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All India Institute of Local Self-Government*

- ★ Understanding Neurodiversity: Embracing the Untapped Pool of Talent in Workplace
- ★ History and Evaluation of State Reorganization Commissions in India
- ★ Augmenting Urban Infrastructure Financing by Possible Elimination of Roadblocks
- ★ Transgender Persons in Urban India: Issues and Challenges

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All India Institute of Local Self-Government (AILLSG), established in 1926 has been actively working in the field of urban development management and is a diligent partner in promoting the cause of local governance in India and overseas.

The Institute has been the steadfast friend, philosopher and guide to Urban Local Bodies (ULBs) across the Country. For more than eight decades it has contributed to the principles and practice of urban governance, education, research and capacity building. It has designed and developed a vast array of training literature and courses and trained more than 1.5 million stakeholders in diverse areas of urban governance and urban services delivery.

These activities of the AILLSG are practiced through 30 regional centres located in different regions of the Country. The Institute anchors the Regional Centre for Urban and Environmental Studies (RCUES) of the Ministry of Urban Development, Government of India for Western India region. This Centre is actively involved in building capabilities of municipal officials, staff and elected members from the States of Goa, Gujarat, Maharashtra, Rajasthan and the Union Territories of Diu, Daman, and Dadra & Nagar Haveli by upgrading their knowledge and skills required for effective administration and implementation of various urban development programmes.

With a view to cater to the growing requirement of ULBs in regard to services, the AILLSG runs specialized capacity building institutions such as the National Fire Academy, the Nrupur Institute of Nursing Science and Research and the Centre for Environment & Disaster Management at Vadodara, PRUDA at Ahmedabad, National Resource Centre for Urban Poverty, International Centre of EQUI-T, the Disaster Management Cell and the Centre of GIS at Pune. It runs the Solid Waste Management Cell of the Government of Maharashtra. In recent years, AILLSG has ventured into rural and tribal capacity building and hand holding of rural institutions of self-governance.

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Contents

• Editorial	3
• Understanding Neurodiversity: Embracing the Untapped Pool of Talent in Workplace Gauri Kelaskar	6
• History and Evaluation of State Reorganization Commissions in India Gopi Madaboyina	19
• Augmenting Urban Infrastructure Financing by Possible Elimination of Roadblocks K Vara Prasad, M Devarajulu	30
• Transgender Persons in Urban India: Issues and Challenges Rashmi Singh, S. K. Kataria	55
• Report Review	67
• Our Contributors	70

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Editorial

A billion jabs; could be a turning point in India's public healthcare

On 21st October 2021, India celebrated achievement of the coveted 100 crore COVID vaccinations mark. Since then, the vaccination drive has rapidly covered larger parts of the eligible population. The operation has been continually scaled up since its launch earlier in the year; the first 50 crore vaccinations took 203 days and the next 50 crores took only 76 days. Going beyond the numbers, the achievement provides effective protection to millions of our countrymen from the dreaded Corona virus which had caused much distress and large numbers of untimely deaths, in many cases leaving innocent children orphaned. "To combat the biggest pandemic in 100 years, the country now has a strong protective shield of 100 crore vaccine doses. This achievement belongs to India, every citizen of India," Prime Minister Narendra Modi said on the occasion. Expectedly, congratulatory messages poured in through the day from WHO, UNICEF, and many national leaders from around the globe. Needless to say, the achievement has been made possible by coordinated efforts of a number of players including the Central, State and Local governments, elected representatives, healthcare workers, vaccine manufacturers, transport and logistics partners, and indeed the common man. Citizens have overcome initial hesitancy in some places, to later turn out in large numbers all over the country.

Planning and executing such a mammoth exercise in a vast country such as ours is not an easy task. Given the widely dispersed populations, heterogeneous terrain, difficult-to-reach locations, transportation bottlenecks in the hinterland, etc., combined with the storage needs of the vaccines, undertaking such national time bound campaigns do present significant challenges. These have been overcome. Possibly the experience of the past many years with the pulse polio programmes where millions of babies had to be immunized on the same day, came in handy.

Along with the celebrations, the occasion is also an opportunity to draw lessons. The first lesson could be that the public healthcare architecture of the country can be strengthened in quick time to rise up and meet nationwide healthcare challenges in an effective manner. India's public healthcare system has been seen as a weak spot in the past; poor, outdated infrastructure, non-availability or non-functional equipment including basic facilities, absenteeism of doctors and staff, and non-caring attitude of personnel have been often blamed for the none-to-satisfactory state of affairs. The vast size of the country, and the limited access to and affordability of private healthcare make it essential that the country has a well-equipped, well-functioning and efficient, accessible public healthcare system. Indeed so if we are to build a just, equitable society, and make rapid progress towards the achievement of the Sustainable Development Goals.

The achievements of the COVID vaccination campaign give us hope.

It is particularly so because although the private sector is participating, the public sector has played a stellar role in the vaccination drive. By some accounts, in about 80 percent of the districts, 95% of the doses have been administered by the government machinery. This involves setting up tens of thousands of vaccination centres, timely distribution of the vaccine to them, proper storage, mobilising human resources to guide the local population, arranging hardware, internet connectivity, and so on. Notably, local elected representatives have played a valuable role in reaching out to the populations through social media and other means.

Along with hope, this recent success, also gives us confidence that public healthcare in our country can be relied upon to deliver good services to citizens. A lot needs to be done, though. For one, investment in the sector needs to be scaled up substantially. The National Health Policy 2017 proposed to increase the Government health expenditure from the current 1.15% of GDP to 2.5% by 2025. It also aims to reduce the proportion of households facing catastrophic health expenditure by 25% by 2025 while augmenting health infrastructure and human resources (doctors and paramedics) by laying out measurable targets. Pradhan Mantri Jan Arogya Yojana – PMJAY (Free health insurance coverage for EWS families) and Arogya Sanjeevani (Low cost standard health insurance cover for all) are schemes that could catalyse the move for effective, just, and equitable health care for large sections of our society without financial burden to them. Bringing such large segments of the population under the umbrella of organised healthcare

protection has been a long felt need. Capable and committed health care workers will be crucial to deliver services to citizens in an empathetic and caring manner. While there had been a tendency to write off such desires as utopian, the healthcare personnel rose to the occasion admirably risking their own well-being and large numbers even succumbing to the virus. The country noted their exceptional contribution and honoured them as 'Corona Warriors'. There is no reason the same men and women cannot deliver such services in the future too. There is need to equip them well through capacity building measures and motivation.

Alongside, India's private healthcare system will continue to play a role, especially in the urban landscape. The system however needs to be well-regulated so that the players can play a role beyond profit maximization. In all spheres, such as in telecom, the entry of the private sector has enabled efficient, affordable technology driven service for all. There is no reason this cannot happen in healthcare. As in telecom, healthcare too needs to be well regulated in order to ensure a fair deal for all stakeholders.

Let the COVID pandemic experience help break shackles of the past and transform healthcare and thereby the lives of all Indians.



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Understanding Neurodiversity: Embracing The Untapped Pool Of Talent In Workplace

Gauri Kelaskar

Abstract

This article walks through different yet, most important questions like; “What is neurodiversity?”, “Who are these people?”, “Is the country doing enough for them?”, “What do they do to earn a living”; “Can their extraordinary skills be used in a company?” and many more.

Neurodiversity is a new concept for India or maybe the companies who have neurodivergent workplaces are working silently. Neurodiversity has a history since 1990 when an Autistic Rights Movement was initiated. The term Neurodiversity was coined in 1998 by an autistic Australian sociologist named Judy Singer, and since then it got expanded in the autistic activist community. Instead of finding a cure for neurodivergent people, they helped autistic and bipolar people to live a normal life with their natural neurological dispositions. Some countries like the USA, Canada, have government policies for people

with neurodivergent condition. In this article, detailed information is presented about those policies and how neurodiversity is treated in developed countries.

Unlike physical disability, people with psychological disabilities cannot always be distinguished from normal human beings. Many times family members do not understand why their child reacts differently and why is he/she not able to learn simple things. The article will explain what psychological disorders are, which of them are considered under neurodiversity, analyze how countries can use the extraordinary skills that neurodivergent people possess in the development of the economy and what policies should be put in place so they feel secure and can lead a normal life.

Surprisingly in today's technologically developed world, the number of neurodivergent children is increasing and not all of them can be cured. Research says these disabilities

develop due to various factors such as genetics, lack of precautions during pregnancy, poor parental health, or any infections that mother might be exposed to during pregnancy. Maybe all these disabilities were seen in people long back, but due to lack of medical technology they were not diagnosed properly then. Today because of improved medical science, in depth research and analysis, countries are able to diagnose these disabilities and find a way to help these people live a better life. People have to learn to understand them and blend them with the world where they feel free and comfortable to live. These people are not always extreme cases of autism or dyslexia; some can be cured with proper care. Many companies in developed countries are now inculcating neurodiversity where they employ people with mental disabilities and train them in such a way that those people can work to their full capacity like other normal employees. But unfortunately, cognizance of this concept is limited to developed nations. This article will help in understanding how companies in India can foster neurodiversity.

Keywords: Neurodiversity, Autism, Diversity, Specially-abled, Developmental Disability, Intellectual Disability, Special Employment Exchange, Competitive Edge, Mental Illness, Equal Opportunities, Work Efficiency

Introduction

India is said to have cultural diversity but it is not enough if it wants to compete with other countries. The country needs to take steps like other developed countries to grow economically and socially. When there is diversity in all the aspects and all the fields of the economy, then India can be called a diversified country. India should have diversity in work culture as well that will foster the employment rate and give a competitive edge to the country.

Neurodiversity is also an essential aspect of a society. The brain of the neurodivergent people does not function in a typical style and therefore they are different. They are not normal but, can be called “SPECIALLY-ABLED”. They have some unique qualities that a “normal” brain cannot take the burden of. Their different approach to life can be used by companies to get a competitive edge in the global market. Coming to neurodivergent people in order to maintain equality, countries like the US, and Canada have established laws for these specially-abled persons which give them a right to live like a normal person. These countries have certain laws and policies formed to secure the rights of specially-abled people. In the province of Ontario, Canada every person or organization in

the public and private sectors of the Province of Ontario is required to complete training under Accessibility for Ontarians with Disabilities Act (AODA)². Similarly in India recently a three-judge Supreme Court bench led by Justice Rohinton F. Nariman passed a judgment that 3% reservation should be given to disabled persons both in direct recruitment and in promotions. But the harsh truth is, many times this reservation is not fulfilled. If every country tries to turn its weaknesses into opportunities then it will help in fostering the growth of the economy.

The conditions of Attention Deficit Hyperactivity Disorder (ADHD),

Autism, Dyspraxia, and Dyslexia make up 'Neurodiversity'. Conditions like autism are inseparable and hence people working in the field try to create a community that will enrich and support these specially-abled people and make them a part of society.

Census of India 2011³

Having talked about the neurodivergent conditions, the Census of India 2011 gives an overview about the percentage of disabled population. The data is classified based on different factors such as sex, residence, social groups, and types of disabilities.

Residence	Persons	Males	Females
Total	2,68,10,557	1,49,86,202	1,18,24,355
Rural	1,86,31,921	1,04,08,168	82,23,753
Urban	81,78,636	45,78,034	36,00,602

Residence	Persons	Males	Females
Total	2.21	2.41	2.01
Rural	2.24	2.43	2.03
Urban	2.17	2.34	1.98

Source: Census of India 2011

- It can be seen that proportion of the disabled population is higher in rural areas.
- As per the report out of the total disabled population, the percentage is higher in males making up 55.9% of the total disabled population.

Social Group	Persons (%)	Males (%)	Females (%)
Total	2.21	2.41	2.01
Scheduled Castes	2.45	2.68	2.20
Scheduled Tribes	2.05	2.18	1.92
Other than SC/ST	2.18	2.37	1.98

Source: Census of India 2011

- It can be seen that the percentage of males in scheduled castes shows the maximum disabled population.

Type of Disability	Persons (%)	Males (%)	Females (%)
Total	100	100	100
In Seeing	19	18	20
In Hearing	19	18	20
In Speech	8	8	7
In Movement	20	23	18
Mental Retardation	6	6	5
Mental Illness	3	3	3
Any Other	18	18	19
Multiple Disability	8	8	8

Source: Census of India 2011

As per the research and analysis, it was found that based on the age group higher percentage of children in age group 2-<6 and 6-9 were assessed with vision impairment, speech and language disorder, autism, intellectual disability, etc.

Source: Research paper: Arora N.K. et al. PLOS Med. 15, e1002615 (2018)

What does the Indian Law say?

India has enforced laws for the protection and safety of the rights of the disabled community.

The law passed for the offering equal opportunities to disabled community is 'The Persons With Disabilities (Equal Opportunities, Protection Of Rights And Full Participation) Act, 1995'.⁴ This act

covers all the people who are physically disabled or suffering from mental illness or mentally retarded. Mental illness includes all mental disorders such as ADHD, Autism, Dyspraxia, Dyslexia, etc. This Act compels the government and local authorities to take steps resulting in the reduction or prevention of these disorders. As per this Act, the government and local authorities should undertake surveys,

investigations, and research to find out the cause of these disorders; also promote ways and methods to prevent these disorders. This Act provides unemployment allowance to disabled people who are registered with the Special Employment Exchange for more than two years and could not be placed in any gainful occupation. The last few sections talk about punishments for people who fraudulently avail themselves of the benefits for people with disabilities.

