MUNICIPAL ADMINISTRATION AND WATER SUPPLY DEPARTMENT

POLICY NOTE 2026 - 2027

Demand No. 34

C. JOSEPH VIJAY

Hon'ble Chief Minister

©
Government of Tamil Nadu
2026

TABLE OF CONTENTS

Sl. No.		Title	Pages
Vision Statement			1
1.	**Preamble**		2-7
	1.1	Departments	7-8
	1.2	Urban Local Bodies	8-10
2.	**Directorate of Municipal Administration**		11
	2.1	Administration	11-14
	2.2	Functions of Urban Local Bodies	14-15
	2.3	The Financial position of Corporations and Municipalities	16-20
	2.4	Implementation of the Tamil Nadu Urban Local Bodies Act, 1998 and the Tamil Nadu Urban Local Bodies Rules, 2023	20-21
	2.5	Vetri Tamizhagam Vision 2031	21-30
	2.6	Infrastructure Development	30-50
	2.7	Urban Social Infrastructures	50-57
	2.8	e-Governance in Urban Local Bodies	57-60
	2.9	Urban Health Infrastructure	60-61
	2.10	Centrally Sponsored Schemes	62-70
	2.11	State Schemes	70-73
	2.12	Externally Aided projects	74-77
	2.13	Tamil Nadu Institute of Urban Studies (TNIUS)	77

- Corporations are graded by population under Rule 3(a) of the **2023** Rules: Special Grade above **10 lakh**, Selection 5-**10 lakh**, First 3-**5 lakh**, Second below **3 lakh**.

- Vision **2031** sets the service targets the rest of the note works towards - 24x7 water in Corporations, 3 hours daily in Municipalities, and Non-Revenue Water below 15%.

- Tamil Nadu Institute of Urban Studies, Coimbatore - established **1981**, the training arm for urban local body administration.

Sl. No.	Title		Pages
	2.14	Perunthalaivar Kamarajar Breakfast Scheme	78-79
	2.15	Amma Unavagam	79-80
	2.16	Cleanliness Workers Welfare Schemes	80-84
	2.17	Animal Birth Control (ABC) Programme and Stray Dog Management	85-88
	2.18	Vector-Borne Disease Control Measures	88-89
	2.19	Town Planning - Single Window Portal and Self Certification Scheme	89-91
3.	**Greater Chennai Corporation**		92-93
	3.1	Chief Minister's Integrated Urban Development Mission (CMIUDM) - Overview	93-100
	3.2	Health and Sanitation	100-102
	3.3	Infrastructure	102-110
	3.4	e-Governance	110-114
	3.5	Revenue	114-118
	3.6	Education	118-125
4.	**Directorate of Town Panchayats**		126-127
	4.1	Administration of Town Panchayats	128-130
	4.2	Town Panchayats – Revenue Sources and their Classification	130-131
	4.3	Functions of Town Panchayats	132-134

- The Chief Minister's Breakfast Scheme, running since **15.09.2022**, was renamed the Perunthalaivar Kamarajar Breakfast Scheme by **G.O.(Ms) No.20** dated **15.07.2026**.

Sl. No.	Title		Pages
	4.4	Chief Minister's Integrated Urban Development Mission (CMIUDM)	134-161
	4.5	Central Government Schemes	161-168
	4.6	Other State Government Schemes	168-178
	4.7	e-Governance - Online Payment of Taxes and Citizen Services	179-183
	4.8	Financial Management	183-184
	4.9	16th Finance Commission Grant	184-185
	4.10	Revenue and Expenditure of Town Panchayats	185-187
5.	**Chennai Metropolitan Water Supply and Sewerage Board**		188-192
	5.1	Water Supply Management	192-200
	5.2	Water Supply Schemes	200-206
	5.3	Sewerage Management	206-212
	5.4	Sewerage Schemes	212-215
	5.5	Recycle and Reuse	215-220
	5.6	Capacity Building	220
	5.7	Use of Technology	220-223
	5.8	Chennai City Partnership Programme	224-226
	5.9	Monitoring Consumers Grievances	226-228
	5.10	Employees Welfare	229-235
	5.11	Financial Position	236-239

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 5 / 352

Sl. No.	Title		Pages
6.	**Tamil Nadu Water Supply and Drainage Board**		240-244
	6.1	Vision of TWAD Board	244-245
	6.2	Functions of TWAD Board	245-247
	6.3	Water Supply Schemes	247-253
	6.4	Operation and Maintenance of Combined Water Supply Schemes	254-256
	6.5	New Combined Water Supply Schemes	256-259
	6.6	Underground Sewerage Schemes	259-262
	6.7	PUNAL – 1916 (Common Call Centre with Grievance Redressal)	263
	6.8	Research, Design, Training, and Project Management Centre	264-271
	6.9	Material Testing and Quality Control Laboratory	272
	6.10	Water Quality Testing and Surveillance	272-273
	6.11	Hydrogeological Activities	274-277
	6.12	Electronic Data Processing Wing	277-278
	6.13	Financial Position	278-279
	6.14	Key Initiatives of TWAD Board	280-281
	6.15	Jal Jeevan Mission	282-287
7.	**Tamil Nadu Urban Infrastructure Financial Services Limited**		288-289
	7.1	Tamil Nadu Urban Development Fund (TNUDF)	289-291

- **PUNAL** - **1916** is **TWAD**'s common call centre and grievance system for water complaints outside Chennai Corporation, inaugurated **04.03.2026**, reachable on toll-free **1916**.

- **TNUDF**, managed by **TNUIFSL**, is the vehicle through which externally aided urban projects reach local bodies.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 6 / 352

Sl. No.	Title		Pages
	7.2	Externally Aided Projects - Ongoing	291-293
	7.3	Externally Aided Projects – To be planned	293-294
	7.4	Water and Sanitation Pooled Fund (WSPF)	295-296
8.	**Chennai Rivers Restoration Trust**		297
	8.1	Ongoing Eco-Restoration Projects	298-301
	8.2	Chennai Rivers Transformation Company Limited	301-305
9.	**Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited**		306-307
	9.1	Atal Mission for Rejuvenation and Urban Transformation (AMRUT)	307
	9.2	Atal Mission for Rejuvenation and Urban Transformation 2.0 (AMRUT 2.0)	308-310
	9.3	Urban Challenge Fund (UCF)	310-313
	9.4	State Urban Development Schemes	313-314
	9.5	Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) – Revolving Fund	314-315
	9.6	State Urban Infrastructure Development Fund (SUIDF)	315-316
	9.7	TUFIDCO Infrastructure Funding Scheme (TIFS)	316-317

- The Water and Sanitation Pooled Fund is a not-for-profit Trust that lets small and medium towns raise money from the capital market under a pooled finance structure.

CRRT is the nodal agency for restoring the Cooum, Adyar and Kosasthalaiyar rive**rs,** the Buckingham Canal and the creeks and estuaries of the Chennai Metropolitan Area.

- The Urban Challenge Fund gives **Rs.1,00,000 crore** of central assistance to all States for **2025-26** to **2030-31**.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 7 / 352

Sl. No.	Title		Pages
10	**New Tirupur Area Development Corporation Limited**		318
	10.1	Formation of NTADCL	318-322
	10.2	Current status of Water supply and Sewage Treatment	322-324
	10.3	Expansion of Industrial supply	324-326
	10.4	Financial Performance (FY 2025–26 Unaudited)	326
	10.5	Corporate Social Responsibility (CSR)	327
11	**Tamil Nadu Water Investment Company Limited**		328-330
	11.1	TWIC Vision Statement	330-331
	11.2	TWIC Projects at a Glance	331-333
	11.3	Projects Under Implementation	333-338
	11.4	Awards Received	338
	11.5	Technical Advisory Services for Union Government	339-340
	11.6	Turnover of the Company	340
	Way Forward		341-343

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 8 / 352

DEMAND NO.34

- Municipal Administration and Water Supply is Demand No.34.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY DEPARTMENT

Policy Note – 2026-2027

VISION STATEMENT

To build resilient, inclusive, climate-smart and future-ready urban local bodies by ensuring universal access to safe drinking water, sustainable sanitation, efficient Municipal services, green infrastructure, digital governance and citizen-centric administration, thereby enhancing the quality of life, promoting equitable economic growth and creating livable cities for all.

1. PREAMBLE

Urbanization is rapidly redefining the global economic landscape. Today, over 57% of the world's population lives in urban areas and by 2050, nearly seven out of every ten people are expected to reside in cities. Globally, cities generate around 80% of economic output, making them the principal engines of innovation, productivity and sustainable development.

The global frame: over 57% of humanity is urban today, nearly 70% by **2050**, and cities produce around 80% of economic output.

Consequently, leading nations are shifting their focus from merely expanding urban infrastructure to building smart, compact, climate-resilient, carbon-neutral and digitally enabled cities that enhance livability while addressing the challenges of climate change.

India Urbanization

India is undergoing one of the most significant urban transitions in the world. Although only about 36% of the population currently lives

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

in urban areas, cities contribute nearly two-thirds of the nation's GDP and this share will continue to grow as urbanisation accelerates. By 2050, nearly half of India's population is expected to live in cities, placing unprecedented demands on urban infrastructure, housing, mobility, water security, environmental sustainability and Municipal governance. The national urban agenda is therefore evolving from expanding infrastructure to creating resilient, inclusive and economically competitive cities.

- India is only about 36% urban but its cities make nearly two-thirds of **GDP**; by **2050** nearly half the population will be urban.

Tamil Nadu Urbanization

Tamil Nadu is uniquely positioned to lead this transformation. With nearly 55% of its population already residing in urban areas—well above the national average—the State has emerged as one of India's most urbanized and economically dynamic regions. Urban areas contribute more than 70% of the Gross State Domestic Product (GSDP), reflecting the pivotal

- Tamil Nadu is about 55% urban against India's 36%, and its urban areas generate more than 70% of **GSDP**.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

role of cities in driving industrialization, innovation and employment.

Unlike many states where growth is concentrated in a single metropolitan city, Tamil Nadu has developed a balanced, polycentric urban system anchored by multiple thriving cities that collectively foster regional development. The next phase of urban development must therefore move beyond physical infrastructure to urban transformation—creating cities that are livable, resilient, sustainable, financially empowered, technology-driven and citizen-centric. By embracing innovation, strengthening Municipal institutions and investing in high-quality urban services, Tamil Nadu can position itself as India's model for next-generation urban development and a global benchmark for sustainable urbanization.

- The distinguishing feature: growth is not concentrated in one metropolis but spread across many cities - a polycentric urban system.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Policy Direction: Reimagining Urban Tamil Nadu

The next generation of urban development in Tamil Nadu must move beyond the traditional approach of constructing infrastructure to delivering measurable improvements in the quality of urban life. The State's urban transformation should be driven by outcome-oriented planning, where every investment creates resilient, inclusive, sustainable and economically vibrant cities.

Urban planning must integrate climate resilience, disaster risk reduction and environmental sustainability to prepare cities for future challenges. Balanced development of Tier-II and Tier-III cities should be accelerated to promote regional prosperity, reduce pressure on metropolitan areas and create new engines of economic growth.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

At the same time, Urban Local Bodies must be empowered through stronger institutions, professional Municipal management and innovative financing mechanisms—including Municipal Bonds, land value capture and public-private partnerships—to reduce dependence on Government grants and ensure long-term financial sustainability.

Leveraging digital technologies, artificial intelligence, GIS-based planning and data-driven governance will enhance transparency, accountability and service efficiency.

Above all, urban development must remain citizen-centric, ensuring universal access to quality infrastructure, safe public spaces, affordable housing, sustainable mobility and reliable basic services, thereby transforming Tamil Nadu into a benchmark for livable, inclusive, resilient and globally competitive cities.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Though Tamil Nadu is a pioneer in many aspects of urban development, there is the urgency to address the pressure on already stretched basic services.

Notwithstanding the budgetary outlays of both centrally sponsored and state schemes, the gaps in urban services require effective urban finance reforms, improving urban governance and capacity building to facilitate local bodies to take on the challenges under the 74th Constitutional Amendment.

The 74th Constitutional Amendment is the constitutional anchor of this whole note - urban finance reform and capacity building are framed as what local bodies need to discharge it.

1.1 Departments

The Heads of Departments under Municipal Administration and Water Supply Department are as follows:

1. Directorate of Municipal Administration (DMA)
2. Greater Chennai Corporation (GCC)
3. Directorate of Town Panchayats (DTP)

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4. Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB)
5. Tamil Nadu Water Supply and Drainage Board (TWAD)
6. Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL)
7. Chennai Rivers Restoration Trust (CRRT)
8. Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO)
9. New Tirupur Area Development Corporation Limited (NTADCL)
10. Tamil Nadu Water Investment Company Limited (TWIC)

1.2 Urban Local Bodies

Under the administrative control of the Municipal Administration and Water Supply Department, urban local governance is carried out through the 25 Municipal Corporations, 146 Municipalities and 479 Town Panchayats.

- The urban map: 25 Municipal Corporations, 146 Municipalities and 479 Town Panchayats - 650 urban local bodies in all.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

District wise details of Urban Local Bodies are given below:

Table 1.1
District wise Urban Local Body Details

Sl. No.	District	Municipal Corporations	Municipalities	Town Panchayats	Total
1	Ariyalur	-	2	2	4
2	Chennai	1	-	-	1
3	Coimbatore	1	7	33	41
4	Cuddalore	1	6	14	21
5	Dharmapuri	-	2	9	11
6	Dindigul	1	3	23	27
7	Erode	1	5	41	47
8	Kancheepuram	1	3	2	6
9	Chengalpattu	1	5	5	11
10	Kanniyakumari	1	5	50	56
11	Karur	1	3	8	12
12	Krishnagiri	1	1	6	8
13	Madurai	1	3	9	13
14	Nagapattinam	-	2	4	6
15	Mayiladuthurai	-	2	4	6
16	Namakkal	1	4	19	24
17	The Nilgiris	-	5	10	15
18	Perambalur	-	1	4	5
19	Pudukkottai	1	2	8	11
20	Ramanathapuram	-	4	7	11
21	Salem	1	7	30	38
22	Sivagangai	1	3	11	15
23	Thanjavur	2	3	19	24

Sl. No.	District	Municipal Corporations	Municipalities	Town Panchayats	Total
24	Theni	-	6	22	28
25	Tiruvallur	1	6	8	15
26	Tiruvannamalai	1	5	8	14
27	Tiruvarur	-	4	7	11
28	Thoothukudi	1	3	18	22
29	Tiruchirappalli	1	5	14	20
30	Tirunelveli	1	3	17	21
31	Tenkasi	-	6	17	23
32	Tirupur	1	7	14	22
33	Vellore	1	2	4	7
34	Tirupathur	-	4	3	7
35	Ranipet	-	6	8	14
36	Villupuram	-	3	7	10
37	Kallakurichi	-	3	5	8
38	Virudhunagar	1	5	9	15
Total		**25**	**146**	**479**	**650**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2. DIRECTORATE OF MUNICIPAL ADMINISTRATION (DMA)

2.1 Administration

24 Municipal Corporations and 146 Municipalities are functioning under the administrative control of the Directorate of Municipal Administration. As per Rule 3(a) of the Tamil Nadu Urban Local Bodies Rules, 2023, the 24 Municipal Corporations in the State (except the Greater Chennai Corporation) are classified into different grades based on the population. The details are as follows:

Table 2.1
Classification of Corporations

Sl. No.	Classification	Population (in lakh)	No. of Corporations
1	Special Grade (A) and (B)	Above 10.00	6
2	Selection Grade	5.00-10.00	5
3	First Grade	3.00 - 5.00	3
4	Second Grade	Below 3.00	10
Total			**24**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 19 / 352

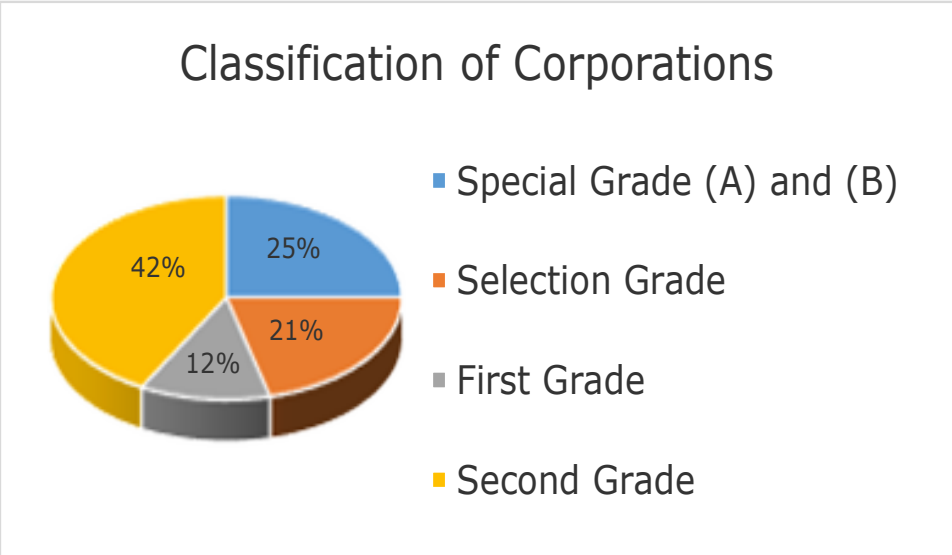


Table 2.2
List of Corporations under the administrative purview of DMA

Sl. No.	Corporation	Date of Constitution of Corporation	Area (sq.km)	Current Estimated Population (in lakh)	No. of Wards
1	Madurai	01.05.1971	150.68	20.40	100
2	Coimbatore	01.05.1981	257.04	23.86	100
3	Salem	01.06.1994	91.34	10.32	60
4	Tiruchirappalli	01.06.1994	167.23	11.76	65
5	Tirunelveli	01.06.1994	108.65	5.85	55
6	Tirupur	01.01.2008	159.35	13.99	60
7	Erode	01.01.2008	109.52	6.22	60
8	Vellore	01.08.2008	87.92	6.05	60
9	Thoothukudi	05.08.2008	90.66	5.64	60
10	Thanjavur	19.02.2014	36.31	2.34	51
11	Dindigul	19.02.2014	14.01	2.31	48

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 20 / 352

Sl. No.	Corporation	Date of Constitution of Corporation	Area (sq.km)	Current Estimated Population (in lakh)	No. of Wards
12	Hosur	28.02.2019	72.41	3.80	45
13	Nagercoil	01.03.2019	61.35	3.70	52
14	Avadi	17.06.2019	65.00	5.93	48
15	Cuddalore	08.10.2021	27.06	1.99	45
16	Karur	20.10.2021	53.26	2.65	48
17	Kancheepuram	21.10.2021	27.69	2.76	45
18	Sivakasi	21.10.2021	19.89	1.65	48
19	Tambaram	03.11.2021	87.64	11.80	70
20	Kumbakonam	24.12.2021	14.89	1.77	48
21	Karaikudi	12.08.2024	14.89	2.21	48
22	Namakkal	12.08.2024	145.31	3.05	48
23	Tiruvannamalai	12.08.2024	102.94	2.88	48
24	Pudukkottai	12.08.2024	121.26	2.24	48

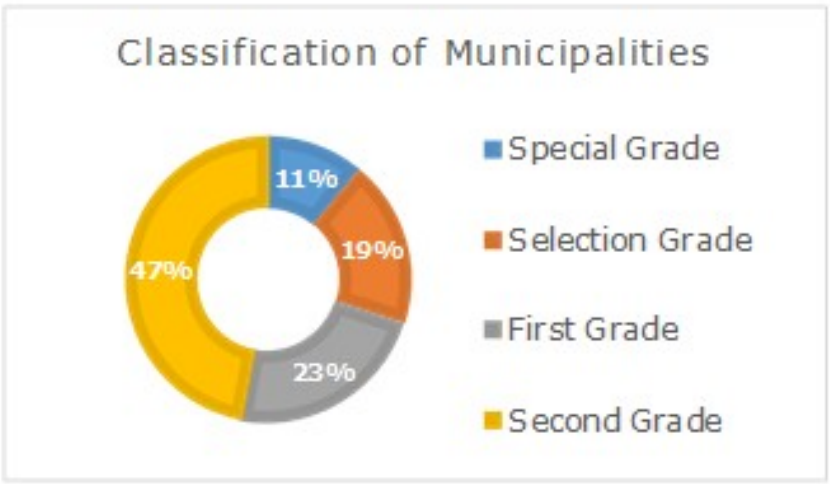
Similarly, as per Rule 3(b) of the Tamil Nadu Urban Local Bodies Rules, 2023, the 146 Municipalities in the State are classified into different grades based on the annual income. The details are as follows:

- Municipalities are graded by annual income under Rule 3(b): Special Grade **Rs.15 crore** and above, Selection **Rs.9-15 crore**, First **Rs.6-9 crore**, Second below **Rs.6 crore**.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Table 2.3
Classification of Municipalities

Sl. No.	Classification	Annual Income (Rs. in crore)	No. of Municipalities
1	Special Grade	15.00 and Above	16
2	Selection Grade	9.00-15.00	28
3	First Grade	6.00-9.00	33
4	Second Grade	Below 6.00	69
Total			**146**



2.2 Functions of Urban Local Bodies

Urban Local Bodies together cover an estimated population of 3.81 crore, providing essential civic services and urban infrastructure to a substantial share of the State’s urban residents.

- Urban local bodies cover an estimated **3.81 crore** people; the Census projection puts Tamil Nadu's urban population near **4 crore** soon.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 22 / 352

According to the report titled "POPULATION PROJECTIONS, 2011–2036" published by the Office of the Registrar General & Census Commissioner, India under the Census of India, the urban population of Tamil Nadu was projected to reach around 4 crore, in near future.

Urban Local Bodies play a crucial role in urban governance and economic development. Their major responsibilities are depicted in the following figure:



ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 23 / 352

2.3 The Financial position of Corporations and Municipalities

The abstract of Income and Expenditure of Corporations and Municipalities, is given in the following table:

Table 2.4
Revenue and expenditure of Corporations and Municipalities

(Rs. in crore)

Sl. No.	Description	Corporations			Municipalities		
		2023-24	2024-25	2025-26	2023-24	2024-25	2025-26
Income							
1	Tax Revenue	1,944.67	2,197.09	2,401.19	776.35	891.81	951.01
2	Non-Tax Revenue	629.42	650.23	630.05	375.81	380.85	355.60
3	Assigned Revenue	263.52	303.94	261.04	154.24	131.20	128.73
4	SFC/CFC Grants	1,936.17	2,232.72	2,468.68	2,283.89	2,412.73	2,751.17
Total Revenue Receipts		**4,773.78**	**5,383.98**	**5,760.96**	**3,590.29**	**3,816.59**	**4186.51**
Expenditure							
1.	Establishment, Administrative Operations & Maintenance expenses	5,507.60	6,032.75	5,892.36	3,704.28	3,995.37	4,287.15
Total		5,507.60	6,032.75	5,892.36	3,704.28	3,995.37	4,287.15
Surplus/Deficit		**-733.82**	**-648.77**	**-131.40**	**-113.99**	**-178.78**	**-100.64**

Table 2.5
Capital Income and Expenditure of Corporations and Municipalities

(Rs. in crore)

Sl. No.	Description	Corporations			Municipalities		
		2023-24	2024-25	2025-26	2023-24	2024-25	2025-26
1	Capital Income	3,817.72	5,195.13	3,845.10	2,178.33	3,233.66	2,596.81
2	Capital Expenditure	4,853.48	6,458.72	5,731.65	2,084.16	2,319.84	3,169.22

- Both Corporations and Municipalities run revenue deficits, and both depend on SFC/CFC grants for roughly half their revenue - the fiscal case for municipal bonds and land value capture.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 24 / 352

2.3.1 Sixth State Finance Commission

Table 2.6

(Rs. in crore)

Classification	2025-26		2026-27
	Assigned	Released	Assigned
Corporations			
SFC Devolution Grant	2,018.32	2,018.32	2,018.32
Capital Grant Fund (CGF)	201.50	201.50	217.00
Operations and Maintenance Deficit Grant (O&M DGF)	80.60	80.60	86.80
Municipalities			
SFC Devolution Grant	2,343.86	2,343.86	2,343.86
Capital Grant Fund (CGF)	234.00	234.00	252.00
Operations and Maintenance Deficit Grant (O&M DGF)	93.60	93.60	100.80
Corporations, Municipalities and Town Panchayats			
Grant For Tourist Towns (Fixed Grant)	15.00	15.00	15.00
Grant For Tourist Towns (Variable Grant)	5.00	5.00	5.00
Urban Road Development Fund (URDF)	260.00	260.00	280.00
School Improvement Grant – Capital Works	130.00	130.00	140.00
School Improvement Grant – Operations and Maintenance Works	78.00	78.00	84.00

2.3.2 Central Finance Commission

Table 2.7
Grant released under 15th CFC

(Rs. in crore)

Sl. No.	Grant	Amount received in 2025-26
1	Tied Grant	416.82
2	Un-tied Grant	277.87
3	Ambient Air Quality Grant for Million plus cities	33.72
4	Solid Waste Management Grant for Million plus cities	63.00
	Total	**791.41**

2.3.3 Sixteenth Finance Commission

The 16th Finance Commission has recommended the following five categories of grants for Urban Local Bodies (ULBs) for a period of five years from 2026-27 to 2030-31.

Basic Grant: A total allocation of Rs.20,054 crore has been recommended. The release of this grant will commence from 2026–27.

ULB Performance Grant: A total of Rs.2,507.50 crore has been earmarked as

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 26 / 352

Performance Grant for ULBs. The grant will be released from 2027–28, subject to the ULBs fulfilling the prescribed entry-level and performance conditions.

State Performance Grant: A total allocation of Rs.2,507.50 crore has been recommended for the State. The grant will be released from 2027–28, upon the State satisfying the stipulated entry-level and performance conditions.

Special Infrastructure Component: The Coimbatore and Madurai Municipal Corporations are eligible for this grant. Projects worth upto Rs.3,500 crore would be taken up in each Corporation, the share of GoI would be 60% of the project cost and the remaining 40% of the project cost would be contributed by the State Government and the concerned Urban Local Bodies.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Urbanization Premium: A one-time Urbanization Premium of Rs.2,000 per person (based on Census 2011 population) is recommended to support the merger of peri-urban villages with adjoining Urban Local Bodies (ULBs) having a population of one lakh or more. The grant is intended to strengthen administrative capacity, improve civic service delivery and upgrade basic infrastructure in the newly merged areas.

2.4 Implementation of the Tamil Nadu Urban Local Bodies Act, 1998 and the Tamil Nadu Urban Local Bodies Rules, 2023

The Tamil Nadu Urban Local Bodies Act, 1998 has been revived and amended suitably by the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022 (Tamil Nadu Act 35 of 2022). Under the Act, the Tamil Nadu Urban Local Bodies Rules, 2023 have been framed, the said Tamil Nadu Urban Local Bodies Act, 1998 and the Tamil Nadu

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 28 / 352

Urban Local Bodies Rules, 2023 made thereunder have been implemented with effect from 13.04.2023.

- The Tamil Nadu Urban Local Bodies Rules, **2023** came into force on **13.04.2023**.

2.5 Vetri Tamizhagam Vision 2031

Vetri Tamizhagam Vision 2031 for Municipal Administration in Tamil Nadu aims to transform urban local bodies into efficient, sustainable, inclusive and citizen-centric institutions. It focuses on improving basic urban services, strengthening infrastructure, promoting environmental sustainability and ensuring smart governance to enhance the quality of life in cities and towns.

2.5.1 Water Supply

- 24×7 safe drinking water will be provided in all Corporations and minimum 3 hours daily supply in Municipalities.
- Non-Revenue Water (NRW) loss will be reduced below 15% through leak detection, metering and system improvement.

- Non-Revenue Water is to be cut below 15% through leak detection, metering and system improvement - the single most quotable service target.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 29 / 352

2.5.2 Roads

- All unpaved urban roads with households will be converted into all-weather paved roads.
- Citizen friendly modern Roads-Integrated Road development works will be undertaken with stormwater drains, footpaths, cycle tracks, pedestrian safety and Street lighting to improve urban infrastructure and public convenience.

2.5.3 Street lights

- LED streetlights with smart monitoring systems will be installed across all upgraded Municipalities and added areas.
- Renewable energy-based streetlights will be promoted for sustainable energy use.

2.5.4 Urban Greening

- One crore trees will be planted across all Urban Local Bodies to enhance urban

Urban greening target: one crore trees across all urban local bodies, plus sponge parks for stormwater and recharge, and inclusive parks for persons with disabilities.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

greenery, improve air quality and strengthen climate resilience.

- Undeveloped parks and vacant Open Space Reservation (OSR) lands will be transformed into parks, playgrounds, green spaces and recreational areas.
- Sponge parks will be developed to support stormwater management, flood mitigation and groundwater recharge.
- Inclusive parks with accessible facilities will be created to ensure equal access and recreation opportunities for persons with disabilities.

2.5.5 Water bodies

- All urban water bodies, including lakes, tanks, ponds and reservoirs, will be identified, mapped, protected and safeguarded from encroachments.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- Water bodies will be rejuvenated through desilting, bund strengthening, pollution removal and improvement of inlets and outlets to enhance water storage, groundwater recharge and ecological sustainability.

2.5.6 Sanitation

- Cities will be made Open Defecation Free (ODF) with hygienic public toilets.
- 100% UGSS coverage in all Corporations, including newly added areas, with full household sewer connections.
- Mechanized desludging to eliminate manual scavenging.
- Treated wastewater will be reused for industry, irrigation and construction purposes.

- Sanitation targets: **ODF** cities, 100% underground sewerage in all Corporations, mechanised desludging to end manual scavenging, and reuse of treated wastewater.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.5.7 Solid Waste Management

- Cities will be made litter-free through 100% segregation and door-to-door collection.
- Waste processing through Bio-CNG plants, Waste-to-Energy plants, MRFs and bio methanation units in major Corporations.
- C&D waste processing plant will be established in Corporations with population above 5.00 Lakh.
- Mechanized sweeping, GPS-enabled vehicles and GIS monitoring systems will be implemented to improve efficiency.

Construction and demolition waste plants are to be set up in every Corporation above **5 lakh** population.

TWAD Board, a statutory organisation established in **1971**, covers all of Tamil Nadu except the Chennai Metropolitan Area.

2.5.8 Rainwater Harvesting

- Rainwater harvesting will be made mandatory in all buildings.
- Groundwater recharge structures will be developed in public spaces and institutions.

Rainwater harvesting mandatory in all buildings, with recharge structures in public spaces - the policy Tamil Nadu is best known for nationally.

2.5.9 Urban Infrastructure Development

- **Bus Stands:** Old and new bus stands will be upgraded into Integrated Bus Terminals with modern facilities including commercial spaces, toilets, mother feeding rooms, real-time information systems and surveillance.
- **Markets:** New markets and Existing markets in Urban Local Bodies, based on the age of existing structures, will be modernized with hygienic vending spaces, cold storage, smart stalls and waste systems.
- **Slaughter Houses:** At least one hygienically maintained and scientifically managed slaughter house will be established in all Corporations and Municipalities at designated locations to ensure public health, food safety and environmental compliance.
- **Office Buildings:** Urban Local Bodies require adequate administrative infrastructure for

- Bus stands are to become Integrated Bus Terminals with commercial space, mother feeding rooms and real-time information; at least one scientific slaughter house per Corporation and Municipality.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

efficient, citizen-centric service delivery. New office buildings will be constructed based on the age of existing structures and projected future space requirements.

- **Multilevel Parking Facilities:** In major Corporations, in tourism and heritage cities, Multilevel parking will be developed in high-density areas to reduce congestion.

2.5.10 Flood Prevention Measures

- Comprehensive flood management plans will be prepared for all vulnerable Urban Local Bodies, based on hydrological studies, drainage patterns and historical flood data.
- New Stormwater drains will be constructed in flood prone locations and operational maintenance will be carried throughout the year.
- Sponge Park, Lakes, tanks, ponds and other urban water bodies will be integrated into the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

urban flood management system to act as natural retention and buffering structures.

- Regular desilting and cleaning of stormwater drains, canals and watercourses will be undertaken prior to monsoon seasons to prevent waterlogging.
- Low-lying and flood-prone areas will be identified and provided with targeted mitigation measures, including improved drainage and pumping arrangements where necessary.
- Real-time monitoring systems and early warning mechanisms will be introduced in flood-prone urban areas to enable timely response and disaster preparedness.
- GIS-based mapping and digital modelling of drainage networks will be developed to support scientific planning and decision-making.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.5.11 Animal Birth Control (ABC) Programme

- Scientific surveillance and mapping of stray dog populations in urban areas.
- Implementation of the Animal Birth Control (ABC) Programme through systematic sterilization and vaccination of stray dogs.
- Regular catch–sterilize–vaccinate–release (CSVR) operations as per ABC Rules, 2023.
- Strengthening of ABC centres, shelters and veterinary infrastructure for effective service delivery.

2.5.12 School and Hospital Infrastructure

- **School :** Digital learning facilities, including smart classroom with internet access, e-learning platforms and smart learning tools, will be promoted in schools.
- **Public Health Building :** Urban health infrastructure, including Urban Primary

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Health Centres and Community Health Centres, will be strengthened and upgraded to improve service delivery, accessibility and quality of care.

