by the state. As per section 7 of the Act, the fund shall utilized for the development of state roads and also further funds shall be disbursed to state projects as may be prescribed.

The State Government shall the power to administer the fund and shall take decisions regarding investment on projects of development of state roads, and shall take such measures as may be necessary to raise funds for the development of state roads, and the state government may further constitute a state road development fund management board for the management of the fund.292

3.10 THE JAIPUR DEVELOPMENT AUTHORITY ACT 1982

The Jaipur Development Authority Act (hereafter referred to as ‘JDA’) extends till the Jaipur Region Area which is clearly demarcated as per Schedule I of the aforesaid act.293 The Act as per Section 3 establishes the “Jaipur Development Authority” (hereafter referred to as ‘Authority’), which is deemed to be a local authority as defined in the Rajasthan General Clauses Act 1955, possessing the basic features of a body corporate – a common seal, perpetual succession, power to acquire immovable and movable property, to enter into contracts etc.294 The authority is headed by a Chairman and also comprises of other members such as a Vice Chairman, a Commissioner (appointed as per the JDA), the Jaipur District Collector, Chairman, Rajasthan housing Board, Chief Town Planner, Rajasthan, etc.295 The Chairman of the authority is vested with supervising and carrying out the various functions of the authority under the JDA and may also delegate his functions.296

The JDA also promulgates the creation of functional boards such as the Jaipur Traffic Control Board which shall perform varied duties such as preparing a master plan for traffic control, taking steps to modernize traffic control system, issuing traffic licenses to light and heavy vehicles, to determine policies for one way traffic, restricting hours of traffic and also to grant permission to any government department, local authority or any other body to cut

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289 See section 6 (1) of the Rajasthan State Road Transport Service (Prevention of Ticketless Travel) Act, 1975
290 Preamble of the Rajasthan State Road Development Fund Act, 2004
291 Section 9 (a) of the Rajasthan State Road Development Fund Act, 2004
292 Section 9 (2) of the Rajasthan State Road Development Fund Act, 2004
293 Refer to Section 2(8) of the JDA which defines the region as “it means the areas in the limits of the city, towns and villages as specified in schedule – I”
294 Section 3(2) states that ‘The authority shall be a body corporate by the name aforesaid having perpetual succession and a common seal with power, subject to the provisions of the JDA, to acquire, hold and dispose both moveable and immovable property and to contract and may sue or be sued by its corporate name aforesaid.’
295 For complete composition see 4(1) of the JDA
296 Refer to section 3(3) and 3(4) of the JDA.
297 Section 13 of the JDA
roads for various purposes and also to subsequently impose conditions. Other important functional boards which may be constituted by the state government on advice from the authority are, transport and communications board, water resource and management board etc. These functional boards shall plan, identify projects and schemes, initiate surveys etc. and also can prepare programs for the purpose of investment proposals for the authority.

The authority is given the responsibility of preparing schemes, and advising the concerned authorities departments and agencies in formulating and undertaking schemes for development of agriculture, horticulture, floriculture, forestry, transport, communication etc. and to prepare master plans for traffic control and management, device policy and programs of action for smooth flow of traffic and matters connected herewith.

The authority is vested with the task of securing planned integrated development and the subsequent use of land, in order to carry out the same, the authority shall undertake a survey and carry out a master development plan for Jaipur region. The master development plan shall define the quality of life that a citizen of Jaipur could desirably be expected to lead and also include controlling key public utilities like transport, communications etc which may include public utilities such as roads highways railways canals international airports air cargo complexes and bus services including their development.

The JDA restricts the usage of land until and unless permission is taken from the authority, and also the traffic control board when a public street is broken up. Certain exceptions to this as per Section 29(iv) are if any work is being carried out by the state / central government for the improvement of a highway, road or public street, or on land within the boundaries of such highway, road or public street, or if any road is constructed for giving access to land for agricultural purposes.

The authority is vested with the power of preparing projects and schemes to successfully integrate development of Jaipur region. These projects and schemes shall be a part of the plan and could make provision for:

a. Acquisition, development, reservation and sale or lease of land for purpose of public utilities like roads, streets, cultural centres, parks etc.

b. Acquisition and development of areas for commercial, industrial, transportation, agricultural mandies and other similar purposes.

c. Acquisition of land for the purposes of laying out or remodeling of roads and street pattern, lay out of new streets or roads, construction diversions, extension, alteration, improvement and closing up of streets and roads and discontinuance of communications.

d. Reconstruction of plots for the purpose of buildings, roads, drainage inclusive of sewerage disposal and other similar amenities.

3.11 RAJASTHAN MUNICIPALITIES ACT, 2009

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298 Section 13(3)(vi) of the JDA
299 Section 14 (I) of the JDA
300 Section 14 (4) (a) of the JDA
301 Section 16 (h) of the JDA
302 Section 16(m) of the JDA
303 Section 21 (1) of the JDA
304 Section 21 (2) and Section 21 (2) (I) of the JDA
305 Section 29(3)(iv)(a) of the JDA
306 Section 29 (3)(vi) of the JDA
307 Section 38(2)(ii) of the JDA
308 Section 38(2)(iv) of the JDA
309 Section 38(2)(v) of the JDA
310 Section 38(2)(vi) of the JDA
This Act extends to the whole state of Rajasthan, with the exception of the cantonment areas.\textsuperscript{311} In every transitional area, there shall be established a Municipal Board and in every smaller urban area, and in every larger urban area, there shall be established a Municipal Corporation and every such body shall be a body corporate by the name of the Municipal Corporation of the city by reference to which the Municipality is known and shall have perpetual succession and a common seal and may sue and be sued in its corporate name.\textsuperscript{312}

It shall be the duty of every Municipality to make reasonable provision and proper arrangement for public health, sanitation, conservation, solid waste management, drainage and sewerage, cleaning public streets, places and sewers, and all spaces, not being private property, which are open to the enjoyment of the public, whether such spaces are vested in the Municipality or not, removing noxious vegetation and abating all public nuisances;\textsuperscript{313} the removal of obstructions and projections in public streets or places and in spaces, not being private property which are open to the enjoyment of the public, whether such spaces are vested in the Municipality or not;\textsuperscript{314} establishing communication systems including construction and maintenance of roads, footpaths, pedestrian pathways, transportation terminals, both for passengers and goods, bridges, over-bridges, subways, ferries, and inland water transport system;\textsuperscript{315} and, preparing transport system accessories including traffic engineering schemes, street furniture, parking areas and bus stops.\textsuperscript{316}

Subject to the provisions of Section 4, every Municipality may, and if so required by the State Government shall, levy, at such rate and from such date as the State Government in each case direct by notification in the Official Gazette any toll on roads, bridges and ferries owned by, or built from the funds of, the Municipality.\textsuperscript{317} The Municipality may also levy a tax on vehicles plying within the Municipality; a tax on boats moored within the Municipality; and a lighting tax.\textsuperscript{318}

The Municipality shall regulate parking of vehicles on public places including footpaths and along roadside to ensure smooth flow of traffic and prevent inconvenience to the general public. In any case parking shall not be permitted on public place unless adequate space is available and the Municipality may, having regard to availability of adequate space, permit parking on public places by general or special order subject to payment of a parking fee at such rate as may be prescribed by the Municipality.\textsuperscript{319}

The Municipality shall not take over any responsibility to maintain any amenities provided in any scheme or colony developed by any authority, agency or person unless all relevant records including plans, specifications and designs of such amenities are submitted to the Municipality; and the Municipality is satisfied that such amenities are developed or constructed in accordance with the provisions of any law for the time being in force in this behalf. If the Municipality, on examination of the records submitted to, it or on inspection of the amenities, finds that such deficiencies are there in the construction or operation of the amenities, which can be improved, it may require the authority, agency or person who developed such scheme or colony, to improve the deficiency to the satisfaction of the Municipality or to pay to the Municipality such deficiency charges, which the Municipality may

\begin{footnotes}
\item[311] Section 1(2) of the Rajasthan Municipalities Act, 2009
\item[312] Section 5 of the Rajasthan Municipalities Act, 2009
\item[313] Section 45(1)(a) of the Rajasthan Municipalities Act, 2009
\item[314] Section 45(1)(f) of the Rajasthan Municipalities Act, 2009
\item[315] Section 45(1)(t) of the Rajasthan Municipalities Act, 2009
\item[316] Section 45(1)(u) of the Rajasthan Municipalities Act, 2009
\item[317] Section 102(1)(c) of the Rajasthan Municipalities Act, 2009
\item[318] Section 103 of the Rajasthan Municipalities Act, 2009
\item[319] Section 243 of the Rajasthan Municipalities Act, 2009
\end{footnotes}
deem proper to improve such deficiency, and upon the improvement of the deficiency, or as the case may be, payment of deficiency charges, the Municipality may resume the response.

IV. HYDERABAD

4.1 ANDHRA PRADESH MOTOR VEHICLES TAXATION ACT, 1963

The Act enacted to consolidate and amend the law relating to the levy of a tax on motor vehicles in the State of Andhra Pradesh. Under Section 3 of the Act, the State can by notification direct taxes to be levied on every motor vehicle used or kept for use in a public place in the state. The tax levied under this Act shall be paid in advance by the registered owner of the motor vehicle or any other person having possession or control thereof. No motor vehicle shall be used in any public place unless the license granted under Section 4 is displayed on the motor vehicle. If the tax has not been paid, a penalty of twice the quarterly tax may be imposed, the motor vehicle may also be seized and detained. Provisions of this Act do not apply to motor vehicles designed and used solely for agricultural and mining purposes.

4.2 ANDHRA PRADESH MOTOR VEHICLES RULES, 1989

The Andhra Pradesh Motor Vehicles Rules extend to the whole state of Andhra Pradesh. The rules refer to the Regional Transport Authority and the State Transport Authority constituted for the region under Section 68(1) of the Motor Vehicles Act, 1988. The Secretary of the respective Regional Transport Authority is the licensing authority under the Andhra Pradesh Motor Vehicles Rules, 1989. The Rules refers to certain Additional Licensing Authorities who exercise their powers under the control and guidance of the Licensing Authority. These are:

- Additional Secretaries of the respective Transport Authorities,
- The Principal in the cadre of Regional Transport Officer and Senior Instructors in the cadre of MV Inspectors attached to the Government Driving Schools
- Executive Staff of the Transport Department not below the rank of Assistant Motor Vehicles Inspectors in the district and Superintendents in the office of the Regional Transport Authorities
- The Deputy Commissioners of the Police, the Assistant Commissioners of Police and the Inspectors of Police in charge of traffic in the twin cities of Hyderabad and Secunderabad.

The Deputy Transport Commissioner is competent to hear appeals with regard to the process or grant of the licenses. If the appeal is against the orders of the Secretary, Regional Transport Authority of the rank of Joint or Deputy Transport Commissioner, or against the orders of the Police Department, the Transport Commissioner would be the appellate authority.
The registering authority is the Secretary of the respective Regional Transport Authority. The other additional bodies responsible for the same are the additional Secretaries of the respective Transport Authorities and the executive Staff of the Transport Department not below the rank of Assistant Motor Vehicles Inspectors in the district and Superintendents in the office of the Regional Transport Authorities.\(^{331}\)

The State Transport Authority and the Regional Transport Authority (under the control of the State Transport Authority) have the power to impose speed limits, impose limits on the laden weight or axle weight or dimensions of motor vehicles generally or of a particular class of trailers in a specified area or in respect of any road, to designate any road as the main road.\(^{332}\)

### 4.3 ANDHRA PRADESH INFRASTRUCTURE DEVELOPMENT CORPORATION, 1998

The Andhra Pradesh Infrastructure Development Corporation extends to the whole State of Andhra Pradesh.\(^{333}\)

It aims to promote, operate and establish schemes for supply of water for domestic, industrial and commercial purposes, sewerage and sewage treatment, public health and sanitation and infrastructure projects in the State of Andhra Pradesh.\(^{334}\)

The Andhra Pradesh Infrastructure Development Corporation has been established under this Act to perform all necessary functions in accordance with the provisions of the Act. Under Section 17 of the Act, the Corporation is vested with the function of planning, designing, constructing, and maintaining the operation and management of schemes or projects for developing Inland Waterways and Inland Transportation.\(^{335}\)

### 4.4 THE ANDHRA PRADESH MUNICIPALITIES ACT, 1965

The Andhra Pradesh Municipalities Act, 1965 extends to the whole state of Andhra Pradesh. It merges the Andhra Pradesh District Municipalities Act, 1920 and the Andhra Pradesh (Telangana Area) District Municipalities Act, 1956 to effectively control the administration of the state.

The Andhra Pradesh Municipalities Act, 1965 by notification allows for a Nagar Panchayat\(^{336}\) to be set up in an area specified to be a transitional area\(^{337}\) under Section 2(42a) of the Act.\(^{338}\) Moreover, if a notification is issued specifying an area as a smaller urban area, a Municipality\(^{339}\) shall be deemed to have been constituted in such area.\(^{340}\) The municipal authorities that carry out the provisions of the Act are the Council, the Chairperson and the Commissioner.\(^{341}\)

The municipal authorities are responsible for levying certain taxes, constituting a fund for managing the finances of the municipal council, developing and promoting public health, safety and convenience by looking into areas like water supply, lighting, drainage,

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\(^{331}\) Section 79 of the MV Act

\(^{332}\) Section 397 of the Andhra Pradesh Motor Vehicles Rules, 1989

\(^{333}\) Section 1(2) of the Andhra Pradesh Infrastructure Development Corporation, 1998

\(^{334}\) Preamble of the Andhra Pradesh Infrastructure Development Corporation, 1998

\(^{335}\) Section 17(h) of the Andhra Pradesh Infrastructure Development Corporation, 1998

\(^{336}\) Section 2(22a) of the Andhra Pradesh Municipalities Act, 1965

\(^{337}\) Section 2(42a) states that a transitional area or a smaller urban area means such areas as the Governor may, having regard to the population of the area, the density of the population, the revenue generated for local administration, the percentage of employment in non agricultural activities, the economic importance or such other factors as he may deem fit, specify by public notification for the purposes of the Andhra Pradesh Municipalities Act, 1965, subject to such rules as may be made in this behalf.

\(^{338}\) Section 2A of the Andhra Pradesh Municipalities Act, 1965

\(^{339}\) Section 2(22) of the Andhra Pradesh Municipalities Act, 1965

\(^{340}\) Section 3 of the Andhra Pradesh Municipalities Act, 1965

\(^{341}\) Section 4 of the Andhra Pradesh Municipalities Act, 1965
scavenging, maintenance and repairing of public and private streets and buildings, prevention of nuisance and collection of licenses and fees.

All public streets in any municipality, along with appurtenances like pavements, stones and other related material and all works and materials provided for such streets including all sewers, drains, drainage works, tunnels and culverts, whether or not made using the funds of the municipality or lying alongside public or private roads are deemed to be vested in the Municipal Corporation under the provisions of Section 35 of the Andhra Pradesh Municipalities Act, 1965\(^ {342}\). The term public street has been defined under Section 2(31) of the Act to mean any street, road, square, court, alley, passage or riding path over which the public has a right of way whether or not a thoroughfare is charged. Public streets include roadways over public bridges or causeways, footways or drains attached to any street, public bridge or causeway or land, whether or not covered by any pavement, and structures which lie on either side of the roadway up to the boundaries of the adjacent public or private property.\(^ {343}\)

The council has the right to levy yearly taxes on carriages and carts used within the municipality by passing a resolution in that regard. The rates of taxes are determined by the Council within the limits prescribed by Schedule II of the Act for carriages and within the range of eight rupees per cart per year for carts.\(^ {344}\)

The term Carriages\(^ {345}\) are defined as any wheeled vehicle with springs or other appliances acting as springs and includes in its definitional ambit any kind of bicycle, tricycle, rickshaw and palanquin but excludes motor vehicles falling within the meaning of the Motor Vehicles Act, 1939. Carts are defined as any wheeled vehicle not being a carriage and not being a motor vehicle within the meaning of the Motor Vehicles Act.\(^ {346}\) A necessary condition for the levying of taxes on carts is the yearly registration of carts in the municipal office.\(^ {347}\) The municipal council is allowed to affix a municipal number to each such cart and notify dates for the numbering, the registration and the payment of tax.\(^ {348}\) Taxes are not levied on carts which have not been used within the municipality for a period exceeding thirty days in one year.\(^ {349}\) The Municipal Commissioner is also allowed to grant exemptions from tax to carriages or carts belonging to the Government and used for defense purposes, those belonging to the council, those kept solely for sale by the carriage or cart maker and dealers or kept for a whole year, those under repair, children’s perambulators and tricycles, those kept solely to be used for conveyance of the sick, the injured or the dead, free of charge and the private bicycles and owner driven rickshaws.\(^ {350}\) The Municipal Commissioner is also authorized to grant any person who has paid the amount of tax due in respect of any carriage a license to keep or use such carriage for the period to which the payment relates.\(^ {351}\) The Municipal Commissioner has the right to direct a municipal number to be affixed on every carriage let out for hire within the municipality or every bicycle and tricycle kept to used within the municipality for a fees paid by the owner of the carriage, bicycle or tricycle. The numbers are registered in the municipal office and a fees is paid to discontinue the same.\(^ {352}\) If a number is not affixed to a carriage in accordance with the provisions of Section 105 or

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\(^ {342}\) Section 35 of the Andhra Pradesh Municipalities Act, 1965  
\(^ {343}\) Section 2(31) of the Andhra Pradesh Municipalities Act, 1965  
\(^ {344}\) Section 103 of the Andhra Pradesh Municipalities Act, 1965  
\(^ {345}\) Section 2 (5) of the Andhra Pradesh Municipalities Act, 1965  
\(^ {346}\) Section 2(6) of the Andhra Pradesh Municipalities Act, 1965  
\(^ {347}\) Section 105(1) of the Andhra Pradesh Municipalities Act, 1965  
\(^ {348}\) Section 105 of the Andhra Pradesh Municipalities Act, 1965  
\(^ {349}\) Section 105(6) of the Andhra Pradesh Municipalities Act, 1965  
\(^ {350}\) Section 107 of the Andhra Pradesh Municipalities Act, 1965  
\(^ {351}\) Section 110 of the Andhra Pradesh Municipalities Act, 1965  
\(^ {352}\) Section 111 of the Andhra Pradesh Municipalities Act, 1965
Section 111, the Commissioner has the right to seize and detain the vehicles and the annual which is drawn, provided that the vehicle is not actually employed in the conveyance of any passenger or good unless it be a bicycle or tricycle. The owner can claim the vehicle by paying the tax, the penalty and the charges incurred with the seizure and detention due within ten days from the date of seizure or else the Commissioner has the right to sell the vehicle in a public auction and appropriate the proceeds to such taxes or penalties as leviable.

4.5 HYDERABAD METROPOLITAN DEVELOPMENT AUTHORITY ACT, 2008

The Hyderabad Metropolitan Development Authority Act, 2008 ("HMDA Act") was drafted with the aim of planning, coordinating, supervising, promoting and securing the planned development of the Hyderabad Metropolitan Region. The Hyderabad Metropolitan Development Authority is constituted under the HMDA Act to carry out the various responsibilities enshrined therein. The Vice Chairman and the Managing Director of the Andhra Pradesh State Road Transport Corporation is a member of this Authority. Moreover, the Government may constitute a Unified Metropolitan Transport Authority for the Metropolitan region.

The Authority is responsible for coordinating the developmental activities of the Municipal Corporation, Municipalities and other local authorities including the Hyderabad Metropolitan Water Supply and Sewerage Board, the Andhra Pradesh Transmission Corporation, the Andhra Pradesh Industrial Infrastructure Corporation, the Andhra Pradesh State Road Transport Corporation etc. The Metropolitan Development Authority has the responsibility of preparing an infrastructure network plan showing the existing and proposals of major infrastructure facilities like transport, power, communications network and related facilities like power plants, roads, highways, railways, airports and waterways. It is also responsible for proposals and policies for traffic and transportation and for promoting mass transportation facilities.

The Unified Metropolitan Transport Authority constituted under Chapter IV of the HMDA Act is responsible for overseeing implementation of various traffic and transportation measures undertaken by various agencies in the Hyderabad Metropolitan region. It is also to ensure effective public transport systems and the implementation and coordination of various traffic and transportation measures undertaken by various departments in the region. It is also supposed to promote and monitor major traffic and transportation projects, deliberate and recommend effective transportation strategies, integrate and consolidate all action plans of various departments and agencies, give directions to different agencies involved in the effective implementation of traffic and transportation policies and measures. Lastly, it is responsible for integrating various routes of public transport and issuing combined ticketing and feeder services.

A development scheme may be prepared by the Metropolitan Development Authority for the construction, reconstruction, alteration, improvement and maintenance of public roads, streets, bridges, parking lots, transport terminals including railway stations, bus depots, air

353 Section 112 of the Andhra Pradesh Municipalities Act, 1965
354 Section 112(2) and 112(3) of the Andhra Pradesh Municipalities Act, 1965
355 Preamble, HMDA Act.
356 Section 4, HMDA Act.
357 Section 2(xvi), HMDA Act.
358 Section 16(1), HMDA Act.
359 Section (4), HMDA Act.
360 Section 11(3)(a), HMDA Act.
361 Section 11(3)(h), HMDA Act.
362 Section 17(1), HMDA Act.
ports, bus bays, bus stops, avenue plantation and for the provision and facilitation of public transportation including mass transportation by rail or road.  

In order to recover fully or partly the capital expenditure incurred or likely to be incurred for the provision of utilities, amenities, services or facilities provided by the Metropolitan Development Authority, the Metropolitan Development Authority may levy and collect a charge from the users.

V. BANGALORE

5.1 KARNATAKA MUNICIPAL CORPORATION ACT, 1976

The Karnataka Municipal Corporations Act, 1976 (“KMCA”) provides for the creation of a municipal corporation in Bangalore, called the “Bruhat Bangalore Mahanagar Palike” (“BBMP”).

The KMCA provides for the following municipal authorities for carrying out the provisions of KCMA: (a) the corporation, (b) the standing committees, and (c) the Commissioner.

The Commissioner of BBMP may by an order close any street to traffic for repair or in order to carry out any works connected with drainage, water supply or lighting or any of the purposes of the KMCA.

The municipal government of Bangalore vests in BBMP. Some of the obligatory functions of the BBMP are as follows:

(a) The watering and cleansing of all public streets and public places in the city and the removal of all sweepings therefrom;

(b) The maintenance of an ambulance service and service for conveying dead bodies to crematoriums;

(c) Laying out new public streets;

(d) The construction, maintenance, alteration and improvement of public streets, bridges, sub-ways, culverts cause-ways and the like.

The KMCA has constituted a Standing Committee for town planning and improvement which deals with matters regarding town planning and improvement.

5.2 DIRECTORATE OF URBAN LAND TRANSPORT AND BANGALORE METROPOLITAN LAND TRANSPORT AUTHORITY

In accordance with the National Urban Transport Policy (“NUTP”), 2006 and based on the recommendations of National Working Group on Urban Transport for 11th Plan, Government of Karnataka constituted the Directorate of Urban Land transport (DULT) with the following functions:

1. Periodic assessment of travel demand;
2. Determination of the level of public transport required in different corridors and the type of transport systems required;

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363 Section 29(p) and (q), HMDA Act.
364 Section 2(3), HMDA Act. states that ‘amenity’ includes road, water supply, drainage, sewerage, street lighting, communication network, irrigation works and other public works, tourist spots, open spaces, parks, landscaping and play fields and such other conveniences and utilities as State Government may specify by notification.
365 Section 47, HMDA Act.
366 Section 1(3) read with S. 3(2), KMCA
367 Section 6, KMCA
368 Section 277, KMCA
369 Section 57(1), KMCA
370 See Section 58, KMCA
371 Section 61A(c), KMCA
372 http://stg1.kar.nic.in/urbantransport/directorate.html
3. Assessment & recommendation of the new investments needed creation of infrastructure;
4. Procurement of public transport service from private operators;
5. Policy guidelines for development of total network in urban areas/ new layouts;
6. Designing and developing integrated policies and plans for city level transportation.

The DULT has jurisdiction over the entire Bangalore Metropolitan Region for which the Bangalore Land Transport Authority has especially been created. Additionally, it also has jurisdiction over seven municipal corporations, including those of Mysore, Mangalore, Belgaum, Hubli-Dharwar, Gulbarga and Bellary. The Bangalore Metropolitan Land Transport Authority (“BMLTA”) was created vide Government Order No. UDD 134 BMR 2006 (2) Bangalore dated 9th March 2007. BMLTA is responsible for overseeing all the Urban Land Transport Initiatives in Bangalore Metropolitan Region. A draft legislation was proposed by DULT for constitution of, and empowering the BMLTA in 2008. However, no such legislation has been enacted as yet.

The BMLTA has the following functions:
1. To co-ordinate all land transport matters in the BMR.
2. To prepare detailed Master Plan for Transport Infrastructure based on the comprehensive Traffic and Transport Study for Bangalore.
3. To oversee implementation of all transportation projects.
4. To appraise and recommend transportation and infrastructure projects for bilateral / bilateral Central assistance.
5. To function as empowered Committee for all Urban Transportation Projects.
6. To initiate action for a regulatory framework for all land transport systems in Bangalore Metropolitan region.
7. To initiates steps, where feasible for common ticketing system.
8. Take any other decision for the integrated urban transport and land use planning and Implementation of the projects.

The BMLTA is chaired by the Chief Secretary, Government of Karnataka, and the member convener is the Commissioner of Directorate of Urban Land Transport, Government of Karnataka (DULT). It also has various members, including commissioners of bodies like the Bangalore Development Authority, BBMP, Bangalore Metropolitan Transport Corporation, the Bangalore Police, etc.

The BMLTA has formulated various sub-committees to expedite action regarding key functions of the BMLTA, including committees for: (i) action plan for implementation of comprehensive transport and traffic plan, (ii) inter-modal bus terminals, (iii) Bangalore traffic and transport initiative, (iv) parking policy and infrastructure, (v) mono-rail in Bangalore, (vi) commuter rail system, (vii) external development and infrastructure charges, (viii) codes and guidelines for roads and its facilities. Information is not available in the public domain on activities of these sub-committees in the past two years.
The BMLTA has also commissioned various reports regarding different aspects of improving transport services.  

5.3 BANGALORE DEVELOPMENT AUTHORITY ACT, 1976

The Bangalore Development Authority Act, 1976 ("BDAA") provides for the establishment of Bangalore Development Authority (BDA). The BDA is a body corporate having perpetual succession and common seal. It consists of various members including the Commissioner of BDAA, Chairman, Finance Member, engineer who is an officer of the Karnataka Engineering Service or an officer employed in any undertaking owned or controlled by the State Government not below the rank of a Chief Engineer; a town planner; a person with experience in architecture; Commissioner of BBMP; and representatives from Karnataka Electricity Board, road transport corporation etc. The Commissioner of BDAA is appointed by the State Government. The Commissioner is the chief executive and administrative officer of the BDAA.

The objects of the BDAA are to promote and secure the development of the Bangalore Metropolitan Area and for that purpose it has the power to acquire, hold, manage and dispose of moveable and immoveable property, whether within or outside the area under its jurisdiction, to carry out building, engineering and other operations and generally to do all things necessary or expedient for the purposes of such development and for purposes incidental thereto. For this purpose, the BDAA is empowered to prepare detailed development schemes for development of the Bangalore Metropolitan Area, and with the previous approval of the Government, undertake from time to time any works for the development of the Bangalore Metropolitan Area and incur expenditure therefor and also for the framing and execution of development schemes. The BDAA may also take up development schemes from time to time on its own initiative or on the recommendation of a local authority.

5.4 BANGALORE METROPOLITAN REGION DEVELOPMENT AUTHORITY ACT, 1985

The Bangalore Metropolitan Region Development Authority Act, 1985 ("BMRDAA") provides for the establishment of Bangalore Metropolitan Region Development Authority ("BMRDA") for the purpose of planning, coordinating and supervising the proper and orderly development of the areas within Bangalore Metropolitan Region. "Development" has been defined to mean carrying out of building, engineering or other operations in or over or under any land or the making of any material change in any building or land and includes redevelopment and forming of layouts and sub-division of any land including amenities. Further, "amenities" has been defined to include transport.

The BMRDA is body corporate having perpetual succession and a common seal. It consists of members as prescribed in the BMRDAA, including inter alia the Chief Minister of Karnataka as the Chairman; Minister in charge of urban development who shall be the vice-chairman; Chairman of the Bangalore Development Authority and various other authorities.
The functions of the BMRDA include the following:\(^{389}\)

(i) to carry out a survey of the Bangalore Metropolitan Region and prepare reports on the surveys so carried out;

(ii) to prepare a structure plan for the development of the Bangalore Metropolitan Region;

(iii) to cause to be carried out such works as are contemplated in the structure plan;

(iv) to formulate as many schemes as are necessary for implementing the structure plan of the Bangalore Metropolitan Region;

(v) to secure and co-ordinate execution of the town planning scheme and the development of the Bangalore Metropolitan Region in accordance with the said schemes;

(vi) to raise finance for any project or scheme for the development of the Bangalore Metropolitan Region and to extend assistance to the local authorities in the Region for the execution of such project or scheme;

(vii) to do such other acts and things as may be entrusted by the Government or as may be necessary for, or incidental or conducive to, and matters which are necessary for furtherance of the objects for which the Authority is constituted;

(viii) to entrust to any local authority the work of execution of any development plan or town planning scheme;

(ix) to co-ordinate the activities of the Bangalore Development Authority, the Corporation of the City of Bangalore, the Bangalore Water Supply and Sewerage Board, the Karnataka Slum Clearance Board, the Karnataka Electricity Board, the Karnataka Industrial Areas Development Board, the Karnataka State Road Transport Corporation and such other bodies as are connected with developmental activities in the Bangalore Metropolitan Region.

Except with the previous permission of the BMRDA, no authority or person shall undertake any development within the Bangalore Metropolitan Region of the types as the BMRDA may from time to time specify by notification published in the official Gazette.\(^{390}\)

In the implementation of development plans and schemes, the BMRDA may issue directions to the Bangalore Development Authority, the Bangalore Water Supply and Sewerage Board and the Karnataka Electricity Board and other bodies connected with developmental activities of the Bangalore Metropolitan Region. Such directions issued by the BMRDA prevail over any directions issued by the BDA.\(^{391}\)

5.5 KARNATAKA INDUSTRIAL AREAS DEVELOPMENT ACT, 1986

The Karnataka Industrial Areas Development Act, 1966 ("KIADA") provides for the establishment of Karnataka Industrial Areas Development Board ("Industrial Board") and makes special provisions for securing the establishment of industrial areas in the State of Karnataka. The KIADA is applicable in the entire State of Karnataka.\(^{392}\)

The Industrial Board is a body corporate with perpetual succession and a common seal.\(^{393}\) The members of the Industrial Board include the Secretary to the Government of Karnataka, Commerce and Industries Department who shall ex-officio be the Chairman; the Secretary to

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389 Section 9, BMRDAA
390 Section 10, BMRDAA
391 Section 18, BMRDAA
392 Preamble, BMRDAA
393 Section 5(2), BMRDAA
the Government of Karnataka, Finance Department; the Secretary to the Government of Karnataka, Housing and Urban Development Department; Commissioner for Industrial Development and Director of Industries and Commerce; Chairman and Managing Director, Karnataka State Industrial Investment and Development Corporation Limited; Chairman, Karnataka State Pollution Control Board; Director of Town Planning; Managing Director, Karnataka State Small Industries Development Corporation Limited; Managing Director, Karnataka State Financial Corporation; executive member of the Board and two nominees of the Industrial Development Bank of India. The function of the Industrial Board is to promote and assist in the rapid and orderly establishment, growth and development of industries and to provide industrial infrastructural facilities and amenities in any industrial area. It should be noted that industrial infrastructural facilities has been defined to include transport. The Industrial Board also has the power to provide amenities and industrial infrastructural facilities and construct and maintain works and buildings therefor.

5.6 BANGALORE METROPOLITAN TRANSPORT CORPORATION

The Bangalore Metropolitan Transport Corporation (“BMTC”) is the sole public bus transport provider for Bangalore, serving urban, sub-urban and rural areas. The BMTC is governed by the Karnataka Road Transport Corporation Act, 1950. It was formed as an independent corporation with effect from 15th August 1997 after the bifurcation from Karnataka State Road Transport Corporation vide G.O. No. HTD/127/TRA/96 dated 7th August 1997. The Board of the BMTC, as on 31st March 2012, consisted of eleven official directors and 6 non-official directors. The Government of Karnataka appoints the official directors representing the State Government and also non-official directors. The official directors representing the Central Government are nominated by the Government of India.

VI. CHENNAI

6.1 CHENNAI MUNICIPAL CORPORATION ACT, 1919

The Chennai Municipal Corporation Act, 1919 (“CMC Act”) aims to consolidate and amend the laws relating to municipal affairs of the city with a view to ensure better municipal government in the City of Chennai.

The Act establishes the Municipal Corporation of Chennai and has a Mayor, a Council, the standing Committees of the Council, the Wards Committee and a Commissioner as the Municipal Authorities to carry out the provisions of the Act.

The Act makes the various urban local bodies/municipal authorities responsible for levying certain taxes, constituting a fund for managing the finances of the municipal council, developing and promoting public health, safety and convenience by looking into areas like water supply, lighting, drainage, sewage disposal, scavenging, maintenance and repairing of public and private streets and buildings, maintenance of vital statistics of birth and death, prevention of dangerous diseases, prevention of nuisance, regulation of milk trade, city improvement, and collection of licenses and fees, etc. The Council may levy taxes on carriages and carts.
The Commissioner is responsible for levying the taxes and the Council is responsible for the determination of the tax rates on carriages. Carriages belonging to the Government or those belonging to members of the city police or to officers or servants of the corporation employed on out-door duties, those kept solely for sale by carriage makers and dealers, those which have been under repair or standing at a carriage maker’s during the whole of a half year are exempted from taxation. On payment of the tax amount, the Commissioner grants a license to keep such a carriage and directs that a municipal number be affixed to it.

Similarly, the Commissioner levies taxes on carts at rates fixed by the Council. The owner of the cart is to register it once in every six months in the municipal office. There is no tax applied on: (i) Gun carriages, ordinance carts or wagons or carts belonging to the government, and (ii) carts kept solely for sale by cart makers and dealers.

6.2 TAMIL NADU URBAN LOCAL BODIES ACT, 1998

The Tamil Nadu Urban Local Bodies Act, 1998 ("TNULB Act") was enacted to consolidate the laws relating to Municipalities and Municipal Corporations. The TNULB Act allows for the constitution of a town panchayat a municipal corporation based on population and annual income.

The various urban authorities responsible for levying certain taxes, constituting a fund for managing the finances of the municipal council, developing and promoting public health, safety and convenience by looking into areas like water supply, lighting, drainage, sewage disposal, scavenging, maintenance and repairing of public and private streets and buildings, maintenance of vital statistics of birth and death, prevention of dangerous diseases, prevention of nuisance, regulation of milk trade, city improvement, and collection of licenses and fees, etc.

The Council is responsible for the construction and maintenance of roads, traffic islands in the urban area and provision of parking places for vehicles including taxies and auto rickshaws.

The Council can levy tolls in respect of any bridge or road made, improved, repaired solely at the expense of the municipality or any person or body or association of individuals. Vehicles owned or controlled by the Central or State Government including defense vehicles and any vehicles so specified by the Council are exempted from such toll.
6.3 CHENNAI UNIFIED METROPOLITAN TRANSPORT AUTHORITY ACT, 2010


The Chennai Unified Metropolitan Transport Authority has been established with the aim to ensure proper co-ordination and streamlining the activities among the agencies involved in planning, operation, and managing the transportation system in Chennai Metropolitan Planning Area.\(^{415}\)

Chennai Unified Metropolitan Transport Authority shall act as a coordinating authority in areas of transport and also oversee the implementation of various traffic and transportation measures undertaken by various agencies in the Chennai Metropolitan region.\(^{416}\)

Furthermore, the authority shall including but not limited to:\(^{417}\):

(i) prepare a comprehensive transportation plan for addressing the planning and development of all the public mass passenger transport modes and related infrastructure within the Master Plan in co-ordination with the Chennai Metropolitan Development Authority and recommend implementation of the same through the respective transportation agencies; update the comprehensive transportation plan on a periodic basis, and (iii) monitor, evaluate and supervise the implementation of the comprehensive transportation plan, (iv) plan and implement traffic and transportation infrastructure of special nature; (v) regulate measures of integration of public mass transportation modes, (vi) regulate measures aimed at enhancing the equity and efficiency of the mass passenger transport modes and para-transit modes; (vii) regulate route plan ; (viii) determine fares; (ix) commission studies and research needed to improve the performance or efficiency of the mass passenger transport modes and para-transit modes; and (x) manage road safety cell.

The Government of Tamil Nadu has the power to exempt a transport authority from implementing the recommendation of the Chennai Unified Metropolitan Transport Authority.\(^{418}\)

The composition of the Chennai Unified Metropolitan Transport Authority is as follows:\(^{419}\):

(i) Minister in charge of transport is the Chairman
(ii) Chief Secretary to Government
(iii) Vice Chairman of Chennai Development Authority
(iv) Secretary to Government. Transport Dept.
(v) Secretary to Government. Finance Dept.
(vi) Secretary to Government. Housing and Urban Development Dept.
(vii) Secretary to Government. Highways Dept.
(viii) Secretary to Government. Home Dept.
(ix) Secretary to Government. Municipal Administration and Water Supply Dept.
(x) Commissioner to Police, Greater Chennai
(xi) Commissioner, Chennai Municipal Corporation
(xii) Transport Commissioner
(xiii) Member Secretary, Chennai Metropolitan Development Authority
(xiv) General Manager, Southern Railway, Chennai
(xv) Divisional Railway Manager, Chennai Division, Southern Railway, Chennai

\(^{415}\) Preamble, CUMTA
\(^{416}\) Section 9(3), CUMTA
\(^{417}\) Section 9(4), CUMTA
\(^{418}\) Section 11, CUMTA.
\(^{419}\) Section 4, CUMTA
7.1 KERALA MUNICIPALITIES ACT, 1994

The Kerala Municipalities Act, 1994 ("KM Act") is a legislation consolidating the legal framework governing Municipalities and Municipal Corporation in the State of Kerala. The KM Act provides that the Central Government shall by a notification establish a municipal council, and municipal corporation of Delhi based on the size of the urban area. The municipalities have the power and authority as may be necessary to enable them to functions of self-government including preparation of plans for economic development, and any function that may be entrusted to them including the matters listed in Schedule XII (such as urban planning, roads and bridges, and public amenities including parking lots, bus stops and public conveniences).

The municipalities under the KM Act have the power to levy, collect and appropriate such taxes, duties, tolls and fees. Furthermore, the Municipalities may also levy a tax on vessels kept or used within the municipal area, including any motorboat steam launch, steam or motor tug or barge at rates fixed by the Council. It is important to note that the tax is levied only if the vessel has been kept or used in the area for an aggregate period of not less than sixty days in half a year.

Vessels belonging to the Government or Municipality, kept solely for sale by dealers or in repair shops are exempted from the payment of tax. On the payment of tax by a person, the Secretary of the Council shall issue to him a license to keep or use the vessel for the period for which tax has been paid. Thereafter a municipal number is affixed to the licensed vessel in the absence of which the Secretary can seize the vessel.

Furthermore, the Municipality may, in tandem with the guidelines of the Government, construct or provide for public landing places and cart stands including a bus stand, taxi stand, auto rickshaw stand, lorry stand and a stand for the other vehicles and levy fees for the use of the same.

7.2 KERALA ROAD TRANSPORT SERVICES (VALIDATION ACT), 1957

The Kerala Road Transport Services (Validation) Act, 1957 ("KRTSV Act") provides that notwithstanding anything contained in the Motor Vehicle Act, 1939 or any other law for the time being in force, every road transport service run and operated by the Government shall be deemed to be a service run and operated under an approved scheme or Principal Act, and its validity shall not be questioned in any court on the ground that no scheme under the principal act had been prepared, approved or published, or that no permit under the Act was...
obtained for any motor vehicle or that no compensation was paid to the holder of the permit on account of its cancellation.

7.3 KERALA ROAD FUND ACT, 2001

The Kerala Road Fund Act, 2011 ("Kerala Road Fund Act") was enacted to establish a fund for investments in the transport facility projects in the State, to constitute a Board to administer it and monitor and supervise the activities financed from the Kerala Road Fund.

The Board shall be constituted by notification by the Government of Kerala.

The Board shall have the following powers and functions:

(i) to formulate the criteria on basis of which the transport facility are to be financed out of the Kerala Road Fund;
(ii) to take such measures as may be necessary to raise funds for transport facility projects;
(iii) to raise funds by borrowing money necessary for due discharge of its functions; and
(iv) perform such other functions as may be prescribed.

Furthermore, the Kerala Road Fund Act provides that an executive committee shall be constituted under the Board, which shall have the following functions:

(i) to approve a concession agreement with respect to a transport facility project on the basis of the criteria formulated by the Board; and
(ii) to sanction funds to a Government agency or a concessionaire for construction of a transport facility and monitor or supervise such transport facility projects and expenditure incurred thereon.

The Kerala Road Fund shall have the following amounts credited:

(i) all monies received from Central Road Fund established under the Central Road Fund Act, 2000;
(ii) contributions made by the Government of Kerala as provided under Section 6(3) of the Act;
(iii) all fees, fines and other amounts collected by Government of Kerala as per the provisions of the Kerala Highway Protection Act, 1999;
(iv) all payments made by the concessionaire as per the concession agreement;
(v) all amounts standing to the credit of Bridges Fund established under section 13 of the Kerala Tolls Act, 1976;
(vi) user fees collected by the Government agency or statutory body under this Act;
(vii) grants or loans or advances made by the Government of India or any institution;

431 Section 2, KRTSV Act
432 Section 3(1), Kerala Road Fund Act.
433 Section 4, Kerala Road Fund Act.
434 Section 6, Kerala Road Fund Act provides that as soon as after the constitution of the Board a Kerala Road Fund shall be established.
435 Section 2(ab), Kerala Road Fund Act defined the term ‘transport facility” means depending upon the case, a bridge, or a tunnel including approach and exit roads thereto or a road or any section of bridge or tunnel or road or a specified combinations of all or some of them.
436 Section 3(6), Kerala Road Fund Act.
437 Section 5, Kerala Road Fund Act.
438 Section 6(2), Kerala Road Fund Act.
439 Section 6(3) of the Kerala Road Fund Act provides that the Government of Kerala shall contribute every year to the Fund an amount equal to ten percent of tax collected by it in the previous year under the Kerala Motor Vehicles Taxation Act, 1976 and the said amount shall be charged on the Consolidated Fund of the State.
(viii) all returns on investment made by the Board directly or through a Government agency or statutory body; and

(ix) any other amount authorized for credit to the Kerala Road Fund under the provisions of the Act.

The amounts standing to the credit of the Kerala Road Fund shall be utilised for the following purposes:

(i) for providing financial assistance to a concessionaire on behalf of a Government agency in respect of a transport facility approved by the Board;

(ii) for meeting any development cost;

(iii) for defraying the administrative expenses of the Board; and

(iv) to provide subsidy, capital grant, or other capital grant support to transport facility project in terms of concession agreement;

(v) to guarantee and/or make payment to be the concessionaire including payment of annuity, shadow toll, or other deferred payment, revenue shortfall or payment arising out of termination of concession agreement.

(vi) to make payment to consultants, experts appointed by the concessionaire, or on behalf of Government agency, and/or Board;

(vii) for any expenditure as may be prescribed.

It also provides that the balance to the credit of the Kerala Road Fund shall not lapse at the end of financial year.

Notwithstanding anything contained in the Kerala Highway Protection Act, 1999, any Government agency has the power to enter into concession agreements for the purpose of construction of a transport facility.

When the concession agreement is entered into the concessionaire or the Government agency is entitled to levy and collect user fees on a motor vehicle using the transport facility at such rate, for services and benefits rendered which shall be fixed by the Board considering the expenditure involved in building, maintenance, management and operation of the whole or part of the transport facility, interest on capital invested, reasonable return, the volume of traffic, and period of such agreement.

The concessionaire or the Government agency (as the case may be) shall have the powers to regulate and control the traffic in accordance with Chapter VIII of Motor Vehicle Act, 1988.

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440 Section 6(4), Kerala Road Fund Act.
442 Explanation to Rule 5, Kerala Road Fund Rules, 2003 defined the term “annuity” means the fixed sum payable by the Board to the concessionaire periodically during the concession period without reference to the number or type of vehicles using the transport facility project but subject to terms and conditions of the concession agreement to compensate the concessionaire for capital costs, operations and maintenance expenses and returns thereon.
443 Explanation to Rule 5 of Kerala Road Fund Rules, 2003 defines the term “shadow toll” to mean the sum computed at specified rate(s) and on the basis of the number and type of vehicles using the transport vehicles payable by the Board to the concessionaire periodically during the concession period on the terms and conditions stipulated in the construction agreement the concessionaire for the capital costs, operations and maintenance expenses and return thereon.
445 Rule 5(c) and Rule 5(d), Kerala Road Fund Rules, 2003.
446 Section 8(1) Kerala Road Fund Act.
447 Section 8(2), Kerala Road Fund Act provides that the Concessionaire is required to use the user fees retained by him and utilized in accordance with the concession agreement.
448 Section 8(2), Kerala Road Fund Act. Section 15, Kerala Road Fund Act provides that the Government of Kerala may in public interest exempt any motor vehicle for levy of user fees under the provisions of this Act. Furthermore, Section 17, Kerala Road Fund Act provides that any collecting agent or concessionaire may offer a discount for any period not exceeding one year to any person for a certain sum to be paid by such persons for any motor vehicle kept by him, on rates of user fees authorized to be levied under this Act, subject to conditions as provided by regulations in respect thereof.
on the roads or bridges, or tunnels together with their approach and exit roads forming the subject matter for such concession agreement for proper management thereof\textsuperscript{449}.

