



# REVIEW OF RESEARCH

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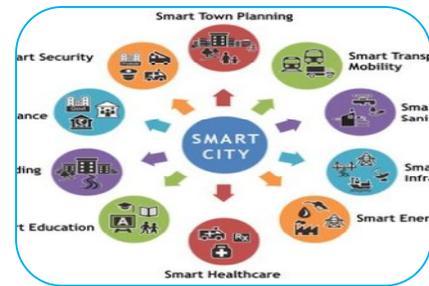
## SMART CITIES IN INDIA: ISSUES AND CHALLENGES

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### ABSTRACT

The rapid growth of Indian economy has put a weight on actual framework; Social Foundation and Institutional Framework since this multitude of 3 significant regions as of now experience the ill effects of a deficiency. Smart city could be a potential answer for this large number of issues. Smart city is fundamentally worried about "smart governance", "smart energy", "smart environment", "smart people", "smart transportation", "smart IT and communication", "smart buildings" and "smart living" at large. Smart isn't just about innovation empowered, yet additionally about power, water, transportation, strong waste administration and disinfection. A Smart city's center foundation is data innovation, where an organization of sensors, cameras, remote gadgets, server farms shapes the key framework offering exceedingly significant types of assistance. With the urban population set to rise in the upcoming years India faces the challenge of mass urbanization. While the smart city is an area of opportunity for infrastructure companies and developers, it's a long-term project that will need no less than 20 years. In India, given its demographics and diversity, unique challenges and opportunities exist for developing "smarter" cities which attract increased investment, employ innovative technology, create environmentally sustainable solutions, grow operational efficiencies and amend the lives of urban citizens.



**KEYWORDS:** Smart City, Infrastructure, Smart economy, Urbanization, Issues, Challenges.

### INTRODUCTION

Since the center of the twentieth hundred years, the world has encountered a flood of urbanization phenomenal throughout the entire existence of humanity. As monetary open doors become progressively focused in metropolitan regions and portability increments among urban communities and the open country, billions of individuals presently make their homes inside huge agglomerations whose size could barely have been envisioned as of late as 100 years back. Starting around 1950 alone, the worldwide metropolitan populace has risen from 751 million to 4.5 billion, and will probably reach 5.2 billion by 2030. This is a close to multiplying of the worldwide urbanization rate beginning around 1950, from 30% to 57% today and an expected 60% by 2030. The quantity of individuals living in urban communities today as of now surpasses the worldwide populace in 1980, and the metropolitan populace in 2030 will outperform the worldwide populace in 1990. Urbanization has advanced rapidly in all aspects of the world, however no place has it unfurled quicker than in Asia, where the metropolitan portion of the populace has significantly increased from 17.5% to 51.1% starting around 1950. Inside Asia, India is probably going to make the best commitment to this developing metropolitan populace throughout the next few decades. Beginning around 1950, the

quantity of Indians living in urban areas has become almost eightfold, from 62 million to 482 million, while the general urbanization rate has multiplied from 17.3% to 35%. Populace development is supposed to go on until not long before 2050, and a continuous advancement away from the horticulture area and towards assembling and administrations will correspond with this development, maneuvering a bigger portion of the populace into urban communities in a design like what China saw from 1980 onwards. In the next few decades, Sub-Saharan Africa will probably be the main locale to add a more noteworthy number of metropolitan occupants to worldwide sums than India, to a great extent due to that area's higher populace development rates. When 2030, metropolitan regions are supposed to house 40% of the Indian populace and be liable for 75% of public Gross domestic product. The GOI gauges that dealing with India's metropolitan development productively could add as much as 1.5% yearly to the nation's Gross domestic product.

### IMPORTANCE OF SMART CITIES IN INDIA

India's is urbanizing at an unprecedented rate, so much that estimates suggest nearly 600 million of Indians will be living in cities by 2030, up from 290 million as reported in the 2001 census. With about 30 village dwellers moving every minute from villages to become city dwellers, not many villages will be left India at the end of this century. Today's cities face significant challenges – increasing populations, environmental and regulatory requirements, declining tax bases and budgets and increased costs. Moreover, the cost of Information and Communication Technologies has plunged making it economical for the government to implement them. Citizens are increasingly getting instant, anywhere, anytime, personalized access to information and services via mobile devices and computers. And they increasingly expect that same kind of access to city services. With increasing urbanization and the load on rural land, the government has now realized the need for cities that can cope with the challenges of urban living and also be magnets for investment. The announcement of '100 smart cities' falls in line with this vision. Alongside the hordes of Indians go the jobs and the money as well: a McKinsey Global Institute study estimated that cities would generate 70% of the new jobs created by 2030, produce more than 70% of the Indian gross domestic product and drive a fourfold increase in per capita incomes across the country.