2.6 Infrastructure development

2.6.1 Water Supply

Due to the expansion of Corporations and Municipalities, increasing households and population, the demand for drinking water supplied to the public is increasing. The policy of the Government is to provide protected drinking water supply to all the people in urban areas and floating population, by increasing the duration of drinking water distribution through integrating drinking water projects which are completed in different timelines and to rejuvenate the water supply schemes, identifying new water sources and to complete new water supply schemes in a timely manner.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Table 2.8
Status of drinking water supply

Urban Local Bodies	Litres Per Capita Daily (LPCD)	No. of ULBs
Corporations	135 and above	8
	110-134	5
	70-109	9
	Below 70	2
Municipalities	135 and above	12
	110-134	26
	70-109	97
	Below 70	11
Total		**170**

In order to provide 135 LPCD of potable drinking water in Municipal Corporations and Municipalities, the following steps have been taken to provide piped water supply connection to every household:

- Under AMRUT 2.0, 50 number of works in 35 Municipalities and 14 Corporations have been taken up at an estimated cost of Rs.3,740.87 crore.

- The service norm to remember: 135 litres per capita per day is the target for Corporations and Municipalities, 70 **LPCD** the norm in Town Panchayats.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 39 / 352

- Under State schemes like KNMT, 40 nos. of drinking water projects have been sanctioned at an estimate cost of Rs.521.95 crore.
- Under Tamil Nadu Climate Resilient Urban Development Program (TNCRUDP) and AMRUT 2.0, 24x7 water supply projects have been taken up for implementation in 11 Corporations and 1 Municipality at an estimated cost of Rs.352.60 crore and works are in various stages of implementation. Further, under this programme, water supply augmentation works have been taken up in Kancheepuram Corporation at an estimated cost of Rs.331.88 crore and the works are in various stages of implementation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- Water supply augmentation works are sanctioned under kfw fund to Karur Corporation and Thiruverkadu Municipality at a total estimated cost of Rs.400.55 crore and works are in progress.

Table 2.9
Major ongoing Water supply works

Sl. No.	Name of the ULB	Name of the Work	Scheme	Project Cost (Rs. in Crore)
1	Coimbatore	24/7 WS (PPP Mode)	AMRUT/ TNIDB	646.71
2	Tiruchirappalli	24/7 WS	AMRUT 2.0/ TNCRUDP	38.49
3	Tirunelveli	24/7 WS	AMRUT 2.0/ TNCRUDP	28.25
4	Thoothukudi	24/7 WS	AMRUT 2.0/ TNCRUDP	16.06
5	Salem	24/7 WS	AMRUT 2.0	1035.61
6	Erode	24/7 WS	AMRUT 2.0/ TNCRUDP	21.93
7	Dindigul	24/7 WS	AMRUT 2.0/ TNCRUDP	9.67
8	Vellore	24/7 WS	AMRUT 2.0/ TNCRUDP	14.31
9	Avadi	24/7 WS	AMRUT 2.0/ TNCRUDP	59.92

Sl. No.	Name of the ULB	Name of the Work	Scheme	Project Cost (Rs. in Crore)
10	Nagercoil	24/7 WS	AMRUT 2.0	64.68
11	Pudukkottai	24/7 WS	AMRUT 2.0/ TNCRUDP	25.31
12	Karaikudi	24/7 WS	AMRUT 2.0/ TNCRUDP	25.02
13	Tambaram	24/7 WS	AMRUT 2.0/ TNCRUDP	20.29
14	Cuddalore	24/7 WS	AMRUT 2.0/ TNCRUDP	28.67
15	Rajapalayam	24/7 WS	AMRUT 2.0/ TNCRUDP	27.85
16	Maduranthakam	WSIS	AMRUT 2.0	30.40
17	Nellikuppam	WSIS	AMRUT 2.0	9.45
18	Ulundurpet	WSIS	AMRUT 2.0	30.25
19	Ranipet	WSIS	AMRUT 2.0	33.09
20	Arcot	WSIS	AMRUT 2.0	12.89
21	Arakkonam	WSIS	AMRUT 2.0	21.24
22	Kallakurichi	WSIS	AMRUT 2.0	21.00
23	Nagapattinam-ULB	WSIS	AMRUT 2.0	68.21
24	Tiruvarur	WSIS	AMRUT 2.0	78.15
25	Nagapattinam-TWAD	CWSS	AMRUT 2.0	245.96
26	Ramanathapuram	CWSS	AMRUT 2.0	222.29
27	Keelakarai	CWSS	AMRUT 2.0	206.03
28	Oddanchatram	CWSS	AMRUT 2.0	118.78
29	Kalakad	CWSS	AMRUT 2.0	58.03
30	Chidambaram	CWSS	AMRUT 2.0	143.19

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Sl. No.	Name of the ULB	Name of the Work	Scheme	Project Cost (Rs. in Crore)
31	Perambalur	CWSS	AMRUT 2.0	373.93
32	Kancheepuram	WSIS	TNCRUDP/ CGF	331.88
33	Kumbakonam	WSIS	UIDF	28.32
34	Maraimalai Nagar	WSIS	UIDF	20.14
35	Thiruverkadu	WSIS	KfW	165.48
36	Karur	WSIS	KfW	245.07
37	Harur	WSIS	KNMT	20.00
38	Edappadi	WSIS	KNMT	10.75
39	Komarapalayam	WSIS	KNMT	15.50
40	Manamadurai	WSIS	KNMT	38.86
41	Panruti	WSIS	KNMT	22.79
42	Pollachi	WSIS	KNMT	16.04
43	Rameswaram	WSIS	KNMT	10.98
44	Sathyamangalam	WSIS	KNMT	10.77
45	Sholinghur	WSIS	KNMT	47.58
46	Srivilliputhur	WSIS	KNMT	9.85
47	Tenkasi	WSIS	KNMT	69.45
48	Thiruvathipuram	WSIS	KNMT	12.17
49	Tirumangalam	WSIS	KNMT	52.53
50	Tirupathur	WSIS	KNMT	13.46
51	Vellakovil	WSIS	KNMT	13.70
	Total			**4,890.98**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 43 / 352

The Department envisions to

- Ensure universal access to safe and reliable drinking water by providing 24×7 water supply in all Municipal Corporations and a minimum of three hours of daily water supply in all Municipalities.
- Reduce Non-Revenue Water below 15% through systematic leak detection, universal metering, network rehabilitation and efficient water management practices.

2.6.2 Underground Sewerage Scheme and Faecal Sludge Management

2.6.2.1 Municipal Corporations

Out of 24 Municipal Corporations (excluding Greater Chennai Corporation), Underground Sewerage Scheme (UGSS) works have been completed and commissioned for public use in 22 Municipal Corporations. UGSS works have been taken up in Hosur Corporation at an estimated cost of Rs.582.54 crore and the Faecal

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 44 / 352

Sludge Treatment Plant (FSTP) in Sivakasi Corporation has been completed.

The Government is committed to extending sewerage facilities to the remaining uncovered areas in all Municipal Corporations. To achieve 100% sewerage coverage in cities where UGSS has already been implemented, additional works have been taken up under AMRUT, AMRUT 2.0, the Smart Cities Mission, Asian Development Bank (ADB)-assisted projects and the KfW-assisted SMIF-TN III programme. These initiatives are aimed at providing sewerage networks to the newly added and previously uncovered areas of Urban Local Bodies (ULBs).

Accordingly, the second and third phases of the UGSS have been taken up in 16 Municipal Corporations, namely Madurai, Coimbatore, Tirunelveli, Salem, Tirupur, Thoothukudi, Vellore, Dindigul, Avadi, Kancheepuram, Tiruchirappalli, Namakkal, Pudukkottai, Thiruvannamalai,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Karaikudi and Cuddalore, at an estimated cost of Rs.6,855.24 crore and the works are in progress at various stages. Further, under the KfW-assisted SMIF-TN III programme, UGSS works covering the left-out and newly added areas of Karur Corporation have been sanctioned at an estimated cost of Rs.485.38 crore.

2.6.2.2 Municipalities

Out of 146 Municipalities, the Underground Sewerage Scheme (UGSS) has been completed in specific areas of 38 Municipalities. Further, UGSS works have been taken up for implementation in 8 Municipalities at an estimated cost of Rs.1,989.67 crore.

The second phase of the UGSS has also been taken up in 8 Municipalities at an estimated cost of Rs.924.35 crore and the works are at various stages of implementation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 46 / 352

Table 2.10
Ongoing UGSS works

Sl. No.	Name of the ULB	Name of the Work	Name of the Scheme	Project Cost (Rs. in Crore)
1	Coimbatore	4 Added area UGSS	ADB T-3	922.16
2	Coimbatore	3 Added areas UGSS	AMRUT2.0/ KfW SMIF III	318.90
3	Coimbatore	UGSS-Ondipudhur	AMRUT 2.0/ KfW SMIF III	185.00
4	Madurai	UGSS to Left out areas and Added Areas of North Vaigai	AMRUT 2.0/ KfW SMIF III	471.89
5	Tiruchirappalli	UGSS Phase III	AMRUT/ ADB	425.72
6	Tiruchirappalli	UGSS Phase-IV	AMRUT 2.0/ KfW	230.61
7	Tiruchirappalli	100MLD STP	AMRUT 2.0/ KfW	233.87
8	Tirunelveli	UGSS PhaseII	AMRUT/ADB	374.74
9	Tirunelveli	UGSS Phase-III	AMRUT/ADB	663.92
10	Tirunelveli	58MLD STP	Kfw	93.44
11	Thoothukudi	UGSS Non-ABD Areas (4 Zones) - Collection system	AMRUT 2.0/ TNCRUDP	153.29
12	Salem	UGSS	AMRUT 2.0	557.65
13	Tirupur	UGSS	AMRUT 2.0/ TNCRUDP	188.61
14	Dindigul	UGSS	TNCRUDP/ CGF	171.23
15	Vellore	UGSS Phase II	AMRUT/ADB	410.38
16	Vellore	UGSS Phase III	AMRUT/ADB	349.19
17	Avadi	UGSS	AMRUT 2.0/ TNCRUDP	98.59

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 47 / 352

Sl. No.	Name of the ULB	Name of the Work	Name of the Scheme	Project Cost (Rs. in Crore)
18	Namakkal	UGSS	TNCRUDP/ SBM 2.0	211.83
19	Kancheepuram	UGSS	TNCRUDP/ CGF	340.15
20	Pudukkottai	UGSS	AMRUT 2.0/ TNCRUDP	101.34
21	Hosur	UGSS	AMRUT 2.0/ KfW	582.54
22	Tiruvannamalai	UGSS	AMRUT 2.0/ TNCRUDP	105.82
23	Karaikudi	UGSS	AMRUT 2.0/ TNCRUDP	35.03
24	Cuddalore	UGSS	TNCRUDP	173.39
25	Chengalpattu	UGSS	SBM 2.0/ KfW SMIF III	188.25
26	Maraimalai Nagar	UGSS	SBM 2.0/ KfW SMIF III	299.86
27	Thiruverkadu	UGSS	SBM 2.0/ KfW SMIF III	429.55
28	Poonamallee	UGSS	SBM 2.0/ KfW SMIF III	282.89
29	Kallakurichi	UGSS	SBM 2.0/KNMT/Loan & Grant from EAP Savings	153.86
30	Villupuram	UGSS	SBM 2.0/ IUDM	263.00
31	Tiruvarur	UGSS	TNCRUDP	29.46
32	Mannargudi	UGSS	AMRUT 2.0/ KfW SMIF III	229.00
33	Mayiladuthurai	UGSS	SBM 2.0/ KfW SMIF III	83.03
34	Theni-Allinagaram	UGSS	TNCRUDP	67.76
35	Palani	UGSS	SBM 2.0 / KfW SMIF III	120.00
36	Aruppukottai	UGSS	AMRUT 2.0/ KfW SMIF III	297.25
37	Virudhunagar	UGSS	NHB- UIDF	55.67
38	Thiruverkadu	STP	KfW	96.79
39	Mangadu	UGSS	KfW	278.10
Total				**10,273.76**

The department envisions to expand and modernize urban sewerage infrastructure to

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

ensure safe and sustainable sanitation in the urban local bodies.

2.6.2.3 Used Water Management in Non-Under Ground Drainage ULBs

The City Action Plan for Used water management has been prepared for all the 115 ULBs which is less than 1 lakh population. Based on the assessment of existing facilities, infrastructure gaps were identified and projects have been sanctioned to ensure safe collection, treatment and reuse of used water. The sanctioned details are as follows:

Table 2.11
Details of UGSS STP, STP cum FSTP with I&D

(Rs.in crore)

ULB	UGSS STP			STP/STP cum FSTP with I&D		
	Sanctioned nos.	Cost	Ongoing	Sanctioned nos.	Cost	Ongoing
Corporation	3	136.88	2	-	-	-
Municipalities	14	858.08	13	113	911.61	109
Total	**17**	**994.96**	**15**	**113**	**911.61**	**109**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.6.3 Solid Waste Management

Solid Waste Management in Urban Local Bodies is being strengthened through an integrated and sustainable approach, with emphasis on the following:

- 100% door-to-door collection of Municipal solid waste is being carried out in all ULBs.
- Households, commercial establishments and institutions are encouraged to practice source segregation by separating waste into biodegradable, non-biodegradable, sanitary waste and Special care waste as per SWM rules 2026.
- Biodegradable waste (Wet waste) is processed into compost or biogas, while recyclable waste is recovered through Material Recovery Facilities (MRFs) and sold to authorized vendors.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- Non-recyclable combustible waste is sent to cement industries for use as Refuse Derived Fuel (RDF) through co-processing.

It is proposed to strengthen sustainable solid waste management through the establishment of further Bio-CNG plants, Waste-to-Energy plants, bio-mining projects and the procurement of Solid Waste Management vehicles in Urban Local Bodies during 2026–27.

2.6.3.1 Status of SWM infrastructure facilities

The City Solid Waste Action Plan has been prepared for all the 170 ULBs and gap has been arrived for the projected waste generation in year till 2026. The details are as follows:

Table 2.12
Details of MCC, MRF and Windrows

(Rs. in Crore)

ULB	Micro composting center/ Windrows			MRF		
	Sanctioned nos.	Cost (in crore)	Ongoing	Sanctioned nos.	Cost (in crore)	Ongoing
Corporation	63	38.41	26	68	52.94	10

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

ULB	Micro composting center/ Windrows			MRF		
	Sanctioned nos.	Cost (in crore)	Ongoing	Sanctioned nos.	Cost (in crore)	Ongoing
Municipalities	104	43.38	12	155	56.41	17
Total	**167**	**81.79**	**38**	**223**	**109.35**	**27**

- In order to convert the organic waste into biogas and organic manure, 6 bio-methanation plants have been sanctioned with capacity of 27 TPD and work has been completed and put in use.
- To promote scientific processing of wet waste and convert biodegradable waste into clean energy, Compressed Bio-Gas (CBG) plants are currently under construction in six Corporations—Coimbatore, Madurai, Tirupur, Salem, Tiruchirappalli and Tambaram.
- To bridge the gap in wet waste processing and strengthen resource recovery, administrative sanction has been given to establish CNG plants in 6 additional

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 52 / 352

Corporations—Vellore, Erode, Thoothukudi, Tirunelveli, Karur and Nagercoil over the next three years.

- To promote sustainable solid waste management and scientific disposal of non-recyclable combustible waste, three Waste-to-Energy (WtE) plants are to be commissioned (Coimbatore-Tirupur cluster, Madurai cluster and Tambaram-Chennai Cluster) with a total capacity of 4,400 TPD are currently in tender stage. To ensure complete utilization of dry waste across the State, additional (WtE) plants are being considered in other Corporations.

2.6.3.2 Biomining of Legacy Waste

Legacy waste biomining is being carried out in Urban Local Bodies (ULBs) to reclaim old dump yards and improve environmental conditions. Out of 49.3 lakh metric tonnes (LMT) of legacy waste identified at 102 locations, biomining has been

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

completed at 71 locations, remediating 13.71 LMT of waste and reclaiming 298 acres of land. Biomining works are ongoing at the remaining 31 locations and are being expedited. The reclaimed land will be utilized for solid waste management facilities, parks and other urban green spaces for public benefit.

2.6.4 Roads

In Corporations and Municipalities, a total of 33,275.25 km of roads are being maintained. Funds have been allocated under various schemes for restoration of roads which are laid before 5 years, on priority basis. The details of urban roads are given below:

Table 2.13
Details of Urban Roads

Sl. No.	Classification of Roads	Total Length (in km)	Percentage
1	Cement Concrete Roads	7,435.01	22
2	BT Roads	20,826.76	62

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3	WMM Roads	206.79	1
4	Earthen Roads	2,925.90	9
5	Paver blocks and Other Roads	1,880.79	6
Total		**33,275.25**	**100**

2.6.5 Urban Greening

The Tamil Nadu Urban Greening Policy-2026 aims to increase the State's green cover from 23.7% to 33% to enhance the urban livability and ecological sustainability of promoting all forms of urban greening – Parks, Road Side Avenues, Urban Forest, Water Bodies, Residential Areas, institutional campus and industrial landscape. Each ULB shall endeavour to maintain a minimum 15% of its total Municipal area under green cover. ULBs are encouraging the active participation of the local community in this mission.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 55 / 352

The following are the policy measures being implemented to promote Urban Greening

- Development, restoration and sustainable maintenance of urban parks, playgrounds, green corridors, urban forests, waterfronts, biodiversity parks and other public open spaces to enhance environmental quality, improve public health and create vibrant, inclusive recreational spaces for citizens.
- Plantation of 5 crore trees over a five-year period across urban areas to significantly increase green cover, improve air quality, enhance urban biodiversity, sequester carbon, reduce the urban heat island effect and strengthen the resilience of cities against climate change.
- Promotion of accessible, inclusive and climate-resilient green spaces through ecological conservation, nature-based solutions and sustainable landscape management, ensuring that all sections of

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

society have access to safe, healthy and environmentally sustainable public spaces while preserving urban ecosystems for future generations.

- Development of nurseries in ULBs to ensure a continuous supply of quality saplings for urban greening and plantation activities.

2.6.5.1 Parks

Parks are maintained in urban local bodies for the benefit of the general public, especially children. There are 9,404 parks in Corporations and Municipalities as below:

Table 2.14
Details of Parks

Sl. No.	Urban Local Bodies	Parks (nos.)
1	Corporations	4,691
2	Municipalities	4,713
Total		**9,404**

The Department envisions to continue to develop new parks and improve existing parks during 2026–27.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.6.6 Water Bodies

The details of water bodies located in the Corporations and Municipalities as per the State level survey are given in the following Table:

Table 2.15
Details of Water Bodies

Sl. No.	Urban Local Bodies	No. of Water Bodies
1	Corporations	603
2	Municipalities	1,874
Total		**2,477**

To improve urban water resources and ecological sustainability, development of water bodies will continue to be undertaken during 2026–27.

2.7 Urban Social Infrastructures

2.7.1 Modern Bus Stands

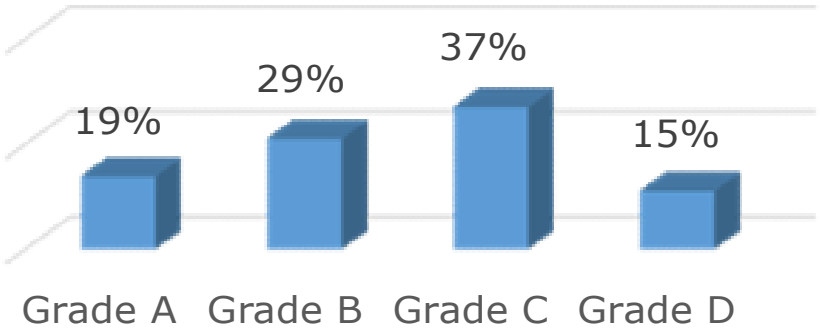
A total of 184 bus stands are maintained by various Corporations and Municipalities, as given below in Table:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Table 2.16
Details of existing Bus Stands

Grade	Corporations (in nos)	Municipalities (in nos)	Total
A	21	14	35
B	11	42	53
C	5	63	68
D	6	22	28
Total	**43**	**141**	**184**

Classification of Bus Stands



The Department envisions developing new bus stands and modernizing existing bus stands by undertaking new projects during 2026–27.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 59 / 352

2.7.2 Modern Libraries (Library cum Knowledge Centres)

To strengthen educational and career opportunities, 96 Library-cum-Knowledge Centres have been sanctioned at a cost of Rs.293.11 crore. These Centres provide comprehensive learning support, including digital resources, competitive exam coaching, mentoring and regular monitoring by District-level Committees.

2.7.3 Modern Gasifier Crematorium

To provide modern and environmentally sustainable crematorium facilities across urban local bodies, the Government has taken a policy decision to establish at least one state-of-the-art LPG gasifier crematorium in every Municipal Corporation and Municipality.

Table 2.17
Details of the gasifier crematoriums

Sl. No.	Urban Local Bodies	Numbers
1	Corporations	51
2	Municipalities	64
Total		**115**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 60 / 352

2.7.4 Markets and Commercial Complexes

The role of Markets and Commercial Complexes is essential in selling and buying goods for the daily needs of the public. Markets and Commercial Complexes are a major contributor to the revenue of Corporations and Municipalities. Improvement and modernization of commercial complex, daily and weekly markets is essential.

Table 2.18
Details of the markets

Sl. No.	Urban Local Bodies	Numbers
1	Corporations	157
2	Municipalities	144
Total		**301**

It is proposed to develop new markets and modernize existing markets by undertaking further new projects during 2026–27.

2.7.5 Schools

Municipalities and Corporations maintain 2,162 schools across the State and undertake the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 61 / 352

construction, improvement and maintenance of school infrastructure, including classrooms, drinking water facilities, toilets, playgrounds and other essential amenities, thereby strengthening educational infrastructure and supporting quality learning.

Table 2.19
Details of the Schools maintained by the ULBs

Sl. No.	ULB	Primary schools	Middle schools	High Schools	Higher Secondary Schools	Total
1	Corporation	690	299	79	94	1,162
2	Municipality	613	307	41	39	1,000
	Total	**1,303**	**606**	**120**	**133**	**2,162**

To strengthen school infrastructure, it is proposed to undertake further projects for the construction of new classrooms and operation & maintenance (O&M) works in schools during 2026–27.

2.7.6 Streetlights

A total of 10.56 lakh streetlights are maintained in 24 Municipal Corporations (excluding Chennai Corporation) and 146

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Municipalities in Tamil Nadu. With a view to reduce electricity consumption in the above-mentioned urban local bodies, 96 percent of these street lights have been converted to LED street lights.

Further, to achieve the prescribed standard of one streetlight for every 30 meters in Urban Local Bodies, additional streetlights are being installed at identified locations. Considering factors such as lux levels, wattage categories, road safety requirements, low maintenance costs and environmental benefits and energy-efficient, LED streetlights are being gradually installed across Urban Local Bodies. This initiative is expected to result in savings of up to 40% in electricity consumption costs.

To provide safe, energy-efficient and sustainable urban lighting, it is proposed to install new streetlights and convert conventional

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

streetlights to LED lights during 2026–27 in the extension as well as existing areas.

2.7.7 Flood Mitigation Works

Urban coastal areas are more prone to flooding than rural coastal areas due to their high population density, extensive built-up infrastructure and reduced natural drainage. The concentration of critical infrastructure and economic activities in urban areas increases the potential for damage and disruption during flood events. In contrast, rural coastal areas generally have lower population densities and larger natural open spaces that help absorb and store excess rainwater, thereby reducing flood impacts. Hence it is necessary to manage the urban floods with proper drainage system.

Major flood-prone areas are Chennai, Tiruvallur, Chengalpattu, Cuddalore,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Nagapattinam, Mayiladuthurai, Thanjavur, Tiruvarur and Thoothukudi.

During the financial year 2025–26, administrative sanction has been accorded for the construction of Storm Water Drain works in Thoothukudi Corporation at an estimated cost of Rs.53.70 crore. Further, sanction has been accorded to Avadi Corporation for the construction of three Storm Water Drain works at an estimated cost of Rs.9.66 crore and for an additional Storm Water Drain work at a cost of Rs.20.02 crore.

2.8 e-Governance in Urban Local Bodies

A centralized web-based software **Urban Tree Information System (UTIS)** is implemented at a cost of Rs.18.31 Crore in 24 Municipal Corporations and 146 Municipalities for handling day-to-day activities of Municipal Administration.

All the citizen services rendered to the public are made available in online such as

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 65 / 352

payment of tax, Water / UGD user charges, Trade License and other fees, Assessment of new property tax, Building Plan Approval, etc. (G2C, G2G and G2B) to ensure efficiency, transparency and reliability.

In addition to the above, management of day to day Municipal Accounts and office administrative activities are maintained in this software. The performance of the above activities is being monitored through an integrated Revenue Dashboard and Scheme Dashboard.

2.8.1 Urban Tree Information System (UTIS)

Urban Administration is managed through digital technology to ensure efficient, transparent and citizen-centric governance. Digital platforms enable the speedy delivery of public services, reducing processing time and enhancing accessibility for citizens. The following are the key

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

components that facilitate quick and effective service delivery in urban local bodies.

2.8.2 Online Revenue Monitoring System (Revenue Dashboard)

ULBs are providing various infrastructure and basic amenities to the citizens using various scheme fund and ULBs own fund. Tax revenue plays an important role in ULBs revenue generation. Revenue Dashboard (https://tnurbanepay.tn.gov.in/revenue) is designed and implemented in Urban Tree Information System (UTIS) software for monitoring the collection of tax revenue and other related activities of all Corporations/Municipalities in real time.

2.8.3 Integration of UTIS with CM Dashboard

The progress of scheme works taken up in all Corporations/Municipalities are monitored in real time through a dedicated Scheme Dashboard in Urban Tree Information System (UTIS) software (https://tnurbanepay.tn.gov.in/utis).

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 67 / 352

The Progress of scheme works updated by Corporations / Municipalities in UTIS is updated in Honourable Chief Minister Dashboard on daily basis in online.

2.8.4 UTIS software upgradation

In order to provide citizen service delivery in an improved manner, it is proposed to upgrade the existing UTIS software with latest trends in AI tools and Technology in UTIS 2.0.

2.9 Urban Health Infrastructure

2.9.1 National Urban Health Mission

The National Urban Health Mission was approved as a sub-mission of the National Health Mission (NHM) during the year 2013, with focus on the urban poor, the mission aims to meet the health needs of the urban population, by providing essential primary health care services at low cost of treatment. It is implemented in State capitals, district headquarters and other cities with a population of 50,000 and above. It is

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

primarily set up to cater to the needs of the marginalized groups, such as slum dwellers, street vendors, homeless people, etc.

Table 2.20
Health infrastructures available in ULBs

Sl. No	Infrastructures Category	Numbers
1	Government Hospitals	82
2	Urban Primary Health Centres	145
3	Health Sub Centres and Block Public Health Unit	201
4	Wellness Centres	508
5	City Public Health lab	28
	Total	**964**

In addition to the existing health infrastructure, 88 health buildings comprising Health Sub-Centres, Block Public Health Units, Urban Primary Health Centres and additional buildings for Government Hospitals have been sanctioned under the 15th Finance Commission Health Grant. Construction works for these facilities are currently under progress.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.10 Centrally Sponsored Schemes

2.10.1 Atal Mission for Rejuvenation and Urban Transformation (AMRUT) & AMRUT 2.0

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme was launched on 25.06.2015. This Scheme was implemented with the contribution of the Central Government and State Government. In Tamil Nadu, 28 cities had been selected for implementation of AMRUT Scheme.

Under AMRUT Scheme, 14 water supply projects, 13 underground sewerage schemes and 358 parks were implemented at an estimated cost of Rs.10,203.80 crore. Out of 385 projects, 379 projects were completed and 6 projects are in progress at various stage. Tamil Nadu, which is the pioneer in implementing all schemes, implemented AMRUT scheme in an effective manner.

AMRUT was launched on **25.06.2015** and covered 28 cities in Tamil Nadu - 14 water supply projects, 13 sewerage schemes and 358 parks, **Rs.10,203.80** crore.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 70 / 352

2.10.1.1 AMRUT 2.0

With the consideration of the need of implementing AMRUT in all towns, the Atal Mission for Rejuvenation and Urban Transformation 2.0 was launched on 01.10.2021. In Tamil Nadu 25 Corporations (including Greater Chennai Corporation), 146 Municipalities and 479 Town Panchayats are benefitting under AMRUT 2.0. The Scheme implementation period is 5 years commencing from October 2021.

- **AMRUT** 2.0 launched **01.10.2021** for five years, and unlike **AMRUT** it covers every urban local body - 25 Corporations, 146 Municipalities and 479 Town Panchayats.

The objective of AMRUT 2.0 is water supply to all households, underground sewerage scheme and septage management, reuse of the used water through tertiary treatment, rejuvenation of water bodies and green parks development.

Under AMRUT 2.0 Scheme, the Union Government allocation for Tamil Nadu is Rs.4,942 crore, Government of Tamil Nadu allocation is Rs.3,706.18 crore and the

- **AMRUT** 2.0 funding split for Tamil Nadu: Union **Rs.4,942 crore**, State **Rs.3,706.18** crore, urban local bodies **Rs.5,430.40** crore - the local bodies carry the largest share.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 71 / 352

contribution of Urban Local Bodies is Rs.5,430.40 crore.

A total of 445 projects have been taken up at an estimated cost of Rs.6,780.48 crore. This includes 50 water supply and combined water supply projects at an estimated cost of Rs.3463.39 crore, 13 underground sewerage projects at an estimated cost of Rs.3,115.65 crore, 180 projects of water bodies improvement at an estimated cost of Rs.126.75 crore, 202 green parks at an estimated cost of Rs.74.70 crore.

2.10.2 Urban Challenge Fund

The Ministry of Housing and Urban Affairs (MoHUA) has launched the Urban Challenge Fund (UCF) as a Centrally Sponsored Scheme, providing Central Assistance of Rs.1,00,000 crore to all States for implementation during

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 72 / 352

FY 2025–26 to FY 2030–31, which may be extended up to FY 2033–34.

The scheme aims to transform cities into engines of economic growth through market-based financing, urban reforms and integrated infrastructure development. UCF provides catalytic Central Assistance limited to 25% of the project cost, while mandating that at least 50% of the project cost be financed through market-based sources such as loans, Municipal bonds or Public-Private Partnerships (PPPs).

UCF is deliberately catalytic: central assistance is capped at 25% and at least 50% must come from market sources - loans, municipal bonds or PPPs.

The scheme supports projects under three thematic pillars namely, Cities as Growth Hubs, Creative Redevelopment of Cities and Water & Sanitation covering sectors such as digital governance, trunk infrastructure, urban redevelopment, urban flood mitigation, waste management, transit-oriented development, mobility infrastructure and riverfront

UCF has three thematic pillars: Cities as Growth Hubs, Creative Redevelopment of Cities, and Water & Sanitation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 73 / 352

development. The programme primarily focuses on developing bankable urban projects, strengthening Municipal capacity and promoting sustainable urban transformation.

The Government of Tamil Nadu has given its assent to transform cities into engines of economic growth through integrated infrastructure development, urban reforms and market-based financing by implementing priority projects under the Urban Challenge Fund vide G.O. (Ms.) No. 136, Municipal Administration and Water Supply (MA2) Department, Dated: 29.06.2026.

2.10.3 Swachh Bharat Mission (Urban) 2.0

Swachh Bharat Mission 2.0 has been launched on 1st October 2021 with a vision to convert all the city's Garbage Free by 2026. The Mission period is 5 years, i.e., up to October 2026. The key component includes Sanitation,

- Swachh Bharat Mission (Urban) 2.0, launched **01.10.2021** for five years, aims at Garbage Free cities by **2026**.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Solid Waste Management, Used Water Management, Information, Education and Communication (IEC) and Capacity Building.

Ensure all statutory towns remain Open Defecation Free (ODF) through universal household toilet coverage, provide adequate solid waste management facilities to achieve Garbage Free City status in all ULBs, prevent discharge of untreated wastewater by ensuring safe collection, treatment and reuse of sewage and septage and promote clean, garbage-free cities through scientific waste processing, source segregation, effective management of plastic and construction waste and remediation of legacy dumpsites.

2.10.3.1 Funding pattern

Table 2.21

City / Town Population	GOI grant on the project fund	State Contribution	ULB Contribution
More than 10 lakh	25%	16%	59%
10 lakh to 1 lakh	33%	22%	45%
Less than 1 lakh	50%	33%	17%

SBM 2.0 funding is inverted by city size: the Union pays 25% in cities above 10 lakh but 50% in towns below **1 lakh** - small towns get the larger central share.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 75 / 352

2.10.3.2 Status of Sanitation Component

The projects were sanctioned based on the Action Plan prepared using the projected population for the year 2026. The details are as follows:

Table 2.22

ULB	Community Toilets			Public Toilets		
	Sanctioned nos.	Cost (Rs. in crore)	Ongoing	Sanctioned nos.	Cost (Rs. in crore)	Ongoing
Corporation	358	39.56	39	267	61.50	36
Municipalities	497	72.20	55	268	72.34	49
Total	**855**	**111.76**	**94**	**535**	**133.84**	**85**

2.10.4 National Urban Livelihood Mission (NULM)

Under the National Urban Livelihood Mission, the components of Shelter for Urban Homeless (SUH) and Support to Urban Street Vendors (SUSV) are implemented by the Directorate of Municipal Administration.

- **NULM** runs two components here: Shelter for Urban Homeless and Support to Urban Street Vendo**rs. 180** shelters sanctioned at **Rs.99.93 crore**, 178 completed.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.10.5 Shelter for Urban Homeless (SUH)

It is the policy decision of the Government to provide permanent shelters with all basic infrastructure facilities like water supply, sanitation, safety and security to the urban homeless people in the Corporations and Municipalities. Under this component, with Government of India contribution, 180 shelters have been sanctioned at an estimated cost of Rs.99.93 crore of which 178 shelters were completed. Further, 2 shelter works are nearing completion. Urban Homeless Survey has been conducted recently in all the 24 Corporations utilising the services of Madras School of Social Science, Chennai and identified 9061 number of homeless persons. Action plan will be evolved to accommodate the homeless people in the existing shelters.