7.4 KERALA INFRASTRUCTURE INVESTMENT FUND ACT, 1999

The Kerala Infrastructure Fund Act, 1999 ("KIF Act") provides for constitution of a fund for investment in infrastructure projects\textsuperscript{450} in the State of Kerala.

The Government of Kerala shall frame a scheme for the establishment of the Kerala Infrastructure Fund Scheme and the fund constituted under the KIF Act shall be used for the following purposes\textsuperscript{451}:

(i) finance investment in infrastructure projects in the State;
(ii) to provide financial assistance to public sector undertakings and other undertakings for their investments in infrastructure projects;
(iii) to redeem bonds and debentures used to raise resources for the fund;
(iv) for implementation of and other purposes specified in the scheme.

The fund created under the KIF Act shall have the following amounts credited:

(i) advances, grants and loans made by the Government of Kerala on such terms and conditions as it may determine\textsuperscript{452};
(ii) any amount borrowed by the Board by issue of bonds or debentures or otherwise making arrangements with the Banks or intuitions approved by the Government in that regard subject to the terms as provided in a general or special order in respect thereof\textsuperscript{453};
(iii) grants or loans or advances made by the Government or any institutions\textsuperscript{454};
(iv) any amount raised by the Board from other sources to augment the resources of the Board\textsuperscript{455};
(v) any other amount which under the provisions of the scheme shall be credited to the fund.

7.5 DRAFT KERALA TRANSPORT POLICY, 2011

The Draft Kerala Transport Policy, 2011 ("Draft Kerala Transport Policy") is a policy developed for the purpose “shaping a modern, efficient, and safe transportation system, connecting various growth regions in the State to meet the faster mobility needs of all Keralites by 2025\textsuperscript{456} and specifically to achieving safe, economical and fast transport system for moving people and goods in the state by integrating different modes of transport according to their economic advantages with respect to cost, speed, low carbon emission and travel comforts\textsuperscript{457}.”

\textsuperscript{449} Section 8(3), Kerala Road Fund Act.

\textsuperscript{450} Section 2(f), KIF Act defines the term “infrastructure projects” to include projects in the sectors of electric power, roads, irrigation, airports, water supply, inland navigation, solid waste management and drainage or a multi purpose project in any one or more of these areas.

\textsuperscript{451} Section 3(4), KIF Act.

\textsuperscript{452} Section 3(2) read with Section 7, KIF Act.

\textsuperscript{453} Section 3(2) read with Section 8, KIF Act.

\textsuperscript{454} Section 9, KIF Act provides that the Government may guarantee the payment of principal and interest of any loan proposed to be raised by the Board under Section 8 and further that the sum of such guarantee shall not exceed a sum of rupees two thousand cores (as per Kerala Infrastructure Investment Fund (Amendment) Act, 2002.

\textsuperscript{455} Section 3(2), KIF Act.

\textsuperscript{456} Para 2.1, Draft Kerala Transport Policy.

\textsuperscript{457} Para 3, Draft Kerala Transport Policy.
The Draft Kerala Transport Policy states that the Government will encourage public sector bus transport, i.e., KSTRC with more autonomy to enhance efficiency in operation, strengthen the middle level management system, passenger information system, rationalization of routes and initiating other innovative operational methods to improve its financial viability.\(^\text{458}\)

Under the policy it has also been stated that the public transport will get preferential treatment in the tax structure as compared to personalized transport\(^\text{459}\).

It is also important to note that the Draft Kerala Transport Policy clearly states that the Motor Vehicle Department will be re-structured to make it more as a Transport Regulator than a mere revenue collection and license issuing agent.\(^\text{460}\)

The Draft Kerala Transport Policy talks about the Government enhancing the power and functions of the Kerala Road Safety Authority with regulatory, advisory capacity building and research functions to provide an institutional framework for a coordinated approach to prevent road accidents.\(^\text{461}\) Furthermore, the Draft Kerala Transport Policy also states that an independent semi-judicial body will be set up to “… closely monitor direct and indirect costing of transport industry as a whole and create a mechanism whereby fares and freight rates are restructured periodically to ensure viability of the industry and safeguard the interest of general public as well.”

It is also important to note that the Draft Kerala Transport Policy also provides that private participation in developing transport infrastructure in the State of Kerala shall be encouraged, and for this purpose the Government shall ensure: (i) availability of land, and (ii) guaranteed minimum returns to the Special Purpose Vehicles constituted for this purpose by way of capital grants and annuities to bridge the short falls in the revenue.\(^\text{462}\) The Draft Kerala Transport Policy also states that the Government will provide adequate budgetary support by earmarking 80% of all revenues earned from the transport sector for development of transport infrastructure specified in the policy and furthermore that the existing tax and subsidy policy shall be re-structured with a view to enhance revenue and also encourage public transport\(^\text{463}\).

**VIII. Bhopal and Indore**

8.1 **Madhya Pradesh Municipal Corporation Act, 1956**

This Act was enacted to establish municipal corporations in Madhya Pradesh,\(^\text{464}\) and its applicability extends to the entire state.\(^\text{465}\)

The Municipal authorities charged with carrying out the provisions of this Act are:\(^\text{466}\)

(a) the Corporation;
(b) the Mayor-in-Council
(c) the Mayor;
(d) the Commissioner.

The Corporation shall make adequate provision, by any means or measures which it may lawfully use or take, to ensure lighting of public streets, places and buildings; cleaning public streets, places and sewers and all spaces not being private property, which are open to the

\(^{458}\) Para 4.6.14, Draft Kerala Transport Policy.
\(^{459}\) Para 4.6.1.1, Draft Kerala Transport Policy.
\(^{460}\) Para 4.11.2, Draft Kerala Transport Policy.
\(^{461}\) Para 4.13.4, Draft Kerala Transport Policy.
\(^{462}\) Para 6.1.8.1, Draft Kerala Transport Policy.
\(^{463}\) Para 6.1.8.2, Draft Kerala Transport Policy.
\(^{464}\) Preamble of the Madhya Pradesh Municipal Corporation Act, 1956
\(^{465}\) Section 1(2) of the Madhya Pradesh Municipal Corporation Act, 1956
\(^{466}\) Section 6 of the Madhya Pradesh Municipal Corporation Act, 1956
enjoyment of the public, whether such spaces are vested in the Corporation or not; removing obstructions and projections in public streets and places, constructing, altering and maintaining public streets, culverts and corporation boundary, markets, latrines, urinals, drains, sewers and providing public facilities for drinking water, watering public streets and places; naming streets and numbering houses; and, the provision of traffic signs.\(^{467}\)

In addition to the other powers and duties, conferred or imposed on it by or under this Act or any other Act for the time being in force, the Corporation may in its discretion provide from time to time laying out, whether in areas previously built upon or not, new public street, and acquiring land for that purpose, including plots of land for building to abut on such streets; planting and maintaining roadside and other trees; constructing and maintaining such roads and buildings and other Government works as the Government may transfer to the Corporation; the construction, purchase, organization, maintenance or management of tramways or motor transport facilities for the conveyance of the public; and urban planning including town planning.\(^{468}\)

The Act allows for the municipal authority to impose a general lighting tax where the lighting of public streets and places is undertaken by the Corporation,\(^{469}\) and toll taxes for bridges built by the Corporation.\(^{470}\)

The Municipal Corporation has the authority to close public streets,\(^ {471}\) prohibit projections\(^ {472}\) and obstructions\(^ {473}\) in the streets, prevent the street from being open or broken up,\(^ {474}\) and lay railways, tramways or electricity or telephone poles. The authority has to issue permits to lay out lands to be used to construct private streets\(^ {475}\) and determine the level of the same.\(^ {476}\) The Municipal Authority may declare streets, once metaled, a public street,\(^ {477}\) and construct and maintain public bridges.\(^ {478}\)

8.2 MADHYA PRADESH MUNICIPALITIES ACT, 1961

This act was enacted to consolidate and amend the law relating to municipalities in Madhya Pradesh, in order to ensure better organization and administration of the municipal authorities in the state.\(^ {479}\)

There shall be constituted:

(a) a Municipal Council for a smaller urban area; and

(b) a Nagar Panchayat for a transitional area, that is to say, an area in transition from a rural area to an urban area.\(^ {480}\)

It shall be the duty of a Council to undertake and make reasonable and adequate provision for the lighting of public streets, places and buildings; cleansing public streets, places and sewers, and all places, not being private property, which are open to the enjoyment of the public whether such places are vested in the Council or not; removing obstructions and projections in public streets or places and in spaces not being private property, constructing,
altering and maintaining public streets, and naming streets and parks and numbering houses.

In addition to the other powers and duties, conferred or imposed on it by or under this Act or any other Act for the time being in force, the Council may in its discretion provide from time to time laying out, whether in areas previously built upon or not, new public street, and acquiring land for that purpose, including plots of land for building to abut on such streets; planting and maintaining roadside and other trees; constructing and maintaining such roads and buildings; and urban planning including town planning.\[481\]

The Act allows for the municipal authority to impose a general lighting tax where the lighting of public streets and places is undertaken by the Corpor

8.3 THE INDORE SPECIAL ECONOMIC ZONE (SPECIAL PROVISIONS) ACT, 2003

The Act was enacted to provide for the development, operation, maintenance and administration of the Indore Special Economic Zone in the State of Madhya Pradesh,\[482\] and extends to the Indore Special Economic Zone.\[483\]

The Act defines amenities as all basic and essential services including roads, water supply, street lighting, power supply, sewerage, drainage, collection, treatment and disposal of industrial and municipal wastes, public health, education, transport, fire fighting services, public parks, clubs, markets, shops and outlets and such other facilities or services.\[484\]

The Developer shall secure planned development of the Zone and provide for the establishment, maintenance and management of the Zone infrastructure and amenities;\[485\] and undertakes to develop, construct, install, operate, manage and maintain infrastructure and amenities for providing services either by itself or through any person authorized by it.\[486\]

For the purpose of providing, maintaining and continuing any amenity in the Zone, the Developer may levy charges as he may consider necessary in respect of any land, building, installations or any other infrastructure.\[487\]

IX. LUCKNOW

9.1 THE UTTAR PRADESH MUNICIPAL CORPORATION ACT, 1959

This Act was enacted to establish municipal corporations in Uttar Pradesh,\[488\] and its applicability extends to the entire state.\[489\]

The Municipal authorities charged with carrying out the provisions of this Act are:\[490\]
(a) the Corporation;
(b) the Ward Committees
(c) the Mayor;

\[481\] Section 124 of the Madhya Pradesh Municipalities Act, 1961
\[482\] Preamble of the Indore Special Economic Zone (Special Provisions) Act, 2003
\[483\] Section 1(2) of the Indore Special Economic Zone (Special Provisions) Act, 2003
\[484\] Section 2(a) of the Indore Special Economic Zone (Special Provisions) Act, 2003
\[485\] Section 8(1)(a) of the Indore Special Economic Zone (Special Provisions) Act, 2003
\[486\] Section 8(1)(e) of the Indore Special Economic Zone (Special Provisions) Act, 2003
\[487\] Section 9 of the Indore Special Economic Zone (Special Provisions) Act, 2003
\[488\] Preamble of the Uttar Pradesh Municipal Corporation Act, 1959
\[489\] Section 1(2) of the Uttar Pradesh Municipal Corporation Act, 1959
\[490\] Section 5 of the Uttar Pradesh Municipal Corporation Act, 1959
(d) the Commissioner and one or more Additional Commissioners
(e) an Executive Committee of the Corporation
(f) in the event of the Corporation establishing or acquiring electricity supply or public transport undertaking or other public utility services, such other committee or committees of the Corporation as the Corporation may establish.

The Corporation shall make adequate provision, by any means or measures which it may lawfully use or take, to ensure lighting of public streets, places and buildings; cleaning public streets, places and sewers and all spaces not being private property, which are open to the enjoyment of the public, whether such spaces are vested in the Corporation or not; removing obstructions and projections in public streets and places, constructing, altering and maintaining public streets, parking plots, bus stops, culverts and corporation boundary, markets, latrines, urinals, drains, sewers and providing public facilities for drinking water, watering public streets and places; naming streets and numbering houses; and, the provision of traffic signs.\(^{491}\)

In addition to the other powers and duties, conferred or imposed on it by or under this Act or any other Act for the time being in force, the Corporation may in its discretion provide for construction, purchase, organization, maintenance or management of tramways or motor transport facilities for the conveyance of the public or goods within the city.\(^ {492}\)

The Act allows for the municipal authority to impose a tax on vehicles other than mechanically propelled vehicles, and other conveyances plying for hire or kept within the City or on boats moored therein, a tax on helicopters or any other type of planes, when they land on or take off from the helipads, airports, airstrips or places made for this purpose by the Corporation.\(^ {493}\)

The Municipal Corporation has the authority prohibit projections\(^ {494}\) and obstructions\(^ {495}\) in the streets, prevent the street from being open or broken up.\(^ {496}\) The authority has to issue permits to lay out lands to be used to construct private streets\(^ {497}\) and public streets,\(^ {498}\) and determine the level of the same.\(^ {499}\) The Municipal Authority may declare streets, once metalled, a public street,\(^ {500}\) and construct and maintain public bridges.\(^ {501}\)

9.2 THE UTTAR PRADESH URBAN PLANNING AND DEVELOPMENT ACT, 1973

The Act was created to provide for the development of certain areas within the state of Uttar Pradesh\(^ {502}\) recognizing that the existing local bodies and other authorities weren’t able to cope with the problems of urban development and town planning, and thus the State Government sought to create Development Authorities on the lines of the Delhi Development Authority.\(^ {503}\) It extends to the entire state of Uttar Pradesh excluding Cantonment areas.\(^ {504}\)

\(^{491}\) Section 114 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{492}\) Section 115 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{493}\) Section 172 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{494}\) Section 292 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{495}\) Section 298 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{496}\) Section 302 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{497}\) Section 287 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{498}\) Section 284 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{499}\) Section 289 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{500}\) Section 274 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{501}\) Section 376 of the Uttar Pradesh Municipal Corporation Act, 1959
\(^{502}\) Preamble of the Uttar Pradesh Urban Planning and Development Act, 1973
\(^{503}\) Reasons for Enactment of the Uttar Pradesh Urban Planning and Development Act, 1973
\(^{504}\) Section 1(2) of the Uttar Pradesh Urban Planning and Development Act, 1973
The Act defines “amenity” as including road, water supply, street lighting, drainage, sewerage, public works and such other convenience as the State Government may specify to be amenity.  

The Authority in respect of a development area shall consist of a Chairman to be appointed by the State Government, a Vice-Chairman, the Secretary in charge of the Department relating to Development Authorities, Secretary of the Department of Finance, the Chief Town and Country Planner, the Managing Director of the Jal Nigam, the Mukhya Nagar Adhikari, the District Magistrates of every district within the development area, four members to be elected by Sabhasads of the Municipal Corporation from amongst themselves and such other members, not exceeding three, who may be nominated by the State Government.

The Development Authority shall create Master Plans and Zonal Development Plans with approximate locations and extents of land uses proposed in the zone for such things as public buildings, other public works and utilities, roads, housing, recreations, industry, business, markets, etc.

Where as a consequence of any development scheme having been executed by the Authority in any development area, the value of any property in that area has increased or will increase, the Authority is entitled to levy upon the owner of the property or any person having an interest therein, a betterment charge in respect of the increase in value of the property, amounting to one-third of the amount by which the value of the property exceeds the value of the property prior to such execution.

9.3 THE MOTOR VEHICLES (U.P. AMENDMENT) ACT, 1972

The Act inserted a new Section 43-A allowing for the State Government to issue directions of a general character in public interest in respect of any matter relating to road transport to the State Transport Authority or to any Regional Transport Authority and such Transport Authority shall give effect to such directions.

The State Government may also grant stage carriage permits in public interest. Section 47 has been amended to give Regional Transport Authorities the power to consider applications for stage carriage permits giving due regard to the interest of the public generally, the advantage to the public of the service to be provided.

9.4 THE LUCKNOW CITY TRANSPORT SERVICES LIMITED

The Lucknow City Transport Services Limited, is a U.P. Government undertaking under the Uttar Pradesh State Road Transport Corporation, created under the Road Transport Corporations Act, 1950.
PART C: SCHEDULES TO REPORT

Schedule 1: National Highways

The National Highways Act 1956

The NH Act 1956, vests the power with the Union Government to notify any highway as a national highway and also de-notify any national highway as being no longer a national highway. The highways so notified are specified in the Schedule to the NH Act 1956. Presently, highways have been notified as being national highways.

National Highways. The NH Act 1956, clearly stipulates that all national highways shall vest in the Union. In this regard, ‘highways’ has been defined to include: (i) all lands appurtenant thereto, whether demarcated or not; (ii) all bridges, culverts, tunnels, causeways, carriageways and other structures constructed on or across such highways; and (iii) all fences, trees, posts and boundary, furlong and milestones of such highways or any land appurtenant to such highways.

Prior to 1997, the scope of national highways was restricted to that part of the highway that falls outside any municipal area. Consequently, prior to 1997, the part of the highway that fell within a municipal area was under the jurisdiction of the local municipal body and not the Union Government. The National Highways Laws (Amendment) Act 1997, deleted this exception as a result of which the entire stretch of the national highway now vests with the Union, including those parts that fall within any municipal area. The amendment of 1997 was positive as it allowed for a uniform standard and jurisdiction to govern the entire stretch of the highway. However in relation to urban transport it also created NHAI as a relevant authority if a national highway passed through the relevant urban centre.

In this context it should be noted that the definition of ‘highways’ essentially specifies highways to be the highways identified in the schedule to the National Highways Act 1956. The manner in which the highways are identified in the schedule is by a general description of the main cities they connect. Although this definition made more sense when the national highways did not include the part of highway falling under a municipal area, in the present context, this would lead to inaccuracies as it does not clearly specify at what point the highway begins and at what point it ends. It is submitted that greater clarity in the law could be brought about by clearly identifying the milestones or points at which the highway begins and at which it ends, as well as the main cities it goes through. In light of the fact that all property in the land appurtenant to such highway would also be vested with the Union, clarity over the precise route could be considered necessary.

Acquisition of Land. The NH Act 1956, empowers the Central Government to acquire any land and also provides for a distinct procedure for the acquisition of any land that is required for the building, maintenance, management or operation of a national highway or part of a national highway. The procedure for the acquisition of land is distinct form the general law relating to the acquisition of land by the Government. The difference from the general law relating to land acquisition in the procedure specified in the NH Act 1956, can be briefly stated to be as follows:

1. Upon the issue of notification of the intention of the Central Government to acquire any land for the building, maintenance, management or operation of a national highway or a part of the national highway, it has been specifically made lawful for any person authorized by the Central Government to: (i) make an inspection, survey, measurement,, valuation or enquiry; (ii) take levels; (iii) dig or bore into sub-soil; (iv) set out boundaries and intended lines of work; (v) do such other acts or things as may be laid out by rules made in this behalf by
the Government. This enables the carrying out of engineering and design studies on the proposed land and therefore, not cause delay in the development of the highway when the land is acquired.

2. The acquisition of land, once allowed by the competent authority, cannot be reversed, the only disputes allowed are with respect to the quantum of compensation determined by the competent authority and not the final settlement by the arbitrator and this dispute does not stop the vesting of land and the taking over of the possession of land by the Government. The Government can take over possession once the declaration of acquisition has been notified and the amount of compensation as determined by the competent authority has been deposited with the competent authority. Once these two steps are taken, the competent government can issue instructions to the occupier/owner of the land to deliver the vacant possession of land within a period of 60 days from the date of notice. This frees the acquisition process from the disputes relating to compensation and any disputes relating to the fact of acquisition itself.

3. Settlement of disputes relating to compensation for the land taken over has been specified to be under arbitration in accordance with the Arbitration and Conciliation Act 1996, rather than through the courts and the taking of possession by the Government is not subject to the final settlement of compensation by the arbitrator. This provides for a faster disposal of disputes relating to the quantum of compensation. This is also important because the possession of the land can be taken once the compensation determined by the competent authority has been deposited by the Government, with the competent authority.

The land acquisition provisions in the NH Act 1961, are positive for the implementation of highway projects and considerably reduce the risk associated with the acquisition of land for highway projects.

**Development and Maintenance of National Highways.** The NH Act 1956, mandates that ‘it shall be’ the responsibility of the Central Government to develop and maintain, in proper condition, all national highways. However, it is also open to the Central Government to, by notification in the Official Gazette, direct that any function in relation to the development or maintenance of a national highway shall, subject to such terms and conditions as may be notified, be also exercisable by the government of the state within which a national highway is situated or by any officer or authority subordinate to the Central Government or the state government.

The Central Government can, therefore, delegate any function relating to the development or maintenance to: (i) the state government in whose jurisdiction the national highway falls; (ii) to any authority or (iii) to any officer. It is interesting to note that the provision of s 5 NH Act 1956, that provides for this power to delegate, uses the terms ‘any function in relation to the development or maintenance of any national highway’. The terms ‘management’ and ‘operation’ of the national highway are not covered by the power to delegate vested under s 5 of the NH Act 1956.

The legal framework recognizes the distinction between these terms as in the NH Act 1956, in s 3A, 3F and 8A the terms ‘building, maintenance, management and operation’ of a national highway are used and under the National Highways Authority of India Act 1986, the terms ‘develop, maintain and manage’ are used.
**Levy of Fees by Central Government.** The NH Act 1956, vide s 7, empowers the Central Government to levy fees, at such rates as may be laid down in rules made in this regard, for: (a) services or (b) benefits rendered in relation to: (i) use of sections of national highways, (ii) use of ferries across the national highway, (iii) use of permanent bridges on the national highway, the cost of construction of which is more than Rs 25 Lakh and which is opened to traffic after 1 April 1976; (iv) use of temporary bridges on the national highway and (v) use of tunnels on the national highway. The NH Act 1956, specifies that any fees so levied shall be collected in accordance with the rules made in relation thereto, under the provisions of the NH Act 1956.

**Private Participation.** The NH Act 1956, specifies, vide s 8A, that ‘notwithstanding anything contained in this Act the Central Government may enter into an agreement with any person in relation to the development and maintenance of the whole or any part of a national highway.’ It is also specified that the person with whom such an agreement is entered into, is entitled to collect and retain fees at such rate for such services or, benefit rendered by him as the Central Government may, by notification in the Official Gazette specify having regard to: (i) the expenditure involved in building, maintenance, management and operation of whole or part of such national highway, (ii) interest on the capital invested, (iii) reasonable return, (iv) the volume of traffic and (v) the period of such agreement. The levy of fees under s 8A is notwithstanding the provisions of s 7 of the NH Act 1956. The person with whom an agreement is entered into under s 8A of the NH Act 1956, shall have the powers to regulate and control the traffic.

**The National Highways Authority of India Act 1986**

The primary object of the National Highways Authority of India Act 1986, was to constitute a separate authority with statutory powers for the development, maintenance and management of national highways. The National Highways Authority of India (‘NHAI’) was created by this Act as a body corporate having perpetual succession and common seal, with the power, subject to the provisions of the National Highways Authority of India Act 1988, to hold and dispose of moveable and immovable property, and to contract and sue, and be sued in its name.

**Overall Control of the Central Government.** The provisions of the NHAI Act 1988, do not create an independent authority or regulator that is vested with the powers and functions to regulate, develop, construct, operate, manage and maintain national highways. Instead, the NHAI is completely under the control of the Central Government and dependent on the Central Government. This is clear from the following provisions:

1. The national highways are not vested with the NHAI by the NHAI Act 1988; the Central Government has the power to vest in or entrust to the NHAI, by notification, such national highway or any stretch thereof as the Central Government may decide. The NHAI has authority only over such national highways, as are vested in or entrusted to it by the Central Government and this authority itself, is subject to any rules made by the Central Government in this behalf.

2. The primary function of the NHAI is specified as being—to develop, maintain and manage the national highways and any other highways vested in or entrusted to it by the Government. This function, and consequently, the corresponding authority, itself is subject to any rules made by the Central Government in this behalf. Thus, the primary function of the NHAI is itself not protected by the provision of The National Highways Authority of India Act 1988, but are instead, made subject to the rules framed by the Central Government. The Central Government has been vested with
the power to not only control the discharge of functions by the NHAI, but also to alter the function itself.

3. The NHAI, in the discharge of its functions, is bound to follow any direction given to it in writing by the Central Government on questions of policy. The decision of the Central Government on whether a question is one of policy or not, shall be final. Thus, not only can the Central Government regulate the functioning of the NHAI by drafting rules, it can also do so by issuance of directions.

4. The Central Government can supersede the NHAI for such periods not exceeding one year, if at any time, the Central Government is of the opinion that: (a) on account of grave emergency NHAI is unable to discharge the functions and duties imposed on it; (b) the NHAI has persistently made default in complying with any direction issued by the Central Government under the NHAI Act 1988 or (c) the NHAI has persistently made default in the discharge of duties and functions imposed on it under the NHAI Act 1988 or (d) that circumstances exist, which render it necessary in the public interest to do so.

5. The Central Government may, if it is of the opinion that in public interest, it is expedient or necessary to do so, order or direct the NHAI to entrust the development, maintenance or management of any national highway or part thereof, with effect from such date, and for such period and to such person as may be specified in the order. This enables the Central Government to temporarily divest the NHAI of its functions and vest them with another person.

6. The NHAI is completely dependent upon the Central Government to provide it with the finances required to discharge its functions. The NHAI does not have an inherent capacity to borrow, but can do so only with the consent of the Central Government, or in terms of any general or special authority given to it by the Central Government to borrow.

Functions of the NHAI. As stated above the principal function of NHAI are, subject to the rules made by the Central Government in this behalf, to develop, maintain and manage the national highways and any other highways vested in, or entrusted to it by the Government.

Furthermore, The National Highways Authority of India Act 1988, also provides that the Central Government can vest (or entrust) any national highway or part thereof, with the NHAI.53 This goes against the stipulation in the National Highways Act 1956, that the national highways shall vest in the Union.54 The National Highways Authority of India Act 1988, and the National Highways Act 1956, would have to be construed harmoniously and to that extent, The National Highways Authority of India Act 1988, would have to be read as providing an exception to the absolute vesting of the national highways with the Union as provided for under the National Highways Act 1956. This, however, cannot be construed as a substantive basis for the ‘vesting’ of the national highways with NHAI.

The National Highways Authority of India Act 1988, provides for two methods under which the NHAI could have jurisdiction over a national highway or part of a national highway: (i) vesting by the Central Government of the national highway or part thereof, with the NHAI or (ii) entrustment of the national highways or part thereof, by the Central Government with the NHAI. The consequences of the two are different under the law. A ‘vesting’ signifies absolute transfer of title in the property. If a national highway is vested by the Central Government to the NHAI, then the Central Government is transferring all property, rights and title relating to the national highway to the NHAI. An ‘entrustment’ on the other hand, is a transfer in trust for a specific purpose only. The powers of the NHAI with respect to the national highway would
be limited to the scope of the entrustment and the purpose specified for the entrustment. Under an entrustment, NHAI cannot deal with the national highway otherwise than in trust, for the Central Government.

The NHAI under The National Highways Authority of India Act 1988, is authorized for discharging its functions to develop, maintain and manage the national highway to:

1. Survey, develop, maintain and manage highways vested in or entrusted to it.
2. Construct offices or workshops and establish and maintain hotels, motels, restaurants and rest rooms and or near the highways vested in or entrusted to it.
3. Construct residential buildings and townships for its employees.
4. Regulate and control the plying of vehicles on the highways vested in or entrusted to it for the proper management thereof.
5. Develop, and provide consultancy and construction services in India and abroad, and carry on research activities regarding the development, maintenance and management of highways or any facilities thereat.
6. Provide such facilities and amenities for the users of highways vested in or entrusted to it as are in the opinion of the authority necessary, for the smooth flow of traffic on such highways.
7. Form one or more companies under the Companies Act 1956, to further the efficient discharge of functions imposed on it by The National Highways Authority of India Act 1988.
8. Engage or entrust any of its functions to any person on such terms and conditions as may be prescribed. It is submitted that the scope of this function is limited and enables the NHAI to appoint contractors. This function does not empower the NHAI to grant rights in the nature of concessions to private entities for developing, maintaining, managing and operating national highways or any part thereof. The Central Government has been vested with a corresponding power of specifying the terms and conditions in accordance with which, the functions of the NHAI may be vested under the terms of this provision.
9. Advise the Central Government on matters relating to highways.
10. Assist, on such terms and conditions as may be mutually agreed upon, any state government in the formulation and implementation of schemes for highway development.
11. Collect fees on behalf of the Central Government for services or benefits rendered under s 7 of the National Highways Act 1956 and such other fees on behalf of the state governments on such terms and conditions, as may be specified by the state governments: Thus, the NHAI itself does not have any power to determine, levy, collect and appropriate fee from the users of a national highway or part thereof. Presently, it can only act as a collection agent for the Central Government and collect fees on its behalf. This function is limited to the fee that the Central Government levies under s 7 of the National Highways Act 1956.
12. Take all such steps as may be necessary or convenient for or may be incidental to the exercise of any power or the discharge of any function conferred or imposed on it by this Act.
In 2000 the Central Road Funds Act was enacted in order to give statutory status to the Central Road Fund which had till then had been governed by a resolution of the Union Parliament in 1988 and for enabling the transfer into the fund the proceeds form the cess, duty of excise and duty of customs on petrol, high speed diesel oil. The objective of the Act clearly states that the Central Road Fund is to be used for the development and maintenance of national highways and the improvement in safety of railway crossings. The objectives stated in the Statement of Objects and Reasons and in the Preamble to the Central Road Funds Act, 2000 get considerably diluted by its substantive provisions.

The Act vests the Union Government with the power to levy a cess and an excise duty and a custom duty, after notification in the Official Gazette, of the items specified in the Schedule to the Act which are produced in or imported into India or transferred by the person who produces or imports such item to another person. Presently the items specified in the Schedule to the Act are petrol and high-speed diesel. The excise duty and the custom duty in relation to the items in the Schedule will be imposed under the Central Excise Act, 1944 and the Customs Act, 1962 respectively. This cess will be in addition to any other tax/cess that the Union Government may impose on such items.

The Central Road Funds Act, 2000 does not by itself mandate that the proceeds of such cess/excise duty/customs duty shall be credited to the Central Road Fund. The Act only mandates that the proceeds from these levies will be first credited to the Consolidated Fund of India. The Act mandates that it is only when the Union Parliament enacts a suitable law allowing for appropriation of specific amounts of such proceeds from the Consolidated Fund to the Central Road Fund would the Union Government have the ability to transfer such amounts to the Road Fund. Furthermore, the amounts may be extended to the Road Fund only as loan and not necessarily as a grant. This considerably dilutes the strength of the Road Fund and does not achieve the purpose of insulating road projects from political and financial risks. The Central Road Fund is directly under the control of the Union Government and not an independent authority or even the NHAI. The Union Government has the discretion to determine the criteria for allocation of the funds of the Central Road Funds for projects required to be implemented by NHAI and other projects for the development and maintenance of national highways.

The amounts in the Central Road Fund are not only for the development and maintenance of the national highways. In addition to the national highways the amounts in the Central Road Fund are to be utilized for (a) development of rural roads, (b) development and maintenance of other state roads including roads of interstate economic importance, (c) construction of roads either under or over the railways and (d) disbursement in respect of such projects as may be prescribed.

The Act also specifies a percentage of allocation of the funds in the following manner: (a) 50% of the proceeds from the cess on high speed diesel oil is to towards rural roads and (b) the remaining total proceeds are then to be allocated as follows: (i) 57.5% on national highways; (ii) 12.5% on roads over/under railways or unmanned railway crossings; (iii) balance 30% on roads other than national highways of which 3% has to be maintained as reserve for allocation to States for state road schemes.
and the rest 27% of this amount shall be allocated to various states and union territories in such manner as decided by the Union Government

Schedule 3: The Railways Act, 1989

I. Purpose

The purpose of the Railways Act, 1989 (the “Railways Act”) is to consolidate and amend the law relating to Railways.

II. Definitions

1. Carriage is carriage of passengers or goods by a railway administration.\(^{510}\)
2. Classification is the classification of commodities for the purpose of determining the rates to be charged for carriage of such commodities.\(^{511}\)
3. Class Rates are the rates fixed for a class of commodity in classification.\(^{512}\)
4. A specific item of goods is termed as a Commodity.\(^{513}\)
5. Goods entrusted to a Rail Administration (the “Rail Admin”) for carriage is called the Consignment.\(^{514}\) A Rail Admin is defined as General Manager for Zonal Railways in case of Government Railway,\(^{515}\) and in case of a non Government railway, a person who is the owner or lessee of the railway, or the person working the railway under an agreement.\(^{516}\)
6. Consignor is defined as a person named in the railway receipt as a consignor, by whom or on whose behalf the goods covered by the railway receipt are entrusted to a Rail Admin for carriage.\(^{517}\)
7. The person in whose favour an Endorsement is made is called an Endorsee and in the case of successive Endorsement, it is the person in whose favour the last endorsement is made.\(^{518}\)
8. Endorsement is the passing of the property in the goods mentioned in a negotiable multimodal transport document to a specified person, after the signing by the Consignee or the Endorsee, which is after the addition of a direction to pass in the said document.\(^{519}\)
9. Freight is referred to as a charge levied for carriage of goods including trans-shipment charges.\(^{520}\)
10. Goods include animals, containers, pallets, or similar articles of transport used to consolidate goods.\(^{521}\)
11. The period between the commencement and termination of transit, in relation to carriage of goods is defined as In Transit.\(^{522}\) Transit commences with the issuance of railway receipt or the loading of the consignment, whichever takes place before.\(^{523}\) Transit terminates on the expiry of free time allowed for the removal of goods from the railway premises.\(^{524}\)
12. Railway includes:

\(^{510}\) s. 2 (2) of the Railways Act.
\(^{511}\) s. 2 (4) read with s. 31 of the Railways Act.
\(^{512}\) s. 2 (5) of the Railways Act.
\(^{513}\) s. 2 (7) of the Railways Act.
\(^{514}\) s. 2 (9) of the Railways Act.
\(^{515}\) s. 2 (39) (a) of the Railways Act.
\(^{516}\) s. 2 (39) (b) of the Railways Act.
\(^{517}\) s. 2 (10) of the Railways Act.
\(^{518}\) s. 2 (12) of the Railways Act.
\(^{519}\) s. 2 (13) of the Railways Act.
\(^{520}\) s. 2 (17) of the Railways Act.
\(^{521}\) s. 2 (19) of the Railways Act.
\(^{522}\) s. 2 (21) of the Railways Act.
\(^{523}\) s. 2 (21) (a) of the Railways Act.
\(^{524}\) s. 2 (21) (b) of the Railways Act.
i. All lands within the fences or other boundary marks indicating the limits of the land appurtenant to a railway,\textsuperscript{525} all lines of rails, sidings, equipments, power supply and distribution installations;\textsuperscript{526} all rolling stock, stations, offices, warehouses, wharves, workshops, manufactories, fixed plant and machinery, roads and streets;\textsuperscript{527}

ii. All vehicles which are used on any road for the purposes of traffic of a railway and owned, hired or worked by a railway,\textsuperscript{528} and all ferries, ships, boats and rafts which are used on any canal, river, lake or other navigable inland water for the purposes of the traffic of a railway and owned, hired or worked by a railway Admin,\textsuperscript{529} and

iii. All electric traction equipments, power supply and distribution installments used for the purpose of or in connection with railway.

13. Railway does not include:
   i. a tramway wholly within a municipal area,\textsuperscript{530} and
   ii. lines of rails built in any exhibition ground, fair, park or any other place solely for the purpose of recreation.\textsuperscript{531}

14. A Railway Administration (hereinafter referred to as “Rail Admin”) is defined as General Manager for Zonal Railways in case of Government Railway,\textsuperscript{532} and in case of a non Government railway, a person who is the owner or lessee of the railway, or the person working the railway under an agreement.\textsuperscript{533}

15. Rate in defined to include any fare, freight, or any other charge for the carriage of passengers or goods.\textsuperscript{534}

16. Rolling Stock is defined to include locomotives, lenders, carriages, wagons, rail- cars, containers, trucks, trolleys, and vehicles of any kinds moving on rails.\textsuperscript{535}

17. Wharfage is defined as the charge levied on goods for not removing them from the railway after the expiry of the time for such removal.\textsuperscript{536}

III. Fixation of Rates

The Central Government has the authority to fix rates with respect to carriage of goods by railways,\textsuperscript{537} and other charges incidental to or connected with such carriage including demurrage or Wharfage for the whole or any part of the Railway,\textsuperscript{538} and for this purpose it can classify or reclassify any commodity,\textsuperscript{539} and increase or reduce the class rates.\textsuperscript{540}

IV. Carriage of Goods

\textsuperscript{525} s. 2 (31) (a) of the Railways Act.
\textsuperscript{526} s. 2 (31) (b) of the Railways Act.
\textsuperscript{527} s. 2 (31) (d) of the Railways Act.
\textsuperscript{528} s. 2 (31) (e) of the Railways Act.
\textsuperscript{529} s. 2 (31) (f) of the Railways Act.
\textsuperscript{530} s. 2 (31) (i) of the Railways Act.
\textsuperscript{531} s. 2 (31) (ii) of the Railways Act.
\textsuperscript{532} s. 2 (39) (a) of the Railways Act.
\textsuperscript{533} s. 2 (39) (b) of the Railways Act.
\textsuperscript{534} s. 2 (35) of the Railways Act.
\textsuperscript{535} s. 2 (37) of the Railways Act.
\textsuperscript{536} s. 2 (41) of the Railways Act.
\textsuperscript{537} s. 30 (1) of the Railways Act.
\textsuperscript{538} s. 30 (2) of the Railways Act.
\textsuperscript{539} s. Section 31 (a) of the Railways Act.
\textsuperscript{540} s. 31 (b) of the Railways Act.
1. Rail Admin has the authority to impose rules with respect to the receiving, forwarding, carrying or delivering of any goods.\textsuperscript{541}

2. When goods are entrusted to the Rail Admin for carriage by a person, such person has to execute a forwarding note in the form specified by the Central Government.\textsuperscript{542} The Consignor is responsible for the correctness of the particulars furnished by him in the forwarding note\textsuperscript{543} and he shall indemnify the Rail Admin against any damage suffered by him due to the incorrectness, or incompleteness of the particulars in the forwarding note\textsuperscript{544}.

3. A railway receipt has to be issued by the Rail Admin on the completion of loading\textsuperscript{545} or acceptance of goods\textsuperscript{546} as the case may be and this receipt acts as the evidence of the weight and number of packages\textsuperscript{547}.

4. The owner or consignee or the endorsee has to produce a signed statement in writing, containing the description of the goods to a railway servant, who is authorised to determine the rate of such carriage\textsuperscript{548}. If the owner or person refuses or neglects to give a statement, the railway servant has the authority to refuse the acceptance of such goods.\textsuperscript{549} If the owner or person pays the highest rate for any class of goods for such carriage the above restriction does not apply.\textsuperscript{550}

5. If there is any deviation from the route for which the goods are booked, due to congestion in the yard or other operational reasons, the Rail Admin cannot be held liable for breach of contract of carriage by reason only of the deviation of route.\textsuperscript{551}

6. Undue or unreasonable preference or advantage is prohibited under the Railways Act.\textsuperscript{552}

7. The gross weight of every wagon or truck bearing on the axles when the wagon or truck is loaded to its maximum capacity cannot exceed the limit fixed by the Central Government\textsuperscript{553}.

8. A Rail Admin can recover charges by way of penalty, at such rates, as may be prescribed before the delivery of the goods, in addition to freight, and other charges for overloading of a wagon.\textsuperscript{554}

9. The property in the consignment is covered by the railway receipt and is passed to the consignee or endorsee on the delivery of such railway receipt to him, and he will have the rights and liabilities of a consignor.\textsuperscript{555} However, this does not affect the consignor’s right to stop the goods in transit on non-payment,\textsuperscript{556} or any right of the railway to claim freight from the consignor\textsuperscript{557}.

10. The delivery of the consignment under a railway receipt has to be done on the surrendering of the railway receipt\textsuperscript{558}.

\textsuperscript{541} s. 62 (1) of the Railways Act.
\textsuperscript{542} s. 64 (1) of the Railways Act.
\textsuperscript{543} s. 64 (2) of the Railways Act.
\textsuperscript{544} s. 64 (3) of the Railways Act.
\textsuperscript{545} s. 65 (1) (i) of the Railways Act.
\textsuperscript{546} s. 65 (1) (ii) of the Railways Act.
\textsuperscript{547} s. 65 (2) of the Railways Act.
\textsuperscript{548} s. 66 (1) of the Railways Act.
\textsuperscript{549} s. 66 (2) of the Railways Act.
\textsuperscript{550} s. 66 (2) of the Railways Act.
\textsuperscript{551} s. 69 of the Railways Act.
\textsuperscript{552} s. 70 of the Railways Act.
\textsuperscript{553} s. 72 (1) of the Railways Act.
\textsuperscript{554} s. 73 of the Railways Act.
\textsuperscript{555} s. 74 of the Railways Act.
\textsuperscript{556} s. 75 (a) of the Railways Act.
\textsuperscript{557} s. 75 (b) of the Railways Act.
\textsuperscript{558} s. 76 of the Railways Act.
11. In the case of a dispute between two or more persons in relation to the consignment, in
the absence of a railway receipt, the Rail Admin may deliver such a consignment in the
prescribed manner.\textsuperscript{559}

\section*{V. Dangerous or Offensive Goods}

A person who wants to transport goods of dangerous or offensive nature by Rail Admin has
to give a notice in writing to the Rail Admin of their dangerous or offensive nature,\textsuperscript{560} and has
to distinctly mark on the outside of the package containing such goods\textsuperscript{561}. A railway servant
has the right to refuse the acceptance of such goods, and he can stop in transit and have
such goods removed, if according to him the above conditions have not been complied.\textsuperscript{562}

\section*{VI. Limits of the Liability of Railway Administration}

If the Rail Admin delivers the consignment to a person who has produced the railway receipt,
it shall not be responsible for any wrong delivery of consignment on the ground that the
endorsement on the railway receipt was forged, or the person who received the goods was
not entitled to such consignment.\textsuperscript{563}

\section*{VII. Delivery}

The consignee or an endorsee has the right to demand an open delivery, when the
consignment has arrived in damaged condition or it shows signs of having been tampered
with\textsuperscript{564}.

\section*{VIII. Rights of Railway Administration}

1. The Rail Admin has the right to withhold delivery of the consignment, if the consignor,
consignee or endorsee as the case may, fails to pay the freight on demand.\textsuperscript{565} The Rail
Admin can dispose the consignment by an auction\textsuperscript{566} for which a seven day notice in a
newspaper has to be given,\textsuperscript{567} or if the consignment contains perishable goods, he can
sell it at once.\textsuperscript{568} If the Rail Admin cannot auction the consignment, it can dispose the
consignment in any other manner prescribed and has to record the reasons in writing for
the same\textsuperscript{569}.

2. The Rail Admin may dispose of any unclaimed consignment in the manner prescribed\textsuperscript{570}

\section*{IX. Limits to Responsibilities of Railway Administration}

1. The Rail Admin is not responsible for the loss, destruction, damage or deterioration in
transit or non -delivery of any consignment arising from certain circumstances including
but not limited to the following:
   \begin{itemize}
   \item i. Act of God;\textsuperscript{571} act of war,\textsuperscript{572} or the act of public enemy's;\textsuperscript{573}
   \item ii. arrest, restraint or seizure under legal process;\textsuperscript{574}
   \item iii. orders or restrictions imposed by the Central Government;\textsuperscript{575}
   \end{itemize}

\begin{footnotesize}
\textsuperscript{559} s. 77 of the Railways Act.
\textsuperscript{560} s. 67 (2) of the Railways Act.
\textsuperscript{561} s. 67 (3) of the Railways Act.
\textsuperscript{562} s. 67 (5) of the Railways Act.
\textsuperscript{563} Section 80 of the Railways Act.
\textsuperscript{564} Section 81 of the Railways Act.
\textsuperscript{565} Section 83 (1) of the Railways Act.
\textsuperscript{566} Section 83 (2) (b) of the Railways Act.
\textsuperscript{567} Section 83 (3) of the Railways Act.
\textsuperscript{568} Section 83 (2) (a) of the Railways Act.
\textsuperscript{569} Proviso to Section 83 (2) of the Railways Act.
\textsuperscript{570} Section 84 (2) of the Railways Act.
\textsuperscript{571} Section 93 (a) of the Railways Act.
\textsuperscript{572} s. 93 (b) of the Railways Act.
\textsuperscript{573} s. 93 (c) of the Railways Act.
\textsuperscript{574} s. 93 (d) of the Railways Act.
\textsuperscript{575} s. 93 (e) of the Railways Act.
\end{footnotesize}
iv. latent defects;\textsuperscript{576} and
v. fire, explosion or any unforeseen risk.\textsuperscript{577}

2. The Rail Admin is not responsible for the loss, destruction, damage or deterioration in transit or non delivery of any consignment at a siding not belonging to a Rail Admin until the wagon containing the goods has been placed at the specified point of interchange of wagons between the siding and the Rail Admin and a railway servant has been duly informed in writing by the owner of the siding.\textsuperscript{578}

3. A Rail Admin is not responsible for the loss, destruction, damage or deterioration in transit or non delivery of any consignment caused by delay or detention in the carriage, if it proves that the delay or detention arose for reasons beyond its control or without negligence or misconduct on its part.\textsuperscript{579}

4. The Rail Admin will not be responsible for (i) defective condition of the goods,\textsuperscript{580} or (ii) defective packaging\textsuperscript{581} of the goods due to which damage, deterioration, leakage or wastage or for the condition in which the goods are available for delivery at destination; until it is proven that such damage, deterioration, leakage or wastage of such goods was caused due to the Rail Admin’s negligence or misconduct.\textsuperscript{582}

5. The Rail Admin shall be responsible as a bailee under the Contract Act, 1872\textsuperscript{583} for the loss, destruction, damage, deterioration or non delivery for any consignment for a period not exceeding seven days after the termination of transit,\textsuperscript{584} and after the expiration of such time will not be responsible for such goods\textsuperscript{585}. If the consignment is at the owner’s risk rate the Rail Admin will be liable only for negligence or misconduct and not as a bailee\textsuperscript{586}. The Rail Admin will not be responsible for loss, destruction, damage, deterioration, or non delivery of perishable goods, animals, explosives and such dangerous goods as has been prescribed, after the termination of transit.\textsuperscript{587}

6. The Rail Admin shall not be held responsible for any injuries caused to any animal carried by the railways arising out of fright or restiveness of the animal or from overloading of wagons by the consignor.\textsuperscript{588}

7. A Rail Admin is not responsible for the loss, destruction, damage, deterioration or non-delivery of any consignment in the following circumstances:
   
   i. when such loss, destruction, damage, deterioration or non-delivery is due to the fact that a materially false description of the consignment is given in the statement,\textsuperscript{589}
   
   ii. where a fraud has been practised by the consignor or the consignee or the endorsee or by an agent of the consignor, consignee or the endorsee,\textsuperscript{590}
   
   iii. where the Rail Admin proves that it was caused due to either improper loading or unloading by the consignor or the consignee or by an agent of

\textsuperscript{576} s. 93 (h) of the Railways Act.
\textsuperscript{577} s. 93 (i) of the Railways Act.
\textsuperscript{578} s. 94 (1) of the Railways Act.
\textsuperscript{579} s. 95 of the Railways Act.
\textsuperscript{580} s. 98 (1) (a) of the Railways Act.
\textsuperscript{581} s. 98 (1) (b) of the Railways Act.
\textsuperscript{582} Proviso to s. 98 (1) of the Railways Act.
\textsuperscript{583} Refer to s. 151, 152 and 161 of the Railways Act.
\textsuperscript{584} s. 99 (1) of the Railways Act.
\textsuperscript{585} s. 99 (2) of the Railways Act.
\textsuperscript{586} Proviso to s. 99 (1) of the Railways Act.
\textsuperscript{587} s. 99 (3) of the Railways Act.
\textsuperscript{588} s. 101 of the Railways Act.
\textsuperscript{589} Refer to IV (4) of the Schedule 7.
\textsuperscript{590} s. 102 (b) of the Railways Act.
the consignor, consignee or the endorsee, or due to riot, civil commotion, strike, lock-out, stoppage or restraint of labour from whatever cause arising whether partial or general.