### INDIA'S SMART CITIES MISSION

Confronted with an eventual fate of proceeding with metropolitan development, challenges across the range of practical turn of events, and expanding tension on existing urban communities to convey a potential open door and personal satisfaction to their inhabitants, the Public authority of India (GOI) under PM Narendra Modi sent off the Public Smart Urban areas Mission (NSCM) on June 25, 2015. With an underlying subsidizing level of 48,000 crore INR (6.4 billion USD) more than five years, a sum of 100 urban communities were chosen to participate in the NSCM. Urban communities which complete their activities are planned to act as illustrative models for their companions of the force of integrating smart city developments. Eventually, the progress of these pilot projects is planned to ignite a flood of public-private interest in additional improvement of smart urban communities without the requirement for direct mediation from the focal government. To this point, the NSCM has ignited a sum of 1.84 lakh crore INR (24.6 billion USD) in offered venture from both public and confidential circles for its undertakings the nation over. India's urban communities at present position low in records of improvement and supportability, which the SCM has to some degree been planned to address.

### OBJECTIVES OF THE STUDY

1. To know the key areas for the development of smart cities.
2. To explore the issues and challenges faced during the development of smart cities.

### RESEARCH METHODOLOGY

This current study has been exploratory in nature where pertinent information has been gathered from various secondary sources of data, such as, journals, books, websites, reports, etc.

## GOVERNMENT SHOULD FOCUS ON FOLLOWING KEY AREAS FOR DEVELOPING SMART CITIES IN THE COUNTRY:

**1. High quality roads and public spaces:** Very much arranged roads and public spaces that shape the metropolitan construction assist with supporting neighborhood economy, availability, culture, imagination, and future turns of events. A fair street framework works well for vehicles and public vehicle as well with respect to people on foot and cyclists; in some measure half of the land to be utilized for public space; 30% to be designated to roads for building very much associated networks and 20% to squares, stops and open spaces.

**2. Mixed Metropolitan Purposes and restricted land-use specialization:** Blended land-use arranging sets out business open doors in neighborhoods, the nearby economy, decrease vehicle reliance and drive, empower passerby, cyclist and other non-mechanized transport, lessen scene fracture and green-house gas discharges, offer nearer open types of assistance, support blended networks and nearby economies, advance more secure networks and make appealing areas.

**3. Connectivity:** The reason behind extending availability is to make admittance to occupations and administrations for all and to help nearby economies. This support strolling, public vehicle, and ICT-availability.

**4. Waste administration:** Squander assortment displaying and steady stockpile to energy age.

**5. Mixed social construction:** This guideline plans to advance attachment and communication between various social classes in similar area and guaranteeing openness to fair metropolitan open doors by giving various kinds of lodging.

**6. Urban flexibility:** Versatility requires approaches, fiasco readiness systems, structures, plans and plans that advance both, the transformation to environmental change and alleviation of GHG outflows.

**7. Energy and Asset Productivity:** This requires overseeing development tending to utilization and asset depletion, through essential preparation, approaches and measures focused on structures, apparatuses, and transport and farming, modern and administrations ventures. By using assets in a manageable way, helped by shrewd advancements urban communities can limit influences on the climate and be receptive to the requirements of poor people and defenseless.

**8. Smart frameworks or energy organizations:** Request the executives, electronic vehicle support, energy effectiveness program, and sustainable power joining;

**9. Practical and enforceable standards and rules:** To adjust up with the quick metropolitan development that urban communities are encountering, it is basic to give approaches, plans, standards and decides that answer the ongoing requirements of regions. The rules, standards and rules ought to be created with a participatory methodology in light of the standards of value and social union.

## ISSUES FOR SMART CITIES IN INDIA

Under the flagship "Safe City" project, the Association Service proposes USD 333 million to make seven major urban communities (Delhi, Mumbai, Kolkata, Chennai, Ahmedabad, Bangalore and Hyderabad) to fixate on mechanical advancement instead of labor supply. Service of Metropolitan Advancement intends to put more than USD 20 billion in the metro rail projects before long. The proposed 534 km, Mumbai-Ahmedabad fast rail venture will have a speculation of around USD 10.5 billion. The Public authority of India has supported a USD 4.13 billion intend to spike electric and cross breed vehicle creation by spreading out an aggressive objective of 6 million vehicles by 2020. Electric vehicle charging stations in every single metropolitan region and along all state and public parkways by 2027. India has contributed \$1.2 billion up to this point and desires to draw in additional financing from private financial backers and from abroad. Fostering a new or green field Brilliant City with target populace of 5 to 10 lakhs is probably going to require monetary speculation running between INR 75,000 and 150,000 crores and may require 8 - 10 years for implementation.