- An urban homeless survey by the Madras School of Social Science across 24 Corporations identified 9,061 homeless persons.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.10.6 Support to Urban Street Vendors (SUSV)

Government of Tamil Nadu enacted the Street Vendors (Protection on Livelihood and Regulation of Street Vending) Act, 2014 which leads to framing of schemes and Rules 2015 for the welfare of the Street Vendors. The scheme and rules focus on the identification of street vendors and to form the Town Vending Committee in each ULB. The Town Vending Committee plays a vital role in identification of street vendors issue of identity card, CoV and Vending Zone / Non-Vending Zone. Vending fees based on the, area occupied by the street vendor has been prescribed in the rules.

- The Street Vendors **Act, 2014** and Rules **2015** require a Town Vending Committee in each **ULB** to identify vendo**rs,** issue certificates of vending and fix vending zones.

2.11 State Schemes

The Chief Minister's Integrated Urban Development Mission (CMIUDM) 2026-2031 is the comprehensive urban development initiative covering all Urban Local Bodies with an estimated

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

investment of Rs.1.50 lakh crore over five years. The mission encompasses drinking water, underground sewerage, solid waste management, roads and transport, urban greening, waterbody restoration, social infrastructure, digital governance and public health infrastructure.

The Submissions of the scheme are,

- City Infrastructure Development Plan.
- Urban Water Supply.
- Urban Underground Sewerage.
- Integrated Solid Waste Management.
- City Roads, Mobility & Transport.
- Urban Greening, Recreation and Open Spaces.
- Urban Water Bodies Development.
- Social Infrastructure.
- Safety and Security Mission.
- Digital Urban Governance.
- Public Health Mission.

- The mission is costed at about **Rs.1.50** lakh crore, of which about **Rs.18,000** crore is to come from World Bank, **ADB** and KfW borrowings routed through **TNUIFSL**.

- The eleven **CMIUDM** sub-missions run from water and sewerage through mobility and greening to a Safety and Security Mission and a Public Health Mission.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 79 / 352

Erstwhile State Schemes under Implementation

Under KNMT, 1,917 works worth Rs.3,773.36 crore were sanctioned. Under Namakku Naame Thittam (Urban) 2025–26, 394 works were sanctioned. During 2025–26, Rs.435.50 crore was allocated under the Capital Grant Fund for 17 works, while Rs.174.20 crore was provided under the Operations and Maintenance Deficit Grant Fund for 150 works. In addition, 784 School Improvement infrastructure and O&M works, valued at Rs.139.36 crore are being implemented to strengthen educational infrastructure in Urban Local Bodies.

- Under Kalaignarin Nagarpura Membattu Thittam 1,917 works worth **Rs.3,773.36** crore were sanctioned.
- Namakku Naame Thittam (Urban) is the participatory scheme - 394 works in **2025-26**, with a **Rs.100 crore** grant for **2026-27**.

During the financial year 2026-27, Government aims to:

- Promote participatory urban development through community-driven infrastructure projects that enhance civic amenities and improve the quality of life with a

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Government Grant of Rs.100.00 crore under the Namakku Naame Thittam (Urban).

- Strengthen urban infrastructure through strategic investments in water supply, underground sewerage and other essential civic infrastructure under the Capital Grant Fund, with an allocation of Rs.469.00 crore.
- Enhance the sustainability and quality of urban infrastructure through the maintenance, rehabilitation and upgradation of public assets under the Operations and Maintenance Deficit Grant Fund, with an allocation of Rs.187.60 crore.
- Strengthen educational infrastructure and improve learning environments through the development, upgradation and maintenance of school facilities under the School Improvement Grant, with an allocation of Rs.150.08 crore.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.12 Externally Aided projects

The Government of Tamil Nadu is implementing various infrastructure projects in urban local bodies through external funding.

2.12.1 German Development Bank (KfW) assisted Sustainable Municipal Infrastructure Financing – Tamil Nadu - III (SMIF-TN-III)

- KfW's Sustainable Municipal Infrastructure Financing Tamil Nadu III carries 29 sub-projects worth **Rs.6,053** crore.

Under the KfW assisted Sustainable Municipal Infrastructure Financing - Tamil Nadu - III (SMIF-TN-III) 29 sub-projects at an estimated cost of Rs.6,053 crore have been taken up are under various stages of approval / procurement / implementation.

Under the KfW assisted Sustainable Municipal Infrastructure Financing - Tamil Nadu - III-2 (SMIF-TN-III-2) 3 sub-projects at an estimated cost of Rs.784.20 crore have been taken up are under various stages of approval / procurement / implementation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 82 / 352

Under the MID-TN Grant Program, Water Bodies Improvement in Ramanathapuram Municipality has been taken up at an estimated cost of Rs.42.72 crore.

All the projects are in progress at various stages. Government is expediting the project implementation and all the projects will be completed at the earliest and put into public use.

2.12.2 World Bank assisted Tamil Nadu Climate Resilient Urban Development Program (TNCRUDP)

In continuation of World Bank assisted Tamil Nadu Sustainable Urban Development Project, the Government has accorded Administrative Sanction for the implementation of World Bank assisted Tamil Nadu Climate Resilient Urban Development Program (TNCRUDP) at a total outlay of Rs.3,838.65 crore in the G.O. (Ms.) No.71, Municipal Administration and Water Supply (MA2) Department, Dated.20.05.2024. This

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 83 / 352

project is being implemented from 2024-25 to 2029-30.

A total of 13 Nos. of 24×7 Water Supply works have been taken up under this project in 12 Municipal Corporations and 1 Municipality, namely Cuddalore, Pudukkottai, Kancheepuram, Tirunelveli, Vellore, Dindigul, Thoothukudi, Avadi, Tambaram, Tiruchirappalli (Trichy), Karaikudi, Erode and Nagercoil Corporations and Rajapalayam Municipality, at a total estimated cost of Rs.379.83 crore. The projects are at various stages of implementation. In addition, the Water Supply Improvement Scheme in Kancheepuram Corporation is under implementation at an estimated cost of Rs.331.88 crore.

A total of 14 Nos. of Underground Sewerage Scheme works have been taken up under this project in 10 Municipal Corporations and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4 Municipalities, namely Cuddalore, Karaikudi, Dindigul, Pudukkottai, Tiruvannamalai, Namakkal, Salem, Kancheepuram, Avadi and Thoothukudi Corporations and Tiruvarur, Theni-Allinagaram, Krishnagiri and Dharmapuri Municipalities, at a total estimated cost of Rs.2,167.11 crore. The projects are at various stages of implementation.

2.13 Tamil Nadu Institute of Urban Studies (TNIUS)

The Tamil Nadu Institute of Urban Studies (TNIUS), Coimbatore was established in 1981, with a view to achieve greater efficiency in the functioning of the administration of Urban Local Bodies.

The following are the objectives of the institute,

- In-service Training Programme
- Special Training Programme
- Sponsored Training Programmes
- Research & Consultancy Assignments
- Infrastructure Development

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.14 Perunthalaivar Kamarajar Breakfast Scheme

The Chief Minister's Breakfast Scheme has been under implementation since 15.09.2022. The scheme has been enhanced and renamed as the "Perunthalaivar Kamarajar Breakfast Scheme" vide G.O.(Ms) No.20, Social Welfare and Women Empowerment Department, dated 15.07.2026.

Under the scheme, nutritious breakfast is being provided daily through 165 Centralized Kitchens to 4,06,956 students studying in Classes I to V in 3,754 Government and Government-Aided Schools under 159 Urban Local Bodies. A sum of Rs.199.43 crore has been allocated for the implementation of the scheme over the past four years and its operations are being continuously monitored through a dedicated mobile application.

- 165 centralised kitchens feed 4,06,956 students in 3,754 schools under 159 urban local bodies; **Rs.199.43 crore** over four years.

Further, necessary steps are being taken to extend the scheme to students studying in

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Classes VI to VIII with effect from 17 September 2026.

2.15 Amma Unavagam

Amma Unavagams have been established to provide hygienic and quality food at subsidized rates to the economically weaker sections of urban society, including daily wage labourers, drivers, load workers and street vendors. Idlis are provided at Rs.1 per piece, sambar rice at Rs.5 and curd rice at Rs.3. These unavagams are managed by members of Women Self-Help Groups.

- Amma Unavagam price list: idli **Rs.1,** sambar rice **Rs.5,** curd rice **Rs.3** - run by Women Self-Help Groups.

Under the administrative control of the Directorate of Municipal Administration, 241 Amma Unavagams are functioning across the State, comprising 127 unavagams in 24 Municipal Corporations and 114 unavagams in 105 Municipalities. Periodic maintenance of buildings and equipments are undertaken to

- 241 Amma Unavagams under the **DMA** - 127 in 24 Corporations and 114 in 105 Municipalities.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 87 / 352

ensure the uninterrupted supply of food to the public.

Based on the directions of the Hon'ble Chief Minister of Tamil Nadu, the department aims to enhance the efficiency, quality and sustainability of Amma Unavagams through the upgradation of infrastructure, modernization of kitchen facilities and procurement of advanced cooking equipments, ensure with a view to continuous provision of safe, hygienic, nutritious and affordable meals while improving service delivery for the urban poor and other vulnerable sections of society.

2.16 Cleanliness Workers Welfare Schemes

Cleanliness workers are the backbone of urban service delivery, playing a vital role in maintaining public health, environmental hygiene and the quality of life in cities and towns. In recognition of their invaluable contribution, it is

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

the responsibility of the State to safeguard their rights, ensure occupational safety, improve working conditions and provide comprehensive social security and welfare support for them and their families. Accordingly, the Government of Tamil Nadu is implementing a range of flagship initiatives focusing on worker identification, mechanization of sanitation services, occupational safety, skill development, welfare convergence, health and nutrition to ensure safe, dignified and sustainable livelihoods for sanitation workers.

2.16.1 Sanitation Workers Development Scheme (SWDS)

The Sanitation Workers Development Scheme (SWDS) adopts a comprehensive approach encompassing identification of Core Sanitation Workers, welfare convergence, occupational safety, skill development, mechanization of sanitation services and access to social security benefits. A statewide enumeration

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

and validation exercise has resulted in the identification of 95,077 Core Sanitation Workers across the State. Of these, 77,702 contract and private Core Sanitation Workers have been enrolled in the Tamil Nadu Cleanliness Workers Welfare Board (TNCWWB) portal. PPE kits have been distributed to 5,597 permanent sanitation workers, occupational safety training has been imparted to 256 Sewer Entry Professionals, 66 Duty Supervisors and 4180 desludging personnel and regular health camps are being conducted.

During 2026-27, the Government will strengthen implementation of the Scheme through distribution of PPE kits to eligible contract workers, expansion of skill development programmes, State-wide entitlement camps, enhanced welfare board enrolment and continued efforts to improve occupational safety, mechanization and social security coverage.

- A statewide enumeration identified 95,077 Core Sanitation Workers; 77,702 contract and private workers are enrolled on the Cleanliness Workers Welfare Board portal.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 90 / 352

2.16.2 National Action for Mechanized Sanitation Ecosystem (NAMASTE)

The National Action for Mechanized Sanitation Ecosystem (NAMASTE) is an initiative of the Government of India. In Tamil Nadu, the Directorate of Municipal Administration functions as the State Nodal Agency for implementation of the Scheme Under the Scheme, 6,981 Sewer and Septic Tank Workers and 47,281 Waste Pickers have been profiled, while PPE kits have been distributed to eligible beneficiaries and all validated Sewer and Septic Tank Workers have been covered under the Chief Minister's Comprehensive Health Insurance Scheme.

- **NAMASTE** is a Union scheme with the Directorate of Municipal Administration as State Nodal Agency: 6,981 sewer and septic tank workers and 47,281 waste pickers profiled.

Further, 170 Emergency Response Sanitation Units (ERSUs) have been established across Urban Local Bodies, Responsible Sanitation Authorities have been constituted in all districts and the National Sanitation Helpline (14420) has been operationalized. During 2026-27, the

- 170 Emergency Response Sanitation Units, Responsible Sanitation Authorities in every district, and the National Sanitation Helpline 14420.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 91 / 352

Government will focus on saturation of beneficiary coverage, expansion of SEP training, strengthening of ERSUs and promotion of sanitation-based enterprises to further improve occupational safety and mechanization.

2.16.3 Chief Minister's Food Scheme for Sanitation Workers

The Chief Minister's Food Scheme for Sanitation Workers has been introduced to ensure that sanitation workers engaged in maintaining urban cleanliness and public health receive nutritious and hygienically prepared meals during their work hours. Meals are prepared hygienically by Urban Local Bodies, packed and distributed at designated locations near work sites to ensure timely access to safe and nutritious food.

The Scheme currently benefits 78,324 sanitation workers, including 48,768 workers in 24 Municipal Corporations and 29,556 workers in 146 Municipalities.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2.17 Animal Birth Control (ABC) Programme and Stray Dog Management

In compliance with the directions of the Hon'ble Supreme Court of India dated 07.11.2025 and 19.05.2026, Animal Birth Control (ABC) surgeries and Anti-Rabies Vaccination (ARV) activities are being implemented across Urban Local Bodies in accordance with the Animal Birth Control Rules, 2023, with the objective of scientific stray dog population management, rabies prevention and promotion of animal welfare.

- The **ABC** programme runs under the Animal Birth Control Rules, **2023**, following Supreme Court directions of **07.11.2025** and **19.05.2026**.

A total of 88 Animal Birth Control Centres are functioning under the Directorate of Municipal Administration across Tamil Nadu and efforts are being undertaken to fully utilise their surgery capacity. Anti-Rabies Vaccination is being administered to community dogs as part of the State's rabies control strategy.

- 88 **ABC** centres under the **DMA**; 72 animal shelters are being set up with the Tamil Nadu Animal Welfare Board.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

To strengthen animal welfare infrastructure, the Directorate of Municipal Administration, in association with the Tamil Nadu Animal Welfare Board, is establishing 72 Animal Shelters across the State for accommodating sick, injured and abandoned animals after completion of ABC procedures. Stray and community dogs found within institutional premises are also being managed in accordance with the Animal Birth Control Rules, 2023.

Urban Local Bodies are continuously intensifying ABC and ARV activities to ensure compliance with the directions of the Hon'ble Supreme Court of India and the Animal Birth Control Rules, 2023.

Table 2.23
Detail of ABC Surgeries & ARVs done

(in Nos.)

Sl. No.	Name of the ULB	May-26		Jun-26		Jul-26	
		ABC	ARV	ABC	ARV	ABC	ARV
Corporations							
1	Avadi	71	125	192	229	239	919
2	Coimbatore	281	709	700	261	1194	5899

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Sl. No.	Name of the ULB	May-26		Jun-26		Jul-26	
		ABC	ARV	ABC	ARV	ABC	ARV
3	Cuddalore	202	107	83	86	90	308
4	Dindigul	0	0	135	172	183	442
5	Erode	285	285	239	891	96	1153
6	Hosur	0	0	426	479	563	1543
7	Kancheepuram	5	7	82	126	102	199
8	Karaikudi	37	61	64	64	80	381
9	Karur	10	2	31	267	184	297
10	Kumbakonam	85	39	144	144	113	125
11	Madurai	275	286	555	96	410	1122
12	Nagercoil	41	97	43	76	70	133
13	Namakkal	11	74	247	100	242	380
14	Pudukottai	283	287	301	331	239	340
15	Salem	568	713	508	93	435	1654
16	Sivakasi	29	0	42	0	56	462
17	Tambaram	525	510	620	674	484	928
18	Thoothukudi	0	230	4	21	69	34
19	Tiruchirappalli	17	40	441	27	635	623
20	Tirunelveli	123	856	96	1700	139	3021
21	Tirupur	798	141	569	196	321	375
22	Tiruvannamalai	52	451	51	146	52	567
23	Vellore	1599	196	261	284	148	259
24	Thanjavur	0	273	55	175	34	640
	Sub Total	**5,297**	**5,489**	**5,889**	**6,638**	**6,178**	**21,804**
Regions							
1	Chengalpattu	264	1025	1058	3466	1188	5173
2	Madurai	148	428	281	2204	431	2955
3	Salem	62	756	424	3157	591	2045
4	Thanjavur	161	317	660	1571	691	2600
5	Thirunelveli	190	244	524	1037	600	5719
6	Tirupur	146	1444	485	756	777	2152
7	Vellore	173	453	379	1526	646	1944
	Sub Total	**1144**	**4667**	**3811**	**13,717**	**4924**	**22588**
	Grand Total	**6,441**	**10,156**	**9,700**	**20,355**	**11,102**	**44,392**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Tamil Nadu Rabies-Free Mission aims to achieve zero human deaths due to dog-mediated rabies through a comprehensive One Health approach. The Mission focuses on 70% annual vaccination of community dogs, sustained and modern ABC infrastructure across all Urban Local Bodies. It also envisages GIS-based monitoring of community dogs to improve public safety and animal welfare. The Mission seeks to position Tamil Nadu as a national leader in eliminating dog-mediated rabies by 2030.

- Tamil Nadu Rabies-Free Mission: 70% annual vaccination of community dogs, **GIS**-based monitoring, and zero dog-mediated human rabies deaths by **2030**.

2.18 Vector-Borne Disease Control Measures

All Municipal Corporations and Municipalities are undertaking comprehensive measures to control dengue and other vector-borne fevers transmitted by mosquitoes. Intensive mosquito control activities are being carried out to prevent the breeding of mosquito larvae in water-holding containers and to curb the spread of dengue and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

other mosquito-borne diseases. Source reduction measures, including the elimination of mosquito breeding sites, spraying of insecticides and fogging operations, are being undertaken on a regular basis.

To strengthen mosquito control activities, approximately 20,200 temporary mosquito control workers have been engaged in all Municipal Corporations and Municipalities at the rate of one worker for every 300 households, covering about 60,70,631 households. These workers are carrying out intensive anti-larval and vector control measures.

2.19 Town Planning - Single Window Portal and Self-Certification Scheme

To fulfil the needs of the general public and to simplify the procedures for issuing building plan approvals, the Government has implemented a complete, end-to-end online planning permission system. Through this, submitting documents

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

online and receiving fee details via SMS and email to make online payments have been made possible, completely eliminating the need to visit Government offices in person. Furthermore, the 'Common Single Window Portal', developed by the Department of Town and Country Planning to grant planning permissions for buildings by local bodies, the Directorate of Town and Country Planning and the Chennai Metropolitan Development Authority, has been in use since 21.08.2023.

According to Government Order (Ms) No. 94 of the Municipal Administration and Water Supply Department, dated 18.07.2024, a new procedure to obtain immediate building approval based on Self-Certification was integrated into the single-window system on 19.07.2024. Under this scheme, immediate approval is granted without a Completion Certificate for residential buildings comprising a ground floor or a ground floor and a first floor, on plots up to 2,500 square feet, with a

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

total built-up area of up to 3,500 square feet. Under this self-certification method, 29.49 percent of building plans were approved in the year 2024, 70.78 percent in 2025 and 69.1 percent in the current year 2026 ensuring that this scheme delivers excellent benefits.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3. GREATER CHENNAI CORPORATION (GCC)

The Greater Chennai Corporation was established on 29th September in the year 1688. It is the oldest Municipal Corporation in India and the second oldest in the world having the following features:

Table 3.1
Greater Chennai Corporation

Sl. No	Subject	Details
1	Area	426 Sq.km
2	Zone	15
3	Division	200
4	Population	66.72 lakh (as per 2011 Census) 91 lakh (2025)
5	Households	13,45,804
6	Sanctioned staff	18,600
7	Roads	6,073 km
8	Bridges	296
9	Stormwater Drains	3,041 km
10	Streetlights	3.11 lakh
11	Schools	417
12	Parks	993

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 100 / 352

Sl. No	Subject	Details
13	Playfields & Children Play ground	569
14	Urban Primary Health Centre/Health and Wellness Centre	140/200
15	Urban Community Health Centre/ Maternity Centres	16/3
16	Integrated Child Development Service / Balwadis/ Anganwadis	1,806
17	Community Toilets	1,379
18	Crematorium / Burial grounds	201

3.1 Chief Minister's Integrated Urban Development Mission (CMIUDM) – Overview

Under the vision of the Hon'ble Chief Minister, the Chief Minister's Integrated Urban Development Mission (CMIUDM) is proposed as a flagship urban development initiative aimed at transforming Chennai into a sustainable, resilient, inclusive and economically vibrant global city.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

The mission seeks to address critical urban challenges arising from rapid urbanization, climate change, increasing mobility demands and infrastructure deficits through integrated investments in urban infrastructure, environmental restoration, mobility enhancement, public spaces and economic development.

The mission adopts a holistic approach to urban transformation by combining blue-green infrastructure, climate-resilient urban systems, sustainable mobility, infrastructure modernization, public asset revitalization and digital governance.

The overarching objective is to improve the standard of life of citizens while strengthening Chennai's long-term economic competitiveness and environmental sustainability. Under CMIUDM, the Greater Chennai Corporation proposes a series of strategic projects that will serve as catalysts for urban renewal and economic growth.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3.1.1 Urban Mobility and Streets

The Greater Chennai Corporation is comprehensively transforming urban mobility to prioritize pedestrians under the overarching theme of **"People-Friendly Modern Streets"**. By focusing on smart street design, universal accessibility and traffic calming, GCC is delivering inclusive public spaces through several distinct initiatives tailored to different urban needs.

Supported by the World Bank under the Chennai City Partnership, this distinct scheme focuses on developing pedestrian-priority public spaces across six key neighbourhoods: Anna Nagar, Tondiarpet, Nungambakkam, Mylapore, Velachery and Adyar. Khader Nawaz Khan Road, Nungambakkam is the first complete street under this program.

Implementation is currently underway on prominent corridors including, Monegar Choultry

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Road, Race course Road, Thiruvottiyur High Road, Pulla Avenue, Shastri Nagar 1st Avenue and Race Course Link Road. The defining features of this programme includes the construction of continuous footpaths, streamlined carriageway and well-planned underground utilities.

To strengthen the overall pedestrian network, GCC has committed to upgrade an additional 200 km of footpaths to improve safe intra and inter-neighborhood connectivity. A critical feature of this expansion is parking regulation and transit connectivity.

In alignment with Chennai Unified Metropolitan Transport Authority Parking Policy, GCC is undertaking a phased implementation of parking management measures across the city to effectively regulate private vehicles and optimize street space.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

This infrastructure is further augmented by comprehensive Multi-Modal Integration (MMI) projects, developed in active partnership with Chennai Unified Metropolitan Transport Authority, Chennai Metro Rail Limited, Metropolitan Transport Corporation and Southern Railways to seamlessly connect pedestrians with mass transit networks.

It has also been proposed to improve 400 critical Junctions across the city with proper crossings, bell mouths and footpaths.

3.1.2 Safe Route to Schools

Addressing the critical need for School children safety, GCC is rolling out this specialized pilot programme across four priority neighbourhoods: Tondiarpet, Royapuram, Washermenpet and KK Nagar. This initiative establishes child-friendly and secure street networks covering approximately 5 km within

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

each zone. The redesigned school-zone streets are characterized by targeted safety interventions including traffic-calming measures, continuous footpaths, protected crossings, raised junctions, improved signage, adequate street lighting and universal accessibility features.

These upgrades are explicitly designed to safeguard the daily commutes of students and their caregivers.

3.1.3 Blue Green infrastructure

To strengthen Chennai's urban green cover and create sustainable, people-centric public spaces, the Greater Chennai Corporation will undertake the greening and beautification of neighborhood pathways, major corridors and along waterfronts.

The initiative includes avenue tree plantation, development of micro-forests and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

pocket parks, pedestrian-friendly landscaping, provision of shade structures and seating.

3.1.4 Asset Monetization

The Greater Chennai Corporation will implement a comprehensive Asset Monetization Programme through a Public–Private Partnership (PPP) framework to unlock the value of underutilized Greater Chennai Corporation land and assets. The programme will facilitate the development of modern commercial complexes, office complexes, mixed-use complexes and community infrastructure, creating vibrant economic hubs while ensuring optimal utilization of public assets.

The initiative is expected to generate sustainable Municipal revenue, attract private investment, stimulate local economic growth, create employment opportunities and enhance the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

quality of urban infrastructure and public services for the citizens of Chennai.

3.1.5 Beach Front Development

The Greater Chennai Corporation is undertaking beachfront development projects to enhance public amenities, improve accessibility, promote tourism and create safe, inclusive and vibrant public spaces.

The initiative includes upgraded pedestrian infrastructure, landscaping, recreational facilities, universal accessibility features, improved lighting, street furniture and environmental enhancements while preserving the ecological and cultural significance of Chennai's coastline.

3.2 Health and Sanitation

3.2.1 Solid Waste Management

On an average, 6,150 MT of solid waste is generated daily and is collected and transported in Greater Chennai Corporation of which 620 MT

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

of Wet waste is processed and 152 MT of Dry waste is processed.

94 acres of land have been reclaimed by Bio mining of Legacy waste at Perungudi dump site and Bio mining is underway to reclaim an extent of 251 acres at Kodungaiyur dumpsite at an estimated cost of Rs.648.38 crore.

Greater Chennai Corporation is slowly towards achieving circular economy and climate resilient by reducing the carbon emission (CH_4/ CO_2 emission).

3.2.2 Public Health

The Greater Chennai Corporation provides comprehensive health care services such as Antenatal and Postnatal care, Child health care, Basic diagnostics and treatment for communicable and non-communicable diseases under one roof. The health care services are provided through a network of 140 Urban Primary Health Centres

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

(UPHC), 200 Urban Health and Wellness Centres (UHWCC), 16 Urban Community Health Centres (UCHC) and 3 Maternity hospitals (MH), Dialysis Centre, Polyclinics, AYUSH Clinics and maintains 24 hours, 360 bedded communicable diseases hospital.

Greater Chennai Corporation is already in the process of handling personal health records, ensuring user concerned and enabling data sharing by Health Management Information System (HMIS).

3.3 Infrastructure

3.3.1 Bus Route Roads and Interior Roads

Greater Chennai Corporation maintains 36,466 roads with a length of 6,073 km, which includes 488 bus route roads with a length of 418 km and 35,978 interior roads with a length of 5,654 km.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Greater Chennai Corporation has taken up 5088 roads under various schemes to a length of 852 km at an estimated cost of Rs.658 crore for relaying during the year 2025-26.

The Greater Chennai Corporation maintains 189 pedestrian friendly footpaths along bus route roads. Under GCC Capital Fund 2025-26, 23 footpath works to a length of 17.99 Km at an estimated cost of Rs.28.80 crore was taken in which 6 works have been completed and balance works are in progress.

Greater Chennai Corporation moves towards complete streets policy, wherein the public roads are designed with wider pedestrian walkway, separate duct for utilities, cycle track with resting benches and ramps for children, elderly and disabled along with signage boards for ensuring safety of public especially school children.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3.3.2 Bridges

Greater Chennai Corporation is maintaining 14 flyovers, 15 Railway Over Bridges, 19 vehicular subways, 5 pedestrian subways, 5 foot over bridges, 1 Sky walk and 237 minor bridges.

At present 9 projects are in progress at an estimated cost of Rs.340.27 crore including major bridges like Ganesapuram flyover, Two-Wheeler cum Pedestrian Subway at LC No.6, Rail Over Bridge at Ennore High Road(2A), etc.,

3.3.3 Disaster management

3.3.3.1 Stormwater Drains

Chennai city has been facing the challenge of urban flooding during monsoon periods. To mitigate the floods, the Greater Chennai Corporation has been constructing stormwater drains under various schemes. Currently the Greater Chennai Corporation maintains

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

11,769 numbers of stormwater drains for a length of 3,041 km.

In the Kosasthalaiyar Basin, Integrated Stormwater Drain has been constructed to a length of 769 km at an estimated cost of Rs.3,059 crore under Asian Development Bank funding.

In Kovalam Basin 301.61 km of Integrated Stormwater Drain at an estimated cost of Rs.1,715.25 crore under KfW funding has been taken up and 70% of the works are completed. The balance works will be completed by March 2027.

Greater Chennai Corporation is progressing towards flood resilient infrastructure through the above projects.

3.3.3.2 Improvements to Canals & Restoration of Waterbodies

The Greater Chennai Corporation maintains 44 Canals and 241 Ponds. Improvements of

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

canals including Wall raising, Desilting, Erection of chain-link fencing to 33 canals at an estimated cost of Rs.288.03 crore is nearing completion. Restoration and rejuvenation of 83 ponds at an estimated cost of Rs.213.86 crore were taken up and is in progress.

Further the Restoration of biodiversity and ecosystem in Kadapakkam Lake at an Estimated Cost of Rs.58.33 crore is nearing completion.

Greater Chennai Corporation focuses on restoring damaged lakes, ponds and canals through stopping sewage entry, removing silt and flood management by providing retaining wall, providing sluices, pump and sump arrangements.

3.3.4 Special Projects

3.3.4.1 Blue Flag Beach

Greater Chennai Corporation has implemented the Blue Flag Beach Phase – 1 initiative at Marina Beach under the World Bank-

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

assisted TN Shore program. GCC is currently working with Department of Environment, Government of Tamil Nadu to get the official certification for its Phase -1 Project. Currently in Phase 1, works have been completed in two reaches and works are in progress in 3 reaches. Each reach is approximately 15-20 acres in size. The program aims to develop eco-friendly coastal infrastructure like eco-friendly benches, Porta mat (High density polyethylene mat). The Project is developed to attract people of all ages from kids to older people and international tourists.

3.3.4.2 Integrated Sponge Park

Designed to absorb, store, filter and gradually release rainwater like a natural sponge, the Sponge Park is a nature-based solution. Pilot projects are being implemented under the National Disaster Management Authority (NDMA) and Corporate Social Responsibility (CSR) funds

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

at Mathur MMDA Colony at an estimated cost of Rs.12 crore.

3.3.4.3 DBFOT of Toilets

The Greater Chennai Corporation (GCC) is transforming urban sanitation by upgrading over 1,200 public toilet locations with more than 10,000 seats across the city through an innovative Public-Private Partnership.

Designed with a citizen-first approach, the initiative delivers brand-new modern construction alongside major refurbishments to ensure safe, clean and accessible public facilities. Service quality is continuously safeguarded through performance-linked payments bound to strict Key Performance Indicators

3.3.5 Buildings

Greater Chennai Corporation maintains 2,680 buildings in various sectors like education, health, administration and also maintains GCC

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 116 / 352

owned buildings like IGBC rated green buildings, MLCP and modern Animal Birth Control Centres, heritage buildings like Ripon building, Victoria Public Hall etc.

3.3.6 Parks and Playfields

The Greater Chennai Corporation maintains 993 parks for public use across the city. In addition, the Greater Chennai Corporation proposes to develop all OSR lands within Chennai city limit into parks and playfields.

The Greater Chennai Corporation also maintains 569 playgrounds and children's play areas, 3 swimming pools, 229 men's gyms, 59 women's gyms and various other sports facilities. Furthermore, GCC is responsible for the maintenance of 118 centre medians and 111 traffic islands across the city.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3.3.6.1 Urban Greening

Greater Chennai Corporation is making sustained efforts to increase the green cover in Chennai city by planting native tree saplings in various parts of the city. Greater Chennai Corporation has planted over 4,73,225 trees in the last five years and also an intensive drive of tree planting was done in the month of June 2026 where 9,551 tree saplings have been planted.

GCC has aimed to plant 5 lakh trees in 2026-27. Greater Chennai Corporation is aiming for expanding the green cover in the city by development of nurseries and tree planting partnership with citizen, institutions and industries.

3.4. e-Governance

Greater Chennai Corporation provides online services through its website and Namma Chennai App to the public. Property tax payment, Birth

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

and death certificate issuance, Urban planning-related information, public grievance redressal system, WhatsApp services, 1913 Call Center are some of the e-Governance interfaces of GCC.

Additionally, the Enterprise Resource Planning (ERP) system of Greater Chennai Corporation facilitates the following administrative functions: Finance–Digital financial management, Project management, Legal case management, General administration, Pension management, Revenue management.

Furthermore, the Corporation’s data is linked with the Guidance Tamil Nadu Single Window Portal, Chennai Metropolitan Water Supply and Sewerage Board and Tamil Nadu Registration Department for land ownership, name transfer and other related services.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3.4.1 Enterprise Resource Planning (ERP 2.0)

Since 2008, Greater Chennai Corporation has been using comprehensive Enterprise Resource Planning (ERP) software. Considering the increasing usage of online services, data-sharing needs and technological advancements, the ERP 2.0 project is proposed. This upgrade aims to provide faster service, simpler processes, enhanced transparency and cost and time efficiency in the field like Geo-based revenue management system, Upgraded Internet security, efficiency, AI/ML-based real-time dashboard for data analysis and monitoring, Disaster recovery facility to ensure data security and operational continuity, accessibility using the latest technology and Inter-departmental data-sharing framework to integrate with other Government departments like CMWSSB, TNEB and Commercial tax etc.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

The Greater Chennai Corporation is taking necessary measures to streamline tax collection and revenue generation. ERP 2.0 will significantly expand business operations to improve user experience and operational efficiency.