Another law which the Indian government has put to effect is 'The Rights Of Persons With Disabilities Act, 2016'.⁵ This Act was enacted to give effect to the United Nations Convention on the Rights of Persons with Disabilities and for matters connected therewith or incidental thereto. As India is a signatory to that Convention, this Act is necessary for the implementation of the Convention. This Act protects from inequality, exploitation, injustice, discrimination, etc. There are provisions for the education of these people and their employment. Social security and insurance schemes are also included under the cover of this Act. As per the government circular issued in 2017, some amendments were made in the Act and 4% of the total number of vacancies in prescribed job postings was to be reserved for people with benchmark disabilities. These benchmark disabilities also include

autism, intellectual disability, specific learning disability, and mental illness.

The protection and rights of this community are not limited to specific acts. The 'Constitution of India'⁶ prescribes various articles especially for disabled people giving them a right to live a normal life without any discrimination. The Constitution grants all the citizens of India including the disabled, a right to justice, thought, equality, expression, speech, opportunity, and many more. Some of them are mentioned below.

Article 15(1) prescribes the government not to discriminate against any citizen (including disabled) based on religion, race, caste, sex, or place of birth. Article 15(2) states that no liability or obligation shall be put on any citizen (including disabled) on access to shops, restaurants, places of entertainment, as well as on the use of wells, tanks, roads, etc. dedicated for the public use. Article 17 states that no person including the disabled shall be treated as untouchable. As per article 24, children including disabled below the age of 14 years are prohibited to undertake any employment in a factory or any hazardous workplace. Even private contractors are prohibited from employing children in such kinds of employment. Every disabled person can move the Supreme Court of India to enforce his fundamental rights and the right to move the Supreme Court is itself guaranteed by Article 32.

The government has designed various laws to provide equal rights and protection to physically as well as mentally disabled people since 1995 and then 2016, but to date, people with developmental disabilities are not given much recognition.

Small steps lead to big changes

In India, special employment exchanges work for physically or mentally disabled people where one can register and look for a job. Companies can either directly employ the people known to them or can contact the employment exchange for a better match. There are many companies or organizations from different industries that are making genuine efforts to bring these specially-abled people to light and build confidence among them so that they can live their life independently. Some of these organizations are 'Associated Manufacturing LLP' and 'Lemon Tree Hotel' who have done a tremendous job and today have the most diverse workplace in India.

Associated Manufacturing LLP⁷, a metal components manufacturing LLP is employing specially-abled people for years. The LLP started this journey of special employment long back with 2 children and one of them is working with the LLP for more than 25 years now. The company is happy with the work of their employees and they have

observed that the work is done with efficiency, superiority, and zero errors. This LLP today employs more than 40 specially-abled employees and continues to train them in a way that they become self-sufficient. Their work has been recognized by Volkswagen. They began this initiative even before the Corporate Social Responsibility (CSR) concept was coined. Now after years, the senior neurodivergent employees train the fresher just in 5 days!

Lemon Tree Hotel⁸ is an Indian hotel chain that started with 2 individuals with physical disabilities and now 20% of their staff is disabled, including autistic people. They have studied from their experience so far that, where a normal person can clean 16 rooms, an autistic person can clean 20 rooms. This has resulted in increased work efficiency with absolutely no errors. They follow just one rule that they restrict too much interaction with these people which acts as a strength and they can completely focus on the given work. The hotel has been honored with many national and international awards and it continues to be the best employer brand in the market.

There must be many more organizations in India that officially employ neurodivergent people as full-time employees and train them but unfortunately, they remain in shadow

and do not receive proper recognition, therefore this concept is not much known in the country.

Global companies reaching new heights

Companies all around the globe are turning into a diversified workplace in a real sense by employing people with developmental disabilities. Some companies co-ordinate directly with employment exchanges for hiring required candidates whereas some enter into partnerships with non-profit organizations, disability-focused groups; and/or state and local agencies to ensure their hiring initiatives are successful. It is challenging for companies to hire the perfect person for that specific position. For companies, it becomes a difficult task as they need to adjust their human resource practices to embrace neurodiversity. They have to undergo certain infrastructural changes, software changes, and internal working methodology. Companies have to abide by the laws applicable to them once they decide to employ specially-abled candidates. Their working hours are different, the pay scale is varied and the training of new candidates consumes significant working hours. Despite all these obstacles, the companies continue to diversify their workplace and the results are incomparable. The companies have witnessed an increase

in work efficiency, reduction in errors, and high quality of production. Companies are happily accepting the changes and taking all the efforts for embracing neurodiversity.

Another major reason for inculcating neurodiversity among the workplaces is that Gen Z job seekers are now looking for companies that encourage neurodiversity. 80% of Gen Zers prefer working in a company that readily accepts neurodivergent candidates and is willing to invest time for their training. Insights show that 1 out of 5 potential candidates choose the option of not applying for the jobs where companies follow the old hiring process and discriminate among people based on their abilities.⁹ So now companies are forced to expand their hiring to people with developmental disabilities otherwise they would also lose other potential talent.

Here are some of the companies that successfully diversified the workplace.

Ford Motor Company¹⁰ initiated neurodiversity as a pilot project at its Dearborn, MI headquarters in 2016 and named the project as Ford Inclusive Works. The company began hiring candidates for some technical positions where accuracy and zero errors were expected. Later they partnered with Autism Alliance of Michigan, which helped them in

searching the exact candidates and the employment was successful. The company after witnessing changes in the product quality was pleased and expanded hiring for people with autism for better results. Once the pilot project was successful, the company developed a 'playbook' that acted like a manual and included all the experiences they had during the hiring process and the training of candidates. Ford is looking forward to hiring more people with different disabilities and trying to expand the positions where these people can work.

Microsoft¹¹ began the Autism hiring program in 2015 and has widened the working scope in the coming years. In 2018, it became the first company to sign the “Made by Dyslexia” pledge to support people with dyslexic thinking. They hold an annual Ability Summit to bring Microsoft employees and members of the disability community into conversation with leaders in government, business, and academia, to discuss building inclusive cultures and using technology to empower people with disabilities. Through their Microsoft Neurodiversity Hiring Program, applicants engage in an extended interview process that focuses on workability, team projects, and skill assessment. Their process allows candidates to showcase their unique talents while learning about Microsoft as an employer of choice.

Apple¹² has always tried to make technology easily accessible. It continuously introduces software updates to make technology more users friendly. Similarly to encourage neurodiversity in society, Apple has introduced a new software update called 'SignTime' that can be used by disabled people to connect with Apple support staff. Now the customers can communicate with the Apple support staff in sign language. Similarly for encouraging diversity in the workplace, Apple provides support for all the people suffering from a disability. Apple believes in providing equal opportunity to all candidates irrespective of any religion, caste, disability, sexual orientation, etc. Apple also provides accommodation support to people with physical as well as mental disabilities.

There are many other companies such as SAP, J.P. Morgan, Hewlett Packard, Freddie Mac, and Ernst & Young who are engaged in employing specially-abled people. In the case of Ernst & Young¹³, an interesting fact is they collaborate with SAP, Microsoft, and many other companies to widely open doors for neurodivergent candidates.

What next?

Initially, it seems difficult for companies to embrace neurodiversity. The companies are trying to widen the

horizon for people and increase the areas of their expertise. Experts are trying to recognize their strengths to build a supportive and friendly work environment. Neurodivergent people have a different perspective on every situation. They have talents and skills that can be beneficial for companies, both financially and in terms of a good corporate culture. Neurodiverse companies have been proved to increase work efficiency and outperform in every sector.

Opportunities for job seekers¹⁴

Some of the skills which one can find in specially-abled people are:

- accuracy and attention to detail
- concentration and deep focus
- keen observational skills
- visual skills and recollection of details
- in-depth knowledge or skills in specific areas
- the ability to recognize patterns
- creativity and out-of-the-box thinking
- honesty and commitment

Based on the above skills, let us bifurcate some of the work areas where these people can be potential candidates (subject to proper training) into 3 groups: jobs for visual thinkers, jobs for non-visual thinkers, and jobs for non-verbal people with autism. For all types of specially-abled people demands on short-term working

memory must be kept low. Some of these jobs are mentioned below.

Based on the above skills, let us bifurcate some of the work areas where these people can be potential candidates (subject to proper training) into 3 groups: jobs for visual thinkers, jobs for non-visual thinkers, and jobs for non-verbal people with autism. For all types of specially-abled people demands on short-term working memory must be kept low. Some of these jobs are mentioned below.

Jobs for visual thinkers:

Visual jobs require less amount of short-term memory processing and allow the persons to fully utilize their visual skills and long-term memory. Here are some of the jobs suitable for visual thinkers:

- **Computer Programming**

Computer programming is a very technical field that requires a specific level of concentration, attention to detail, analytical skills, and troubleshooting skills. Some people with autism have these skills by birth and companies can use their potential and strength to develop an error-free computer program.

- **Drafting**

People who can draw by hand can enter into the field of engineering

drawings and computer-aided drafting. It is observed that people who can draw designs on a computer can learn to draw by hand. Drafting opens doors to many interesting technical jobs that require a high level of concentration, observation of drawings, attention to detail.

- **Commercial art/ photography**

Advertising or designing a magazine layout can be a suitable job. Photography needs still hand and knowledge of color combinations and a vision of a photographer.

- **Animal trainer or veterinary technician**

Training animals require a high level of patience and repetitive work. A person who loves animals and can connect with animals can be trained to train animals.

Jobs for non-visual thinkers

People who are good with math, logical thinking, problem-solving, and love to work with facts are a perfect match for non-visual jobs. Even these jobs require excellent long-term memory.

- **Statistician**

A person with ASD who likes to solve complex problems can efficiently work in the statistics

department. Statistics require advanced knowledge in mathematics, logical thinking, and certain computer techniques.

- **Accountant**

A person with ASD is a suitable fit for the position of an accountant as it requires analytical thinking, attention to detail, and knowledge of math. With proper guidance, the person will be able to examine financial records, possible opportunities and threats in investment, tax dues, etc.

- **Actuary**

Actuaries use mathematics, statistics, modeling software, and financial theory to assess the financial risks of events and business decisions. Due to the strong math, analytical and problem-solving skills actuaries need, people with ASD might find that they thrive in this job.

- **Software testing**

Software testing requires concentration, attention to detail, acute ability to find errors, problem-solving skills. A person who loves problem-solving, staying focused on repetitive work is a good fit for this job.

Jobs for non-verbal people with autism

Jobs are available for people with low functioning capacity. These are jobs with low work pressure and require a high level of concentration and efficient memory.

- Reshelving library books
- Factory assembly work
- Copyshop
- Restocking shelves
- Recycling plant
- Warehouse
- Lawn and garden work

These are some of the basic jobs listed above that a person with a developmental disability can perform. Companies are trying hard to train these people in such a way that some of them can work like other normal people. Now, these people can handle some long working hours and some amount of work pressure.

Care to be taken before hiring

Before hiring neurodivergent people, companies have to undergo certain infrastructural changes and train their other employees in a certain manner. Companies should segregate the divisions of normal employees and neurodivergent employees. The use of a color combination of rooms must be

subtle and the use of dark bright colors must be avoided. Neurodivergent people prefer to work in a quiet place and hence silence must be maintained wherever possible (at least at desk jobs this can be taken care of). Special provisions for sitting arrangements for the employee who cannot stand for a longer time must be made. Efforts must be made by other employees to interact with them in a lower voice as some people are afraid of louder voices. Other employees must try to be normal with them and try to help them as they are shy to ask for help. Try to keep them happy and they should not feel secluded when at work. The more the organizations try to make these employees comfortable, the better results they will get.

Bottomline

To yield benefits, a neurodivergent work culture takes true intention and time, but the results are worth it. A workplace needs all types of people - different cultures, races, sexual orientation, neurodiversity- at all levels of the organization. Organizations should try to surround their Vision - Mission statements achieving the goals with the neurodivergent work culture. Because at the end of the day it is not just neurodivergent people that miss the opportunities, but the companies who miss out on such a big pool of talented and deserving candidates.

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History and Evaluation of State Reorganization Commissions in India

Gopi Madaboyina

Abstract

The geography of the Indian Federal Polity has been the product of a long period of development and even after it came into existence, it has been continuously changing. Nor can one say with any degree of certainty that the boundaries have at last been drawn with finality. In the British period, the “States” were known as Provinces and it was the provinces which first came into existence before any form of central government did. The first central government could make its appearance only in the year 1773. Before this there were *three* provinces known as “Presidencies” namely, the Presidency of Fort William in Bengal, the Presidency of Fort St. George in Madras and the Presidency of Bombay. The Presidency of Fort William was the largest and the Charter Act of 1883 provided for its division into i) the Presidency of Fort William in the lower province in Bengal & ii) the Presidency of Agra. Today, India is a Union of 28

States and 8 Union Territories. *The aim of this article is to describe about the history and evaluation of state reorganization commissions in India and explain the growth and importance of state administration.*

Keywords: Evaluation, States, Commissions

Today, India is a Union of 28 States and 8 Union Territories. The geography of the Indian Federal Polity, however, has been the product of a long period of development and even after it came into existence, it has been continuously changing. Nor can one say with any degree of certainty that the boundaries have at last been drawn with finality. *The aim of this article is to describe about the history and evaluation of state reorganization commissions in India and explain the growth and importance of state administration.* In the British period, the “States” were known as Provinces and it was the provinces which first

came into existence before any form of central government did. The first central government could make its appearance only in the year 1773. Before this there were *three* provinces known as “Presidencies” namely, the Presidency of Fort William in Bengal, the Presidency of Fort St. George in Madras and the Presidency of Bombay. The Presidency of Fort William was the largest and the Charter Act of 1883 provided for its division into i) the Presidency of Fort William in the lower province in Bengal & ii) the Presidency of Agra. The proposed bifurcation however was postponed and the creation of Presidency of Agra was cancelled and in its place the North-West provinces under a Lt. Governor was set up in 1836. Punjab became a separate province in 1849, followed by Oudh in 1856, the Central Provinces in 1861, Assam in 1874, the North Western Frontier Province in 1901, the United Provinces of Agra and Oudh in 1901, Bihar in 1912 and Sindh and Orissa both in 1936.