8. The amount of liability of the Rail Admin for the loss, destruction, damage, deterioration or non-delivery of the consignment, will not exceed the amount calculated with reference to the weight of the consignment as may be prescribed, and where such consignment consists of an animal, the liability shall not exceed such amount as may be prescribed.

9. When the value of the consignment is declared by the Consignor at the time of entrustment to the Railway Administration, the liability of the Rail Admin for such loss, destruction, damage, deterioration or non-delivery cannot exceed the value so declared.

10. If goods which in the ordinary course are carried in a covered wagon, are carried in an open wagon with a written consent of the Consignor in the forwarding note, the liability of the Rail Admin for loss, damage or deterioration of such goods will be one half of the amount prescribed under the Railways Act for such goods.

11. A person is not entitled to claim compensation against a Rail Admin for the loss, destruction, damage, deterioration or non-delivery of goods carried by railway, unless he serves a notice within six months from the date of entrustment of the goods to either the Rail Admin to which the goods are entrusted for carriage, or to the Rail Admin on whose railway the destination station lies, or the loss, destruction, damage or deterioration occurred. Any information demanded or enquiry made in writing from or any complaint made in writing to any of the Rail Admin within six months regarding the non-delivery or delayed delivery of the goods with particulars sufficient to identify the goods will be deemed to be a notice of claim for compensation.

12. If a Rail Admin pays compensation for the loss, destruction, damage, deterioration or non-delivery of goods entrusted to it for carriage to the consignee or the endorsee producing the railway receipt the Rail Admin will be deemed to have discharged its liability and no application before the Claims Tribunal or any other legal proceeding shall lie against the Rail Admin on the ground that the consignee or the endorsee were not legally entitled to receive such compensation.

13. An application before the Claims Tribunal for compensation for the loss of life or personal injury to a passenger may be instituted against the Rail Admin from which the passenger obtained his pass or purchased his ticket, or the Rail Admin on whose railway the destination station lies or the loss or personal injury occurred.

Although technically the Railways Act provides for “non-government railways”, there has been very minimal private sector participation in the railway sector. The major aspects of the Railway Freight Transportation and Logistics Services that have been opened for private sector participation by the Government of India are as follows:

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591 s. 102 (c) (i) of the Railways Act.
592 s. 102 (c) (ii) of the Railways Act.
593 s. 103 (1) of the Railways Act.
594 s. 103 (2) of the Railways Act.
595 s. 104 of the Railways Act.
596 s. 106 (1) (a) of the Railways Act.
597 s. 106 (1) (b) of the Railways Act.
598 s. 106 (2) of the Railways Act.
599 s.108 (1) of the Railways Act.
600 s. 109 (a) of the Railways Act.
601 s. 109 (b) of the Railways Act.
## PROVISION OF FREIGHT TRANSPORT AND LOGISTICS SERVICES

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### 1) B1 Container transport services
Private container racks/ railways are allowed. Concession agreement arrangements (BOT, BTO etc.) can be entered into. Clear Policy in this regard is recommended.

### 2) B2 Transport of specialized commodities
Private container racks/private services for transport of specialised commodities is possible under present legal framework. However, clear policy in this regard would be needed to encourage private investment in this activity.

### 3) B3 Private ownership and operation of specialized wagons
Private racks/transport services/railways for ownership and operation of specialised wagons is possible. However a clear policy to enable establishment of private railway wagon works so that private entities can manufacture their own wagons should be provided in order to clarify framework and encourage private investment in the sector.

### 4) B4 Rail connections of industrial production units
Private railway to industrial production units is possible under present legal framework. However, a concession arrangement within a government railway will not be possible without clear provision for the same under the Railways Act. Clear policy framework for enabling such projects must be developed for encouraging private investment in this activity.

### 5) B5 Rail connection of ports
Private railways to ports is possible. Creation of SPVs is possible. However, clear policy framework for enabling such projects must be developed for encouraging private investment in this activity.

### 6) B6 Container depots and warehouses connected to rail
Grant of rights to develop private depots and warehouses is possible under the present legal framework. However these would be in the nature of development rights granted by the Indian Railways and not in the nature of a concession agreement hiving off the asset out of the government railway to which they are associated without a clear legal framework in that regard, unless these rights are provided by the IRLDA.

### 7) B7 Operation of low traffic density lines ("short line" concept)
O&M Agreements can be entered into by Indian Railways for operation of government railways lines. However, clear policy framework in that regard would have to be developed.
## II. PROVISION OF PASSENGER TRANSPORT AND ANCILLARY SERVICES

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<td>8) C1</td>
<td>Specialized “de luxe” passenger services</td>
<td>Private de-luxe passenger services can be provided through Value Added Service Contracts entered into by the Indian Railways, or by allowing specific private bogies to be attached to passenger trains. However, clear policy framework to guide Indian Railways discretion in this regard will be necessary to promote private investment in this service.</td>
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<td>9) C2</td>
<td>Parcel services in passenger trains</td>
<td>Indian Railways can enter into service contracts with private companies for operating parcel services. The actual parcel services would be regulated by the Indian Post Office Act, 1898 read with the Railways Act. Clear policy would be necessary to promote private investment in this service.</td>
</tr>
<tr>
<td>10) C3</td>
<td>Passenger stations rehabilitation (including development of commercial activities in stations)</td>
<td>Passenger Station rehabilitation through Turnkey contracts is possible. However, a concession arrangement where the asset is hived off to a private developer would not be possible in the absence of a clear provision in the Railways Act. This is because stations are part of the &quot;government railways&quot;; unless they are made part of some &quot;private railway&quot;. The nature of the agreement would be a contract for redevelopment and maintenance of the station, and not a concession agreement.</td>
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Schedule 4: The Carriers Act, 1865

I. Purpose
The main purpose of the Carriers Act, 1885 (the “Carriers Act”) is to regulate the rights and liabilities of common carriers.

II. Definitions
Common Carriers denotes a person engaged in the business of transporting property under multimodal transport document or of transporting for hire property from place to place, by land or inland navigation for everyone. This person cannot be the Government.

III. Liabilities
1. The Common Carrier cannot be liable for loss or damage to property delivered to him for more than one hundred rupees and of description contained in the Schedule of the Carriers Act, unless the person delivering the goods or a person duly authorized expressly declares the value and description of the goods.
2. If the value is declared as being above one hundred rupees, then the carrier has to be paid for the risk undertaken by him in carrying these goods. If these goods are lost or damaged due to the negligence of the carrier, the person entitled to the recovery will also be entitled to recover any money which was paid for the consideration of the risk.
3. The liability of a carrier for the loss or damage to any property including container, pallet or similar articles of transport used to consolidate goods, delivered to him to be carried, shall not be deemed to be limited or affected by a public notice. The articles should not be any of the ones mentioned in the Schedule of the Carriers Act.
4. The Common Carrier is liable to the owner for loss or damage to any property including container, pallet or similar articles of transport used to consolidate goods, delivered to him for carriage, where such loss or damage is caused by the criminal act of the carrier, his agents or servants.

IV. Special Contract
1. A carrier, who is not an owner of a railroad or tramroad constructed under the provisions of Act 22 of 1863 may enter into a special contract signed by the owner of property including container, pallet or similar articles of transport used to consolidate goods, so delivered to him for carriage and limit his liability in respect of the same.
2. The liability of an owner of a railroad or tramroad constructed under the provisions of Act 22 of 1863, is not limited by a special contract with respect to damage or loss to property including container, pallet or similar articles of transport used to consolidate goods, delivered to him for carriage and is not included in the Schedule of the Carriers Act.

V. Notice
A notice in writing of the loss or injury caused by the criminal acts of the carrier, his agents or servants has to be given by the owner within six months from the time when the loss or injury first came to the knowledge of the owner.

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602 A person is defined as being inclusive of any association or body of persons, whether incorporated or not.
603 s. 2 of the Carriers Act.
604 s. 2 of the Carriers Act.
605 s. 3 of the Carriers Act.
606 s. 4 of the Carriers Act.
607 s. 5 of the Carriers Act.
608 s. 6 of the Carriers Act.
609 s. 7 of the Carriers Act.
610 s. 8 of the Carriers Act.
611 s. 9 of the Carriers Act.
612 s. 10 of the Carriers Act.
Schedule 5: Indian Carriage of Goods by Sea Act, 1925

I. Purpose
The main purpose of the Indian Carriage of Goods by Sea Act, 1925 (the “COGSA”) is to regulate the carriage of goods by sea in ships carrying goods from any port in India to any other port whether in or outside India.\(^{613}\)

II. Definitions
1. Carrier has been defined to include the owner or the charterer who has entered into a contract of carriage with a shipper.\(^{614}\)
2. A contract of carriage under the COGSA governs and applies to only those contracts of carriage, which are covered by a bill of lading. This bill of lading should relate to carriage of goods by sea.\(^{615}\)
3. Goods defined in the COGSA include any property inclusive of live animals as well as containers, pallets, or similar articles of transport supplied by the consignor.\(^{616}\)
4. Ship is defined as any vessel used for the carriage of goods by sea.\(^{617}\)
5. Carriage of goods covers the period from the time when the goods are loaded on to the time when they are discharged from the ship.\(^{618}\)

III. Bill of Lading
1. A bill of lading containing details of the goods has to be issued by the carrier to the shipper containing among other things:
   i. Legible leading identification marks of the goods on the goods itself or on its cover as furnished in writing by the shipper;\(^{619}\)
   ii. Number of packages or pieces, or quantity or weight as furnished in writing by the shipper;\(^{620}\) and
   iii. The apparent order and conditions of the goods.\(^{621}\)
2. There is an exception which states that a carrier does not need to state or show in the bill of lading any marks, number, quantity or weight if there is no reasonable means of checking or he has reasonable ground to suspect that it is not an accurate representation of the goods actually received.\(^{622}\)

IV. Liabilities
1. The COGSA imposes certain responsibilities and liabilities and confers certain rights and immunities upon the carrier.\(^{623}\). In respect of a claim relating to an outward cargo, the cargo owner has a right to bring a suit against a ship owner subject to the period of limitation specified under the COGSA, namely one year.\(^{624}\)
2. Under the said Article the responsibility and liability of the carrier includes exercising on due diligence to:

\(^{613}\) s. 2 of the COGSA.
\(^{614}\) Article I (a) of the COGSA.
\(^{615}\) Article I (b) of the COGSA.
\(^{616}\) Article I (c) of the COGSA.
\(^{617}\) Article I (d) of the COGSA.
\(^{618}\) Article I (e) of the COGSA.
\(^{619}\) Article III (3) (a) of the COGSA.
\(^{620}\) Article III (3) (b) of the COGSA.
\(^{621}\) Article III (3) (c) of the COGSA.
\(^{622}\) Proviso to Article III of the COGSA.
\(^{623}\) Articles III & IV of the COGSA.
i. To make ship sea worthy;

ii. To properly equip, man and supply the ship, and

iii. To make the holds, refrigerating cool chambers and all other parts of ship in which goods are carried, fit and safe for their reception, carriage and preservation.

The carrier also has to properly and carefully load, handle stow, carry, keep care for and discharge the goods carried.

3. Any clause in the contract of carriage which limits the liability of the carrier in relation to loss or damage of goods or negligence, fraud and failure in their duties and obligations would be null and void.

4. The rules of the COGSA do not affect the rights of owners of sea going ships in relation to limitation of liability, under any other statute.

V. Immunities

1. There are a number of rights and immunities available to the carrier. If the carrier proves that due diligence was exercised to provide a seaworthy ship he will not be held responsible for the un-seaworthiness of that ship. There are various situation situations where the carrier will not be held responsible for loss or damage to the good and some of the situations are enumerated as follows:

(a) If damage or loss is caused by-

(i) The master, mariner, pilot or the servants of the carrier in the navigation or management of the ship;

(ii) Perils, dangers and accidents of the sea or other navigable waters;

(iii) Act of God, instance of war, or the act of public enemy’s, and

(iv) Quarantine restrictions.

(b) Further in the event of loss or damage caused in furtherance of saving life or property no liability can be alleged on the carrier.

VI. Penalties

1. The penalty which has to be imposed on the carrier in the event, that he is found liable for loss or damage to goods, cannot exceed 666.67 Special Drawing Rights per package or unit, or two Special Drawing Rights per kilogram of gross weight of the goods lost or damaged, whichever is higher or the equivalent sum in other currency.

2. Above mentioned penalty will however, not be applicable if the nature and value of the lost or damaged goods has been declared by the shipper before shipment and inserted in

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625 Article III (1) (a) of the COGSA.
626 Article III (1) (b) of the COGSA.
627 Article III (1) (c) of the COGSA.
628 Article III (2) of the COGSA.
629 Article III (3) of the COGSA.
630 Article III (4) of the COGSA.
631 Article IV of the COGSA.
632 Article IV (2) (a) of the COGSA.
633 Article IV (2) (c) of the COGSA.
634 Article IV (2) (d) of the COGSA.
635 Article IV (2) (e) of the COGSA.
636 Article IV (2) (f) of the COGSA.
637 Article IV (2) (h) of the COGSA.
638 Article IV (4) of the COGSA.
639 Article IV (5) of the COGSA.

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the bill of lading. The carrier and the shipper can state a different value through an agreement. This value however cannot be lower than the above mentioned value.\textsuperscript{640}

**VII. Special Conditions**

1. A carrier and a shipper can enter into a separate agreement containing the rights and liabilities of the carrier in so far as it is not against the public policy and care or diligence of the carrier’s servants or agents in regard to the loading, handling, stowage, carriage, custody, care and discharge of goods carried, by sea. In this case a bill of lading is not issued and the terms agreed are embodied in a non negotiable receipt.\textsuperscript{641}

2. The exception to this rule is that it does not apply to ordinary commercial shipments made in the ordinary course of the trade. It applies only to those shipments where the following are reasonable to justify it as a special agreement\textsuperscript{642}:
   
   i. character or condition of the property to be carried;
   
   ii. the circumstances; or the
   
   iii. terms and conditions under which the carriage is to be performed.

**VIII. Other Provisions**

The provisions of the rules contained in the Articles of the COGSA shall not apply to charter parties.\textsuperscript{643} However if bills of lading are issued under a charter party they have to comply with the rules under the COGSA.

\textsuperscript{640} Article IV (5) of the COGSA.

\textsuperscript{641} Article VI of the COGSA.

\textsuperscript{642} Proviso to Article VI of THE COGSA.

\textsuperscript{643} Article V of THE COGSA.
Schedule 6: Multimodal Transportation of Goods Act, 1993

I. Purpose

The main purpose of the Multimodal Transportation of Goods Act, 1993 (the “MTGA”) is to regulate Multimodal Transportation of goods, from any place in India to a place outside India on the basis of a multimodal contract.

II. Definitions

1. A Carrier is defined as a person who performs or undertakes to perform for hire, the carriage of goods by road, rail, inland waterways, sea or air.

2. A Competent Authority is defined as any person or authority authorised by the Central Government, by notification in the Official Gazette, to perform the functions of the Competent Authority under the MTGA.

3. A Consignee is a person who is named as a Consignee in the multimodal transport contract.

4. A Consignor is defined in the MTGA as the person, named in the multimodal transport contract as Consignor by whom or on whose behalf, the goods covered by such contract are entrusted to a multimodal transport operator for transportation.

5. Scope of delivery has been defined as follows:
   i. delivery, in the case of a negotiable multimodal transport document, means delivering of the consignment to the Consignee.
   ii. delivery in the case of a non negotiable multimodal transport document, means delivering of the consignment to the Consignee or any person authorised by the consignee to accept the delivery of the consignment on his behalf.

6. The person in whose favour an Endorsement is made is called an Endorsee, and in the case of successive Endorsement, it is the person who receives the last Endorsement.

7. Endorsement is the passing of the property in the goods mentioned in a negotiable multimodal transport document to a specified person, after the signing by the Consignee or the Endorsee, which is after the addition of a direction to pass in the said document.

8. Goods is referred to as any property inclusive of live animals, containers, pallets or other property of transport or packaging, supplied by the Consignor irrespective of whether such property is to be or is carried on or under the deck.

9. Carriage of goods by road, air, rail, inland waterways or sea are the accepted modes of Transport.

10. Multimodal Transportation is defined as carriage of goods, by at-least two different modes of transport under a multimodal transport contracts, from the place of acceptance of goods in India to a place of delivery of goods outside India.

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644 s. 2 (a) of the MTGA.
645 s. 2 (b) of the MTGA.
646 s. 2 (c) of the MTGA.
647 s. 2 (e) of the MTGA.
648 s. 2 (h) (i) of the MTGA.
649 s. 2 (h) (ii) of the MTGA.
650 s. 2 (g) of the MTGA.
651 s. 2 (h) of the MTGA.
652 s. 2 (i) of the MTGA.
653 s. 2 (j) of the MTGA.
654 s. 2 (k) of the MTGA.
11. A contract under which a multimodal transport operator undertakes to perform or procure the performance of Multimodal Transportation for payment of freight is a Multimodal Transport Contract (hereinafter referred to as “MTC”).

12. A Negotiable or Non Negotiable document evidencing a multimodal transport contract is a Multimodal Transport Document (hereinafter referred to as “MTD”). It can be replaced by electronic data interchange messages permitted by applicable law.

13. Multimodal Transport Operator (hereinafter referred to as “MTO”) means a person who-
   i. concludes a MTC on his own behalf or, through another person acting on his behalf;
   ii. acts as a principle and as not the agent of the Consignor or the Consignee or of the carrier participating in the Multimodal Transportation and who assumes responsibility for the performance of the said contract; and
   iii. is registered in accordance with the terms and conditions of this Act.

14. Negotiable MTD is defined as a MTD which is-
   i. Made out to order or to bearer;
   ii. Made out to order and is transferable by Endorsement;
   iii. Made out to bearer and is transferable without Endorsement.

15. A MTD which indicates only one named Consignee is a Non -Negotiable MTD.

16. Special Drawing Rights are such units of accounts as are determined by the International Monetary fund.

III. Registration

1. A person cannot carry on or commence the business of Multimodal Transportation unless he is registered under the MTGA.

2. Any person can apply for registration to the Competent Authority to carry on or commence the business of multimodal transportation and such an application shall be in a prescribed form, and accompanied by a fee of Rs. 10,000/- (Rupees Ten thousand only).

3. The following conditions have to be fulfilled in order for the application for commencement of Multimodal Transportation to be granted:
   i. If the applicant is a company, firm or proprietary concern, engaged either in the business of shipping, or freight forwarding in India, or abroad with a minimum annual turnover of Rs. 50,00,000/- (Rupees Fifty lakhs only), or an average turnover of Rs. 50,00,000 (Fifty lakh only) during the preceding three(3) years as certified by a chartered accountant.
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ii. The applicant is a company, firm or proprietary concern, other than the ones mentioned above, the subscribed share capital of such company or the aggregate balance in the capital account of the partners of the firm or the capital of the proprietor should not be less than Rs. 50, 00,000/- (Fifty lakhs only); and

iii. The applicant should have offices, agents or representative in at least two other countries.

4. The Competent Authority has to record the reasons for refusing grant of registration.

5. For the purposes of registration, an applicant has to be a resident of India and engaged in the business of shipping, and will not be registered until he establishes a place of business in India.

6. The certificate, granted by the Competent Authority on approval of the application for registration, is valid for three (3) years and can be renewed subsequently.

7. The renewal fee shall not be less than Rs. 10,000/- (Ten thousand only) and shall not exceed Rs. 20,000/- (Rupees Twenty thousand only).

8. The registration can be cancelled by the Competent Authority on any of the following grounds:
   i. any statement made at the time of registration or renewal is incorrect or false in any material particular;
   ii. MTO has violated any of the provisions of the MTGA;
   iii. the MTO has not entered into any MTC during the preceding two years after his registration.

IV. Multimodal Transport Document

1. The MTO has to issue a Negotiable or Non-Negotiable MTD, at the option of the Consignor, where the MTO has taken charge of the goods under a contract entered into, for multimodal transportation, between the Consignor and the MTO.

2. The MTO can issue the MTD only after obtaining or during the subsistence of a valid insurance cover.

3. The MTD contain the following:
   i. the general nature of the goods, the leading marks necessary for identification of the goods, the character of the goods including dangerous goods, number of packages or units and the gross weight and quantity of the goods;
   ii. apparent condition of the goods; the name and principal place of business of the MTO; the name of the Consignor; the name of the Consignee. the place and date of taking charge of the goods by the MTO; the place of delivery

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671 s. 4 (3) (a) (ii) of the MTGA.
672 s. 4 (3) (b) of the MTGA.
673 s. Proviso to 4 (3) of the MTGA.
674 s. Proviso 2 to 4 (3) of the MTGA.
675 s. 4 (4) of the MTGA.
676 Proviso to s. 4 (5) of the MTGA.
677 s. 5 (a) of the MTGA.
678 s. 5 (b) of the MTGA.
679 s. 5 (c) of the MTGA.
680 s. 7 of the MTGA.
681 Proviso to Section 7 of the MTGA.
682 Section 9 (a) of the MTGA.
683 s. 9 (b) of the MTGA.
684 s. 9 (c) of the MTGA.
685 s. 9 (d) of the MTGA.
686 s. 9 (e) of the MTGA.
687 s. 9 (f) of the MTGA.
of the goods;\(^{688}\) the date or the period of delivery of the goods at the place of delivery;\(^{689}\) and whether it is Negotiable or Non-Negotiable;\(^{690}\) and

iii. The place and date of its issue;\(^{691}\) freight payable by the Consignor or the Consignee,\(^{692}\) the signature of the MTO or of a person duly authorised by him;\(^{693}\) the intended journey route, modes of transport and places of transshipment, if known at the time of its issue;\(^{694}\) terms of shipment and a statement that the document has been issued subject to and in accordance with the MTGA;\(^{695}\) and any other particular which the parties may agree to insert in the document, provides such particulars are not inconsistent with any law for the time being in force.\(^{696}\)

4. The legal character of the MTD is not affected by the omission of any of the above stated particulars.\(^{697}\)

5. If the MTO suspects that the particulars furnished by the Consignor in the MTD do not accurately represent the goods taken in charge or does not have any reasonable means of checking these goods, it shall be the duty of the MTO to insert in the MTD a reservation specifying the inaccuracies, grounds of suspicion, or the absence of reasonable means of checking the particulars.\(^{698}\)

V. General Average

The General Average is defined to mean loss, damage or expense reasonably incurred in order to avert danger to property in common peril, and in the common interest involved in the multimodal transportation.\(^{699}\) The MTGA provides that the parties can include in the MTD any provisions relating to General Average.\(^{700}\)

VI. Obligations of Consignor

1. The Consignor has to (i) guarantee the adequacy and accuracy of the particulars of the MTD;\(^{701}\) (ii) indemnify the MTO against any loss resulting from the inadequacy or inaccuracy of the said particulars.\(^{702}\) This right against the Consignor provided to the MTO does not limit his liability under the MTC to any other person other than the Consignor.\(^{703}\)

2. The Consignor has the duty of informing the MTO of the nature of dangerous goods, and the various precautions that need to be taken for transport of such goods.\(^{704}\) If the Consignor fails to fulfill this obligation and the MTO does not have knowledge of the nature of the dangerous goods, then the Consignor will be liable to the MTO for loss resulting from the Multimodal Transportation of such goods.\(^{705}\) The MTGA also provides...
that these goods may be unloaded, destroyed or rendered innocuous as the circumstances may require without any payment of compensation by the MTO.706

VII. Liabilities of the MTO

1. The MTO is liable for:—
   i. loss of or damage to the consignment;707 and
   ii. delay in delivery of the consignment and any consequential damage arising out the delay708.

2. The essential condition for above stipulation of liability is that the loss, damage or delay in delivery should have taken place while the consignment was under the MTO’s charge.709

3. There are two exception to this rule:
   i. MTO is not liable if he proves that the loss, damage or delay in delivery was not caused by any fault or neglect on his part or that of his servants or agents;710 or
   ii. If the Consignor does not make a declaration of interest in timely delivery, which the MTO accepts, the MTO cannot be held liable for loss or damage arising out of delay in delivery including consequential loss or damage arising out of such a delay.711

4. Delay in delivery is said to occur when the consignment has not been delivered within the time expressly agreed upon or in the absence of such an agreement, within reasonable time required by a diligent MTO.712

5. If the consignment has not been delivered within ninety (90) consecutive days from the date of delivery expressly agreed upon or in reasonable time as required by a diligent MTO, the claimant may treat the consignment as lost.713

VIII. Limitation of Liability

1. The MTO may limit his liability, caused due to loss of or damage to the goods, to pay compensation which will not exceed two Special Drawing Rights per kilogram of the gross weight of the consignment lost or damaged or 666.67 Special Drawing Rights per package or unit lost or damaged, whichever is higher, as the nature and value of the consignment was not declared by the Consignor and the stage of transport at which the loss or damage occurred is not known.714

2. If the multimodal transportation does not according to the MT contract include carriage of goods by sea or inland waterways then the liability of the MTO shall be limited to an amount not exceeding 8.33 Special Drawing Rights per kilogram of the gross weight of the goods lost or damaged.715

3. The liability of the MTO, due to loss of or damage to the goods, to pay compensation is determined in accordance with the provision of the relevant law applicable in relation to the mode of transport during the course of which the loss or damage occurred and any stipulation in the MTC to the contrary will be void and unenforceable, if the nature and
value of the consignment was not declared by the Consignor but the stage of transport where the loss or damage occurred was known.\textsuperscript{716}

4. There is an exemption provided for the MTO which is that if the carrier is exempted from liability in accordance with the applicable law, the MTO will also be exempted from liability.\textsuperscript{717}

5. When the delay in delivery is adjudged in accordance with reasonability of time\textsuperscript{718} and consequently there is loss or damage to the goods, the MTO can limit his liability to the freight payable for the consignment so delayed.\textsuperscript{719}

6. The MTO will not be liable for an amount greater than the liability for total loss of goods for which a person may be entitled to make a claim against him under the provisions of the MTGA\textsuperscript{720}.

**IX. Period of Responsibility**

The MTO is responsible for the goods under the MTGA for the period from the time he has taken the goods in his charge till the time of their delivery.\textsuperscript{721}

**X. Lien**

1. If the MTO is not paid the amount of consideration stipulated for in the MTC, he has the right to have a lien on the consignment and on the documents in his possession.\textsuperscript{722}

2. The calculation of the time of delay will exclude the time for which the goods were in the possession of the MTO in exercise of his right to lien.

**XI. Assessment of Compensation**

1. The assessment of compensation with respect to loss of or damage to the consignment, shall in accordance to the time at which the consignment was to be delivered to the Consignee and the place where it was supposed to be delivered or the place and time in consonance with the MTC.\textsuperscript{723}

2. The value of the consignment shall be determined by the following on the specified order of priority:
   a. current commodity exchange price, and if the price is not applicable or ascertainable then;
   b. current market price and if that is not ascertainable; then
   c. with reference to the normal value of a consignment of the same kind and quantity.

**XII. Loss of Limitation of Liability**

If it is proved that the loss, damage or delay in delivery of consignment resulted from an act or omission of the MTO with the intent to cause such loss, damage or delay or recklessly and with knowledge that such loss, damage or delay would probably result, then the MTO cannot limit his liability under the MTGA.\textsuperscript{724}

**XIII. Limitation on Action**

The MTO is absolved of all liabilities if an action is brought against him after the expiry of nine months of-

\textsuperscript{716} s. Section 15 of the MTGA.
\textsuperscript{717} Proviso to s. 15 of the MTGA.
\textsuperscript{718} Explanation to s. 13 (1) of the MTGA.
\textsuperscript{719} s. 16 of the MTGA.
\textsuperscript{720} S.19 of the MTGA.
\textsuperscript{721} s. 20A of the MTGA.
\textsuperscript{722} s. 22 (1) of the MTGA.
\textsuperscript{723} s. 17 (1) of the MTGA.
\textsuperscript{724} s18 of the MTGA.
i. date of delivery of the goods;\textsuperscript{725}

ii. date when the goods should have been delivered;\textsuperscript{726}

iii. the date on and from which the party entitled to receive delivery of the goods has the right to treat the goods as lost.\textsuperscript{727}

XIV. Jurisdiction of the Court

Any party to the MTC can institute an action in a court, which is competent and within the jurisdiction anyone of the following are situated:

i. the principal place of business, or the habitual residence of the defendant;

ii. the place where the MTC was made, provided that the defendant has a place of business, branch or agency at such place; or

the place of taking charge of the goods for Multimodal Transportation or the place of delivery or any other place specified in the MTC, and evidenced in the MTD.

Schedule 7: The Carriage by Road Act, 2007

I. Purpose

The main purpose of the Carriage by Road Act, 2007 (the “CRA”) is to provide for the regulation of common carriers, limiting their liability for loss or damage to such goods occasioned by the negligence or criminal acts of themselves, their servants or their agents.

II. Definitions

1. Common Carriers denotes a person\textsuperscript{728} engaged in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorized transport on road for everyone including goods booking company, contractor, agent, contractor, agent, broker but does not include the Government.\textsuperscript{729}

2. Consignment consists of documents, goods or articles entrusted by the consignor to the Common Carrier for carriage.\textsuperscript{730} The description and details of the same are given in the goods forwarding note.\textsuperscript{731}

3. A person named as the consignor in the goods forwarding note who entrusts the Common Carrier with documents, goods or articles covered by such forwarding note, for carriage is the Consignor.\textsuperscript{732}

4. Goods include containers, pallets or similar articles of transport used to consolidate goods\textsuperscript{733} and animals or livestock.\textsuperscript{734} A Registering Authority (hereinafter referred to as “RA”) means State Transport Authority or a Regional Transport Authority constituted under section 68 of the Motor Vehicles Act, 1988.\textsuperscript{735}

III. Registration

\textsuperscript{725} s. 24 (a) of the MTGA.

\textsuperscript{726} s. 24 (b) of the MTGA.

\textsuperscript{727} s. 24 (c) of the MTGA. Refer to VII (5) of the Schedule 8.

\textsuperscript{728} A Person includes any association or body of persons, whether incorporated or not, a road transport booking company, contractor and an agent or a broker carrying on the business of a common carrier - Section 2 (h) of the CRA.

\textsuperscript{729} s.2 (a) of the CRA.

\textsuperscript{730} s. 2 (c) of the CRA.

\textsuperscript{731} s.2 (c) of the CRA.

\textsuperscript{732} s.2 (d) of the CRA.

\textsuperscript{733} s.2 (e) (i) of the CRA.

\textsuperscript{734} s.2 (e) (ii) of the CRA.

\textsuperscript{735} s.2 (j) of the CRA.
1. A person cannot engage in the business of a Common Carrier unless he has been granted a certificate of registration.  

2. A person with the intention of engaging in the business of Common Carrier has to apply for the grant of a certificate of registration for carrying on the business of a Common Carrier to the RA.  

3. The application has to be made to the RA having jurisdiction in the area in which the applicant resides or has his principle place of business. The application should be for the main office in the form and manner prescribed and should be accompanied by the fees payable to the RA as may be prescribed.  

4. If the applicant wishes to have a branch office, situated outside the jurisdiction of the State or Union territory in which the main office is to be registered, then the application for the main office shall contain details of such a branch office in the form and manner as may be prescribed.  

5. This application to open or close a branch office has to be made to the RA, which has jurisdiction over the main office.  

6. An application for grant of a certificate for registration cannot be refused by the RA unless the applicant has been given a an opportunity of being heard and the reasons for such a refusal are given in writing by the RA within sixty (60) days from the receipt of the application.  

7. If the RA does not communicate the refusal of the application for grant of certificate of registration within sixty days from the date of receipt of the application, the RA shall grant the certificate of registration within a further period of thirty days.  

8. The certificate of registration granted by the RA shall contain the details of the branch offices to be operated in Various States and Union Territories. The certificate is valid for a period of ten (10) years from the date of grant of the certificate. In the case of registration of the branch offices, the validity will be the same as that of the main office.  

9. The obligations of the holder of the certificate of registration are as follows:  
   i. he shall maintain a register in the form and manner as may be prescribed,  
   ii. he shall submit an application to the RA, which granted the certificate of registration for shifting of the main office. The RA can refuse this application within 30 days from the date of submission, failing which it is deemed to be granted. If the RA refuses the application, it has to give reasons in writing and also has to give an opportunity to the applicant to be heard.  
   iii. he shall submit to the RA, who has jurisdiction over the main office and the Transport Research Wing of the Ministry or Department of the Central Government dealing with road transport and highways, such information and notifications as may be prescribed.
return as may be prescribed within one hundred and twenty days (120 days) after the thirty-first day of March every year.\textsuperscript{752}

iv. he shall display at a prominent place, the certificate of registration in original or certified copy thereof attested by the concerned RA, a notary or a Gazetted Officer of the Central or the State Government, in its main office, and each branch office.\textsuperscript{753}

10. A common carrier cannot not load the motor vehicle beyond the gross vehicle weight mentioned in the registration certificate whose registration number is mentioned in the goods forwarding note or goods receipt.\textsuperscript{754}

III. Cancellation of Registration

1. If the RA is satisfied that the holder of the certificate of registration has not complied with the requirements laid down in the CRA,\textsuperscript{755} the RA may give notice by registered post or through electronic media or by any verifiable means to the holder of the certificate of registration to rectify within thirty (30) days and if the holder fails to do so, RA shall revoke his certificate of registration on completion of an enquiry.\textsuperscript{756}

2. If a Consignor complains to the RA against the Common Carrier with respect to:
   i. non issuance of goods;\textsuperscript{757}
   ii. non disclosure of the whereabouts of the goods in transit when asked by the Consignor or Consignee;\textsuperscript{758}
   iii. detention of goods for delivery without valid reasons;\textsuperscript{759}
   iv. demand for unreasonable additional charges at the time of delivery, which were neither disclosed nor agreed upon between the consignor and the consignee earlier;\textsuperscript{760} or
   v. non-payment of charges agreed and payable to truck-owners\textsuperscript{761},

the same shall be to be rectified by the holder within thirty days (30 days) from the receipt of a notice by registered post or through electronic media or by any verifiable means to the holder of the certificate of registration to rectify within 30 (thirty) days, and if the holder fails to do so, the RA may revoke its certificate of registration on completion of an enquiry.\textsuperscript{762}

3. if the Common Carrier loads the motor vehicle beyond the gross vehicle weight, and the RA, so authorised by the Motor Vehicles Act, 1988, receives proof of the same, is competent to impose penalty as may be prescribed, under the MV Act\textsuperscript{763} even if the penalty has already been imposed, and realized from the driver or the owner of the goods vehicle or the Consignor.\textsuperscript{764}

4. the RA under whose jurisdiction the main office of the Common Carrier is registered is competent to revoke the certificate of registration.\textsuperscript{765}

\textsuperscript{752} s.4 (7) (c) of the CRA.
\textsuperscript{753} s.4 (7) (d) of the CRA.
\textsuperscript{754} s. 4 (8) of the CRA.
\textsuperscript{755} Refer to II (9) of Schedule 9.
\textsuperscript{756} s.5 (1) of the CRA.
\textsuperscript{757} s.5 (2) (i) of the CRA.
\textsuperscript{758} s.5 (2) (ii) of the CRA.
\textsuperscript{759} s.5 (2) (iii) of the CRA.
\textsuperscript{760} s. 5 (2) (iv) of the CRA.
\textsuperscript{761} s.5 (2) (v) of the CRA.
\textsuperscript{762} s. 5 (3) of the CRA.
\textsuperscript{763} s. 194 of the Motor Vehicles Act, 1988.
\textsuperscript{764} s. 5 (3) of the CRA.
\textsuperscript{765} s. 5 (5) of the CRA.
5. even on revocation of the certificate of registration by the RA, the Common Carrier has to fulfill all deliveries and transactions already accepted, prior to the revocation of the certificate of registration.  

IV. Goods Forwarding Note

A Consignor has to execute a goods forwarding note including a declaration about the value of the consignment and goods of dangerous or hazardous nature. It is the responsibility of the Consignor to provide correct particulars in the goods forwarding note. The damage caused to the Common Carrier due to the incorrectness or incompleteness of the particulars on the goods forwarding note will be indemnified by the Consignor.

V. Goods Receipt

1. A Common Carrier has to issue a goods receipt on completion of loading of the goods by the Consignor or in any other case, on acceptance of the goods by the Common Carrier.

2. The goods receipt shall be
   i. issued in triplicate and the original shall be given to the Consignor;
   ii. the prima facie evidence of the weight or measures and other particulars of the goods and the number of packages stated; and
   iii. include an undertaking by the Common Carrier with respect to his liabilities under the CRA.

VI. Liabilities

When loss of or damage to any consignment is caused on account of any criminal act of the Common Carrier or any of his servants or agents, the Common Carrier will be liable to the Consignor for loss of or damage to such consignment in accordance with the goods forwarding note. 

VII. General Responsibility of Common Carrier

1. The Common Carrier will be held responsible for the loss, destruction, damage or deterioration in transit or non delivery of any consignment entrusted to him for carriage. He is not held liable in the following circumstances:
   i. Act of God;
   ii. act of war or public enemy;
   iii. Riots and Civil commotion; and
   iv. Arrest, restraint or seizure under legal process.

2. A Common Carrier shall not be relieved of his responsibility if he could have avoided the loss, destruction and damage had he exercised due diligence and care in the carriage of the consignment.

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766 s. 5 (6) of the CRA.
767 s. 8 (1) of the CRA.
768 s. 8 (2) of the CRA.
769 s. 8 (3) of the CRA.
770 s. 9 (1) (a) of the CRA.
771 s. 9 (1) (b) of the CRA.
772 s. 9 (2) of the CRA.
773 s. 9 (3) of the CRA.
774 s. 9 (4) of the CRA. Refer to s. 10 or 11 of the CRA.
775 s. 12 (1) of the CRA.
776 s. 17 (a) of the CRA.
777 s. 17 (b) of the CRA.
778 s. 17 (c) of the CRA.
779 s. 17 (d) of the CRA.
780 Proviso to s. 17 of the CRA.
ANNEXURE - III: STATUS OF UMTA AND UTF IN INDIAN CITIES
Institutional arrangements

Bangalore Metropolitan Land Transport Authority (BMLTA) was created prior to the NUTP. It is a coordinating committee supported by the Directorate of Urban Land Transport (DULT). DULT, which is a part of the State Department of Urban Development, initially covers the jurisdiction of seven Municipal Corporations Bangalore, Mysore, Mangalore, Hubli-Dharwad, Belgaum, Gulbarga and Bellary. It is proposed to be extended to cover all towns/cities/urban settlements with a population > 100,000.

Mysore city Land Transport Authority (MCLTA) was formed in 2010 by government order and was later reconstituted by a government order in 2012. All land transport systems (excluding railways) in Mysore local planning area were brought under the purview of MCLTA.

Legal basis

BMLTA and DULT were both established through an Executive Order in 2007. MCLTA was formed in 2010 by government order and was later reconstituted by a government order in 2012.

Composition of the agencies:

<table>
<thead>
<tr>
<th>COMPOSITION OF DULT</th>
<th>COMPOSITION OF BMLTA</th>
<th>COMPOSITION OF MCLTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner (encadered IAS officer)</td>
<td>Chief Secretary (chairman)</td>
<td>Commissioner and E/o principal secretary to government, urban land transport urban development department – Chairman</td>
</tr>
<tr>
<td>Special Officer – Urban Planning</td>
<td>Principal Secretary, Finance Department</td>
<td>Secretary UDD – Vice chairman</td>
</tr>
<tr>
<td>Administrative officer</td>
<td>Secretary, UDD</td>
<td>Deputy Commissioner Mysore – Member Secretary</td>
</tr>
<tr>
<td>Traffic and Transportation Planners</td>
<td>Principal Secretary, Transport Department</td>
<td>CEO, zilla panchayat, Mysore</td>
</tr>
<tr>
<td>Engineers – Civil and Mechanical</td>
<td>Principal Secretary, Forest Ecology &amp; Environment Department</td>
<td>Commissioner – Mysore Urban Development Authority</td>
</tr>
<tr>
<td>Traffic Engineer</td>
<td>Principal Secretary, Public Works Department</td>
<td>Commissioner – Mysore city corporation</td>
</tr>
<tr>
<td>Other Staff</td>
<td>Commissioner, ULT</td>
<td>Joint Director – Town Planning</td>
</tr>
<tr>
<td></td>
<td>Commissioner, BMP</td>
<td>Supdtt. Engineer – PWD, Mysore</td>
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<td></td>
<td>Commissioner, BDA</td>
<td>Deputy Commissioner of Transport – Mysore</td>
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<td></td>
<td>Managing Director, BMTC</td>
<td>Regional Operation Manager – SWR Mysore</td>
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<tr>
<td></td>
<td>VC &amp; MD, KSRTC</td>
<td>Div. Officer – Dept. of Forest Ecology and Environment</td>
</tr>
<tr>
<td></td>
<td>Commissioner, BMRC</td>
<td>Div. officer – Karnataka state pollution control Board</td>
</tr>
</tbody>
</table>
Commissioner of Police | KUIDFC representative
---|---
MD, KUDFC | Divisional controller – KRDCCL
General Manager, AAI Railways | Divisional Engineer – KSRTC
Two experts | Two experts in Transport Management
Commissioner of DULT (Member Convenor)

**Functions of the BMLTA**
- Coordinate all land transport matters in the Metropolitan Region
- Prepare detailed Master Plan for Transport Infrastructure
- Oversee implementation of all transportation projects
- Appraise and recommend transportation and infrastructure projects for bilateral / central government assistance
- Function as an Empowered Committee for all urban transportation projects
- Initiate action for a regulatory framework for all land transport systems in the Bangalore Metropolitan Region
- Initiate step for a common ticketing system
- Take any other decision for integrated urban transport and land use planning.

BMLTA has set up sub-groups for:
- Formulating an implementation strategy and timeline for all the projects identified in a Comprehensive Traffic and Transport Study that was conducted for Bangalore.
- Developing inter-modal bus terminals as well as feeder connectivity to the upcoming metro stations and introducing common ticketing
- Developing a Mono-rail system
- Developing a Commuter Rail System
- Developing a Code and Guidelines for Roads and ITS facilities
- Bangalore Traffic and Transport Initiative
- Developing a Parking Policy and Infrastructure

**Functions of the DULT**
- Periodic assessment of travel demand
- Determination of the level of public transport required in different corridors and the type of transport systems required
- Assessment & recommendation of the new investments needed
- Procurement of public transport service from private operators
- Policy guidelines for development of the total network in urban areas
- Designing and developing integrated policies and plans for city level transportation.

**Functions of the MCLTA**
- Coordinate all land transport matters
- Master plan preparation for transport infrastructure based on CTCTS for Mysore
• Oversee implementation of CTTP and all transportation projects
• Appraise and recommend transportation and infrastructure projects
• Function as empowered committee for all transportation projects in Mysore planning area
• Initiate actions for regulatory framework for all land transport systems in Mysore planning area
• Initiate measures to implement common ticketing
• Take decisions for integration of urban transport, land use planning and implementation of projects
• All urban transport related projects

Organisational Structure & Staffing

DULT act as secretariat to BMLTA. DULT has sufficient number of dedicated staff to carry out all its functions. DULT is a state level technical directorate for urban transport with sufficient technical strength which provides adequate technical assistance to Bangalore UMTA.

Funding mechanism

The state has created a number of dedicated funds for development of transport infrastructure. There is an Urban Transport Fund (UTF) at both state and city levels. The city level funds have been created by executive orders in Bangalore and Mysore.