3.4.2 Integrated Command and Control Centre (ICCC)

The Integrated Command & Control Centre (ICCC) of Greater Chennai Corporation serves as the city's central nerve center for real-time monitoring, coordinated governance and emergency response operations. Operational since December 2020, ICCC integrates civic services, disaster management systems, surveillance infrastructure, citizen grievance platforms and field operations into a unified city-wide command platform. GCC also established three Regional ICCCs (North, Central, South) for zonal coordination during monsoon & disaster operations.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3.4.2.1 Key Highlights

The Integrated Command and Control Centre (ICCC)enables real-time monitoring and coordinated response during monsoons, cyclones, heavy rainfall and emergencies. It integrates the Unified Early Warning System with IMD, ECMWF, NCEP-GFS and INCOIS for 72-hour rainfall and flood forecasting, while supporting real-time monitoring, automated alerts and data-driven decision-making through integrated dashboards and KPI monitoring.

3.5 Revenue

The Revenue Department is responsible for assessment and collection of the Greater Chennai Corporation's major Municipal revenues, including Property Tax, Profession Tax, Entertainment Tax, Company Tax, Trade license Fees & Rent on shopping Complexes etc. The collection targets as per budget estimates for FY 2026-2027 is as follows:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Table 3.2
Revenue Collection Targeted

Sl. No.	Category	Target (Rs.in crore)
1.	Property tax	2450
2.	Profession tax	600
3.	Company tax	6
4.	Entertainment Tax	50
5.	Trade License fee	27
6.	Rent on shopping complexes	25
	Total	**3,158**

3.5.1 Increasing the revenue of Greater Chennai Corporation through Revenue Augmentation

In addition to the General Revision Survey of Property Tax carried out across the Greater Chennai Corporation, the Revenue Department has undertaken the following initiatives to augment GCC's Own Source Revenue:

3.5.1.1 The Geographical Information System (GIS) Project

The Geographical Information System (GIS) Project (Phase-I) was initiated by Greater Chennai

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 123 / 352

Corporation under the World Bank assisted TNSUDP, at a cost of Rs.6.44 crore (Phase-I). Field-level verification, geospatial mapping, satellite imagery and drone-based surveys are used to identify unassessed and under-assessed properties, particularly Government buildings and large developments.

3.5.1.2 Data Integration & Analytics

In order to widen the tax base of GCC, the Revenue Department undertook a comprehensive data-mapping exercise by mapping datasets from TNEB, CMWSSB, GST, EPFO and other Government agencies to identify unassessed properties, category mismatch with GCC's database across Property Tax, Profession Tax, Trade License and Company Tax databases.

3.5.1.3 QR Code-Based Revenue Systems

QR-code enabled receipts, payment links, handheld-device collections, UPI payments, Trade

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

License renewals, Quick Pay portal, shop-wise QR codes and Government Office QR systems have been implemented to improve transparency, authenticity, ease of payment and prevent revenue leakages.

3.5.1.4 Digital Payment & Banking Integration

Multiple digital payment mechanisms have been introduced, including WhatsApp receipt delivery, RTGS payment links, Bank Virtual Accounts for Property & Profession Tax and integration of digital payment gateways to improve reconciliation and payment tracking.

3.5.1.5 WhatsApp Citizen Services

A dedicated GCC WhatsApp platform has been established for tax notifications, payment confirmations, citizen services and grievance communication, significantly improving citizen interface and service delivery.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 125 / 352

3.5.1.6 Financial Management Unit

The Financial Management Unit of Greater Chennai Corporation is responsible for preparing the annual budget, managing the Corporation's financial resources and ensuring prudent fiscal management.

It oversees fund allocation, cash flow management and financial reporting to support efficient service delivery. The department also ensures compliance with financial regulations and monitors the financial performance of various departments to maintain fiscal sustainability.

3.6 Education

The Education Department of the Greater Chennai Corporation (GCC) is dedicated to imparting high-quality, holistic education that equips the students of Chennai Schools with academic excellence and essential life skills necessary for their future.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

GCC currently (FY 2026-27) administers 417 schools in which over 1,11,673 students are enrolled. The schools are administered through 3,538 permanent teachers, 1,272 School Management Committee teachers, 1,985 non-teaching staff and 1,829 Temporary conservancy staff. Kindergarten sections are available in 336 Primary and Middle Schools, benefiting 16,555 children.

Table 3.3
Schools under Greater Chennai Corporation (2026–27)

Sl. NO.	Type of school	Number of Schools 2026-27
1.	Primary schools	206
2	Middle schools	130
3	High schools	46
4	Higher secondary schools	35
Total		**417**

3.6.1 Special Initiatives

- To promote the athletic talents of students in GCC, The Chennai Schools sports meet are regularly organised with individual and school

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 127 / 352

wise prize system. Students who excel at District and State level sports meets are further encouraged through special awards. To strengthen sports education and promote athletic excellence, 141 Physical Education Teachers (PETs) have been engaged on a temporary basis through School Management Committees (SMCs), ensuring active student participation in sports across all Corporation schools

- Water ATMs and Ultra Filtration systems are being piloted in 20 Schools to provide safer drinking water for the students.
- Security is being enhanced in schools through installation of CCTV camera systems in Computer Labs of High and Higher Secondary Schools.
- To equip female students with essential self-defense skills, the GCC is engaging certified instructors to provide specialized martial arts

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 128 / 352

training, including Karate and Taekwondo, for girls in Classes VI through IX

- Students interested in taking competitive exams especially, in Medicine and Engineering are being provided with specialised preparatory courses. In 2025-26, 246 students were enrolled in the NEET preparatory program. This will continue in FY 2026-27.
- To meet the challenges of the modern economy, students are actively encouraged to improve their proficiency in English Language. Special Training sessions and activity classes are being held for students in the 35 Higher Secondary Schools of GCC.

3.6.2 Industrial Training Institute (ITI)

The GCC's Industrial Training Institute (ITI), affiliated with National Council for Vocational Training (NCVT), offers vocational training in

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

trades such as Plumber, Fitter, Electrician, Mechanic, Motor Mechanic and Computer Operator, with placement support for successful trainees. The ITI currently caters to 141 trainees.

3.6.3 Chennai Special School for Students with Muscular Dystrophy

The Special School at Thousand Lights provides education along with training in art, music and other co-curricular activities for students with muscular dystrophy.

3.6.4 Social Welfare and Student Psychological Counselling

To enhance mental health support for adolescents, GCC has augmented its counseling infrastructure for FY 2026-27. The deployment of professional psychological counselors across 81 High and Higher Secondary Schools has been expanded from 10 to 17 personnel.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3.6.5 Gender and Policy Lab

The Gender and Policy Lab (GPL), Greater Chennai Corporation, is advancing gender-responsive and inclusive urban development across Chennai through evidence-based research, safety perception studies, inclusive design standards, school Gender Clubs, community and transport-based bystander intervention training, short-film-based awareness initiatives, school and public-space safety audits, midline surveys, awareness campaigns, Night Walks and targeted infrastructure improvements informed by survey findings. Through interdepartmental coordination, community participation and behavioural change initiatives. Gender and Policy Lab is creating safer, more accessible, inclusive and gender-responsive initiatives across the city.

3.6.6 Community Development wing

The Community Development Wing implements the Shelter for Urban Homeless (SUH)

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Programme through Non-Governmental Organizations, with 55 shelters comprising 43 general shelters and 12 special shelters functioning at major Government hospitals, catering to various categories of urban homeless persons. The programme provides comprehensive services, including shelter, medical care through regular and specialized health camps, family reintegration, rehabilitation and skill development, employment linkages, referral services and assistance in accessing social entitlements and essential identity documents.

In addition, under the Community Development Wing, a Socio-Economic Development Wing (SEDW) has been newly established to strengthen social integration and community development based on field studies and reliable data from socio-economic surveys, while ensuring a dignified life, basic amenities and rights for economically disadvantaged people

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

under the Greater Chennai Corporation. The division coordinates welfare schemes, protection measures, grievance redressal and awareness initiatives for women, children, senior citizens, persons with disabilities and the transgender community.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4. DIRECTORATE OF TOWN PANCHAYATS (DTP)

Town Panchayats form the foundation of Tamil Nadu's transitional urban governance framework, administering emerging settlements that bridge the rural–urban continuum. Constituted under Article 243Q of the Constitution as institutions of urban local self-Government for transitional areas, Tamil Nadu pioneered the Town Panchayat model and became the first State in India to institutionalize this distinct category of urban local body.

Town Panchayats facilitate orderly urban growth by extending Municipal services, strengthening civic infrastructure and supporting local economic development before settlements evolve into Municipalities. They play a vital role in promoting balanced regional development and inclusive urbanization, particularly in taluk

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

headquarters, commercial Centres, pilgrimage destinations and industrial towns.

Tamil Nadu has 479 Town Panchayats spread across 5,832.33 square kilometers and comprising 7,429 wards. Their combined population, recorded at 66.50 lakh in the 2011 Census, is presently estimated at approximately 76.50 lakh. They therefore constitute a significant segment of the State’s urban landscape.

Their primary responsibilities include the provision and maintenance of safe drinking water, sanitation, solid waste management, roads, street lighting and other essential civic services. Through efficient service delivery and sustainable infrastructure development, Town Panchayats seek to improve citizens’ quality of life while fostering clean, healthy, resilient and well-planned urban settlements.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4.1 Administration of Town Panchayats

The 479 Town Panchayats in Tamil Nadu are distributed across 37 districts, excluding Chennai District. The Directorate of Town Panchayats, headed by the Director of Town Panchayats as the Head of the Department, functions under the overall guidance and direction of the Additional Chief Secretary to Government, Municipal Administration and Water Supply Department, is responsible for overall policy formulation, administration and oversight.

For effective field-level administration, the 479 Town Panchayats are organized into 17 administrative zones, each headed by an Assistant Director of Town Panchayats, who supervises and coordinates their functioning. At the local level, each Town Panchayat is administered by an Executive Officer, who is responsible for the implementation of statutory functions, service delivery and day-to-day

- The 479 Town Panchayats lie in 37 districts (all but Chennai) and are grouped into 17 zones under Assistant Directors, each Town Panchayat run by an Executive Officer.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

administration. The respective District Collectors provide overall guidance, facilitate inter-departmental coordination and monitor the performance and functioning of the Town Panchayats within their districts.

Table 4.1
Zone-wise Distribution of Town Panchayats

S. No	Name of the Zone	Districts Covered	No. of TPs Covered
1	Kanchipuram	1. Kanchipuram, 2. Chengalpattu	7
2	Tiruvallur	1. Tiruvallur	8
3	Vellore	1. Vellore 2. Tirupathur 3. Ranipet 4. Thiruvannamalai	23
4	Dharmapuri	1. Dharmapuri 2. Krishnagiri	15
5	Salem	1. Salem 2. Namakkal	49
6	Erode	1. Erode 2. Tirupur	55
7	Coimbatore	1. Coimbatore	33
8	Udhagamandalam	1. Nilgiris	10
9	Cuddalore	1. Cuddalore 2. Villupuram 3. Kallakurichi	26
10	Thanjavur	1. Thanjavur 2. Nagapattinam 3. Mayiladuthurai 4. Thiruvarur	34
11	Tiruchirappalli	1. Tiruchirappalli 2. Perumbalur 3. Ariyalur 4. Pudukottai	28

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 137 / 352

S. No	Name of the Zone	Districts Covered	No. of TPs Covered
12	Dindigul	1. Dindigul 2. Karur	31
13	Madurai	1. Madurai 2. Virudhunagar	18
14	Theni	1. Theni	22
15	Sivagangai	1. Sivagangai 2. Ramanathapuram	18
16	Tirunelveli	1. Tirunelveli 2. Tenkasi 3. Thoothukudi	52
17	Nagercoil	1. Kanyakumari	50
	Total		**479**

4.2 Town Panchayats – Revenue Sources and their Classification

The financial resources of Town Panchayats comprise both own-source revenues and inter-governmental transfers. Property tax constitutes the principal source of own revenue, supplemented by professional tax, water charges, fees and user charges, lease rentals from Municipal assets such as shops and markets and surcharges on stamp duty. In addition to these own-source revenues, Town Panchayats receive substantial fiscal support through devolution of funds from the Government of Tamil Nadu and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

grants recommended by the Central Finance Commission, which play a vital role in financing civic infrastructure, public service delivery and urban development initiatives.

As per G.O. (Ms.) No.142, Municipal Administration and Water Supply Department, dated 21.11.2014, Town Panchayats have been classified into four categories based on their annual revenue income. The classification is intended to facilitate appropriate administrative arrangements, resource allocation and staffing patterns commensurate with the financial capacity of each Town Panchayat. The category-wise classification is presented in Table 4.2.

Table 4.2
Revenue-based Classification of Town Panchayats

S. No	Classification	Annual Income	No. of Town Panchayats
1	Special grade	Above Rs.2 crore	66
2	Selection grade	From Rs.1 crore upto Rs.2 crore	174
3	First grade	From Rs.50 Lakh upto Rs.1 crore	192
4	Second grade	Below Rs.50 Lakh	47
		Total	**479**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4.3 Functions of Town Panchayats

The 74th Constitutional Amendment Act, 1992, conferred constitutional status on Urban Local Bodies (ULBs) and envisaged the devolution of functions relating to urban governance as specified in the 12th Schedule of the Constitution. The Schedule identifies 18 functional domains to be entrusted to Urban Local Bodies to enable effective planning, service delivery and urban management. In Tamil Nadu, while several of these functions are discharged directly by the Town Panchayats, certain functions are implemented in coordination with, or by, the respective line departments of the Government.

The 12th Schedule lists 18 functional domains for urban local bodies. In Tamil Nadu some are discharged by Town Panchayats directly, others jointly with line departments.

The functional responsibilities are as follows:

1. Urban planning, including town planning
2. Regulation of land use and construction of buildings
3. Planning for economic and social development

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4. Roads and bridges
5. Water supply for domestic, industrial and commercial purposes
6. Public health, sanitation, conservancy and solid waste management
7. Fire services
8. Urban forestry, environmental protection and promotion of ecological sustainability
9. Safeguarding the interests of weaker sections of society, including persons with disabilities and persons with mental illness
10. Slum improvement and upgradation
11. Urban poverty alleviation
12. Provision and maintenance of urban amenities and facilities, including parks, gardens and playgrounds
13. Promotion of cultural, educational and aesthetic development

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

14. Provision and maintenance of burial grounds, cremation grounds, cremation sheds and modern gasified crematoria
15. Setting up of Cattle pounds; prevention of cruelty to animals
16. Vital statistics, including registration of births and deaths
17. Public amenities, including street lighting, parking spaces, bus stops and public conveniences
18. Regulation of slaughter houses and tanneries

4.4 Chief Minister's Integrated Urban Development Mission (CMIUDM)

The Chief Minister's Integrated Urban Development Mission (CMIUDM) 2026–2031 marks a decisive step towards reshaping Tamil Nadu's urban future through an estimated investment of Rs. 1.5 lakh crore over five years. Covering all Urban Local Bodies, the Mission

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

assumes particular significance for Town Panchayats, which accommodate nearly 18 percent of the State's urban population and account for approximately 57 percent of its total urban area.

As critical transition points between rural settlements and Municipalities, Town Panchayats require sustained and coordinated investment to manage rapid urban growth. Through eleven integrated thematic sub-missions, CMIUDM will expand access to safe drinking water, underground sewerage, solid waste management, storm-water drainage, roads, sustainable mobility, public health facilities and social infrastructure.

CMIUDM will serve as the flagship framework for urban transformation, while being complemented and augmented by other State and Central Government schemes. This convergence will enable the pooling of resources, avoidance of

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

fragmented investments and comprehensive delivery of quality infrastructure and civic amenities across Town Panchayat areas.

Its emphasis on waterbody restoration, urban greening, climate resilience, digital governance, efficient asset management and institutional strengthening will further enhance sustainability and service delivery. The Mission will thus transform Town Panchayats into clean, connected, inclusive, resilient and investment-ready urban growth Centres across Tamil Nadu's evolving urban landscape.

4.4.1 Provision of Protected Drinking Water Supply

Ensuring universal access to safe, reliable and sustainable drinking water is a core responsibility of Town Panchayats. Continuous efforts are being made to strengthen water supply infrastructure through the augmentation of water sources, construction of overhead storage

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

reservoirs, replacement of ageing pumping mains and distribution pipelines, extension of supply networks and improvement of distribution systems to meet the growing needs of emerging urban settlements.

At present, 479 Town Panchayats provide protected drinking water at the prescribed norm of 70 litres per capita per day (LPCD). In the 9 Town Panchayats where Underground Sewerage Systems have been implemented, water supply is being progressively enhanced to 135 LPCD in accordance with national service-level benchmarks.

- All 479 Town Panchayats meet 70 **LPCD**; the 9 with underground sewerage are being raised to 135 **LPCD**.

Of the 479 Town Panchayats, 325 receive drinking water through Combined Water Supply Schemes maintained by the Tamil Nadu Water Supply and Drainage Board, while the remaining 154 depend on local water sources. Currently, approximately 45 percent of households have individual water connections. The Government is

- 325 of the 479 Town Panchayats draw water from **TWAD**'s Combined Water Supply Schemes; 154 rely on local sources. About 45% of households have individual connections.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

committed to achieving universal Functional Household Tap Connections, ensuring equitable and dependable access to safe drinking water for every household.

Town Panchayats are also promoting sustainable water-resource management through the restoration and rejuvenation of ponds, lakes and wells; rainwater harvesting; reuse of treated wastewater; and conservation of local water sources. Key sectoral reforms include meeting 20 percent of total water demand through treated and recycled water, reducing Non-Revenue Water to below 20 percent and restoring urban water bodies to strengthen climate resilience and long-term water security.

Under AMRUT 2.0, 157 water supply improvement projects have been taken up at an estimated cost of Rs.3,482.92 crore and are at various stages of implementation. In addition, 79 drinking water improvement works, estimated

- Jal Jeevan Mission provides Functional Household Tap Connections at 55 **LPCD** to every rural household - note the rural norm is 55 **LPCD**, against 70 and 135 in urban bodies.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 146 / 352

at Rs.243.10 crore, are currently under progress under various schemes.

4.4.2 Strengthening Sanitation Infrastructure and Services

Provision of sanitation services and maintenance of a clean, healthy and hygienic urban environment are among the core responsibilities of Town Panchayats. The Government continues to implement comprehensive sanitation interventions aimed at ensuring universal access to sanitation facilities, safeguarding public health and promoting sustainable urban hygiene.

Under the Swachh Bharat Mission (Urban) 2.0, substantial progress has been achieved in sustaining Open Defecation Free status. A total of 33,369 Individual Household Latrines have been constructed. In locations where individual household toilets are not feasible due to land constraints, 375 Community Toilets comprising

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3,386 seats have been provided. In addition, 112 Public Toilets with 872 seats have been constructed, while 264 Community Toilets were taken up for renovation during 2025–26.

4.4.3 Integrated Used Water Management

Scientific management of used water is essential for safeguarding public health, protecting water resources and maintaining a clean urban environment. Town Panchayats are strengthening sewerage, faecal sludge management, treatment, reuse and citizen-responsive sanitation services through a combination of centralized, decentralized and cluster-based systems.

4.4.3.1 Underground Sewerage Systems

Underground Sewerage Schemes have been completed and commissioned in Orathanadu, Vallam, S.Kannanoor, Velankanni, Palanichettipatti, Thirumazhisai, Manachanallur, Melachokkannathapuram and Thiruporur. These

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

systems have strengthened the safe collection, conveyance and treatment of sewage, significantly improving sanitation standards, environmental health and the overall livability of the respective Town Panchayats.

4.4.3.2 Faecal Sludge and Wastewater Management

Scientific management of faecal sludge and wastewater is being accorded high priority to prevent the discharge of untreated sewage and septage into water bodies, land and the wider environment. Sewage Treatment Plants and Faecal Sludge Treatment Plants are being established to ensure the safe collection, transportation, treatment and beneficial reuse of used water and sludge.

At present, 9 Faecal Sludge Treatment Plants are operational. The facilities at Karunguzhi and Periyanaickenpalayam have emerged as model treatment plants and are regularly visited

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

by Government officials, academic institutions, students and delegations from other States for knowledge sharing and capacity building.

A cluster-based approach has been adopted to optimise infrastructure investment and ensure operational sustainability. Under the Swachh Bharat Mission (Urban) 2.0, administrative sanction has been accorded for 10 Sewage Treatment Plants with Interception and Diversion systems, 79 combined Sewage Treatment Plant-cum-Faecal Sludge Treatment Plant projects with Interception and Diversion systems and 20 Faecal Sludge Treatment Plants at a total cost of Rs.518.10 crore. Coordinated implementation involving both Urban and Rural Local Bodies is also being promoted to improve treatment efficiency and achieve economies of scale. Land identification is concurrently under way across districts for establishing additional treatment facilities.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 150 / 352

In order to eliminate manual cleaning of septic tanks and promote safe, mechanized desludging, 120 cesspool suction-cum-jetting vehicles have been deployed to improve service efficiency while protecting the safety, dignity and working conditions of sanitation personnel.

In order to ensure timely redressal of sanitation-related grievances and improve service delivery, the Government has established the toll-free sanitation helpline *14420* across Tamil Nadu. Citizens may register requests and complaints relating to septic tank desludging, maintenance of Underground Sewerage Systems, manual scavenging and other unsafe sanitation practices.

4.4.3.3 Sustainable Waste Management and Circular Economy

Effective solid waste management is essential to safeguarding public health, protecting the environment and promoting sustainable urban

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

development. In accordance with the Solid Waste Management Rules, 2026, all Town Panchayats have adopted scientific waste management practices, with sustained emphasis on efficient collection, transportation, segregation, processing, resource recovery and responsible disposal.

The 479 Town Panchayats collectively generate approximately 1,755 metric tonnes of solid waste per day, comprising 955 metric tonnes of wet waste, 673 metric tonnes of dry waste and 127 metric tonnes of inert waste. The 47 Town Panchayats generating five metric tonnes or more of waste per day have obtained the requisite consent from the Tamil Nadu Pollution Control Board for scientific processing of Municipal solid waste.

Door-to-door collection is undertaken predominantly through Battery-Operated Vehicles, supported by scientifically designed route plans to

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

ensure reliable and efficient service delivery. At present, 97 percent of households are covered, with continued efforts towards universal coverage through source segregation, home composting and decentralized waste management.

Recyclable dry waste is channeled to authorized recyclers, while suitable non-recyclable waste is transported to cement industries for co-processing. Waste collection, segregation, processing and street sanitation are supported by 17,107 outsourced personnel and 4,720 sanitation workers. During the past five years, infrastructure has been created to process 660 metric tonnes of wet waste and nearly 500 metric tonnes of dry waste per day in 383 Town Panchayats.

To improve operational efficiency and enhance the working conditions of sanitation personnel, manually operated pushcarts and tricycles are being progressively replaced with higher-capacity Battery-Operated Vehicles. This

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 153 / 352

transition has reduced physical strain, increased carrying capacity and improved the safety, dignity and productivity of sanitation workers. At present, 4,102 Battery-Operated Vehicles are in operation across Town Panchayats.

Organic waste is processed at composting centres and Resource Recovery Parks through scientific composting and vermicomposting methods. Fruit, vegetable, horticultural and other biodegradable waste is converted into organic manure, promoting resource recovery and reducing dependence on landfill disposal. On average, 100 to 150 metric tonnes of organic compost is produced daily. Further, 249 Town Panchayats collectively produce 15 to 20 metric tonnes of vermicompost per day. The sale of compost generates annual revenue of approximately Rs.40 lakh to Rs.45 lakh, contributing to the operational sustainability of the solid waste management system.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4.4.4 Construction and Maintenance of Road Network

A well-developed road network is fundamental to urban mobility, economic growth and the efficient delivery of civic services. In Town Panchayats, roads not only facilitate the movement of people and goods but also strengthen connectivity between urban centres and surrounding rural areas, supporting trade, access to markets and overall regional development.

Over time, several roads have deteriorated due to repeated utility interventions, including the execution of water supply and underground sewerage projects, laying of gas pipelines and telecommunication cables, as well as damage caused by natural calamities. Restoration and upgradation of these roads are therefore essential to ensure safe, efficient and uninterrupted transportation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

At present, the 479 Town Panchayats maintain a road network of 21,239.83 kilometres, comprising of different categories of roads. During 2025–26, road improvement works covering 2,133.90 km were taken up at an estimated cost of Rs.1,228.09 crore under various schemes.

Table 4.3
Category-wise Length of Roads

Sl. No.	Type of Road	Length (in km)
1.	BT Roads	11,948.33 km
2.	Cement Roads	5,074.13 km
3.	Paver Block Roads	1,637.06 km
4.	Earthen Roads	2,459.06 km
5.	Metal Roads	62.64 km
6.	Gravel Roads	58.58 km
Total		**21,239.8 km**

Given their role as transitional urban centres, Town Panchayats serve as important commercial and service hubs for adjoining rural areas, particularly for the marketing of agricultural produce and the provision of essential services. Consequently, priority is being accorded

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

to the formation of new roads, restoration of damaged stretches, strengthening of existing pavements and conversion of earthen roads into durable all-weather roads to improve connectivity, mobility and the quality of urban infrastructure.

4.4.5 Street Lighting and Urban Safety

Street lighting is a core Municipal service that enhances public safety, supports safe and uninterrupted mobility and improves the overall security and livability of urban areas. Well-lit streets, junctions, public spaces and transport corridors are particularly important for ensuring the safety of women, children, senior citizens and other vulnerable sections of society.

Under the Vetri Tamizhagam Program, the Government of Tamil Nadu has accorded high priority to women's safety through focused infrastructure and security interventions. Special emphasis has been placed on eliminating dark and inadequately lit areas through the Zero Dark

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Spot initiative, supported by comprehensive street-lighting coverage and CCTV surveillance in vulnerable public locations. This has further strengthened the importance of street lighting as a key function of Urban Local Bodies and as an essential component of safe, inclusive and responsive urban governance.

The 479 Town Panchayats in Tamil Nadu presently maintain 4,23,217 street lights, comprising 3,80,495 LED lights, 3,281 solar-powered lights, 2,741 high-mast lights, 23,930 tube lights, 11,562 CFL lights, 1,170 sodium-vapour lamps and 38 mercury-vapour lamps. Systematic maintenance, timely replacement of non-functional lights and improved illumination of roads, junctions, bus stands, markets, water bodies and other public spaces remain key operational priorities.

The continued replacement of conventional lights with energy-efficient LED systems and the promotion of solar-powered lighting demonstrate

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

the Government's commitment to energy conservation, lower operating costs and environmentally sustainable infrastructure. Town Panchayats will also strengthen asset mapping, remote monitoring, preventive maintenance and identification of dark spots to improve service reliability and public accountability.

4.4.6 Upgradation of Bus Stands and Commuter Amenities

Bus stands are critical urban transport infrastructure that facilitate safe, efficient and convenient public transportation while supporting economic activity and regional connectivity. At present, 196 bus stands are functioning in Town Panchayat areas. Of these, 81 bus stands have been modernized with improved passenger amenities, while modernization works are under progress in 29 bus stands.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

The Government is committed to upgrading all existing bus stands with modern passenger facilities and transforming them into well-planned, accessible and commuter-friendly bus terminals. In addition, new bus stands will be established in eligible Town Panchayats based on population, passenger demand and future growth requirements.

4.4.7 Markets, Shandies and Local Economic Growth

Town Panchayats serve as important trading Centres for agricultural produce and allied products from the surrounding rural hinterland. Weekly markets, or shandies, play a vital role in strengthening local economies by improving market access for farmers, facilitating trade, supporting small and micro enterprises and generating livelihood opportunities for local communities.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

To strengthen market infrastructure, 116 market improvement works have been taken up under various schemes. Of these, 86 works have been completed, while the remaining 30 are at various stages of implementation. These works focus on improving basic infrastructure, sanitation, accessibility, circulation and public convenience within market premises.

4.4.8 Development of Commercial and Retail Spaces

Town Panchayats serve as important Centres of commerce and enterprise, supporting local businesses, small and micro industries and allied economic activities. The availability of well-planned commercial infrastructure is essential for providing affordable business and storage spaces, facilitating economic activity, generating employment and strengthening local economies. Commercial complexes also constitute an

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

important source of own-source revenue for Town Panchayats.

At present, Town Panchayats maintain 355 commercial complexes comprising 11,557 shops across the State. These facilities provide organized commercial spaces for traders and entrepreneurs while contributing to the financial sustainability of Town Panchayats.

4.4.9 Modernization of Cremation Infrastructure

The Government is promoting modern gas-based crematorium in Town Panchayats as an environmentally sustainable alternative to conventional firewood-based cremation. These facilities help reduce carbon emissions, conserve natural resources and provide cleaner, dignified and more efficient cremation services to the public.

At present, 126 modern gas cremation platforms are operational across Town

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Panchayats, while 17 additional platforms are at various stages of construction. These facilities contribute to improved environmental management and enhanced public convenience.

4.4.10 Urban Greening and Biodiversity Enhancement

Creating and sustaining a green urban environment is essential for improving quality of life, strengthening ecological resilience, enhancing biodiversity and mitigating the effects of climate change. Town Panchayats are therefore implementing comprehensive urban-greening initiatives encompassing tree plantation, development of nurseries, greening of public spaces and restoration of ecologically significant areas.

Dedicated nurseries will be established and strengthened across Town Panchayats to ensure a sustained supply of healthy, locally suitable planting material. Priority will be accorded to

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

native, climate-resilient and economically valuable species such as mango, jackfruit, guava, teak, ebony, tamarind and palmyra, which offer ecological, livelihood and long-term environmental benefits.

Mass plantation programs will focus on planting well-grown saplings of approximately four to five feet in height to improve survival and accelerate canopy development. Roadside avenue plantations will be undertaken along major roads, internal streets and approach roads, supported by appropriate spacing, tree guards, watering arrangements and post-plantation maintenance.

Public spaces such as parks, bus stands, markets, burial grounds, Government and Educational institutional campuses and waterbody surroundings will also be systematically greened.

Palmyra and other suitable native species will be planted along the bunds of lakes, ponds and water channels to strengthen embankments,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

prevent soil erosion and improve local ecological balance. During the previous year, 8,57,385 saplings were planted across Town Panchayat areas. Building upon this progress, the Government has proposed the plantation of 50 lakh saplings during 2026–27.

4.4.11 Restoration and Rejuvenation of Urban Water Bodies

Water bodies are vital natural assets that strengthen water security, facilitate groundwater recharge, mitigate urban flooding and sustain local ecosystems. Recognizing their ecological and civic importance, the Government of Tamil Nadu is according high priority to their systematic restoration and rejuvenation across Town Panchayat areas.

Improvement works include desilting, removal of encroachments and invasive vegetation, strengthening of bunds, restoration of feeder channels and surplus weirs, plantation

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

along banks and provision of protective fencing. These interventions enhance water-holding capacity, improve groundwater recharge, restore natural drainage and create cleaner and more resilient urban environments.

Town Panchayats maintain a total of 2,253 water bodies, of which more than 2000 water bodies have been renovated in multiple earlier phases.

4.4.12 Development and Upgradation of Urban Parks

Parks are vital components of urban infrastructure, providing accessible spaces for recreation, physical activity and community interaction while enhancing environmental quality and urban livability. At present, 928 parks are maintained across the 479 Town Panchayats.

The Government is taking steps to upgrade existing parks with walking tracks, children's play equipment, landscaping, tree plantation, open-air

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

gymnasiums and other public amenities based on local requirements. Vacant areas within existing parks will be systematically utilised for greening, while suitable open spaces will be identified for the development of new parks.

Emphasis will also be placed on accessibility, safety, regular maintenance and the creation of inclusive recreational spaces for children, women, senior citizens and persons with disabilities.

4.4.13 Rainwater Harvesting and Groundwater Recharge

Rainwater harvesting is an essential component of sustainable urban water management and has been made mandatory for buildings through the relevant provisions of the Tamil Nadu Urban Local Bodies Act, 1998 and the applicable Building Rules. Its widespread adoption has contributed significantly to groundwater

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

recharge, improved water availability and greater resilience against seasonal water scarcity.

Town Panchayats are taking sustained measures to ensure the effective functioning of rainwater harvesting systems in residential, commercial, institutional and Government buildings. Existing structures are being inspected, restored and maintained, while the installation of new systems is facilitated in buildings where adequate arrangements are not available. Particular emphasis is placed on rooftop rainwater collection, recharge pits, percolation wells and other locally appropriate recharge structures.

Rainwater harvesting is also being integrated with the restoration of ponds, lakes, wells, feeder channels and other traditional water systems to enhance groundwater replenishment and reduce surface runoff. Town Panchayats continue to undertake awareness campaigns, community outreach and capacity-building

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

programs to encourage citizens, institutions and commercial establishments to conserve rainwater and maintain harvesting structures effectively.

4.5 Central Government Schemes

The Chief Minister's Integrated Urban Development Mission (CMIUDM), is the flagship urban development program of the Government of Tamil Nadu, provides the overarching framework for comprehensive and sustainable urban transformation across the State, its implementation is effectively complemented by various schemes of the Government of India.

Enabling convergence of resources, coordinated infrastructure development and enhanced service delivery in Town Panchayats, as detailed below.

4.5.1 Swachh Bharat Mission (Urban) 2.0

The Swachh Bharat Mission (Urban) 2.0 is being implemented across Town Panchayats to

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

strengthen urban sanitation, sustain Open Defecation Free status and ensure access to safe, inclusive and hygienic sanitation facilities. The Mission supports the development and modernization of household, community and public sanitation infrastructure, while promoting improved hygiene, effective operation and maintenance, accessibility and citizen participation.

