

PART II
PROGRESS AT CITY LEVEL

Name of City: Vadodara
Gujarat

December 2012

1. Mandatory Reforms at City Level¹		
Commitment as per the MoA for the current financial year (Report as per milestones committed in the MoA)	Progress made during the Quarter	Cumulative progress during the financial year
a)	(Reform Completed)	
a. Resolution by Govt. to establish modern municipal accounting system.	Completed	Completed Govt. of Gujarat has intimated ULBs through SLNA (State Level Nodal Agency) namely GUDM, to establish modern municipal accounting system.
b. GO/Legislation/Modification of rules for migrating to double-entry accounting system.	Completed	Completed Vide General Board Resolution No.148 dt.7-11-06, accrual base modern accounting system has been principally accorded. Double entry accounting system has been already implemented by our Corporation.
c. Appointment of consultants for development of state manual (either based on NMAM or independently).	Completed	Completed Appointed City Manager Association of Gujarat as nodal agency.
d. Completion and adoption of manual	Completed	Completed Implemented.
e. Commence training of personnel	Completed	Completed Training to officials/officers has been imparted.
f. Appointment of field-level consultant for implementation at the city level.	Completed	Completed Appointment of Amrut Gajjar & Co. the valuer has been made for valuation of assets & liabilities. Appointment of Chartered Accountant m/s. K.C.Mehta & Co. has been made for conversion of OBS into accrual concept from cash base accounting system. Appointment of Chartered accountant M/s. K. C. Mehta & Co. has been also made as an External Auditor. The consultants have already submitted the final reports which has been approved by Standing Committee & General Board of VMC. This reform stands completed.
g. Notification of cut-off date for migrating to the double entry accounting systems.	Completed	Completed VMC had adopted cash based double entry accounting system since 1998. Full migration of accrual base of the double entry accounting systems on 31-10-2008 is completed.
h. Business process Re-engineering (if required)	Completed	Completed <ul style="list-style-type: none"> • In 2007-08 speedy payment systems introduced.

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		<ul style="list-style-type: none"> • 2008-09 E-payment implemented from Dec.2007 for Capital Project Payments. It is fully implemented for all Revenue as well as Capital Payments in April 2008. • Appointment of consultant for internal control is made in May 2008. • E-tendering system has been started from March 2008. • A system of Payment to contractors & suppliers through ECS system is introduced since April 2008. • Tax Bill Collection through Internet System i.e. IPG and also through Debit Card/Credit Card has been arranged with AXIS Bank & has been implemented in all 13 Wards of VMC.
i. Valuation of assets and liabilities.	Completed	<p>Completed</p> <ul style="list-style-type: none"> • Liabilities as on 31-3-2007 have been determined. For Assets valuation, physical listing of all movable & immovable assets has been started in 2007-08 & has been completed in August 2008. Tenders were floated in April 2008 for appointment of certified valuer consultant for valuation of all Fixed Assets. Tender have been finalized and Standing Committee has approved the proposal, the General Board of the Corporation has also approved the proposal & work order has been given to Govt. Certified valuer M/s. Amrut Gajjar & Co, the valuer for this purpose in June 2008. The company started the work of physical verification of listed Assets & has completed the same on 10th September 2008. Fixed assets as on 31-3-2007, valuation report is received on 26/09/2008 from the valuer. The total assets valuation of VMC is Rs. 7162 crore. • Valuation of all Fixed Assets as on 31-3-2008 is also completed by Government certified valuer.
j. Drawing up of Opening Balance Sheet (OBS):		
I. Provisional OBS.	Completed	Completed OBS as on 1.4.2008 accrual base is completed. OBS as on 31-3-2009