The objective of the State UTF (SUTF) is to facilitate implementation of urban transport projects by way of funding the following activities:

a. traffic and transportation studies in the city/local planning area;

b. capacity building activities;

c. programmes creating awareness among the general public on traffic related issues;

d. projects aimed at popularizing non-motorised transport;

e. improvement of accessibility and efficiency of public transport;

f. projects considered as a viable solution for improving the public transport and non-motorized transport infrastructure in a city / Local Planning Area (LPA)

g. any other innovative projects to be taken up on a pilot basis

In addition to the above, SUTF may also be utilised towards lending soft loans to Government agency / statutory body.

The SUTF would be financed from the following sources:

a. Budget allocation

b. 1% of Cess on motor vehicle tax

c. 2% of Cess on property tax

Flow of Funds

1. For the purpose of the SUTF, in the beginning of the Financial Year (FY), the Finance Department, GoK, credits a pre-determined percentage of the cess obtained for the motor vehicle tax and an amount from the State Budget into a dedicated Public Account/ Reserve Fund bearing the account No.8229.

2. DULT has created an Operating Account bearing the account No.4217 for (withdrawal only) for operational expenses incurred for providing assistance under SUTF. The cost towards projects undertaken as part of SUTF is meted out of this account.
3. In case of any payment to be made by DULT to any beneficiary, Payee Receipt is issued to the Treasury, GoK. On receipt of the Payee Receipt, the Treasury issues a cheque for payment in the name of the Beneficiary and sends the cheque to DULT.

4. DULT hands over the cheque for payment issued by the Treasury to the Beneficiary.

5. At the end of the FY, DULT issues an Adjustment Order to the Finance Department for an amount equal to all the payments (expenses incurred) made to beneficiaries during the FY to be debited to the Reserve Fund.

It is envisaged that in the future the Reserve Fund would be further strengthened with other sources of revenues to the exchequer, which include but not limited to the following:

   a. A share of the advertisement revenues accruing from urban transport projects funded through SUTF;
   b. A share of the betterment levy charged in urban areas where urban transport projects partly funded through SUTF, is operational;
   c. A share of congestion tax levied on motorised vehicles;
   d. A share of user charges such as parking charges/ fees;
   e. Grants/ loans/ advances from Government of India, GoK or any institution or any amount borrowed;
   f. Interest accrued on soft loans to Government agencies/ departments;
   g. Returns on investments made directly or through any agency/authority. For instance, investments into treasury.

An empowered committee has been constituted for the purpose of ensuring effective utilisation of SUTF. It is chaired by the DULT commissioner and contains the following members:

   a) Urban Development Department - Representative of Principal Secretary to the Government – Member
   b) Transport Department - Representative of Principal Secretary to the Government – Member
   c) Finance Department - Representative of Principal Secretary to the Government – Member
   d) Law Department - Representative of Principal Secretary to the Government – Member
   e) Karnataka Urban Infrastructure Development Finance Company (KUIDFC) - Representative of Managing Director – Member
   f) DULT Special Officer - Member Secretary

The functions of the Empowered Committee are:

   i. Accord approval for the annual action plan prepared by DULT at the beginning of each year along with financial statements, performance reports etc;
   ii. Monitor the functioning of SUTF;
   iii. Review the progress of various activities vis-a-vis the annual action plan on a quarterly basis or on a more periodic basis as deemed necessary.

Total UTF revenue for 2013 is budgeted at Rs. 60 crore for the entire state. The state government has to date given a total of Rs. 100 crore to the UTF. An infrastructure cess has been imposed to fund the Bangalore metro rail project.

The State government has given instruction to the Transport Department and Land Revenue Department to generate Rs.10 crore and Rs. 40 crore respectively for the UTF. The
departments are to decide how they will generate the revenue i.e. through additional tax on motor vehicle or cess on property development, etc.

The UTF is utilized for development of bus shelters, sidewalk improvements, and procurement of buses.
CITY –I: CHENNAI

Institutional arrangements
Chennai Unified Metropolitan Transport Authority (CUMTA) has been created as an independent authority by Transport Department and headed by Transport Minister but necessary technical support is offered by the Chennai Metropolitan Development Authority (CMDA), which reports to the Department of Housing and Urban Development.

Legal basis
For UMTA in Chennai the state government has passed a bill in 2010 for setting up of UMTA. According to the bill the UMTA could be set up by a government notification. The notification has not yet been passed.

Composition of the of the UMTA governing body
For the Chennai UMTA, the Minister in charge of transport and the Chief Secretary of the Government of Tamil Nadu are the Chairman and Vice-Chairman respectively. There are 18 members, which include high level representation from:

- The Chennai Metropolitan Development Authority
- The Transport Department
- Finance Department
- Housing and Urban Development Department
- Highways Department
- Home Department
- Municipal Administration and Water Supply Department
- Commissioner of Police, Greater Chennai
- Commissioner, Chennai City Municipal Corporation
- Transport Commissioner, Chennai Metropolitan Development Authority
- Southern Railways
- Metropolitan Transport Corporation (Chennai) Limited
- Chennai Metro Rail Limited
- One expert on traffic and transportation as may be appointed by the government.
- There is also representation from Walkers association

The Authority may co-opt not more than 3 additional Members in accordance with such procedures and terms and conditions as may be prescribed. For these additional members, it is being considered to co-opt 1 renowned person (Councillor / M.L.A.) in the Society and 2 NGOs involved in transportation issues. However, there are no confirmations on who will to be co-opted.

There is also an Executive committee with following members:
Chief Secretary – Chairman

Other Members:
- Vice Chairman, CMDA
- Principal Secretary, Transport
- Principal Secretary, Finance
- Principal Secretary, Home
- Secretary, Housing & UD
Few working committees have been set up which include:

I. Working Committee on Multimodal Integration: Its members include:
   - MD, CMRL - Chairman
   - MD, MTC
   - DRM, Chennai Div, Southern Rail
   - Chief Admin Officer, MRTS, Southern Rail
   - Transport Commissioner
   - Commissioner, Corp. of Chennai
   - Chief Engg, Highways (City Roads)
   - Member Secretary, CMDA
   - Representative City Connect

II. Working Committee Infrastructure and Promotion of NMT: Its members include:
   - Commissioner, Corp. of Chennai - Chairman
   - Addl Commissioner of Police (Traffic)
   - Chief Engineer, Highways
   - Chief Planning (Transport) CMDA
   - Representative Chennai City Connect

III. Working Committee on Resource Mobilization: Its members include:
   - Principal Secretary, Finance - Chairman
   - Member Secretary, CMDA
   - MD, Chennai Metro Rail Ltd.
   - DRM, Southern Rail
   - MD, MTC
   - Commissioner, Transport
   - Commissioner, Corp. of Chennai
   - Addl. Commissioner of Police (Traffic)

Although having such a high-level, widely represented body may seem to be the best solution for providing coordination between various departments, the issue of actually having to coordinate between the high-level representatives and ensuring deliberations are decisions may itself become an issue.

It should be noted that in the Chennai UMTA, no representatives from NHAI or port administration are provided.
Functions

The main function vested with the Chennai UMTA is to oversee, coordinate, promote, and monitor implementation of various traffic and transportation measures including promoting public mass passenger transport systems and regulating their operations besides implementation of certain traffic and transportation infrastructure, of special nature, in the Chennai Metropolitan Planning Area.

Although these functions indicate a regulatory and implementation role there are no corresponding statutory powers or authority provided in the Act for regulation or implementation of projects.

Organisational Structure & Staffing

There is no dedicated secretariat support available to CUMTA. A committee has been formed under chairmanship of Chief Planner, CMDA. UMTA related tasks are in addition to their regular functions in CMDA. Limited technical support is provided by existing staff of CMDA. The hiring of staff has been planned however action can only be taken after notification of the CUMTA act.

Chennai Unified Metropolitan Transport Authority Rules

The Act provides the Government to make rules for carrying out the purpose of the Act. The Government constituted a Committee for making rules under CUMTA Act, under the Chairmanship of Chief Planner, CMDA. The Committee submitted the draft rules to the Government in the Transport Department.

Progress of CUMTA

CUMTA has set up an executive committee with The Managing Director, Chennai Metro Rail Limited (CMRL) being the Convener of the Executive Committee.

Also to operationalize CUMTA it was decided to set up Working Committees to address identified issues. Accordingly following working committees were formed:

- Integration of Public Transport Modes
- Resource Mobilization
- Infrastructure and promotion of Non-Motorized Transport
- Traffic Management and Road Safety

Funds

As per the bill the authority shall have its own Fund into which all sums of money received from the government and all other receipts of the authority would be paid.

However, there is no UTF in Chennai. As part of UMTA there are set up some committees. One of the committee viz. the resource mobilisation committee has cited the need to have a dedicated UTF. It is expected that if UTF would be set up, it would be through amendment in the UMTA Act.
CITY – III: DELHI

Institutional arrangements

Unified Traffic and Transportation Infrastructure (Planning and Engineering) Centre (UTTIPEC) is a committee of DDA created 2008 by the Delhi Development Authority in exercise of powers vested to it under the Delhi Development Act, 1957. It is headed by Lieutenant governor of Delhi a sits chairman.

Legal basis

UTTIPEC was created by regulation made under the Delhi Development Act 1957.

Composition of the UTTIPEC committee

- LG, Delhi – Commissioner
- Vice Chairman DDA, Vice Chairman
- Engineer Member, DDA
- Principal Commissioner cum secretary TPT GNCTD
- OSD, MRTS, MoUD
- Commissioner Planning DDA
- Secretary, Indian Roads Congress (IRC)
- President, Institute of Road Traffic Education
- Chief Planner, TCPO
- Head, Traffic and Transportation
- Division, CRRI
- MD, DIMTS
- CTP, MCD
- Engineer in Chief, MCD
- Engineer in Chief, PWD
- Engineer in Chief, NDMC
- Chief Engineer, NR
- Director (Project), DMRC
- Joint Commissioner of Police (Traffic)
- Additional Commissioner planning TT, DDA
- Director (TT) DDA / Sr. Advisor (TT) – Member Secretary

Functions of UTTIPEC

1. Study and coordinate the norms and standards for planning and engineering practices in traffic and transportation
2. Engineering aspects of implementation of national transport policy – 2006 and master plan of Delhi- 2021
3. Traffic Road Safety Audit guidelines
4. To coordinate the engineering and infrastructure aspects of sustainable public transportation system
5. To evolve a parking policy and evolve paring solutions
6. Inventory of corridor wise traffic and transportation issues, traffic management strategies and enforcement guidelines
7. Act as Repository for sharing of traffic and transportation plans
8. Evolving environmental impact assessment guidelines
9. Developing protocols and norms for signages, street furniture lighting, signals etc.
10. Evaluation – public participation – feedback

Organisational Structure & Staffing

Although UTTIPEC is created through a separate gazette notification but secretariat support is provided by existing professional of DDA. Director (Planning), DDA is Member Secretary of UTTIPEC. Technical support for UTTIPEC is provided by existing four staff of DDA having technical background. In addition there are various working groups are formed to carry out all the technical functions including preparation of standard & guidelines etc.

Issues taken up

1. There is a chapter on Transportation in the Master plan and UTTIPEC is working on revising this chapter.
2. UTTIPEC is responsible for approving all projects related to urban transport
3. UTTIPEC also monitors implementation of projects and has prepared integrated urban transport norms and standards
4. UTTIPEC has developed Pedestrian design guidelines which were later developed into Street design guidelines
5. UTTIPEC is also working on Multimodal Transport and Transit Oriented Development in Delhi
6. UTTIPEC is also working on Multimodal Integration on the 67 Metro stations forming part of Phase III of Metro Development project.
7. For the Metro project in Delhi there is no provision for ‘last mile’ connectivity from metro stations. UTTIPEC is taking the initiative and is preparing redevelopment plans alongside the metro, including interchanges for feeder services and more dense real estate use.

Funds

UTTIPEC does not have any funds of its own. It is not formally an UMTA but it was created to be a coordinating body for various different authorities involved in planning and management of Urban Transport in Delhi with little or no coordination among them.
CITY – IV: HYDERABAD

Institutional arrangements
The Hyderabad Metropolitan Development Authority (HMDA) Act provided for establishment of UMTA for the Hyderabad Metropolitan Region (HMR) with the Chief Secretary as its Chairman. Thus, the UMTA is responsible to the HMDA.

Legal basis
The Unified Metropolitan Transport Authority (UMTA) for Hyderabad Metropolitan Region was constituted by an Act of the Andhra Pradesh legislature (G O Ms. No. 624) in 2008.

Composition of the UMTA governing body
- Chief Secretary (Chairman)
- Commissioner, Greater Hyderabad Municipal Corporation (Vice Chairman)
- Principal Secretary/Secretary, Urban Development Department, Transport, Roads and Buildings Department
- Managing Director, AP State Road Transport Corporation
- Commissioner of Police, Hyderabad/Cyberabad
- Member Secretary, AP Pollution Control Board
- General Manager, South Central Railway
- Transport Commissioner
- Two experts in the field of Urban Transport nominated by the state government
- Metropolitan Commissioner (Member Convenor)
- Any other person nominated by the state government.

Functions of the UMTA
- Oversee implementation of Traffic & Transportation (T&T) measures undertaken by various agencies in Hyderabad Metropolitan Area (HMA).
- To ensure Effective Public Transportation systems are in place for HMA.
- To ensure effective co-ordination and implementation of various T&T measures undertaken by various departments
- To Promote & Monitor major Traffic and Transportation projects.
- To deliberate and recommend effective Transportation strategies for HMA.
- Integrate and consolidate all the Action Plans of various Departments and Agencies and ensure implementation of Traffic & Transportation Plans for HMA.
- To give directions to different agencies involved in implementation of Traffic & Transportation Policies and measures, including shifting of utilities and services/amenities, etc.,
- Process funds for implementation of proposals
- Integrate various routes of Public Transport and issues of combined ticketing, feeder services, etc.
- Approval of all Traffic & Transportation proposals/projects from any agency in metropolitan area and all new initiatives.
- Direct the appropriation/subvention of funds from various departments and agencies for ensuring implementation of the Traffic & Transportation plans and measures in the HMA.
Powers of the UMTA

- The recommendations/instructions of the UMTA shall be binding on all the concerned departments.
- The UMTA shall hold meetings at least once in a month.
- The technical support staff and secretarial assistance to UMTA shall be provided by HMDA.
- The HMDA shall build a detailed database and carry out necessary traffic and transportation study to support UMTA in taking decisions.
- An escrow account shall be maintained in HMDA and collect funding from the following sources:
  - 0.25% of estimated cost of traffic and transportation project undertaken by various agencies
  - 0.25% of development charges collected by HMDA, GHMC & other local bodies
  - The fund can be utilised for research, training, and meeting administrative expenditure of UMTA.

Organisational Structure & Staffing

In order to monitor and effectively implement UMTA’s decision a sub-committee has been constituted. This committee meet on ad hoc basis as and when meeting is called. Last meeting was organised in January, 2012. Existing staff of HMDA (2-3) provides secretariat support to UMTA. Recently, 2 (two) urban transport planners have been appointed by HMDA to provided technical assistance to UMTA. In addition, there is Technical Advisory Committee to act as the Tender Committee for evaluation and Selection of consultants, also review, examine, and monitor the work of the Consultants. Their support in discharging UMTA’s function is quite limited.

Key Achievements/ Initiatives of UMTA

- Introduction of CNG in the city
- Implementation of ITS on an outer ring road
- Introduction of Common Ticketing System between MMTS and APSRTC
- Commissioning a comprehensive transportation study for the Hyderabad region
- Setting up and SPV for BRT operations in the city
- Earmarking land for future passenger and freight terminals in the Hyderabad region.
- Proposal of MMTS Phase – II
- Examining the Creation of Urban Transport Fund
- Constitution of UMTA Sub-Committee
- Initiation of Comprehensive Transportation Study (CTS) – HMA for 2041.
- Initiation of Multi-Level Parking Complexes on PPP basis in HMA

Funds

HMDA maintains an escrow account into which a fraction (0.25 per cent) of the estimated cost of all traffic and transportation projects undertaken by different departments and also 0.25 per cent of development charges collected by Hyderabad Metropolitan Development Authority and Greater Hyderabad Municipal Corporation, besides other local bodies in the
HMR, are placed and utilised for research, studies and training in traffic and transportation and for meeting the administrative expenses of Hyderabad UMTA.

At the 8th meeting of UMTA, it was decided to create UTF. A task force was created to examine the various aspects of UTF since consent of various authorities working under HMDA is required.

In this light at present UTF establishment is in progress in Hyderabad. The envisaged sources of funds into UTF are as follows:\(^{781}\):

- **25 paise surcharge per litre of vehicular fuel sold in HMDA area**
- **10% of road tax**
- **100% of penalties collected by traffic police**

Expected revenues into UTF per year were estimated to be INR 125 to 130 crores per year.

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\(^{781}\) 17-09-2011 – Letter from Commissioner GHMC to Principal Secretary, Municipal Administration and Urban Development Department
Institutional arrangements

Unified Mumbai Metropolitan Transport Authority (UMMTA) was established in Feb 2008 through a government order. The jurisdiction of UMMTA covers the entire Mumbai Metropolitan Region (MMR).

Mumbai Metropolitan Region Development Authority (MMRDA) provides Administrative and Technical Assistance to UMMTA.

The main Committee is headed by Chief Secretary, GoM with senior officials of Stakeholders while the core Committee is headed by Principal Secretary, UDD.

Legal basis for UMTA

The government of Maharashtra had issued a Government Order for setting up of UMMTA in 2008.

Composition of the UMTA governing body

- Chief Secretary (Chairman)
- Additional Chief Secretary (Urban Development)
- Secretary, Urban Development
- General Manager, Railway
- Metropolitan Commissioner, MMRDA
- Commissioner, MCGM
- Police Commissioner
- Transport Commissioner
- Vice Chairman and Managing Director, CIDCO / MSRDC
- Managing Director, MTDC / GM, BEST
- Representative of Chatrapati Shivaji International Airport Co.
- Transport Expert
- Transport Engineer
- Joint Commissioner, MMRDA (Member Secretary)

Functions of the UMTA

- Ensure Implementation of Comprehensive Transport Plan for MMR
- Integration of regional and city land use plans with transport plan of MMR
- Inter modal priorities and integration
- Infrastructure priorities and integration
- Allocation of Funds for individual infrastructure requirement
- Implementation of Bus Rapid Transit System (BRTS) in MMR
- To decide on implementation modalities including PPP
- To bring unanimity amongst various concerned agencies
- To promote Transport studies and Information systems

Organisational Structure & Staffing

Under Mumbai UMTA, there is provision to form around 8 committees to carry out various functions of UMTA. Secretariat support for UMTA is provided by existing (3 staff) of MMRDA.
The technical support is provided by 2 technical staff of MMRDA. This is again an additional function for them as they are regular staff of MMRDA

**Actions taken so far**

- DPR studies for multiple projects have been taken up.
- Multimodal Integration
  - Ticketing Integration in MMR
  - Initiated Integrated Ticketing system (ITS) in MMR
  - Conducted stakeholders workshop
  - Bidding process in progress
  - Consulting with MoUD for integration with National Common Mobility Card (NCMC)
  - Prepared Multi modal integration & dispersal plan at Metro s & Monorail stations.
- Security and safety in Public Transport
  - Prepared security and safety plans for Metro and Monorail Projects
  - Discussed with Police Authorities & Other Stakeholders Performance evaluation
  - Carried out Performance evaluation of infrastructure project like metro and monorail.

**Funding**

- Sources identified for Creation of Dedicated Infrastructure Fund – viz Mumbai Metropolitan Infrastructure Fund (MMIF) for MMR
- Development charges as one of the important revenue source (under consideration by Govt.)
- Legal amendments in MRTP Act and MMRDA Act as required for recovery of Development Charges in MMR proposed
- Creation of dedicated Metropolitan Infrastructure Fund Proposed
CITY – VI: JAIPUR

Institutional arrangements
The UMTA set up for the state of Rajasthan is housed under Jaipur Development Authority.

Legal basis for UMTA
The legal basis of setting up UMTA was a government order issued in 2007.

Composition of the UMTA governing body
- Chief Minister (chairman)
- Minister, Transport (vice chairman)
- Minister, Urban Development and Self Governance (vice chairman)
- Chief Secretary
- Additional Chief Secretary, Infrastructure
- Chairman, JHERICO
- Chief Secretary, Planning and Finance
- Chief Secretary, Urban Governance
- Secretary, Self-governance
- Commissioner, Transport Department
- DIG, Transport
- Chief Town Planner
- Two Industrial Association representatives
- Two urban transport experts or professors

The composition of the Executive Council of UMTA was defined to be:
- Additional Chief Secretary (Infrastructure) – Chairman
- Chief government secretary, Urban Governance Department – Member
- Commissioner, Jaipur Development Authority – Member
- Commissioner, Transport Department – Member
- Chief Executive Officer – Jaipur Municipal Corporation – Member
- Government Secretary, Local Self Government Department – Member secretary

Secretariat to UMTA
An executive council has been formed under Chairmanship of Additional Chief Secretary (Infrastructure) to facilitate UMTA in decision making and to carry out the decisions taken by UMTA. The functions of Executive Committee are as follows:
- To assist UMTA in decision making
- Ensure implementation of decisions of UMTA
- Notify transportation routes in urban areas
- Recommend appropriate tariff policy to UMTA
- Scientific analysis of works and services of service operators
- Resolving conflicts among service operators

Functions of the UMTA
- Formulation of progressive land use and transportation policy for metropolitan area
- Put down rules and regulations for the orderly conduct of urban transport
• Determination of Appropriate traffic policy
• Determination of Route for urban transport
• Establish inter Modal integration
• Set service standard
• Ensure fair competition on routes, networks or geographical areas

However, only two meetings were held for UMTA since its formation and UMTA is currently non-functional.

Organisational Structure & Staffing
An executive council has been formed under Chairmanship of Additional Chief Secretary (Infrastructure) to facilitate UMTA in decision making and to carry out the decisions taken by UMTA. But the council met only twice since its inception in 2007. There is lack of technical staff in the secretariat to provide technical input

Traffic control Board
TCB was constituted under section 13 of Jaipur Development Authority Act, 1982. This is a functional board headed by Jaipur Development Commissioner and its main functions are to:

• Traffic planning for Jaipur city
• Policy for traffic licenses for light and heavy vehicles

Composition of TCB

• Chairman, who shall be the Jaipur Development Commissioner;
• Secretary, Jaipur Development Authority;
• Transport Commissioner, Rajasthan;
• General Manager, Rajasthan State Road Transport Corporation;
• Chief Engineer, Public Works Department, Rajasthan;
• Chief Engineer, Public Health Engineering Department, Rajasthan;
• Representative of the Rajasthan State Electricity Board, not below the rank of a Chief Engineer;
• Director, Engineering of the Authority;
• Director, Town Planning of the Authority;
• Director, Finance of the Authority;
• District Magistrate, Jaipur;
• Superintendent of Police, Jaipur;
• Chairman/Administrator, Municipal Council, Jaipur; and
• Two persons to be nominated by the Chairman of the Authority.

Issues taken up
Although initially two meetings were held, no progress has happened after that and UMTA is currently non-functional.

TCB on the other hand is a functional body but only petty issues related to traffic are discussed while policy level issues and discussions do not take place during its meetings.

Funds
Rajasthan Transport Infrastructure Development Fund was created in Rajasthan vide Notification on 29th February 2012 on lines of recommendation by MoUD to create a UTF. This fund is a state level fund. City level funds are not established because the individual City
Municipal corporations are not financially sound and also because the collections of most of the funds are done at a state level.

Sources of funds:

b. Cess in the form of Green tax – imposed on registration of old / new vehicles
c. Cess on Stamp duty
d. Funds from Central / State governments
e. Funds from Industry for carrying out social responsibilities
f. Any other funds as decided form time to time.

There is fund management committee consisting of:

a. Chief Secretary - Chairman
b. Principal Secretary, LSG, GoR – Member
c. Transport Commissioner – Member
d. Secy. Finance – Member
e. Secy. LSG – Member
f. Commissioner JDA – Member
g. MD, RSRTC – Member
h. MD, JMRC – Member
i. MD, JCTSL, ACTSL (Ajmer) – Member
j. Director, DLB, GoR – Member Secy.

Utilization of funds:

a. Total collection form Apr 11 to Mar 12 = 171.91 crores
b. Total collection form Apr 12 to Mar 13 ~ 220 crores
c. Utilization – 25% by Transport deptt. & 75% by LSG
d. Scope of projects for utilization
   i. Development of ROBs, flyovers, underpasses
   ii. Parking places
   iii. By pass roads
   iv. Provide funds to JCTSL or other such SPVs
   v. To meet viability gaps for RSRTC, JCTSL etc.
   vi. Procurement of pollution free fuel such as CNG, LPG etc.
CITY – VII: LUCKNOW

Institutional arrangements
UMTA in the state of UP has been set up at state level for all the mission plus cities viz. Lucknow, Allahabad, Varanasi, Kanpur, Agra, Meerut and Mathura. It is housed under the state urban development department.

Legal basis for UMTA
UMTA was set up in the state of Uttar Pradesh in June 2010 by a government order.

Composition of the UMTA governing body
The UMTA set up at the state level is headed by the Chief Secretary to take care of the inter-departmental coordination.

Other members of UMTA include:
- Principal Secretary, Urban Development Department
- Principal Secretary, Transport Department
- Principal Secretary, Public Works Department
- MD, UP State Road Transport Corporation
- Transport Commissioners
- Vice Chairman – Development Authority of all mission cities
- Municipal commissioner – all mission cities
- There is also representation from Police, Indian Railways and Pollution Control Board

For the city level SPVs it is envisaged that the composition of such SPVs would be as follows:
- Divisional Commissioner would be the Chairman
- Other members would include representatives from City Division, UPSRTC and representatives from development authority and any other members.

Functions of the UMTA
The main functions of UMTA include:
- To ensure coordination in policy preparation and planning to make the Urban Transport in the mission cities capable and self-dependent
- Ensure Coordination among related departments
- Policy preparation on Fare Structure
- Policy preparation for Revenue sources and uses of funds for Urban Transport
- Policy preparation on commercial use of Urban Transport Infrastructure.
- To advise and direct related agencies responsible for Urban Transport

Organisational Structure & Staffing
There is no dedicated staff to carry out UMTA functions. All files and decisions related to UMTA are maintained by single staff of Urban Development Department. There is lack of technical staff in the secretariat to provide technical input.

Key decisions taken
As concerning the progress of the UMTA, the major decision till date is that DUTF should be established that would be managed by the UMTA itself.

Funds
A concept note on setting up of DUTF has been prepared by a subcommittee (based on Concept Paper provide by Urban Mass Transit Company Limited, Delhi) according to which – the UTF would be established at two levels:

- At State level
- At city Level

The DUTF at the state level would be managed by the Urban Transport Directorate based on directions of the UMTA. At the city level the DUTF would be managed by the SPV which is headed by the Regional Commissioner.

The major sources of funds for the UTF as recommended by the subcommittee for DUTF are:

- 0.5% additional cess on purchase of vehicles – State level UTF
- 0.05% additional cess on each accounting unit of fuel – State level UTF
- 0.5% additional cess on Stamp Duty for sale / purchase of Assets – City UTF
- Additional 10% levy on FAR/FSI based on Circle rate – State UTF
- Development charges, Betterment levy etc. – City UTF
- Advertising charges on SPV owned properties and assets – under SPV
CITY – VIII: PUNE

The initiatives for UMTA in the Pune Metropolitan region have not been taken up by the state government and neither any executive order nor any act has been passed for the same. It is envisaged to set up a development authority in Pune by the name of Pune Metropolitan Region Development Authority which would be responsible for Pune metropolitan region covering inter alia Pune, Pimpri Chinchwad, Lavasa and Ambey valley.

In respect of coordination related to traffic and urban transport issues there exists a coordination committee consisting of Police, RTO and various other members. This committee is chaired by Municipal commissioner and it meets once every month.

Institutional arrangements
NA

Legal basis for UMTA
NA

Composition of the UMTA governing body
NA

Functions of the UMTA
NA

Issues taken up
NA

Funds

Through a general body resolution an Urban Transport fund has been created in PMC. Different sources for this fund are as follows:

i. Penalty in the name of special charges from violators – as per BPMC act section 208 if anybody is causing incontinence to others then PMC is entitled to collect a penalty from such offender. This is collected through traffic police who are allowed to retain 50% of this amount while the rest of the 50% is shared with PMC.

ii. Tax from properties related to transportation – like PMPML properties or RTO properties etc. Taxes collected from such properties are transferred to UTF.

iii. Street Tax

iv. New vehicle registration tax

v. Tax for using ROW (right of digging of roads etc.) + reinstatement charges (cost of redevelopment when digging etc. takes place)

vi. Grants from State Government related to Urban Transport

vii. Royalty as per section 79 of BPMC act

viii. Charges from traffic violators – through use of Intelligent transport system including CCTV cameras

ix. Encroachment penalties

x. Advertisement – including Land rent and Hoarding fee

xi. Special grant from state government – 23.33% of a Special Project of PMC

xii. JnNUMRM grant
Expenditures from UTF are:

i. PMPML grant – special grant for example for reimbursement of free passes to students

ii. Road repair works

iii. Street lights

iv. Special projects – Bridges / flyovers etc.

v. JnNURM works

vi. Additional grant to PMPML

vii. Traffic department – Signal, painting works etc.

viii. Parking expenditures

As budgeted for the year 2013 – 2014 – Total revenue of the UTF is INR 396 crores while total expenditure is INR 1174 crores.
CITY – IX: BHOPAL

Institutional arrangements
In the state of MP a State level UMTA, S-UMTC (State Unified Metropolitan Transport Council) has been established under the chairmanship of Chief Minister MP through an executive order in January 2012.
Also establishment of city level UMTA, C-UMTC (City Unified Metropolitan Transport Council) is envisaged post establishment of Metropolitan Planning committees in the cities.

Legal basis for UMTA
Through an executive order in January 2012 however in due course of time legal enactment is envisaged to happen.

Composition of the UMTA governing body

Composition of governing council of S-UMTC:
- Chief minister – Chairman
- Minister Urban Administration and Development – Vice Chairman
- Minster, Transport
- Minster – Commercial Tax
- Minster- Finance
- Minster- PWD
- Minster – Housing and environment
- Minster – Planning economics and statistics
- Minister – Revenue
- Minister – Home
- Minster – Public Communication
- Chief Secretary
- Principal Secretary Urban Administration and Development
- Principal Secretary - Finance
- Principal Secretary – Housing and environment
- Principal Secretary – Planning economics and statistics
- Principal Secretary, Transport
- Principal Secretary, Home
- Principal Secretary – Revenue
- Principal Secretary – Commercial Tax
- Principal Secretary - PWD
- Director General of Police
- Chairman, Pollution Control Board
- Additional Director General of Police, Transport
- Divisional Rail Manager
- Public Communication commissioner
- Transport commissioner
- Chief Engineer, PWD
Composition of C-UMTC:

- District Commissioner - Chairman
- Inspector General Police
- Mayor
- Chairman / Commissioner / Additional Commissioner / Deputy Commissioner – MP Housing Board
- Chairman, Dev. Authority
- Collector
- Senior Superintendent of police
- Commissioner, Municipal corporation
- Representative from state government
- Representative from state level technical cell
- Senior most railway official in city
- Airport Manger
- Regional Transport Officer
- Public communication commissioner
- Transport police superintendent
- Superintendent engineer, PWD
- Superintendent engineer, NHAI
- Director, Town and country planning department
- Citizen Forum
- Civil Society representatives – 2 to 3
- Urban Transport specialists – 2 to 3

Functions of the S-UMTC

- Setting of policies for improvement of urban transport and ensuring their implementation by the executive council
- Make urban transport sustainable
- Coordination among stakeholders
- Review of city’s plans
- Coordination between land use and transport planning
- Development of congestion free cities
- Set service level benchmarks
- Setting policy for resolving conflicts in urban transport
- Setting up of DUTF and identification of sources of funds and ensuring their availability

Organisational Structure & Staffing

The secretariat support is provided by OSD and his staff under Urban Administration & Development Department. To provide technical support, a State level technical cell is planned consist of transport and urban planners, engineers, finance advisor, IT and traffic advisor etc.
Funds

An UTF by the name of S-DUTF (Dedicated Urban Transport fund) has also been established in the state of MP. This fund is managed by S-UMTC. Similarly at the city level, there is provision for creation of C-DUTF. Recently C-DUTFs have been set up in cities of Indore and Gwalior. However, these are not comprehensive in nature.

For S-DUTF 15 definite sources have been identified while there is provision of other sources also that could be made part of SUTF. These *inter alia* include:

- seed money from government
- green tax
- Vehicle Registration Charges
- Additional Registration charges on Diesel Vehicles
- Cess on Fuel
- Annual Renewal charges on Vehicle registration and License
- Recurring funding mechanism from State Government
- Central Government funding from various schemes and grants
- Funding from external funding agencies etc.

Similarly for the C-DUTF is envisaged to have 32 sources of funds. These *inter alia* include:

- Income from transport revenues
- Advertising revenues
- Paring revenues
- Congestion charges
- Traffic Rule Enforcement income
- Betterment levy
- TDR
- Portion of property tax
- Fuel tax
- Road charges etc.
CITY – X: KOCHI

The main issue which Cochin Corporation faces is that much of the modern city has developed outside the official city limits which were last defined in 1967. As a result, the extended urban agglomeration grew much more than any other city of India, leaving the corporation dry in resources. As Kochi is a major industry and thriving modern port-city, it required stronger leadership and plans, which till now have not materialized. The city has grown in an unplanned way without any master plan creating more problems. As most of the town-planning agencies like transport, electricity, water distribution were managed by Kerala Government, the Kochi Corporation has difficulty in co-ordinating the agencies implementing various projects. Apart from all these issues, much of the infrastructural development funds for the city have been given to the Greater Cochin Development Authority, which often creates administrative clashes and issues over implementation.

The current major problem which the city faces is the poor state of transport due to lack of wide roads and the Corporation's inability to acquire land.

The city had realised the need for setting up of UMTA and had started the proposal process for UMTA establishment.

Institutional arrangements
NA

Legal basis for UMTA
Recently a government order has been passed for setting up of UMTA.

Composition of the UMTA governing body
The government order issued states that Kochi Metro Rail Ltd (KMRL) managing director will be the chairman of UMTA, while Ernakulam district collector will be the secretary.
Other than these the city police commissioner, Ernakulam rural SP, KSRTC managing director, area manager southern railway, secretaries of Kochi corporation, Greater Cochin Development Authority, municipalities of Aluva, Thrikkakara, Tripunithura, Kalamassery and Choornikarapanchayat, regional transport officer and district transport officer from Ernakulam, director of state water transport department, and National Transportation Planning and Research Centre (NATPAC) director will be members of UMTA.

Functions of the UMTA
UMTA would work for integrating various modes of transport like waterways, private buses, KSRTC, autorickshaws, metro rail and the like.

Issues taken up
NA

Funds
NA

Current progress
UMTA establishment is in progress and there are various issues currently being faced in implementing the UMTA. The necessary steps for implementing UMTA are yet to be taken and a clear picture on the legislation, powers, control and responsibilities of various stakeholders of UMTA are yet to be drawn".
CITY – XII: PIMPRI-CHINCHWAD

The city of Pimpri-Chinchwad on the Bombay-Pune expressway is part of the Pimpri-Chinchwad and Pune metropolitan region.

No UMTA currently exists for the city of Pimpri-Chinchwad and there is no specific plan to establish an UMTA for the city as the Pimpri Chinchwad Municipal Corporation (PCMC) is responsible for discharging all the UMTA functions. A UMTA covering both the Pimpri-Chinchwad urban area and the Pune urban area could be considered.

Institutional arrangements

The twin towns comprising the Pimpri-Chinchwad city are administered by the Pimpri-Chinchwad Municipal Corporation (PCMC).

Before 2007, each city was operating its own city bus services. However, in 2007 these two cities jointly established Pune Mahanagar Parivahan Mahamandal Limited (PMPML), a SPV constituted in accordance with the Bombay Provincial Municipal Corporations Act, 1949 to operate city bus services in the Pimpri-Chinchwad and Pune metropolitan region. PMPML receives financial support from both Pune Municipal Corporation (PMC) and PCMC.

Funds

PCMC is building a bus rapid transit (BRT) network of 130 kilometres with funding from JnNURM and related to this established a dedicated Urban Transport Fund in September, 2008. This fund is managed by PCMC Infrastructure Company (PCIC) which is a wholly owned SPV of PCMC.

A zone of 1,000 meters on either side of the BRT corridor has been designated as the BRT influence zone. The floor space index (FSI) has been increased from 1 to 1.8 within the BRT influence zone with an objective to promote densification on the bus corridor and earn revenue from sale of the increased FSI.

Key revenue sources for the UTF are:

- A premium on Transfer Development Rights (TDR),
- Charges for advertising on the BRT corridors,
- Development charges for building permission,
- Incremental property tax,
- Lease on utility ducts, etc.

Since its formation, a sum of almost Rs. 92 crore has been generated for the UTF.

The state government has given approval for implementation of the TDR mechanism as follows:

- On areas adjacent to the BRT corridors the allowable FSI is increased to 1.8 from the normal allowable FSI of 1.
- In lieu of development rights of 1.8 FSI in such areas, a developer is required to compensate the PCMC with a similar patch of land in the city and pay a part of the premium realized by development / selling of the property adjacent to the BRT corridor on which the allowable FSI has been increased.
- In this way a developer is given a transfer of development rights to develop property adjacent to the BRT corridor.

782 Fact sheet. Centre for Science and Environment, New Delhi, India.
The process of collection of funds by way of TDR is managed by PCMC through various departments within PCMC such as the building permission department and the accounts department.

Management of UTF

The UTF is managed by PCMC Infrastructure Company (PCIC), which is a SPV set up and 100% owned by PCMC.

The revenue collected though UTF is used for both capital and operational expenditure, but particularly development of public transport infrastructure and purchase of rolling stock. Allocation is decided by a committee chaired by the PCMC Commissioner.

The Municipal Commissioner is responsible for monitoring of the UTF with audit of UTF done as part of the PCMC audit. There is no mechanism for carrying out audit of UTF separately.
MAPPING OF URBAN TRANSPORT FUNCTIONS & AGENCIES

The columns marked in red indicate that there exists institutional gap / overlap in carrying out these functions.

Policy Formulation

Sub-categories of policy formulation and the agencies involved are shown below.

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### Strategic Planning and Programming

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</tr>
<tr>
<td>Municipal Corporation</td>
<td></td>
<td></td>
<td></td>
<td>Local Roads and Public Transport Facilities</td>
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</tr>
</tbody>
</table>
ANNEXURE - IV: REVIEW OF INTERNATIONAL CASE STUDIES
CITY – I: LONDON

History and evolution

Metropolitan London is mostly contained within the administrative area known as Greater London, which is a region of England. Greater London was created as an area for local government on 1 April 1965. It comprises the Cities of London and Westminster and 32 London boroughs, of which twelve are Inner London boroughs and twenty are Outer London boroughs. Greater London covers 1,572 km² and had a population of 8,174,000 at the 2011 census.

This arrangement of two tiers of government in the London region has come about because, as the area of London grew and absorbed neighbouring settlements, a series of administrative reforms did not amalgamate the City of London with the metropolitan area, and its unique political structure was retained.

In 1933, London's underground railways, tramway and bus operators were merged to form the London Passenger Transport Board, which became known as London Transport. In 1984 control of London Buses and the London Underground passed to London Regional Transport (LRT), which reported directly to the Secretary of State for Transport.
The Greater London Authority (GLA), a mayor (as distinct from the Lord Mayor of the City of London), the London Assembly, which is the elected parliament for Greater London, and Transport for London (TfL), which replaced London Regional Transport, were all established in 2000 to administer the metropolitan area of London. GLA staff serves both the Mayor of Greater London and the London Assembly.

**Institutions involved with transport**

The London Assembly, the Mayor, GLA, and TfL are all involved to different extents with transport in the Greater London area.

The Assembly examines how effective the Mayor's policies, decisions and activities are on behalf of Londoners. It also examines the Mayor's spending and can amend his total budget if two-thirds of the members agree to do so. The Mayor is required to consult the Assembly on his statutory strategies and respond to comments submitted to him. The Assembly may reject the Mayor's statutory strategies if two-thirds of the Members agree to do so.

The mayor produces the strategic plan for London, the "London Plan", and individual London borough councils are legally bound to comply with the plan. The mayor has the power to over-ride planning decisions made by the London boroughs if they are believed to be against the interests of London as a whole.

GLA's responsibilities include development and strategic planning, transport, policing, fire and rescue. The GLA does not directly provide any services itself. Instead, its work is carried out by four functional bodies, which come under the GLA umbrella, and work under the policy direction of the Mayor and Assembly.

TfL is the functional body responsible for managing most aspects of London's transport system. It has three subsidiaries: London Transport Insurance (Guernsey) Ltd, TfL Trustee Company Ltd and Transport Trading Ltd (TTL). London Underground Limited, which TfL assumed control of in July 2003, is a subsidiary of TTL.

London TravelWatch, a body appointed by and reporting to the Assembly, deals with complaints about transport in London.

The London Development Agency (LDA), which was responsible for development across Greater London, including development for the Olympic Games in 2010, was launched in July 2000 following the establishment of the GLA. It was abolished and riveted within the GLA itself in March 2012.
Geographical scope
The Assembly, Mayor, GLA and TfL all cover the whole of Greater London.

Functional scope
The Mayor of Greater London is responsible for producing an integrated transport strategy for London and for consulting the GLA, TfL, local councils and others on the strategy. The Mayor appoints TfL’s board and for approving TfL’s budget, as well as setting the structure and level of public transport fares in London.

The GLA has oversight of TfL and is able to summon TfL senior staff to account for TfL’s performance.

TfL reports to the GLA and the Mayor. Its functions are to:

a) implement the London Transport Strategy
b) manage transport services across London, including public transport, main roads, traffic management
c) administer the London congestion charge.

TfL runs London's buses, the London Underground, the Docklands Light Railway (DLR), London Trams, a 580km network of main roads, all of London's 6,000 traffic lights, and it regulates taxis and the private hire minicab trade. It also runs London River Services, Victoria Coach Station and London's Transport Museum.

TfL did not take over responsibility for the London Underground until 2003, after a Public-private partnership (PPP) contract for maintenance had been agreed.
The London boroughs are the highway and traffic authorities for 95 percent of the roads in Greater London. They work in partnership with the Mayor to deliver the aspects of the transport strategy relevant to their areas of responsibility. They are required to develop and implement Local Implementation Plans detailing their proposals for carrying out the transport strategy in their borough. The borough councils receive funding from TfL for local transport schemes.

Legal basis

TfL was created in 2000 as part of the Greater London Authority by the Greater London Authority Act 1999. It gained most of its functions from its predecessor London Regional Transport. It is constituted as a statutory corporation. The powers of TfL were extended by the Transport for London Act 2008 to cover:

- schemes for road user charging
- further provisions for London cabs and private hire vehicles
- penalty fares
- anti-social behaviour on transport services
- further provision relation to GLA roads and street management
- arrangements for risk mitigation
- acquisition of land.

Composition of governing body

TfL is controlled by a board whose members are appointed by the Mayor of London. The present board consists of:

- the Mayor of London, who chairs the Board
- the Deputy Mayor for Transport
- 15 members, who have a wide range of skills and experience but do not represent any particular organisation or local authority area.

Organisational structure

The Commissioner of Transport for London reports to the TfL Board and leads a management team with individual functional responsibilities.

TfL is organised in three main directorates plus corporate services, each with responsibility for different aspects and modes of transport. The three main directorates are:

- **London Underground**, responsible for running London's underground rail network, commonly known as *the tube*, and managing the provision of maintenance services by the private sector.

- **London Rail**, responsible for:
  - Co-ordination with the operators that provide National Rail service within London.
  - London suburban rail (over-ground), although actual operation is undertaken by a private sector franchisee and maintenance by Network Rail.
  - Docklands Light Railway (DLR), which is the automatically driven light rail network in east London, although actual operation and maintenance is undertaken by a private sector franchisee.
  - London Trams, responsible for managing London's tram network, by contracting to private sector operators. At present the only tram system is Tramlink in south London, but others are proposed.

- **Surface Transport**, consisting of:
- London Buses, responsible for managing the red bus network throughout London, largely by contracting services to private sector bus operators. Incorporating CentreComm, London Buses Command & Control Centre, a 24-hour Emergency Control Centre based in Southwark.
- London Dial-a-Ride, which provides paratransit services throughout London.
- London River Services, responsible for licensing and coordinating passenger services on the River Thames within London.
- London Streets, responsible for the management of London's strategic road network.
- London congestion charge.
- Public Carriage Office, responsible for licensing the famous black cabs and other private hire vehicles.
- Victoria Coach Station, which owns and operates London's principal terminal for long distance bus and coach services.
- "Delivery Planning" which promotes cycling in London
- "Special Projects Team" manages the contract with Serco for the Barclays Cycle Hire scheme
- Walking, which promotes better pedestrian access.
- London Road Safety Unit, which promotes safer roads through advertising and road safety measure.
- Community Safety, Enforcement and Policing, responsible for tackling fare evasion on buses, delivering policing services that tackle crime and disorder on public transport in cooperation with the Metropolitan Police Service's Transport Operational Command Unit (TOCU) and the British Transport Police.
- Traffic Enforcement, responsible for enforcing traffic and parking regulations on the red routes
- Freight Unit, which has developed the "London Freight Plan"[7] and is involved with setting up and supporting a number of Freight Quality Partnerships covering key areas of London.

**Financing arrangements (source of revenue and utilisation)**

**FUNDING SOURCES**

TfL's activities are funded from following main sources:783

- Income from fares
- Congestion Charging scheme
- Commercial development in TfL's estate, including advertising and property rental and development
- Business rates supplement
- Central government funding
- Prudential borrowing
- Third-party funding for specific projects

TfL's Business Plan is financially balanced with planned funding sources sufficient to meet planned expenditure.