In addition to the above Governor's provinces, there were 6 Chief Commissioner's provinces, namely, 1) British Baluchistan (now in Pakistan), 2) Delhi, 3) Ajmer – Merwara (Rajasthan), 4) Coorg (Karnataka), 5) Andaman & Nicobar Islands, and 6) Panth Piploda (Madhya Pradesh). After India's partition in August 1947, both the North Western frontier province and Sindh became part of

Pakistan while Punjab and Bengal were divided between the two countries. Baluchistan was also given to Pakistan.

Independent India thus comprised *Nine* Governor's provinces i.e. Madras, Bombay, West Bengal, the United Provinces, Bihar, East Punjab, the Central Provinces, Assam and Orissa and *Five* Chief Commissioner's provinces i.e. Delhi, Ajmer-Merwara, Panth Piploda, Coorg and Andaman-Nicobar islands.

State setup at the Commencement of the Constitution:

After partition, India faced the problems of consolidation, the integration of the princely states and the framing of a constitution (approximately two-fifth of the area under the Raj had been made up these 562 principalities, varying in size from a few square miles to an area as large as Hyderabad, with seventeen million people). Once the princely states had acceded to India, the process of integration was begun. Smaller states were merged with neighbouring provinces; others were consolidated as centrally administered areas. States of another class because of their affinity were consolidated as now federal units. These included Rajasthan, Saurashtra (Gujarath), Travancore-Cochin (Kerala), Mysore (Karnataka), Hyderabad and in a separate class, the state of Jammu & Kashmir.

In 1950, when the new Constitution came into existence, the constituent units of the Indian Union thus found themselves classified into part *A, B, C & D* states. Part A states included the erstwhile Governor's provinces; Part B states the erstwhile Princely states; Part C states the erstwhile Chief Commissioner's provinces as well as some of the erstwhile Princely states, and Andaman-Nicobar islands were kept as the solitary Part D state.

The head of the Part A states was the Governor, while the head of the Part B states was the Rajpramukh. Part B states were bound by certain special agreements entered into consequences of their financial integration. Part C states were administered by the President through a Chief Commissioner or a Lt. Governor. They were originally Chief Commissioner's provinces and their administration was vested directly in the hands of the Central Government. They were governed by the Government of Part C States Act, 1951. The Part D state was also administered by the President through a Chief Commissioner, but there was no provision whatsoever for a legislative body or a council of ministers.

In 1950, the states of all the four categories numbered twenty nine and were classified as follows:

1. *Part A states:* 1) Assam, 2) Bihar, Bombay, 4) Madhya Pradesh, 5)

Madras, 6) Orissa, 7) Punjab, 8) The United Provinces, 9) West Bengal

2. *Part B States:* 10) Hyderabad, 11) Jammu & Kashmir, 12) Madhya Pradesh, 13) Mysore, 14) Patiala & East Punjab states union, 15) Rajasthan, 16) Saurashtra, 17) Travancore-Cochin, 18) Vindhya Pradesh

3. *Part C States:* 19) Ajmer, 20) Bhopal, 21) Bilaspur, 22) Cooh-Bihar, 23) Coorg, 24) Delhi, 25) Himachal Pradesh, 26) Kutch, 27) Manipur, 28) Tripura

4. *Part D States:* The Andaman & Nicobar islands

History of the demand for redistribution of States:

The demand for a redrawing of the state boundaries in India is long standing and dating back to the year 1903 when Sir Herbert Risley, Home Secretary in the Central Government wrote to Bengal proposing the historic partition of that province, affected in 1905. The authors of the report on Indian Constitutional Reforms were well disposed towards provincial reorganization for three principal reasons:

1. The provinces as they existed bore an artificial character

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2. If these units were made smaller in size and more homogeneous in character, the business of the government was to become simplified.
 3. The linguistic provinces were to lend themselves to the adoption of regional language for purpose of transaction of governmental business which was to attract public affairs persons not acquainted with English and thus to broad base Indian politics.

Mahatma Gandhi at very outset wanted that the provincial units of the Congress Party should be organized on linguistic basis. Accordingly, in 1921 the Congress Party gave effect to the linguistic principle in its own constitution by dividing the existing provinces into linguistic ones for its organization purposes. The Nehru Report (1928) approached the question of formation of provinces on the basis of linguistic affinities. The principles to govern redistribution of provinces are according to this report, partly geographical and partly economic but two main considerations are the popular wishes and the linguistic unity of area. In a democracy the language of official communication cannot but be the language spoken by the people, which means that so far as the provinces are concerned, it must be the provincial language and any other course is bound to keep the development of the common man stunted.

The Simon Commission (1927) was much more analytical and balanced in its examination of this question. In its report, submitted in 1930, it gave qualified support to the proposal of linguistic provinces. "If those who speak the same language form a compact and self-contained area, so situated and endowed as to be able to support its existence as a separate province, there is no doubt that the use of common speech is a strong and natural basis for provincial individuality. The congress party adopted a resolution in 1927 affirming that the "time has come for the redistribution of provinces on a linguistic basis". In 1937 & 1938, it renewed its pledge on the same basis. In its election manifesto of 1945, the congress reiterated its pledge to setup linguistic provinces. When the Constituent Assembly of India was engaged in drafting the Constitution, the demands of formation of linguistic states became intensely live on its floor. Therefore, in June 1948, the Assembly announced the setting up of the Linguistic Provinces Commission under the Chairmanship of **S.K Dar** to examine the case of formation of certain new provinces.

The Dar Commission report was too chastising for the protagonists of the linguistic province and met with an extremely chilly reception in the country, particularly in South India which was more insistent on linguistic

provinces. The Dar Commission reported “It may be that the provinces thus formed will also show homogeneity of language and in a way might resemble linguistic provinces. But in forming the provinces the emphasis should be primarily on administrative convenience and homogeneity of language will enter into consideration only as a matter of administrative convenience and not by its own independent force.”

The Dar Commission warned that linguistically homogeneous provinces would have a substantial bias threatening national unity and that in any case, each state would have minorities. The report was received with general disappointment. The Congress party also did not like the Dar prescription and announced its own committee to consider the question of linguistic provisions. Appointed at the Jaipur Session of the Congress Party held on December, 1948, the Linguistic Provinces Committee consisted of *three* members namely Jawaharlal Nehru, Vallabhbhai Patel and Pattabhi Sitaramayya (popularly known as **JVP committee**) “to examine the question in the light of the decisions taken by the Congress in the past and the requirements of the existing situation”. The JVP Committee, fundamentally concerned with the problem of national unity reaffirmed the position of the Dar Commission. It would unmistakably retard the process

of consolidation and let loose, while we are still in a formative stage, forces of disruption and disintegration. It however, was concerned that a strong case might be made for the formation of Andhra from the Telugu speaking region of Madras, and that if public sentiment was 'insistent and overwhelming', this and other cases might be given further consideration. This was the opening wedge for the bitter struggle over states reorganization which was to dominate Indian politics from 1953 to 1956.

The Creation of Andhra Pradesh:

The demand for a separate state of Andhra Pradesh had deep roots among the Telugu people. Rajagopalachari's Ministry in Madras after the first general election was not happy family. His differences with Sri Tanguturi Prakasam popularly known as “Andhra Kesari” accentuated the clash between the Tamil and the Telugu speaking Andhras. The Andhras now revived their demand that the Madras state, as formed by the British be carved into two separate Tamil and Telugu speaking states. This movement got a big fillip when a respected leader, Sri Potti Sriramulu undertook a fast into death. Nehru told his cabinet colleagues he would not be intimidated by the tactics. But when the fasting leader died and the tragedy was followed by widespread riots and destruction Nehru yielded and in 1953

the state of Andhra Pradesh was created. Although Nehru argued against the 'foolish and tribal attitudes' of provincialism, the states he said were only for administrative purposes but the demand has been recognized and other linguistic groups would now have nothing less.

The appointment and Report of the States Reorganization Commission:

The creation of Andhra Pradesh State was the signal for the demand for a Kannada speaking state comprising old Mysore state and including areas then part of erstwhile Bombay and Hyderabad states. Nehru and his cabinet and the Congress high commission decided to resist all attempts at further division of the states according to language. However, when Nehru was greeted with black flags at Belgaum, he sensed the dangers to his position and announced the formation of a Commission (29th December, 1953) to study the question of reorganization of states on a linguistic basis under the chairmanship of *Fazal Ali*, a judge of the Supreme Court. The other two members of the Commission were *H.N Kunzur* and *K.M Panikkar*.

The States Reorganization Commission sought a 'balanced approach' between regional sentiment and national interest. The Commission's Report, popularly known as the SRC Report, is a 267

page document representing the conclusions of the three members after travelling over 98,420 square kilometers, interviewing some 9,000 persons and examining nearly 1,52,000 documents. The unity of India, the report conducted, should be regarded as the primary consideration in any redrawing of the country's political units. The commission rejected the theory of "one language one state" but recognized the linguistic homogeneity as an important factor conducive to administrative convenience and efficiency. The Commission recommended that the political divisions of the Union be redrawn generally in accordance with linguistic demands. It recommended that the constituent units of the Indian union be the following **16** states and **3** centrally administered areas:

States: 1) Madras, 2) Kerala, 3) Mysore, 4), Hyderabad, 5) Andhra Pradesh, 6) Bombay, 7) Vidarbha, 8) Madhya Pradesh, 9) Rajasthan, 10) Punjab, 11) Uttar Pradesh, 12) Bihar, 13) West Bengal, 14) Assam, 15) Orissa, 16) Jammu & Kashmir

Centrally administered areas: 1) Delhi, 2) Manipur, 3) Andaman & Nicobar islands

The Commission recommended that the classification of the states in four categories (A,B,C,D) as envisaged in the Constitution should be

done away with and all the states to be given an equal status. It also recommended that the office of the Rajpramukh, which smacked of the monarchial idea, should be abolished. It did not find any ground for the formation of separate states of Punjab, Suba, or Haryana. It recommended the continuation of Bombay as a bilingual state. The demands for separate tribal states, including Jharkhand and Nagaland were also bypassed.

Criticism of the SRC Report:

The SRC report was strongly criticized in all sections of the country. The New York Times remarked even before the publication of the report that the Commission would suggest enlarging some states, making some smaller, wiping out a few altogether and creating some new ones. In West Bengal, Orissa, Punjab and Bombay the criticism was particularly strong. When the SRC declined to accept the idea of Sikh state agitation among the Sikhs was to be anticipated and was promptly forthcoming. Nehru expressed surprises at some of the recommendations of the Commission. He did not like the breakup of Hyderabad, which he thought was a model composite state. G.B Pant, on the other hand, welcomed this recommendation for it would remove Hyderabad as 'a focus of Muslim power'. Pant wanted to give a 'decent burial' to linguism as an active political force. The country was now in the grip

of the controversy over the Fazal Ali Report, and as days passed, the controversy gathered momentum. C. Rajagopalachari asked Nehru to shelve the report for twenty five years and the Hindustan Times advised to debunk the one language, one state proposal. The Chief Minister of Bengal and Bihar offered to amalgamate their states in a bid to check 'linguistic madness'. It was even suggested that the country be carved out into five or six zonal administrative units.

The States Reorganization Act, 1956:

The SRC's proposals for redistribution of states in some cases were drastically revised by the Government. On 16th January, 1956, the government announced its decisions on the report, which may be summarized as follows: The government accepted the commission's recommendations regarding the formation of the new states of Kerala, Karnataka (which was to named Mysore) and Madhya Pradesh and regarding the continuance of the states of Madras, Rajasthan, Uttar Pradesh, Bihar, West Bengal, Assam and Orissa, broadly on the basis proposed by the Commission. In other words;

- a) Uttar Pradesh was to continue in its existing form
- b) Madhya Pradesh and Orissa were to be as proposed by Commission

c) Madras, Kerala, Karnataka (Mysore), Bihar and West Bengal were to continue as wished by the Commission (subject of course, to minor boundary adjustment)

d) Assam was to be as desired by the Commission except that Tripura was not to be included in its territory

e) Maharashtra was to consist of the Marathi speaking area of Bombay, Madhya Pradesh and Hyderabad. Gujarat, Saurashtra, Kutch and the Gujarati speaking areas of Bombay.

f) The existing constitutional disparity between the different categories of states was to disappear. This meant that Part-B states were to be equated with Part-A states by deleting Article 371 of the Constitution and abolishing the institution of Rajpramukh, and Part-C states were to disappear altogether as a separate cluster of states and such of the existing Part-C states as could not be merged in adjoining states were to be directly administered areas

g) The Central Government had under consideration the Commission's recommendation about the formation of 1) a Punjab state comprising the territories of the existing states of Punjab, PEPSU

and Himachal Pradesh 2) a residuary Hyderabad state or alternatively a larger Andhra state.