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		is also completed.
II. Adoption of Provisional OBS	Completed	<p>Completed</p> <ul style="list-style-type: none"> Standing committee has already resolved for adoption vide Resolution No 532 dated 7.11.2008. The Competent Authority i.e. General Board of VMC has also adopted and approved the accrual base opening Balance sheet as on 1st April 2007, prepared on Double Entry Accounting System vide Resolution No.132 dated 20-2-09. Annual Accounts for the year 2007-08 and Balance Sheet as on 31-3-2008 on Accrual Base Double Entry Accounting System has been prepared and have been approved and adopted by Standing Committee Resolution No.213 Dt: 11-9-2009 and General Board Resolution No.103 Dt : 17-9-2009. It has been published on official website of VMC www.vadodaracity.org & www.barodacity.org.
III. Finalization of OBS.	Completed	<p>Completed</p> <p>On adoption of OBS as on 1.4.2007 by competent authority, same is finalized.</p>
k. Full migration to double entry accounting system.	Completed	<p>Completed</p> <p>Full migration to accrual base double entry accounting system by 31st October 2008 is achieved. This reform stands completed.</p>
l. Production of financial statements (income-expenditure accounts and balance sheet)	Completed	<p>Completed</p> <ul style="list-style-type: none"> OBS as on 1-4-2007 has already been published on VMC Website www.vadodaracity.org & www.barodacity.org. Closing Balance Sheet as on 31-3-08 is published on VMC Website www.vadodaracity.org & www.barodacity.org. by 31-10-2009.
m. Audit of financial statements.	Completed	<p>Completed</p> <p>Internal pre-audit by Municipal Chief Auditor is completed. Appointment of a firm of Chartered Accountant M/s. K.C. Mehta & Co. as External Auditor has been made.</p>

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n. Adoption of accounts.	Completed	Completed Adoption of Accounts by competent Authority of VMSS for the year 2006-07 vide General Board Resolution No.132 Dt: 20-2-09. Adoption of Accounts by competent Authority of VMSS for the year 2007-08 vide General Board Resolution No.103 Dt: 17-9-09.
o. Preparation of outcome budget.	Completed	Completed Implemented.
p. Complete re-vamp of the Public Financial Management (PFM) cycle, which includes internal controls.	Completed	Completed A firm of Chartered Accountant M/s. K.C. Mehta & Co. has been appointed as External Auditor for the purpose of strengthening internal control & PFM.
q. Credit rating of ULB/parastatal (if required)	Completed	Completed GOI has appointed CRISIL for carrying out credit rating for Vadodara Municipal Corporation. CRISIL has completed Rating to Procedure and have awarded 'A' Rating to Vadodara Municipal Corporation.
r. Any other reforms steps being undertaken (please use additional space to specify).	---	---

1. Mandatory Reforms at City Level¹			
	Commitment as per the MoA for the current financial year (Report as per milestones committed in the MoA)	Progress made during the Quarter	Cumulative progress during the financial year
b)	Property Tax Reforms		(Reform Completed)
	a. Extension of property tax regime to all properties.	Implemented	Implemented
	b. Elimination of exemptions.	Implemented	Implemented Exemption is insignificant, limited to charitable & educational Institutions.
	c. Migration to Self-Assessment System of Property Taxation	Implemented	Implemented Area based tax assessment system implemented by VMC provides element of self assessment of property tax as the tax payers can self-assess the property tax to be paid to VMC by using self assessment formula.(Annexure 1)
	I. Setting up a Committee/Team to draft/amend legislation	Implemented	Implemented
	II. Stakeholder consultations	Implemented	Implemented Resolution no. 32/4-8-2000.
	III. Preparation of Draft legislation	Implemented	Implemented Resolution no. 4/24-1-2003.
	IV. Approval of the Cabinet/ Government	Implemented	Implemented VMC/802003/391/P 28-2-2003
	V. Final enactment of the legislation by Legislature	Implemented	Implemented VMC/802003/391/P 28-2-2003
	VI. Notification	Implemented	Implemented Government of Gujarat Gazette Part II 26-3-2003.
	VII. Preparation and notification of appropriate subordinate legislation	Implemented	Implemented -Do-
	VIII. Implementation by municipality (ies)	Implemented	Implemented
	d. Setting up a non-discretionary method for determination of property tax (e.g. unit area, etc)	Implemented	Implemented Non-discretionary method of Carpet area based system for determination of property tax is implemented since year 2003.
	e. Use of GIS-based property tax system		