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Fare Revenue

Since TfL is responsible for running the public transport operations it is entitled to fare collection. Fare box collection is the TfL’s primary source of revenue (this includes fares collected on the London Underground, Rail and Bus networks). **TfL generated a total of around £4496m revenues in year 2012-13 from operating activities.** Out of this fare revenues accounted for around 85 per cent of such revenues. Fares related decisions are taken annually by the Mayor.

**Congestion Charging**

This is another major head of revenue for TfL and accounted for around 5% of revenues generated from operating activities 2012-13.

**Commercial activities**

TfL also is able to generate some revenue from commercial activities which includes rental incomes, income from commercial advertising etc. In 2012-13 this accounted for almost 5% of the revenues generated from operating activities.

**Other income**

Every year TfL is able to collect some revenues from other sources. For example in 2012-13 this included income from London Organising Committee of the Olympic and Paralympic Games (LOCOG) in respect of services provided in connection with the 2012 Olympic Games.

**Government grants**

The main source of grant income is the Transport Grant from the Department of Transport (‘DfT’) which comprises two elements:

- an investment grant, which supports delivery of the investment programme; and
- a general grant, to support TfL’s operating activities.

Other key funding streams include specific capital grants from the DfT and the Greater London Authority for the Crossrail project. Total grants, excluding specific Crossrail funding, amounted to £3,440m. Total grants to fund capital expenditure related to Crossrail was £1,904m. In this way total grants received was £5,243m in 2012-13.

**Business rates supplement**

Business Rate Supplements (BRS) were introduced by the Business Rate Supplements Act 2009 and related regulations and statutory guidance. By the powers conferred by the Act,
Greater London Authority (GLA) may "impose a levy on non-domestic ratepayers to raise money for expenditure on projects expected to promote economic development". The BRS is applied on non-domestic rating assessments in London and is collected on behalf of the GLA by the 33 London billing authorities and is then passed to TfL. In the year to 31 March 2013, TfL recognised £120.0m of BRS revenues.

**Prudential Borrowing**

TfL raised further funds during the year and expanded its sources of borrowing to support its Capital Investment Programme. In 2012-13 TfL borrowed a net amount of £409m.\(^784\)

**USES OF FUNDING**

The funds are utilized for operating as well as capital expenditure activities. Operating expenditure involves all operating and maintenance expenditures on London Underground, London Bus network and London Rail. Similarly TfL also funds all Capital expenditure requirements of London Underground, London Bus network and London Rail.

Total operating expenditure for 2012-13 was £6,481m while total Capital expenditure for the year was £3,016m.

**MANAGEMENT OF FUNDS**

The Mayor who heads TfL, appoints the TfL Board members. The Board determines TfL’s strategic direction and oversees the performance of the executive team.

The Board has three committees:

- Finance and Policy
- Audit and Assurance; and
- Remuneration

These committees are supported by the executive panels which support the development and execution of boards’ policies.

For management of finance related aspects, there is appointed a ‘Managing Director – Finance’ who is responsible for executing the financing plans and financial management of TfL. He is supported by dedicated staff that assists him in carrying out his functions.

**Current performance**

- What is important for the transport model in London is the need to meet the multi modal travel demands. This is to be achieved by major expansions of the systems and by optimizing the performance of the existing networks. In addition, it is suggested that the bus system also increases its capacity by 40% over a 10-year period. With these strategies, there should be a 15% decrease in traffic in central London and that this reduced traffic level should not be permitted to increase in the future.

- One of the major successes of the Mayor of London has been to convince senior levels of government and the private sector, that infrastructure expansion requires multi-year budget commitments and should not be subject to year to year financing decisions that are typically of the political process at all government levels.

\(^784\) Annual Report and Statement of Accounts – TfL 2012/13
Lessons for Indian cities

The key lessons from London for the cities in India planning to establish UMTA and UTF are summarised in the table below.

<table>
<thead>
<tr>
<th>Key Initiatives/Challenges to Improve Urban Transport System</th>
<th>Key learning for Indian Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rationalising regional and local government</strong></td>
<td>The national government restructured the regional government arrangements for the London metropolitan area at the same time as it restructured the regional transport authority. Local governments remain but are required to comply with the regional government's plans. There has been a number of previous restructurings of the arrangements for control of transport in the Greater London area, so institutional arrangements are still evolving.</td>
</tr>
<tr>
<td><strong>Integration of public transport services</strong></td>
<td>TfL plans and manages all public transport facilities and services (metro, light rail, main roads, and buses, which are mainly operated by private companies)</td>
</tr>
<tr>
<td><strong>Transparent accountable arrangement for services</strong></td>
<td>TfL has established separate operating companies for each of the different services.</td>
</tr>
<tr>
<td><strong>Accountability</strong></td>
<td>London TravelWatch, a body appointed by and reporting to the Assembly, deals with complaints about transport in London. This mechanism of grievance redressal is kept separate from TfL so that there is no bias in reporting of complaints.</td>
</tr>
<tr>
<td><strong>Composition of governing board</strong></td>
<td>The governing board is predominately private sector with no representation of any particular organisation or local authority area.</td>
</tr>
<tr>
<td><strong>Staffing</strong></td>
<td>Aside from the transport services operating companies, TfL has its own staff for all the other functions.</td>
</tr>
<tr>
<td><strong>Planning and programming</strong></td>
<td>The mayor and Transport for London have established twelve priority measures that range from reducing traffic congestion to improving key transport interchanges which are supported by detailed strategic implementation and planning. Construct of a plan based on a priority list helps in better allocation of resources</td>
</tr>
<tr>
<td><strong>Vision, mission, objectives and goals for urban transport</strong></td>
<td>These are defined and articulated by the Mayor.</td>
</tr>
<tr>
<td><strong>Relationship with national government</strong></td>
<td>Both the GLC and TfL are created by the national government</td>
</tr>
<tr>
<td><strong>Transport funding</strong></td>
<td>The funding comes partially from the collected revenue and partially from government funds. The deficit which is not covered usually is taken care of by the government grants and eventually as more and more people begin to use public transport this deficit amount will continue to fall.</td>
</tr>
</tbody>
</table>
CITY – II: LAGOS

History and evolution

Lagos is by far the largest and most complex urban area in Nigeria, the largest country in Africa by population. The metropolitan area, an estimated 300 km², is a group of islands endowed with creeks and a lagoon. The rate of population growth is about 600,000 per annum with a population density of about 4,193 persons per km². In the built-up areas of metropolitan Lagos, the average density is over 20,000 persons per km². Whereas Nigeria’s population growth rate is 4-5 percent per year and the global population growth rate is 2%, Lagos’ population is growing ten times faster than New York and Los Angeles with grave implication for urban sustainability. The UN estimates that at its present growth rate, Lagos will be the third largest mega city in the world by 2015 after Tokyo in Japan and Mumbia in India.

Lagos State was created on May 27, 1967 by virtue of State (Creation and Transitional Provisions) Decree No. 14 of 1967, which restructured Nigeria’s Federation into 12 States. Prior to this, Lagos Municipality had been administered by the Federal Government through the Federal Ministry of Lagos Affairs as the regional authority, while the Lagos City Council (LCC) governed the City of Lagos. The metropolitan areas (Colony Province) of Ikeja, Agege, Mushin, Ikorodu, Epe and Badagry were administered by the Western Region.

The metropolitan area of Lagos is now extending beyond the Lagos State boundary into the neighboring state of Ogun in the north. As a result, passenger trips are growing in length as well as number. Lagos is the nodal point of all transport modes - air, water, road and rail. The rapid urbanisation, combined with inadequate or poorly executed development plans, has given rise to numerous transportation problems in Lagos metropolis. These include increasing traffic congestion, worsening state of disrepair of roads, deteriorating physical attractiveness and comfort of road-based public transport, sky rocketing transport fares, absence of effective rail and water mass transit transport, rising levels of road accidents and increasing rates of traffic-related emission and atmospheric pollution etc.

Key Challenges in Lagos Urban Transport

The Lagos metropolitan area consists of 18 Local Government Areas (LGA) out of 21 in the state, with their own elected governments. These LGAs have a works department and a traffic management unit responsible for road maintenance and traffic management on local government roads. As a result, more than 100 agencies at local, state or federal government levels had a role in transport provision and/or service delivery in the city. Often most of these agencies would develop and implement their own policies and programs in isolation, without much regard to the effect of other policies on theirs or theirs on others. In addition to this, some of the key issues affecting the transport sector in Lagos were:

Fragmented and weak institutional structure: Involvement of over 100 agencies at local, state and federal government levels in transport provision and/or service delivery in the city with no coordination framework.

Lack of integrated transport system: One of the major causes of transport problems in Lagos was the underutilization of public transport modes such as rail and water, thus restricting the development of an integrated transport system.

Lack of standard procedures for evaluation and selection of projects: Absence of standard procedures for the technical and economic evaluation of programs and projects resulted in a strong bias toward capital expenditure rather than making better use of existing investments through better management and maintenance practices.
Lack of articulated policy and planning: There was an absence of an articulated and adopted policy and strategic framework for the sector, and inadequately defined public transport planning and regulatory functions.

Limited focus on traffic management planning: There was no well-equipped traffic management institution; inadequately trained transport/traffic engineering staff, involvement of traffic police with traffic management planning because of an absence of professional civilian alternative.

Considering the above issues, in 1992 a Lagos Mass Transit and Traffic Management Study (LMMTMS) was undertaken with the support of the World Bank in recognition of need for a holistic approach to urban transport. One of the key recommendations of the study was to establish a single agency with responsibility for sector planning and coordination and to re-allocate agency responsibilities. As a result the Lagos Metropolitan Area Transport Authority (LAMATA) was established in 2002 as a corporate body with independent board responsible for formulation, coordination and implementation of urban transport policies and programs in the Lagos metropolitan area.

**EVOLUTION OF LAMATA**

In the above context, the following section presents a study of LAMATA in terms of its requirements, institutional, organizational, financial structure and its performance. The key lessons learnt from the study have also been highlighted, which can help us in developing options and selection of suitable options for UMTA/UTF to address the urban transport challenges in India.

**Establishment of LAMATA**

The State Government established the Lagos Metropolitan Area Transport Authority (LAMATA), with the World
Bank’s collaboration in the form of technical advice and direct financial assistance. LAMATA was formally launched on December 2, 2003. It was created to provide an overall vision and a strategic planning basis for addressing the long neglected transport needs of the metropolis and to coordinate the activities of the different executing agencies to provide a common and consistent basis for implementation.

**Scope of LAMATA**

LAMATA is created to formulate and implement policies and strategies, plan, coordinate, and manage activities and programmes that will produce and sustain a holistic, efficient and effective public transportation system that also supports poverty reduction, provides economic opportunities and promotes viable communities in metropolitan Lagos.

The Authority has the overall responsibility for transport planning and coordination in the Lagos metropolitan area with the primary mandate to play a lead role in carrying out transport planning and assist in transport policy formulation and coordination of major operational and investment decisions and implementation. LAMATA provides an overall vision and a strategic planning basis to address long neglected transport needs of the metropolis and coordinate activities of the different executing agencies to provide a common and consistent basis for implementation. The specific functions of LAMATA include the following:

<table>
<thead>
<tr>
<th>FUNCTIONS</th>
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<tbody>
<tr>
<td><strong>Policy</strong></td>
</tr>
<tr>
<td>• Co-ordinate transport policies, programmes and actions of all transport related agencies in the Lagos metropolitan area.</td>
</tr>
<tr>
<td>• Recommend on policy issues on public transportation to the Governor including mechanisms for implementation.</td>
</tr>
<tr>
<td><strong>Planning</strong></td>
</tr>
<tr>
<td>• Prepare plans for management and development of transportation in metropolitan Lagos</td>
</tr>
<tr>
<td>• Recommend on route planning and general location of bus shelters, pedestrian ways and bridges.</td>
</tr>
<tr>
<td>• Ensure optimal utilisation of intermodal means of transport including road, waterways, rail and non-motorised transport.</td>
</tr>
<tr>
<td>• Put in place strategies to ensure overall improvement in traffic flow and planned and programmed traffic engineering and management works.</td>
</tr>
<tr>
<td><strong>Coordination</strong></td>
</tr>
<tr>
<td>• Plan, coordinate, manage and develop the supply of adequate and effective public transportation within metropolitan Lagos.</td>
</tr>
<tr>
<td>• Coordinate activities of the State Licensing Authority and all vehicle inspection units.</td>
</tr>
<tr>
<td><strong>Regulation</strong></td>
</tr>
<tr>
<td>• Procuring and regulatory functions</td>
</tr>
<tr>
<td>• Fare structuring</td>
</tr>
<tr>
<td><strong>Funding</strong></td>
</tr>
<tr>
<td>• Collect and levy transport road user charges and establish a Transport Fund to sustain the performance of LAMATA.</td>
</tr>
<tr>
<td>• Fund infrastructure</td>
</tr>
<tr>
<td><strong>Implementation</strong></td>
</tr>
<tr>
<td>• Formulate and implement programmes and policies for the overall improvement of public transportation systems</td>
</tr>
<tr>
<td>• Manage construction of transport infrastructure</td>
</tr>
<tr>
<td><strong>Operations and</strong></td>
</tr>
<tr>
<td>• Maintain and manage the declared road network within metropolitan Lagos.</td>
</tr>
</tbody>
</table>
### FUNCTIONS

<table>
<thead>
<tr>
<th>Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Ensure the physical traffic serviceability of the declared road network</td>
</tr>
<tr>
<td>• Undertake traffic management activities in metropolitan Lagos.</td>
</tr>
<tr>
<td>• Carry out the comprehensive maintenance of roads and related infrastructure, inventory of roads and transport network, continuous evaluation of road network status.</td>
</tr>
<tr>
<td>• Manage the fare collection system.</td>
</tr>
</tbody>
</table>

After creation of LAMATA, the division of responsibilities of the various agencies in the transport sector were rationalised as shown below:

<table>
<thead>
<tr>
<th>AGENCIES</th>
<th>RATIONALISATION OF PRIME RESPONSIBILITIES AFTER CREATION OF LATAMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Government and its Agencies</td>
<td>• Development and implementation of national transport policies</td>
</tr>
<tr>
<td></td>
<td>• National road traffic legislation and vehicle regulations</td>
</tr>
<tr>
<td></td>
<td>• National environmental standards for transport vehicles and fuels</td>
</tr>
<tr>
<td></td>
<td>• Guidance on best practice in urban transport strategies and sector management</td>
</tr>
<tr>
<td>Lagos State Government and its Ministries</td>
<td>• Establishment and definition of the transport sector policy and the regulatory framework</td>
</tr>
<tr>
<td></td>
<td>• Lagos State road traffic ordinances and vehicle construction and use regulations</td>
</tr>
<tr>
<td></td>
<td>• Construction of new, and upgrading of existing, roads in Lagos State</td>
</tr>
<tr>
<td></td>
<td>• Supervision of the activities of the State Parastatals in the sector</td>
</tr>
<tr>
<td>LAMATA</td>
<td>• Co-ordination of the transport policies, programs and actions of all transport related agencies in Lagos State</td>
</tr>
<tr>
<td></td>
<td>• Maintenance and management of the declared road network</td>
</tr>
<tr>
<td></td>
<td>• Planning and development of traffic systems management schemes to raise road network efficiency</td>
</tr>
<tr>
<td></td>
<td>• Planning and coordination of the supply of adequate and effective public transport within metropolitan Lagos</td>
</tr>
<tr>
<td></td>
<td>• Development of the infrastructure for public transport operations in Lagos State, including public transport priority and passenger interchanges</td>
</tr>
<tr>
<td></td>
<td>• Collection of all transport user charges as authorized by LSG for the establishment of a Transport Fund, and their disbursement</td>
</tr>
<tr>
<td></td>
<td>• Co-ordination of all activities of the State Licensing Authority and all vehicle inspection units or sections, including data gathering</td>
</tr>
<tr>
<td></td>
<td>• Technical assistance to LSG and Lagos Local Governments on all matters relating to the transport sector in the State</td>
</tr>
<tr>
<td>Lagos Local Governments</td>
<td>• Through Traffic Management Units, implementation of the policies of Lagos State Government as required by LAMATA</td>
</tr>
<tr>
<td></td>
<td>• Retain responsibility for vehicle parking, motor parks and passenger interchanges, and other transport-related aspects in accordance with the Nigerian Constitution</td>
</tr>
<tr>
<td>Private Sector</td>
<td>• All road transport operations, both passenger and freight</td>
</tr>
<tr>
<td></td>
<td>• Rail mass-transit operations, under contract or concession</td>
</tr>
<tr>
<td></td>
<td>• Road construction and maintenance activities, under contract</td>
</tr>
</tbody>
</table>
Legal basis

LAMATA was created by an Act signed into law on January 13, 2002. The law gives LAMATA several powers to facilitate the discharge of its statutory functions, including the power to levy and collect user charges in connection with the provision of its services and to collect any other tariffs, fees and road taxes as may be authorized by the Governor.

Institutional Arrangements

The LAMATA is governed by a Board of 13 members. The Board reflects the Authority’s stakeholders, comprising representatives of transport operators, transport unions in Lagos State, the organized private sector, the general public, local government areas, and transport related Lagos State Government agencies.

Out of the total members, seven are private transport sector representatives and six are from the government. The Board / MD report to Governor and not to the State Commissioner for Transport. The board contains representatives inter alia from following ministries / agencies:

- Lagos State Ministry of Finance
- Lagos State Ministry of Works and Infrastructure
- Lagos State Ministry of Economic Planning and Budget
- Lagos State Ministry of Transportation

It was recognized that, to build an efficient and effective transportation system in metropolitan Lagos, active involvement of all the stakeholders will be required. Therefore, LAMATA’s approach is to ensure the involvement of all stakeholders through information, consultation and participation on various consultative, interactive and participatory processes. The stakeholder representation start from the State Governor who has the prime responsibility for all development efforts in his State, including transportation, to the Development Partners, civil servants at state and federal government levels, local government chairpersons and councillors, private sector operators, as well as the owners, drivers, conductors and users of the minibuses, and the majority of the inhabitants of the Lagos metropolis.

The identified stakeholders comprise of some 100 general contact groups classified into 10 major categories – Internal, Government, Development Partners, Mass Media professionals and institutions, Civil Society, Transport Associations, Police, Organized Private Sector, General public and UN/Donor/Bilateral Agencies. The only full time member is the Managing Director / Chief Executive Officer (MD / CEO), head of the management team.
Organisational structure

The LAMATA operates a lean bureaucracy of professional staff competitively selected according to World Bank standards, assisted by consultants with proven competencies. The organization consists of five major departments dealing with the key issues for which LAMATA is responsible. These include: Finance, Corporate Planning and Investment, Public Transport, Roads and Traffic Management, and Business System.

In addition, there are five other units reporting directly to the Managing Director. A Special Assistant to the Managing Director assists with the running and coordination of the Managing Director’s Office. The units under the Managing Director’s direct supervision are External Relations, Internal Audit, Corporate and Legal, Procurement, Environmental & Social Safeguard etc. The broad roles and responsibilities of some of the key directorate and units are briefed in the table below.

<table>
<thead>
<tr>
<th>DIRECTORATE / UNIT</th>
<th>RESPONSIBILITIES</th>
</tr>
</thead>
</table>
| Corporate and Legal                | • Effective coordination & collaboration with all the stakeholders in the public transportation sector  
• Interpretation of Project Documentation that guide LAMATA  
• Review of contracts, & security documentation submitted by the contractors/consultants  
• Collaboration with the various departments/units on legal issues relating to LAMATA |
| Corporate Planning and Investment  | • Preparation of Five-Year Corporate & Investment Plan  
• Review & guide the implementation of the organization’s Plans and Projects  
• preparation of the Annual Budget & Report in consultation with Director of Finance (DoF)  
• Oversees human resources, office administration and research & development functions. |
| Public Transport                   | • Planning & executing all activities associated with the LUTP components for Public transport  
• Responsible for bus enhancements, water services promotion, rail and mass transit development  
• Integration of all mode of transport |
| Roads and Traffic                  | • Improve physical traffic serviceability of theDeclared Road Network in |
Management

<table>
<thead>
<tr>
<th>Lagos metropolis</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Managing a comprehensive program of routine, recurrent, periodic maintenance activities</td>
</tr>
<tr>
<td>• Oversees the implementation of all traffic system</td>
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<tr>
<td>• Responsible for traffic engineering and junction improvements needed to reduce congestion</td>
</tr>
<tr>
<td>• Improve network efficiency and improve traffic safety</td>
</tr>
</tbody>
</table>

Procurement

| Plans and manage the procurement of all goods, services and works essential to the successful operations of LAMATA as per World Bank procurement guidelines. |

Finance

| Overall responsibility for day-to-day financial management of the Authority |
| Preparing annual project budget, monthly statement of accounts |
| Preparing financial monitoring reports, and annual financial statements |
| Forwarding financial reports & statements to the State Ministry of Finance and IDA |

Internal Audit

| Evaluating the reliability of the accounting systems, data, and financial reports. |
| Periodic reviews of project activities, records, accounts and systems; ensures effectiveness of financial and non-financial matters, as well as compliance with control mechanisms. |

Environmental and Social Safeguard

| Safeguards assessment, with emphasis on pedestrian safety, social and environmental impacts. |
| Ensuring that all transport investments on the network managed by LAMATA conform to appropriate environmental and safety standards. |

It is to be noted that, LAMATA staff remuneration and retention packages are pitched at private sector levels so as to attract, retain and motivate high calibre staff that can assist LAMATA in meeting the challenges of transforming transportation in Lagos. The organization has also prepared and is implementing several policies designed to assure effective operations. These include an employee handbook, a financial management system manual, a procurement procedures manual, IT policy, staff training needs assessment and plan, and a LAMATA policies and procedures manual.

**Financing Arrangements**

**SOURCES:**

As per LAMATA Act, its functions include:

- Collect and levy transport road user charges and establish a Transport Fund (TF) as a user reform financing mechanism to increase the low level of cost recovery in the transport sector, and to sustain the performance of LAMATA;
- Collect 50% of net Motor Vehicle Administration (MVA) revenue (specific items) to be paid directly into the TF.  

Therefore the main sources of revenue for Transport Fund are:

1. Transport road user charges
2. 50% of net Motor Vehicle Administration (MVA) revenue

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785 http://www.lamata-ng.com/background.php
LAMATA is also vested with powers to levy user charges in connection with the provision of its services and to collect any other tariffs, fees, including road taxes, as may from time to time be approved by the Governor.

The transport fund was established in August 2005 and resulted in increased financial sustainability. The Transport Fund has been successful as a funding vehicle and has been able to generate about US$23M of revenues to date.\(^\text{786}\)

Apart from the Transport fund the LAMATA Law allows the Authority to find other funding vehicles for purposes of cost recovery.

**UTILISATION:**

The funds are utilized by LAMATA in fulfilling its obligation relating to policy / planning, promoting and facilitating operations and performance monitoring, planning of schemes on all primary and secondary roads, promote and facilitate traffic policing, monitor effectiveness and recommend needed changes etc.

**MANAGEMENT OF FUND:**

This fund is managed by LAMATA. The fund management is achieved by the coordination of corporate planning and investment and the finance departments.

The corporate planning and investment department prepares the of five-year corporate & investment plan while the finance department is given the overall responsibility for day-to-day financial management of the authority, preparing annual project budget and monthly statement of accounts and other financing activities.

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**Key Achievements of LAMATA**

LAMATA collaborates with identified stakeholders comprising about 100 general contact groups classified into 10 major categories – internal, government, World Bank, mass media professionals and institutions, civil society, transport associations, Police, organized private sector, general public and UN/donor/bilateral agencies.

To date LAMATA has enjoyed a good working relationship and collaboration with the State Ministries of Transportation, Works and Infrastructure, Finance, Physical Planning and Urban Development, Sports and Social Development, Economic Planning and Budget, the revered legislators in the State House of Assembly among others. At the Federal level, LAMATA have received and are still receiving support from the Federal Ministries of Transport and Works, the Nigerian Railway Corporation, and Bureau of Public Enterprises.

Over the past years, LAMATA succeeded in contributing to increased awareness in the need for traffic management, transparency and discipline in procurement processes and involving the users in decision-making processes. LAMATA has started, for the first time in the country, the design and execution of maintenance work with participation of the private

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sector through awarding contracts to the local consultants and contractors. Experience has shown that the output of maintenance works through contracts is more efficient, cost effective and better in quality compared with the traditional methods of using force account procedures. LAMATA activities are now widely recognized by the Government, participating communities and development partners as an efficient and high-performing initiative that has significantly contributed to the city’s poverty reduction goals, notably by improving accessibility in low-income areas, involving communities in identification of priority programs and improving sector management.

Nonetheless, Lagos State is about adopting a Transport Master Plan for Lagos which envisages a multi-modal transport system that will utilize a mixture of light rail and metro, bus rapid transit and water transit systems, all to be complemented by a franchised bus services system and major institutional reforms.

Five performance indicators, shown in the figure, have been developed to assess the performance of LAMATA.

**Key Learning**

The setting up of LAMATA signalled the State Government’s intention to re-orientate the way in which transport services were managed and implemented. LAMATA has faced a number of challenges and has had to take steps to address risks to the organization.

The key lessons from establishment of LAMATA for the cities in India planning to establish UMTA and UTF are summarised in the table below.

<table>
<thead>
<tr>
<th>Key Initiatives/Challenges to Improve Urban Transport System by Lagos</th>
<th>Key Learning for Indian Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of a Metropolitan Transport Authority (LAMATA)</td>
<td>Creation of a metropolitan transport authority requires a commitment from the highest level of Government and a champion to further the cause of good management. A single agency with responsibility for all aspects of urban transport in a metropolitan area is seen to be necessary with consequent reallocation of the responsibilities of other agencies.</td>
</tr>
<tr>
<td>Composition of governing Board</td>
<td>One way to obtain buy-in for a new authority is for the Board to have representation from the Authority’s stakeholders - transport operators, transport unions, the organized private sector, the general public, local government, and transport related state government agencies. However, the private/public sector mix is also important. Of the 13 LAMATA board members, seven are from the private sector and six are from the government, so there is a private sector majority. The Board reports to the Sate Governor not the State Commissioner for Transport.</td>
</tr>
<tr>
<td>Key Initiatives/Challenges to Improve Urban Transport System by Lagos</td>
<td>Key learning for Indian Cities</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td><strong>Involvement of stakeholders</strong></td>
<td>The task of building and sustaining an efficient and effective transportation system in a metropolitan area calls for the active involvement of all stakeholders through information, consultation and participation in various consultative, interactive and participatory forums.</td>
</tr>
<tr>
<td>The LAMATA Act recognizes the need to engage civil society in validating major infrastructure investments and policy changes.</td>
<td>Creating a board or committee by itself is not enough and must be supported by a technical team with strong management. This requires attracting the best skills and experience, creating a commercial culture and having incentive structures and mechanisms for accountability.</td>
</tr>
<tr>
<td><strong>Staff</strong></td>
<td></td>
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<tr>
<td>LAMATA has a secretariat of five units working under a Managing Director/CEO.</td>
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<tr>
<td><strong>Managing Change</strong></td>
<td>Resistance to change by agencies and organizations currently involved in transport operations and management has been one of the key challenges LAMATA has had to contend with. Examples include:</td>
</tr>
<tr>
<td>It is taking some time for some agencies and institutions to appreciate the role and functions of LAMATA leading to the risk of duplication and overlap of efforts</td>
<td></td>
</tr>
<tr>
<td>Transport operators in Lagos are well organized and led by iconic leaders, most of whom have a vested interest in the continuation of current methods for providing transport services, even if passengers continue to receive poor and unsafe services.</td>
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</tr>
<tr>
<td>In response LAMATA has, at state level, initiated a forum for regular discussion and exchange of information amongst state agencies and other stakeholders involved in transport services and infrastructure provision (called inter-ministerial meetings). The key operational departments—roads, traffic management and public transport, hold regular bilateral discussions with other agencies directly involved in their activities. These discussions help to build trust and ensure that duplication or overlap of efforts is minimized.</td>
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<tr>
<td>The leadership and support provided to LAMATA by the State Governor helps immeasurably towards developing harmonious relationships with state agencies.</td>
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<tr>
<td>LAMATA has embarked on a publicity campaign designed to sensitize bus users on the benefits of reform for it is believed that passengers themselves can create conditions for a shift in the attitude and behaviour of operators. It is equally important to keep the current operators involved in discussions and not isolate them.</td>
<td></td>
</tr>
<tr>
<td><strong>Articulation of Vision, Mission, Objectives and Goals</strong></td>
<td>The reorganization of urban transport service planning and delivery is a long-term process. It often requires legislative, institutional and management changes and a period of internalization and adjustment within organizations before the real impact of the new structures can be observed.</td>
</tr>
<tr>
<td>The justification for LAMATA was first proposed over ten years ago and even now, after two years of operation, it is a nascent organization, requiring continued support and encouragement. Unrealistic timetables that do not allow for political processes,</td>
<td></td>
</tr>
</tbody>
</table>
### Key Initiatives/Challenges to Improve Urban Transport System by Lagos

| Stakeholder consultations and the need to overcome organizational inertia are likely to be frustrating.  
LAMATA articulated its vision, mission, objectives and goals, identified its major challenges and critical success factors, and has put in place measures to address them. It has developed a 5-year plan and recognized the important need for self-sustainability particularly when World Bank credit becomes exhausted in two year’s time. |

### Political Risks

| The policy that led to the creation of LAMATA was developed and implemented within the term of the current political leadership in the State. Changes in leadership and the possibility of change in direction after planned elections next year cannot be ruled out.  
To negate any potential impact on LAMATA, steps are being undertaken to institutionalize the Authority. As an example, the public is regularly made aware of the successes achieved by LAMATA (though press and media) and educated on the effort necessary to achieve those successes. LAMATA believes that by continuing to be successful and thereby gaining public recognition of its success, its future will be assured whatever the political environment. |

### Relationship with Federal Government

| A key issue faced by LAMATA concerns the relationship of the Federal Government with the State Government where, as a consequence of differences in political opinion, necessary cooperation was lacking.  
LAMATA has continued in its effort to build a strong relationship with the Federal Government by actively participating in its transport initiatives and thus demonstrating the desire to support its objectives. As an example, LAMATA responds positively to requests for comments on legislation sponsored by the Federal Government to the extent that LAMATA is now regarded as a professionally run institution devoid of political influence. |

### Creation of dedicated Transport Fund

| LAMATA has been created with a sustainable source of funding.  
It is important to provide a financial basis for a planning authority to carry its weight with other ministries or agencies. The source of funds must be clearly identified and secured in law. |
CITY – III: BOSTON

History and evolution

The city of Boston has a population of 620,000, but its metropolitan area encompasses 101 cities and towns and approximately 3,639 km². It is home to more than three million people and approximately two million jobs. The diverse communities range from relatively rural communities to the urban centres of Boston, Cambridge, and Somerville.

Mass transportation first emerged in the city in 1631, when Boston was a peninsula connected to the mainland by a narrow strip of land, which is now the South End. With no bridges and only limited access to the mainland, transporting freight by ox cart from Winnisimet (Chelsea) to Boston was a two-day journey through Malden, Cambridge, Brighton, and Roxbury. People travelled within the city on foot, and rarely went beyond its borders; for most could not afford horses and wagons.

The first ferry was a chartered service operated from Chelsea to Charlestown and on to Boston. This was probably the first chartered transportation service on the continent. For almost the next two hundred years, sail and row boats carried freight and passengers on the three-mile run across Boston Harbour.

In Boston itself, public transport had its start with two different types of horse drawn vehicles. During 1793, the first stagecoach operation was started between Boston and Cambridge over the West Boston Bridge. During the next fifty years, stagecoaches operated from Boston directly to other cities in New England. Omnibuses commenced operation in the 1820’s.

During the mid to late 1800s some twenty different horsecar companies offered service to Boston and surrounding communities. Lax supervision led to over-duplication of services, fares were not regulated, and competition for passengers was fierce. The General Court of Massachusetts passed legislation to consolidate all lines into one operation to be known as the West End Street Railway. This led to the creation of one of the largest street railway operations in the United States at that time.

In the early 1890s, public dissatisfaction with transport lead to the incorporation of the Boston Elevated Railway Company (BERY) and creation of the Boston Transit Commission. BERY was to be privately owned and was delegated the responsibility of building a network of various suburban elevated railway lines. The Transit Commission was to be a government agency that would concentrate on recommendations for additional subway extensions. During the next four decades the mass transportation system in Boston experienced tremendous physical expansion. New rapid transit tunnels were constructed, elevated railway lines were thrust out into outlying communities, new surface routes were established, and new carhouses and terminals were built.

The Metropolitan Transit Authority (MTA) was established in 1947 and absorbed the entire BERY system. The MTA was created by legislation as a body politic, a political subdivision of the Commonwealth of Massachusetts.

During the late 1950’s and early 1960’s, the various transportation complexes in and around the greater Eastern Massachusetts metropolitan region underwent tremendous changes. The area’s railroads were no longer interested in continuing to operate passenger services. Expressways and super highways were being built at a very rapid pace.

In Boston, the MTA was not in a position to physically or logistically absorb the additional commuter railroad passenger crunch. Consequently, the railroads were subsidized to remain in the passenger carrying business. Outlying cities and towns were fearful of MTA extensions into their areas because of the Transit Authority’s ever-increasing yearly deficits.
However, urban planners and various community leaders began to take note that additional highways could not be the answer to the worsening mass transit crisis. Already, cities were becoming clogged with far too many automobiles within their central business districts. The overall result was a comprehensive master plan recommending that the Greater Boston urban core mass transportation system be greatly expanded to reach out and integrate its mass transit services with those existing throughout the Greater Boston metropolitan area.

In 1964 the Massachusetts Bay Transportation Authority (MBTA) was created and charged with implementation of the new, bold concept of mass transportation. It was to have an extraordinary impact on Boston and 77 other cities and towns. The "T", as it immediately came to be known, was one of the first combined regional transportation planning and operating agencies to be established in the United States.

The MBTA, like its predecessor the MTA, a body politic, and a political subdivision of the Commonwealth, greatly expanded its services from the original 14 cities and towns to encompass 78 municipalities. Immediately the "T" undertook a very aggressive advertising and marketing campaign to enhance its new image, to recapture lost ridership, build new customer usage, and expand its services with new equipment. The MBTA took over the Boston street railways in the late 1960’s to early 1970’s.

Just prior to the creation of the MBTA, the United States Department of Transportation had itself been legislated into existence and through the Urban Mass Transportation Administration (UMTA) began its federally funded mass transport capital improvement programs. During 1965, the MBTA submitted its first request for federal funding for modernization of 10 mass transit stations. UMTA projects have continued from 1965 until the present and the MBTA has received over US$3.5 billion for its capital improvement projects and its yearly operating program. A major highlight of this UMTA funding came in July 1965 when the MBTA signed an historic document legally reserving the entire New Haven Railroad's network of commuter rail lines and rights-of-way within the Authority's 78 communities for its needs. This paved the way for a Commuter Rail Directorate being established in July 1974. Presently Massachusetts Bay Commuter Rail (MBCR), under a management contract with the MBTA, provides commuter rail services on 12 routes, and studies are underway for additional commuter rail extensions.

The framework for regional transport planning in the Boston area was institutionalised in January 1974 through a memorandum of understanding signed by representatives of the Executive Office of Transportation (EOT), Massachusetts Department of Public Works, MBTA and the Metropolitan Area Planning Council (MAPC). The agencies agreed to work together on the federally required planning process and also agreed to establish a joint regional transportation committee to ensure citizen participation in regional transportation planning and a joint technical staff to support decision making. The EOT was a cabinet level agency that oversaw the planning, design, construction and maintenance of public transit services, general aviation programs and the state and local highway network in the Boston metropolitan region and throughout the Commonwealth of Massachusetts. MAPC is the regional comprehensive planning agency for the Boston metropolitan area.

In 1974, the MBTA Advisory Board joined the original four agencies and in 1976 the MPA joined the group. The MPA operates and develops major commercial maritime and aviation facilities and promotes the economic development of the entire region. It was created by the legislature as an independent authority in 1956. This group of six agencies was designated the Boston Region Metropolitan Planning Organisation (MPO) and in 1980 was formally constituted as such.
The Department of Public Works was renamed the Massachusetts Highway Department in 1991. In November 2009, the Massachusetts transportation agencies and authorities were integrated into a new entity, the Massachusetts Department of Transportation (MassDOT). The Massachusetts Highway Department became the highway division of MassDOT. The EOT was also reorganized into MassDOT, and the Massachusetts Turnpike Authority was dissolved and its duties assumed by the MassDOT highway division. The other divisions of MassDOT are: Rail and Transit; Aeronautics; and Registry of Motor Vehicles.

To manage transportation in greater Boston, the MPO needs to work collaboratively with the federal government, which provides significant funding for capital investments and on-going maintenance; state governments, who operate major roads and control the system of public transportation through a public authority; and local governments, who manage local roads and have the final say on issues of urban development. In addition to these public actors, the metropolitan transportation governance system needs to adequately incorporate the needs and inputs of the private sector, civil society groups, and members of the public.

The federal government of the USA requires metropolitan areas to have a comprehensive, continuing, and cooperative transportation planning process (known as the 3-C planning process) that results in plans and programs that consider all transportation modes and supports metropolitan community development and social goals. These plans and programs must lead to the development and operation of an integrated, intermodal transportation system that facilitates the efficient, economic movement of people and goods.

**Institutional arrangements**

Institutions involved in transportation in the Boston metropolitan area include:

- Massachusetts Department of Transportation (MassDOT)
- Massachusetts Bay Transportation Authority (MBTA)
- Massachusetts Bay Commuter Rail (MBCR)
- Advisory Board to the MBTA
Metropolitan Area Planning Council (MAPC)
- the municipalities in the region, including the City of Boston
- Metropolitan Region Planning Organization (MPO)
- Regional Transportation Advisory Council (Advisory Council)
- Massachusetts Port Authority (MassPort).

MassDOT has the statutory responsibility to conduct comprehensive planning for the region, to coordinate the activities and programs of the state transportation agencies and to prepare the capital investment program and plans of the Massachusetts Bay Transportation Authority (MBTA) in conjunction with other transportation plans and programs. Its Highway Division has the statutory responsibility for the construction, maintenance and operation of state roads and bridges, and the ownership, administration, control, operation, and responsibility for maintenance, repair, reconstruction, improvement, rehabilitation, finance, refinance, use, and policing of the Massachusetts Turnpike and the Metropolitan Highway System in the vicinity of Boston and the surrounding metropolitan area.

MBTA has the statutory responsibility to design and construct transit development projects, to determine the character and extent of services and facilities to be furnished, as well as to operate the public transportation system for the area constituting the MBTA.

The Advisory Board to the MBTA is composed of the chief elected official, or designee, from each of the 175 cities and towns within the MBTA district. It is the body authorized by statute to review and advise the MBTA on its annual operating budget and the Program for Mass Transit.

The MAPC, comprising representatives from each of the 101 cities and towns in the Boston Metropolitan Region, gubernatorial appointees, and representatives of various state, regional, and City of Boston agencies, has statutory responsibility for comprehensive regional planning, is the designated Economic Development District under the Public Works and Economic Development Act; and promotes smart growth and regional collaboration in order to implement the current regional plan, “MetroFuture: Making a Greater Boston Region”.

MassPort has the statutory responsibility to plan, construct, own, and operate transportation and related facilities (including Logan Airport, Hanscom Field, Black Falcon Cruise Terminal, and the Conley Terminal), as may be necessary for the development and improvement of commerce in Boston and the surrounding metropolitan area.

The municipalities in the region, including the City of Boston, have an essential role in transportation planning and programming decisions.

The above institutions agreed to constitute the MPO to coordinate planning of major transportation investments, and to conduct the federally required 3C planning process for the Boston metropolitan area. The MPO uses this process to develop a vision for the region and then decides how to allocate federal and state transportation funds to programs and projects – roadway, transit, bicycle, and pedestrian – that support that vision. This vision is further detailed in each of the certification documents: Long-Range Transportation Plan, Transportation Improvement Program and Unified Planning Work Program. MPO transportation solutions take into account demographic, cultural, environmental, and mobility diversity.

To accomplish the objectives of the 3-C planning process, the Boston Region MPO has established a special advisory committee, known as the Regional Transportation Advisory Council (Advisory Council). The MPO supports the Advisory Council by providing financial and staff support. The members of the MPO support the Advisory Council individually by
rendering institutional support and also by attending the Advisory Council meetings, as practical. The principal mission of the Advisory Council is to foster broad and robust participation in the transportation planning process by bringing together concerned citizens, community-based organizations, Environmental Justice populations, business and institutional leaders, representatives of cities and towns, and state agencies.

The MPO is advised by the Advisory Council in setting policy and work priorities for its staff and, subject to overall work priorities, provides information and analysis to the Advisory Council to assist the Council in advising on issues arising out of the 3-C planning process. The Advisory Council act as a principal public outreach and education arm of the MPO and is a primary mechanism for public input to the transportation planning process. The Chair of the Advisory Council also chairs any Public Participation Committee of the MPO.

**Geographical scope of MPO**

The MPO covers the territory of all the cities and towns in the Boston metropolitan area. The MPO region is shown in the following map.

![Map of the MPO region](image)

**Functional scope of MPO**

**Planning and programming**

The MPO is responsible for planning and programming financial resources for a multi-modal transportation system for the whole of the Boston region by conducting the federal metropolitan planning process (3C Planning Process) for the region. This includes preparation of the fiscally constrained documents (Long-Range Transportation Plan, Transportation Improvement Program, and Unified Planning Work Program), and the Congestion Management Program and other studies supporting MPO decision-making.

**Coordination**
MPO works with the MBTA, the MassDOT Rail and Transit Division, and other transit providers in the region, to coordinate regional transit planning and funding with other transportation modes within the Boston region. This work includes programming for all federally-funded transit modes and programs, including the federal Job Access and Reverse Commute and New Freedom Programs.

The MPO, MassDOT and the MBTA coordinate planning activities of the PMT/CIP and the LRTP/TIP and provide consistency between planned outcomes. This includes mutual consideration of visions and priorities articulated in each entity's transportation planning documents and project selection processes. The MassDOT Rail and Transit Division coordinates RTA investment with the MPO when setting priorities for programming.

**Plans and programs**

The Long Range Transportation Plan (LRTP) is a 25-year fiscally constrained comprehensive plan and vision for the region’s surface transportation network developed every four years. It defines transportation visions, establishes goals and policies, and allocates projected revenue to regionally significant programs and projects.

The Transportation Improvement Program (TIP) lists projects programmed and expected to be funded over the immediate four-year period. It is updated annually and is the vehicle for implementation of the LRTP with federal transportation funds. The TIP contains Boston region’s portion of all federal and state aid for each of the TIP’s four federal fiscal years. It is prepared in accordance with federal regulations. It includes programming for all roadway, bridge, bicycle, pedestrian projects and programs in the region. It also includes projects and programs that address the needs of truck and rail freight movement in the region. MassDOT and other member entities implementing federally-funded transportation projects are required to consider MPO priorities when setting their priorities.

The Unified Planning Work Program (UPWP) identifies the transportation planning studies conducted in the region, along with their funding amounts and sources, during a given federal fiscal year. The cities and towns have a substantial role in the development of the UPWP particularly for activities specified for metropolitan planning funds. All work funded through Federal financing for metropolitan transportation planning is required under the MoU to be approved by the MPO in accordance with applicable rules.

The MBTA’s authorizing legislation directs that every five years the MBTA is to prepare and submit to the Massachusetts General Court its Program for Mass Transportation (PMT), a long-range, fiscally unconstrained plan that outlines a vision for regional mass transit and a process for prioritizing infrastructure investments. Implementation of this plan is through the five-year fiscally constrained Capital Investment Program (CIP), which is updated annually.

The MassDOT Highway Division is responsible for administering the road and bridge elements of the TIP, which includes meeting the requirements for implementing them. These requirements include acquiring right of way, obtaining necessary permits and completing design review before or during the federal fiscal year in which projects are programmed so that they can be advertised in the federal fiscal year in which they are programmed.

The MPO has an operations plan that details the operations of the transportation planning system and the preparation of all certification documents for the Boston Region. The plan addresses the following functional areas:

- Administration and Finance
- Programming
- Policy
- Technical Products.
Reporting

At least quarterly and on request, the implementing agencies submit information to the MPO on project status to support MPO planning and programming and to enable the MPO to notify project sponsors of the outstanding issues that could cause the project to be deferred to a subsequent fiscal year. As well as project status, other issues of interest to the MPO members are compiled from all available resources, including municipalities, regional entities, state transportation agencies, and other sources.

Legal basis for the MPO

The MPO is established by means of a memorandum of understanding with the constituent institutions. It is formally recognised by the state governor.

Composition of the MPO governing body

Membership the MPO’s governing body, which is established through the MPO’s Memorandum of Understanding, is:

- three representatives from the Massachusetts Department of Transportation appointed by the Secretary, with at least one from the Highway Division
- two representatives from the City of Boston
- one representative from each of:
  - Massachusetts Bay Transportation Authority
  - Advisory Board to the MBTA
  - Massachusetts Port Authority
  - Metropolitan Area Planning Council
  - Regional Transportation Advisory Council
- representatives of other municipalities elected from the Boston Region:
  - four at-large (two cities and two towns), and
  - eight (no city or town designation) from, respectively, each of the eight Metropolitan Area Planning Council sub-regional groups

In addition, the Federal Highway Administration and the Federal Transit Administration are ex-officio, non-voting members.

Each elected municipality is represented on MPO by its chief elected official or their designee. The term of office of the elected municipalities is three years. (In the initial implementation phase six members had one four year term.) Each year, representatives for a portion of the 12 elected municipal seats are chosen by the chief elected officials of the municipalities in the region.

The Chair of the MPO is the Secretary of MassDOT or the Secretary’s designee. The Vice Chair is a municipal representative or an official of one of the two regional agencies, elected for a one-year term by the MPO members by majority vote. This election takes place at the first meeting after the election of MPO elected municipal representatives.