Under the Swachh Bharat Mission (Urban) 2.0, bio-mining is being undertaken to scientifically remediate legacy waste accumulated at dumping sites, address environmental and public-health concerns and reclaim valuable urban land for productive use. The programme covers 137 projects across 123 Town Panchayats, involving approximately 10.42 lakh cubic meters of legacy waste spread over 182 acres. The Centre for Environmental Studies, Anna University, Chennai, provides technical guidance

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

to ensure the scientific and effective execution of the activity.

SBM 2.0 complements the Chief Minister's Integrated Urban Development Mission, the flagship urban development program of the Government of Tamil Nadu, by providing focused Central Government support for sanitation and waste management initiatives.

Through convergence of these programs, Town Panchayats are being enabled to deliver comprehensive sanitation services, improve public health and create cleaner, healthier and more liveable urban settlements, advancing the Government's vision of a clean Tamil Nadu.

4.5.2 Pradhan Mantri Awas Yojana (Urban) – PMAY (U)

Pradhan Mantri Awas Yojana (Urban) is being implemented with financial assistance from the Government of India and the Government of Tamil Nadu to provide affordable housing for

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

economically weaker and middle-income households in Town Panchayat areas.

Under the Beneficiary-Led Construction (BLC) component, financial assistance of Rs.2.1 lakh per dwelling unit is provided, comprising Rs.1.50 lakh from the Government of India and Rs.0.60 lakh from the State Government. So far, 88,556 houses have been sanctioned and 76,844 houses have been completed, while the remaining houses are under various stages of construction. Under PMAY (Urban) 2.0, 4,398 beneficiaries have been sanctioned with financial assistance of Rs.2.50 lakh, comprising Rs.1.50 lakh from the Government of India and Rs.1.00 lakh from the Government of Tamil Nadu for construction of houses.

4.5.3 Deen Dayal Upadhyay National Urban Livelihoods Mission (DAY-NULM)

Under the Deen Dayal Upadhyay - National Urban Livelihoods Mission, focused interventions

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

are being implemented in Town Panchayats to provide dignified shelter for the urban homeless and strengthen livelihood security for vulnerable urban communities. Under the Shelters for Urban Homeless component, 33 shelters have been completed and made operational, including 2 permanent shelters and 31 special shelters for attendants accompanying in-patients in Government hospitals.

Under the Support to Street Vendors component, 51,153 street vendors were enumerated and provided with identity cards and formed into Street Vendor Groups. In addition, 228 mobile vending carts have been provided to street vendors in Velankanni Town Panchayat, improving mobility, visibility and livelihood opportunities.

PM SVANidhi (Prime Minister Street Vendor's AtmaNirbhar Nidhi) Scheme provides collateral-free working-capital assistance to

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

support livelihood restoration and business expansion among street vendors. Loans are extended in progressive instalments of Rs.15,000, Rs.25,000 and Rs.50,000, subject to timely repayment.

Till date, 85,692 street vendors have benefitted from the scheme. Town Panchayats continue to coordinate with banking institutions through regional camps and facilitation meetings to expand access to institutional credit.

4.5.4 Sixteenth Finance Commission – National Health Mission Grant

Based on the recommendations of the Sixteenth Finance Commission, grants are being utilized to strengthen primary healthcare infrastructure in Town Panchayats through the construction and upgradation of Urban Primary Health Centres, Urban Health and Wellness Centres and Health Sub-Centres.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

316 health infrastructure works have been executed in Town Panchayats at a total estimated cost of Rs.196.10 crore over the past 5 years. Investment in health infrastructure is essential for ensuring equitable access to quality primary healthcare, particularly for vulnerable and underserved urban populations. In line with the objectives of the Chief Minister's Integrated Urban Development Mission, these facilities are envisaged as inclusive, accessible, climate-resilient and digitally enabled public infrastructure that will improve service coverage, strengthen preventive healthcare and enhance the overall livability of Town Panchayats.

Greater support for urban primary healthcare infrastructure is anticipated under the Sixteenth Finance Commission, subject to its recommendations and the allocation of grants, to further expand health facilities, bridge remaining service gaps and improve the quality and reach of

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

healthcare provision across Town Panchayats. This continued investment in urban health infrastructure is strengthening the delivery of accessible, quality primary healthcare services in Town Panchayat areas.

4.6 Other State Government Schemes

4.6.1 Namakku Naame Thittam (Urban)

The Namakku Naame Thittam (Urban) promotes participatory urban development by enabling residents, community organizations, philanthropists, industries and other stakeholders to contribute towards the creation and improvement of civic infrastructure in Town Panchayats. By combining public contributions with Government assistance, the scheme supplements public resources and enables locally important works to be taken up based on community needs.

The scheme is increasingly relevant in the context of rapid urbanization, expanding

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

settlements and rising demand for quality civic amenities in Town Panchayats. Public participation enables local bodies to address infrastructure gaps more quickly, prioritize works having direct community value and leverage Government funds more effectively. It also strengthens trust between citizens and local institutions and promotes development that is responsive, inclusive and sustainable.

Under the scheme, 1,406 works have been taken up in Town Panchayats at an estimated cost of Rs.174.09 crore, comprising Rs.59.74 crore as public contribution and Rs.114.35 crore as Government contribution. The initiative therefore serves as an effective model for community-led development and the shared financing of essential urban infrastructure.

4.6.2 Tamil Nadu Urban Employment Scheme

The Tamil Nadu Urban Employment Scheme (TNUES) provides wage employment opportunities

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

to the urban poor while creating durable community assets and improving urban infrastructure.

The scheme was initially introduced on a pilot basis in 36 Town Panchayats, where household surveys were conducted to identify eligible beneficiaries and issue employment identity cards. Under the scheme, labor-intensive works such as restoration of ponds, plantation of saplings, construction of storm water drains, creation of rainwater harvesting structures and other public infrastructure works have been undertaken.

To date, the scheme has generated 8,43,951 person-days of employment, benefiting 66,312 individuals. In view of its successful implementation, the scheme was expanded to an additional 50 Town Panchayats, taking the total coverage to 86 Town Panchayats. The

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Government proposes to continue the scheme during 2026-27 also.

4.6.3 Capital Grant Fund

The Capital Grant Fund is utilized for creating and strengthening essential urban infrastructure in Town Panchayats. The fund supports the implementation of projects such as drinking water supply schemes, storm water drains, modern slaughter houses, gas-based crematoriums, community halls, market complexes, bus stand improvements, animal birth control centres, parks and other public infrastructure. The fund is also utilized to meet the contribution of Town Panchayats towards drinking water supply projects. In addition, priority is accorded to initiatives aimed at enhancing urban green cover.

The Government envisions taking up infrastructure works including construction of community halls, modern gas crematoriums,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

parks and modern slaughter houses under the scheme.

4.6.4 Operation and Maintenance Deficit Fund

The Operation and Maintenance Deficit Fund provides financial assistance to resource-constrained Town Panchayats for sustaining drinking water supply systems and other essential civic infrastructure. The fund is primarily utilized to meet electricity charges, water charges payable to the Tamil Nadu Water Supply and Drainage Board (TWAD Board) and other critical operation and maintenance expenditure.

103 works were taken up at an estimated cost of Rs.85.80 crore, last year. By addressing financial gaps in weaker Town Panchayats, the scheme helps ensure the uninterrupted delivery of basic urban services, supports the proper upkeep of public assets and strengthens the operational and financial resilience of Town Panchayats

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4.6.5 Tamil Nadu Urban Road Infrastructure Project (TURIP)

The Tamil Nadu Urban Road Infrastructure Project (TURIP) aims to improve urban road connectivity by restoring and upgrading roads damaged due to natural calamities, utility works and normal wear and tear. The program ensures safe and efficient movement of traffic while improving the quality of urban road infrastructure.

The Government will continue to accord priority to the ongoing works to strengthen urban road infrastructure across Town Panchayats.

4.6.6 State Finance Commission – Urban Road Development Fund

Based on the recommendations of the Sixth State Finance Commission, annual allocations were provided under the Urban Road Development Fund for the improvement and strengthening of road infrastructure in Town

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Panchayats. More than 500 road works, covering approximately 125–150 km, are taken up annually under the scheme.

During the Seventh State Finance Commission period, road infrastructure works will continue to be prioritized in alignment with the vision of the Chief Minister's Integrated Urban Development Mission. The focus will be on developing safe, durable, well-connected and climate-resilient roads, with priority accorded to bus routes, arterial roads and other critical urban corridors. Road improvements will also be integrated, wherever feasible, with storm-water drainage, street lighting, pedestrian facilities and utility infrastructure to enhance mobility, safety and overall urban livability in Town Panchayats.

4.6.7 Iyothee Thass Pandithar Habitation Development Scheme

The Iyothee Thass Pandithar Habitation Development Scheme is implemented through the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Directorate of Adi Dravidar Welfare to improve basic infrastructure and upgrade public assets in Adi Dravidar habitations located within Town Panchayat areas. During the last financial year, 210 works were taken up at an estimated cost of Rs.68.58 crore.

The scheme will continue to support infrastructure development in habitations predominantly occupied by marginalized and socially disadvantaged communities. Priority will be accorded to addressing critical gaps in roads, drinking water supply, street lighting, sanitation, drainage, community facilities and other essential civic amenities. Through sustained investment, the scheme seeks to improve living conditions, ensure equitable access to urban services and promote the inclusive development of underserved habitations in Town Panchayats.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4.6.8 Grants for Development of Tourism in Town Panchayats

Several Town Panchayats in Tamil Nadu host major religious, cultural and traditional festivals that attract large numbers of visitors each year. To strengthen civic infrastructure and support these Town Panchayats in managing the increased demand for public services, the Government provides Tourism Grants.

Based on the recommendations of the Common Project Sanctioning and Monitoring Committee, a combination of Fixed and Variable Grants are provided to Town Panchayats which have higher tourist influx. Government of Tamil Nadu envisions to include newer Tourism and Heritage Towns and improve civic infrastructure in these locations to enhance visitor amenities and support sustainable tourism development.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4.6.9 Improvement of School Infrastructure in Town Panchayats

Based on the recommendations of the Sixth State Finance Commission, annual grants are provided for the creation and maintenance of infrastructure in Government Schools and Anganwadi Centres located in Town Panchayat areas. The funds are utilized for the construction of additional classrooms, toilets and other essential infrastructure, while separate allocations are provided for maintenance works.

The scheme will continue to support the construction, upgradation and maintenance of school buildings, Anganwadi Centres and other educational infrastructure. Sustained investment will be directed towards improving the safety, accessibility and functional quality of these facilities, thereby creating a more conducive learning and child-development environment.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4.6.10 State Disaster Relief Fund

Financial assistance under the State Disaster Relief Fund is utilized for the immediate restoration and rehabilitation of essential civic infrastructure damaged by cyclones, floods, droughts and other natural calamities in Town Panchayat areas.

The Government will continue to strengthen disaster preparedness through advance vulnerability assessment, rapid damage evaluation, coordinated emergency response and timely restoration of drinking water supply, sanitation, roads, storm-water drains, street lighting and other critical public assets. Restoration works will increasingly incorporate climate and disaster-resilient standards to minimize future damage, ensure continuity of essential services and enhance the long-term resilience of Town Panchayats.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4.7 e-Governance - Online Payment of Taxes and Citizen Services

The Government is strengthening e-governance in Town Panchayats through integrated digital platforms that improve citizen access, simplify administrative processes, enhance transparency and support effective monitoring. These initiatives enable residents to access Municipal services remotely, make statutory payments online, track applications and grievances and receive timely updates without repeated visits to Town Panchayat offices.

4.7.1 Online Taxation and Citizen Service Delivery

The Director of Town Panchayats Taxation Portal provides a unified online platform for the payment of property tax, water charges, professional tax, trade license fees and other statutory dues. Citizens can make payments through UPI, QR Code, Debit and Credit Cards and Net Banking.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 187 / 352

Developed and maintained by the National Informatics Centre, the portal also facilitates the online delivery of key Municipal services, including New Property Tax Assessment, Property Tax Name Transfer, New Water Supply Connection, New Professional Tax Registration, New Trade License and Trade License Renewal. The platform improves ease of access, reduces transaction time, strengthens revenue collection and promotes greater transparency in Town Panchayats administration.

4.7.2 Online Building and Layout Approval System

The building and layout approval process has been fully digitized across all 479 Town Panchayats through the Online Building and Layout Approval System. The system enables applicants to submit proposals, upload documents, track application status and obtain approvals electronically. To further simplify the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

approval process, a Self-Certification Module has been introduced for eligible residential buildings up to Ground Floor plus First Floor, with a built-up area of up to 3,500 sq. ft. on plots measuring up to 2,500 sq. ft.

Direct Building Permits are also issued online for eligible residential developments on plots exceeding 3,500 sq. ft. and up to 10,000 sq. ft., comprising not more than eight dwelling units and a building configuration of up to Ground Floor plus Two Floors. These reforms reduce processing time, improve predictability and transparency and promote ease of doing business and citizen convenience.

4.7.3 Online Grievance Redressal

Grievances relating to Town Panchayat services are addressed through the integrated "Mudhalvarin Mugavari" grievance redressal platform. Citizens may register grievances through the 1100 Toll-Free Helpline, email, the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 189 / 352

online portal or physical submissions. The platform facilitates structured tracking and time-bound disposal of petitions. Citizens receive periodic status updates through SMS, thereby strengthening accountability, responsiveness and public confidence in service delivery.

4.7.4 Digital Monitoring of Schemes and Works

Chief Minister's Dashboard serves as a comprehensive digital platform for monitoring capital and maintenance works implemented by Town Panchayats. It enables senior officials to review the physical and financial progress of projects in real time, identify implementation delays and initiate timely corrective action.

Digital monitoring supports evidence-based decision-making improves interdepartmental coordination and strengthens transparency and accountability in project execution.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Through the continued expansion and integration of digital platforms, the Government aims to establish Town Panchayats as efficient, transparent, responsive and citizen-centric urban local bodies. Future initiatives will focus on end-to-end online service delivery, inter-operable Municipal systems, digital asset management, data-driven governance and real-time performance monitoring.

4.8 Financial Management

4.8.1 Sixth State Finance Commission

Based on the recommendations of the Sixth State Finance Commission, the G.O. (Ms) No.60, Finance Department, dated. 28.02.2023, ensures the allocation of funds for the period from 2022-23 to 2026-27. The details for the financial year 2025-26 and the allocation for the financial year 2026-27 are listed in table below:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Table 4.4

Sl. No	Type of Grant	Financial Year 2025-26 (Rs. in crore)		Allocation for Financial Year 2026-27 (Rs. in crore)
		Allocation	Released	
1	SFC Grant	2,148.52	2,148.52	2,148.52
2	Capital Grant Fund	214.50	214.50	231.00
3	O&M Gap Filling Fund	85.80	85.80	92.40
	Total	**2,448.82**	**2,448.82**	**2,471.92**

4.9 Sixteenth Finance Commission Grant (16th FCG)

Based on the recommendations of the 15th Finance Commission, the Union Government has allocated grants to Urban Local Bodies for the six-year period between 2020-2021 to 2025-2026, categorized as Untied Grants and Tied Grants. The details of grants allocated to Town Panchayats by the 15th Finance Commission are provided below:

Table 4.5

Sl. No	Year	Tied Grant (Rs. in crore)	Untied Grant (Rs. in crore)
1	2020-21	269.23	269.24
2	2021-22	166.10	110.73
3	2022-23	177.60	118.40
4	2023-24	196.81	131.20
5	2024-25	192.64	128.42
6	2025-26	205.59	137.06
	Total	**1,207.97**	**895.05**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

As the term of the 15th Finance Commission has concluded, from 2026–27 onwards the 16th Finance Commission has been introduced and an amount of Rs.1,062.60 crore has been allocated as a Basic Grant in 2026-27.

4.10 Revenue and Expenditure of Town Panchayats

Town Panchayats are adopting a balanced approach to financial management by strengthening revenue collection while ensuring prudent expenditure. Revenue augmentation will focus on efficient assessment and collection of levied taxes and user charges, improved management of revenue-generating civic amenities, digital payment systems and productive utilization of Municipal assets, without placing an undue burden on citizens.

Expenditure is being prioritized towards essential services, critical infrastructure and the operation and maintenance of public assets. In

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

alignment with the Chief Minister's Integrated Urban Development Mission, investments will be guided by service gaps, public need, lifecycle costs and measurable outcomes, while convergence with Government schemes and other funding sources will ensure optimal use of available resources.

Table 4.6
Revenue Pattern of Town Panchayats

(Rs. in crore)

S. No.	Description	2024-25	2025-26
1	Tax Revenue	412.24	381.77
2	Non-Tax Revenue	328.83	314.24
3	Assigned Revenue	230.65	263.11
4	SFC/CFC Grants	2,210.22	1,361.23
5	Capital Receipts	860.5	1,182.39
	Total	**4,042.44**	**3,502.74**

Note:- Since 11 Town Panchayats have been upgraded to Municipalities, there is a decrease in overall income for FY 25-26 compared with FY 24-25.

Table. 4.7
Expenditure Pattern in Town Panchayats

(Rs. in crore)

Sl. No.	Description	2024-25	2025-26
1	Establishment/Administrative Charges	1,592.22	2,044.54
2	Capital Expenditure	1,042.50	1,791.53
	Total Expenditure	**2,634.72**	**3,836.07**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 194 / 352

Loans and Outstanding Charges

Town Panchayats have maintained a relatively low-leverage financial profile, with limited dependence on borrowings and a greater reliance on own-source revenues, Government grants and scheme-based assistance. This prudent approach has helped contain debt-servicing obligations and preserve fiscal stability.

Going forward, borrowing will be considered selectively for financially viable and essential infrastructure projects, supported by sustainable revenue streams and sound repayment capacity. The details of loans and charges to be paid by 31.03.2026 are provided in table below:

Table 4.8
Loans undertaken by Town Panchayats

Sl. No.	Description	Amount (Rs. in crore)
1	LIC Loan and Outstanding with Interest	43.00
2	State Urban Infrastructure Development Fund (SUIDF Loan)	236.28
	Total	**279.28**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

5. CHENNAI METROPOLITAN WATER SUPPLY AND SEWERAGE BOARD (CMWSSB)

The Chennai Metropolitan Area (CMA), comprising Chennai City and the contiguous areas, was notified in the year 1974. In order to cater to the growing demand for water supply and sewerage services in the Chennai Metropolitan Area, the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) was constituted as a statutory body under the provisions of the Tamil Nadu Act 28 of 1978.

CMWSSB is a statutory body under Tamil Nadu Act 28 of **1978**; the Chennai Metropolitan Area itself was notified in **1974**.

The Board was established with the objective of ensuring planned development, regulation, operation and maintenance of water supply and sewerage services in the Chennai Metropolitan Area. It is also entrusted with the responsibility of protecting public health through the provision of safe water supply and efficient

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

sewerage management and with all matters incidental thereto.

Over the years, in addition to its core functions, the Board has adopted information technology–enabled initiatives to improve service delivery. Accordingly, various citizen-centric online services have been introduced to facilitate efficient, transparent and time-bound delivery of services.

The Board is headed by a full-time Managing Director, who is responsible for its overall administration.

CMWSSB serves an estimated population of approximately 91 lakh across an area of 426 square kilometers within Chennai City. The Board delivers these services through a well-established administrative network comprising 15 Area Offices and 200 Depots. In addition to serving the city, CMWSSB also caters to the water

- **CMWSSB** serves about **91 lakh** people over 426 sq km through 15 Area Offices and 200 Depots, headed by a full-time Managing Director.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

supply and sewerage requirements of select urban areas adjoining Chennai, as well as industrial establishments located within its service jurisdiction.

Vision and Strategic Objectives of CMWSSB

- The Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) envisions achieving universal, sustainable and efficient water supply and sewerage services across Chennai City. The objectives of the Board are as follows:
- Under the initiative "**Drinking Water for All**," the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) aims to ensure coverage of safe and clean drinking water supply to all households within Chennai City. Towards this, water supply infrastructure is being extended to the unserved areas of the Greater Chennai

CMWSSB's stated goal: 'Drinking Water for All' within Chennai City, extending supply into unserved parts of Greater Chennai Corporation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Corporation (GCC), thereby ensuring equitable access to protected water for all residents and to progressively reduce **Non-Revenue Water (NRW)** to below 15 percent through improved monitoring, demand management and operational efficiency.

- **Elimination of Manual Scavenging**: In line with the Government of Tamil Nadu's commitment to eradicate manual scavenging, the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) has undertaken comprehensive mechanization of the operation and maintenance of the sewerage system.
- **Skill Training for Sanitation Workers:** The Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) implements skill development programme for sanitation

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

workers with the objective of supporting the Government of Tamil Nadu's vision of making the State free from sanitation-related accidents and fatalities. The programme aims to promote safe sanitation practices, enhance occupational safety, improve the working and living conditions of sanitation workers and strengthen their economic well-being through capacity building and skill enhancement.

5.1 Water Supply Management

5.1.1 Sources of Water Supply

To meet the ever-growing water demand, the Board has adopted a diversified water resource management approach by utilizing a combination of surface water, groundwater and desalination sources.

i. Surface Water Sources

Surface water remains the primary source of water supply for Chennai City. The Chennai Metropolitan Water Supply and Sewerage Board

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

(CMWSSB) draws water from major reservoirs and lakes located in and around Chennai, viz Poondi, Puzhal, Cholavaram, Chembarambakkam and Kannankottai–Thervoy kandigai. Further, city supplies are supplemented through water from Veeranam source in Cuddalore District and from Kandaleru Reservoir under the Krishna Water Supply Project.

- Chennai's surface sources: Poondi, Puzhal, Cholavaram, Chembarambakkam and Kannankottai-Thervoy Kandigai, supplemented by Veeranam in Cuddalore and Kandaleru under the Krishna Water Supply Project.

ii. Desalination Plants

Chennai does not have perennial water source and its water availability is largely dependent on monsoon. To ensure long-term water security and to enhance drought resilience, the Government has implemented desalination projects as an important component of Chennai's water resource augmentation strategy. Desalination plants play a vital role in supplementing the city's drinking water

- The structural fact behind Chennai's water policy: no perennial source, so availability tracks the monsoon - hence desalination.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

requirements and ensuring a reliable source of water supply.

a) Desalination Plant – Minjur (100 MLD)

The first desalination plant in Chennai, with a capacity of 100 MLD, was established at Minjur under the Design, Build, Own, Operate and Transfer (DBOOT) model. The plant commenced commercial operations on 25.07.2010 and caters to the water requirements of the northern parts of Chennai City benefiting a population of 9 lakh.

Due to significant deterioration in plant performance affecting both the quantity and quality of treated water production and failure of M/s. CWDL to undertake necessary corrective measures, CMWSSB issued a termination order to the agency on 24.09.2024. Subsequently, as

- Minjur (100 **MLD**), Chennai's first desalination plant, opened **25.07.2010** on a **DBOOT** model and serves **9 lakh** people in north Chennai. After performance failure the concession was terminated on **24.09.2024** and the Board took over on **01.04.2025** under Madras High Court orders.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

per the orders of the Hon'ble Madras High Court, the Board assumed control and operation of the plant on 01.04.2025.

Refurbishment and restoration works are being carried out in a phased manner to commence production initially at an interim capacity of 20 MLD. A Detailed Project Report (DPR) for complete restoration of the plant to its full production capacity is under preparation.

b) Desalination Plant – Nemmeli (110 MLD)

A 110 MLD capacity desalination plant was established in 2013 at Nemmeli at a total project cost of Rs.914.42 crore and supplies desalinated water to the southern parts of Chennai City benefiting a population of 10 lakh.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 203 / 352

c) Desalination Plant – Nemmeli (150 MLD)

A new desalination plant with a capacity of 150 MLD was established in 2024 at Nemmeli at a cost of Rs.1,516.82 crore which supplies desalinated water to added areas in the southern parts of Chennai city and Tambaram Corporation benefiting a population of 9 lakh.

- The new 150 **MLD** Nemmeli plant (**2024**, **Rs.1,516.82 crore**) serves south Chennai and Tambaram Corporation - 9 lakh people.

iii. Ground Water Sources

Ground water resources also contribute to the water supply system of Chennai City. 13 MLD of ground water is extracted from aquifers located at Thamaraipakkam, Magaral and Minjur.

5.1.2 Water Treatment Plants

The existing water treatment capacity of CMWSS Board is 1,660 MLD as detailed in Table 5.1 below:

- **CMWSSB** treatment capacity is 1,660 **MLD**. Kilpauk (**1914**) is the oldest plant and Chembarambakkam (**2008**, 530 **MLD**) the largest.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Table 5.1
Details of Water Treatment Plants & Desalination Plants

Sl. No.	Location of the plant	Capacity (MLD)	Year of establishment
1.	Kilpauk	270	1914
2.	Redhills	300	1996
3.	Veeranam	180	2004
4.	Chembarambakkam	530	2008
5.	Surapet	14	1965
6.	Minjur desalination plant	100	2010
7.	Nemmeli desalination plant	110	2013
8.	Porur	6	2022
9.	Nemmeli desalination plant	150	2024
	Total	**1,660**	

5.1.3 Water Distribution

Treated water is distributed from 16 major water distribution stations and 127 subsidiary head works through a pipeline network of 7,795.78 km as detailed below in Table 5.2:

- Distribution runs from 16 major stations and 127 subsidiary head works through **7,795.78 km** of pipeline.

Table 5.2
Water Supply pattern

Sl. No.	Water distribution station	Quantity supplied (MLD)
1.	Patel Nagar	30
2.	Anna Poonga	22

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Sl. No.	Water distribution station	Quantity supplied (MLD)
3.	Kannappar Thidal	25
4.	Vyasarpadi	35
5.	Kolathur	30
6.	Kilpauk	105
7.	Choolaimedu	55
8.	Triplicane	15
9.	Southern Head works	50
10.	ValluvarKottam	26
11.	K.K.Nagar	45
12.	Ekkaduthangal	10
13.	Mylapore	40
14.	Nandanam	20
15.	Pallipattu	35
16.	Velachery	35
17.	Direct supply & other small head works	262
	Piped supply in core areas	**840**
18.	Piped supply in added areas	245
19.	Through lorries (core+added areas)	30
20.	Bulk consumers	45
	Total domestic supply	**1,160**
21.	**Industries**	
	1. Treated water to Industries	25
	2. Secondary treated used water	23
	3. TTRO water	38
	Total supply to industries	**86**
	Total supply	**1,246**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

5.1.4 Quality Assurance

Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) has established a dedicated Quality Assurance Wing responsible for the systematic monitoring and evaluation of water quality.

Water samples are collected on a daily basis from various sources, including surface water and groundwater sources, water treatment plants, desalination plants, water distribution stations, subsidiary headworks and the city distribution network. These samples are subjected to detailed testing for physical, chemical and bacteriological parameters by the Quality Assurance Wing to ensure compliance with the requirements of IS 10500:2012 drinking water standards.

CMWSSB has established a modern NABL accredited Water and Wastewater Testing Laboratory at Kilpauk during the year 2023 at a

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

cost of Rs.7.05 crore, equipped with advanced instrumentation and infrastructure facilities for physio-chemical and microbiological analysis.

5.2 Water Supply Schemes

5.2.1 Schemes under Implementation

(i) Desalination Plant - 400 MLD - Perur

Considering the demand-supply gap and to ensure sustainable water availability for the growing needs of the city, a 400 MLD capacity Seawater Reverse Osmosis (SWRO) Desalination Plant at Perur at an estimated cost of Rs.5,814.57 crore with financial assistance from the Japan International Cooperation Agency (JICA), Tamil Nadu Infrastructure Development Fund (TNIDF) and State Budgetary Support is under construction and expected to be completed and commissioned by October 2027.

The project will ensure adequate and reliable water supply to the residents of the Southern parts of Greater Chennai Corporation,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Tambaram Corporation and 20 adjoining Panchayat areas, benefiting a population of 22.67 lakh.

(ii) Water supply schemes under progress in added areas

Water supply schemes were completed in 40 added areas at a cost of Rs.1375.20 crore. Schemes are under progress in Semmencheri and Neelankarai at a cost of Rs.149.44 crore. These schemes will be completed and put into beneficial use in the current financial year.

Further, schemes for providing water supply to the left out streets of added areas are proposed to be taken up in 2026-27.

5.2.2 Improvement to existing water distribution network to reduce Non-Revenue Water (NRW)

To ensure equitable distribution of drinking water in Chennai city, it has been proposed to upgrade the existing water supply infrastructure.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

As a first-phase of implementation, the project for providing 24x7 continuous water supply from the Pallipattu and Thiruvanmiyur Water Distribution Stations has been awarded under the Hybrid Annuity Model (HAM) at an estimated cost of Rs.376.12 crore.

The implementation period of the project is 2 years, followed by an Operation and Maintenance period of 15 years. On completion, a population of 3.21 lakh will be benefited.

Further, projects for providing 24x7 continuous water supply from the remaining WDS of Area XIII & WDS of Area X will be taken up during 2027-28.

Further, for other areas of Chennai, Detailed Project Reports are under preparation.

Works awarded for the Performance based contract for water supply distribution in 8 Water Distribution Stations in Areas

11 (Valasaravakkam), 12 (Alandur), 14 (Perungudi) & 15 (Sholinganallur) at a cost of Rs.59.40 crore and are in progress.

5.2.3 Rehabilitation of Water Treatment Plants – Puzhal, Surapet and Kilpauk

To enhance treatment efficiency, operational reliability and long-term water supply sustainability, rehabilitation of the water treatment plant at Surapet at a cost of Rs.146.62 crore is taken up and to be completed by 2027. Rehabilitation of Puzhal Water Treatment Plant is taken up at a cost of Rs.555.88 crore under Hybrid Annuity Model (HAM) and will be completed by 2028.

The final Detailed Project Report for the rehabilitation and capacity enhancement of Kilpauk Water Treatment Plant from the existing 270 MLD to 400 MLD is under preparation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 211 / 352

5.2.4 Ring Main System

The Ring Main Project aims to interconnect all major Water Treatment Plants through an integrated transmission network, enabling operational flexibility, efficient utilization of available water resources and redistribution of water between service areas based on demand requirements. The project will strengthen the resilience of the city's water supply system and ensure a more balanced and equitable water supply to all Water Distribution Stations.

Ring main Greater Chennai Corporation (GCC) Area

The Ring main will cover all the existing WTPs and WDSs in the Greater Chennai Corporation Area (426 Sq.Km) for a length of about 98 Km. The project is under implementation at a cost of Rs.3,108.55 crore with financial assistance from Asian Development Bank (ADB) and is to be completed by 2031. This

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

project has been proposed for partial funding under Urban challenge fund.

Ring main Chennai Metropolitan Area (CMA)

A Ring main covering Chennai Metropolitan Area (CMA) (763 Sq.Km) for a length of about 135 Km has been proposed to be implemented and the DPR is under preparation.

5.2.5 Rainwater Harvesting

Tamil Nadu is a pioneer in the implementation of Rainwater Harvesting (RWH) and is the first State in India to mandate the installation of Rainwater Harvesting structures in both existing and newly constructed buildings.

The installation of Rainwater Harvesting structures is mandatory for all buildings while applying for new or renewal of water supply and sewerage connections.

Observations from digital water level recorders (DWLR) in the city reveal that the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

average ground water level is increased from 7.83m in the year 2003 to 4.60m in the year 2025, which is an increase of 3.23 m and improved ground water quality as well.

5.3 Sewerage Management

The sewerage system in the core city was initially established in the year 1917 and has since been progressively expanded and modernized to cater to the growing needs of the city.

The sewerage network of Chennai City is organized into 7 sewerage zones with an extensive sewer network spanning approximately 5,840.70 km, 438 sewage pumping stations and 22 Sewage Treatment Plants (STPs).

5.3.1 Operation and Maintenance of Sewerage System

One of the key objectives of the Government of Tamil Nadu is the complete eradication of manual scavenging and the promotion of safe, dignified and mechanized

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

sanitation practices across the State. Towards this, the CMWSS Board has mechanized the operation and maintenance of the sewerage system to eradicate manual scavenging. The obstructions in the pipeline are removed by jet rodding machines and the solid waste in the machine holes are removed by super sucker machines and desilting machines. Currently, 753 sewer cleaning machines are deployed for maintaining the sewerage system as detailed below in Table 5.3:

Table 5.3
Details of Sewer cleaning machines

Sl.No.	Machinery Details	Numbers
1	Desilting machines	289
2	Jet rodding machines (2KL, 6KL & 9KL)	168
3	Jetting cum suction machines	43
4	Super sucker machines	73
5	Sewer lorries	02
6	Robotic sewer-cleaning machines	05
7	Outsourced sewer vehicles	173
Total		**753**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 215 / 352

To improve maintenance, additional machines and equipment are procured periodically, based on the requirement.

5.3.1.1 Internet of Things (IoT) -Based real time monitoring in Sewage Pumping Stations

In Chennai city, the operations of 438 Sewage Pumping Stations (SPSs) are monitored on real time basis with the use of Ultrasonic level transmitter with Internet of Things (IoT) at a cost of Rs.9.40 crore. The initiative has facilitated the maintenance of lower sewage levels in the pumping stations, reduced public complaints related to sewerage issues and enabled more efficient and effective sewage management.

5.3.1.2 Installation of Odour Control Systems in 46 Selected Sewage Pumping Stations of CMWSSB

In order to ensure compliance with the air quality standards prescribed by the Central

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Pollution Control Board (CPCB) and the Tamil Nadu Pollution Control Board (TNPCB), CMWSSB has implemented Odour Control Systems (OCS) in 53 sewage pumping stations. Further works are in progress in 46 sewage pumping stations including Operation and Maintenance (O&M) services for a period of five years.