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	I. Selection of appropriate consultant	Implemented	Implemented Antrix Corporation Ltd. (Govt. of India Unit) & Consortium partner Scan Point Geomatics Ltd., Ahmedabad is appointed as a consultant & a Government agency for total work relating to GIS based property tax system.
	II. Preparation of digital property maps for municipality	Work order to Antrix Corporation Ltd. (Govt. of India Unit) & Consortium partner Scan Point Geomatics Ltd., Ahmedabad is given for implementation of GIS for property tax as well as all the services of Municipal Corporation as resolved by Standing Committee resolution no.18 dated 7/4/2012. The Antrix shall complete the full migration to GIS system in 1½ years as per the terms & conditions of the agreement.	Work order to Antrix Corporation Ltd. (Govt. of India Unit) & Consortium partner Scan Point Geomatics Ltd., Ahmedabad is given for implementation of GIS for property tax as well as all the services of Municipal Corporation as resolved by Standing Committee resolution no.18 dated 7/4/2012. The Antrix shall complete the full migration to GIS system in 1½ years as per the terms & conditions of the agreement.
	III. Verification of digital maps and preparation of complete database of properties.	---	“
	IV. Full migration to GIS system 50% - 100%	---	“
	f. Next revision of guidance values	Implemented	Implemented Revision Assessment has been completed as per target year 2007-08.
	g. Fix periodicity for revision of guidance values	Implemented	Implemented As per BPMC Act it is mandatory to revise the value by every 4 th year, which is implemented in the year 2007.
	I. Periodicity to be adopted	Implemented	Implemented Completed after every 4 years.
	II. Deadline for adoption	Implemented	Adoption is completed.
	h. Establish Taxpayer education programme	Implemented	Implemented The details of tax calculations are given on the bills at the initial

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		stage. Books of guideline are made available at very low price (i.e. Rs.5/-per book) at ward offices & assessment rules and other information on carpet base area are also uploaded on website www.vadodaracity.org .
I. Local camps for clarification of doubts and assistance in filling out forms	Implemented	Implemented Every month local camps have been organized in various areas of City.
II. Setting up a website for property tax issues/ FAQs etc	Implemented	Implemented Uploaded on website www.vadodaracity.org .
i. Establish Dispute resolution mechanism	Implemented	Implemented. VMC has delegated powers to resolve dispute at different level to cope up with speedy disposal of disputes of taxpayers. On implementation of new Carpet Area Based Tax system, litigation cases are largely eliminated. Lok Adalats are also organized to settle outstanding arrears. Tax appeal committee has also been set-up. Dispute resolution mechanism is implemented.
j. Rewarding and acknowledging honest and prompt taxpayers	Implemented	Implemented Incentive scheme of rebate to honest & prompt taxpayers is launched. From 1-4-2008 vide General Board Resolution no. 83 dtd. 30/08/2007.
k. Achievement of 85% Coverage Ratio (Specify target for each year of mission) (75% in 2006-07, 85% in 2007-08, 95% in 2008-09)	Achieved	Achieved (95% achieved)
l. Achievement of 90% Collection Ratio (Specify target for each year of mission) (80% in 2006-07, 85% in 2007-08, 90% in 2008-09)	The progress during the quarter is 2.64% i.e. from 86.14% to 88.78%.	80% achieved in year 2006-07. 85.21% achieved in year 2007-08. 91.12% achieved in June for year 2008-09. 95% achieved in year 2009-10. 96.90% achieved in year 2010.11 108.97% (Budgeted) achieved in year 2011-12. For the year 2012-13 tax bills are issued in 10 Wards & revision assessment is going on in 3 wards. The collection ratio is 88.78% up to 31 st December 2012. The recovery of property tax is under progress.

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	m. Any other reform steps being undertaken (please use additional space to specify)	---	Tax Bill Collection through Internet System i.e. IPG and also through Debit Card/Credit Card has been arranged with AXIS Bank & has been implemented in all 13 Wards of VMC.