The Chair or his/her official designee sets the agenda with the advice and input of the Vice Chair, calls meetings, presides at meetings, and disseminates timely information to members. The Vice Chair or his/her official designee presides at meetings in the absence of the Chair or his/her official designee.

Organisational structure

The staff to the MPO, the Central Transportation Planning Staff (CTPS), was created in 1974 as a permanent resource of expertise in comprehensive, multimodal transportation planning.
and analysis, to promote interagency cooperation, to ensure consistency among planning efforts, to reduce redundancy, and to fill gaps in the capabilities of MPO members—thus enabling the MPO’s 3C work and other, related work for member agencies to be accomplished efficiently and effectively.

The CTPS organisation is shown below.

The multidisciplinary staff includes transportation analysts, planners, and engineers, as well as other professionals working in the areas of geographic information systems, data processing, cartography, graphic design, and editing.

CTPS has nine groups:

- Information Technology and Services – provides information technology facilities and support; develops, acquires, manages, processes, analyses, and distributes transportation data and other information.
- Traffic Analysis and Design – identifies improvements to the road system that will address mobility and safety needs in the region. The group monitors mobility, identifies areas for potential improvement, and recommends potential action. The group also provides technical assistance to the state’s transportation agencies.
- Transportation Systems Analysis – applies the regional travel demand model set and other modelling techniques to assess the impact of regionally significant transportation projects and land use alternatives on travel demand and air quality.
- Travel Model Development – builds and maintains a state-of-the-practice regional travel demand model set for predicting the impact of regionally significant transportation improvements and land use polices on travel demand and air quality.
- Certification Activities – conducts the MPO’s 3C planning process and on-going programs. The group develops the certification documents and implements the MPO’s Transportation Equity program. It also conducts air quality analyses and special studies.
- Graphics – produces custom graphics, designs, photographs, and maps.
- Technical Editorial – ensures the standard of all written products.
- Transit Service Planning – identifies transit services to address the mobility needs of those who live or work in the region and those who visit. The group monitors the performance of existing services operated by transit providers in the MPO area,
identifies areas that are not served or underserved by transit, evaluates potential improvements, and develops implementation plans for improvements.

- Administrative Services – conducts all aspects of grant and contract management, budgeting, purchasing, human resources, space management, and general office functions.

Financing arrangements

MPO essentially is a planning agency which is a federally mandated and federally funded transportation policy-making organization in the United States and is made up of representatives from local government and governmental transportation authorities.

The public transport services are operated by Massachusetts Bay Transportation Authority (MBTA) which operates of most bus, subway, commuter rail, and ferry routes in the greater Boston, Massachusetts area. The analysis of funding mechanism is done for MBTA to understand what funding sources are available to it to fund the operations and capital investment requirements in Boston Metropolitan Area.

SOURCES OF FUNDS FOR MBTA

Under the Enabling Act, the Authority is required to meet all of its expenditures, both operating and capital, from a combination of Dedicated Revenues, federal assistance and revenues generated from operation of the Authority’s transportation system. These sources of income in brief are outlines below:

Operating income

MBTA generated revenue of $465 m from transportation related activities. These basically include fare revenues from different modes of transport services. It also generated revenue of $63 m from other operating activities which include revenue from:

a. parking lots (reserved for passengers),

b. renting space to retail vendors in and around stations,

c. rents from utility companies using MBTA rights of way,

d. selling surplus land and movable property,

e. advertising on vehicles and properties, and

f. federal operating subsidies for special programs.

The authority was unable to generate sufficient operating incomes to fund its operational expenditures (FY 12 Total Operating expenses - $1,818 m). To compensate for this shortfall the authority gets some non-operating revenues which include:

a. Dedicated sale tax revenue

b. Contract assistance from commonwealth of Massachusetts

c. Dedicated local assessments and

d. Others

For its capital projects MBTA prepares a Capital investment Plan which specifies the projects to be implemented and costs and time involved. Capital projects are paid for by federal grants, allocations from the general budget of the Commonwealth of Massachusetts and MBTA bonds (amounts for FY 12 are shown):

a. Federal Grants - $6,325 m

b. State and Local sources - $2,067 m
c. Authority Bonds - $5,827 m

**UTILISATION OF FUNDS**

The authority uses these funds for all operating and capital investment related purposes. These include developing infrastructure, procurement of rolling stocks, operation of transport services and all aspects related thereto.

**MANAGEMENT OF FUNDS**

A seven-member Board of Directors for the Massachusetts Department of Transportation (MassDOT) serves as the governing body of Massachusetts Bay Transportation Authority. The board is responsible for prudent financial planning. The board is assisted by a Chief Financial officer\(^{787}\) who is responsible for ensuring effective financial management.

**Current performance**

The activities of the MPO are periodically reviewed by the Federal Highway Administration and Federal Transit Administration. The latest Review Report, which was issued in July 2011, is one of several methods employed by FHWA and FTA to monitor and assess the metropolitan transportation planning process. Other methods include review and approval of the MPO’s Unified Planning Work Program, review of MPO’s Long-Range Transportation Plan, issuance of the Federal planning finding that the MPO’s Transportation Improvement Program resulted from a continuing, cooperative, and comprehensive process, and periodic meeting attendance.

Throughout the history of elected municipalities servicing on the MPO, only 17 of the 101 municipalities have run for election, and only 11 have served on the MPO. Three municipalities have served continually since the MPO was restructured in 1997.

MPO has conducted various studies related to corridor and sub area, transit, Bicycle / Pedestrian etc.

**Lessons for Indian cities**

The key lessons from Boston for the cities in India planning to establish UMTA and UTF are summarised in the table below.

<table>
<thead>
<tr>
<th>Key Initiatives/Challenges to Improve Urban Transport System</th>
<th>Key learning for Indian Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coordination of agencies</strong></td>
<td>Coordination and cooperation can be achieved by a MOU without legislation or government order if the parties are willing and see the need. In the case of Boston the Department of Transport is one of the signatory agencies.</td>
</tr>
<tr>
<td><strong>Integration of public transport services</strong></td>
<td>The MPO's function includes integrating public transport services across the modes. Transit operations are heavily subsidised by a combination of state support and a levy on cities and towns.</td>
</tr>
<tr>
<td><strong>Composition of governing body</strong></td>
<td>The MPO is effectively a committee with representatives of the MOU parties, including selected municipal council elected representatives.</td>
</tr>
<tr>
<td><strong>Staffing</strong></td>
<td>Although a committee, the MPO has a significant number of dedicated technical and other staff to support the committee’s</td>
</tr>
</tbody>
</table>

\(^{787}\) The Massachusetts Bay Transportation Authority - 2008 Report to the Legislature
<table>
<thead>
<tr>
<th>Key Initiatives/Challenges to Improve Urban Transport System</th>
<th>Key learning for Indian Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning and programming</td>
<td>The Federal government requires all metropolitan areas in the USA to have a comprehensive, continuing and cooperative transportation planning process. MPO’s function is to carry out this requirement and to coordinate planning of major transport infrastructure. Long-range and 4-year plans and annual work programmes are prepared.</td>
</tr>
<tr>
<td>Involvement of stakeholders</td>
<td>A committee of stakeholders is used for advice on policy, work priorities, and interaction with the public. The Transit Authority also has a similar advisory board.</td>
</tr>
<tr>
<td>Implementation</td>
<td>MPO does not implement projects. Implementing agencies submit regular reports to MPO. Registration of motor vehicles is done by the Department of Transport.</td>
</tr>
<tr>
<td>Studies and information</td>
<td>MPO conducts a wide range of studies to inform its decisions and also supplies a wide range of information to stakeholders.</td>
</tr>
<tr>
<td>Articulation of vision, mission, objectives and goals</td>
<td>MPO prepares and articulates the transport vision, plans and programmes.</td>
</tr>
<tr>
<td>Relationship with federal government</td>
<td>Federal government agencies employ a number of methods to monitor and assess performance of MPO. The Federal Highway Administration and the Federal Transit Administration are non-voting members of MPO.</td>
</tr>
<tr>
<td>Transport funding</td>
<td>The federal government provides significant funding for both capital and maintenance of urban transport facilities.</td>
</tr>
</tbody>
</table>
CITY – IV: AUCKLAND

History and evolution

Auckland is the largest city in New Zealand, covering 1,086 km² with a population of 1.51 million. The central part of the urban area occupies a narrow isthmus between the Manukau Harbour on the Tasman Sea and the Waitemata Harbour on the Pacific Ocean. It is one of the few cities in the world to have harbours on two separate major bodies of water.

The 2012 Mercer Quality of Living Survey ranked Auckland 3rd equal place in the world on its list, while the Economist's World's most liveable cities index of 2012 ranked Auckland in 10th place. In 2010, Auckland was classified as a Beta World City in the World Cities Study Group’s inventory by Loughborough University.

Trams and railway lines shaped Auckland's rapid expansion in the early first half of the 20th century, but soon afterward the dominance of the motor vehicle emerged and has not abated since; arterial roads and motorways have become both defining and geographically dividing features of the urban landscape. They also allowed further massive expansion that resulted in the growth of associated urban areas like the North Shore (especially after the construction of the Auckland Harbour Bridge), and Manukau City in the south.

A large percentage of Auckland is dominated by a suburban style of building, giving the city a low population density that is characteristic of most new world cities. However, due to a history of strong population growth and the city's location on a constrained isthmus, Auckland has among the highest population density of any urban area in Australasia.

Bridges span parts of both harbours, notably the Auckland Harbour Bridge crossing the Waitemata Harbour west of the Auckland Central Business District (CBD). The Mangere Bridge and the Upper Harbour Bridge span the upper reaches of the Manukau and Waitemata Harbours, respectively.

Private vehicles are the main form of transportation within Auckland, with around 7% of journeys in the Auckland region being undertaken by bus, 2% undertaken by train and ferry, and 6% walking and cycling. Passengers per year are approximately: train 10 million; bus 55 million; ferry 5 million. Usage is however heavily skewed towards travel to and from the Central Business District, where more than half of trips are undertaken by public transport. Auckland still ranks quite low in this regard, having only 46 public transport trips per capita.
per year. This strong focus on private vehicles results in substantial traffic congestion during peak times.

Prior to November 2010, there were eight local authorities in the Auckland region, and regional road and public transport functions were managed by the Auckland Regional Transport Authority (ARTA), an authority under the Auckland Regional Council. Differences between the local authorities and with the regional authorities were seen as hindering development of the region.

The central government established a Royal Commission to consider reform of Auckland governance and, after considering the Commission’s report, initiated the reform process in 2009. Legislation was introduced that provided for the dissolution of the existing local authorities in Auckland and for the creation of a new Auckland Council, as a unitary local authority (having both local government and regional government functions) from 1 November 2010, together with a new group structure that includes council-controlled organisations. Some of these organisations deliver public services to ratepayers that many of the previous local authorities delivered directly.

Auckland Council has a mayor separately elected and 20 councillors elected from 13 wards in the city. There are also 21 local boards with varying numbers of representatives on each local board ranging from approximately 5 to 8. Auckland Council sets the overall political and strategic direction for public transport services as well as integration with other urban responsibilities.

Auckland Transport is a special council-controlled organisation, created at the same time as the Auckland Council, with the purpose of overseeing transport for the Auckland region. This is the first time in Auckland’s history, that all transport functions and operations for the city, have come under one organisation. Auckland Transport is responsible for:

- Infrastructure, including interchanges, bus stops and roads
- Strategy
- Timetables and network management
- Communications with customers through website, on street signage, and media
- Integrated ticketing system
- Management of disruptions and events.

**Current Statues of Urban Transport**

Bus services in Auckland are mostly radial, with few ring-routes, due to Auckland being on an isthmus. Late-night services (i.e. past midnight) are limited, even on weekends. All bus routes are planned by Auckland Transport in consultation with the operators and, where necessary, following consultation with the local communities. The national government law on urban transport requires that any public transport service operated in a region must be provided under contract with a regional council. All bus routes are not tendered each year by Auckland Transport. However, the whole bus network will be tendered in the next four years and then approximately 18% per three year cycle thereafter.

There are eight bus operators in the Auckland region - NZ Bus, Airbus Express, Birkenhead Transport, Ritchies, Howick & Eastern, Urban Express, Tranzit / Pacific Tourways, and Waiheke Bus Company. Auckland transport subsidises approximately 50% of the cost of the bus operations.

Regular suburban trains operating along four lines travel between the CBD and the west, south and south-east of Auckland. KiwiRail (the national railway owner) owns, maintains and controls the rail corridor, including tracks, signalling, structures and station platforms,

Developing Operations Documents for Urban Metropolitan Transport Authority and Urban Transport Fund

Auckland Transport owns the trains, the station infrastructure (shelters, lighting, PA, CCTV, information displays), the Britomart Transport Centre, and manages the operator VIOLA, which runs the suburban rail services. KiwiRail charges an access fee to the rail operator that includes maintenance cost recovery of its assets. VIOLA provides a total of 68,000 km of suburban rail service per week (based on normal timetable and no holidays) currently carrying 10 million passengers annually. Approximately 30% of the cost of the suburban rail operation is subsidised by Auckland Transport with assistance from NZTZ.

In 2007 approximately NZ$5.3 billion worth of large-scale projects were underway or planned (and budgeted for) in the Auckland area to improve rail and public transport patronage over the next decade, which was 31% of the transport budget for the region. However, policy changes in early 2009 by the incoming National government meant a shift in emphasis to more highway construction, and removed the provision of a regional fuel tax that was to pay for Auckland’s public transport upgrades. While the government has now provided the capital funding for the rail electrification, and provided a loan for the purchase of electric rolling stock, the process and associated tenders were delayed by approximately one year, and some rail station upgrades and the funding of the integrated ticketing upgrade were in doubt (but not any longer).

The infrastructure requirements of electrification (overhead lines and signalling system) are being provided by KiwiRail through a Government grant, while the electric multiple units (EMUs) are being funded by a Government loan to Auckland Transport, which took over the procurement of the EMUs and the construction of the maintenance depot from KiwiRail. The EMUs are being procured on a supply and maintain contract. Electrification is now underway with electric trains scheduled to begin running in 2014, with phasing in over the following 2 or 3 years.

Auckland Transport completes an annual review of bus, ferry and train public transport fares in accordance with its service contract obligations with transport operators. The New Zealand Transport Agency, who is a co-funder of public transport, has a policy of 50% fare box recovery (user pays) and hence a balance has to be sought between funding and pricing.

**Legal basis for transport authority**


**Institutional arrangements**

Auckland Transport is a corporate body responsible to the Auckland Council, which is a unitary local authority (performs the functions of both local and regional government) with elected members.
Composition of governing body

Auckland Transport is governed by a board of directors comprising:

- no fewer than 6 and no more than 8 voting directors, of whom 2 may be members of the governing body of the Auckland Council; and
- 1 non-voting director nominated by the New Zealand Transport Agency (the central government agency responsible for land transport).

The board, including its chairperson and deputy chairperson, are appointed by the Auckland Council. The Chief Executive of the New Zealand Transport Agency is currently the non-voting director.

The current composition of the board is:

- Chairperson – Professor of Leadership at University of Auckland
- Deputy chair – professional director
- Two Auckland Council councillors
- A barrister, legal consultant and professional director
- Ex-chief financial officer of a large private sector company
- Two other professional directors
- Chief Executive of NZTA.

Functional scope of Auckland Transport

Auckland Council is responsible for preparing an integrated land use plan and Auckland Transport is responsible for preparing an integrated transport plan. The two organisations work together to ensure that these plans work harmoniously and are not conflicting.

In 2012 Auckland Transport prepared its first Integrated Transport Programme (ITP) which translates the strategic direction set out in the Auckland Plan and Auckland Unitary Plan into a set of work programmes to deliver the desired outcomes. The ITP also has to take into account the strategic direction set out in the Government Policy Statement (GPS) on land transport funding. The work programmes, including Asset Management Plans (separate
plans for public transport and roads), Regional Public Transport Plan, Corridor Management Plans, etc., are subject to funding availability and are assembled into the Long Term Plan approved by Auckland Council plus the Regional Land Transport Programme approved by NZTA, lists the projects for which NZTA subsidy will be sought.

Auckland Transport is responsible for all transport functions and operations for the city of Auckland (excluding state highways) - from roads and footpaths, to cycling, parking and public transport.

Among its main tasks are:

- To design, build and maintain Auckland’s roads, ferry wharves, cycleways and walkways.
- Coordinate road safety and community transport initiatives such as school travel
- Plan and fund bus, train, and ferry services across Auckland.

The detailed functions of Auckland Transport are to:

a) prepare the 3-year regional land transport programme for Auckland;

b) manage and control the Auckland transport system including by -
   (i) performing statutory functions and exercising statutory powers as if Auckland Transport were a local authority or other statutory body
   (ii) acting as a requiring authority under the Resource Management Act;

c) carry out research and provide education and training in relation to land transport in Auckland;

d) undertake other transport functions that the Auckland Council directs it to perform or delegates to it (e.g. management of off-street parking facilities owned by the Council, parking permits around the city of Auckland, bus and transit lane enforcement);

e) undertake or exercise functions, powers, and duties in respect of State highways that the New Zealand Transport Agency delegates to it. (At the present time there is very little delegation of these duties. However, the Board of Auckland Transport approves the Auckland region’s State Highway programme of work when it approves the Regional Land Transport Programme. Plus there is significant interaction and cooperation between the two agencies, including the Joint Traffic Operations Centre, which actively manages the State Highway network and local road network for incidents and congestion).

f) undertake any other functions that are given to it, or that are incidental and related to, or consequential upon, any of its functions.

Organisational structure

Auckland Transport is headed by a Chief Executive and has seven divisions:

- Capital Development – responsible for capital development works
- Communications – responsible for all communications activities for Auckland Transport
- Finance – responsible for the financial control of Auckland Transport
- Information and Business Systems – responsible for developing, implementing and managing all systems, including Intelligent Transport Systems, and systems for parking, assets, integrated ticketing, public transport passenger information, project management, road corridor management, surveys, records, call centre, and corporate information
• Operations – responsible for the maintenance and operation of the transport network including public transport services
• People, Services and Performance – responsible for these aspects of Auckland Transport staff
• Strategy and Planning – responsible for the development of the strategic direction for Auckland’s transport network and for the associated transport planning.

Auckland Transport currently has approx. 1250 to 1300 staff with a targeted ceiling of 1400 staff.

Financing arrangements
In New Zealand there is a central government fund by the name of Land Transport fund which is dedicated for use in all land transport activities.

It collects funds from following sources:
1. Revenue from fuel excise duty – It amounted to NZD 1,478 million in FY 2011/12. It is collected at the rate of NZD 0.53/litre on petrol.
2. Revenues from road user charges – It represents collection from motor vehicle owners for using public roads. It amounted to NZD 1,039 million in FY 2011/12.
4. Government contribution – The Fund also receives contribution from government. However, government contribution represents only a small portion of total revenues to the fund. In FY 2011/12 it amounted to NZD 1 million.
5. A small portion of funds are also collected by revenues from management of land & interest. In FY 2011/12 this amounted to NZD 48 million.

In this way the total Funds collected in the Land Transport fund in FY 2011/12 were NZD 2,741 million.

Auckland transport (AT)
Auckland transport which is a council-controlled organization of Auckland Council, designs,
builds, and maintains Auckland’s transport infrastructure. This includes planning, funding and coordinating bus, rail and ferry services. The bulk of transport funding comes from government collected fuel taxes, road user charges on diesel vehicles and vehicle registration, as well as from council sources such as rates and council borrowing. The largest part of this is from fuel taxes which pay for 35% of all transport money spent in Auckland.789

**SOURCES OF INCOME:**

Key funding for transport comes from Auckland Council (rates, development contributions and debt funding) and subsidies from the National Land Transport Fund administered by the NZ Transport Agency (NZTA). Other sources of income include user charges and fees, other subsidies and vested assets. These are listed below790:

1. Funding from Auckland Council - $346 m
2. Operational funding from NZ Transport Agency - $197 m (Funding from NZTA comes through Land Transport Fund)
3. Capital funding from NZ Transport Agency - $158 m
4. Finance income - $22 m
5. Parking and enforcement - $73 m
6. Public transport income - $45 m
7. Vested asset income - $430 m
8. Others - $30 m

As can be observed AT receives most of its revenues from government sources. Public transport income only forms a small part of the overall income. Further analysis and applicability in Indian context is provided in subsequent pages.

**UTILIZATION OF FUNDS:**

AT incurred a total of $837.9m of operating expenses791. These include:

1. Depreciation – 30% of total opex
2. Personnel costs – 9% of total opex
3. Other expenses include $451.8m spent on the following activities:
   a. Public transport - $297.8m
   b. Roads - $123m
   c. Parking - $31m.

AT also incurs capital expenditure for improvement of city’s transport infrastructure. Capital expenditure in 2012/13 was $638.6m. This included:

1. Roads – 80%
2. Public transport – 11%
3. Electric trains – 8%
4. Other – 1%.

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789 Getting Auckland Moving Alternative Funding For Transport Discussion Document February 2012
790 Auckland Transport Annual Report 2013
791 Auckland Transport Annual Report 2013
It may be noted that capital expenditure was smaller in amount as compared to operating expenditures.

**MANAGEMENT OF FUNDS:**

The AT is governed by a board which is supported by a number of committees. For financing related aspects it is supported by following two committees:

**Finance and Risk Committee**

The Finance and Risk Committee (FRC) assists the Board to fulfil its responsibilities for financial reporting, audit and risk management, and provides assurance regarding compliance with internal controls, policies and procedures.

**Capital Review Committee**

The Capital Review Committee (CRC) assists the Board with ensuring that capital expenditure is optimised against AT’s strategic objectives. These committees are supported by dedicated staff.

**Current performance**

The overall success of the Auckland reforms is yet to be formally evaluated, but the single unitary local body appears to be working well. Transport is more easily planned and managed.

A recent review of the Auckland public transport system identified that there needs to be a shift in the method of procurement and contracting moving more towards a fully contracted public transport system. This change will be implemented by Auckland Transport and will give a uniform (fully contracted) public transport system with quality standards that can be managed.

Implementation of the reforms, along with the major public transport projects being tackled simultaneously, is proving to be a major challenge.

Urban transport is still improving by having a single smartcard ticket across Auckland with bus roll-out commencing on 23 June 2013 after a successful implementation across rail and ferry.

**Lessons for Indian cities**

The key lessons from Auckland for the cities in India planning to establish UMTA and UTF are summarised in the table below.

<table>
<thead>
<tr>
<th>Key Initiatives/Challenges to Improve Urban Transport System</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Rationalising regional and local government</td>
<td>Having only one local authority for the Auckland region has vastly improved the coordination of transport activities in the region and simplified transport planning, funding and management.</td>
</tr>
<tr>
<td>Integration of public transport services</td>
<td>Because there is now only one local authority for the Auckland region, it is much easier to integrate all aspects of transport, including planning and management of bus, ferry and rail services, parking management, integrated ticketing, transport information systems. Auckland Transport (AT) contracts passenger transport services, provides subsidies where required, and determines fares.</td>
</tr>
<tr>
<td><strong>Transparent accountable</strong></td>
<td>While the New Zealand Railway owner still owns, maintains and</td>
</tr>
<tr>
<td>Key Initiatives/Challenges to Improve Urban Transport System</td>
<td>Key learning for Indian Cities</td>
</tr>
<tr>
<td>------------------------------------------------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>arrangement for suburban rail services</td>
<td>controls the rail corridor, AT owns the suburban trains and station infrastructure, while a third party, contracted by AT, operates the services. So AT is in complete control of suburban rail services. And can easily integrate them with the bus and ferry services.</td>
</tr>
<tr>
<td>Information systems</td>
<td>AT manages extensive systems to provide information to transport users, including real time passenger services information, and traffic control and incident management from a control centre. AT also works with communities to understand local issues and facilitate use of efficient modes of transport.</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>The governing board is effective because it comprises people with skill and experience in governance, rather than people with vested interest. The political dimension is accommodated by including two councillors on the board, and the central government interest is covered by the CE of the New Zealand Transport Agency.</td>
</tr>
<tr>
<td>Staffing</td>
<td>AT employs a wide range of competent technical and support staff 1,300 for a population of 1.5 million, where almost all implementation, i.e. construction of infrastructure, operation of transport services, maintenance of roads, etc., is contracted out to the private sector.</td>
</tr>
<tr>
<td>Involvement of all stakeholders</td>
<td>There are no stakeholders on the governing board of AT - it could be said that these interests are represented by the two councillors. From an on-going perspective, AT employs Transport Sector Relationship Managers, reporting directly to the General Manager Communications, to act as the primary interface with a wide range of industry stakeholders and support AT to develop, improve and strengthen those relationships. There is also more formal consultation with a wide range of stakeholders during development of plans, programmes and major project.</td>
</tr>
<tr>
<td>Planning and programming</td>
<td>AT’s parent body, Auckland Council, prepares the land use plan while AT prepares the integrated transport plan, but the two organisations work closely together. Auckland Council has overall approval of the planning and programming of all transport initiatives for the region, including all improvements for state highways, which are “owned” and managed by the New Zealand Transport Agency.</td>
</tr>
<tr>
<td>Articulation of Vision, Mission, Objectives and Goals</td>
<td>AT has just finished public consultation on the Draft Auckland Regional Public Transport Plan (RPTP) 2012-2022 in which its vision for public transport services in Auckland is set out.</td>
</tr>
<tr>
<td>Handling Resistance to Change by agencies and organizations currently involved in transport operations and management.</td>
<td>The biggest resistance to the reforms was political (loss of power) but many understood the need for change. There was some uncertainty from people in organisations being merged, but the benefits of a larger, integrated organisation were emphasised.</td>
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</thead>
<tbody>
<tr>
<td></td>
<td>national government and implemented by a special Act.</td>
</tr>
<tr>
<td>Relationship with National Government</td>
<td>As a more powerful body with a single voice, the Auckland Council, supported by Auckland Transport (AT), has been able to work closely with central government to obtain guarantees of funding for major urban transport initiatives that have been stalled for years.</td>
</tr>
<tr>
<td>Transport Fund</td>
<td>AT programmes all transport activities for the Auckland region and manages all the funding for these activities except for state highways. A special regional land transport fund is required by law to account for all monies provided by the central government together with the counterpart Auckland region funding.</td>
</tr>
</tbody>
</table>
CITY – V: SINGAPORE

History and evolution

Singapore is an island city-state off the southern tip of the Malay Peninsula. The country is highly urbanized with very little primary rainforest remaining.

Singapore has witnessed tremendous growth in its both its population and economy in recent times. From around 1,000 people in the early 1800s its population has grown to more than 5 million people. As a result of the combined effect of the rising population and the high growth rate in wealth of the citizens, the city nation experienced high growth in the number of private vehicles during the period from 1960 to the 1980s and to some extent beyond this period also.

Although there have been attempts at increasing the land available in the country by land reclamation projects, the total land available is limited and Singapore’s boundaries cannot be significantly expanded, unlike some metropolitan cities in other parts of the world. Given this limited supply of land and simultaneous increase in the number people and private vehicles, the city nation experienced a number of problems related to transport and traffic such as excessive congestion on the roads especially during peak hours, increasing pollution and longer travel times.

The road network in Singapore was not able to accommodate the increased volume of traffic as most of the roads were narrow and the city nation was faced with a huge demand for increase in urban transport infrastructure. However, building more and more roads or flyovers was considered to be not the only solution to the urban transport problem. Instead an integrated holistic approach was adopted.

Singapore had realized early in the national building process after independence from Britain that efficient urban transport is very necessary to support economic development. With this realization the government regularly undertook studies to identify urban transport issues and implemented measures to solve the issues. Today Singapore’s urban transport system is one of the best in the world. The fact that Singapore has only one level of government is perhaps a very important factor in this transformation. This system of government is much simpler than the three levels of government that exists in Indian.

A brief description of the developments in urban transport in Singapore is given in the following paragraphs.

Before the 1970s

Singapore declared self-governance in 1959 and Independence from United Kingdom in 1963. During the period before 1963 there was no specific agency responsible for managing urban transport. In 1938 a “Traffic Conditions Committee” was formed with an objective to consider the traffic conditions in the town of Singapore and make recommendations for their improvements.

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792 Urban Transport Planning in Singapore, Chin Hoong Chor, Associate Professor, National University of Singapore
During the initial years of independence the Singapore government did not give priority to transportation. But with rapid economic development and increasing population, Singaporeans intended to own private vehicles whose numbers started increasing rapidly putting pressure on the available transport infrastructure. In 1968 the Ministry of Communications was formed when the importance of the transportation issue was formally acknowledged by the political leadership.

**Between 1970s to early 1990s**

A brief list of developments in Singapore’s urban transport sector during the 1970s and 1980s is provided below:  

<table>
<thead>
<tr>
<th>Year</th>
<th>Development during the Year</th>
</tr>
</thead>
</table>
      | • Drew up Singapore’s land transport master plan 1992 under the State and City Planning (SCP) project (1962-1975).  
      | • Road Transport Action Committee (RTAC) was set up to look into pre-empting traffic jams.  
      | • Merger of 10 Chinese bus companies to 3 regionally based groups.  
      | • Formation of NTUC Comfort Taxi Cooperative.  
      | • Introduction of diesel tax, one of several measures to eradicate pirate taxis.  
      | • First flyover built across Clemenceau Avenue. |
| 1971 | • Singapore Traction Company (STC) Bus Company ceases operation. |
| 1972 | • Supplementary Public Transport Service established to complement standard bus services, using school and private hire buses. |
| 1973 | • The 3 regionally based bus companies formed earlier merged to form Singapore Bus Service (SBS) |
| 1974 | • Government Team of Officials (GTO) appointed to help run SBS.  
      | • Taxi licences no longer transferable; new taxi licences only issued to Comfort. |
| 1975 | • The “user pays” system, Area Licensing Scheme (ALS) was introduced.  
      | • Park and Ride scheme introduced.  
      | • City Shuttle Service (CSS) Company set up to provide shuttle services from fringe car parks into restricted city zone.  
      | • Preferential Additional Registration Fee (PARF) introduced to encourage scrapping of cars more than 10 years old. |
| 1976 | • Park and Ride Scheme abandoned.  
      | • CSS extended to public housing estates. |
| 1977 | • Double-decker buses introduced. |
| 1978 | • SBS public-listed. |
| 1981 | • Comprehensive Traffic Study reports that an all-bus system is not practical and recommends a mass transit rail system.  
      | • Pan Island Expressway (PIE) opened to traffic. East Coast Parkway (ECP) completed.  
      | • Benjamin Sheares Bridge completed.  
      | • First computerised Area Traffic Control System for city area traffic signals. |

793 www.lta.gov.sg (Land Transport Authority – Our History)
The Singapore government has taken regular steps for improvement of urban transport, including:

i. Measures addressing the supply side (directed at increasing urban transport capacity)

ii. Measures aimed at managing the demand side (measures for reducing the demand for urban transport).

The initial focus of the government was on infrastructure development and as issues related to congestion and limited land availability were recognised, steps were taken to limit the growth in vehicle population, while simultaneously developing public transport infrastructure and providing better public transport services.

Singapore has always focused on systematic planning and development. The need for integration and coordination in planning and operations was well understood as may be observed from merging of the bus operations of the 10 Chinese bus operating companies of varying fleet sizes into 3 major bus companies with clear territorial dominance in 1970. In 1973 these 3 companies were further merged to form a single entity – Singapore Bus Service (SBS). Later in 1982 a second bus company Trans-Island Bus Services (TIBS) was formed to introduce competition for SBS so as to ensure that efficiencies in bus operations are maintained.

Although with careful planning Singapore government was able to provide reliable and efficient public transport services to its citizens, gradually a need for a Mass Transit System (MRT) was recognized to cater for the increasing demand for public transport services and
expected future requirements. The MRT system began operation in 1987 as part of an integrated public transport system.

During this period various problem driven schemes were also initiated to reduce congestion and limit vehicular growth. Some of these in brief are as follows:

**Traffic Congestion Management**

On recommendation of the Road Transport Action Committee (RTAC) in 1973 several initiatives were taken for traffic congestion management such as:

(i) Staggered work hours for public servants
(ii) Encouraging private companies to have flexible work hours
(iii) Carpooling
(iv) Area Licensing Scheme – The scheme was based on a "cordon" pricing system. The cordoned area, referred to as the "restricted zone," was demarcated by twenty-eight overhead gantry signs. During the restricted hours, private cars and taxis were required to buy and display a special area license on their windscreen to enter the restricted zone. The violators were heavy penalized.

**Limiting Vehicle Growth**

Since Singapore has limited supply of land, a need to put limitations on the number of vehicles was always felt necessary in planning for urban transport. Measures employed to limit the number of vehicles included:

- Increase in import duty on cars
- Introduction of an Additional Registration Fee (ARF) in 1972
- Revision of Annual Road Tax by vehicle class
- Introduction of a Preferential Additional Registration Fee (PARF) – to encourage private vehicle owners to replace old cars with new ones. As per PARF, people replacing their cars that are less than 10 years old enjoy a PARF benefit.

**Establishment of LTA**

With time the Singapore government recognized the importance of integrated planning and development and eventually in 1995 the Land Transport Authority (LTA) was established as a statutory board under the Ministry of Communications merging four existing bodies - the Registry of Vehicles, Mass Rapid Transit Corporation, Roads and Transportation Division of the Public Works Department and the Land Transport Division of the Ministry of Communications. The basic purpose of LTA included the integration of the various organizations involved in planning, development and management of urban transport policies and urban infrastructure into a single and coordinated body to facilitate integrated planning and development.

This marked a shift from the problem driven planning approach to a visionary approach to develop Singapore into a world-class city with excellent infrastructure and transport facilities. Following paragraphs provide details of scope (including functions and powers), legal basis, institutional arrangements, organizational structure, financing arrangements and performance of the LTA.

**Functional scope of LTA**

LTA's mission is “to provide an efficient and cost-effective land transport system for different needs” and its vision is “to create a people-centred land transport system.”

The objectives of the LTA are:
a) To deliver an effective land transport network that is integrated, efficient, cost effective and sustainable to meet the nation’s transport needs.

b) To plan, develop and manage Singapore’s land transport system to support a quality environment while making optimal use of our transport resources and safeguarding the well-being of the travelling public.

c) To develop and implement policies to encourage commuters to choose the most appropriate transport mode.

Functions and duties of the authority as reproduced from the Land Transport Authority of Singapore Act, are as follows:

a) to plan, design, construct, manage and maintain roads in Singapore in accordance with the Act and the Street Works Act;

b) to plan, design, construct, maintain and improve pedestrian walkways, bus stops or shelters, bus interchanges or terminals, taxi stands and other commuter facilities in accordance with the Act, the Street Works Act and any other written law;

c) to maintain, operate and improve road traffic signs or signals, traffic control equipment or lighting equipment associated with a road and other road traffic facilities for the purposes of traffic management and control;

d) to provide parking places for motor vehicles, to license and regulate the use of parking places and to administer the Parking Places Act;

e) to develop and implement road traffic management strategies and practices;

f) to provide registration and licensing procedures and systems for road transport in accordance with the Road Traffic Act;

g) without prejudice to the Public Transport Council Act, to regulate the carriage of passengers on any road for hire or reward in accordance with the Road Traffic Act;

h) to regulate the construction of motor vehicles and the conditions under which they may be used on roads in Singapore;

i) to determine load limits for any road, bridge or culvert and to establish guidelines or requirements for the issue of vehicle mass and dimension permits;

j) to promote better understanding of land transport policies and programmes, whether solely or jointly with other authorities or organisations;

k) to plan, design, construct, manage, operate and maintain the railway in accordance with this Act and the Rapid Transit Systems Act;

l) to approve and regulate the operation of the railway in accordance with the Act and the Rapid Transit Systems Act;

m) to co-ordinate land transport services, including developing or promoting the development of integrated ticket systems;

n) to conduct, or engage persons to conduct, research and demonstration projects in respect of land transport and associated matters, and to encourage, advise and otherwise assist (whether financially or otherwise) any such research or project;

o) to advise the Government in respect of the land transport system in Singapore, including, but not limited to —

(i) its adequacy to meet national and community needs in an efficient, viable and safe manner;

(ii) changes considered advisable in the provision of finance for the control, construction, management or maintenance of the land transport system; and
(iii) changes considered advisable in the levying and collection of land transport taxation, including the granting or withdrawing of exemptions or partial exemptions from any form of land transport taxation;

p) to maintain contact with land transport organisations in Singapore and abroad, in order to obtain, collect and exchange information relating to land transport developments in Singapore and abroad, and to make such information available to bodies and persons with an interest in land transport in Singapore;

q) to represent Singapore internationally in respect of matters relating to land transport;

r) to act as agent of the Government and provide service in administering, assessing, collecting and enforcing payment of —

(i) the special tax imposed under section 17 of the Customs Act;
(ii) the surcharge imposed under the Parking Places (Surcharge) Act;
(iii) the charge imposed pursuant to the Parking Places Act for the waiver of requirements imposed by or under that Act in relation to car parks;
(iv) the proposed sums of successful bids for particular index marks and registration numbers for any type or category of vehicle; and
(v) all taxes, fees and charges collected by the Registrar of Vehicles under the Road Traffic Act or any rules made thereunder which are not specified in the Second Schedule;

s) to act as agent of the Government in vesting of land under the Street Works Act;

t) to collect, compile and analyse information of a statistical nature relating to land transport or such other subject-matter necessary for the performance of the functions of the Authority, and to publish and disseminate the results of any such compilation and analysis or abstracts of those results;

u) to establish and maintain a Land Transport Revenue Account in accordance with the provisions of the Act;

v) to undertake any other activity considered necessary or desirable to achieve a safe and efficient land transport system that maximises national economic and social benefits; and

w) to perform such other functions as are conferred on the Authority by any other written law.

These functions and duties show that the LTA is responsible for overall management of all forms of land transport including road and rail transport and integration of all modes of transport. It is also responsible for development of all forms of related infrastructure facilities including bus stops, parking places, etc. LTA also is responsible for regulating the construction and use of motor vehicles in Singapore.

Therefore it may be noted that the functions and duties of LTA encompasses integrated planning, designing, construction and management of infrastructure as well as regulating use. This is in contrast to the Indian system where there are multiple agencies which are involved in each of the above activities.

Legal basis for LTA

LTA was established as a body corporate (independent statutory authority) through the Land Transport Authority of Singapore Act 1995.

The Singapore Bus Service (SBS) was established as a Company, Trans Island Bus Services (TIBS) currently known as SMRT Buses was established as a company, and the
Public Transport Council was established as a regulatory statutory board under the Ministry of Transport by the Public Transport Council Act of 1987.

**Institutional arrangements**

The LTA reports to the Minister of Transport supported by the Ministry of Transport (MoT). Currently, the MoT oversees four statutory boards as well as the LTA, as illustrated below.

![Diagram](image)

LTA is required to follow the policies and instructions applicable to statutory boards issued by The MoT and other government ministries and departments such as the Ministry of Finance (MoF).

LTA has the following subsidiary companies:

- **Transit Link** – It is the exclusive transit merchant collector for Singapore's public transport system. It processes transit transactions for:
  - Distance fares
  - Bus stop distance refunds
  - Park and ride sets
  - Transport and concession pass vouchers

  It also allocates revenue to the Public Transport Operators. In addition, it acts as an agent for card managers by providing card sales, refunds and replacements. As a master load agent, Transit Link provides transit top-up services for all card managers in Singapore. Transit Link was incorporated in November 1987 and became a subsidiary of the Land Transport Authority in April 2010.

- **EZ-LINK** - Responsible for the sale, distribution and management of ez-Link cards, which can be used for public transport travel, as well as other commercial purposes and non-transit applications. It is a wholly owned subsidiary of the LTA and is regulated by the Monetary Authority of Singapore and the Public Transport Council. It was formed in January 2002.

- **MSI GLOBAL** - The consultancy arm of the LTA, which provides multi-disciplinary consultancy for transport policies and strategies by tapping expertise from LTA. It has been a key consultant on issues and problems facing the government and policy makers of various countries, including:
  - transportation planning
  - project management and implementation
  - rail systems engineering
  - infrastructure management
  - intelligent transport systems
  - Demand management.

  MSI Global was set up in February 1995 and is involved with projects in Southeast Asia, China and Europe.
**LTA organisational structure**

The LTA Act provides for a Chief Executive and staff. The Chief Executive is appointed by the Authority with approval of the Minister. The Minister may appoint the Chief Executive to be a member of the board. This Chief Executive reports directly to the chairman. The two Deputy Chief Executives are each responsible for functional areas of the organisation:

- Infrastructure and development
- Policy, planning and corporate services.

The organisation structure is shown below.

**Composition of the governing body**

The LTA board consists of a chairman and at least 2 and at most 14 other members. The chairman and other members of the Authority are appointed by the Minister from among persons who have had experience in public administration or matters relating to land transport.

**Financing arrangements (source of revenue and utilisation)**

**FINANCING ARRANGEMENTS (SOURCE OF REVENUE AND UTILISATION)**

The statutory functions of the LTA include establishing and maintaining a Land Transport Revenue Account. Sources of funds for this account are:

- a) all taxes, fees and charges as specified in the Second Schedule of the Act (these include fees for issue of different kinds of licences, registration of vehicle, inspection of vehicle, fees relating to road traffic etc.);
- b) all fees received by the Authority for services rendered by the Authority to any person, including any collection agency fee;
- c) all moneys derived from the disposal, lease, or hire of, or any other dealing with, any property vested in or acquired by the Authority;
d) all income derived from the investment of moneys in the Account, including any gains made on the sale of any investment of money of the Account, and interest or gains thereon;

e) all moneys borrowed by the Authority under the Act; and

f) all other moneys lawfully received by the Authority for the purposes of the Authority.

The LTA is responsible for managing and administering Land Transport Revenue Account, which may be used for:

a) the remuneration, fees and allowances of the members of the Authority;

b) the salaries, fees, remuneration, pensions, superannuation allowances and gratuities of the officers, agents, employees, advisers and former employees of the Authority;

c) working and establishment expenses and expenditure on, or provision for, the maintenance of any of the property of the Authority, and the discharge of the functions of the Authority properly chargeable to revenue account;

d) expenses incurred or incidental to the investment or management of moneys in the Account;

e) interest on any loan raised by the Authority;

f) sums required to be paid to the Government towards repayment of any loan made by the Government to the Authority;

g) sums required to be transferred to a sinking fund or otherwise set aside for the purpose of making provision for the repayment of borrowed money;

h) such sums as may be deemed appropriate to set aside in respect of depreciation or renewal of the property of the Authority, having regard to the amount set aside out of revenue under paragraphs (c) and (f);

i) the cost, or any portion thereof, of any new works, plant, vessels or appliances not being a renewal of the property of the Authority, which the Authority may determine to charge to revenue;

j) such sums by way of contribution, for the purposes associated with the objects of this Act as the Authority may determine, to the public or for charities; and

k) any other expenditure authorised by the Authority and properly chargeable to the revenue account.

The balance of the Land Transport Revenue Account may be applied to the creation of a general reserve and such other reserves as the Authority may think fit.

For the purpose of capital investments required for projects such as construction of roads, railways etc. the LTA is provided funds form the Minister of Finance. The authority is also free to borrow money / raise loans from various agencies in or out of Singapore as it considers appropriate. Also apart from the purposes of capital investments the authority is also free to raise loans for other activities.

The Authority is required to issue shares or other securities to the Minister of Finance if the Government vests property, rights or liabilities in the Authority or provides capital injection or other investment in the Authority.

The authority is responsible to ensure that the total revenues available to it are sufficient to meet its operational expenses from year to year.

Following table shows the items included in the sources of fund of the LTA as per its Annual report 2011-12. The major portion of funding can be seen to come from government in the form of management fee.
Urban Transport in Singapore is funded by various sources. LTA which plays an important role in urban transport accounts for some of these sources of funds, while some other sources of funds in Singapore such as Electronic road pricing are administered by LTA but are not accounted in its financial statements, rather these are deposited into the consolidated fund.

Funds reflecting the income sources to LTA are provided in following sub section. The other funding sources are provided in subsequent sections.

**SOURCES OF OPERATING INCOME FOR LTA**

The major operating income sources for LTA are:

1. Management fee from government – S$ 450 m
2. Vehicle transit license fee – S$ 28 m
3. Composition fines – S$ 30 m
4. Others – S$ 57 m

The total operating income in this way was around S$ 565 m for FY 2012-13.

The sources of funds are explained below:

**Management fee from government**

The authority receives management fee from government every year in lieu of discharge of its services. The annual amount is not fixed and over the years has increased.

**Vehicle Transit Licensing Fee**

The LTA act specifies that LTA is required ‘to provide registration and licensing procedures and systems for road transport in accordance with the Road Traffic Act’. The income generated from Vehicle Transit Licensing Fee corresponds to this function.

**Composition fines**

These represent the traffic penalties imposed on violators. Anyone who receives a traffic ticket or notice from the Traffic Police Department, Land Transport Authority, Housing and Development Board or Urban Redevelopment Authority in Singapore should pay a fine. This is referred to as settling the fine by way of offer of composition (the fine amount).

**OTHER FUNDING SOURCES**

**Collection of Government taxes, fees and charges**

The LTA acts as an agent of the government and provides services in administering, assessing, collecting and enforcing payment of various Government taxes, fees and charges such as Additional registration fees, Vehicle Quota Premium, Road Tax and Electronic Road Pricing charges. These are paid into the Government Consolidated Fund and are not reflected in the Authority’s financial statements. These are provided below:

**Additional registration fees**

When purchasing a new vehicle additional registration fees are payable which are applied on the Open Market Value of the vehicle. These are applicable in slabs like the Indian Income.
tax system.

Vehicle Quota Premium

The Vehicle Quota System (VQS) regulates the rate of growth of vehicles in Singapore. LTA controls the number of new vehicles allowed for registration. Anyone who wishes to register a new vehicle in Singapore must first obtain a Certificate of Entitlement (COE), which represents the right to own a vehicle for 10 years. To obtain such COE, a quota premium is payable.

Vehicle Quota Premiums, i.e. receipts from Certificates of Entitlement (COE), were estimated to be $2.8 billion for the financial year 2012-13. In FY 2011 these were $2.11 billion\(^{795}\).