The States Reorganization Bill was introduced in April, 1956. It was finally passed in July, 1956 and came into force in November, 1956. The Act did away with the four categories of states as provided under the original Constitution, and instead classified them into two categories – the States and the Union Territories. Although the States Reorganization Commission had recommended the creation of 16 states and 3 centrally administered areas, the Act provided for the creation of 14 states and 6 union territories as under:

States: 1) Andhra Pradesh, 2) Assam, 3) Bihar, 4) Bombay, 5) Jammu & Kashmir, 6) Kerala, 7) Madhya Pradesh, 8) Madras, 9) Mysore, 10) Orissa, 11) Punjab, 12) Rajasthan, 13) Uttar Pradesh, 14) West Bengal

Union Territories: 1) Andaman & Nicobar Islands, 2) Delhi, 3) Himachal Pradesh, 4) Lacadive, Minicoy and Amindivi Islands, 5) Manipur, 6) Tripura

“India that is Bharat” is a Union of States; the territory of India comprises the territories of the States and Union Territories. Except Jammu and Kashmir, no state has the right to frame its own constitution. A state derives power and authority directly from the

Constitution of India. There is a separate government for each constituent state. At present India comprises 28 states and 8 union territories.

One thing that should be kept in mind is that there is no uniformity among the states with respect either to size of population or to the extent of territory, the Parliament of India is vested with the authority to alter the political map of India and the Parliament has used that authority freely since Independence.

After Independence due to the creation of Pakistan out of the original territory of India, some provinces and the princely states went to the newly carved state and there arose the problem of reorganization which was taken up when the Constitution was on the anvil. The First Schedule of the 1950 Constitution contained 4 categories of units of the Indian union – A, B, C, D. Soon after the commencement of the Constitution there arose the problems of reorganization of the states. A commission was appointed in 1953 for that purpose. It submitted its report in 1956 and the States Reorganization Act, 1956 was made which led to passing of Constitution (7th Amendment) Act, 1956 amending the First Schedule. The annexation of Goa, Daman & Diu in 1961 necessitated the 12th Amendment in 1962. There arose occasions in 1966, 1970, 1972, 1973,

1976 and in 2004 to redraw the political map of India.

From the constitutional point of view, provisions relating to the appointment and duties of Governors, the emergency provisions, the creation of All India Services, etc. contain many unitary features. From the administrative point of view also the states are subordinate to the Union Administration in many respects. Power of the purse being the ultimate power and with the centre almost fully holding that power, the states are dependent upon the centre financially. Therefore, unlike the USA, the states in India possess no vestige of sovereignty and are indeed creation of the Constitution. They are to function with the central government as the dominating partner enjoying various types of power of overriding nature.

Growing importance of State Administration:

The efficiency and effectiveness of the administration of the entire country depends upon the vigour and the competence of the state governments. There are some important reasons for which the states occupy a vital role in the governmental system of the country. They are given below:

- The states are the agencies for execution of planned programmes. Most subjects which constitute the ingredients of development

administration are within states exclusive jurisdiction.

- The state governments act in many cases as the agents of the Union in discharging its functions.
- People's participation in the government and administration is possible only at the state level.
- Article 40 of the Constitution provides for Local Self-Government which comes under the purview of the state governments.
- Maintenance of law and order is a very important state subject
- The concept of welfare state and development administration has given the states a new dynamic role and importance – in fact, the states held the key to the nation's progress on economic and social fronts.

The states, however, vary considerably in terms of their size, population, resources – physical, economic and manpower – in terms of quantity and quality, political, social and cultural development and quality of their administrative machinery. This constitutes a major difficulty in a description of the state administrative system. Secondly, India is a Union of states and centrally administered territories. These two categories differ fundamentally in their political and

administrative organization. In addition, with respect to constitutional provisions also, all the units of Indian Union are not equal. Article 370 gave special status to Jammu and Kashmir. Only certain Indian Laws approved by the state legislature applied to it and Indian citizens could not buy any property in Kashmir unless they are also Kashmiri citizens. The state also has separate constitution of its own, a privilege not conferred on any other state. Recently the Indian Government initiated steps to change the above said situation. Similarly, article 371 makes special provision for Andhra Pradesh, Gujarat, and Maharashtra. Article 371A and 371B makes special provisions for Nagaland and Assam respectively. Article 371F makes special provision for Sikkim.

Conclusion:

In conclusion we can say that the Indian Constitution is federal in form, although Article 1 on the Constitution describes it as a Union of States. In a federation there are two sets of governments, the national government and the governments of constituent units. It postulates dual polity, national and regional governments coexist within the framework of the same state. Both sets of government exercise powers granted to them by the Constitution and both are supreme within the spheres assigned to them by the Constitution. Federalism presupposes equality of the status

between two sets of government; the one is not simply the creation of the other. Both enjoy a judicial status and corporate personality. The political and administrative organization of states is similar to its counterpart the national government like President, Council of Ministers, Parliament and Supreme Court at the centre, the state have Governor, Council of Ministers, Legislature and a High Court. The Election Commission, President's Rule, State Secretariat, District Administration, Panchayati Raj and Local Self Administration fall within the constitutional frame of the state administration.

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Augmenting Urban Infrastructure Financing by Possible Elimination of Roadblocks

K. Vara Prasad, M. Devarajulu

Abstract

In the light of rapid and extensive urbanisation, urban management has become a rising issue today, and the development of urban infrastructure is an activity associated with the urbanisation process. In any economy, infrastructure is one of the most important pillars of productivity and a facilitator of quicker economic growth and poverty reduction. The 74th Amendment to the Indian Constitution has prepared the path for urban local self-governance by assigning additional duties, namely Functions-Functionaries-Funds (3Fs), on Urban Local Bodies (ULBs). The urban sector activities focus on the enhancement of infrastructure amenities such as drinking water, solid waste management, roads and mobility, street lighting, parks, and sewerage treatment, among others, which is dependent on appropriate urban infrastructure finance.

India is at the crossroads in its transition from rural to urban society. The financing of urban infrastructure is dependent on the fiscal empowerment of ULBs, capacity building, the development of sound feasible projects, suitable responses, credit enhancement promotion, and so on. In addition to the foregoing, eliminating roadblocks, i.e., reducing regulatory barriers to ensuring a steady flow of capital from private investors and financial institutions plays an equally significant role.

1. Introduction:

Urbanization is a well-known phenomenon that has become an integral part of our modern culture. In India, in the future, the rapid growth of urbanization (Urban Population was 31% in 2001 and projected to 38% in 2026 as per the Ministry of Housing and Urban Affairs) will play a vital role in the structural transformation of the

Indian economy. Hence, the Infrastructure-driven urban development is one of the main concerns of India's current development policies and programmes. But presently, Indian cities and towns lack accessibility to the Qualitative and Quantitative infrastructure.

ULBs, whose primary responsibility is providing basic civic amenities, are experiencing a number of constraints such as poor revenues, inefficient organisational and human resources, and lack of supportive environment. Thus the majority of the urban population in India experiences inadequate access to basic amenities and services such as housing, transport, water supply, sanitation, electricity, roads, schools and hospitals. Further, increasing urbanisation and the concentration of the population are associated with increasing problems such as high population density, traffic congestion, pollution, slums, rise in urban poverty, and environmental degradation.

Developing-country urbanisation will continue to outpace that of developed-country urbanisation in the next decades. Many emerging economies with established but ageing infrastructure systems will require large investment just to sustain existing service levels, leave alone keeping up with demand in the future decades.

Despite their importance in the development of wealth and income, ULBs in India continue to face structural and service delivery issues as a result of a variety of causes. The lack of financial resources in the system is one of the major issues. Poor planning, inability to inject money on time, high capital intensity of projects, extended gestation periods, and other factors could all be contributing to the lack of financial resources. In brief, financing shortfall is affecting ULBs' ability to create and expand urban infrastructure, as well as provide quantitative and qualitative services.

Thus, through providing social and economic services, ULBs are emerging as engines of productivity and economic growth, and it has lately been recognised that ULB productivity is increasingly determining national economic growth and poverty reduction. As a result, the budgetary health of the ULBs is critical for socioeconomic growth.

According to the Government of India's economic review for 2019-20, India would require \$ 1.4 trillion in infrastructure investments by 2024-25, with the majority of those funds going toward urban infrastructure development. The Central and State governments, on the other hand, have limited fiscal resources and grant-in-aid support. This scenario expands ULBs' need for market access and

raising funding through novel urban infrastructure financing models.

To take advantage of future opportunities in urban infrastructure investment and financing, ULBs' financial structures must be reformed to remove blockages and alternative and innovative urban infrastructure financing models/instruments must be developed to supplement urban infrastructure financing.

This paper is based mainly on literature review and its sketch spreads across eight sections including introduction – Section one. Sections two and three discuss Urbanization and Development and Urban Infrastructure Financing respectively. Section four focuses on the existing blockages in Urban Infrastructure financing. Sections five and six speak about Municipal Bonds and Restructuring the Municipal Bonds framework correspondingly. Section seven discusses Enhancing the Scope of Public-Private Partnership (PPP). Finally, section eight is the Conclusion.

2. Urbanization and Development

India's urban growth is mostly concentrated in large cities and towns with a population of 100,000 or more. The urban population has grown from 25.85 million in 1901 to 377.11 million in 2011. The urban population also increased progressively from 10.84%

in 1901 to 31.16% in 2011. At the same time, the number of towns has increased from 1,915 to 7,935 during this period. The number of cities with population exceeding one million has increased from 35 in 2001 to 53 in 2011, accounting for 51.43% of India's urban population, and this number is anticipated to rise to 87 by 2030.

It is estimated that nearly 31% of India's current population lives in urban areas contributing to 63% of India's GDP. With increasing migration, urban areas are expected to house 40% of India's population and contribute to 75% of India's GDP by 2030. This is placing an immense pressure on the cities for significant investment to upgrade existing and develop new infrastructure.

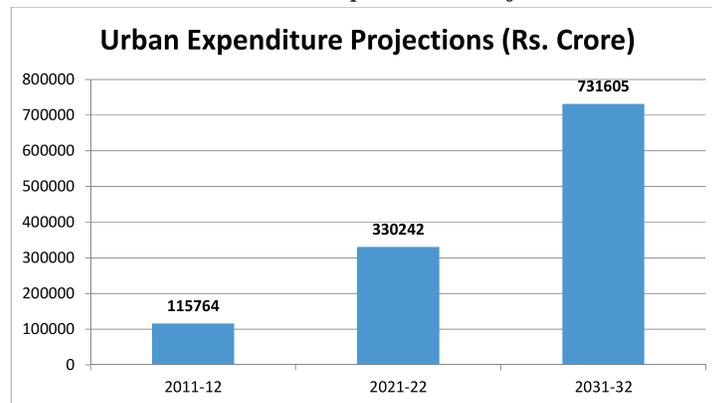
The problem of managing urbanisation has been recognised as requiring a mix of greater investment, strengthened governance and financial structure, and a comprehensive capacity-building programme at all levels of government.

The High Power Expert Committee (HPEC) report on Indian Urban Infrastructure and Services has estimated a total investment of INR 39.2 Lakh Cr (at 2009-10 prices) over the 20-year period 2012-2031 for the development of Urban Infrastructure. The investment estimates are based on comprehensive analysis of 8 sectors

and also include O&M and Establishment Cost. The report has emphasized the importance of delivery of urban public services such as drinking water, sewerage, solid waste management, roads, and street lights for the future sustainable urban

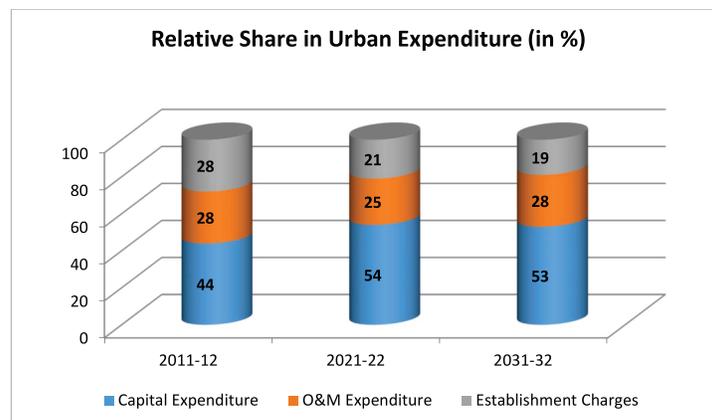
development in India. The report stresses that cities and towns in India must meet the service standards as set out by the Ministry of Urban Development to retain and augment the contribution of cities and towns to economic growth.

Chart-1 Urban Expenditure Projections



Source: HPEC 2011

Chart-2 Relative share in Urban Expenditure



Source: HPEC 2011

As seen from the Chart-1, the Urban expenditure projections are escalating from decade to decade i.e. from the year 2011-12 to 2021-22 it is 185% and from 2021-22 to 2031-32 it is 121%. Further as seen from the Chart-2 the capital expenditure has been increased from 44% in the year 2011-12 to 54% & 53% in the years 2021-22 & 2031-32 and in respect of O&M expenditure 28% in the year 2011-12 was decreased to 25% and again it was increased to 28% in the year 2031-32, in respective of establishment charges it was decreased from 28% in the year 2011-12 to 21% and 19% in the years 2021-22 & 2031-32.