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1.	Commitment as per the MoA for the current financial year (Report as per milestones committed in the MoA)	Progress made during the Quarter	Cumulative progress during the financial year
c)	Reforms in levy of User Charges	(Reform Completed)	
	a. The State/ULB must formulate and adopt a policy on user charges which should include proper targeting of subsidies, if any, for all services; ensuring the full realization of O&M cost by the end of the Mission period.	Completed	Completed. State Govt. has amended the legislation BPMC Act for realizing user charges vide GOG Extra Ordinary Gazette no. XLVIII, Dt. 30/03/2007.
	b. Establishment of proper accounting system for each service so as to determine the O&M cost separately. Please specify the timeline for each service separately.	Completed	Completed Determination of O & M for each Service is separately available under existing Accounting System in VMC.
	i. Water Supply and Sewerage	Completed	Implemented
	ii. Solid Waste Management.	Completed	Implemented
	iii. Public Transport Services.	Completed	Completed Public Transport Service has been assigned to a private contractor Vitcos Transporter co. and the Public Transport Service is commenced from 19 th May 2008 in Vadodara City.
	iv. Other (please specify)	---	---
	c. The State/ULB should define service standards and timelines for achieving these 95%.	Completed	Completed Defined in CDP. Also in Master Plan for Infrastructures service standards have been defined.
	d. The State/ULB should define user charges structure and timelines for achieving these 100%.	Completed	Completed
	e. The State should set up a body for recommending a user charge structure.	Completed	Completed Govt. of Gujarat has formed a committee for recommending User Charge structure and the committee will finalize criteria to fix up

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		charges for different basic services.
f. The State should quantify/study the impact of subsidies for each service on a periodic basis.	Completed	Completed The committee for recommending user charges will carry out further evaluation.
g. Time Table to achieve full recovery of O&M costs from user charges.	Completed	Completed
i. Water Supply (100%)		The water user charges are revised from Rs. 540 to Rs.850 from year 2008-09. For the year 2009-10, the recovery of O&M cost is 108.80% For the year 2010-11, the recovery of O&M cost is 107.01% For the year 2011-12, the recovery of O&M cost is 93.20%
ii. Sewerage (100%)		Conservancy & Sewerage charges have been approved by the Standing Committee & General Board from the year 2008-09. It has been also approved by GOG vide resolution No. VMN/80207/4424/P dtd. 16-5-2008. These charges are recovered from year 2008-09. For the year 2009-10, the recovery of O&M cost is 167.24% For the year 2010-11, the recovery of O&M cost is 154.28% For the year 2011-12, the recovery of O&M cost is 163.58%
iii. Solid Waste Management (100%)		SWM charges have been approved by Standing Committee vide resolution no.675 dtd. 4-2-2009 and also approved by General Board vide resolution no.126 dtd. 19-2-2009. These charges are recovered from year 2009-10. For the year 2009-10, the recovery of O&M cost is 39.67% For the year 2010-11, the recovery of O&M cost is 80.29% For the year 2011-12, the recovery of O&M cost is 56.78%
h. Any other reform steps being undertaken (please use additional space to specify)	---	---

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d) Implementation of E-Governance in Municipalities (Reform Completed)		
a. Appointment of State-level Technology Consultant as State Technology Advisor.	Completed	Completed A panel consist of five experts of different fields are appointed by the State Government under chairmanship of Mr. Ghosh, IAS, Retd. Principal Secretary, GoG. Other members are Mr. Dinesh Mehta, Mr. Debashi Roy etc.
b. Preparation of Municipal e-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP.	Completed	Completed MEDD is prepared on the basis of National e-Governance Standards.
c. Assessment of MEDD against National e-Governance standards (e.g. Scalability, intra-operability & security standards etc.	Completed	Completed Assessment of MEDD has been done against National e-Governance Standards. A comprehensive NMMP program has been formulated and implemented as per revised e-governance NMMP program.
d. Agreement on Municipal e-Governance Action Agenda.	Completed	VMC has resolved to fulfill the Municipal e-Governance Action Agenda.
e. Business Process Reengineering (BPR) for migration to e-Governance.	Completed	Completed Business Process Reengineering (BPR) for migration to e-Governance is done.
f. Appointment of Software consultant(s).	Completed	Completed ECIL Hyderabad was appointed as a consultant for e-Governance Project by VMC, earlier in 2004. Now, a new Consultant M/s. Microtech IT System Pvt Ltd. for e-Governance project has been appointed from December 01, 2008.
g. Exploring PPP option for different e-Governance.	Completed	Completed PPP options are planned & implemented based on the recently framed Revised IT Policy with guidance of a new consultant.
h. Defining monitorable timetable for implementation of each e-Governance initiative that is being taken up.	Completed	Completed Monitorable timetable was defined and implementation of each e-Governance initiative has been done accordingly.