Road Tax

All Singapore registered vehicle must always pay a Road Tax as applicable from time to time. Motor Vehicle Taxes collected in FY 2011 were $ 1.92 billion.\(^{796}\)

Electronic Road Pricing (ERP)

The Electronic Road Pricing (ERP) system is an electronic toll collection scheme to manage traffic by way of road pricing. The system uses open road tolling, vehicles do not stop or slow down to pay tolls. The capital cost of the ERP system, since its inception in September 1998 was S$197 million and incurred an annual operational and maintenance cost of S$25 million for 66 control gantries (in 2009). The program’s annual revenue was estimated at S$144 million in 2008-09\(^{797}\).

Fare Box Collections

These go into the accounts of the operators who use them to fund their operating costs. There are following two main public transport operators in Singapore:

SMRT Corporation Ltd

The Group is in the business of providing transport services through the operation of the Mass Rapid Transit (MRT) and Light Rapid Transit (LRT) systems, buses, as well as the rental of taxis. In addition, the Group leases commercial and advertising spaces within the transport network it operates and engages in operations and maintenance services, project management and engineering consultancy in Singapore and overseas.

The Group revenue was $1.1 billion in FY2012-13. These comprised of:

a) Fare Revenue – $ 842.5 m
b) Non Fare Revenue – $ 276.8 m (includes rental, advertising, engineering & other services etc.)

The total operating expenses were $1.05 billion in FY2013 (included staff, depreciation, energy etc.).

Capital expenditures in Singapore are incurred by the operators and SMRT’s capital expenditure for 2012-13 was $266m (mainly to expand the taxi and bus fleet, and the purchase of rail operating equipment).

SBS\(^{798}\)

The SBS Group operates in public transport in following segments:

- Bus: Income is generated substantially through bus fare collections.

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\(^{795}\) Fiscal Update on Financial Year 2012 - http://www.singaporebudget.gov.sg

\(^{796}\) Fiscal Update on Financial Year 2012 - http://www.singaporebudget.gov.sg

\(^{797}\) Electronic Road Pricing: Experience & Lessons from Singapore Prof. Gopinath Menon, Dr. Sarath Guttikunda, January, 2010

\(^{798}\) SBS Transit - Annual Report 2012
Rail: Income is generated substantially through rail fare collections.

Advertisements: Income is generated through advertisements on the buses, trains and at Mass Rapid Transit ("MRT") and Light Rail Transit ("LRT") stations.

Rental: Income is generated through rental collections from commercial and shop space at bus interchanges and rail stations.

The total revenue for the FY 2012 was $792.3 million. Like SMRT, SBS bus also invests in developing the capital infrastructure.

**MANAGEMENT OF FUNDS**

The funds of LTA are managed by the LTA. The funds of LTA are general accounting mechanism just like a corporate entity in India or anywhere in the world. The funds are properly managed by careful strategic planning by the authority.

The revenues collected from Electronic road pricing, vehicle quota premium etc. are deposited into consolidated fund.

The operators maintain their own finances and both SMRT and SBS are able to achieve a positive operating profit.

**Current performance**

**Initiatives implemented**

A list of developments that have taken place in urban transport in Singapore during the tenure of the LTA is provided in the table below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Development during the Year</th>
</tr>
</thead>
</table>
| 1995 | • Land Transport Authority (LTA) formed.  
      | • Road Pricing Scheme (RPS) starts along East Coast Parkway. |
| 1996 | • MRT extension to Woodlands opened for service.  
      | • Tampines Expressway completed. |
| 1998 | • Electronic Road Pricing (ERP) implemented. |
| 1999 | • LTA awarded North East Line (NEL) operating licence to SBS.  
      | • First Light Railway Transit (LRT) in Singapore began operation in Bukit Panjang. |
| 2000 | • First appearance of TV Mobile on buses.  
      | • Green Vehicle tax rebates introduced. |
| 2002 | • Contactless EZ-Link cards replaced magnetic fare cards.  
      | • KPE opened for use.  
      | • Changi Airport MRT station commenced operations.  
      | • Singapore's 1st air-conditioned bus interchange opened at Toa Payoh.  
      | • 5 older MRT stations upgraded with disabled-friendly facilities. |
| 2003 | • North-East Line, Asia's first fully automated underground system opened.  
      | • Quality of Service (QoS) standards introduced for taxi companies. |
| 2005 | • The 10.3 km 15-station Punggol LRT opened, providing residents with quick access to NEL. |
| 2006 | • A total of nine wheelchair-accessible bus services were launched to cater to commuters with special mobility needs.  
<pre><code>  | • LTA Academy was established to share Singapore’s experience and expertise in land transport and to promote the research and exchange of best practices within the global land |
</code></pre>
<table>
<thead>
<tr>
<th>Year</th>
<th>Development during the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>transport community.</td>
</tr>
<tr>
<td>2007</td>
<td>• Full Day Bus Lane Scheme launched.</td>
</tr>
<tr>
<td></td>
<td>• LTA and Traffic Police win the prestigious Prince Michael Safety Award global award for road safety.</td>
</tr>
<tr>
<td></td>
<td>• Opening of the Fort Canning Tunnel.</td>
</tr>
<tr>
<td></td>
<td>• Launch of the LTA Cares Fund to cater to the transport needs of financially and physically disadvantaged working adults and students.</td>
</tr>
<tr>
<td>2008</td>
<td>• Launch of the Land Transport Master Plan, to guide land transport development over the next 15 years.</td>
</tr>
<tr>
<td></td>
<td>• Introduction of Mandatory Give Way to Buses scheme to enhance effectiveness of bus priority measures.</td>
</tr>
<tr>
<td></td>
<td>• Launch of PublicTransport@SG portal to provide comprehensive public transport information for commuters.</td>
</tr>
<tr>
<td></td>
<td>• Opening of five Circle Line stations from Bartley to Marymount.</td>
</tr>
<tr>
<td>2010</td>
<td>• Launch of Revised Off-Peak Car (OPC) scheme which allows motorists to enjoy more perks such as unrestricted usage of OPCs on Saturdays and on the eve of five public holidays.</td>
</tr>
<tr>
<td></td>
<td>• Opening of 11 Circle Line stations from Dhoby Ghaut to Paya Lebar.</td>
</tr>
<tr>
<td>2011</td>
<td>• LTA presented with the Edmund R. Ricker Transportation Safety Council Award (Organisation) in St. Louis, Missouri for its efforts in improving safety for road users in Singapore.</td>
</tr>
<tr>
<td></td>
<td>• Circle Line reached full operation in October.</td>
</tr>
<tr>
<td></td>
<td>• Launched electric vehicle test bed.</td>
</tr>
<tr>
<td></td>
<td>• Completed Barrier Free Accessibility Enhancement</td>
</tr>
<tr>
<td></td>
<td>• Construction started for Southeast Asia’s First Ecological Corridor, Eco-Link@BKE to link two nature reserves across the expressway.</td>
</tr>
</tbody>
</table>

**Integrated planning**

Singapore suffers from the disadvantage of limited availability of land. The norm for metropolitan areas indicates that almost 12% to 13% of urban land is taken up by roads and other infrastructure. Singapore had already reached this figure, which implies that it has reached the limit of land utilization for transport infrastructure. Therefore, it becomes imperative that land use planners and transport planners work in an integrated fashion keeping in mind the constraint of land. This integration has had other obvious and very significant advantages as well, including better planning, better quality of service to citizens, cost effective solutions, etc.

Singapore uses an integrated approach to planning starting with a Concept Plan, which is the “big picture” that maps out Singapore’s long-term physical development. A Development Master Plan is then prepared, which translates the vision and broad development strategies of the Concept Plan for implementation in the medium term, together with a supporting Transport Master Plan. There is a conscious effort to integrate the transport networks and land use, both in terms of planning and implementation. This involves planning well in advance for high density developments at and around major transport nodes such as Mass Rapid Transit (MRT) stations and bus interchanges. Attention is also paid to achieve a high...
level of integration between the various transport modes at these nodes. This helps to facilitate seamless travel by commuters and encourage public transport use.

At the same time, land use policies are developed covering all modes of transport to meet the mobility needs of the people while maintaining the liveability of Singapore's urban environment. A holistic package of measures to enhance the integration of public transport, manage road use and cater for the diverse needs of people is adopted.

LTA has constantly worked to ensure integrated planning, operations and management of urban transport. Townships have been developed so as to ensure that work places and residential places are nearby and the need for transportation is minimised.

**Strategic transport plans**

Following its formation in September 1995, the LTA represented a set of goals and an action plan on land transport for Singapore to 2010. This embodied a vision oriented approach to transport planning and management rather than a problem driven approach. Transport planning has been rational and strategic and the nation has been very successful in making its urban transport system world class. The developments of MRT, LRT, bus services, vehicle population management, congestion management, integration with land use planning all reflect the integrated approach to strategic planning. It can be argued that all this was achieved because the Authority has been granted all functions related to planning and management of urban transport and all necessary powers to perform the functions.

**Integrated transport system**

Singapore learnt in the early years the importance of integration within the transport system when inefficiencies were clearly manifested in poor coordination between different public transport operators, between different transport modes of service and between agencies involved in the decision making process. LTA has applied this concept of integration to the agencies that plan, manage or operate urban transport services.

The introduction of the MRT service provided a quantum increase in Singapore’s public transport capacity at the end of the 1980s. To minimise overall wastage, it was necessary to redeploy transport resources on a national basis. Being more flexible in operations, naturally the bus services were the target of redeployment even though they had the major market share before the MRT era. One option was to allow the bus operators and MRT to compete on a free-market basis. However, the government was concerned that this would lead to operators concentrating only on profitable routes and creating highly non-uniform levels of service. The strategy considered as the best for all was one of an integrated public transport system. This meant that the various transport operators must plan their system and market it as a single entity. Currently, in Singapore there is the MRT system, which serves the needs of longer and faster trips, supplemented by the LRT and bus systems, which support the need of shorter trips and cover the regions not directly serviced by MRT.

As a result of integrated planning and management of urban transport, the city nation of Singapore has a world class, high quality transportation system. Congestion is greatly reduced in spite of growth in vehicular numbers and the constraint of limited land. The public transport system is both operationally and financially efficient and is sustainable in the long term.

**Lessons for Indian cities**

The key lessons from Singapore for the cities in India planning to establish UMTA and UTF are summarised in the table below.
### Key Initiatives/Challenges to Improve Urban Transport System

<table>
<thead>
<tr>
<th>Key Initiatives/Challenges</th>
<th>Key learning for Indian Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single authority</td>
<td>LTA was established as a statutory board solely responsible for integrated planning and development, overall management of all forms of land transport including rail transport.</td>
</tr>
<tr>
<td>Integration of public transport services</td>
<td>LTA was established by merging four existing bodies ie Registry of Vehicles, Mass rapid Transit Corporation, Roads and Transportation Division of the Public works department and Land Transport Division of Ministry of Communications, thus becoming an umbrella entity for transport. Any other authority which was earlier in charge of certain segments of transportation was divested of this power to ensure no overlap of functions.</td>
</tr>
<tr>
<td>Composition of governing body</td>
<td>LTA is an independent statutory authority which has a chief executive and at least 2 other members being appointed by the Minister of Transport on the grounds of professional expertise in the sector.</td>
</tr>
<tr>
<td>Planning and programming</td>
<td>The arrangement of a “Constellation Plan” for the new towns and connecting the residents to older areas outside their residence. Incorporating for new structures like residences is key to better planning.</td>
</tr>
<tr>
<td>Involvement of civil society is absent and lack of accountability to citizens</td>
<td>Although the LTA comprises of industry experts it does not include the key beneficiaries that is the local public in its board. Representatives of civil society are needed not only for holding the LTA accountable to their demands but also to structure plans based on actual utility and not perceived utility.</td>
</tr>
<tr>
<td>Articulation of vision, mission, objectives and goals</td>
<td>A move away from a problem solving approach to a vision oriented approach, with there being a list of goals to be achieved. However it must be noted that these two approaches are not mutually exclusive, a vision oriented approach must be a solution to the problems being faced. Integrated planning should be a</td>
</tr>
<tr>
<td>Funding that limits Vehicle Growth</td>
<td>Manage road use by implementing fees and controls that reflect the true cost of automobile use: Singapore has reduced its annual vehicle population growth from 6% fifteen years ago to 3% today though fees and surtaxes that add as much as 150% to a car’s open market value and through other mechanisms such as congestion pricing, vehicle quotas, etc and institute real-time electronic road pricing (ERP) to force motorists to internalize the externalities they impose in using their cars during peak hours. The whole policy of reducing private vehicle use has a positive feedback on existing public transport systems.</td>
</tr>
</tbody>
</table>
CITY – VI: BOGOTÁ

History and evolution

Bogotá is the capital, and largest city, of Colombia. Its metropolitan area, which includes municipalities such as Chía, Cota, Soacha, Cajicá and La Calera, had a population of around 8 million in 2010.

For many years the city suffered severe congestion due to a rapid increase in the number of private vehicles. Bus services in Bogotá were of low quality. Bus companies obtained route concessions from the government and rented the right to operate on these routes to bus owners. The bus companies did not own buses. This arrangement motivated bus companies to use as many buses as possible, which resulted in drivers competing for passengers. Compounded with a fare structure that did not recognize equipment depreciation, the result was an ever-increasing, but aging and decaying, bus fleet. In 2001 nearly 70 percent of trips shorter than 3 km were made by car.

To reduce the negative effects of private car use, the Bogotá city government developed the concept of a sustainable urban transport system. The objectives were to reduce pollution and congestion but also to encourage a more egalitarian and integrated society. The project addressed the demand side of urban transport as well as the supply side. To increase the supply of transport a bus rapid transit (BRT) system known as TransMilenio was introduced on the main transportation corridors in the city. This system was inspired by the Rede Integrada de Transporte (Integrated Transportation Network) in Curitiba Brazil. TransMilenio combines 160 passenger articulated buses that operate on dedicated bus roads (busways) and smaller buses (feeders) that operate in residential areas, bringing passengers to the main routes. The TransMilenio network consists of several interconnecting BRT lines, each with numerous stations in the centre of a main avenue. Passengers typically reach the stations via a bridge over the street. Usually, four lanes down the centre of the street are dedicated to bus traffic. There are both express and local buses, the latter stopping in every station to pick up passengers. The outer lanes allow express buses to bypass buses stopped at a station.

Bus stations allow pre-board ticketing and fast boarding. The system uses a contactless smart card (MIFARE) system, and multiple trips may be purchased for one card.

TransMilenio's first phase, which included three bus ways, was inaugurated in December 2000. Other lines have been added gradually over the next several years, and as of 2012, 11 lines totalling 87 km run throughout the city. The TransMilenio system was planned to cover the entire city by 2030.
competition in the market. It pays its operators on a basis of kilometres logged by the bus fleet rather than per passenger transported. The collection system is carried out by two private dealers. These are chosen through public bidding. They provide smart cards and the equipment providing technical services like the ticketing, security, equipment maintenance and money's bank deposit. Access control mechanisms consist of baffle gates and cash registers, located at the entrances of the stations for the card's validation.

In addition to TransMilenio, a 303 km network of bike paths and segregated lanes called Ciclorrutas has been built to encourage use of bicycles as an alternative mode of transport, and shaded sidewalks were constructed to encourage walking. TransMilenio stations at each end of a line have huge bicycle parking facilities to facilitate cyclists using the system.

On the demand side, the following travel demand management measures were implemented:

- an odd-even number plate restriction on private vehicles during peak hours called Pico y placa reduced the number of vehicles by 40 percent during these times and raised awareness of the benefits of reduced traffic
- every Sunday more than 120 km of highways were closed to motor vehicles and reserved for bicycles, skaters or walkers.
- thousands of parking spots were removed in an attempt to make roads more pedestrian-friendly
- public parking fees were increased
- a petrol tax was imposed that increased its price by 20 percent.

Revenue obtained from the increased fees and taxes was earmarked for road maintenance and the development of the BRT system.

Institutional arrangements

There are three levels of Government in Columbia - central, department, and municipal. Bogotá is designated by the national constitution as the capital of the department of Cundinamarca, though the city of Bogotá now comprises an independent Capital District and no longer belongs administratively to that department.

The Constitution and other laws allocate responsibilities for planning and service provision between central and municipal levels of government.

For the urban transport sector, the central government is responsible for:

- setting broad policies
- enacting the general rules that establish the requisites, conditions and procedures regarding market access, safety standards, delegation of responsibility between levels of government, and coordination of local and national authorities
- identifying critical projects and helping the other levels of government fund and implement them
- promoting participation of private capital in financing an operation of transport infrastructure within its constitutional mandate of not allowing monopolies and promoting efficiency in public service provision.

Municipal governments are responsible for:

- planning urban transport and urban development, which entails defining financing structures, defining infrastructure requirements for the different transport modes, and setting bus routes and fares
- funding the construction, operation, and maintenance of urban transport infrastructure
• partnering with the private sector for funding infrastructure, provision of public transport, construction and operation of traffic light systems, provision of administrative procedures, and any other aspect pertaining to the urban transport system
• regulating and supervising the provision of urban public transportation
• traffic management within their boundaries.

La Secretaría Distrital de Movilidad (the District Department of Transportation) was created in 2006 to guide and lead the policy-mobility system to meet the requirements of the movement of passengers and freight in urban areas, both vehicular and pedestrian, and expansion into rural areas of the Capital District as part of the Capital District interconnection network with central cities, the country and abroad. It has overall responsibility for transport planning and regulation in the Capital District of Bogotá. The purpose of the Department is to design and manage mobility as a whole, transcending the strictly operational traffic work that the former Ministry of Traffic and Transportation undertook.

Other public institutions involved in design, planning and investment in transport are:
• the Bogotá Mayor’s office
• FONDATT (Fondo de Educación y Seguridad Vial - The Fund for Education and Road Safety of the Department of Transportation)
• El Instituto de Desarrollo Urbano (the Urban Development Institute)
• El Instituto Distrital de Cultura y Turismo (the District Institute of Culture and Tourism)
• Department of Planning
• Department of Finance, and
• Metrovivienda - the City of Bogotá’s main mechanism for the development of affordable housing.

Scope
The District Department of Transportation has overall responsibility for transport planning and regulation in the Capital District of Bogotá. It has the following functions:
• Formulate and guide policies on the regulation and control of traffic and urban public transport in all its forms, inter-modality and improving mobility conditions, and the development of road and transport infrastructure
• Serve as transit and transport authority
• Leading and guiding policies for the formulation of plans, programs and projects of construction, maintenance and rehabilitation of road and transport infrastructure in the Capital District
• Develop and implement plans and programs for mobility in the short, medium and long term in the framework of the Land Use Plan
• Design, develop, implement, regulate and control, as the authority of transit and transport policies on transit and transportation in the Capital District
• Formulate and guide policies on democratization mass transit system and collective public
• Orient, develop and plan the Urban Public Transport Service, in all its forms, in the District and its area of influence
• Participate in policy design and construction mechanisms and economic exploitation of the passenger, cargo and transfer terminals
• Plan, coordinate and control the operation, among other mechanisms of road safety, the traffic lights and road segments signalling in the Capital District

• Participate in the development, regulation and implementation of the Plan of Land, in the Capital District with regional scope for the formulation of policies and joint development plans and policies and urban development plans of the Capital District

• Design, develop and implement plans and programs for driver education

• Control, in accordance with applicable regulations, municipal transportation in the jurisdiction of the Capital District

• Manage Information Systems

• Without prejudice to the jurisdiction of the mayor, establish and adopt internal and functional organization of the Central Sector organizations.

Basically the role of the District Department of Transportation is to implement policies related to the transit component of the mobility system, to address the organizational requirements, monitoring and controlling the movement of passengers and cargo and regulation and control of individual public transport, private transport, bicycle transportation, motorcycles and animal-drawn transport. This includes: monitor compliance with traffic rules; regulate and monitor the traffic light signalling system; ensure compliance with the rules on motor vehicles; arrange the issuance of driving licenses and regulations apply to the operation of automotive schools; regulate and control the individual public transport; regulate and control the non-motorized modes of transport and pedestrians; undertaking road safety campaigns; assume the regulatory and control functions that are transferred to the Capital District by the National Government on transit; implement control measures regarding the regulation of public parking and parking on roads and public spaces.

The Bogotá Urban Development Institute (UDI) was created in 1972 and has the following functions:

• formulate policies and proposals for urban sector mobility

• formulate and define policies and strategies regarding land management, social, environmental and comprehensive security

• Lead and guide the formulation, design and implementation of plans and programs for the development and control of infrastructure projects, and maintenance, rehabilitation and infrastructure monitoring of existing systems of mobility and public space.

• Lead and guide the implementation of diagnostic studies, feasibility, monitoring and evaluation of plans, programs and projects for mobility systems and public space.

At the city level the city government Secretariat for Transportation and Transit (STT) is responsible for:

• issuing regulations specific to the City of Bogotá and enforcing those regulations, as well as those mandated by the central government

• authorizing the creation of bus companies and for supervising them

• authorizing new bus routes and determining the schedules, frequency, and determining the fleet a bus company needs to serve the assigned routes.

STT oversees bus transport outside of the TransMilenio system and is responsible for enforcing both central government laws for urban transport and city laws in the Bogotá metropolitan area. In theory, STT is in charge of planning and supervising the provision of
bus services in Bogotá. However, it does not have the organizational capacity to adequately perform these responsibilities. This translates into a poor operation of the transportation system, particularly because STT cannot supervise the bus companies or enforce regulations to the desired extent.

**Legal basis**
The District Department of Transportation is a government organization created by Decree with administrative and financial autonomy.
The Bogotá Urban Development Institute (UDI) was created by an Agreement under a Decree Law.
TransMilenio is created as a company by law. The company is required to have the bus companies that previously operated on TransMilenio routes as shareholders.
STT is a department of the Bogotá city government.

**Development and mobility plans**
The Mobility Master Plan, Development Plan and the Plan for Territorial Provisions, identify mobility as one of the determinants of improved productivity of the city and the region through coordinated actions with the road system, transport, regulation and control of traffic.
The Bogotá Development Plan 2012 – 2016 issued in May 2012 includes a human mobility program in which pedestrians and cyclists are prioritized as primary actors of the road and mass transit modes. The plan contains the following strategic projects:

- Total investment of Peso 2,133,944 million (Rs. 65,010 million) for expansion, improvement and maintenance of road and pedestrian infrastructure.
- Investment of Peso 8,845,000 million (Rs. 269,550 million) to build and integrate the heavy metro network, the light rail network and two cable lines that would connect city areas with difficult access to the mass transit network.
- Peso 2,280,000 million (Rs. 69,427 million) for two new TransMilenio trunk lines.
- Investments of Peso 189,400 million (Rs. 5,780 million) in road infrastructure in order to connect the access points of the city to the region.
- Promotion of non-motorized transport and pedestrian “ciclousuarios” through expanding and optimising the network of bike paths through a public bike project, with a projected budget of Peso 238,268 million (Rs. 7,275 million).
- Creation of safe pedestrian environmental networks at a cost of Peso 1,153,715 million (Rs. 35,225 Million).

Other projects included within the human mobility program of the Development Plan are: congestion charging, intelligent transportation, and parking management.

**Financing arrangements**
The public sector financial resources for implementing the BRT came from an increased fuel tax (46%), local revenues (28%), a credit from the World Bank (6%), and grants from the central government (20%). Half of the 25 percent tax on petrol in Bogotá is used for continued expansion of TransMilenio. Fares collected in the TransMilenio system only cover operational costs; the public financed component is not repaid.

Since 2002 the World Bank has been supporting the National Urban Transport Program. This program concludes in 2016. Total government commitments from 2009 until completion is approximately US$1.9 billion for nine of the ten participating cities, of which US$1.3 billion is provided from the World Bank.
Transmilenio derives its income from 4 percent of the fares paid by passengers on the service, transfers from the city government, and secondary activities such as advertising at stations. Its operational expenses include busway and station operation and maintenance, and service programming and supervision.

Fares are collected by a private concession holder, and are deposited daily in a trust fund. Moneys are paid out weekly in accordance with contracts. Trunk line operators are paid for the kilometres logged for by each bus, plus or minus bonuses or penalties to incentivize service quality. Payment for feeder line operators and the fare collector is based on a combination of payment per kilometer and the number of passengers served. Feeder line operators can receive up to 20 percent of the fare.

By paying operators per kilometre TransMilenio erases the dangerous competition for passengers in the previous system. To ensure that operators stop at stations to collect passengers, TransMilenio has in place a system to supervise operations. Because the contract between TransMilenio and the operator assigns demand risk to the operator, the operator has an incentive to provide a high-quality service to attract more passengers. If more passengers than estimated use the system, the extra revenue goes almost entirely to the operator. If demand is lower than initially expected, then the operators’ return is lower.

**Current performance**

Implementation of the sustainable urban transport system in Bogotá was facilitated by:

- the initiative and motivation was taken at the city level
- a high level of political authority was vested in the Mayor
- legal powers to acquire land and close roads were effective
- progressive implementation of the strategy contributed to its acceptability
- public referenda were used to obtain support for the strategy and the authority of the mayor to implement it
- private transport operators benefited from the system
- a high level of professional capability was assembled to design and implement the strategy.

Since the introduction of the BRT, air pollutants within Bogotá decreased by 40 percent, and in the corridors where the system operates, there was an observed reduction of 92 percent in fatalities, 75 percent in injuries and 78 percent in collisions. Additionally, robberies at transit stops were reduced by 83 percent.

According to a 2010 study by Manuel Olivera, Colombia’s director for the Clinton Climate Initiative, the TransMilenio has reduced particulate emissions by 1,000 metric tons a year, saved Bogotá $60-70 million in health care costs from decreased respiratory and other ailments and reduced carbon emissions by more than 1.7 million tons between 2006-2009 alone. It has also already earned Bogotá US$3 million in direct carbon reduction payments under the Kyoto Protocol.

The system is run without any operational subsidies, yet the performance capacity is comparable to that of heavy rail transit systems (metro and regional rail), at a fraction of their capital cost. TransMilenio can achieve capacities of approximately 50,000 passengers per hour commuting in one direction. Each day 1.7 million passengers - approximately 30% of the city’s public transport demand - travel on the TransMilenio in Bogotá.

Based on data form 2009 - trips by TransMilenio result in an average time saving of about 32%. This comes out to be approximately 20 minutes per trip as compared to the traditional
bus system. The program has scrapped more than 2,100 old buses, and reduced noise levels by 3-10 decibels.

Planners at TransMilenio accept that contracts with the operators are not perfect. Sometimes negotiations lead to friendly solutions. But other times TransMilenio would prefer to have a regulatory body it could resort to. Strictly speaking, this body is the Secretariat for Transportation and Transit (STT). But STT is a weak agency, often prey of power imbalances that favour the traditional bus companies, particularly those not interested in allowing the TransMilenio project to operate on new corridors.

Part of TransMilenio’s success is due to having both strong operators and a strong government agency – the Transmilenio Company.

While Bogotá hosts a world-class bus rapid transit system, Transmilenio, on most main thoroughfares, most public transport users are still dependent on rickety old belching buses. There are no alternatives on most routes. Plans for a metro have not eventuated.

Although the system carries commuters to numerous corners of the city, it is more expensive than other public transport except taxis, and fares increase with petroleum fuel prices. As of 2011 the price of a ticket was C$1700 (about US$0.85); however, a single ticket allows unlimited transfers until the passenger leaves the system, and passengers travel on feeder routes for free. TransMilenio does not yet cover some main routes, and buses are overcrowded.

One outstanding issue is the lack of a sound regulatory framework defining the responsibility and scope of STT and Transmilenio. There is an institutional conflict between the two agencies because both can regulate public transport, both strive for organizational survival, and both have support from their operators. STT’s dual role as regulator and also contractor of public transport services carries inherently a conflict of interest.

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Recently the TransMilenio has become a victim both of its own success and of official neglect. It became overloaded as the capital’s population grew over a decade and two consecutive city administrations did almost nothing to expand it. A protest in March 2012 evolved into battles between protesters and riot police. The violence came as Bogota’s new mayor, former M-19 leftist rebel Gustavo Petro, sought to renegotiate contracts with some of the system’s 26 concessionaires that expire in 2014. He claimed that the city deserves more than 5 percent of the TransMilenio’s profits because it provides the infrastructure and security.

Lessons for Indian cities

The key lessons from Bogotá for the cities in India planning to establish UMTA and UTF are summarised in the table below.

<table>
<thead>
<tr>
<th>Key Initiatives/Challenges to Improve Urban Transport System</th>
<th>Key learning for Indian Cities</th>
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</thead>
<tbody>
<tr>
<td>Urban transport responsibilities in the Constitution</td>
<td>The Columbia Constitution clearly divides urban transport responsibilities between the central and municipal levels of government.</td>
</tr>
<tr>
<td>Strengthening institutions</td>
<td>A transport authority, with administrative and financial autonomy, has been created for the Capital District of Bogotá by a Central Government Decree. The Authority has overall responsibility for transport planning and regulation in the Capital District. It does</td>
</tr>
<tr>
<td>Key Initiatives/Challenges to Improve Urban Transport System</td>
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<td>-------------------------------------------------------------</td>
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<tr>
<td><strong>Sustainable transport</strong></td>
<td>Bogotá’s transport has been transformed from a chaotic mess where 70% of trips under 3 km were by car prior to 2000, to a world leader in sustainable transport today. Reforming Mayors restricted traffic during peak hours to reduce rush hour traffic by 40 percent and convinced the City Council to increase the tax on gasoline with half of the revenues generated by the increase used to introduce a BRT system. Facilities for walking and cycling were also built. Pedestrians and cyclists are prioritized as primary actors of the road and mass transit modes in the Bogotá Development Plan.</td>
</tr>
<tr>
<td><strong>Staffing</strong></td>
<td>The organisation responsible for transport planning and regulation in the Capital District has appropriate technical and other staff.</td>
</tr>
<tr>
<td><strong>Planning and programming</strong></td>
<td>Overall transport planning is done by the transport authority, detailed planning and implementation of the BRT is done by the BRT system owner, main line and feeder services are supplied under contract by private operators.</td>
</tr>
<tr>
<td><strong>Involvement of stakeholders</strong></td>
<td>Stakeholders are involved by formal consultation on development and transport plans.</td>
</tr>
<tr>
<td><strong>Handling resistance to change by agencies and organizations currently involved in transport operations and management.</strong></td>
<td>There was much resistance to the reforms, particularly from corrupt politicians and those they favoured. The reforming Mayors stood by their principles and worked hard to find a way to achieve their objectives. Private owners of buses on routes to be replaced by the BRT were made shareholders in the BRT company.</td>
</tr>
<tr>
<td><strong>Articulation of vision, mission, objectives and goals</strong></td>
<td>The reforming Mayors spent much time and effort articulating their vision and the objectives of sustainable transport.</td>
</tr>
<tr>
<td><strong>Political risks</strong></td>
<td>The reforming Mayors sacrificed their political careers to bring about the reforms.</td>
</tr>
<tr>
<td><strong>Relationship with national government</strong></td>
<td>The central government supported the reforms but the initiative mostly came from the Bogotá Mayor.</td>
</tr>
<tr>
<td><strong>Transport funding</strong></td>
<td>Fares collected in the BRT system only cover operational costs; the public financed component is not repaid.</td>
</tr>
</tbody>
</table>
OTHER INTERNATIONAL EXAMPLES

Charges on Fuel (California)

Sources of funds

Public transportation in California is funded from two main sources:

a. excise taxes on gasoline and diesel fuel,
and
b. sales tax on gasoline and diesel fuel.

In 1971 California state government enacted Transportation Development Act (TDA). The TDA provides two funding sources:

1. Local Transportation Fund (LTF), which is derived from a 0.25 percent of the general sales tax collected statewide.
2. State Transit Assistance fund (STA), which is derived from the statewide sales tax on diesel fuel.

Use of State General Sale Tax & Sales Tax on Gasoline:

Through TDA 0.25% of the money collected from the state sales taxes is dedicated for spending for public transport. The funds are distributed to the individual counties and are administered by a Local Transportation Fund (LTF) created in each county.

However, the TDA also extended a 5% state sales tax to gasoline and used funds collected by this to compensate the general fund for the funds taken out for use for public transport. In certain periods the amount collected from 5% state sales tax on gasoline may be higher than the 0.25% state sales tax. In such a case the extra amount is referred to as spillover amount and is supposed to be used for public transit.

Use of State Sales Tax on Diesel:

State Sales tax on Diesel is deposited into the Public Transportation Account (PTA). This PTA has other sources of revenues as well. For example, spillover money as mentioned above is also deposited into PTA, also a small amount of money is available from the State Highway Account to support transit through the State Transportation Improvement Program.

More than half of PTA funds flow to the State Transit Assistance Program (which has State Transit Assistance Fund - STAF) for mass transit operations and capital projects.

Allocation and Utilisation of funds:

The funds from LTF and STA are used for various purposes including:

- Planning and program activities,
- Pedestrian and bicycle facilities,
- Community transit services,
- Public transportation, and bus and rail projects.
- These may be used also for local streets and roads, construction and maintenance.

The STA fund can only be used for transportation planning and mass transportation purposes.

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799 Transportation Development Act - Statues and California Codes of Regulation - Caltrans
The funds are allocated to each county for its LTF based on the general sales tax collected in each county.

The STA funds are allocated to the planning agencies and other selected agencies by formula which requires that 50% of STA funds be allocated according to population and 50% be allocated according to operator revenues from the prior fiscal year.

**Other sources of Funding:**

Besides these two major sources of funding, state of California also raises funds by way of issue of Bonds. The basic argument and advantage of this is that funds can be raised in lump sum amounts when the currently available funds are not sufficient. The state of California issues three types of bonds related to transportation:

- **General Obligation (GO) Bonds:** GO bonds are backed by the state’s General Fund.
- **Lease-Revenue Bonds:** The state typically uses lease-revenue bonds to finance the construction and renovation of state facilities, such as CalTrans buildings. Unlike GO bonds, lease-revenue bonds are not backed by the full faith and credit of the state.
- **Revenue Bonds:** The state uses revenue bonds to finance revenue-producing projects, such as toll bridges or parking structures. Revenue bonds are repaid with the revenues produced by these projects.

**Management of funds**

The responsibilities of the different entities are as listed below:

- **State Government** -- Responsible for governing statutes, oversees funding program, allocations to cities and counties, reviews transit financial and performance audits;
- **Regional Transportation Agencies, local government** – Responsible for authorizing funding to local transportation agencies, ensure public participation process and needs assessment are conducted;
- **Transportation operators** – Receive capital and operating funds for transportation projects; and
- **Public Works Departments** – Under certain conditions, receive funding for streets and roads maintenance.

**Learning for India:**

First of all, the overall funding pattern has been implemented through an Act. Such legal backing ensures smooth process of collection, allocation and utilization of the funds.

Second, as a source of funding we may also judiciously utilize certain taxes (by whatever name these may be referred to viz. excise tax, sales tax, cess etc.) on sale of fuels to fund public transport services. These are considered to be directly related to transport and hence taxes on these are clearly justified. However, the socio-economic characteristics of Indian population need to be taken into account before implementing this funding scheme.

Third, to ensure that sufficient amounts are available for funding transport California has dedicated certain portion of general sales tax rather than sales tax on gasoline (referred to as petrol in India) directly. This is like saying that a certain portion of funds collected by the state government may be dedicated for use in public transport.

This system may be used in India, however detailed analysis needs to go behind this in estimating what percentage of sales tax and if any at all can be used, given the limitations of the funds available with the government and the requirements of funding in other sectors.

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800 Transportation Development Act - Statues and California Codes of Regulation - Caltrans
Versement Transport (VT)

Sources of funds

In France public transport is funded by following major sources:

1. Users (through ticketing),
2. Companies (through the Versement tax),
3. Local government contributions and
4. French government (through the subsidy allocated to school transport).

Rationale of charging Versement Tax

Based on the premise that the presence of public transport system financially benefits the companies by facilitating the commuting of its employees without any financial burden on the company itself, in 1971 a tax known as Versement Transport was implemented through an Act according to which the employers with 9 or more employees are required to contribute to the funding of the investment in public transport system.

Collection of Versement Tax

This tax is calculated as a percentage of a company’s total payroll costs and is collected by Social Security and transferred to the transit authority (SITF in Ile de France). The tax rate is determined by the individual local authorities, and also a ceiling is imposed by the State.

Allocation and Utilization

The Syndicat des transports d’Île-de-France (STIF), which is the Autorité Organisatrice De Transport Urbain (AOT, “Urban Regional Transport Authority”) for the Île-de-France (one of the 27 administrative regions of France which included Paris and is popularly known as Paris Region) allocated the revenues collected from Versement Tax to the service operators viz.:

- Régie autonome des transports parisiens (RATP, the metropolitan transport authority),
- Société nationale des chemins de fer français (SNCF, the state railway operator) and
- Optile group (private companies that operate bus lines in the suburbs).

VT has proved to be a sustainable source of funding. The revenues generated by way of this tax are used for financing both the operation and capital investment requirements.

Contribution to Total Funding

In 2010, nearly 37% (€3,016 million) of the Ile de France region’s public transport operating revenues came from the ‘versement transport’.

Lessons for India

Firstly, the success of this system has been enabled by a clear national legal framework. Secondly, the collection and allocation system in France has been wisely devised by using the Social Security agencies for collection from where the funds are transferred to the transit authority, which in turn handle the allocation part.

Similar approach may be adopted in Indian context where the collection from employers can be done by relevant agencies such as provident fund organizations, tax department or any other national agency.

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801 Funding Urban Public Transport – Case study Compendium – International transport Forum - OECD
other body. The funds thereby collected may be transferred to the Metropolitan UMTAs in proportion to the revenue collected from such Metropolitan Area.

Thirdly, in India some employers provide commuting facilities to their employers hence, there may be resistance from the employers for payment of such taxes; in such a case a legal backing by an Act would be useful.

Fourthly, this would be a sustainable source of funding and could contribute significantly to meet the funding requirements of urban transport in India. However, there would remain a disparity among different metropolitan areas with respect to the revenue potential.

**Vale Transport**

**Funding urban transport in Brazil - Vale Transporte System**

In 1987 in Brazil an employer subsidized public transport legal scheme by the name of “Vale Transporte” system was introduced.

**Mechanism of the scheme:**

Under this scheme the employers are obligated to provide for the employee’s public transport expenses at a deduction of 6% of the salary. The employer buys public transport vouchers from the transit authority and provided them to the employees.

**Advantages and Disadvantages of this scheme:**

- It promotes and incentivizes the use of public transport system
- The cost to employees is fixed at 6% of their salaries. Any increase in the fares does not affect their outflow.

A drawback of this scheme is that it is available only to formal sector employees.

**Lessons for India**

Firstly, as with the all cases mentioned above this too is supported by an Act.

Secondly, besides generating additional revenue this is a very effective system for incentivizing the users to shift to Public transport system.

Thirdly, Employers are also incentivized by way of tax deductibility on the expenses incurred by them on their employees’ commutation.

Although this system may be a promising way of incentivizing shift to public transport, it would need technological investments (for electronic cards, monitoring mechanisms) for the proper implementation of the system.

It is also expected that the acceptability of the system by the employers would be limited given that transport taxes (as per the French model) are charged from them.

There must be availability of good public transport system to justify shift to public transport system. In India some employers provide commuting facilities to their employees, such employees would resist incurring additional costs for their public transport systems, Even the employees prefer the use of commuting facilities provided by their employers rather than
using the public transport system because the facilities provided by their employers are generally better than the public transport system.

**Green Tax**

Taxation system can be useful in incentivizing use of low emission vehicles. For example, in Germany a new tax system was introduced in 2009 that imposes larger tax burden on environmentally unfriendly vehicles.

Similarly in December 2007 France initiated a system of green taxes on cars and bonuses for cleaner vehicles. A one-off penalty of up to €2,600 has to be paid when buying a new car emitting more than 160 grams of CO\(_2\) per km while buyers of more environmentally-friendly cars receive a bonus.

Besides raising some funds such system support environment sustainability as well. Such sources may be considered in Indian context as well. The ease of implementation of such system is another advantage.

**Congestion Pricing**

Congestion pricing as a source of revenue is used in Singapore, Netherlands and United Kingdom and in some Norwegian cities as well. Congestion charging is designed to reduce the number of vehicles travelling in urban zones by charging users to enter the designated zones. It can be used to reduce congestion in city centres by:

- Encouraging a modal shift towards public transport;
- Discouraging motorists from using their vehicles at certain times, or from taking certain routes.

It is envisaged that implementation of congestion pricing system would be challenging in Indian context in terms of the technological capabilities required, the costs involved in administering, the opposition form the general public (given the public transport system is still not a world class system), longer implementation times etc.

**Higher taxes resulting in higher Acquisition costs**

In Denmark and Hong Kong, acquisition taxes that approximately triple the cost of cars have been major factors limiting motorization. This system is easy to implement as it just requires increase in taxes. Although gradually the taxes on vehicles may be increased, sudden increase of taxes to triple the cost of cars would often be accompanied by public oppositions.

**Differential Pricing**

Differential pricing is a mechanism of raising additional revenues by charging different amounts over different periods or in different areas or on different routes etc. Examples of such practices include:

**Washington, D.C.:**

There are off-peak fares on Metrorail (between $1.35 (€0.95) and $2.35 (€1.66) depending on the distance travelled).

**Seoul Korea Road Pricing Measures:**

In 1996 the Seoul metropolitan government commenced charging 2,000 won (US$2.20) for the Namsan #1 and #3 tunnels, two corridors with high private vehicle use. Charges were set for one- and two-occupant private vehicles (including driver) and collected in both directions per entry or exit from 7:00 a.m. to 9:00 p.m. during weekdays and from 7:00 a.m. to 3:00 p.m. on Saturdays.

Private cars with three or more passengers, taxis, and all kinds of buses, vans, and trucks were exempted from charges, as was all traffic on Sundays and national holidays.
Results:

- 34 percent reduction in peak-period passenger vehicle volumes,
- the average travel speed increased by 50 percent, and the number of toll-free vehicles increased substantially in both corridors.
- On the alternative routes, traffic volumes increased by up to 15 percent, but average speeds also increased.
- The collected revenue (equivalent to about US$15 million) goes into a special account used exclusively for transport projects.

Such differential pricing measures may be adopted in India as well. In case of differential pricing by operators the revenue may go to the operators themselves. In case of differential pricing on roads as provided in the above case, the administrative job of collection of revenues may be done by the state government and the collected funds may be transferred to relevant UMTA.

Parking charges

In Sibiu, Romania, the parking charges in the city center are higher by 50% as compared to peripheral areas. Also parking in central area is limited to 4 hours. This may also be considered an example of differential charging.

In India the parking charges are usually collected by the Cities. Since the infrastructure is provided by the city and the management of parking is also done by the city, it is not fair for UMTA to have the right of revenues collected therefrom. However, since parking is considered closely related to the urban transport, UMTA which is envisaged to be responsible for any functions related to urban transport may be entitled to collection of a cess on parking charges. It is however, not unwise on the part of the agency managing the parking to implement differential parking charges for different areas and different timings.
ANNEXURE - V: INDIAN CITIES FOR REVIEW
This annexure first presents information on Indian cities and progress with implementing UMTA and UTF. Then sets out the selection criteria and approach adopted for the identification of metro (population > 4 million), medium (population between 1 million and 4 million) and small (population between 1 million and 2 million) cities to be studied in more detail.

According to the 2011 census of India, there are 46 cities and 53 metropolitan areas with population more than 1 million. There are 17 cases of UMTA establishment including UMTAs at city, cluster of cities and state levels. The UMTA in Chennai is created by its own Act. The UMTA in Hyderabad is created under a provison in the Hyderabad Metropolitan Development Authority Act, and in Delhi, a unified traffic and transportation infrastructure (planning & engineering) centre (UTTIPEC) has been established under the Delhi Development Act. All the other UTMAs are established by executive order. Kochi, which has a city population less than 1 million but a metropolitan area population greater than 2 million, is currently working on establishing a UMTA. Recently a government order for establishment of UMTA in Kochi was passed.

Only 11 cases of UTF establishment have been observed. In state of Karnataka a state level UTF is there, while there are city level UTFs for Bengaluru (Bangalore) and Mysore. Other UTFs include Ahmedabad, Hyderabad, Rajasthan, Madhya Pradesh, Pimpri-Chindwad, Pune, Naya Raipur and Surat. A state level UTF has been established for urban areas in Madhya Pradesh. Also a UTF has been established for Naya Raipur, the new capital city of Chhattisgarh State.

The situation with regard to UMTA and UTF is shown in the following tables.