Hence, it seems that the urban infrastructure is under the stress of ever-growing urban population. Cities are seen as centres of knowledge, skills, social capital, and infrastructure facilities and are thus the desired destinations of domestic and foreign investment. But the ULBs are not in a position to discharge their responsibilities effectively to improve service levels due to lack urban infrastructure financing prospects.

Taking into consideration the urban expenditure projections and the scale and rapidity of urbanization, the mounting fiscal constraints to bridge existing and growing infrastructure service gaps in India is leading to major shortfalls in coverage, service levels

and quality of urban infrastructure - factors that are critical to enhancing the productivity of urban areas.

Hence there exists a relationship between Urbanization and Urban Infrastructure. Inadequate urban infrastructure results in reduced economic output and translates into additional cost in terms of time, effort, and money for accessing essential services. Urbanization not only brings enormous opportunities but also significant challenges.

In other words, the level of urbanization and economic development are positively related. An increase in concentration of population at one place yields many positive externalities increasing productivity and efficiency. The empirical evidences suggest that relationship between urbanization and development varies with the stage of development.

India has been facing a major transformation of its urban landscape. Urbanization is not only a consequence of faster growth and development but also an instrument in promoting development through the urban economies. The NITI Aayog's three-year action agenda recognized urbanization as "an integral part of economic development" as urbanization has demonstrated strong linkages with economic growth.

Table: 1 Data showing India's urban population Vs % of urban population

Year	Urban Population (million)	% Urban Population	Compounded Annual Growth Rate
1991	217.55	25.72	-----
2001	285.35	27.78	(1991-2001) 2.75%
2011	377.20	31.16	(2001-2011) 2.82%
2021	481.90	34.93	(2011-2021) 2.47%

Source: Census of India & data.worldbank.org.statista.com

India is rapidly urbanizing. According to 1991 Census, the urban population 217.55 million with growth rate of 2.75 % has reached 285.35 million in 2001 and as per 2011 Census, the urban population grew to 377.20 million as compared to 285.35 million in 2001 Census showing a growth of 2.82 % per annum during 2001-2011; further during the period 2011-2021 there was decrease in growth rate from 2.82 % to 2.47%.

In this scenario, the Union, State and Local Governments have recognized the urbanization challenges. They introduced various policies and programmes in an effort to manage the development of urban areas. However, to attain higher economic performance, Indian cities and towns need superior planning and organization to improve the conditions in the coming years for which pooling the funds for urban Infrastructure financing is crucial.

3. Urban Infrastructure Financing

The financial resources of the ULBs, own resources and transfers from centre and state governments together, are scarce and hence unable to meet the already existing expenditure necessities. ULBs, to meet the rising financial requirements, need to explore new sources of funding.

Investing in urban infrastructure and services has, in the past, been a public sector activity and heavily reliant on the public sector to fill the gap between supply and demand. This investment was financed largely by Grants and Plan funds of the Central and State governments. Besides the above, a smaller amount is being financed by the private sector under current mechanisms. In addition, cities were also allowed to access loans from the Housing and Urban Development Corporation (HUDCO) a public sector enterprise for various city infrastructure projects such as water

supply, roads and bridges, and sanitation.

The National Infrastructure Pipeline (NIP) envisages Rs 19 trillion of investments in urban India over a five-year period till FY25. Considering the magnitude of investments, it is essential to create a comprehensive investment eco-system to foster implementation of projects in the Urban Infrastructure sector.

As per the CEIC data, India has a reasonably high saving rate which was measured at 31.4% in March 2020. The savings as a portion of GDP are 22.5 percent for household, 7.5 per cent for corporate and 1.4 per cent for public sector. Almost 50 per cent of household savings are in the form of deposits in banks. So the major problem is not the availability of savings, rather the channelizing the savings into Urban infrastructure investment.

However, the point arises as to how the development of infrastructure facilities is financed and to what extent the macro and micro economic framework accommodates the raising demand of Urban Infrastructure Financing.

First of all, it must be demonstrated that the demands for urban infrastructure can be funded by the ULBs themselves. According to several researches, ULBs are not self-sufficient, and State and Union

government aid is insufficient to satisfy the finance requirements for urban infrastructure.

Secondly, we are able to satisfy domestic Urban Infrastructure Financing demands, either through local savings or by pooling other investment needs, and international investments are welcomed for Urban Infrastructure Financing. However, it was ineffective owing to ULBs' flaws such as a lack of strength, capacity, professionalism, structured approach, and proper mechanisms.

Thirdly, It is well understood that large-scale urban infrastructure funding requirements are not met by private or foreign savings. According to several studies, one of the best alternatives for quick investment to address the funding demands of urban infrastructure is to tap the financial markets. The public savings must then be accessed or encouraged to be deployed in financing for urban infrastructure. The domestic financial sector connects deposits, especially domestic savings, to financial markets in order to expand and enhance Urban Infrastructure Financing by pooling resources and making them more accessible.

In view of the above, there is a need for appropriate regulatory framework to enhance the scope of Urban Infrastructure Financing by

encouraging the institutional investors - Permitting the Insurance companies, Pension and Provident Funds to invest in Urban Infrastructure.

Urban Infrastructure Financing: Broad Composition

Urban Infrastructure financing comprises (i) local government capital budget allocations (ii) Grants from State and Central Governments (iii) Loans from Banks and Financial Institutions (iv) Municipal Bonds (v) Loans/Bonds by way of Pooled financing by Urban Infrastructure funds for smaller Urban Local Bodies and (vi) other emerging financing mechanisms such as Tax Incremental Financing, Private Equity and leveraging municipal assets. The mix of Urban Infrastructure financing depends on the Project size, Commercial viability of the project and creditworthiness of the ULB.

Urban infrastructure can be funded entirely by the government or with the participation of the private sector. Until the late 1980s, the traditional method of financing was by mechanism governments, i.e. the public sector, to finance urban infrastructure. However, since the late 1980s, the private sector has gradually increased its involvement in infrastructure finance. Almost all debt financing in the public sector is 100 percent debt financing (i.e., fully leveraged with no owner

equity capital at risk). Because of governments' capacity to borrow inexpensively, the cost of debt raised by the public sector is often lower than that of the private sector. Taxes paid from the public, as well as other public assets used as security for the debt, provide for the low borrowing rates. Taxpayers are consequently de facto equity participants in government investments, and the risks associated with these investments are ultimately borne by taxpayers and not reflected in public sector financing costs as they are considered risk free.

The engagement of the private sector and other stakeholders, as well as the public sector, in urban infrastructure finance allows ULBs to expand and improve municipal services qualitatively and quantitatively. It distributes the cost of infrastructure throughout the asset's useful life and allows ULBs to rely on several financing alternatives rather than a single or restricted set of choices, broadening the range of financing options accessible to them.

4. Blockages in Urban Infrastructure financing

India's rapid urbanisation has posed huge problems to urban administration during the last two decades, since it has been one of the world's fastest expanding economies. The following are the

most significant impediments to financing urban infrastructure:

- (i) Despite amending the Constitution i.e. 74th Amendment Act 1992, the federal framework and State Governance Political System has not empowered the 3rd tier Government (ULBs) (Constitutional, legal and structural issues).
- (ii) Lack of financial devolution and financial autonomy to ULBs.
- (iii) Inadequate capacity at the local government level (low credit worthiness, slow governance reforms, poor accounting standards and low institutional capabilities etc.,).
- (iv) Other Issues.

i. The federal framework and State Governance Political System that has not empowered the 3rd tier Government despite amending the Constitution i.e. 74th Amendment Act 1992 (Urban Local Bodies.) (Constitutional, legal and structural issues):

Until the 1990s, India's urban local governments were completely under the control and authority of the states, with no functional, financial, or administrative autonomy. The

74th Amendment to India's Constitution has cleared the path for urban local self-government by giving ULBs more powers. ULBs must be empowered by greater devolution of resources in order to fulfil their expanded duties.

The 74th Amendment Act of 1992, which took effect in April of 1993, designated urban development as a state topic and included other constructive elements aimed at making ULBs self-governing and empowered organisations. One of them is the establishment of a State Finance Commission with the goal of reviewing the financial position of the ULBs and making recommendations on their financial health from time to time, but no significant results have been achieved, and many of the major issues have persisted and remain unresolved.

The Government of India has made some efforts to strengthen the Urban Infrastructure by emphasising the importance of cities and their infrastructure, and in June 2005, it launched the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) to carry out certain reforms by rewarding the best performing Urban Local Bodies. Later, under the Atal Mission for Rejuvenation

and Urban Transformation (AMRUT), the Indian government prioritised municipal restructuring utilising digital technologies for Online Services, User Charge Collection, Municipal Staff Capacity Building, and so on.

Decentralisation aims to give local people more influence. The main goal is to give local governments the financial resources they need to provide territorial equity. However, the current state of affairs falls well short of this objective because, notwithstanding the spirit of the 74th Amendment Act of 1992, state governments continue to control and dominate the ULBs. Furthermore, these changes aim to encourage ULBs to deploy digital technologies to operate more efficiently, resulting in more efficient and effective service delivery. However, these have fallen short due to state governments' lack of commitment and interest in building ULBs, as well as the political issues of delegating authority and tasks to ULBs.

ii. Lack of financial devolution and financial autonomy:

ULBs are constitutional institutions charged with

providing a range of municipal services and infrastructure; therefore their finances are crucial. The 74th Amendment entrusted municipalities with great responsibility. To carry out these responsibilities, local governments must be financially healthy and have sufficient authority to raise funds. Despite the fact that the Constitution specifies and lists expenditure duties, it does not provide a defined tax and revenue structure for ULBs.

The expenditure liability of a municipality depends on the service cost, service norms and population parameters. This applies to all categories of services. Revenues raised depend on the size of revenue base, extent of access to the base, the rates and the collection efficiency. This is true for all collectible resources. The fiscal gap can be redressed in the following broad ways: (a) reducing municipal responsibilities, (b) scaling down municipal service norms, (c) cutting costs and unnecessary expenditures, (d) enhancing municipal power to raise revenues, (e) increasing transfers from higher levels of government, and (f) stepping up local effort to raise revenues.

Till date, a separate list of taxes exclusively for municipal bodies does not exist i.e. the independent tax administration has not emerged for the ULBs.

The Goods and Services Tax (GST) Act, effective from 1st July, 2017 has made the financial position of the ULBs more critical, as the GST is silent on the financial share of ULBs and on the other hand the GST has subsumed the local taxes.

The State Finance Commissions are intended to examine ULBs' financial situation and provide suggestions on the three principles of resource devolution from the State Government to ULBs, as well as the three steps required to enhance their finances and operations. Furthermore, depending on the recommendations of the State Finance Commissions, the Central Finance Commission is required to advise steps to enhance the consolidated fund of the states to complement the resources of municipalities under Article 280 of the Indian Constitution.

Furthermore, most ULBs have a difficult time matching available resources to the duties imposed by the Constitution and the states. The state governments have

authority over the taxes, charges, tolls, and fees that will be charged and assigned to municipalities, as well as the grants-in-aid that will be paid to them. Because there isn't enough decentralisation of ULB resources to match the dispersion of ULB spending, budgetary imbalances are likely to persist.

Due to restricted income streams and under-funding in terms of both their own earnings and state grants, ULBs are unable to support urban infrastructure projects. Because of the misalignment of money and functions, many ULBs have become weaker and even more reliant on the states, resulting in the ULB financial Crisis.

iii. Inadequate fund raising capacity at the local government (low credit worthiness), slow governance reforms, poor accounting standards and low institutional capabilities etc.,

The income potential of ULBs has been significantly limited by their adherence to manual documentation procedures, absence of latest information technology, and a lack of skilled employees. ULBs must be strengthened by increased devolution of resources in order to

fulfil the obligations established by the 74th Amendment to the Indian Constitution. Simultaneously, they must build the abilities and competences necessary to manage their duties and resources in a responsible way.

In India, most ULBs are run by generalists with no competence in urban infrastructure or financial administration. Due to a scarcity of skilled human resources, the government is heavily reliant on private sector agencies. Most ULBs, on the other hand, lack the capacity to supervise these private sector specialists. Due to a lack of capacity and financial resources, a vicious spiral of poor service delivery and project cost overruns has developed, negatively hurting ULB's financials.

Most of the ULBs do not possess project development and management capacity, the absence of rigorous project preparation and appraisal process which may lead to inefficient utilization of funds and widespread inefficiencies in provision of services.

iv. Other Issues:

There are no longer any term lending institutions, such as IDBI and ICICI, which were turned into

banks. Because the gestation time of infrastructure projects is relatively extensive, long-term finance is required. Banks rely heavily on short-term deposits for the majority of their funding. This results in a mismatch between the terms of infrastructure funding sources and their usage.

Some of the infrastructure projects have a significant gap in viability e.g. in the case of roads, the cost of funds from banks is quite high compared to the stream of revenue from tolls or other sources of income. In such a situation the banks avoid financing such projects.

Urban infrastructure development entails long gestation periods, procedural and execution issues. Various factors including financial and non-financial, ranging from project structuring to clearances, execution capacity and financing, dictate the execution of urban infrastructure projects.

As infrastructure projects need large financial outlays, banks have their constraints for sectoral financing, and infrastructure projects have a long gestation period, banks may only finance a portion of the demand. In this scenario, the last resort is to finance a single project through a

consortium of banks, with each member bank financing only a portion of the cost, which causes delays in decision-making and raises issues such as interest rates, moratorium periods, guarantees, and recovery arrangements, among other things.