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	Commitment as per the MoA for the current financial year (Report as per milestones committed in the MoA)	Progress made during the Quarter	Cumulative progress during the financial year
	i. Ongoing implementation of e-Governance initiatives, against monitorable timetable.	Completed	Completed Modules have been implemented on their completion. A list of modules and their present status is shown below (point 'j').
	j. Implementation of e-governance against the following modules		
	1. Property Tax	Completed	Completed Online Property Tax System has been implemented in all four Zones in March-2008. Facility of Property Tax Payment through Credit/Debit cards has also been implemented in March-2009.
	2. Water Supply and other Utilities	Completed	Completed Online Water Charges System has been implemented in all four Zones in March-2008. Facility of Water Charge Payment through Credit/Debit cards has also been implemented in March-2009.
	3. Accounting	Completed	Completed Accounting software has been implemented in Accounts Dept. Integration with other modules for its on-line working is completed.
	4. Birth and Death Registration	Completed	Completed Implemented online at Civic Center since November-2004. Implemented in all the Ward Offices during 2007-08.
	5. Citizen's Grievance Monitoring	Completed	Completed Implemented online at Civic Center since November-2004. Also implemented in Ward Offices.
	6. Personnel Management System	Completed	Completed Implemented in July 2009.
	7. Procurement and Monitoring of Projects	Completed	Completed Developed & implemented.
	8. Building Plan Approval	Completed	Completed Implemented at Town Development Dept. since December-2004.
	9. Health Programs	Completed	Completed Designed, Developed and implemented in Sept. 2009.
	10. Licenses	Completed	Completed System has been implemented in November-2007 and mass renewal

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			is done. New registration, changes and defaulters' renewal is now regularly done on-line.
	11. Solid Waste Management	Completed	Completed Designed, Developed and implemented in Sept. 2009.
	12. Any other module 1. Activities of Legal Department. 2. Municipal Secretary Office System. 3. Marriage Registration System 4. Professional Tax System 5. Integrated Accounting System 6. Employees & Pensioners Pay-Roll (On new H/W & S/W Platform)	Completed Completed Completed Completed Completed	Completed 1. Activities of Legal Dept. are implemented since December-2005. 2. Municipal Secretary Office System is developed & implemented in December-2005. 3. Marriage Registration System is developed & implemented in June-2009. 4. Professional Tax System is developed & implemented in June-2009. 5. Integration of different modules with Accounting is completed in Sept. 2009. 6. Designed, developed and implemented in Sept. 2009.
	k. Any other reform steps being undertaken (Please use additional space to specify)	---	---

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e) Earmarking of funds for Basic Services to the Poor (Implemented)		
a. The State/ULB must formulate and adopt an overarching, comprehensive policy on providing basic services for the Urban Poor, which should include security of tenure at affordable prices, improved housing, water supply and sanitation. Delivery of other existing universal services of the government for education, health and social security should be ensured. This policy document must include the minimum budgetary earmarking in municipal budgets for the provision of these budgets.	Completed	<p>Completed</p> <ul style="list-style-type: none"> The Standing Committee of VMC has already approved the Slum Policy and finalized it. The General Board of VMC has also approved the Slum Policy vide resolution no.133 dtd. 27-2-2009. The minimum budgetary earmarking in municipal budget for urban poor is Rs. 262.42 crore for the year 2012-13. It is equivalent to 41.48% of the total budget.
b. Defining criteria for identification of the Urban Poor	Completed	Defined. Completed
c. Fresh enumeration based on the above.	Completed	<p>Completed</p> <ul style="list-style-type: none"> For phase II, the work of survey of beneficiaries was entrusted to The Multimentech International Pvt. Ltd. Company. The survey of beneficiaries as well as biometric identification is also completed. Bio Metric survey has already been completed for Phase-I. For Phase-III survey & biometric identification is completed.
d. Define threshold service levels for the Urban Poor across various services	Completed	Formulated. Completed
e. Strategic document which outlines the requirements both physical and financial, timeframes, sources of funding and implementation strategies including community participation,	Completed	<p>Completed</p> <p>Strategic draft document is prepared. The Standing Committee of VMC has already approved the Slum Policy and finalized it. The General Board of VMC has also approved the Slum Policy vide resolution no.133 dtd. 27-2-2009.</p>