5.3.2 Sewage Treatment Plants

The present installed capacity of sewage treatment plants in Chennai city is 1031.80 MLD as detailed below in Table 5.4:

Table 5.4
Details of Sewage Treatment Plants

Sewerage Zone	Location of STPs	Treatment Capacity (MLD)
I & II	Kodungaiyur (120+120+110)	350
III	Koyambedu (34+60+120)	214
	Villivakkam	5
	Ambattur (2+3)	5
IV	Nesapakkam (54+40+50)	144
	Nesapakkam TTUF	10
	Langs Garden TTUF	10
V	Perungudi (60+54+60)	174
	Perungudi TTUF	10
VI	Sholinganallur (18+18+36)	72

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Sewerage Zone	Location of STPs	Treatment Capacity (MLD)
VII	Tiruvottiyur	31
	Modular STPs	
	Chetpet	1
	Choolaimedu	1.2
	Todd Hunter Nagar	4
	Kotturpuram	0.6
	Total	**1,031.80**

5.3.3 Construction of new STPs and improvement to existing STPs

To conform to the revised Pollution Control Board discharge norms, CMWSSB has completed the construction of 4 new STPs viz. Kodungaiyur–I, Kodungaiyur-II, Perungudi and Nesapakkam and rehabilitation of 7 existing STPs at a cost of Rs.923.95 crore.

Table 5.5
Details of STPs

Construction of new STPs		Improvement to existing STPs	
Location	**Capacity (MLD)**	**Location**	**Capacity (MLD)**
Kodungaiyur -I	120	Kodungaiyur	110
Kodungaiyur -II	120	Koyambedu (120+60)	180
Nesapakkam	50		
Perungudi	60	Nesapakkam (40+54)	94
Total	**350**	Perungudi (60+54)	114
		Total	**498**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 218 / 352

5.3.4 Modular Sewage Treatment Plants

As part of Chennai Rivers Restoration Trust (CRRT) works, to prevent sewage outfalls into the waterways, modular STPs were established at Chetpet (1 MLD), Choolaimedu (1.2 MLD), Todd Hunter Nagar (4 MLD) and Kotturpuram (0.6 MLD).

5.3.5 Monetization of compressed Bio Gas generated from the digested sludge in Sewage Treatment Plants under PPP Mode

The operation and maintenance of Sewage Treatment Plants involve substantial financial expenditure. For providing significant potential for energy recovery and resource optimization, 11 STPs are equipped with facilities of biogas generation.

In order to ensure the long-term sustainability of STP operations and reduce dependence on public funds, CMWSSB is exploring

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

innovative revenue-generation mechanisms and sustainable financing models.

One such initiative is the monetization of biogas generated during the anaerobic digestion process of sewage sludge. The biogas can be purified and compressed for commercial utilization, including bottling for sale and supply to City Gas Distribution (CGD) entities, thereby converting waste into a valuable resource while supporting the circular economy approach. The detailed Feasibility Report is proposed to be preponed by engaging a Transaction Advisory (TA) consultant.

5.4 Sewerage Schemes

5.4.1 Sewerage Schemes under implementation in added areas of Chennai City

Underground sewerage schemes were completed in 27 added areas at a cost of Rs.1537.98 crore. Underground sewerage

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

schemes are under progress in the following 16 added areas namely, Kottivakkam, Palavakkam, Neelankarai, Uthandi, Injambakkam, Jalladiampet, Puzhal, Mathur, Vadaperumbakkam, Theeyambakkam, Edayanchavadi, Sadayankuppam, Kadapakkam, Okkiyam Thoraipakkam, Semmencheri and left out areas of Madhavaram at a cost of Rs.2,459.98 crore. The above Underground sewerage schemes will be completed by 2027.

Further, providing underground sewerage facilities to the left out streets of added areas is proposed to be taken up in 2026-27.

Currently, to augment the capacity of both water & Sewer infrastructure, works to the tune of Rs.946 crore in North Chennai areas of Greater Chennai Corporation are under progress.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

5.4.2 Improvement of Existing Sewerage System in Core Areas of Greater Chennai

Due to the substantial increase in population and urban development over the years, the existing sewerage infrastructure, including gravity mains, wells, pumping mains and pumping equipment, has become inadequate to cater to the present sewage generation requirements. Consequently, the existing system requires augmentation and modernization to ensure effective collection, conveyance and disposal of sewage generated within the core areas.

To address these requirements, the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) has prepared Detailed Project Reports (DPRs) for the **"Improvement of Existing Sewerage System in Core Areas of Greater Chennai City (174 sq. km) and Provision of**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

SCADA System for the entire Greater Chennai City (426 sq. km).”

The work of Improvement of Existing Sewerage System for Nesapakkam STP service zone has been sanctioned at a cost of Rs.788.38 crore under Asian Development Bank (ADB) funding. Tenders have been received and are under evaluation. Preparation of DPRs for the remaining 3 STP service zones (Koyambedu, Kodungaiyur & Perungudi) will be completed by 31.08.2026.

5.5 Recycle and Reuse

Tamil Nadu is a pioneer in recycling and reuse of treated used water and promoting sustainable water resource management. As per the guidelines of the Atal Mission for Rejuvenation and Urban Transformation (AMRUT 2.0), a minimum of 20% of treated used water is envisaged to be recycled and reused to conserve

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

freshwater resources and ensure long-term water sustainability.

As part of water conservation measures, the Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) supplies 23 MLD of secondary treated sewage to industries in Manali area.

5.5.1 Tertiary Treatment Reverse Osmosis Plants

Two tertiary treatment reverse osmosis (TTRO) plants of 45 MLD capacity each at Koyambedu and Kodungaiyur are operational and supply treated water to industries. This ensures assured and sustainable water supply to industries and minimize the fresh water demand from industries.

5.5.2 Tertiary Treatment Ultra Filtration Plants

Three Tertiary Treatment Ultra filtration (TTUF) Plants each with a capacity of 10 MLD at Perungudi, Nesapakkam and Langs Garden are

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

currently operational. This treated product water is utilized to augment the storage of Perungudi Lake and Porur Lake, respectively, thereby supporting water resource conservation and recharge initiatives.

The treated water produced from the Langs Garden TTUF Plant is supplied for non-potable purposes, including wagon cleaning requirements of Southern Railways and other applicable requirements of the Greater Chennai Corporation, thereby promoting the reuse of treated water and reduce dependence on freshwater sources.

5.5.2.1 Refurbishment, Operation and Maintenance of the 45 MLD TTRO Plant at Kodungaiyur and Alternative Monetization Strategy

The operation and maintenance of the 45 Million Litres per Day (MLD) Tertiary Treated Reverse Osmosis (TTRO) Plant at Kodungaiyur was not carried out by the contractor in

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

accordance with the contractual provisions, resulting in deterioration in the quality of treated water produced by the plant. Hence, the contract was terminated and the plant was operated in as is where is condition by CMWSSB.

Subsequently, the work of refurbishment, operation and maintenance of the plant for efficient operation & maintenance through Public-Private Partnership (PPP) mode has commenced and to be completed by 2028.

5.5.3 Tamil Nadu Urban Local Bodies and Chennai Metropolitan Area Septage Management (Regulation) Rules, 2022

The Faecal Sludge and Septage Management (Regulation) Rules, 2022 and guidelines were formulated to regulate the removal of septage from unsewered areas, operation of sewer tanker lorries in the local bodies, prevention of illegal discharge of sewerage and thus protect the environment.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

The desludging operators (DSOs), provide collection and conveyance services by i) introducing adequate legal provisions to prevent unsafe disposal; and ii) improving receiving/treatment facilities for disposal of septage.

CMWSSB has notified 14 locations which are used as a disposal facility by the desludging operators. The licensee is required to comply with the rules and regulations specified and also ensure that each driver and worker employed undergoes annual health check-up. Further, the licensee is also required to insure each driver and worker employed for a sum of Rs.10 Lakh towards personal accidental insurance.

Failure to comply with the rules shall attract a fine of up to Rs.25,000/- for the first violation, fine of up to Rs.50,000/- for second or any

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 227 / 352

subsequent violation and seizure of the vehicles along with its equipment for continuing violation.

5.6 Capacity Building

The CMWSS Board has established its training center in 1982 to impart various in-house training programs, CPHEEO sponsored training programmes and special training programs for the Board staff as well as staff from other organizations and states. Every year, around 42 courses related to the day-to-day activities of Board and 5 refresher courses sponsored by CPHEEO are conducted. Many special training programs including exclusive tailor-made training programs for other Government organizations are also being conducted.

5.7 Use of Technology

5.7.1 Geographical Information System (GIS)

All the underground & above ground assets and utilities of CMWSSB are mapped in a GIS

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

platform for optimum management and maintenance of assets and better service delivery to the citizens.

A dedicated GIS control room has been established at the Board's Head office. It is also proposed to integrate the IoT & SCADA system with GIS and thereby having one command centre at GIS Application centre.

5.7.2 Monitoring of Water Tankers using Global Positioning System (GPS)

Hired water tankers supplying water to unserved areas, defective pockets, slum pockets are monitored by GPS tracking system to have continuous vigil, thus ensuring the timely delivery of water to the intended beneficiaries.

5.7.3 Online Services

Consumers can avail the following online services through the official website of the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) at **https://cmwssb.tn.gov.in/**.

Online services provided by the Board include:

- Registration and redressal of public grievances.
- Payment of water tax and water/sewerage charges.
- Application for new water supply and sewer connections.
- Application for new water connections for industrial establishments.
- Booking of water tanker services.
- Booking for septic tank clearance services.
- Provision for obtaining groundwater extraction licenses.

Through these technology-enabled initiatives, CMWSSB aims to improve accessibility,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 230 / 352

enhance transparency and ensure efficient delivery of services to consumers.

5.7.4 Information Technology (IT) Initiatives

CMWSSB in coordination with TNeGA (Tamil Nadu e-Governance Agency) is in the process of developing an End-to-End IT implementation and new ERP (Enterprise Resource Planning) solution at a cost of Rs.3.49 crore to cover all the activities/services of CMWSSB.

5.7.4.1 Implementation of e-Office System

As part of initiative towards Digital transformation, efficient file management and improved administrative processes through e-Office is being implemented, marking a significant milestone in the Board’s efforts towards paperless administration, enhanced transparency and improved operational efficiency.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

5.8 Chennai City Partnership Programme

The Government have accorded in-principal approval for Chennai City Partnership Program and its Disbursement Linked Indicators (DLI). CMWSSB has to achieve 4 DLIs during the program period.

DLI 4: Enhance efficiency and transparency of public procurement in CMWSSB:

Completed and disbursement has been received.

DLI 7: Improved operational efficiency in water supply:

1. Metering policy has been approved and adopted by the Board.
2. Fixing of IoT based bulk water meters in Water Treatment Plants and Water distribution Stations – Work under progress and completion of work including dashboard expected by August 2026.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

3. Performance based contract for water supply distribution in 10 Water Distribution Stations: Works awarded and in progress.
4. Installation of 1 lakh meters for High volume consumers in Multi-Storied Buildings, commercial consumers and partly commercial consumers: Work under progress.

DLI 8: Improved access to water supply services:

Service performance agreement between CMWSSB and GoTN has been executed and disbursement has been received.

Efficiency improvement cell (EIC) cum Technical Support Unit (TSU) in CMWSSB focusing on improving service level benchmarks, NRW reduction, energy efficiency, metering & billing and demand management has been set up and disbursement has been received.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

DLI 10: Improved financial sustainability of WSS services:

Accounts & Audits for financial years 2022-23, 2023-24 completed. Accounts for financial year 2024-25 is under preparation.

5.9 Monitoring Consumers Grievances

5.9.1 Complaint Monitoring System

A comprehensive Complaint Monitoring System to ensure the efficient and transparent resolution of consumer grievances related to water supply, sewage removal, taxes and charges, mobile water supply, projects and new water/sewer connection services in Chennai City.

Consumers can register complaints through the CMS Web Portal, mobile application, E mail, WhatsApp, Facebook, X (formerly Twitter) and the dedicated call centre.

A defined escalation mechanism has been incorporated into the system to ensure timely resolution of grievances. For complaints escalated

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

to higher levels, the Grievance Redressal Facilitation Office (GRFO) of CMWSSB verifies the action taken and processes the closure. Complaints are closed upon confirmation of consumer satisfaction.

A 24x7 monitoring and control centre (MCC) is established. The MCC has a video wall to monitor the important activities of the Board including GPS tracking of mobile water lorries and sewer maintenance vehicles and monitoring of water filling points through CCTV camera. Consumers can dial 044-45674567 (20 lines) and toll-free number 1916 and register their grievances/complaints. The registered complaints are immediately transferred online and by SMS to the respective Depot Engineers to rectify the defects. A 24 x 7 helpline number 14420 has also been introduced for sewer and septic tank

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

cleaning process and to report any unauthorized entry into the machine holes.

The Board conducts Grievance redressal meeting in all the Area Offices between 10.00 A.M. and 1.00 P.M. on the 2nd Saturday of every month, to improve the service delivery to the public / consumers. The Grievance redressal meeting for Board staff is also been conducted on 4th Friday of every month to redress the staff grievances.

5.9.2 QR code Poster

For the Citizen focused service delivery, a standard QR code design poster has been created. A total of 300 QR Code posters were installed in 15 Areas, 200 Depots and 85 other prominent places in Chennai city for making the grievances redressal more user friendly and easily accessible.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

5.10 Employees' Welfare

The Board considers its employees as its major asset and therefore the Board gives due importance to their welfare. To improve the personal hygiene of field workers, various welfare measures such as provision of uniform cloth with stitching charges, oil, bathing soap, shoes, chappals and safety gears are provided to the employees periodically by the Board.

The following welfare measures are also provided to the employees:

- A dispensary with Pharmacist and Lab Technical Assistant with first aid equipments.
- Special medical camps for eye, ear, lungs and heart checkup.
- As per the Government rules, providing conveyance allowance to all the differently-abled employees of the Board.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- Various advances such as House Building Advance (HBA), Computer Advance, conveyance advance, etc., granted to employees.
- As per the Government New Health Insurance Scheme, providing medical facilities to the employees and pensioners of the Board.
- Retirement benefits are paid to the employees on the next day of retirement itself.
- Immediate settlement of Death benefits to the legal heirs of the deceased employee after receipt of the claims.
- As per the payment of Bonus Act 1965 the bonus amount is being paid to the eligible staff/workers annually.
- CMWSSB conducts free medical camp for all workers every 6 months through Urban

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Primary Health Centres (UPHCs) of Greater Chennai Corporation.

5.10.1 Sanitation Workers Development Scheme

The Sanitation Workers Development Scheme was launched for the welfare and upliftment of sanitation workers. The scheme enables sanitation workers to register with the Tamil Nadu Sanitation Workers Welfare Board and avail themselves of the benefits offered through its various welfare programs.

Towards this, a survey was conducted to identify key sanitation workers engaged in sewerage infrastructure maintenance, septic tank cleaning and sewage treatment plant operations within the Greater Chennai Corporation limits. 3,312 sanitation workers were identified. Of these, 2,800 contract and informal sanitation workers were registered online with the Tamil Nadu Sanitation Workers Welfare Board, ensuring

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

their eligibility to receive benefits under various Government welfare schemes.

To establish and operationalize an Emergency Sanitation Response Team in Chennai, specialized high-technology training programs were conducted at the CMWSSB Training Centre for Sanitation Special Task Force Personnel and Supervisors**.** Identity cards were issued to 127 personnel who successfully completed the training program.

5.10.2 NAMASTE Scheme

The Sewer Entry Professional (SEP) Capacity Building Programme is implemented under the converged frame work of the NAMASTE Scheme with the objective of ensuring safe sanitation practices, mechanized sewer and septic tank maintenance, elimination of hazardous manual entry and strengthening emergency response systems for sanitation workers across

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Urban Local Bodies in Tamil Nadu. As a part of the proposed state-wide scale up of the programme, a Training of Trainers (TOTs) programme is proposed to be organized for the development of a pool of Master Trainers to support phased implementation of SEP trainings across the State.

Accordingly Training of Trainers (TOTs) programme for the development of the pool of Master Trainers was conducted at CMWSSB.

Personal Protective Equipment (PPE) kits were distributed to 2,149 sanitation workers, including permanent workers and workers engaged through contractors working under the control of the Board. Additionally, under this scheme, PPE kits were distributed to 617 permanent sanitation workers in February 2026.

5.10.3 Transforming Sanitary Workers into Entrepreneurs

Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) has taken significant

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

initiatives towards the socio-economic empowerment of sanitation workers by promoting entrepreneurship and dignified livelihood opportunities. In this regard, CMWSSB entered into a Memorandum of Understanding (MoU) with the Dalit Indian Chamber of Commerce and Industry (DICCI) with the objective of transforming sanitation workers into entrepreneurs.

Under this initiative, sanitation workers are enabled to undertake operation and maintenance of sewerage systems for a period of seven years through the use of specially designed Jetting-cum-Grabbing Machines. Priority under the program was extended to 39 legal heirs of deceased sanitary workers, 48 core sanitary workers and 126 individuals belonging to Scheduled Caste (SC) and Scheduled Tribe (ST)

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

communities from Below Poverty Line (BPL) families, benefiting a total of 213 beneficiaries.

To facilitate the procurement of modern sewer-cleaning machinery, a 50% subsidy was provided to the identified beneficiaries under the Annal Ambedkar Business Champions Scheme. An overall financial allocation of Rs.500 crore has been earmarked for the implementation of this scheme.

As part of this flagship initiative for the transformation of sanitation workers into entrepreneurs, 100 Jetting-cum-Grabbing Vehicles were distributed to sanitation workers. The initiative aims to provide sustainable self-employment opportunities, enhance the economic independence of sanitation workers and enable them to become successful entrepreneurs.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

5.11 Financial Position

The total revenue expenditure as per the Budget Estimates for the year 2026–27 is estimated at Rs.2,038.65 crore, while the total revenue income is estimated at Rs.2,025.65 crore.

The details of revenue, expenditure and deficit for the period 2024–25 to 2026–27 are given in Table 5.6 below:

Table 5.6

(**Rs. in crore**)

Sl. No.	Particulars	2024-25 Revised Estimate	2025-26 Budget Estimate	2025-26* Revised Estimate	2026-27* Budget Estimate
I.	**Revenue Income**				
1	Sale of Water	413.69	451.60	483.68	521.63
2	Water Supply and Sewerage Tax	534.41	582.51	581.60	631.81
3	Income from Treated Water and Sewage Disposal	181.86	220.04	201.08	213.17
4	Other Income	129.37	95.26	165.07	152.99
5	Grants	360.12	381.15	329.53	506.06
	Total	**1,619.45**	**1,730.56**	**1,760.96**	**2,025.66**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 244 / 352

Sl. No.	Particulars	2024-25 Revised Estimate	2025-26 Budget Estimate	2025-26* Revised Estimate	2026-27* Budget Estimate
II.	**Revenue Expenditure**				
1	Electricity Charges (excluding desalination)	223.02	233.83	250.03	277.70
2	Water Tanker Hire Charges	74.00	74.42	69.92	69.88
3	Operation & Maintenance (excluding desalination)	546.62	489.27	598.32	669.80
4	Desalination (O&M and Electricity Charges)	373.92	499.69	345.32	495.01
5	Contingencies	21.68	0.00	3.98	0.00
6	Office and Administrative Expenses	28.53	25.67	44.31	37.60
7	Salaries and Pension	280.96	297.86	270.01	284.75
8	Interest	55.03	46.41	95.19	93.91
9	Depreciation	124.00	124.00	110.00	110.00
	Total Revenue Expenditure	**1,727.76**	**1,791.15**	**1,787.08**	**2,038.65**
	Surplus / Deficit	**-108.31**	**-60.59**	**-26.12**	**-12.99**

(*R.E 2025-26 & B.E 2026-27 yet to be approved by Board for finalization).

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 245 / 352

The details of amount payable, receivable and outstanding loan as on 01.06.2026 are given below in Table 5.7:

Table 5.7

(Rs. in crore)

Sl. No.	Particulars	Amount as on 01.06.2026
I	**Payables**	
1	Operation and Maintenance Contractors of Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB)	95.88
2	Refundable Deposits	326.52
3	Amount Payable to Contractors (Project Funds)	121.92
	Total Payables	**544.32**
II	**Receivables (Water Supply and Sewerage Tax and Charges)**	
1	Local Bodies	33.21
2	Government Departments	119.94
3	Consumers	654.80
	Total Receivables	**807.95**
III	**Outstanding Debt**	
a)	Principal Outstanding (including Government Loan of Rs.1,522 crore)	2,275.25
b)	Interest Outstanding (including Government dues of Rs.554.73 crore and TUFIDCO dues of Rs.30.54 crore)	585.27
	Total Outstanding Debt	**2,860.52**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

The Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) generates revenue from various sources, including water supply and sewerage tax, water charges, sale of treated used water, sewage disposal charges and other miscellaneous income.

The total revenue comprises Rs.631.81 crore from water supply and sewerage tax, Rs.521.63 crore from sale of water charges, Rs.213.17 crore from sale of treated used water and sewage disposal charges and Rs.153 crore from other sources of income.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

6. TAMIL NADU WATER SUPPLY AND DRAINAGE BOARD (TWAD)

Tamil Nadu Water Supply and Drainage Board (TWAD Board) is a statutory organization of the Government of Tamil Nadu established in 1971, specially for the comprehensive development, implementation and stewardship of drinking water supply and sewerage infrastructure across the rural and urban areas of the State, excluding the Chennai Metropolitan Area.

With over five decades of public service, TWAD Board occupies a central role in securing safe, adequate and dependable water supply for the people of Tamil Nadu. Its operations encompass the entire spectrum of water management, from source identification and scheme formulation to construction, water quality surveillance and sustained maintenance, underpinned by a well-structured organizational

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

framework spanning the length and breadth of the State.

As the nodal bulk water supply agency of the State, TWAD Board taps distant perennial river sources and conveys treated water to rural and urban local bodies through an expansive Combined Water Supply Schemes (CWSS). Upon commissioning, these schemes are operated and maintained by the Board, ensuring continuity of supply in both quantity and quality across all beneficiary areas.

TWAD is the State's nodal bulk water supply agency - it taps distant perennial rivers and conveys treated water through Combined Water Supply Schemes.

Notwithstanding the substantial progress achieved in expanding water supply coverage, demand continues to outpace availability in several regions of the State, necessitating the formulation and implementation of additional schemes. In parallel, TWAD Board also addresses the water requirements of industries and institutions, either through the existing CWSS

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

network or through purpose-built dedicated supply schemes.

Sustaining adequate water supply in Tamil Nadu is a major challenge, as the State predominantly relies on monsoon-dependent surface water and groundwater sources, while possessing only limited perennial river resources. Compounding this constraint, a substantial portion of the existing water supply infrastructure is ageing, giving rise to pipeline leakages, transmission losses and service disruptions that affect the reliability and regularity of supply to beneficiaries.

To address these challenges, TWAD Board is actively implementing measures to curb Non-Revenue Water (NRW) through the deployment of IoT-enabled smart water meters integrated with a Centralised Water Monitoring System. This advanced digital infrastructure, unprecedented in its scale and scope within the State, marks a

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

decisive transition towards data-driven, precision-oriented water management.

Beyond drinking water supply, TWAD Board is implementing Underground Sewerage Schemes in select urban local bodies to meet the growing sanitation demands of expanding towns. The Board is also pioneering the reuse of treated wastewater for industrial purposes, with a dedicated project currently under execution. Concurrently, long-term strategies are being developed to institutionalize treated wastewater recycling at scale, progressively reducing dependence on freshwater sources and reinforcing the commitment of the Government of Tamil Nadu to sustainable water Management.

At the field level, four Regional Offices of Chief Engineers are situated at Vellore, Thanjavur, Coimbatore and Madurai. Under these Regional Offices, 16 Circle Offices headed by Superintending Engineers, 85 Divisional Offices

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

headed by Executive Engineers and 259 Sub-Divisional Offices headed by Assistant Executive Engineers collectively oversee the planning and execution of water supply and sewerage schemes across the State.

6.1 Vision of TWAD Board

- Design and implement Combined Water Supply Schemes and Stand-alone Water Supply Schemes using modern technologies to ensure protected drinking water supply to all rural and urban areas of Tamil Nadu within the stipulated timeframe.
- Plan, implement and maintain comprehensive Underground Sewerage Schemes within the prescribed timeframe to promote public health and environmental protection in urban areas.
- Operate and maintain Combined Water Supply Schemes serving more than one local body and ensure the uninterrupted and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

systematic supply of drinking water to urban and rural local bodies.

- Install smart water meters in all Combined Water Supply Schemes (CWSS) maintained by the TWAD Board and monitor water supply through the Internet of Things (IoT), aiming to reduce Non-Revenue Water losses and ensure the supply of the prescribed quantity of drinking water to local bodies.
- Convert treated wastewater from Sewage Treatment Plants into a resource suitable for various reuse applications.
- Ensure the long-term sustainability of groundwater and surface water resources through continuous monitoring and effective protection measures.

6.2 Functions of TWAD Board

- Plan, design and effectively implement comprehensive drinking water schemes with

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

a long-term strategic vision to meet the drinking water requirements of rural and urban areas across Tamil Nadu.

- Plan, design and successfully implement modern technology-based Underground Sewerage Schemes to preserve urban sanitation and safeguard environmental quality.
- Ensure the uninterrupted operation of Combined Water Supply Schemes across the State and maintain their mechanical systems and infrastructure in optimal working condition for sustained service delivery.
- Continuously monitor and test the quality of drinking water through laboratory infrastructure to ensure supply of safe drinking water to the public.
- Undertake research towards improving water supply management and impart

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

training programmes to enhance the technical expertise and operational efficiency of the Board's personnel.

6.3 Water Supply Schemes

Water Supply Schemes are being implemented to ensure safe drinking water for rural and urban local bodies facing scarcity, utilising reliable sources such as rivers, reservoirs and dams. The details of water supplied to the beneficiaries in the Schemes maintained by TWAD Board is given in Table 6.1:

Table 6.1
Details of water supplied to TWAD Board Beneficiaries

Sl. No.	Name of the beneficiary	No. of beneficiaries	Earmarked quantity (in MLD)	Average supplied quantity (in MLD)
1	Corporations	17	464.48	410.09
2	Municipalities	75	281.16	234.04
3	Town Panchayats	331	401.55	328.70
4	Rural habitations	50,217	1,570.16	1,406.49
5	Industries / institutions / commercial organisations	617	136.63	89.53
	Total	**51,257**	**2,853.98**	**2,468.85 (86.50%)**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Water Supply norms are as follows in the table 6.2 below:

Table 6.2

Litres Per Capita Per Day (LPCD)				
Description	**Corporations**	**Municipalities**	**Town Panchayats**	**Rural Local Bodies**
Without UGSS	110	90	70	55
With UGSS	135	135	135	

District-wise Water Supply details are as follows in the Table 6.3:

Table 6.3

Sl. No	Name of the District	Quantity of Water Supplied (in MLD)
1.	Ariyalur	15.44
2.	Chengalpattu	13.88
3.	Coimbatore	385.80
4.	Cuddalore	45.39
5.	Dharmapuri	70.78
6.	Dindigul	71.61
7.	Erode	130.99
8.	Kallakurichi	8.29
9.	Kanchipuram	2.27
10.	Kanniyakumari	87.25
11.	Karur	44.44
12.	Krishnagiri	85.35
13.	Madurai	72.39
14.	Mayiladuthurai	28.83
15.	Nagapattinam	41.93

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 256 / 352

Sl. No	Name of the District	Quantity of Water Supplied (in MLD)
16.	Namakkal	93.58
17.	Nilgiris	6.77
18.	Perambalur	16.50
19.	Pudukkottai	56.93
20.	Ramanathapuram	48.40
21.	Ranipet	21.88
22.	Salem	201.09
23.	Sivagangai	52.38
24.	Tenkasi	72.72
25.	Thanjavur	65.63
26.	Theni	49.40
27.	Thoothukudi	92.14
28.	Tiruchirappalli	127.44
29.	Tirunelveli	85.07
30.	Tirupathur	45.62
31.	Tirupur	129.17
32.	Tiruvallur	6.79
33.	Tiruvannamalai	26.25
34.	Tiruvarur	13.63
35.	Vellore	73.37
36.	Villupuram	3.61
37.	Virudhunagar	75.84
	Total	**2,468.85**

6.3.1 Ongoing Water Supply Schemes

Currently, 11 water supply schemes covering 6 Municipalities, 20 Town Panchayats and 6,808 rural habitations in the districts of

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Ramanathapuram, Dindigul, Nagapattinam, Virudhunagar, Thoothukudi, Tiruvarur, Tirunelveli, Coimbatore, Perambalur, Kallakurichi and Villupuram are under implementation at an estimated cost of Rs.9,399.44 crore. These schemes are designed to supply 297.94 MLD of water and benefit a population of 49.89 lakh, with different sources of funding.

6.3.1.1 Ongoing Combined Water Supply Scheme projects

Out of the 11 schemes under implementation, 6 CWSS covering 5 Municipalities, 18 Town Panchayats and 6,753 rural habitations in the districts of Ramanathapuram, Dindigul, Nagapattinam, Virudhunagar, Thoothukudi, Tiruvarur, Tirunelveli and Coimbatore are under implementation at an estimated cost of Rs.8,920.14 crore under Jal Jeevan Mission (JJM) and Atal Mission for

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Rejuvenation and Urban Transformation (AMRUT 2.0) funding.

These schemes are designed to supply 277.12 MLD of water by providing 7,90,485 functional household tap connections (FHTCs), benefiting a population of 47.75 lakh.

The details of the schemes are given in the Table 6.4.

Table 6.4
Details of Ongoing CWSS taken up under JJM – 6 Nos.

Sl. No.	District	Name of the scheme	Estimated Cost (Rs. in crore)	Population benefitted (lakh)	FHTCs planned
1	Ramanathapuram and Dindigul	CWSS to 2 Municipalities, 5 Town Panchayats and 2306 rural habitations in 11 unions in Ramanathapuram district and Oddanchatram Municipality, 2 Town Panchayats and 1,422 rural habitations in 7 unions in Dindigul district (103.62 MLD)	4,187.84	23.93	3,19,192
2	Nagapattinam	CWSS to Nagapattinam Municipality, 4 Town Panchayats and 980 rural habitations in 6 unions in Nagapattinam district (82.73 MLD)	1,782.49	8.56	1,42,805
3	Virudhunagar and Thoothukudi	CWSS to 1,286 rural habitations in 11 unions of Virudhunagar district and 45 rural habitations in 2 unions of Thoothukudi district (36.56 MLD)	1,387.73	8.39	2,33,789
4	Tiruvarur	CWSS to 667 rural habitations in Tiruvarur,	1,127.20	4.68	43,804

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 259 / 352

Sl. No.	District	Name of the scheme	Estimated Cost (Rs. in crore)	Population benefitted (lakh)	FHTCs planned
		Nannilam, Koradachery, Kottur, Mannargudi and Thiruthuraipoondi unions in Tiruvarur district (29.40 MLD)			
5	Tirunelveli	CWSS to Kalakad Municipality and Nanguneri, Eruvadi, Moolakaraipatti, Thirukurungudi, Vadakkuvalliyur, Thisayanvilai and Panagudi Town Panchayats in Tirunelveli district (24.50 MLD)	423.13	2.14	49,417
6	Coimbatore	CWSS to PVTG habitations in Velliyangadu and Tholampalayam panchayats of Karamadai union and No.24 Veerapandi panchayat of Periyanaickenpalayam union in Coimbatore district (0.31 MLD)	11.75	0.047	1,478
		Total (277.12 MLD)	**8,920.14**	**47.75**	**7,90,485**

Under other sources of funding, 5 Water Supply Schemes serving Perambalur Municipality, 2 Town Panchayats and 55 rural habitations across Perambalur, Virudhunagar, Villupuram, Kallakurichi and Coimbatore districts are at various stages of implementation at an estimated cost of Rs.479.30 crore. Upon completion, these schemes will supply 20.82 MLD of water, benefiting a population of 2.14 lakh.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

The details of the schemes are given below in Table 6.5:

Table 6.5
Details of Ongoing CWSS Other than JJM Funds – 5 Nos.

Sl. No	Name of the Scheme	Source of Funding	Estimate Cost (Rs. in crore)	Population Benefitted (in lakh)
1	CWSS to Perambalur Municipality and SIPCOT Industrial Complex located at Eraiyur & Padalur in Perambalur District (14.18 MLD)	SUIDF / KNMT	345.78	0.82
2	CWSS to Kariapatti and Mallankinaru Town Panchayats in Virudhunagar district (3.22 MLD)	TUFIDCO/ CGF / KNMT	75.85	0.42
3	CWSS to 29 villages in Kaanai and Koliyanur Unions of Villupuram district (1.45 MLD)	RDCGF	33.76	0.41
4	CWSS to Kaduvanur and 19 other Rural Habitations in Rishivandiyam Unions in Kallakurichi District. (1.70 MLD)	RDCGF	17.99	0.36
5	CWSS to 6 new habitations in Thalakarai, kittasurampalayam, Rasakkapalayam and Anupparpalayam Panchayats of Pollachi North Union in Coimbatore District (0.27 MLD)	RDCGF	5.92	0.13
	Total (20.82 MLD)		**479.30**	**2.14**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 261 / 352

6.4 Operation and Maintenance of Combined Water Supply Schemes

Combined Water Supply Schemes serving more than one local body are operated and maintained by TWAD Board. TWAD Board currently maintains 565 combined water supply schemes, covering 17 Corporations, 75 Municipalities, 331 Town Panchayats, 50,217 rural habitations and 617 industries/institutions, supplying an average of 2,468.85 Million Litres (86.50%) of water daily against the earmarked quantity of 2853.98 MLD benefitting a population of 5.28 crore.