Prior to 1990, urban infrastructure was primarily funded by central and state government grants and Plan funds, and decisions on urban infrastructure development and investment were made by them. Because infrastructure decisions and planning are decided at the highest levels of government, there is a disconnect between local demands and infrastructure plans, and infrastructure investments are undertaken without a good grasp of local needs. The infrastructure that was constructed was found to be insufficient, of lower quality, and sometimes irrelevant to public needs and requirements due to a lack of inputs on both the nature and magnitude of local demands.

Poor financial results lead to bad credit scores, making it harder for ULBs to borrow on their own. It is critical for ULBs to become self-sustaining. Both the state and federal governments are aiming to make ULBs self-sustaining. ULBs have a great chance to

improve service delivery and resource mobilisation through AMRUT's institutional capacity building initiative. Furthermore, state governments are announcing initiatives in which Information, Communication, and Technology (ICT) modules have been used to increase ULB collection efficiency and service delivery.

In India, there is still a lack of an effective regulatory system that encourages the development of urban infrastructure finance choices while reducing or minimising the risk component. Urban Infrastructure funding alternatives are hampered by a lack of strong institutional support for ULBs and a lack of awareness of the value of ULBs by the Central and State Governments.

Another important aspect is that the investment decisions are taken by the higher levels, ULBs do not have any control over these decisions even when they are encumbered with the problems of debt servicing, operationalizing and maintenance of urban facilities.

5. Municipal Bonds Accessibility: Key Challenges

The Key Challenges of ULBs in accessing Municipal Bond Market are:

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- (i) **Revenue Generation:** Narrow Revenue Generation through own sources and overdependence on grants from Central and State Government
- (ii) **Dependency on Grants for Capital Expenditure:** ULBs are caught in a vicious circle of generating less revenue and spending even less on services and infrastructure. Further, low user charges and low collections exacerbate the poor financial condition of ULBs.
- (iii) **Capacity:** There is a need for function-finance mapping to ensure that each function performed by the ULBs is backed by a corresponding financing source.
- (iv) **Credit Rating of ULBs:** As of May 2017, 94 cities have been rated - 55 of these cities have “investment grade” ratings, - 39 received credit ratings below the investment grade (BBB-) Though majority of the ULBs are rated above BBB (investor grade as prescribed by SEBI), for marketability and subscription, Bond Issuance rating of AA and above is a benchmark. Therefore, without appropriate credit enhancement in the form of Partial Guarantee, accessing municipal bond markets seems distant.
- (v) **Meeting Minimum SEBI Regulations on Issuing and Listing of Debt Securities:** ULBs face difficulties in meeting basic SEBI requirement for issuance of Municipal Bonds such as timely closure and audit of accounts, amongst others.
- (vi) **Remunerative Project for Issuance of Revenue Bonds:** Most of the projects undertaken by ULBs provide basic civic infrastructure and are generally non-remunerative. Further, some projects with promising revenue potential have longer gestation period, making them un-suitable for project based revenue bonds.
- (vii) **Municipal Legislations:** ULBs are empowered by local Municipal Legislation which varies from state to state. Mostly these legislations lack proper provisions for Debt Borrowing for ULBs such as power to securitize assets / receivables, power to raise loans (type of loans), administrative process for approval of borrowing, investor protection provisions, etc.
- Public Private Partnerships (PPPs):** PPP in urban infrastructure projects have had mixed results. The following are the obstacles.
- (i) **Funding and Viability:** Inadequate own sources of

revenues due to low user charges, narrow tax collection and inefficient use of value capturing, the continuity of public funding for the project becomes a challenge.

(ii) **Risk Sharing** has been suboptimal in most of the model concession agreements.

(iii) **Project Planning and Structuring:** Limited Capacities of ULBs / Government Agencies in project planning, development and structuring resulted in improper planning and structuring of projects. This leads to lower interest from private players, non-optimal pricing, delays and overruns in implementation.

(iv) **Payments and Disputes:** Delayed and long outstanding payments to private players have resulted in loss of confidence. Further, long settlement for contractual disputes has aggravated the situation.

(v) **Bankability of the Projects:** A major concern for private sector is the bankability of projects which impacts the capital raising capacity of private player / ULB from Banks/FI are:

- Cost Overruns: ULBs primarily depend on fund transfers from

Centre and State. Erratic budget transfer and funding approval that falls short of estimated cost force curtailing the scope of projects / spreading them over many years, ultimately affecting service delivery and project returns. This makes it extremely important to structure projects to make them commercially viable;

- Slow Ramp up of Revenues Streams: Inefficiencies at project planning and management level leading to disproportionate tariffs which leads to inadequate revenue & cost recovery;
- Lack of visible sustained generation of cash flows which are the primary drivers of debt serviceability;
- Challenges in enforcement /monetizing of physical asset based securities.

Eliminating Roadblocks to Augment Urban Infrastructure Financing

Unless the institutional reforms are put in place to address these challenges/blockages the augmentation of urban infrastructure financing cannot be taken forward to meet the challenges of urbanization.

(1) Steps in the direction of delegation of full autonomy to ULBs:

Recognizing ULBs as the third layer of governance in their true meaning is critical. The goal of decentralisation is to empower local people. The basic goal is to functionally empower local governments in order to provide territorial equity. The current scenario is far from ideal. To effectively enhance and delegate functional powers to ULBs, the laws must be vigorously implemented in order for them to function as institutions of self-governance.

(2) Financial devolution and financial autonomy:

ULBs would be required to have financial resources and the ability to use their functions without interference from the state. The recommendations of the State Finance Commissions (SFCs) that were submitted before the State Legislature, like in the case of Central Finance Commissions, must be adopted in the interests of sound finance of the ULBs.

ULBs must take efforts to capitalise on possibilities and routes, while state governments must empower ULBs to generate money through the imposition of taxes and non-tax levies. Furthermore, measures that address all of these causes are

required to close the local fiscal imbalance.

The States and SFCs, as provided in the Constitution, should realistically assess the revenue needs of ULBs on the one hand and their revenue base on the other and then suitably empower them to levy various kinds of taxes and user charges

State governments must take aggressive initiatives to assist ULBs to adopt and execute revenue-augmentation policies. Instead of individual ULBs attempting to find technological solutions to process bottlenecks, states might develop standard solutions and assist ULBs in adopting them.

The states must also prioritise monitoring the projected accounting changes in ULBs to help them to keep track of their income, expenditures, assets, liabilities, and so on, so that ULBs may use their resources more effectively for local development. The states may think about developing a gateway for ULB financing statistics along the lines of the Treasury database in some states. The potential of integrating the ULB financial database to the Treasury database may also be examined, because monies are

sent to ULBs primarily through State Treasuries.

In recent years, the number of ULBs launching public-private partnerships for resource mobilisation, cost reduction, infrastructure augmentation, improved service delivery, and other purposes has gradually increased. The majority of these initiatives are market driven and must be conducted under the favourable market dynamics; the outcome of the initiatives will disseminate on their own over time without the State needing to make intentional attempts to promote them.

By empowering the ULBs, they will be strengthened in their ability to finance infrastructure through better uses of value capture mechanism and land taxes.

(3) Adequate Capacity Building at the Local Government (ULB):

It is necessary to strengthen the capacity of ULBs to leverage public funds for urban development. These capabilities aid in the creation of an environment in which ULBs can perform their functions more effectively and give better service.

As the ULBs are aware of the opportunities on account of strengthening the capabilities, the management information systems (MIS) required for optimizing the tax and non-tax revenues i.e. Property Tax, Water Tax, Vacant Land Tax etc., are not developed, managed and analyzed effectively

Even when ULBs generate significant cash on their own, their efficient use for local planning and development is limited by the fact that revenue distribution between States and ULBs is unclear in many states. As a result, local money cannot be efficiently recycled into local development activities, preventing them from consolidating and utilising their revenue for local development. Most ULBs have yet to make the changeover to double entry accrual accounting, and thus lack strong financial statistics systems.

The norms for devolution to ULBs are not based on reliable data since the tenures of the previous State and Central Finance Commissions were not synchronised. As a result, it is unclear if such funds have truly assisted ULBs in overcoming budgetary restrictions. Municipal accounting, municipal finance data, and municipal money transfers constitute the

foundation for all other ULB financial innovations. These are the areas where market forces may not be of great assistance to ULBs, and where the State's intentional action may be required, at least in the beginning.

Training of the staff in project preparation and appraisal system has to be taken up and engaging professionals for this is very important.

(4) Other issues:

The scale of infrastructure requirements in the future decades is enormous. ULBs that have taken on the task of creating urban infrastructure require innovations in urban infrastructure finance, particularly in terms of the characteristics that might help offset major funding and financing issues.

On the financial front, tax revenues will continue to be the key funding sources for the foreseeable future, and new techniques of use of these sources will be raised. Furthermore, because user fees will play an increasing role in supplementing tax revenues, ULBs must develop creative methods to engage consumers more effectively in both defining and funding urban infrastructure requirements. On

the funding front, the importance of institutional investors is acknowledged, and as a result, there is a need for creative financing methods that incorporate them more directly and actively, particularly in greenfield projects. Attracting substantial investments for smaller midsized ULBs is a difficulty. Identifying and pooling similar ULBs will aid in creating credibility and acquiring the necessary funds to finance these small and midsized ULBs.

As previously stated, grants and transfers from the Central and State Governments have typically addressed the infrastructure finance needs of ULBs in India. Although the 74th Constitutional Amendment emphasises fiscal independence and function devolution, it is only with the introduction of new schemes that the role of ULBs in arranging financial resources and efficiently implementing projects has grown. In this environment, ULBs must be reinforced as local self-governments with specific functions, independent financial resources, and the authority to make investment and service delivery choices.

The path to self-sufficiency for ULBs in income generation, resource mobilisation, and

limiting their dependency can be reached through tax, non-tax, governance, and accounting changes, among other things. In recent times, the Central Government and SEBI have taken numerous steps to encourage ULBs to access the capital markets through Municipal Bonds and other policy measures such as the adoption of modern accounting practises that are in line with accounting standards, a uniform reporting system for ULBs in the country that is on par with international standards, timely auditing, and the creation of a data base of audited annual accounts of ULBs.

This will help the ULBs in enhancing credibility and creditworthiness, attracting investors, providing better governance, and improves the financial health of the ULBs. These will instil confidence in potential investors and position the ULB in a better position to leverage their finances to raise funds from the market.

In recent times the Central Government has proposed to set up a new DFI (Development Finance Institution) with the objective to principally fill the gap in long term finance. In addition to this, it would be more

fruitful if it takes up various other objectives.

In view of the above, there is a need for establishing Urban Infrastructure Financing Authority (UIFA) and make it accessible to ULBs for better infrastructure, infrastructure projects, feasibility of the projects, resource mobilization and implementation of the projects of the ULBs especially smaller councils which have inadequate technical resources.

The UIFA facilitates ULBs to coordinate with State and Centre to achieve the ULBs objectives and thus improve their performance. Further the UIFA regulates and guides the ULBs and State Urban Infrastructure Development Corporation by issue of instructions and guidelines from time to time for their effective functioning. The UIFA will monitor and guide the ULBs in various aspects such as financial management, uniform budgeting, accounting, timely auditing, credit rating, accessing the capital markets and capacity building of the Staff of ULBs.

Further UIFA may focus its reform agenda for ULBs on the following three areas: - Ensuring municipal accounting reforms; -

Creation of municipal finance statistics; - Establishment of consolidated urban development fund at the State level.

In the similar way the Urban Infrastructure Financing Authority (UIFA) may be established at National level.

Hence, there is a need to explore the potential of non-conventional means of resource mobilization, apart from reforming and strengthening the conventional means of resource mobilization; at the same time strengthening the Credit Rating mechanism of the ULBs is very much important.

In this aspect the removal of blockages in Municipal Bonds framework and PPP Framework are discussed below:

6. Restructuring the Municipal Bonds framework:

In developed countries, municipal bonds are the major source of funding for urban infrastructure financing. As the infrastructure projects have long gestation periods the Municipal Bonds are an effective way to match the structure of asset liability.

Since 1998, ULBs in India have had access to financial markets. However the proportion of municipal bonds in overall ULB debt is

negligible, at 1 percent. Despite several attempts like as the Fire D project, tax breaks, and the pooled finance development programme, the expansion of the municipal bond market in India has been disappointing. The Municipal Bond market is constrained by a lack of demand among investors, namely ordinary investors and financial institutions such as banks, insurance companies, and provident funds, because Municipal Bonds are very illiquid and exist is difficult. Municipal bonds do not have the status of gilt-edged securities hence the risk weight is considerable.

It is vital to boost the bond market and public investment, which may be accomplished by catalysing private investment in infrastructure and public services, which will encourage growth and development for both enterprises and individuals.

In view of the above, there is a need for restructuring the existing Municipal Bonds framework by adding additional features for creating confidence in Urban Local Governance, to attract the investors to make the investments in Municipal Bonds a win-win situation for the investor and the ULBs.

The World Economic Forum (WEF) in its report, 2015, stated that India is facing funding gap about \$110

billion for Urban Infrastructure Development hindering its ability to provide basic urban infrastructure and services for the growing urban population. The report suggested creating a stable policy framework for private investments in Urban Infrastructure for ensuring inclusive urban growth.