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monitorable output indicators for each of the services, including outlining convergences, if any.		
f. Periodic impact evaluation by independent agencies appointed by the state government.		Completed
g. Any other reform steps being undertaken.	---	----
Provision of Basic Services to Urban Poor		
a. Assuming 100% coverage of urban poor population in the city by the end of the Mission period, please state relative coverage plan for the sectors defined below		
Housing (Units)		<p>(i) Under rehabilitation / new housing scheme phase-I has a plan to construct 5392 housing units with 100% services / infrastructure facilities.</p> <ul style="list-style-type: none"> • In phase-I, civil work of all the 5392 housing units has been completed. Infrastructure work is in Progress. • Draw has been completed for 160 units in December 2009. • Draw has been done for 4296 housing units on 24th April 2010 by Chief Minister. • Draw has been done for 709 housing units on 13th April 2011 by Hon. Minister of Gujarat. • Last Draw has been done for 227 housing units on 27th February 2012 by Mayor Smt. Jyotiben Pandya. • Phase-I allotment is completed. <p>Note: Revised DPR is approved in 112th meeting of CS&MC on 17th June 2011 for 5392 Dwelling Units.</p> <p>(i-a) Construction of Anganwadies and pre-stressed Compound wall with Main Entry Gate on Various Plots of BSUP Phase-I (i.e. Supplementary DPR, which was approved on 17th of June 2011.)</p>

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		<ul style="list-style-type: none"> • Work is in progress. Approximate 90% of work is completed. <p>(ii) Under rehabilitation / new housing scheme phase-II has been approved to construct 5664 housing units with 100% services / infrastructure facilities. In phase-II out of 5664 housing units:</p> <ul style="list-style-type: none"> • For all the 5664 housing units Building work is completed 100%. Infrastructure work is in Progress and completed approx 85%. • Draw for 69 units were done on September 8th, 2010 according to High Court verdict. • Draw for 211 units were done on April 13th, 2011 by Hon. Minister shri of Gujarat state. • Draw for 1027 units were done on April 7th, 2012 by Hon. Minister shri Jitendra Sukhadia-Tourism, NRG, Civil Supply, and Consumer affairs. • Draw for 1467 units were done on April 13th, 2012 according to High Court verdict { as per Hon'able High Court's oral order dated 13-03-2012 by for to allot the DUs to the petitioners (Kalali-Ph-III Beneficiaries) on the phase-II sites }. • Draw for 26 units were done on May 3rd, 2012 by Standing committee Chairman. • Draw for 678 units were done on September 17th, 2012 by Hon. Minister shri Jitendra Sukhadia-Tourism, NRG, Civil Supply, and Consumer affairs. <p>(iii) Construction of new housing / rehabilitation and in-situ development for 6096 Housing Units for DPR Phase-III amounting to 155.24 crore has approved by Government of India on 08/02/2010. Work orders have been issued to all five packages and work started in two packages. In phase-III out of 6096 housing units:</p> <ul style="list-style-type: none"> • For 112 housing units, 75% to 100% work is completed. The
	<p>During the quarter in Phase-III:-</p> <ul style="list-style-type: none"> • Another 96 housing units' civil 	

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		<p>work is in progress.</p> <p>During the quarter in Phase-IV:-</p> <ul style="list-style-type: none"> 160 housing units' civil work is in progress. <p>During the quarter in Phase-V:-</p> <ul style="list-style-type: none"> 256 housing units' civil work is in progress. 	<p>work is under progress.</p> <ul style="list-style-type: none"> For 32 housing units, 50% to 75% work is completed. The work is under progress. For 160 housing units, 25% to 50% work is completed. The work is under progress. For 128 housing units, 25% work is completed. The work is under progress. <p>(iv) Construction of new housing / rehabilitation and in-situ development for 2336 Housing Units for DPR Phase-IV amounting to 92.83 crore has approved by Government of India on 23/03/2012.</p> <p>In Phase-IV out of 2336 housing units:</p> <ul style="list-style-type: none"> Work orders issued for two packages 1536 Dwelling Units and work started for 864 DUs. Proposal for one package (800 DUs) have been sent to standing committee for approval. Partly land possession obtained and partly awaited from Govt. For 160 housing units, 25% of work is under progress. <p>(v) Construction of new housing / rehabilitation and in-situ development for 2208 Housing Units for DPR Phase-V amounting to 87.87 crore has approved by Government of India on 23/03/2012.</p> <p>In Phase-V out of 2208 housing units:</p> <ul style="list-style-type: none"> Work orders issued for two packages for 1520 Dwelling Units and work started for 464 DUs. The proposal for one package (for 688 Dus) is sent to standing committee for approval. Partly Land possession obtained and partly awaited from Govt. For 256 housing units, 25% of work is under progress.