6.4.1 Retro fitting of Combined Water Supply Schemes (CWSS) under Jal Jeevan Mission Fund

56 Combined Water Supply Schemes were taken up for retrofitting under Jal Jeevan Mission funds at a cost of Rs.1,658.35 crore (TWAD Components – Rs.1,299.85 crore and Rural Development (RD) Components -

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Rs.358.50 crore) so as to provide 55 LPCD through Functional Household Tap Connections. Except for the retrofitting work in the Dindigul CWSS all other works have been completed.

6.4.2 Revamping of Combined Water Supply Schemes (CWSS)

The Government has accorded Administrative sanction for an amount of Rs.842.29 crore vide G.O. (Ms) No. 116, dated 26.06.2025 for revamping 116 Combined Water Supply Schemes maintained by the Tamil Nadu Water Supply and Drainage Board (TWAD Board) and for implementing one new Combined Water Supply Scheme.

Work orders have been issued for all 116 revamping schemes. Of these, works in 103 schemes have been completed and are being stabilized. The works in remaining 13 schemes are under progress.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Upon completion of all works, the water supply in these schemes will be enhanced so as to provide the designed quantity to the beneficiaries

6.5 New Combined Water Supply Schemes

As part of the State's saturation plan to provide piped drinking water to all rural habitations, 14 new Combined Water Supply Schemes (CWSS) have been proposed in two phases.

Phase I comprises of 4 new CWSS covering 2,158 rural habitations, 2 Corporations, 5 Municipalities and 28 Town Panchayats in Kanniyakumari, Pudukkottai, Dindigul, Tenkasi and Virudhunagar Districts. The Detailed Project Reports (DPRs) are being prepared and fund tie-up being worked out.

Phase II includes 10 new CWSS covering 5,709 rural habitations, 2 Municipalities and 3 Town Panchayats across 11 districts viz. Dindigul, Namakkal, Trichy, Karur,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Mayiladuthurai, Tenkasi, Thoothukudi, Erode, Tiruvallur, Tirupur and Coimbatore.

Additionally, detailed project reports for 8 Combined Water Supply Schemes covering 5 Municipalities, 3 Town Panchayats and 9,941 rural habitations in the districts of Pudukkottai, Tiruvannamalai, Villupuram, Kallakurichi, Tenkasi, Tirunelveli, Thanjavur, Thiruvarur, Karur, Namakkal and Sivagangai are under preparation.

6.5.1 Special Scheme

Hogenakkal Water Supply Scheme (Phase-3)

With a view to substantially augmenting the existing level of water supply in Dharmapuri and Krishnagiri Districts, a Detailed Project Report for the Hogenakkal Water Supply Project (Phase-3) has been prepared to supply 304.83 MLD of treated water to Hosur Corporation, Dharmapuri and Krishnagiri Municipalities, 16 Town Panchayats and 6,802 Rural Habitations in 20 Panchayat Unions in Dharmapuri and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Krishnagiri Districts, with the Cauvery River as the source. The estimated cost of this project is Rs. 8,428.50 crore.

The central share of the rural component, amounting to Rs.2,283.41 crore, has been approved in the State Level Scheme Sanctioning Committee (SLSSC) of the Jal Jeevan Mission on 15.06.2023. The other sources of funding comprise JICA loan of Rs.4,384.10 crore, Industries share (SIPCOT and TIDCO) of Rs.588.50 crore and State Government share of Rs.1,172.50 crore.

On 13.02.2026, the Under Secretary, MoHUA, recommended the project to DEA, stating that it was examined with CPHEEO and approved by the EAP Committee on 24.12.2025.

The Government of India, on 10.03.2026, communicated that the Cabinet has approved the extension of Jal Jeevan Mission 2.0 up to 2028. The Government of Tamil Nadu is actively

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

pursuing the matter with the Ministry of Jal Shakti to secure the earlier commitment of central assistance under JJM for the rural component of this project.

6.6 Underground Sewerage Schemes

6.6.1 Ongoing Underground Sewerage Schemes with State Government funding

The Underground Sewerage Scheme for Villupuram Municipality is being implemented by TWAD Board at an estimated cost of Rs.263.00 crore, with funding provided by the State Government.

Upon completion, the scheme will have the capacity to collect and treat 4.56 MLD of sewage, benefiting a population of 0.60 lakh.

The details of the scheme is given in the Table 6.6:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Table 6.6
Ongoing UGSS with State Funds

Sl. No.	Name of the Scheme	Source of Funding	Estimated Cost (Rs. in crore)	Population benefitted (in lakh)
1.	UGSS to Villupuram Municipality (added areas) in Villupuram district (4.56 MLD)	IUDM / SUIDF	263.00	0.60
	Total (4.56 MLD)		**263.00**	**0.60**

6.6.2 Ongoing Underground Sewerage schemes with Central Government funds

TWAD Board is implementing three Underground Sewerage Schemes in the Thoothukudi, Krishnagiri and Coimbatore districts under Central Government funding, at a total estimated cost of Rs.1054.73 crore. Upon completion, these schemes will collectively treat 47.98 MLD of sewage, benefiting a population of 4.28 lakh. The details of schemes are given in the Table 6.7:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 268 / 352

Table 6.7
Ongoing UGSS with Central Government funds

Sl. No.	Name of the Scheme	Source of Funding	Estimated Cost (Rs. in crore)	Population benefitted (in lakh)
1	UGSS to Thoothukudi Corporation Non Area Based Development areas in Thoothukudi District. (5.38 MLD)	AMRUT 2.0 (GOI)/ World bank	153.29	0.47
2	UGSS to Hosur Corporation in Krishnagiri District (32.65 MLD)	AMRUT 2.0 (GOI)/ KfW	582.54	2.96
3	UGSS to added areas of Vellakinar, Chinnavedampatti and Saravanampatti of Coimbatore Corporation- Zone VI (9.95 MLD)	AMRUT 2.0 (GOI)/ KfW	318.90	0.85
	Total (47.98 MLD)		**1054.73**	**4.28**

6.6.3 Ongoing Underground Sewerage Schemes with Externally Aided Funding

TWAD Board is implementing 4 Underground Sewerage Schemes in the Coimbatore, Virudhunagar, Tiruvarur and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 269 / 352

Chengalpattu Districts under externally aided funding, at a total estimated cost of Rs.1,636.66 crore. Upon completion, these schemes will have the combined capacity to treat 69.57 MLD of sewage, benefiting a population of 5.51 lakh.

The details of schemes are given in the Table 6.8:

Table 6.8
Ongoing UGSS with EAP funds

Sl. No.	Name of the scheme	Funding	Estimated Cost (Rs. in crore)	Population benefitted (in lakh)
1.	UGSS to 4 added areas (Koundampalayam, Vadavalli, Veerakeralam, Thudiyalur) in Coimbatore Corporation in Coimbatore District. (34.92 MLD)	ADB	922.16	2.40
2.	UGSS to Aruppukottai Municipality in Virudhunagar District. (13.25 MLD)	KfW & SBM 2.0	297.25	1.15
3.	UGSS to Mannargudi Municipality in Tiruvarur District. (10.05 MLD)	KfW & SBM 2.0	229.00	0.87
4.	UGSS to Chengalpattu Municipality in Chengalpattu District. (11.35 MLD)	KfW & SBM 2.0	188.25	1.09
	Total (69.57 MLD)		**1,636.66**	**5.51**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 270 / 352

6.7 PUNAL – 1916 – (Common Call Centre with Grievance Redressal)

Administrative approval accorded vide B.P. (Ms) No.19, Dated 30.04.2025 for establishing a Common Call Centre with Grievance Redressal System for resolution of water supply issues in Tamil Nadu (Excluding Chennai Corporation).

All works have been completed & inaugurated on 04.03.2026 and is now open to public use. The Grievance redressal system accessed through the following 4 ways.

1.	IVR/Toll – free Call	:	Dial 1916 (24 x 7 Service)
2.	Official Web Site	:	punal.tn.gov.in for online grievance registration and tracking
3.	Mobile Application	:	PUNAL CITIZEN APP (Available in Play store and App store)
4.	WhatsApp	:	just send "Hi" to "94999 91916" for WhatsApp chatbot based grievance registration

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

6.8 Research, Design, Training and Project Management Centre

6.8.1 Research and Design Unit

The following activities are being carried out in Research and Design Unit.

1. Pipe Policy - Guidelines for Selection of pipes

The works taken up by TWAD Board involve extensive use of pipes for the water supply as well as sewerage schemes. Hence pipe selection guidelines are being framed and reviewed once every three years based on the performance of the pipes. These guidelines help in optimum usage of pipe material in the schemes. Accordingly, the review of guidelines has been taken up this year and is to be finalised.

2. Automation of Pump set in Phased Manner

Automation of pump set operation (up to 5 HP) at sump locations has been implemented at 600 sump locations to improve efficiency and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

reduce manpower requirements. The system has reduced one Maintenance Assistant post per location and is currently under performance evaluation.

3. Solar Power Plant

TWAD Board operates and maintains 565 Combined Water Supply Schemes (CWSS) across Tamil Nadu (excluding Chennai), where electricity accounts for nearly 60% of O&M costs. To reduce energy expenditure, a 200 MW Solar Power Plant has been proposed and a consultant has been engaged to prepare a Detailed Feasibility Report (DFR) for identified sites in Coimbatore, Tirunelveli and Cuddalore districts.

4. Capacity Building – India and Denmark

- Under the cooperation between the National Jal Jeevan Mission (NJJM) and the Danish Environmental Protection Agency, experts from Denmark visited Tamil Nadu for a pilot demonstration of energy, pump and flow

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

meter audits at the Pillur Headworks and Velliangadu Water Treatment Plant of the CLRA Combined Water Supply Scheme in Coimbatore District.

- The Training for Trainers (ToT) programme for TWAD engineers was successfully completed in Trichy and Coimbatore Districts.
- Concept note activities on data management, operation & maintenance and source sustainability are in progress. In this regard, the Danish team also visited the **"Hogenakkal Water Supply and Fluorosis Mitigation Project"** and is working closely with TWAD engineers.

5. Variable Frequency Drive (VFD)

The option of using Variable Frequency Drives for pump sets to save electrical energy has been incorporated in the "Guideline for selection of pump sets for adoption in Water Supply

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 274 / 352

Schemes and Underground Sewerage Schemes implemented by TWAD Board.” The Mechanical Committee has carried out a cost savings study and submitted the proposal in the SLTC meeting held on 16.06.2025, recommending the adoption of VFD for pump sets in TWAD Board implemented schemes. The study report on energy savings was accepted and the process for including this product in the upcoming Schedule of Rates (SoR) is under progress.

6. Renewal of recognition of TWAD Board as Research Centre

The recognition of TWAD Board as a Research Centre by Anna University, Chennai has been renewed for a further period of five years up to June 2030.

7. Energy Efficiency Improvement in Pump Sets operation and Reduction of Electricity Consumption

- To enhance energy efficiency and reduce recurring electricity expenditure in

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Combined Water Supply Schemes (CWSS), TWAD Board is undertaking replacement of inefficient pump sets with energy-efficient systems. This initiative aims to optimize power consumption while ensuring reliable water supply operations.

- Administrative sanction has been accorded vide G.O. (Ms) No.87, MA&WS Department, dated 27.05.2025 for an amount of Rs.93.23 crore under a Public-Private Partnership (PPP) – ESCO (Energy Service Company) model on a shared savings basis. Under this programme, 228 low-efficiency pumpsets in 20 Combined Water Supply Schemes are proposed to be replaced with energy-efficient pumpsets.

Phase-I: Coimbatore Region:

This phase covers 11 Combined Water Supply Schemes. The field assessment work along with preliminary implementation activities is currently in progress.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Phase-II: Madurai & Thanjavur Regions:

This phase also covers 10 Combined Water Supply Schemes. The field assessment work and preparatory works are under progress.

This overall intervention is expected to, improve pump efficiency and thereby significantly reduce energy consumption and achieve long-term operational cost savings.

8. Implementation of IoT-based Centralised Water Monitoring System

- To strengthen real-time monitoring and improve operational efficiency in drinking water distribution, TWAD Board is implementing an IoT-enabled smart water management system in the combined water supply schemes under its maintenance.
- Administrative sanction has been accorded vide G.O. (Ms) No. 148, Municipal Administration and Water Supply Department dated 23.10.2024 for

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Rs.239.89 crore. The project envisages installation of 8,022 smart water meters across 97 Combined Water Supply Schemes and establishment of a Centralised Water Monitoring Centre at TWAD Board Head office.

- Work order was issued and implementation is currently in progress. The system enables real-time monitoring of flow, pressure and distribution, ensuring better control, reduced losses and improved service delivery.

6.8.2 Training and Capacity Building Activities

TWAD Board operates a nodal training centre at its Head Office and sub-training centres at Tiruchirappalli, Madurai and Coimbatore. Through these facilities, regular training and capacity-building programmes are conducted for technical and administrative staff to enhance institutional capability.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2025-26 Training Programs

I. **Orientation Training:** Orientation programmes were conducted for 113 newly recruited personnel, including 52 Assistant Engineers, 16 Junior Engineers and 45 Junior Assistants.

II. **Specialized Training:** Specialized training was provided to 202 officials, including 152 Government officials under the State's compulsory training programme, 43 Assistant Inspectors from the State Government Audit Department and 7 Consultants from SIPCOT.

III. **Upcoming Training Initiatives:** To further enhance employee skills and operational efficiency, it is proposed to conduct 10 training programmes for TWAD Board employees in the year 2026-27.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

6.9 Material Testing and Quality Control Laboratory

TWAD Board operates four Material Quality Control Laboratories at Coimbatore, Madurai, Tiruchirappalli and Tindivanam, with the Coimbatore and Madurai laboratories accredited by NABL. These laboratories test construction materials, pipes, filter media and electrical cables. During FY 2025–26, 7,082 samples were tested, generating Rs.562.61 lakh in revenue and about 7,000 samples are proposed for testing in 2026–27.

6.10 Water Quality Testing and Surveillance

TWAD Board has established a comprehensive water quality monitoring network comprising 1 State-level laboratory, 37 District laboratories, 51 Sub-district laboratories and 24 Block-level laboratories to ensure safe drinking water across Tamil Nadu. These laboratories carry out chemical and bacteriological analysis of water

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

samples, enabling timely corrective action whenever quality deviations are detected. The State Water Testing Laboratory, Chennai, is NABL accredited and recognised by the Government of India as the State Referral Institute. While 32 District laboratories have obtained NABL accreditation, 51 Sub-district and 24 Block-level laboratories have obtained NABL recognition. Accreditation for laboratories in the five newly formed districts is under progress.

During 2025–26, 9.43 lakh water samples were tested against a target of 8 lakh with funding from the Jal Jeevan Mission (JJM) and the State Government. During 2026–27, it is proposed to test water samples from all drinking water sources, in combined water supply schemes, schools, Anganwadis and Functional Household Tap Connections (FHTCs) established under Jal Jeevan Mission.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 281 / 352

6.11 Hydrogeological Activities

The Hydrogeological Wing of TWAD Board is responsible for the scientific exploration, assessment, conservation and management of groundwater resources to ensure sustainable drinking water supply. Using Remote Sensing (RS) and GIS technologies, Groundwater Prospects Atlas (HGM) maps are prepared to identify groundwater potential zones and recharge sites. During 2025–26, 400 geophysical surveys were carried out to identify suitable groundwater sources for water supply schemes.

6.11.1 Rainwater Harvesting Awareness

In addition to technical initiatives, the TWAD Board actively promotes public awareness on rainwater harvesting. Awareness campaigns and rallies are organized across all districts, supported by LED display vans that travel throughout Tamil Nadu to engage schools, colleges and public spaces. Pamphlets highlighting

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

the importance of rainwater harvesting are also distributed, with a major outreach effort conducted in October 2025.

6.11.2 Proposed GIS Activities for 2026-27

It has been proposed to initiate a transformative project titled "Assets, Utility Mapping and Web Application with Dashboards Using Geo-Spatial Techniques in TWAD Board schemes."

This project aims to integrate advanced geospatial technologies into TWAD's operations, thereby enhancing the management of water supply systems throughout Tamil Nadu. By establishing a comprehensive GIS platform, TWAD Board will streamline the monitoring, management and maintenance of its assets, ensuring effective service delivery.

The GIS platform with database, web application (also mobile supported), dash board

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

will be created using Differential Global Positioning System (DGPS) technology.

6.11.3 Ground water level measurement carried out by TWAD Board

District-wise groundwater levels are monitored on a biannual basis during the Post-Monsoon (January) and Pre-Monsoon (May) seasons through a network of 1,286 TWAD Board observation wells.

The district-wise average ground water level in meters during May 2025 and January 2026 (pre monsoon and post monsoon) is given in the Table 6.9:

Table 6.9
Ground water level in pre-monsoon and post monsoon

Name of the District	No. of Observation Wells	Groundwater level (m) May -2025	Groundwater level (m) Jan-2026	Ground water level(m) Rise(+)/ Fall (-)
Ariyalur	27	28.20	26.50	+1.70
Chengalpattu	29	7.10	4.43	+2.67
Coimbatore	38	10.80	9.30	+1.50
Cuddalore	42	22.60	15.70	+6.90
Dharmapuri	37	7.90	5.80	+2.10
Dindigul	51	10.70	9.45	+1.25
Erode	42	11.90	8.12	+3.78

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Name of the District	No. of Observation Wells	Groundwater level (m) May -2025	Groundwater level (m) Jan-2026	Ground water level(m) Rise(+)/ Fall (-)
Kallakurichi	42	10.20	4.74	+5.46
Kancheepuram	17	7.60	6.19	+1.41
Kanniyakumari	16	6.70	4.43	+2.27
Karur	34	13.90	7.78	+6.12
Krishnagiri	44	6.20	5.88	+0.32
Madurai	31	5.40	4.93	+0.47
Mayiladuthurai	13	8.10	5.77	+2.33
Nagapattinam	13	2.80	1.47	+1.33
Namakkal	37	11.80	6.55	+5.25
Perambalur	16	9.00	4.86	+4.14
Pudukkottai	24	14.20	13.06	+1.14
Ramanathapuram	91	6.00	4.61	+1.39
Ranipet	20	5.10	3.80	+1.30
Salem	41	7.20	6.36	+0.84
Sivagangai	79	8.10	6.17	+1.93
Tenkasi	27	5.00	3.49	+1.51
Thanjavur	35	19.20	9.73	+9.47
Theni	20	9.30	8.90	+0.40
Thoothukudi	49	4.40	3.20	+1.20
Tirunelvelli	36	6.80	4.06	+2.74
Thirupathur	17	8.40	4.83	+3.57
Tirupur	39	7.90	7.80	+0.10
Tiruvannamalai	58	5.50	4.60	+0.90
Tiruvarur	19	10.10	4.60	+5.50
Tiruvallur	35	6.80	6.60	+0.20
Trichy	45	17.50	14.20	+3.30
Vellore	15	4.90	4.23	+0.67
Villupuram	47	9.20	6.03	+3.17
Virudhunagar	60	4.40	3.90	+0.50
Total / States Average	**1,286**	**9.47**	**7.00**	**+2.47**

6.12 Electronic Data Processing Wing

TWAD Board introduced its integrated TWADNEST 1.0 e-Governance platform in 2006

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

for financial, HR, payroll, pension and water billing functions and is upgrading it to TWADNEST 2.0, scheduled for implementation in August 2026. In line with the Government's Business Reform Action Plan (BRAP) and Ease of Doing Business (EoDB) initiatives, an online water supply connection portal integrated with the Guidance Single Window Portal has been developed. The Board has also implemented a Project Monitoring Software to monitor schemes from announcement to maintenance, improving transparency and project management.

6.13 Financial Position

The total revenue expenditure as per the Annual Accounts for the year 2025-26 up to 31.03.2026 (Tentative) is Rs.2,200.32 crore whereas the total income is Rs.2,098.12 crore.

The details of income, expenditure, Deficit and cumulative deficit for the year 2025-26

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

(Tentative as on 31-03-2026) are given in Table 6.10:

Table 6.10
Revenue and Expenditure statement

(Rs.in Crore)

Sl. No.	Particulars	FY 2025-26 as on 31.03.2026 (Tentative)
I	**Revenue Income**	
1.	Centage Charges	330.53
2.	Water Charges	1,374.59
3.	Other income (including Investigation Charges)	183.50
4.	Grants	209.50
	Income – Total	**2,098.12**
II	**Revenue Expenditure**	
1.	Salary	116.13
2.	Pension and Retirement Benefits	485.40
3.	Maintenance of CWSSs	1,557.32
4.	Other expenditure	41.47
	Expenditure – Total	**2,200.32**
	Deficit(-)/Surplus(+)	**-102.20**
	Cumulative Deficit	**2,814.66**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

6.14 Key Initiatives of TWAD Board

PUNAL 1916 (Centralised Grievance Redressal Call Centre) TWAD Board has established a Centralised Grievance Redressal Call Centre "PUNAL- 1916" at its Headquarters to address water supply complaints from citizens across Tamil Nadu. This enables citizens across Tamil Nadu (excluding Chennai Corporation) to register and track water-supply complaints through a centralised grievance redressal system.

IoT-Based Centralised Water Monitoring System : To improve water distribution monitoring and reduce non-revenue water losses, TWAD Board is implementing an IoT-based Smart Water Management System in 97 Combined Water Supply Schemes. The project involves installation of 8,022 smart bulk water meters connected to a Centralised Monitoring Centre for real-time tracking of water supply parameters.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

TWADNEST 2.0 – Integrated e-Governance Portal : TWADNEST 2.0 is an upgraded e-Governance platform integrating G2B, G2G and G2C services, including contractor payments, employee and pension services, scheme monitoring and water supply management. The portal is designed to enhance efficiency, transparency and service delivery across the organization.

Hogenakkal Water Supply and Fluorosis Mitigation Project – A Mission Mode Flagship Scheme : The Hogenakkal Water Supply and Fluorosis Mitigation Project phase-I was commissioned during 2013 and provides safe drinking water to the fluoride-affected districts of Dharmapuri and Krishnagiri. Hogenakkal CWSS Phase III, project is proposed at an estimated cost of Rs.8,428.50 crore, under JJM and JICA funding to supply 304.83 MLD of treated water and benefit 38.82 lakh people in the two districts.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 289 / 352

6.15 Jal Jeevan Mission

The Jal Jeevan Mission (JJM) aims to provide Functional Household Tap Connections (FHTCs) to every rural household with 55 LPCD of potable water on a regular basis through sustainable sources.

In order to achieve its objective, new single village and multi village water supply schemes are being implemented. Besides, retrofitting of existing water supply schemes to improve the level of supply is also carried out.

JJM is jointly implemented by Tamil Nadu Water Supply and Drainage Board and Rural Development and Panchayat Raj Department.

6.15.1 State Nodal Department and State Nodal Officer

- The Municipal Administration and Water Supply Department is the Nodal Department for JJM in Tamil Nadu.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- The Additional Chief Secretary to Government, Municipal Administration and Water Supply Department, serves as the State Nodal Officer.
- The Managing Director, Tamil Nadu Water Supply and Drainage Board, acts as the State Mission Director for JJM.
- A State Project Management Unit (SPMU) has been established to assist the Mission Director in implementing JJM activities.

6.15.2 Committees for Implementation

- **Apex Committee:** Chaired by the Chief Secretary to Government. (As per JJM 2.0 SLSSC merged with Apex)
- **Executive Committee:** Chaired by the Mission Director, JJM.

(Constituted vide G.O. (Ms) No.33, Municipal Administration and Water Supply (WS.1) Department, dated 15.02.2022)

- **JJM** governance: an Apex Committee under the Chief Secretary (the **SLSSC** merged into it under **JJM** 2.0) and an Executive Committee under the Mission Director.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

6.15.3 Finance

- Under JJM, the Government of India and the State Government each provide 50% funding for the implementation of piped water supply connections in rural households.
- For support activities and water quality monitoring and surveillance, the Government of India contributes 60% and the State Government contributes 40% of the required funds.

6.15.4 Community Contribution

- To encourage public participation, 10% of the capital cost is collected in other village panchayats in cash/kind/manpower as a community contribution.
- 5% of the capital cost of the in-village component is collected from the public in hilly/forest areas and SC/ST habitations.

- **JJM** is funded 50:50 by the Union and the State. **MAWS** is the nodal department, its Additional Chief Secretary the State Nodal Officer and **TWAD**'s Managing Director the State Mission Director.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

6.15.5 Details of Works Taken Up

- The Government of Tamil Nadu envisions to connect every village in the state with a combined water supply scheme (CWSS) based on the sustainable river sources.
- Approval has been accorded to take up 45 new combined water supply schemes, 56 retrofitting of combined water supply schemes & single village schemes where local sources are sustainable, at a cost of Rs.18,579.69 crore. So far, 41 new combined water supply schemes, 55 retrofitting combined water supply schemes have been completed and balance schemes are under implementation.
- Further, the rural cost of the Hogenakkal Phase – 3 water supply scheme to Dharmapuri and Krishnagiri Districts was proposed with JJM funding and was approved in the State Level Scheme Sanctioning Committee of the Ministry of Jal

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Shakti on 15.06.2023 at a total cost of Rs.8,428.50 crore, with GoI JJM share of Rs.2,283.40 crore.

6.15.6 Present Status of Jal Jeevan Mission

Out of 125.25 lakh households in the rural areas of Tamil Nadu, so far 112.59 lakh (89.89 %) households have been provided with functional household tap connections (FHTCs).

6.15.7 100% Coverage (Har Ghar Jal) Districts and Villages

Fifteen (15) districts— Ariyalur, Coimbatore, Cuddalore, Kanchipuram, Kanniyakumari, Mayiladuthurai, Namakkal, Nilgiris, Ranipet, Theni, Thanjavur, Tirupathur, Tiruvallur, Vellore and Villupuram — and 8,764 Village Panchayats have achieved 100% coverage of Functional Household Tap Connections (FHTCs) under Har Ghar Jal.

6.15.8 Geo-Tagging of Water Supply Schemes

In Tamil Nadu, out of 27,540 water sources of JJM schemes, the geo information of

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

26,956 sources have been tagged in the JJM Field User Application by the field Engineers for effective monitoring of water supply schemes. Further, the geo information of 25,441 scheme information boards have been tagged. In PM Gati Shakti portal, out of 101 Schemes, so far 99 Multi Village Schemes have been uploaded.

6.15.9 Extension of Mission Period

The Government of India has extended the Jal Jeevan Mission (JJM) up to December 2028 under JJM 2.0, with an enhanced outlay of Rs.8.69 lakh crore, reaffirming its commitment to achieving universal rural drinking water coverage, including Tamil Nadu.

6.15.10 Fund allocation under JJM 2.0

The Government of India has allocated to the state of Tamil Nadu an amount of Rs.2,160.83 crore, as central allocation for the financial year 2026-27.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 295 / 352

7. TAMIL NADU URBAN INFRASTRUCTURE FINANCIAL SERVICES LIMITED (TNUIFSL)

Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL) is a Public Limited Company and was established in November 1996, by the Government of Tamil Nadu with private sector participation from ICICI Bank Limited (ICICI), HDFC Bank Limited (HDFC) and IL and FS Financial Services Limited (IL and FS).The authorized capital of the company is Rs.2.00 crore and the paid-up share capital is Rs.1.00 crore, of which a sum of Rs.49.00 lakh is contributed by the Government of Tamil Nadu. The company has been operating on profit since its establishment and dividends are declared and paid regularly.

TNUIFSL manages Tamil Nadu Urban Development Fund, Water and Sanitation Pooled Fund and various other Government Grant Funds. It provides a spectrum of solutions towards the development of urban infrastructure, right from

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

concept to commissioning of the projects. The main tasks of the company include project development, project appraisal, project structuring, resource mobilization and fund management.

7.1 Tamil Nadu Urban Development Fund (TNUDF)

The Government of Tamil Nadu in November 1996 established Tamil Nadu Urban Development, as a Trust with private sector participation from ICICI, HDFC and IL and FS.

TNUDF functions as a sustainable financial intermediary that enhances the flow of private capital to urban sector in the State of Tamil Nadu. TNUDF facilitates Urban Local Bodies to become capable and sustainable organizations, sensitive to stakeholders in providing highest quality of urban services.

TNUDF has a mission "to contribute to the improvement in urban quality of life in Tamil Nadu

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

by facilitating efficient urban infrastructure asset creation and provision of urban services through innovative project development, independent appraisal and sustainable financing".

7.1.1 Objectives of TNUDF

The objectives of TNUDF are as follows:

- Finance urban infrastructure projects, which improve the living standards of the urban population.
- Facilitate private sector participation in infrastructure through joint ventures and public–private partnerships.
- Improve the financial management of urban local bodies and enable them to access debt finance from markets.
- The financial assistance to Urban Local Bodies for implementation of basic service projects such as roads, bridges, storm water drains, sewerage and sanitation, water supply, solid

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

waste management and commercially viable remunerative projects, such as bus stands and market complexes is provided by TNUDF.

TNUDF is managed by a corporate trustee viz., Tamil Nadu Urban Infrastructure Trustee Company Limited (TNUITCL) and is operated by a Fund Manager viz., the Tamil Nadu Urban Infrastructure Financial Services Limited.

The total corpus of the Fund is Rs.199.60 crore, of which a sum of Rs.142.91 crore has been contributed by Government of Tamil Nadu and a sum of Rs.56.69 crore has been contributed by ICICI, HDFC and IL and FS.

7.2 Externally Aided Projects - Ongoing

The following four external lines of credit are operated by Tamil Nadu Urban Infrastructure Financial Services Limited:

- Tamil Nadu Urban Flagship Investment Program (TNUFIP) assisted by Asian

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Development Bank in three Phases (viz, Phase-I, Phase-II and Phase-III)

- Municipal Infrastructure Development in Tamil Nadu (MID-TN) Grant Program assisted by KfW (German Development Bank)
- Sustainable Municipal Infrastructure Financing in Tamil Nadu-Phase-III (SMIF-TN-III) Program and SMIF-TN-III-Part-2 Program assisted by KfW and
- Tamil Nadu Climate Resilient Urban Development Program (TNCRUDP) assisted by World Bank.

The Funds totaling Rs.18,433.37 crore are available under the above programs with external assistance of Rs.11,827.62 crore. The details are furnished in Table 7.1 below:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 300 / 352

Table 7.1
Size of External Lines of Credit

(Rs. in crore)

Sl. No.	Components	TNUFIP			MID-TN-Grant	SMIF-TN-III	SMIF-TN-III – Part-2	TNCRUDP	Total
		Phase -I	Phase -II	Phase -III					
1	Loan to ULBs	356.43	487.01	294.45	0.00	2,132.75	523.80	637.98	4,432.42
2	Capital Grants to ULBs	774.60	834.10	634.57	190.85	2,132.75	523.80	1,004.88	6,095.55
3	Technical Assistance Grant / performance-based incentive / fees	179.83	120.89	25.98	10.04	68.25	47.14	847.52	1,299.65
	Total external assistance	**1,310.86**	**1,442.00**	**955.00**	**200.89**	**4,333.75**	**1,094.74**	**2,490.38**	**11,827.62**
4	Government and ULB Contribution	2,007.44	2,709.00	523.34	17.70	0.00	0.00	1,348.27	6,605.75
	Total	**3,318.30**	**4,151.00**	**1,478.34**	**218.59**	**4,333.75**	**1,094.74**	**3,838.65**	**18,433.37**

7.3 Externally Aided Projects – To be planned

Tamil Nadu has been experiencing a lot of challenges due to rapid urbanization particularly with the rising demand for urban infrastructure under various sectors including climate change impacts. With a view to fulfilling the aspirations of the citizens, the Government has proposed to execute a mission mode programme namely Chief Minister's Integrated Urban Development Mission

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 301 / 352

(CMIUDM) in the next five years. There are eleven Sub-Missions identified under the CMIUDM covering all the urban area to ensure planned, sustainable and climate resilient urban development in an integrated manner. It is estimated that an amount of about Rs.1.50 lakh crore is required to achieve the mission, of which about Rs.18,000 crore is proposed to be mobilized through external borrowings from World Bank, Asian Development Bank and KfW by TNUIFSL through various options as follows:

- Utilization of amount available if any, due to exchange rate variations under the ongoing EAPs.
- Additional Financing under the ongoing EAPs.
- New line of credits from various External Funding Agencies.
- Raising funds from capital market through Municipal bonds.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

7.4 Water and Sanitation Pooled Fund (WSPF)

The Government of Tamil Nadu has created WSPF as a Trust to cater to civic infrastructure needs like water and sanitation in small and medium towns by raising resources from capital markets. This Trust has been created as a not-for-profit entity.

The objectives of WSPF are:

- To provide financial assistance for setting up infrastructure projects,
- To mobilize resources from the capital market under pooled finance structure,
- To facilitate the participation of private sector in water and used water sectors through direct investment and public private partnership,
- To enable urban local bodies to access debt finance from markets and
- To act as the Nodal Agency on behalf of Union and / or State Government for water,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

sanitation and / or any other infrastructure projects.

A sum of Rs.302.30 crore has been mobilized through taxable bonds and tax-free bonds by WSPF. Of the above, bonds of Rs.266.30 crore have been redeemed.