A legislative framework must be developed to encourage investors to engage in urban infrastructure finance, as well as to improve current mechanisms such as public-private partnerships and municipal bonds, as well as to encourage the development of innovative financing methods. This may be accomplished through combining spatial planning in housing, strategic infrastructure, and urban infrastructure at the national level, as well as establishing organisations to promote capacity building and talent attraction.

7. Enhancing the Scope of PPP Participation:

The provision of key urban infrastructure, such as water supply, sewerage, and roadways, is capital intensive and requires funding. PPP is an excellent instrument for bringing in private sector efficiency while complementing public sector resources for the building of urban infrastructure assets and delivery of services, in addition to budgetary provisions. The key to effective PPP

project execution is managing project risk rather than just shifting it to the private sector.

(i) Designing Developing Public-Private-Partnership (PPP) Projects:

Infrastructure projects need in-depth research and credit upgrades, and while the process may be longer and more expensive in the beginning than standard EPC contracts, the long-term advantages are significantly larger.

(ii) A portfolio of bankable PPPs:

Bankability is critical to the development of "commercially sustainable infrastructure" and the timely completion of infrastructure projects under public-private partnerships.

(iii) Defending the public's interests:

It is critical to define standards affecting the quality and performance of infrastructure assets, as well as a monitoring and management system, to guarantee that social and environmental interests are satisfied.

(iv) Choosing the most appropriate PPP type:

To best meet infrastructure needs, PPP projects must be thoroughly reviewed on a variety of characteristics, including suitability, cost, and the capacity to implement and operate efficiently.

(v) **Proper Project Viability Assessment:** Project viability must be assessed in order to assess project risks: Technical designs must be informed by market demand for services.

(vi) **Realistic assessment of tariff - willingness to pay:** Tariffs must be altered over time to account for real costs, service quality and expansion, O&M, depreciation, and so on. It may be essential to supplement income through financial commitments, ULB revenues, grants, and other means, which should be considered..

The following steps are to be taken to remove the obstacles in the Urban Infrastructure Financing environment.

(i) Enlarge and expand the Urban Infrastructure financing scope by mobilizing funds through long term debt financing from financial markets.

(ii) Urban Local Bodies need to implement prudent financial management practices to improve the creditworthiness of the ULB for attracting investments and reducing the risk.

(iii) Framing a policy for financing the urban infrastructure needs on longer terms by the banks.

(iv) A mixed financing approach has to be adopted for Urban Infrastructure financing to increase the overall funding availability i.e. own sources, grants, borrowings as well as equity and timely funding according to the requirements.

(v) The projects of more than one Local Government need to be aggregated and pooled as one Investment vehicle to access the long term debt financing by attracting the capital market investors/financial markets at reasonable cost.

(vi) Hiring of the services of professional consultancy for project development, technical assistance and financial structuring for raising of funds for Urban Infrastructure Projects.

(vii) Improving the disclosure standards, accountability and revenue management of the ULBs will enhance the financial discipline.

(viii) Timely completion of Audit

8. Conclusion:

The urban infrastructure sector thus needs an overall review to explore innovative and alternative ways of financing Urban Infrastructure as the total Revenue of the municipal sector

in India accounts for only 0.75% of the GDP.

By developing the Urban Infrastructure, the evaluation and analysis is intended to increase resource availability and fulfil the demand for vital urban services. The identification of new and creative mechanisms for financing and investing in urban development is a dynamic process. The instruments must be utilised for appropriate models and must be customised on a regular basis to meet the needs. Existing models' deficiencies must be addressed, and new ones must be established to meet the needs. The emergence of creative and alternative financing channels for funding of urban infrastructure must be examined.

Inadequate infrastructure is the most significant impediment to economic growth and development. To achieve the expected growth rates, strong and effective infrastructure is vital. To make urban infrastructure investment profitable, issues such as clearances, land acquisition difficulties, decision-making delays, pricing models, and insufficient dispute resolution mechanisms must be addressed. There is also need to establish a more conducive environment and put in place appropriate safeguards to attract private sector engagement in infrastructure projects. A favourable

policy climate, conducive to attracting private and foreign investment while safeguarding community welfare and benefits, is a necessity for the progress of infrastructure investment.

The issue with infrastructure finance is not a lack of funds, but rather a lack of competent financial intermediation capable of channelling and mobilising domestic savings into the infrastructure sector. In recent years, policymakers have taken a number of steps to boost urban infrastructure financing, including introducing the PPP model in the infrastructure sector, facilitating bank financing, stimulating bond markets as an alternative source of funding, and developing novel and advanced funding channels. The regulatory and investment standards, on the other hand, need to be restructured to allow for more flexibility in promoting a robust financial system with a diversified investor base, innovative financial products, and liquidity and depth to sustain long-term funding.

Urban Infrastructure finance constantly changes with new approaches and mechanisms, but policymakers and practitioners have ample space to scale up the application of new models to Central, State, and ULBs in order to take advantage of future Urban Infrastructure financing alternatives.

Finally, the article has emphasized the vital importance of eliminating the roadblocks and augmenting the urban infrastructure financing for investing in urban infrastructure to bridge the infrastructure investment deficit and improving the quality of life of the citizens living in the urban areas. The analysis suggests that participation of private sector is beneficial in urban infrastructure financing and for outcomes in quantitative and qualitative service delivery.

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An Invitation

The Local Government Quarterly invites contributions in the form of articles and research papers from its readers and well-wishers.

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Articles could normally be between 3000 and 4000 words, though we do not wish to limit the size. As we print in black and white, tables, charts, graphs, images, etc. need to be compatible. We reserve the right to edit for sense, style, space, etc.

Contributors may e-mail their articles to:
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Transgender Persons in Urban India: Issues and Challenges

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Abstract

Whenever we think of transgender persons, we often picture a person in our mind standing at traffic lights or in a wedding or on the occasion of child birth or in a train asking for money. The official count of the transgender population as per Census 2011 is 4.9 lakh but it is estimated that the numbers are six to seven times higher. Living as transgender is an act of great bravery in Indian society because they are constantly striving to maintain their existence in the society by breaking the prevailing perception in the narrow mindedness of people. They face many problems from the first day when they face gender dysphoria till that day when they start accepting themselves. They are deprived of various fundamental and constitutional rights even living with urbanites.

The Transgender Persons (Protection of Rights) Act, 2019 is a

revolutionary public policy effort for the holistic development of these communities. The aim of this conceptual paper is to throw light on the various kinds of issues faced by the transgender in Indian Society and some suggestions to sensitize the society on this issue and to reduce discrimination about them in the society. It would help transgender persons by including in the mainstream of society and actualizing their potential and skills.

Key words- *Transgender persons, third sex, census of transgender, LGBT, Issues of transgenders.*

Nature chooses who will be transgender; individuals don't choose this.

-Mercedes Ruehl

Transgender is an umbrella term which is used to describe the

community of LGBT(Lesbian, Gay, Bisexual and Transgender) people who have different sex orientation. Traditionally and popularly known as **Hijara** or eunuch - community is the major part of the entire trans genders or queer community across the globe. In India and nearby countries this community is also known as '*Jogta*', '*Aravani*', '*Jogappa*', '*Pavaiya*', '*Khadra*', '*Chhakka*', '*Khawaja Sira*', and '*Khasua*' etc. However, this community prefers to call them '**Kinner**'. The Government of India has adopted the term 'transgender' or **third gender** for this community and defined it, in 'The Transgender Persons (Protection of Rights) Act, 2019' as- “a person whose gender does not match with the gender assigned to that person at birth and includes trans-man or trans-woman (whether or not such person has undergone Sex Reassignment Surgery or hormone therapy or laser therapy or such other therapy), person with intersex variations, genderqueer and person having such socio-cultural identities as *kinner*, *hijra*, *aravani* and *jogta*”. Prior to this, the apex court of India took an initiative to recognize the identity of this community. In April 2014, Justice KS Radhakrishnan declared transgender to be the third gender in Indian law in 'National Legal Services Authority (NALSA) v/s Union of India case'. The ruling of the court said that – “Seldom, our society

realizes or cares to realize the trauma, agony and pain which the members of Transgender community undergo, nor appreciates the innate feelings of the members of the Transgender community, especially of those whose mind and body disown their biological sex. Our society often ridicules and abuses the Transgender community and in public places like railway stations, bus stands, schools, workplaces, malls, theatres, hospitals, they are sidelined and treated as untouchables, forgetting the fact that the moral failure lies in the society's unwillingness to contain or embrace different gender identities and expressions, a mindset which we have to change”.

It is estimated that about 700 million people around the world are included in this community while there are 2.5 million *kinners* or transgender people are in India. However the Census-2011 of India shows only 4,87,803 people in this category and the reason behind this anomaly is that only in 2011 the Census format contained a column as 'other' after male/female, filled by enumerators, but most of *kinners* treat themselves as female. That is why they have social relations in their community as *mausi*, *jiji*, *bua*, *bhabhi*, *bhatiji*, *dadi* etc.

Homosexuality has been an important and burning issue for transgender community in India

Population of Transgenders in India (Census-2011)

(As reported in 'other' sex category)

S.N.	State/UT	Population
1.	Andaman Nicobar	47
2.	Andhra Pradesh	43,769
3.	Arunachal Pradesh	495
4.	Assam	11,374
5.	Bihar	40,827
6.	Chandigarh	142
7.	Chhattisgarh	6,591
8.	Dadra Nagar Haveli	43
9.	Daman and Diu	59
10.	Goa	398
11.	Gujarat	11,544
12.	Haryana	8,422
13.	Himachal Pradesh	2,051
14.	Jammu-Kashmir	4,137
15.	Jharkhand	13,463
16.	Karnataka	20,266
17.	Kerala	3,902
18.	Lakshadweep	02
19.	Madhya Pradesh	29,597
20.	Maharashtra	40,891
21.	Manipur	1,343
22.	Meghalaya	627
23.	Mizoram	166
24.	Nagaland	398
25.	NCT of Delhi	4,213
26.	Odisha	20,332
27.	Puducherry	252
28.	Punjab	10,243
29.	Rajasthan	16,517
30.	Sikkim	126
31.	Tamil Nadu	22,364
32.	Tripura	833
33.	Uttar Pradesh	1,37,465
34.	Uttarakhand	4,555
35.	West Bengal	30,349
	Grand Total	4,87,803

because Section-377 of the Indian Penal Code, 1860 makes the provision that- 'Whoever voluntarily has carnal intercourse against the order of nature with any man, woman or animal, shall be punished with imprisonment for life, or with imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine.' This section of IPC has been challenged in court of law many times with the argument that this provision violates the freedom and privacy of an individual. In 2009, The Delhi High Court said that homosexuality is not an offence, however, the Supreme Court turned the verdict of Delhi High Court and the decision of apex court became an issue of open debate and criticism. On 24 August 2017, the Country's Supreme Court gave the LGBT community the freedom to safely express their sexual orientation. Therefore, an individual's sexual orientation is protected under the country's Right to Privacy law. However, the Supreme Court did not directly overturn any laws criminalizing same-sex relationships. On 6 September 2018, consensual gay sex was legalized by India's Supreme Court. The main problem of homosexuality is now related with fast and mass level spread of HIV infection.

Undoubtedly, the community of these LGBT people has been existing since the ages. However, they have started raising their voice in the present millennium effectively. Although the

eunuch community has started making their unions or associations as pressure or interest groups in 1990s, their demands got attention of government and public during the Conference held at Banaras in 2002. However, in 1994, on the demand of 'All India Hijra Kalyan Sabha', the central government allowed the community to decide their own gender on voter id card and the Election Commission of India made the provision of 'other' in gender section of voter list but this community mostly chose the 'female' on voter list and this movement ultimately led to obtaining the support of the country when Shabnam Mausi got elected as an MLA (Sohagpur constituency) in Madhya Pradesh State Assembly in 1999 on the banner of her newly made party- *Jeeti- Jitayee* Politics. It is important to mention here that till January, 2012 only 11601 transgender people selected or got voter ID card under 'other' category. The *kinnar akhaada* under the leadership (*mahamandleshwar*) of transgender- activist Laxminarayan Tripathi got entry in kumbh held at Prayagraj in 2019 and she has also been representative in UN from Asia-Pacific region in 2008. In the year 2019 the Government of India issued a stamp ticket on this community.

The waves of globalization and information and communication technology have intensively affected almost every aspect of society,

economy and polity and obviously, the transgender community also underwent experienced reforms and remarkable change in societal attitude towards these groups. The Union Ministry of Social Justice and Empowerment constituted an 'Expert Committee on the Issues Relating to Transgender Persons' in 2013 and after the report of this committee earmarked amount was made available for welfare and empowerment of transgender. The verdict by the apex court of the country in 2014 (NALSA v/s Union of India) opened the doors of legal remedies and public policy inputs for holistic development of these communities. In the same year a private bill was introduced in the Parliament by Tiruchi Siva of DMK party for the protection of the rights of transgender and the same was passed by Rajya Sabha in 2015 and after many ups and downs and modifications a new bill was passed by the Parliament in 2019 namely- "The Transgender Persons (Protection of Rights) Act, 2019" which has been enforced from January 10, 2020.

The Transgender Persons (Protection of Rights) Act, 2019 makes the provisions of prohibition of discrimination, recognition of identity of transgender persons, issuance of a special certificate of identity by the District Collector, participation and inclusion in societal activities, non-discrimination in employment, equality in social behavior, grievance redressal

mechanism, inclusive education, vocational, training, self-employment, health care facilities, offences and penalties and establishment of a National Council for Transgender Persons, etc.