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The present status of slums under various services are as follows:-		
Water supply		100%
Sanitation		85%
Solid Waste management		85%
Primary education		100%
Healthcare		92%

(Kindly attach the details of Achieved Reforms, such as copy of GO/Legislation/Policy etc.)

¹ In case of city of multiple ULBs, table 1 above should be reported for all ULBs within that urban agglomeration.

2. MoA

In case MoA has not been negotiated and signed as on reporting date, please indicate target time period for entering into tripartite MoA month/year

3. List initiatives taken if any for creation of a Revolving Fund at the city level *(please mention in brief bullet points)*

4. Any innovations/good practices in urban governance, project development and service delivery implemented in the city during the reporting period *(please mention in brief bullet points)*

Signature & Date
Authorised Signatory
Urban Local Body²

² In case of cities with multiple ULBs, the concerned person from the largest ULB in the city should sign on behalf of all ULBs in the urban agglomeration.

Annexure – 1

Self Assessment System (SAS) of Property Tax

Vadodara Municipal Corporation implemented Carpet Area Bases Property Tax System from the year 2003-04.

The assessment system adopted by VMC is fully non-discretionary method under Carpet Area based assessment of Property Tax. The method of assessment is that one has to measure carpet area of property. Then after assessment of tax can be directly arrive to by using various factors as shown below. For that VMC has declared four different multiplying factors.

In case of Residential Property: -

- Factor – 1 Location Factor
- Factor – 2 Age Factor
- Factor – 3 Type of Property
- Factor – 4 Ownership Factor

In case of Non-Residential Property:-

- Factor – 1 Location Factor
- Factor – 2 Age Factor
- Factor – 3 Usage of Property
- Factor – 4 Ownership Factor

VMC has fixed/ declared value for each of the above factor.

The Location factor is linked with the State Govt. Reckoner for the value of land, which is published by the State Govt. for valuation of Stamp Duty.

VMC declares the rate of tax every year during budget session.

Once the owner himself verifies the carpet area then owner of the property using the above factors can calculate the assessment of tax.

Formula of property tax:

Property Tax = Area (in sq. mtr.) X Tax Rate X Factor (Age X Location X type or use X ownership)

Hence the essence of Self Assessment System for Property Tax i.e. non-discretionary method is well preserved in exiting Carpet Area Based Property Tax of Vadodara Municipal Corporation.

VMC implemented this carpet area based assessment of property tax since 2003-04. Since then the no. of litigations against the assessment have come down. Even the complaints have been reduced. The level of tax payment against current demand is gradually increasing due to transparency in assessment. The recovery of arrears is also increasing due to transparency of Area Based Assessment System.

Vadodara Municipal Corporation has covered all properties in the City under Tax Net. There are about **0.75** Lacs properties having carpet area less than 25 sq. mtrs. These are mostly slums, chawls and huts. Under the provision of the BPMC Act, the tax bills are issued to all the owners/occupiers of the properties. The rate of these properties is @ maximum Rs.163/- in Water Zone & Rs.139/- in Non-Water Zone. After issuing bills every year to these property owners, VMC's coverage ratio is **95%** for the year 2007-08.

VMC is taking various steps to recover arrears of property tax as shown below:-

- Issue of Tax Bills & Demand Notice
- Levy of penal interest @ 18%
- Issuance Warrants for attachment of Movable/non-movable properties.
- Disconnection of individual Water Connections
- Disconnection of individual Drainage Connections
- Sealing of Property
- Auction of Property

In spite of these measures there is a tendency of the taxpayers to wait till VMC announces various waivers in penal interest for payment of arrears. It seems that they have a perception that by doing so they marginally save on cost of money by way of delayed payments with a waiver on penal interest.

Carpet Area Based non-discretionary method of tax assessment has been successfully implemented by Vadodara Municipal Corporation which has drastically reduced court litigations and nos. of complaints/disputes for the Property Tax in Vadodara.

The Vadodara Municipal Corporation shall implement all the directives/guidelines issued by State Govt. as far as SAS is concerned.