**Metro Cities**

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Metropolitan Population</th>
<th>City Population</th>
<th>UMTA Established</th>
<th>UMTA Proposed</th>
<th>UTF Established</th>
<th>UTF Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mumbai</td>
<td>18,414,288</td>
<td>12,478,447</td>
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<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2</td>
<td>Delhi</td>
<td>16,314,838</td>
<td>11,007,835</td>
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<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3</td>
<td>Bengaluru</td>
<td>8,499,399</td>
<td>8,425,970</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>4</td>
<td>Hyderabad</td>
<td>7,749,334</td>
<td>6,809,970</td>
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<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>5</td>
<td>Ahmedabad</td>
<td>6,352,254</td>
<td>5,570,585</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>6</td>
<td>Chennai</td>
<td>8,696,010</td>
<td>4,681,087</td>
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<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>7</td>
<td>Kolkata</td>
<td>14,112,536</td>
<td>4,466,679</td>
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<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>8</td>
<td>Surat</td>
<td>4,585,367</td>
<td>4,462,002</td>
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<td></td>
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</tr>
</tbody>
</table>

*1 unified traffic and transportation infrastructure (planning & engineering) centre

**Medium Cities**

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Metropolitan Population</th>
<th>City Population</th>
<th>UMTA Established</th>
<th>UMTA Proposed</th>
<th>UTF Established</th>
<th>UTF Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Pune</td>
<td>5,049,968</td>
<td>3,115,431</td>
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<td>10</td>
<td>Jaipur</td>
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<td>3,073,350</td>
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<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>11</td>
<td>Lucknow</td>
<td>2,901,474</td>
<td>2,815,601</td>
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<td></td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>12</td>
<td>Kanpur</td>
<td>2,920,067</td>
<td>2,767,031</td>
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<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>13</td>
<td>Nagpur</td>
<td>2,497,777</td>
<td>2,405,421</td>
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<td>✓</td>
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</tbody>
</table>
Small Cities

<table>
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<tr>
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<th>State</th>
<th>Metropolitan Population</th>
<th>City Population</th>
<th>UMTA Established</th>
<th>UMTA Proposed</th>
<th>UTF Established</th>
<th>UTF Proposed</th>
</tr>
</thead>
<tbody>
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<td>Madhya Pradesh</td>
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<td>1,960,631</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Thane</td>
<td>Maharashtra</td>
<td>1,818,872</td>
<td>1,818,872</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
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<td>Bhopal</td>
<td>Madhya Pradesh</td>
<td>1,883,381</td>
<td>1,795,648</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Vishakhapatnam</td>
<td>Andhra Pradesh</td>
<td>1,730,320</td>
<td>1,730,320</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Pimpri Chinchwad</td>
<td>Maharashtra</td>
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<td>1,729,359</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Bihar</td>
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<td>1,683,200</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Uttar Pradesh</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>1,574,542</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>1,486,973</td>
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<td>✓</td>
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<td>Haryana</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Meerut</td>
<td>Uttar Pradesh</td>
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<td>1,309,023</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Gujarat</td>
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<td>1,286,995</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Maharashtra</td>
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<td>1,246,381</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
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<td>1,119,477</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Uttar Pradesh</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Jharkhand</td>
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<td>1,073,440</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Haora (Howrah)</td>
<td>West Bengal</td>
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<td>1,072,161</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
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<td>1,048,240</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Jodhpur</td>
<td>Rajasthan</td>
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<td>1,033,918</td>
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<td>✓</td>
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<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
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<td>Rajasthan</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
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<td>846,915</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Jamshedpur</td>
<td>Jharkhand</td>
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<td>✓</td>
<td>✓</td>
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</tr>
<tr>
<td>Bilai</td>
<td>Chhattisgarh</td>
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<td>625,697</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>City</td>
<td>State</td>
<td>Metropolitan Population</td>
<td>City Population</td>
<td>UMTA Established</td>
<td>UMTA Proposed</td>
<td>UTF Established</td>
<td>UTF Proposed</td>
</tr>
<tr>
<td>------</td>
<td>-------</td>
<td>-------------------------</td>
<td>-----------------</td>
<td>------------------</td>
<td>---------------</td>
<td>----------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Kochi</td>
<td>Kerala</td>
<td>2,100,000</td>
<td>601,574</td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Details of UMTA Establishment

<table>
<thead>
<tr>
<th>S No.</th>
<th>State</th>
<th>UMTA for Coverage</th>
<th>Chaired By</th>
<th>Formed under</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Andhra Pradesh</td>
<td>✅</td>
<td>Chief Secretary</td>
<td>Legislation</td>
<td>Created September 2008</td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td>✅</td>
<td>NA</td>
<td>Executive Order</td>
<td>Created in 2009</td>
</tr>
<tr>
<td>3.</td>
<td>Goa</td>
<td>✅</td>
<td>Executive Order</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Jharkhand</td>
<td>✅</td>
<td>Chief Secretary</td>
<td>Executive Order</td>
<td>Created in 2009</td>
</tr>
<tr>
<td>5.</td>
<td>Karnataka</td>
<td>✅</td>
<td>Chief Secretary</td>
<td>Executive Order</td>
<td>Bangalore Metropolitan Land Transport Authority created in 2008</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✅</td>
<td>Secretary, UDD</td>
<td></td>
<td>Mysore City Land Transport Authority created in 2010</td>
</tr>
<tr>
<td>7.</td>
<td>Maharashtra</td>
<td>✅</td>
<td>Chief Secretary</td>
<td>Executive Order</td>
<td>Created in 2008</td>
</tr>
<tr>
<td>8.</td>
<td>Manipur</td>
<td>✅</td>
<td>Minister of Transport</td>
<td>Executive Order</td>
<td>Vide Order of the Governor 4 Aug. 2010</td>
</tr>
<tr>
<td>9.</td>
<td>Nagaland</td>
<td>✅</td>
<td>Deputy Commissioner</td>
<td>Executive Order</td>
<td>Created in 2011</td>
</tr>
<tr>
<td>10.</td>
<td>Orissa</td>
<td>✅</td>
<td>Chief Secretary</td>
<td>Executive Order</td>
<td>Created in 2009</td>
</tr>
<tr>
<td>11.</td>
<td>Rajasthan</td>
<td>✅</td>
<td>Chief Executive</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Annexures to Final Report – State of the Art Review & Structures for UMTA and UTF

**January, 2014**

**Developing Operations Documents for Urban Metropolitan Transport Authority and Urban Transport Fund**

<table>
<thead>
<tr>
<th>S No.</th>
<th>State</th>
<th>UMTA for</th>
<th>Coverage</th>
<th>Chaired By</th>
<th>Formed</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.</td>
<td>Tamil Nadu</td>
<td></td>
<td>the state</td>
<td>Secretary Order</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>12.</td>
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<td>✓</td>
<td>Chennai</td>
<td>Minister in Charge of Transport</td>
<td>Legislation</td>
<td>Created in 2010</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
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<td></td>
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<td>Agartala</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
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<tr>
<td>14.</td>
<td>Uttar Pradesh</td>
<td>✓</td>
<td>All urban areas in the state</td>
<td>Chief Secretary</td>
<td>Executive Order</td>
<td>Created in 2009</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>West Bengal</td>
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<td>Kolkata, Asansol</td>
<td>Chief Secretary</td>
<td>Executive Order</td>
<td>Notification on 10 Dec. 2010</td>
</tr>
</tbody>
</table>

Provision for creation of UMTA is included in the Hyderabad Metropolitan Development Authority Act 2008.

### Details of UTF Establishment

<table>
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<tr>
<th>S No.</th>
<th>State</th>
<th>UTF for</th>
<th>Coverage</th>
<th>Managed By</th>
<th>Formed under</th>
<th>Remarks</th>
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<tbody>
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<td>Naya Raipur City</td>
<td>Naya Raipur DA</td>
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<tr>
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<td>Ahmedabad City</td>
<td>Executiv e Order</td>
<td>Created February 2008</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Gujar at</td>
<td>✓</td>
<td>Surat City</td>
<td>Executiv e Order</td>
<td>Created February 2008</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Karnataka</td>
<td>✓</td>
<td>Bengaluru (Bangalore) metropolitan area</td>
<td>Directorate of Urban Land Transport</td>
<td>Created 2010</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓</td>
<td>Other urban areas in the state</td>
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<td></td>
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<tr>
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<td>Madhya Pradesh</td>
<td>✓</td>
<td>All urban areas in the state</td>
<td>State UMTC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Maharashtra</td>
<td>✓</td>
<td>Pimpri-Chhindwad City</td>
<td>PCIC</td>
<td>Created September 2008</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Rajasthan</td>
<td>✓</td>
<td>Jaipur City</td>
<td></td>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Tamil Nadu</td>
<td>✓</td>
<td>Chennai</td>
<td>UMTA</td>
<td>Legislati on</td>
<td>Created in 2010</td>
</tr>
</tbody>
</table>
Basis for City Selection

The key parameters used for selection of cities for more detailed study with a view to understanding the requirements of metro, medium and small cities, the types of initiatives being adopted by them, legal and institutional framework used for setting up of UMTA/UTF, etc. are described in the table below.

<table>
<thead>
<tr>
<th>PARAMETER</th>
<th>DEFINITION/RATIONALE</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-going Initiative for setting up of UMTA</td>
<td>In order to facilitate effective coordinated planning among various agencies for the smooth implementation of urban transport projects, some cities have already established UMTA and others are at various stages of establishment. The objective of this parameter is to select cities which are at different level of progress i.e. cities already established UMTA, Proposed to set up UMTA. The cities which have already established UMTA can help us in understanding the strengths/weakness and their performance in discharging its functions during state of the art review. Cities which have proposed to set up UMTA can give us insight into the key hindrance in setting up of UMTA.</td>
</tr>
<tr>
<td>On-going Initiative for setting up of UTF</td>
<td>In order to meet the funding requirements of urban transport projects a number of cities have established UTF and others have signed MoA to establish. The objective of this parameter is to select the cities which are at various stages of progress in establishment of UTF. The cities which have already established UTF can help in understanding the difficulties in collection of funding dedicated for UTF and also problems in allocation of funds for transport projects. While the cities under planning stage can help in understanding the common issues faced by the cities in identification of sources of revenue and designing the administrative procedures to collect the funds, etc.</td>
</tr>
<tr>
<td>Legal Framework</td>
<td>The legal framework for setting up of UMTA/UTF varies from city to city. In some cities UMTA/UTF is backed by special enactment while in other cities it is created through executive order. In this context, the objective of this parameter is to select the representative cities which can provide the implication, pros and cons of setting up of UMTA/UTF under various legal frameworks. So, both type of cities i.e. cities which have established UMTA/UTF through an enabling Act and cities which have established UMTA/UTF through executive order or special notification can be selected.</td>
</tr>
<tr>
<td>Institutional Framework</td>
<td>Institutional arrangements for public transport vary widely between different cities/states depending on the size, mode of transportation, city characteristics, etc. In this context, the objective of this parameter is to select representative cities of different institutional framework i.e. UMTA established/proposed under city administration, Metropolitan region development authorities, under state administration etc.</td>
</tr>
<tr>
<td>Capital or Non-Capital City</td>
<td>A capital city’s Urban Transport system is different from a Non-Capital city’s transport system. Both types of cities have their own requirements and challenges. The objective of using this parameter is to separately analyse the cases of Capital and Non-Capital cities.</td>
</tr>
</tbody>
</table>

Using the above parameters, following cities have been considered for detailed review.
Indian Cities Selected for State of the Art Review

<table>
<thead>
<tr>
<th>Cities</th>
<th>UMTA</th>
<th>UTF</th>
<th>Legal Framework</th>
<th>Institutional Framework</th>
<th>Type of City</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Established</td>
<td>Proposed</td>
<td>Established</td>
<td>Proposed</td>
<td>Act</td>
</tr>
<tr>
<td>METRO CITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bangalore</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Chennai</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Delhi (UTTIPEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Mumbai</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>MEDIUM CITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jaipur</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Lucknow</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Pune</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Bhopal</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Kochi</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Pimpri Chinchwad</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
ANNEXURE - VI: INTERNATIONAL CITIES FOR REVIEW
The consultants are required to review international best practice by considering six international cities (two examples each of metro, medium and small cities including Singapore and London), and compare those with the approach adopted in India. The following table on cities with a population over 1 million and their transportation governance was obtained from information available in the public domain.

<table>
<thead>
<tr>
<th>City</th>
<th>Country</th>
<th>Transport Authority</th>
<th>Metropolitan Population (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adelaide</td>
<td>Australia</td>
<td>Department of Planning, Transport and Infrastructure</td>
<td>1.3</td>
</tr>
<tr>
<td>Auckland</td>
<td>New Zealand</td>
<td>Auckland Transport</td>
<td>1.5</td>
</tr>
<tr>
<td>Austin</td>
<td>USA</td>
<td>Capital Metropolitan Transportation Authority</td>
<td>1.8</td>
</tr>
<tr>
<td>Barcelona</td>
<td>Spain</td>
<td>Autoritat del Transport Metropolità (ATM)</td>
<td>4.2</td>
</tr>
<tr>
<td>Berlin</td>
<td>Germany</td>
<td>Verkehrsverbund Berlin Brandenburg (VBB)</td>
<td>3.5</td>
</tr>
<tr>
<td>Birmingham</td>
<td>UK</td>
<td>West Midlands Passenger Transport Authority (CENTRO) and West Midlands Integrated Transport Authority (WMITA)</td>
<td>2.3</td>
</tr>
<tr>
<td>Bogotá</td>
<td>Columbia</td>
<td>Bogotá District Department of Transport, and TransMilenio</td>
<td>8.0</td>
</tr>
<tr>
<td>Boston</td>
<td>USA</td>
<td>Boston Region Metropolitan Planning Organization</td>
<td>3.0</td>
</tr>
<tr>
<td>Budapest</td>
<td>Hungary</td>
<td>Budapesti Közlekedési Központ</td>
<td>2.6</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>Denmark</td>
<td>MOVIA</td>
<td>1.2</td>
</tr>
<tr>
<td>Frankfurt</td>
<td>Germany</td>
<td>Rhein-Main Verkehrsverbund (Transport Association)</td>
<td>5.8</td>
</tr>
<tr>
<td>Hamburg</td>
<td>Germany</td>
<td>Hamburger Verkehrsverbund (Transport Association)</td>
<td>5.1</td>
</tr>
<tr>
<td>Helsinki</td>
<td>Finland</td>
<td>Helsinki Metropolitan Area Council (YTV)</td>
<td>1.2</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>China</td>
<td>Transport Department of the Government of Hong Kong</td>
<td>7.1</td>
</tr>
<tr>
<td>Lagos</td>
<td>Nigeria</td>
<td>Laos Metropolitan Area Transport Authority (LAMATA)</td>
<td>7.9</td>
</tr>
<tr>
<td>London</td>
<td>UK</td>
<td>Transport for London (TfL)</td>
<td>11.9</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>USA</td>
<td>Los Angeles County Metropolitan Transportation Authority</td>
<td>12.8</td>
</tr>
<tr>
<td>Lyon</td>
<td>France</td>
<td>Syndicat des Transports de l’Agglomération Lyonnaise (SYTRAL)</td>
<td>1.4</td>
</tr>
<tr>
<td>Madrid</td>
<td>Spain</td>
<td>Consorcio Regional de Transportes</td>
<td>6.5</td>
</tr>
<tr>
<td>Melbourne</td>
<td>Australia</td>
<td>Department of Planning and Community Development</td>
<td>4.3</td>
</tr>
<tr>
<td>Montreal</td>
<td>Canada</td>
<td>Agence Metropolitaine de Transport</td>
<td>3.7</td>
</tr>
<tr>
<td>München (Munich)</td>
<td>Germany</td>
<td></td>
<td>1.2</td>
</tr>
<tr>
<td>New York</td>
<td>USA</td>
<td>Metropolitan Transportation Authority (MTA)</td>
<td>8.3</td>
</tr>
<tr>
<td>Paris</td>
<td>France</td>
<td>Syndicat des Transports d’Île de France (STIF)</td>
<td>10.4</td>
</tr>
<tr>
<td>Perth</td>
<td>Australia</td>
<td>Western Australia Transport Department, and Public Transport Authority (PTA) of Western Australia</td>
<td>1.8</td>
</tr>
<tr>
<td>Prague</td>
<td>Czech Republic</td>
<td>Prague Transit Authority</td>
<td>2.3</td>
</tr>
<tr>
<td>São Paulo</td>
<td>Brazil</td>
<td></td>
<td>11.2</td>
</tr>
<tr>
<td>Seville</td>
<td>Spain</td>
<td>Consorcio de Transportes del Area de Sevilla</td>
<td>1.5</td>
</tr>
<tr>
<td>Singapore</td>
<td>Singapore</td>
<td>Land Transport Authority</td>
<td>5.2</td>
</tr>
<tr>
<td>Stockholm</td>
<td>Sweden</td>
<td>AB Storstockholms Lokaltrafik</td>
<td>1.4</td>
</tr>
<tr>
<td>Stuttgart</td>
<td>Germany</td>
<td>Verband Region Stuttgart (VRS)</td>
<td>2.4</td>
</tr>
</tbody>
</table>
Basis for Selecting Cities for Review

It is important to select such cases for study of best practices which offer relevant learning opportunities for use in Indian context. In this context we have considered identifying those cities that have authorities either similar to UMTA or such authorities that are responsible for planning and coordinating overall urban transport in a Metropolitan Region. We have also taken care to identify cities from metro, medium and small categories. For the purpose of categorization we have used population as the classifying criteria according to which a city having population more than 4 million is categorised as Metro city, while city having population between 2 and 4 million is categorised as medium city and city with population less than 2 million is categorised as small city. Singapore has been classified as a medium city for the purpose of the study as LTA was established in 1995 with the then population of Singapore being 3.5 million. TfL was established in the year 2000 with the then population of London being approx. 7 million, hence it is categorised as a metro city.

Besides London and Singapore, we have identified following cities for study of best practices:

- Lagos, Nigeria is a metro city selected as an international example of a new organisation created to provide strategic planning for metropolitan transport and coordination of the activities of a wide range of executing agencies. This case study can offer very relevant learnings which can be used in Indian context as Lagos was facing most of the problems similar to problems faced in Indian cities and thereafter established LAMATA.

- Bogotá, Columbia is selected as a metro city that is held in high international regard because of its innovative urban transport initiatives.

- Boston, USA is selected as a second example of a medium city. Urban Transport in Boston has evolved continuously with the existence of multiplicity of authorities involved in urban transport. Currently Boston has a Metropolitan Planning organisation which was created by memorandum of understanding among various agencies involved directly / indirectly in urban transport in Boston. This case study can offer good learnings with some innovative concepts.

- Auckland, New Zealand is selected as a good example of a small city with a dedicated metropolitan transport authority. Auckland Transport is the council-controlled organisation (CCO) of Auckland Council responsible for transport projects and services. It combined the transport functions of the eight former Auckland local authorities and the Auckland Regional Transport Authority (ARTA) from 2010.

The following table summarises the arrangements for urban transport oversight and funding in these international cities that have been selected for the state of the art review.

Detail information on each of the cities is given in Annexure IV.
# International Cities Selected for State of the Art Review

<table>
<thead>
<tr>
<th>Type of City</th>
<th>UMTA</th>
<th>UTF</th>
<th>Legal Framework</th>
<th>Institutional Framework</th>
<th>Type of City</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Established</td>
<td>Proposed</td>
<td>Established</td>
<td>Proposed</td>
<td>Act</td>
</tr>
<tr>
<td>METRO CITIES</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>London</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Lagos</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Bogotá</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>MEDIUM CITIES</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Singapore</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Boston</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>SMALL CITIES</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Auckland</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>
ANNEXURE - VII: MAPPING OF ROLES AND RESPONSIBILITIES, POWERS AND FUNCTIONS OF AGENCIES INVOLVED IN URBAN TRANSPORT
### National Level Agencies

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Agency</th>
<th>Roles &amp; Responsibilities</th>
<th>Legal Framework</th>
<th>Functions</th>
<th>Powers</th>
<th>City level powers and functions related to urban transport</th>
</tr>
</thead>
</table>
| 1      | National Highway Authority of India        | 1. Planning and designing  
2. Development  
3. Operation & maintenance of National Highways | NHAI Act 1988  | 1. Survey, develop, maintain and manage highways vested in or entrusted to it;  
2. Construct offices or workshops and establish and maintain hotels, motels, restaurants and rest-rooms at or near the highways vested in or entrusted to it;  
3. Construct residential buildings and townships for its employees;  
4. Regulate and control the plying of vehicles on the highways vested in or entrusted to it for the proper management thereof;  
5. Develop and provide consultancy and construction services in India and abroad and carry on research activities in relation to the development along with maintenance and management of highways or any facilities there at;  
6. Provide such facilities and amenities for the users of the highways vested in, or entrusted to it as are, in the opinion of the Authority, necessary for the smooth flow of traffic on such highways;  
7. Form one or more companies under the Companies Act, 1956 to further the efficient discharge of the functions. Imposed on it;  
8. Advice the Central Government on matters | 1. National Highway Authority has power to acquire any land for discharging its functions. Land is acquired under the provisions of Land Acquisition Act 1894;  
2. Land acquisition for highway development (Sub section 1 of section 3A)  
inspection, survey, measurement, valuation, taking levels, digging soils, setting out boundaries and cutting trenches (Section 3A);  
3. Take land possession (Sub section 2 of section 3D);  
4. When National | 1. As per NHAI Act 1988 Chapter -VI (29) National Highway is designed, maintained, by the NHAI if there is an agreement between the local authorities and NHAI (NHAI Act 1988: Chapter VI (29));  
2. Provision of facilities and amenities for the safety of the users of national highways;  
3. Regulate and control the plying of vehicles on the highways vested in or entrusted to it for the proper management. |
| 2 | **Indian Railways**
1. Planning & Design
2. Development of railway infrastructure
3. Operation
4. Maintenance
5. Management of Railways | **Indian Railways Act 1890 with latest amendment in 2008** | 1. Operation and maintenance of suburban railways;
2. Make or construct in or upon, across, under or over any lands, or any streets, hills, valleys, roads, railway, tramways, or any rivers, canals, brooks, streams or other waters, or any drains, water-pipes, gas-pipes, oil-pipes, sewers, electric supply lines, or telegraph lines, such temporary or permanent inclined-planes, bridges, tunnels, culverts, embankments, adequate, bridges, roads, lines of rail, ways, passages, conduits, drains, piers, cuttings and fences, in-take wells, tube wells, dams, river training and protection works as it thinks proper;
3. Alter the course of any rivers, brooks, streams or other water courses, for the purpose of constructing and maintaining tunnels, bridges, passages or other works over or under them and divert or alter either temporarily or permanently, the course of any rivers, brooks, streams or other water courses or any roads, streets or ways, or raise or sink the level thereof, in order to carry them more conveniently over or under or by the side of the railway. | 1. In railway colonies the road and land can be maintained by the railways if the permission from the state government has been provided, or if the maintenance is not there in any other law (Railway Act 1890: Chapter IV; 2. If a municipality or state government has to construct a road for public purpose over a railway line, they can do it only by taking permission and paying railways. (Railway Act 1890: Chapter IV point (19))
1. Planning, development, operation and maintenance railway stations in respective zones
2. Operation and maintenance of sub-urban railways in respective cities/region.
3. Planning and development, O & M of road networks of railway colonies (Railway Act 1890: Chapter IV; 4. If the Municipality or local authority construct a RoB for public purpose, permission is required from railway. |
|   | Central Public Works Department | Construction, maintenance and repairs of buildings and roads of all civil work departments | 1. Construction and maintenance of National Highways  
2. Maintenance of roads financed from Central Road Funds (excluding those under Municipal corporation) | All construction works other than railways’ and defenses are done by CPWD. Highways of NHAI excluding its part under Municipal Corporation if agreement has not been signed with Municipal Corporation. (CPWD Manual: Chapter II-Section I) | 1. Construction and maintenance of National Highways and maintenance of roads financed from the Central Road Funds (excluding those under Municipal Corporation) are being executed by the Public Works Department of Delhi Administration with CPWD;  
2. Time to time published Guidelines and specifications for Road Construction;  
3. Provide the Consultancy Services for different public sector agencies. |
|   | Inland Waterways Authority of India | 1. Building infrastructure for waterways  
2. Surveying economic | The Inland Waterways Authority Of India | 1. Carry out surveys and investigations for the development  
2. Maintenance of the national waterways and the appurtenant land for shipping and navigation and prepare schemes in this behalf  
3. Provide or permit setting up of infrastructural | Act says that IWAI has the power to alter any obstruction or appurtenant land which may impede the safe navigation or  
1. Regulate the construction or alteration of structures on, across or under the national waterways; |
<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>feasibility of the waterways</td>
<td>Act 1985</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Administration and regulation of new projects</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Operation and maintenance of existing waterways</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>facilities for national waterways</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. Regulation of navigation and traffic (including the rule of the road) on national waterways</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. Regulate the construction or alteration of structures on, across or under the national waterways</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. Ensure co-ordination of inland water transport on national waterways with other modes of transport</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. Perform such other functions as may be necessary to carry out the provisions of The Inland Waterways Authority of India Act 1985 (The authority has offices located in Patna, Kolkata, Guwahati, Kochi, Allahabad, Varanasi, Bhagalpur, Farraka, and Kollam. In waterways stretching across these cities it is seen to operate)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>endanger safety of infrastructural facilities or conservancy measures where such obstruction or impediment has been lawfully made or has become lawful by reason of long continuance (The IWAI Act 1985: Functions of the authority-clause I of sub- section (1))</td>
</tr>
<tr>
<td>4</td>
<td>Military Engineering Services (MES)</td>
<td>Provides works cover to Army, Navy and Air Force</td>
<td>Premier engineering arm of Ministry of Defense</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Planning and construction of buildings (Military offices), docks, airfields, roads, services and their maintenance;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Care taking of Defense assets like buildings and airfields when not in use.</td>
<td>Construction and maintenance of roads in defense area. MES has overlapping functions with various organizations. Such as CPWD (Link:</td>
</tr>
<tr>
<td>S. No.</td>
<td>Agency</td>
<td>Roles &amp; Responsibilities</td>
<td>Legal Framework</td>
</tr>
<tr>
<td>-------</td>
<td>---------------------------------------------</td>
<td>-------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>1</td>
<td>Central Pollution Control Board</td>
<td>Monitoring air and water quality</td>
<td>Constituted under Water (Prevention and Control of Pollution) Act 1974 and entrusted with functions under Air (Prevention and Control of Pollution) Act 1981</td>
</tr>
<tr>
<td></td>
<td>central government schemes and development policies</td>
<td>Organization in 1962</td>
<td>interest; 5. Preparation of Manuals and Guides on various aspects of planning and development along with providing consultancy services in planning projects at various levels; 6. Developing Urban and Regional Information System</td>
</tr>
<tr>
<td>---</td>
<td>-------------------------------------------------</td>
<td>----------------------</td>
<td>------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>3</td>
<td>Archeological Survey of India (ASI)</td>
<td>1. Prepares various spatial development Plans at State, District / Regional and local levels; 2. Examines development potentials and advises the Government in matters related to Town Planning</td>
<td>Ancient Monuments and Archaeological Sites and Remains Rules 1959</td>
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<tr>
<td>5</td>
<td>Airport Authority of India</td>
<td>Infrastructure and facilities for Air traffic and airports</td>
<td>Airport Authority of India Act 1995 with latest amendment in 2003</td>
</tr>
</tbody>
</table>
## STATE LEVEL AGENCIES

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Agency</th>
<th>Roles &amp; Responsibilities</th>
<th>Legal Framework</th>
<th>Functions</th>
<th>Powers</th>
<th>City level function</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>State Highway Authority/ State road development corporation</td>
<td>Planning, development, maintenance, operation and management of state highway, roads and bridges.</td>
<td>State legislative acts (E.g., Kerala Highway Protection Act 1999/ The Bombay Highways Act 1955)</td>
<td>1.) Carry out construction, development and maintenance of roads 2.) Regulate and control the plying of vehicles on the highways 3.) Provide consultancy and construction services in the State;</td>
<td>May/may not declare, develop state highways, MDR without prior notice to the ULB (The Bombay’s Highway Act: Chapter II &amp; The Kerala Road Safety Authority Act: Chapter IV (d))</td>
<td>1. Development &amp; maintenance of state highways passing through the city 2. Providing high class road infrastructure 3. Funds &amp; finances for road projects.</td>
</tr>
<tr>
<td>2</td>
<td>State PWD/ State Road Departments</td>
<td>Designing, construction, upgradation and</td>
<td>CPWD/ Respective state</td>
<td>1.) Construction and maintenance of State Highways, major district</td>
<td>May or may not maintain State Highways and other roads which are in jurisdiction of</td>
<td>Maintain the SHs, MDRs and other roads mostly with state</td>
</tr>
</tbody>
</table>

- 1. In Andhra Pradesh the Road & Bridges Department looks after the construction and maintenance of National Highways with the fund support from the Government of India; 2. In states such as Maharashtra a prior notice to the ULBs is not given 3. In states such as Kerala a prior notice to the ULBs is given.
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<tr>
<td>4</td>
<td>State Roadways Department/ State Transport Corporations/Undertaking/Companies</td>
<td>Operation of inter-city and inter-state bus services.</td>
<td></td>
<td>1.) Operation buses in city and state 2.) Promote research on urban transport 3.) Increase commercial revenue through</td>
<td>1. Provides inter-city and intra-city bus service; 2. Provide bus service to tourism department.</td>
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<td></td>
<td>State Environment Impact Assessment Authority (SEIAA)</td>
<td>Environmental Clearances</td>
<td>1.) Assist and advice various agencies in coordinated development of infrastructure for smooth and safe flow of traffic; 2.) All highway projects included as Category ‘B’ will require prior environmental clearance from the State/Union territory Environment impact Assessment Authority SEIAA). The SEIAA shall base its decision on the recommendations of a State or Union territory level Expert Appraisal Committee (SEAC) as to be constituted for in this notification. In the absence of a duly constituted SEIAA or SEAC, Category ‘B’ project shall be treated as a Category ‘A’ project; Any highway project or activity specified in Category ‘B’ will be treated as Category</td>
<td>Environmental clearances to be sought for specific types of new / expansion projects (addressed under Environmental Impact Assessment Notification) and for submission of an environmental statement to the State Pollution Control Board annually.</td>
<td>1. Carries out EIA and gives NOC for road projects.</td>
</tr>
</tbody>
</table>
A, if located in whole or part within 10 km from the boundary of: (i) Protected Areas notified under the Wild Life (Protection) Act, 1972, (ii) Critically Polluted areas as notified by the Central Pollution Control Board from time to time, (iii) Notified Eco-sensitive areas, (iv) inter-State boundaries and international boundaries.
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>State forest department</td>
<td>Management of forests and wildlife in the state</td>
<td>Forest (Conservation) Act 1980 &amp; Forest (Conservation) Act, 1980</td>
<td>1.) Clearance of projects within forest limits; 2.) Forest planning 3.) Ecotourism activities</td>
<td>1.) No forest land or any portion thereof may be cleared of trees which have grown naturally in that land or portion, for the purpose of using it for reforestation without prior approval of Central Government; Notwithstanding anything contained in any other law for the time being in force in a State, no State Government or other authority shall make, except with the prior approval of the Central Government; 2.) If the area of forests to be cleared or diverted exceeds 20 Ha (or, 10 Ha in hilly area) then prior permission of Central Government is required; 3.) If the area of forest to be cleared or diverted is between 5 to 20 Ha, the Regional Office of Chief Conservator of Forests is empowered to approve; 4.) If the area of forest to be cleared or diverted is below or equal to 5 HA, the State Government can give permission; 5.) If the area to be clear-felled has a forest density of more than 40 percent, permission to undertake any work is needed from the</td>
<td>1. Provides NOC for urban transport projects coming in forest areas in the city;</td>
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<td>2</td>
<td>Control environmental pollution in the State</td>
<td>1.) Effective control of water and air pollution; 2.) Maintain and restore the quality of water for various designated uses and of air; 3.) Environmental impact assessment for highway projects; 4.) Vehicular emission standards</td>
<td>Central government can prohibit or restrict the location of industries and carrying on certain operations or processes on the basis of considerations like the biological diversity of an area, maximum allowable limits of concentration of pollutants for an area, environmentally compatible land use, and proximity to protected areas. 1. Provides norms and standards for vehicular emissions within the city; 2. EIA for urban transport projects; 3. Post construction clearance needed for setting up construction machines/equipment; 4. Monitoring of air &amp; water quality and noise levels. <a href="http://www.envfor.nic.in/legis/env/env4.html">http://www.envfor.nic.in/legis/env/env4.html</a></td>
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<td></td>
<td>State land and revenue department</td>
<td>The Department is under the control of the Revenue Minister.</td>
<td>Settlement operations and functioning as custodian of public land; 2.) Relief and Rehabilitation; 3.) Nodal department for administration and monitoring of Land Acquisition activities in the state. 1. Land acquisition for public purposes; 2. Relief &amp; rehabilitation; 3. Transfer of government lands between departments 4. Provides the information regarding land ownership status.</td>
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<tr>
<td>3</td>
<td>Deriving various taxes on land, as well as lease amounts from various government lands, which are principal sources of income for the Government.</td>
<td>1.) Survey of land areas; 2.) Assignment of Government land to various categories; 3.) Manages land-use policy; 4.) Effective management and implementation of land reforms; 5.) Lease of</td>
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<td></td>
<td>Government land; 6.) Acquisition of land for public purpose; 7.) Transfer of government lands between departments.</td>
<td>Generates and distributes the electricity supply in the state</td>
<td>The Electricity (Supply) Act, 1948</td>
<td>1.) Issuance of No Objection Certificate; 2.) Setbacks 3.) Removal or shifting of electric poles 4.) Supply of electricity 5.) Permission for Setting up of power plants</td>
<td>Grants permission to set up power generation units for major transportation projects like metros etc.</td>
<td>1.) Grants permission to set up power generation units for major transportation projects like metros etc. 2.) Setbacks from high tension lines etc. 3.) Removal or shifting of electric poles 4.) Provide electricity.</td>
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<tr>
<td>4</td>
<td>State electricity board</td>
<td>Generates and distributes the electricity supply in the state</td>
<td>The Electricity (Supply) Act, 1948</td>
<td>1.) Issuance of No Objection Certificate; 2.) Setbacks 3.) Removal or shifting of electric poles 4.) Supply of electricity 5.) Permission for Setting up of power plants</td>
<td>Grants permission to set up power generation units for major transportation projects like metros etc.</td>
<td>1.) Grants permission to set up power generation units for major transportation projects like metros etc. 2.) Setbacks from high tension lines etc. 3.) Removal or shifting of electric poles 4.) Provide electricity.</td>
</tr>
<tr>
<td>5</td>
<td>National Capital Region Planning Board</td>
<td>Inter-state regional development and planning (Delhi NCR)</td>
<td>National Capital Region Planning Board Act 1985</td>
<td>1. Preparation of regional plan, sub-regional plan, functional plans and project plans (Section 7); 2. Coordinates the execution of plans through participation of states and National Capital</td>
<td>Functional and sub regional plans in NCR are subject to NCR Planning Board.</td>
<td>1. Preparation of regional plan, sub-regional plan, functional plans and project plans (Section 7).</td>
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<td>Territory New Delhi (Section 7); 3. Phasing of development of NCR in accordance with stages laid down in regional plan (Section 7); 4. Review the implementation of the Regional Plan, Functional Plan, Sub-Regional Plan and Project Plan (Section 8); 5. Select areas outside NCT Delhi with permission from other states for development in order to achieve objectives of regional plan (Section 8)</td>
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# Metropolitan Level Agencies

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<thead>
<tr>
<th>S. No.</th>
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<th>Roles &amp; Responsibilities</th>
<th>Legal Framework</th>
<th>Functions related to urban transport</th>
<th>Powers</th>
</tr>
</thead>
</table>
| 1      | Municipal Corporation | 1.) Public infrastructure works, & development activities.  
2.) Public health & welfare,  
3.) Regulatory functions,  
4.) Public safety, | 74th Amendment Act of 1992, Corporations Act of 1835 | 1.) Urban planning and management  
2.) Regulation of land-use  
3.) Planning, development, O & M of roads and bridges  
4.) Plans, develops and maintains parking lots, bus stops and public conveniences  
5.) Provides and maintains street lighting  
6.) Provision and management of public transport systems. | 1.) Lays down the taxes and fees that may be imposed or levied;  
2.) Define the nature and extent of state supervision;  
3.) Removal of obstructions and projections in or upon streets, bridges and other public places;  
4.) Construction, maintenance, alteration and improvements of public streets, bridges, culverts causeways and the like. TAMIL NADU GOVERNMENT GAZETTE EXTRAORDINARY |
| 2      | Metropolitan Development authority | Planning, co-ordination, supervising, promoting and securing the planned development of the metropolitan area | Development Authority Act of respective cities | 1.) Prepares a Master Plan or Detailed Development Plan or New Town development Plan;  
2.) Prepares an existing land use map and such other maps as may be necessary for the purpose of preparing any development plan;  
3.) Authorizes any local authority or other authority as may be specified in such order, to exercise any of the power vested in by or under the Town and Country Planning Act -1971;  
4.) Development of roads, bridges and elevated roads with in the city | Conferring of power on the municipal bodies to impose and |
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<td></td>
<td></td>
<td>1.) Providing Mass Rapid Transit System within the city</td>
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<td>2.) Planning, construction and laying of tracks, and stations</td>
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<td></td>
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<td>3.) Provision of multi modal transport system</td>
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<td>4.) Safety clearance certificate :The Commissioner of Metro Rail Safety (CMRS)</td>
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<tr>
<th>4</th>
<th>Cantonment Board</th>
<th>To provide amenities to Officers, soldiers and retainers of the Army / Military Stations.</th>
<th>Cantonment Act 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1.) Constructing, altering and maintaining street, culverts, bridges, causeways, markets, slaughter-houses, latrines, privies, urinals, drains, drainage works and sewerages works and regulating their use;</td>
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<td></td>
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<td>2.) Lighting streets and other public places;</td>
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<td></td>
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<td>3.) Imposition and collection of Taxes and other fees / charges</td>
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<td>The Cantonment Board has the right to direct the demolition of structures under s. 187, within the period of limitation for suits for possession of public streets or roads, that is, within 30 years from the date of encroachment.</td>
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<thead>
<tr>
<th>5</th>
<th>City Traffic Police</th>
<th>Enforcement of traffic laws and prosecuting violators</th>
<th>State Police Acts</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>1.) Encourage participation and involvement of public in traffic management</td>
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<td>2.) Ensure protection of the environment and take appropriate steps for prevention of noise and air pollution.</td>
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<tr>
<td>1</td>
<td>Metropolitan Planning Committee (MPC)</td>
<td>Prepare a draft development plan for the Metropolitan area</td>
<td>Constitution of India, 1949</td>
</tr>
<tr>
<td>2</td>
<td>District Planning Committee (DPC)</td>
<td>Consolidate the plans prepared by the Panchayats and the Municipalities in the district and prepare a draft development plan for the district.</td>
<td>Article 243ZD of the Constitution of India</td>
</tr>
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<td></td>
<td>Town &amp; Country Planning Department (T&amp;CP)</td>
<td>1. Prepares various spatial development plans at State, District/Regional and local levels; 2. Examines development potentials and advises the Government in matters related to Town Planning.</td>
<td>1. PREPARATION, PROCESSING, CONTINUOUS MONITORING, REVIEW AND REVISION OF: State spatial development plan, district, regional &amp; urban development plans, detailed town planning schemes; 2. Preparing subject plans on housing, urbanization, slums, road network, traffic and transportation, urban environment and other subjects pertaining to T &amp;CP, through R&amp;D activities, advising local bodies &amp; the Government on all issues relating to urban &amp; Regional Planning.</td>
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## Other Agencies Involved in Urban Transport

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<th>Roles &amp; Responsibilities</th>
<th>Legal Framework</th>
<th>Functions</th>
<th>City level powers and functions related to urban transport</th>
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</thead>
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<td>Functions</td>
<td>City level powers and functions related to urban transport</td>
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<tr>
<td>3</td>
<td>Indian Road Congress</td>
<td>Enunciation of policies and setting up specifications for development of roads</td>
<td>Indian Road Development Committee 1927 which got registered as a society in 1937 under Societies Registration Act of 1860</td>
<td>1. Promotion and encouragement of the science of building, operation and maintenance of roads; 2. Provides channel for expression of collective opinion; 3. Propose and promote the use of standard specifications; 4. Suggests legislation for development, improvement of roads; 5. Suggests improved methods of planning, design, administration, use and maintenance of roads; 6. Maintains libraries and establish journals for promotion of IRC.</td>
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<tr>
<td>4</td>
<td>Central Institute of Road Transport</td>
<td>Consultancy in field of road transport</td>
<td></td>
<td>1. Consultancy and research assignments on transport policy, transportation planning, traffic</td>
<td>Conducting surveys and carrying out tests related to road conditions</td>
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<td>Legal Framework</td>
<td>Functions</td>
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<td></td>
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<td>management.</td>
<td>1. Planning and design, construction and development, operation and maintenance of roads and runways</td>
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<td></td>
<td>2. To lay down standards, specifications and norms for various materials used in heavy vehicles through performance evaluation, material analysis and quality monitoring</td>
<td>2. Traffic and transportation planning of mega cities and medium cities</td>
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<td>3. Management of roads in different terrains, 4. Improvement of marginal materials,</td>
<td>3. Enhance mobility, reduce congestion and to promote traffic safety by adopting standard, 2. Capacity building, enforcement</td>
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<td>5. Utilization of industrial waste in road construction, landslide control, ground improvements</td>
<td>1. Enhance mobility, reduce congestion and to promote traffic safety by adopting standard, 2. Capacity building, enforcement</td>
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<td>environmental pollution, road traffic safety</td>
<td>3. Promote traffic safety</td>
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<td>6. Analysis &amp; design, wind, fatigue, corrosion studies, performance monitoring/evaluation, service life assessment and rehabilitation of highway &amp; railway bridges.</td>
<td>6. UNIFIED TRAFFIC AND TRANSPORTATION INFRASTRUCTURE</td>
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<td></td>
<td>Constituent wing of Delhi Development Authority</td>
<td>1. Enhance mobility, reduce congestion and to promote traffic safety by adopting standard, 2. Capacity building, enforcement</td>
<td>1. Enhance mobility, reduce congestion and to promote traffic safety by adopting standard, 2. Capacity building, enforcement</td>
</tr>
<tr>
<td>5</td>
<td>Central Road Research Institute</td>
<td>Carrying out research, planning, development, and consultancy in field of road transport</td>
<td></td>
<td>1. Planning and design, construction and development, operation and maintenance of roads and runways</td>
<td>2. Traffic and transportation planning of mega cities and medium cities</td>
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<tr>
<td>6</td>
<td>UNIFIED TRAFFIC AND TRANSPORTATION INFRASTRUCTURE</td>
<td>1. Enhance mobility, 2. Reduce congestion 3. Promote traffic safety</td>
<td></td>
<td>1. Enhance mobility, reduce congestion and to promote traffic safety by adopting standard, 2. Capacity building, enforcement</td>
<td>1. Enhance mobility, reduce congestion and to promote traffic safety by adopting standard, 2. Capacity building, enforcement</td>
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<td></td>
<td>(PLANNING &amp; ENGINEERING) CENTRE (UTTIPEC)</td>
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<td>measures, road safety audits, traffic engineering practices and better organizational co-ordination for improved traffic management by efficient lane capacity 3. Work zone management, utilities coordination, developing traffic culture and avoiding transport planning pitfalls in the National Capital Territory of Delhi</td>
<td>measures, road safety audits, traffic engineering practices and better organizational co-ordination for improved traffic management by efficient lane capacity 3. Work zone management, utilities coordination, developing traffic culture and avoiding transport planning pitfalls in the National Capital Territory of Delhi</td>
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<td>7</td>
<td>Institute of Urban Transport</td>
<td>Promote, encourage and coordinate the state of the art of urban transport</td>
<td>Professional body under purview of MUD established in 1997 and Societies Registration Act</td>
<td>1. Planning 2. Development 3. Operation and management of BRTS</td>
<td>Planning and research in the field of sustainable urban transport</td>
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<td>8</td>
<td>Delhi Tourism and Transportation Development Corporation</td>
<td>Handles transport and travel related services for the city</td>
<td></td>
<td>1. Develops transport projects in the State of Delhi such as flyovers, underpasses and subways etc. 2. Run transport services such as taxis</td>
<td>1. Develops transport projects in the State of Delhi such as flyovers, underpasses and subways etc. 2. Run transport services such as taxis</td>
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</tbody>
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### Ministries Involved in Urban Transport

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<tbody>
<tr>
<td>1</td>
<td>Ministry of Surface Transport</td>
<td>Administer the Motor Vehicles Act and notify vehicle specifications as well as emission norms</td>
<td>Motor Vehicles Act 1988</td>
<td>1. Ministry of surface transport is the apex body for formulation and administration of the rules and regulations and laws relating to surface transport in India.</td>
</tr>
</tbody>
</table>
| 2      | Ministry of Road Transport & Highways (MORTH) | Deals with development and maintenance of National Highway in the country; Deals with matter relating to Road Transport |                | 1. Planning, development and maintenance of National Highways in the country.  
2. Extends technical and financial support to State Governments for the development of state roads and the roads of inter-state connectivity and economic importance.  
3. Evolves standard specifications for roads and bridges in the country.  
4. Serves as a repository of technical knowledge on roads and bridges.  
10. And promotion of Transport co-operatives in the field of motor transport.  
11. Evolves road safety standards in the form of a National Policy on Road Safety and by preparing and implementing the Annual Road Safety Plan.  
12. Collects, compiles and analyses road accident statistics and takes steps for developing a Road Safety Culture in the country by involving the members of public and organizing various awareness campaigns.  
13. Provides grants-in-aid to Non-Governmental Organizations in accordance with the laid down guidelines. |
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<tr>
<td>2</td>
<td>Ministry of Urban Development</td>
<td>Overall responsibility for urban transport policy and planning</td>
<td></td>
<td>To formulate policies, sponsor and support programme, coordinate the activities of various Central Ministries, State Governments and other nodal authorities and monitor the programmes concerning all the issues of urban development in the country.</td>
</tr>
<tr>
<td>3</td>
<td>Ministry of Shipping</td>
<td>Coordination of various activities related to ports, shipping and inland water transport</td>
<td>Merchant Shipping Act 1958</td>
<td>1. Formulate policies and programmes on these subjects and their implementation. Shipbuilding and ship-repair, major ports, national waterways, and inland water transport</td>
</tr>
</tbody>
</table>
| 4      | Director General, Shipping | Implementation of various provisions of the Merchant Shipping Act, 1958, of various international conventions relating to safety, and mandatory requirements under the International Maritime Organization | Major Ports Trust Act 1963 | 1. Implementing shipping policy.  
2. Prevention of marine pollution  
3. Development of coastal shipping |
| 5      | Ministry of Environment & Forest (MoEF) | Environmental Clearances |  | 1. All projects include as Category ‘A’ in the Schedule shall require prior environment clearance from the Central Government in the Ministry of Environment and Forest (MoEF) on the recommendations of an Expert Appraisal Committee (EAC) to be constituted by the Central Government for the purpose of this notification. |