Social Issues faced by Transgender Persons

In society many campaigns and awareness programs are conducted by many social activists related to the transgender persons but even today they face many issues among the general (so called normal) urban population.

The main social issues faced by the transgender persons are:

Health - Transgender people face many health problems because of the lack of primary health care, like HIV Aids. They are more prone to substance abuse which may cause many physical illnesses.

Low economic status and livelihood crisis - As there is so much discrimination in the society, they face significant financial problems. They have no stable income and many of them are homeless striving for their basic needs. It is very important to accept clearly that transgender persons do not belong to any caste in India while livelihood sources or trades are directly related with castes (so called 36 quoms). They do not possess any

land and also do not know any traditional or vocational skill to earn bread (forget butter).

Safety - Transgender people face many safety issues including physical violence, and also lack in many aspects of the safety. Physical assault is the main issue of concern.

Stigma and Discrimination - the attitude of the Indian society towards the transgender is stigmatized and one of discrimination. People in society do not consider transgender equivalent to them. Society considers them as socially deviant, sex predator and mentally unstable.

Legal Rights - They are deprived of fundamental and constitutional rights.

Psychological Issues

Transgender fights with the external world and with his internal world. Transgender person faces a lot of problems in society, such as discrimination, identity crisis, unemployment; sometimes they are homeless with no medical facility and face so many more problems of physical diseases and well as mental health problems.

Here an attempt has been made to understand some major psychological issues faced by the transgender during their life time.

Low Self Esteem

They struggle with their own identity; it becomes so difficult for them that when they initially begin to realize that they are not like normal people (which according to society it should be a male or female), then the situation of living alone arises in them, they try to isolate themselves from their family, parents, and society.

When the child does not behave as per his or her gender, then the family members and also the parents do not accept him. He faces many complexes, feelings of insecurities and guilt which lead to the identity crisis. They face dilemma about their identity. In this stage when the child realizes some physiological deviations in him, he starts fighting with himself, trying to gain self-identity and accommodating in so called standard/normal society. In this he faces severe anxiety as he knows that it will be very difficult for the family to accept him like that. And then when his fights end with himself, the fight starts with the family. Many times parents scold children and throw them out of the house. Parents feel that the child is a shame to their family and they think their prestige has become questionable when their child turns out to be transgender. They also insist or pressurize a child to drop out of school or they don't allow them to meet anyone. This is an unimaginable trauma and can destroy the self-esteem of a

child which in result can lead to distorted self-concept and low self-confidence. Ettner (1999) stresses the devastating effect of shame on the development of a positive identity. Schaefer and Wheeler (2004) identified guilt as underlying a host of psychological problems facing the gender-variant individual. Parental rejection leads to low self-esteem and negative self-image (Bolin, 1988).

Psychological Distress

The above-mentioned reasons are behind the psychological distress, but one of the main reasons is that they don't get the emotional touch from their parents and families. The other reason is that they belong to the minority section of the society. They face discrimination in every aspect from society. They face real challenges related to physical and social changes. They face many psychosocial challenges or stigma or prejudices related to them which can lead to distress. Many transgender patients experience distress and anxiety about their gender identity, and may have less familial and peer support as compared to non-transgender individuals (Bockting, Huang, Ding, Robinson & Rosser, 2005).

Depression

As the parents and family members misbehave with them because of the fear of society, very often the children

themselves run away from home and these children have to face a lot in the society like physical torture, forced sex, and much more and the result of all this is that they are subjected to mental pressure. The stigma prevailing in society leads to discrimination against them and this results in harassment towards them. Due to these they become victims of depression. They become so helpless that they do not wish to tell their feelings to anyone and thus start living alone. A study by Budge et al. (2013) showed that the depressive symptoms (51.4 % for transgender women; 48.3 % for transgender men) and anxiety (40.4 % for transgender women; 47.5 % for transgender men) within the study far surpass the rates of those for the general population.

Suicidal Ideation

They face so much of internal problems because of which they find difficulty to maintain relationship with the other people and in this extreme situation some who fail to survive in this society by their identity, commit suicide. Fitzpatrick and colleagues (2005) found that trans college students reported 32% more hopelessness, suicidal ideations, and suicide attempts than their non-trans LGB peers.

Substance Abuse

As the entire gamut of issues mentioned above are interlinked with

one another, experiencing these major psychological issues can lead to substance abuse which helps them escape from reality. The various types of substances used are alcohol, cannabis, cocaine, etc. The study which was published in the Journal of School Health found that transgender students were 2.5 times more likely than non-transgender students to use cocaine and methamphetamines in their life time.

Suggestions

Here are some suggestions for enabling better and respectful life for the transgender persons:

1. First and foremost point is that the 'Transgender Persons (Protection of Rights) Act, 2019' should be implemented in letter and spirit to enhance the socio-economic and educational status of these communities.
2. Local film and popular television media/OTT platforms should include films and other audio-visual programmes on transgender issues.
3. In local newspapers also there should be edition for the transgender community so that the persons can effectively express their opinions and can easily distribute information on transgender issues from different voices.
4. Media coverage should be factual, inclusive and fair of transgender

issues because media is the main source from where people can learn about the transgender people.

5. There should be skill development trainings for them as this will help them to generate income on their own or get gainfully employed in some sectors like beauty parlor, computer-technician and many more livelihood sources.
6. They are declared as the third gender and according to the judgment by various courts of law, they should be treated as equal and therefore the government should make them eligible for the reservations in jobs and educational institutions. Anti-bias policies should be formulated and strengthened to protect transgender persons and also to promote safety and security in the workplace to ensure that these people are treated equally in the human capital market.
7. In government and private organizations there should be sensitization programs as this will help resolving the issues that cause discrimination in the society.

Conclusion

In conclusion it can be said that transgender persons experience adverse psychological condition and this may continue till there is greater awareness about them in the society.

They are the ones who face many psychosocial issues which are affecting many aspects of their life. They are small part of the population, but that does not mean that they are not humans. They should be considered and treated like all humans. Much work is done and is continuing in order to improve their situation but the process seems to be slow. A lot more is to be done to promote the recognition and safety and unbiased treatment of this community. There should be community based interventions along with gender sensitization programs for improving the lot of the transgender community.

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- To contribute to capacity building of institutions and personnel working in the related fields thereby improving their response to the issues being confronted in these sectors.
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Report Review

National Family Health Survey-5

Read the full report here
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The eagerly awaited Phase II Report of the National Family Health Survey 5 was released recently. The Survey had been divided into two phases, each covering one set of States and Union Territories. The Survey was conducted by the Indian Institute of Population Sciences, Mumbai as the Nodal Agency under the aegis of the Ministry of Health and Family Welfare, Government of India.

The First Phase Survey was conducted between July and December 2019. The reference period for this first phase was 2019-20. It covered a total of 22 States and Union Territories, namely:

States (17): Andhra Pradesh, Assam, Bihar, Goa, Gujarat, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Telangana, Tripura, and West Bengal.

UTs (5): Andaman & Nicobar Islands, Dadra & Nagar Haveli and Daman & Diu, Jammu & Kashmir, Ladakh, and Lakshadweep.

The Second Phase Survey started in January 2020 but had to be halted for about 9 months between March 2020 and November 2020 on account of the Pandemic and related restrictions. The Survey was then completed in April 2021. The reference period was therefore 2019 – 21. The Report was released in November 2021. This phase covered the remaining 14 States and UTs, namely:

States (11): Arunachal Pradesh, Chhattisgarh, Haryana, Jharkhand, Madhya Pradesh, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand.

UTs (3): Chandigarh, NCT of Delhi, Puducherry.

The NFHS is a multi-round survey conducted at the household level in all States and UTs. It covers population, health and nutrition plus quality of health, family planning services, domestic violence, reproductive health, anaemia, and the nutrition of women. It has special focus on women and children. The previous rounds of the Survey were NFHS-1 in 1992-93, NFHS-2 in 1998-99, NFHS-3 in 2005-06 and NFHS-4 in 2015-16.

The findings of the Survey provide valuable data on the status and well-being of the population at the family level on crucial parameters affecting the quality of life. Thus these could enable scientists, researchers and others draw valuable insights. Governments at the national and state levels would be able to monitor the progress and analyse the outcomes of various flagship programmes being implemented for achievement of the vision of the National Health Policy. The findings would also enable policy makers and governments to formulate policies and devise appropriate fresh strategies, programmes and interventions to address any shortcomings which are adversely affecting various sections of the population and put in place remedies for sustained and rapid improvements. These will pave the way for progress towards achievement of the Sustainable Development Goals.

With the release of the Phase-II data, the compendium of factsheets is available for All India level in addition to the various States and UTs. The factsheets contain estimates on 131 key indicators grouped under the following 21 heads to measure the performance of States and Uts:

Population and Household Profile
Characteristics of Adults (age 15-49 years)
Marriage and Fertility
Infant and Child Mortality Rates (per 1,000 live births)

Current Use of Family Planning Methods (currently married women age 15-49 years)

Unmet Need for Family Planning (currently married women age 15-49 years)

Quality of Family Planning Services

Maternal and Child Health

Delivery Care (for births in the 5 years before the survey)

Child Vaccinations and Vitamin A Supplementation

Treatment of Childhood Diseases (children under age 5 years)

Child Feeding Practices and Nutritional Status of Children

Nutritional Status of Adults (age 15-49 years)

Anaemia among Children and Adults

Blood Sugar Level among Adults (age 15 years and above)

Hypertension among Adults (age 15 years and above)

Screening for Cancer among Adults (age 30-49 years)

Knowledge of HIV/AIDS among Adults (age 15-49 years)

Women's Empowerment (women age 15-49 years)

Gender Based Violence (age 18-49 years)

Tobacco Use and Alcohol Consumption among Adults (age 15 years and above)

While the focus of the survey is on Maternal and Child Health, as stated in the Introduction to the India Factsheet, "NFHS-5 includes some new topics, such as preschool education, disability, access to a toilet facility, death

registration, bathing practices during menstruation, and methods and reasons for abortion. The scope of clinical, anthropometric, and biochemical testing (CAB) has also been expanded to include measurement of waist and hip circumferences, and the age range for the measurement of blood pressure and blood glucose has been expanded”.

There are two separate compendiums for the Phase-I and Phase-II States. Findings for All India as well as each State/UT are presented for all 131 indicators. The findings for NFHS-5 are for Urban, Rural and Total. Alongside is the corresponding Total figure for NFHS-4.

Some notable findings contained in the All India Factsheet are:

- 1) Sex ratio of the total population (females per thousand males) has changed in favour of females from 991 in NFHS-4 to 1020 in NFHS-5.
- 2) Population living in households that use an improved sanitation facility has improved from 48.5% to 70.2%.
- 3) As regards the Nutritional Status of Children under 5, the findings are an eye opener. While there is some improvement in the status compared to NFHS-4, the prevalence of undernourishment remains high. Over one in three children is stunted and/or underweight. The percentage

of Stunted (height for age) children is still 35.5%. That of Wasted (weight for height) is 19.3%; and for Underweight (weight for age) is 32.1%.

- 4) Similarly when we consider the nutritional status of adults (age 15-49), the findings are mixed. For both men and women, the percentage with below normal Body Mass Index (BMI) has reduced somewhat indicating better nutritional status. However for both cohorts, the percentage of overweight or obese population has increased. It is 24% for women and 22.9% for men.
- 5) As for Anaemia among men women and children of all categories, the findings are adverse. The incidence in all categories is higher than in NFHS-4 and is over 50% of the population (as high as 67.1% in children of age 6 to 59 months) except for men in 15-19 and 15-49 years age groups)

The data with respect to nutritional aspects of the population seem to indicate that while there are some improvements in the status, there is need for deep and continued interventions.

Policy makers, researchers, social scientists and civil society will surely benefit from the body of knowledge contained in these compendiums.

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OBJECTIVES

The main emphasis of the Institute's work is to see that the local bodies can contribute more effectively to the development process and provide the citizens with better living conditions by meeting their aspirations in terms of required amenities, infrastructure and better environmental conditions, thus contributing to social and economic development of the society as a whole by better management of the human settlements. While these are the long-term objectives, the immediate ones are:

- ❖ To advance knowledge of the principles and practices of Local Government by conducting research and by organising training courses and programmes at various centres in India for officials and elected representatives in the local bodies.
- ❖ To strengthen and improve Local Government Institutions by improving their performance through education, orientation and bringing them together for common endeavor by organising specialised conferences, conventions and seminars.
- ❖ To make available a platform for members of local bodies and officials for exchange of views and ideas related to urban development and administration.
- ❖ To represent the views of local authorities supported by research work to the concerned higher authorities from time to time.
- ❖ To publish bibliographies, articles, books and other literature on matters of interest to local bodies.
- ❖ To publish journals, bulletins and other literature on different aspects of Local Government and on the working of Local bodies in different states.
- ❖ To undertake research studies in public administration, problems of local bodies and also in related topics of urban and environmental factors and arrange for their publication etc.
- ❖ To establish and maintain an information-cum-documentation service for local bodies.
- ❖ To undertake consultancy assignments in various areas of urban development and problems of local bodies with a view to improve and develop organisational, managerial and operational efficiency.

In view of the above, the Institute has been collaborating with the relevant government departments, Central and State, Universities, Organisations and Research Institutions. The work of the Institute covers several aspects involving a multi-disciplinary teamwork.

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