A sum of Rs.624.04 crore has been availed as loan from Housing and Urban Development Corporation Limited (HUDCO) for on-lending to Urban Local Bodies for implementing Vellore Combined Water Supply Improvement Scheme, Aruppukottai Combined Water Supply Improvement Scheme, Tindivanam Underground Sewerage Scheme and Villupuram Underground Sewerage Scheme, of which a sum of Rs.230.03 crore has been repaid to HUDCO.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

8. CHENNAI RIVERS RESTORATION TRUST (CRRT)

The Government of Tamil Nadu envisions providing clean, green and sustainable healthy environment for all in urban areas. To achieve this vision, the Chennai Rivers Restoration Trust (CRRT) has been set up by the Government to enhance the ecological conditions of rivers, waterbodies, creek and estuarine eco-system and directed to carry out the functions of planning, coordinating and monitoring the activities of restoration of rivers and waterbodies viz., Cooum, Adyar & Kosasthalaiyar Rivers, Buckingham Canal along with other canals, drains, estuaries and creeks in Chennai Metropolitan Area.

In this direction, the Chennai Rivers Restoration Trust as a Nodal Agency is undertaking various restoration initiatives to improve the ecology of waterways and Waterbodies with the line departments.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

8.1 ONGOING ECO-RESTORATION PROJECTS

The Government of Tamil Nadu had accorded administrative sanction of Rs.735.08 crore for the implementation of Integrated Cooum River Eco-Restoration Project (ICRERP) for the stretch from Paruthipattu check dam to the Cooum river mouth in the Bay of Bengal for a length of 32 km. The major restoration components of the project are river channel improvement, interception and diversion of wastewater, solid waste removal, rehabilitation & resettlement, plantation and riverfront development. So far, Rs.613.29 crore has been disbursed to implementing agencies based on the work progress. All restoration works has been completed except Resettlement and Rehabilitation of remaining 773 Project Affected Families located along the Cooum River at 7 locations. CRRT will take steps to resettle and rehabilitate affected

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

families in co-ordination with TNUHDB, GCC and DMA.

The ecological restoration of Adyar River from its origin at Adhanur lake to the river mouth for a distance of 42 km was initiated by the Government through administrative sanction of Rs.744.60 crore. The major restoration works being implemented are sewage management, solid waste removal, river channel improvement, rehabilitation & resettlement for project affected families, plantation and riverfront development. Most of the works have been completed by Line Departments concerned except one work being undertaken by CMWSSB, Resettlement and Rehabilitation of remaining 3,236 Project Affected Families at 7 locations. So far, Rs.571.66 crore has been disbursed to implementing agencies based on the work progress. CRRT will take steps to resettle and rehabilitate project affected families in co-ordination with TNUHDB, GCC and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Director of Municipal Administration. Further, a project for undertaking the restoration of Adyar river on Hybrid Annuity Model (HAM) was sanctioned in 14.03.2024, but could not take-off due to contractual issues.

CRRT is maintaining an ecological park (Tholkappia Poonga) in the heart of the city. Tholkappia Poonga is functioning as a Centre for Environmental Education and Research for the last 15 years. Regular environmental education programs are being conducted for the school students, Eco Tour and Guided Tour are conducted for the public.

As per the guidelines of Tamil Nadu Government, CRRT have undertaken Eco-Restoration of Ennore Creek. The Habitat Restoration (Plantation) works in the creek are completed by the Tamil Nadu Forest Department which includes 200 Hectares of *Prosopis juliflora* removal and planting of mangrove plants.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

1,60,000 Mangrove plants, 2,00,000 Mangrove associates' plants and an additional 1,00,000 number of shrubs, creepers have been procured and planted. These works are being monitored by Chennai Rivers Restoration Trust.

CRRT have also funded and executed the development of Semmozhi Poonga (Garden of Classical Tamil) in Coimbatore, in 45 acres of vacant land adjacent to the Coimbatore Central Prison in association with Coimbatore City Municipal Corporation. This project was executed by Coimbatore City Municipal Corporation (CCMC) and is now maintained by CCMC.

8.2 CHENNAI RIVERS TRANSFORMATION COMPANY LIMITED

8.2.1 Special Purpose Vehicle

"Chennai Rivers Transformation Company Limited (CRTCL)" is a Special Purpose Vehicle (SPV) established by the Government of Tamil Nadu (GoTN) to implement

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

comprehensive river restoration and urban regeneration initiatives for the waterways of Chennai. The River basins of Chennai are linked with the Cooum, Adyar, Kosasthalaiyar, Palar basins and Buckingham Canal, supporting irrigation, water supply and flood conveyance.

CRTCL aims to transform the city's river systems into sustainable, climate-resilient and socially inclusive urban assets.

8.2.2 Proposed Adyar and Cooum River restoration Projects

The Government of Tamil Nadu led by the vision of the Honorable Chief Minister will strive with utmost resolve to restore the Cooum and the Adyar rivers to their natural state. Rivers such as the Cheonggyecheon in Seoul of South Korea and the Kallang in Singapore have, through river rejuvenation, become identities spoken of the world over. On similar lines, Global tenders will be invited and a Detailed Project Report will be

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

prepared to transform the Cooum and the Adyar into the very identity of Chennai.

River Adyar, originates from Guduvancheri (Chengalpattu District) and flows 43.4 km through Tambaram, Thiruneermalai, Manapakkam, Saidapet, Kotturpuram and Adyar before joining the Bay of Bengal. Similarly, River Cooum Originates from Cooum Tank (Tiruvallur), flows 65 km (including 20 km within Chennai) to the Bay of Bengal.

The proposed Adyar and Cooum restoration projects envisage an integrated river restoration and urban transformation programme comprising, inter alia:

- Interception, diversion and management of wastewater entering the river.
- Water quality improvement measures.
- River ecosystem restoration and biodiversity enhancement.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- Riverbank stabilization and environmental improvements.
- Flood mitigation and climate resilience interventions.
- Creation of public open spaces and riverfront amenities.
- Urban landscape enhancement and public realm development.
- Integration of sustainable mobility and recreational infrastructure.
- Institutional strengthening and long-term river management systems.

As the preparation of a DPR will require multidisciplinary expertise covering hydrology, hydraulics, wastewater management, river and canal engineering, environmental restoration, biodiversity enhancement, flood resilience, social safeguards, climate adaptation, financial modelling, economic analysis, implementation of planning and institutional arrangements, selection

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

of the consultant is proposed to be undertaken through a transparent and competitive process based on a carefully designed Request for Proposal (RFP) supported by comprehensive Terms of Reference (ToR).

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

9. TAMIL NADU URBAN FINANCE AND INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED (TUFIDCO)

Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) was incorporated under the Companies Act in the year 1990 to address the infrastructure development requirements of Urban Local Bodies across the State. The Government of Tamil Nadu has designated TUFIDCO as the State Level Nodal Agency for implementation of the Government of India and Government of Tamil Nadu flagship programme.

Fund Manager

The Government of Tamil Nadu has also appointed TUFIDCO as the Fund Manager and Nodal Agency for the following schemes:

1. Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) – Revolving Fund

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

2. State Urban Infrastructure Development Fund (SUIDF)

9.1 Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

AMRUT was launched by the Government of India on 25th June 2015 to strengthen urban infrastructure and improve basic civic services. The Mission focused on water supply, sewerage and septage management, storm water drainage, sustainable urban transport development of parks and green spaces. In Tamil Nadu, 28 Urban Local Bodies with populations above one lakh was covered under the Mission. The scheme concluded on 31st December 2025. A total of 445 projects costing Rs.11,441.41 crore was sanctioned, of which 444 projects worth Rs.11,059.55 crore have been completed, while one project costing Rs.381.86 crore is under implementation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

9.2 Atal Mission for Rejuvenation and Urban Transformation 2.0 (AMRUT 2.0)

Government of India launched the "Atal Mission for Rejuvenation and Urban Transformation 2.0 (AMRUT 2.0)" on 01.10.2021. The Mission envisages making all Urban Local Bodies, including 25 Corporations, 146 Municipalities and 479 Town Panchayats in Tamil Nadu, water secure and self-reliant.

The Mission primarily focuses on universal coverage of piped drinking water supply in all households and improvement of sewerage and sanitation facilities in AMRUT cities. Further, the Mission also envisages rejuvenation of water bodies, including urban wetlands and development of green spaces.

9.2.1 Funding Pattern for Projects

The funding pattern for implementation of projects under AMRUT 2.0 among the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Government of India, State Government and Urban Local Bodies is as follows:

Table 9.1
Funding Pattern of AMRUT 2.0

Sl. No.	Population Category	Government of India Share	State Government Share	ULB Share
1	Cities with population above 10 lakh	25%	30%	45%
2	Cities with population between 1 lakh and 10 lakh	33%	30%	37%
3	Towns having population below 1 lakh	50%	30%	20%

The Government of India has allocated Rs.4,942 crore to Tamil Nadu under AMRUT 2.0. Under the Mission, 1,263 projects amounting to Rs.14,078.58 crore have been sanctioned in three tranches, as detailed below :

Table 9.2
Approved projects under AMRUT 2.0

(Rs. in crore)

Sl. No.	Sector	Nos.	Approved Project Cost
1	Water Supply	206	7,667.40
2	Underground Sewerage Scheme	29	5,980.28
3	Water Bodies Improvement	467	269.25
4	Green Space Development	561	161.65
Total		**1,263**	**14,078.58**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Out of 1,263 sanctioned projects, 1,108 projects amounting to Rs.2,520.44 crore have been completed. Further, 155 projects costing Rs.11,558.14 crore are under various stages of implementation.

9.3 Urban Challenge Fund (UCF)

The Government of India launched "Urban Challenge Fund" (UCF) on 15th April 2026 to accelerate sustainable and economically productive urban infrastructure. The fund aims to promote planned urbanisation by encouraging States and Urban Local Bodies (ULBs) to undertake high-impact projects through a combination of Central assistance, State support, market borrowings and Public-Private Partnerships (PPP).

Funding Pattern

The Urban Challenge Fund is designed as a catalytic financing mechanism, with the following funding structure:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- **25%** – Central Assistance (Urban Challenge Fund)
- **50% or more** – Market Borrowings / PPP / Private Investment
- **25%** – State Government / Urban Local Body Contribution

The programme will be implemented from FY 2025-26 to FY 2030-31, with a provision for extension up to FY 2033-34, if required.

Tamil Nadu Allocation

Tamil Nadu has been accorded an in-principle allocation of Rs.7,500 crore under the Urban Challenge Fund. This allocation is expected to leverage nearly Rs.30,000 crore of investments in urban infrastructure through convergence with institutional finance and private sector participation.

Focus Areas

The Urban Challenge Fund supports projects that enhance the economic competitiveness and livability of cities, including:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- Water Supply and Sewerage Infrastructure
- Storm Water Drainage
- Urban Mobility and Transport
- Rejuvenation of Water Bodies
- Solid Waste Management
- Climate-Resilient and Green Infrastructure
- Smart Urban Infrastructure
- Revenue-generating and PPP-based urban infrastructure projects

Implementation in Tamil Nadu

The Government of Tamil Nadu has designated Tamil Nadu Urban Finance and Infrastructure Development Corporation Ltd. (TUFIDCO) as the State Level Nodal Agency (SLNA) for the implementation of the Urban Challenge Fund programme .

This fund mobilises large-scale urban investment, strengthens Urban Local Body finances and promotes Municipal bonds and

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

public-private partnerships. Greater Chennai Corporation, Chennai Metropolitan Water Supply and Sewerage Board, Tamil Nadu Water Supply and Drainage Board and all Urban Local Bodies under Directorate of Municipal Administration and Directorate of Town Panchayats will implement projects to enhance service delivery, climate resilience and sustainability, creating economically vibrant, inclusive and future-ready cities across Tamil Nadu.

9.4 State Urban Development Schemes

The Government of Tamil Nadu has driven urban development through three state schemes during 2021–2026. Under Kalaignar Nagarpura Mempattu Thittam (KNMT), Rs.5,300 crore was allocated, with 10,514 projects sanctioned at Rs.5,275 crore, of which 7,465 works (Rs.3,246.87 crore) have been completed and 3,049 works (Rs.2,028.13 crore) are under implementation.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Singara Chennai 2.0, with an annual allocation of Rs.500 crore, sanctioned 1,387 projects at Rs.2,487.50 crore, achieving completion of 1,168 works (Rs.1,573.97 crore) while 219 works (Rs.913.53 crore) remain underway.

Under Nagarpura Salaigal Mempattu Thittam (NSMT), Rs.2,200 crore was sanctioned for road restoration, covering 28,667 roads (5,282 km) across Corporations, Municipalities and Town Panchayats, with an impressive 99% completion rate, ensuring safer transportation and enhanced urban mobility across the State.

9.5 Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) – Revolving Fund

TUFIDCO established a Revolving Fund under UIDSSMT guidelines to support Urban Local Bodies in completing internal plumbing works for

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Underground Sewerage Schemes (UGSS) and Water Supply Schemes. Interest-free loans were provided to 99 Urban Local Bodies. A total of Rs.362.80 crore was sanctioned, with Rs.169.58 crore allocated to 73 Municipalities and Corporations for water supply projects and Rs.193.22 crore to 26 Urban Local Bodies for Underground Sewerage Scheme works. Projects are at various implementation stages. This initiative has significantly eased the financial burden on Urban Local Bodies, enabling timely completion of House Service Connections, ensuring reliable water supply and effective sewerage services for citizens across the State.

9.6 State Urban Infrastructure Development Fund (SUIDF)

TUFIDCO established a revolving fund under the erstwhile Mega City Programme, initially named the Metropolitan Infrastructure Development Fund (MIDF) with a corpus of

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 323 / 352

Rs.3,000 crore, subsequently renamed as the State Urban Infrastructure Development Fund (SUIDF) to streamline financial support to Urban Local Bodies. SUIDF provides soft loans to ULBs for bridging infrastructure gaps. Under the scheme, 36 projects have been sanctioned at an aggregate cost of Rs.4,888.12 crore, spanning water supply, underground sewerage, street lighting, bus terminals, storm water drains and integrated infrastructure development.

This scheme to enable Urban Local Bodies across Tamil Nadu to execute large-scale urban development projects through sustainable financial support, ensuring world-class infrastructure, enhanced quality of life and inclusive growth for all citizens.

9.7 TUFIDCO Infrastructure Funding Scheme (TIFS)

The TUFIDCO Infrastructure Funding Scheme (TIFS) was formulated to support

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

infrastructure project implementation by Urban Local Bodies and parastatal agencies across Tamil Nadu. The scheme is funded through shares, reserves, surplus funds and borrowings from banks, with TUFIDCO predominantly mobilizing resources through institutional borrowings. At present, the repayment tenure for TIFS loans is ten years. This initiative enables ULBs and agencies to execute critical urban infrastructure projects, ensuring sustainable urban development and improved service delivery for citizens.

The TIFS scheme empowers Urban Local Bodies and parastatal agencies to build resilient, sustainable and future-ready urban infrastructure across Tamil Nadu through accessible and affordable long-term financing.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 325 / 352

10. NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED (NTADCL)

10.1 Formation of NTADCL

The first Public Private Partnership project in the country was proposed in Tirupur for providing drinking Water Supply and Sewerage treatment facilities to Tirupur City Municipal Corporation (TCMC), adjacent areas and industries by forming a Special Purpose Vehicle (SPV), New Tirupur Area Development Corporation Limited (NTADCL) in the year 1995. This SPV was formed by entering into a Memorandum of Understanding between Government of Tamil Nadu through Tamil Nadu Corporation for Industrial Infrastructure Development Limited (TACID), Tirupur Exporters Association (TEA) and Infrastructure Leasing & Financial Services Limited (IL&FS) on 25.08.1994. A Concession Agreement was executed between Government of Tamil Nadu, TCMC and NTADCL in the year 2000.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

10.1.1 Project Cost and Financing Pattern

The project was commenced in July 2005 with an estimated cost of Rs.1,023 crore. The financial structure comprising of Rs.700.30 crore as bank loan and Rs.322.70 crore as equity contribution.

Within the equity component, Rs.10 crore was contributed by the Government of India through the Tamil Nadu Corporation for Industrial Infrastructure Development Limited (TACID). Further, Rs.105.00 crore was routed through the Tamil Nadu Water Investment Company Limited (TWICL), a Special Purpose Company which was formed by the Government of Tamil Nadu and IL&FS. In that, Government of Tamil Nadu contributed Rs.55 crore and IL&FS shared Rs.50 crore.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 327 / 352

10.1.2 Distinctive Features of the Scheme

A combined Water Supply and Sewerage Project for a Municipal area was implemented for the first time in the Public–Private Partnership (PPP) project in India. The water supply project was designed to provide 185 MLD of water supply capacity (expandable to 250 MLD) to meet the water requirements of domestic and non-domestic users (textile and allied industries) in and around Tirupur, along with 15 MLD sewage treatment capacity (expandable to 30 MLD) for Tirupur Corporation. Apart from this, Low-Cost Sanitation facilities through 31 sanitary complexes have also been provided for the urban poor.

10.1.3 Water Quality and Technical Standards

The quality of water supplied by NTADCL are regularly tested in an In-house laboratory accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL) for its

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 328 / 352

standard. The company also maintains an In-house meter testing facilities approved by the Fluid Control Research Institute (FCRI), Palakkad, Kerala, under the Ministry of Heavy Industries, Government of India, to ensure accuracy in measurement and billing.

10.1.4 Operational Model and Key Challenges

The water supply system operates on a cross-subsidisation model, wherein revenue generated from industrial water supply is used for domestic water supply at subsidized rate. However, due to Zero Liquid Discharge (ZLD) order issued by the Hon'ble High Court of Madras in 2011, the revenue of the Company was affected very badly as industrial water demand fell below the projected level.

10.1.5 Financial Restructuring and Government Support

To address the financial stress, a Corporate Debt Restructuring package was implemented

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

during FY 2011–12, under which interest rates on loans were reduced and a portion of the debt was converted into equity. The Government of Tamil Nadu also substantially infused to the tune of Rs.150 crore as equity share capital and enhanced water supply commitments to TCMC and wayside villages.

10.2 Current status of Water supply and Sewage Treatment

10.2.1 Domestic Water Supply

At present, 98.28 MLD of water is supplied for domestic use of which Tirupur City Municipal Corporation (TCMC) (71.88 MLD), TWAD Board (19.01 MLD) and various Village Panchayats (7.39 MLD). Out of this total quantity, 53.95 MLD is supplied as concessional supply, while the remaining 44.33 MLD is supplied as additional quantity.

The current rate for TCMC towards concession quantity is Rs.12.23 per KL, for TWAD

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

and Village Panchayats is Rs.8.95 per KL. For additional quantity supply, the rate is Rs.12.23 per KL.

10.2.2 Industrial Water Supply

On the industrial front, NTADCL is currently supplying approximately 52.03 MLD of water to industries located in and around Tirupur. This supply covers a total of 649 consumers, consisting of 640 individual consumers and 9 industrial clusters.

In total, NTADCL is supplying approximately 150.31 MLD of water for both domestic and industrial requirements.

The company has been providing uninterrupted potable water supply to domestic and industrial consumers for the past two decades.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

10.2.3 Sewage Treatment

A domestic sewerage system in major parts of Tirupur City Municipal Corporation has also been functioning with 15 MLD capacity. Currently, 11.5 MLD of sewage from 15,246 sewer connections is being treated. The current rate for treating sewage is Rs.21.68 per KL.

10.3 Expansion of industrial supply

NTADCL has taken several initiatives to expand its industrial water supply capacity outside Tirupur i.e., Coimbatore and Erode Districts.

As an outcome of this initiative, Memorandum of Understanding (MoU) have been executed with 4 industrial clusters / customers, aggregating to an additional industrial supply of 8.5 MLD.

- Gudimangalam Water scheme LLP (4 MLD)
- Gangapuram Water Project (1.5 MLD)

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

- Craftsman Automation Ltd (1 MLD)
- Perundurai to Kangeyam water project Welfare association (2 MLD)

Further, NTADCL has also entered into MoUs with the parastatal agency, M/s TIDCO for supply of 8.5 MLD of water covering the following industrial parks:

- Aerospace Industrial Park, Sulur – 2 MLD
- Defence Corridor, Varapatti – 3.5 MLD
- Semiconductor Industrial Park, Kethanur – 3 MLD

The Detailed Project Report (DPR) for the project costing Rs.70.00 crore has been approved by TIDCO/SIPCOT. Tendering process has been initiated through the Government e-Procurement system and execution will be carried out in phased manner over a period of 18 months, with initial commissioning of water supply to Defence Corridor, Varapatti from July 2027 onwards.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

By implementing the above projects, the industrial sale is likely to increase by 17 MLD.

10.4 Financial Performance (FY 2025–26 Unaudited)

For the financial year 2025–26, NTADCL has recorded a total revenue of Rs.239.40 crore as against Rs.257.88 crore achieved in the previous year. The decline in revenue was primarily attributable to a reduction in the additional quantity supplied to TCMC and the downward revision in the price of the additional quantity supplied.

Due to decline in revenue, Profit After Tax (PAT) was Rs.110.53 crore as against Rs.130.49 crore in the previous year, indicating a decrease of 15.30%. The revenue mix includes Rs.195.65 crore from water supply operations, Rs.9.07 crore from sewage treatment services, Rs.4.13 crore from consultancy services and other interest income of Rs. 30.55 crore.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

10.5 Corporate Social Responsibility (CSR)

NTADCL continues to implement Corporate Social Responsibility initiatives through contributions to disaster relief and public welfare programmes implemented by the Tamil Nadu State Disaster Management Authority (TNSDMA).

The company has contributed Rs.6.13 crore up to FY 2024–25 and further contributed Rs.2.17 crore during FY 2025–26 towards flood relief activities.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

11. TAMIL NADU WATER INVESTMENT COMPANY LIMITED (TWIC)

Government of Tamil Nadu formed Tamil Nadu Water Investment Company Limited in the year 2000 as a Special Purpose Vehicle under Companies Act, 1956 as a water investment Joint Venture Company with Infrastructure Leasing and Financial Services Ltd (IL&FS). TWIC as an investment company had promoted New Tirupur Area Development Corporation Limited (NTADCL) which has implemented Tirupur water supply project with capacity of 185 MLD at a cost of Rs.1,023.00 crore as the first Public Private Partnership in water sector.

TWIC has been actively involved in developing and implementing water projects across several sectors and has expertise in water distribution and sewerage systems, recycling, desalination, river restoration, industrial effluent management and developing projects from

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

concepts to implementation through a model aimed at reducing life cycle costs with a sustainable framework.

TWIC provides advisory, Project Management Consultancy (PMC) and Operation and Maintenance (O&M) services in the following fields:

1. Urban Water and sewerage systems.
2. Tertiary Treatment with Ultra-Filtration or Reverse Osmosis (TTUF/TTRO) for reuse of secondary treated sewage.
3. Sea Water Desalination.
4. Industrial effluent management and recycling including Zero Liquid Discharge (ZLD).
5. Lake and river pollution abatement.
6. Capacity building and training.

TWIC has expertise in preparation of Feasibility Reports (FR), Detailed Project Reports

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

(DPR), bid management, project management and O&M of various facilities in water, Industrial effluent and sewerage sector.

11.1 TWIC Vision Statement

TWIC aspires to be the premier provider of end-to-end solutions in Industrial Wastewater Treatment, Water Reuse and Desalination across Tamil Nadu. The company delivers comprehensive Advisory, Project Management and Operations & Maintenance services while pioneering Zero Liquid Discharge (ZLD) consulting and state-of-the-art technologies in Water and Wastewater management, as the preferred partner for the State of Tamil Nadu and Government of India. A national market leader in Urban water, Industrial water, Reuse and Desalination, the organization focuses on recycling sewage and industrial effluents, resource recovery and expanding O&M services. Above all, TWIC fosters a culture of professionalism and customer delight, driving

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

sustainable water security for the state and the country.

11.2 TWIC Projects at a Glance

TWIC works with various Municipal Corporations, Municipalities, Town Panchayats and parastatal agencies like CMWSSB, TWAD and Urban financing agencies like TNUIFSL, TUFIDCO, CRRT and assisting them in preparation of detailed project reports (DPRs) / Advisory services / Project management consultancy services for Urban Water Management, Used Water Management & Reuse, such as, establishing water supply network, Underground Sewerage Schemes (UGSS), Sewage Treatment Plants (STP), Tertiary Treatment Ultra Filtration & Tertiary Treatment & Reverse Osmosis (TTUF/TTRO), Common Effluent Treatment Plants with Zero Liquid Discharge (ZLD), River Restoration and Rejuvenation of Water Bodies etc.

TWIC has also extended Advisory Services for 17 sea water desalination plants with the

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

capacity ranging from 0.5 MLD to 110 MLD (9 in Gujarat, 7 in Tamil Nadu and 1 in Odisha).

Table 11.1

Advisory for DFR & DPR					
Sl. No.	Sectors	Completed Projects from 2020 to 2025		Ongoing Projects	
		No. of projects	Value of the project (Rs. in crore)	No. of projects	Value of the project (Rs. in crore)
1	Sea Water Desalination	7	5,765	2	370
2	Urban Water Supply and WTP	2	599	1	417
3	STP and UGSS	5	519.19	4	76
4	Common Effluent Treatment Plants (CETP)	2	2,218.33	2	159
5	TTRO	3	917.66	1	730
6	Lake & River Restoration	2	4,349	2	5
	TOTAL	**21**	**14,368**	**12**	**1,756**

Table 11.2

Project Management Consultancy (PMC) for Implementation					
Sl. No.	Sectors	Completed Projects from 2020 to 2025		Ongoing Projects	
		No. of projects	Value of the project (Rs. in crore)	No. of projects	Value of the project (Rs. in crore)
1	Sea Water Desalination	3	1,988	3	1,086
2	Urban Water Supply and WTP	2	140	1	1,435
3	STP and UGSS	3	176	4	350
4	CETP	1	101	3	762
5	TTRO	1	186	2	147
6	Lake & River Restoration	0	0	0	0
	TOTAL	**10**	**2,591**	**13**	**3,780**

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Table 11.3

Operation and Maintenance (O&M)				
Sector	Completed Projects from 2020 to 2025		Ongoing Projects	
	No. of projects	Value of the project (Rs. in crore)	No. of projects	Value of the project (Rs. in crore)
Common Effluent Treatment Plants (CETP)	5	131	1	15

Table 11.4

TWIC's PAN-India Presence		
Sl. No.	Sectors	States
1	Sea Water Desalination	Tamil Nadu, Odisha and Gujarat
2	Urban Water Supply and WTP	Maharashtra, Andhra Pradesh, Gujarat, Rajasthan, Jharkhand and Tamil Nadu
3	STP and UGSS	Karnataka and Tamil Nadu
4	CETP	Haryana, Uttar Pradesh, Punjab, Telangana, Odisha and Tamil Nadu
5	TTRO	Andhra Pradesh and Tamil Nadu
6	Lake & River Restoration	Andhra Pradesh and Tamil Nadu

11.3 Projects Under Implementation

In addition to the above works / projects which have been successfully executed, TWIC is now engaged in implementation of following works:

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80 341 / 352

1. Ministry of Textiles, Union Government has sanctioned 50% of the project cost as grant for the CETP in NextGen Textile Park at Pali, Rajasthan under Integrated Processing Development Scheme (IPDS). TWIC is working as Project Management Consultant (PMC) for this IPDS scheme to the Ministry of Textiles for this project.
2. PMC for the implementation of 79 water supply projects in various Town Panchayats under the Directorate of Town Panchayats (DTP) through AMRUT 2.0 Scheme.
3. PMC for 20 MLD CETP for Jajmau Tannery Cluster, Kanpur-funded by National Mission for Clean Ganga, Union Government.
4. **Sea Water Desalination Projects**
    a. PMC services - Defect Liability Period is in Progress for 150 MLD Sea Water Desalination Plant for CMWSSB, Nemmeli.
    b. PMC services for 3 MLD Sea Water

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Desalination Plant for VOC Port, Thoothukudi.

c. PMC services for 1 MLD Sea Water Desalination Plant for Kamarajar Port, Chennai

d. Consultancy service for preparation of DPR for 100 MLD desalination plant for Minjur.

e. Verify, assess and audit the Operation and Maintenance of 110 MLD SWRO Desalination plant at Nemmeli.

5. PMC services in two phases (10 MLD each) for implementation of TTRO Plant at SIPCOT, Hosur.

6. Obtaining Environmental Clearance (EC) and Consent to Establish (CTE) from Odisha State Pollution Control Board (OSPCB), Transaction Advisory (TA), Financial closure, selection of Developer and Design, Interpretation support and Advisory for

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

components like ZLD CETPs, Environmental planning (including solid/ liquid waste management) in Industrial clusters / Parks for Odisha Industrial Infrastructure Development Corporation (IDCO).

7. Consultancy for preparation of Detailed Project Report (DPR) and Transaction Advisory (TA) for 2.0 MLD Common Effluent Treatment Plant (CETP) with Zero Liquid Discharge (ZLD) and 3.5 MLD STP in Madras Export Processing Zone (MEPZ SEZ).
8. Project Management Consultancy services for Establishment of 100 MLD sewage treatment plant at Tiruchirappalli Municipal Corporation.
9. Project Management Consultancy services for Establishment of 58 MLD STP for Tirunelveli Corporation.
10. Consultancy services for preparation DPR for 1 MLD STP at VOC Port, Thoothukudi

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

11. Consultancy services for preparation of DPR for water supply improvement program for left out area in Avadi Corporation.
12. Consultancy services for preparation of DPR for UGSS for left out area in Dindigul Corporation.
13. Consultancy Services for Preparation of DPR for Establishment of 5 MLD Sewage Treatment Plant at Kempegowda International Airport, Bengaluru.
14. Consultancy Services for preparation of DPR and Bid documents for the reuse of recycled water from the nearest Sewage Treatment Plant located in 9 Towns of Tamil Nadu for SIPCOT Industrial parks - Thoothukudi, Tirunelveli, Tindivanam, Madurai, Cuddalore, Trichy, Dharmapuri, Aruppukottai and Hosur.
15. Consultancy Services for Updating the Feasibility Report on Sector-wise

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Wastewater Reuse Demand in the State of Tamil Nadu

16. Independent Engineer for the work of Selection of Concessionaire to Refurbish, Finance, Operate, Maintain and Transfer (RFOMT) of 45 MLD TTRO Plant at Kodungaiyur.

11.4 Awards Received

1. Global Water Intelligence (GWI) Award 2014 - The Industrial Water Project of the year.
2. Water Reuse Industrial Project for the Year 2014 by the Water Reuse Association, USA.
3. The 2030 WRG Corporate Water Stewardship Award for the year 2015 by GWI, UK.
4. Winner of 2nd Edition of RECEIC Global Symposium & Awards 2026 on Resource Efficiency & Circular Economy awarded to TWIC by FICCI under the Technology Disruptor Category.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

11.5 Technical Advisory Services for Union Government

TWIC is extending technical support to the Union Government in the following projects and schemes, such as

1. TWIC's technology for ZLD has been recognized by the Ministry of Textiles and has been evaluated and accepted by the Department of Science and Technology (DST).
2. TWIC is extending PMC services to the Ministry of Textiles for Integrated Processing Development Scheme for implementation of Textile based CETPs in India.
3. TWIC is a Consultant to National Mission for Clean Ganga (NMCG) for preparation of DPR for setting up of CETPs for various industrial clusters in the State of Uttar Pradesh. TWIC is also a Project Engineer for setting up of the Jajmau Tannery CETP in Kanpur.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

4. TWIC is joint venture partner of National Institute of Ocean Technology (NIOT) for providing consultancy services for implementation of sea water reverse osmosis desalination plants for ports.

11.6 Turnover of the Company

The turnover of the Tamil Nadu Water Investment Company Limited for the year 2025-2026 is Rs.14.90 crore.

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Way Forward

Tamil Nadu has emerged as one of India's leading urbanised States through balanced and inclusive urban development. As urbanisation continues to grow, the Government is committed to creating cities and towns that are economically vibrant, environmentally sustainable, climate resilient and citizen friendly. The focus will be on ensuring that every Urban Local Body (ULB), including Municipal Corporations, Municipalities and Town Panchayats, has access to quality infrastructure and efficient public services.

The Chief Minister's Integrated Urban Development Mission (CMIUDM) 2026–2031 provides the roadmap for the next phase of urban development. With a proposed overall investment of about Rs.1.5 lakh crore, the Mission brings together major Central and State Government schemes, institutional finance, Municipal bonds,

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

the Urban Challenge Fund and multilateral assistance to accelerate infrastructure development across the State.

The Mission adopts an integrated approach covering water supply, sewerage, storm water drainage, roads, sustainable urban mobility, affordable housing, restoration of water bodies, urban greening, digital governance and climate-resilient infrastructure. It aims to improve the quality of life by providing reliable urban services, strengthening public health, protecting the environment and creating safe, inclusive and livable cities.

A key priority of the Mission is strengthening the capacity of Urban Local Bodies to effectively plan, implement, operate and maintain urban infrastructure. Continued reforms in Municipal finance, revenue mobilisation, digital governance, asset management and service delivery will improve the financial sustainability

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

and efficiency of ULBs. Capacity building of Municipal officials and the use of modern technologies will further enhance project implementation and governance.

The Government will continue to promote convergence of Central and State programmes, encourage innovative financing and strengthen citizen participation to ensure transparent and accountable urban governance. Through coordinated planning, sustainable financing and strong institutional capacity, Tamil Nadu aims to build resilient, inclusive and future-ready cities that support economic growth, improve the quality of life and reinforce the State's position as a national leader in sustainable urban development.

C. JOSEPH VIJAY
Hon'ble Chief Minister

ESSAAR Academy Full study notes: essaaracademy.in/policy-notes/municipal-administration-water-supply · Daily TNPSC tests: essaaracademy.in/mission-80

Printed by : Government Central Press, Chennai - 600 001.