Robust capital markets, innovative business models, a sound tax environment, public-private partnerships, and world class investment-grade projects. These are the building blocks for the financial infrastructure on which a smart city thrives. The risk-return profile of a Smart City investment in India

is unique: For both Government and investors, strong and continued master planning is the key to the dynamic management of both potential risks and opportunities.

The need for infrastructure development in India is unquestionably vast. However, the sector faces a number of fundamental challenges, including the need for new; long-term investors participate in funding projects. To date, debt financing in India has been largely led by banks, which—with significant infrastructure assets already on the books—are fast approaching their debt limits. Government of India has proposed several structures intended to mobilize debt financing, including a regulatory framework from the Reserve Bank of India (RBI) for a non-bank finance company (NBFC) which issues bonds, and one regulated by the Securities and Exchange Board of India (SEBI) for a trust structure which issues listed shares in a style similar to a mutual fund.

Smart City initiatives often engage in various types of Public Private Partnerships (PPPs) as infrastructure, particularly benefits from a formal alignment of government and industry capacities, technology, assets, and capital. The key to a successful PPP is the ability for both parties to prosper within the agreement, which is frequently seen with partnerships that have strong governance, realistic objectives, dedicated income streams, and manageable degree of risk equitably shared between the parties. There are two parts of the development of a smart city: infrastructure (communication, electricity, roads, sanitation, water assets among others) and real estate. In India, the foreign ownership and investment regulations for infrastructure and real estate are different. The Government should consider classifying most Smart City development as “infrastructure” to start with, such that for a smart city development, the same ownership, financing and taxation regulations apply to both the parts of the development.

### CHALLENGES FOR SMART CITIES IN INDIA

**1. Retrofitting existing inheritance city foundation to make it brilliant:** There are different dormant issues to consider while checking on a savvy city system. The most fundamental is to decide the current city's powerless regions that need most extreme thought, for example 100% circulation of water supply and sterilization. The incorporation of previously disconnected inheritance frameworks to accomplish citywide efficiencies can be a huge test.

**2. Financing shrewd urban areas:** The Powerful Master Panel (HPEC) on Venture Evaluations in Metropolitan Framework has surveyed a for each capita speculation cost (PCIC) of Rs 43,386 for a 20-year time span. Involving a typical figure of 1 million individuals in every one of the 100 savvy urban communities, the complete gauge of venture necessities for the shrewd city comes to Rs 7 lakh crore more than 20 years (with a yearly heightening of 10% from 2009-20 to 2014-15). This converts into a yearly prerequisite of Rs 35,000 crore. It is vital to perceive how these ventures will be supported as most of undertaking need would travel through complete confidential speculation or through PPPs (public-private association).

**3. Three-level administration:** Fruitful execution of brilliant city arrangements needs powerful flat and vertical coordination between different various foundations giving different civil conveniences as well as compelling coordination between focal government (MoUD), state government and neighborhood government organizations on different issues related to supporting and sharing of best practices and administration conveyance processes.

**4. Providing clearances on time:** It could be a huge test as everybody knows the degree of debasement in our country. For ideal fulfillment of the task, all clearances ought to utilize online cycles and be cleared in a period bound way. An administrative body ought to be set up for all utility administrations so a level battleground is made accessible to the confidential area and taxes are set in a way that offsets monetary supportability with quality.

**5. Availability of end-all strategy or city advancement plan:** In our country a large portion of the urban communities don't have end-all strategies or a city advancement plan, which is the way to brilliant city arranging and execution and typifies each of the a city needs to improve and give better chances to its residents.

**6. Technical requirements of ULBs:** Most ULBs have restricted specialized ability to guarantee ideal and practical execution and ensuing tasks and support inferable from restricted enlistment over various years alongside powerlessness of the ULBs to draw in best of ability at market cutthroat remuneration rates.

**7. Capacity structure program:** Building limit with regards to 100 savvy urban communities is definitely not a simple assignment and most aggressive ventures are deferred inferable from need and nonattendance of value labor supply, both at the middle and state levels. As far as assets, something like 5% of the focal designation might be dispensed for limit building programs that emphasis on preparing, context oriented research, information trade and a rich data set.

**8. Reliability of utility administrations:** For any shrewd city on the planet, the emphasis is on dependability of utility administrations, whether it is power, water, phone or broadband administrations. Savvy urban communities ought to have widespread admittance to power 24x7; this is absurd with the nation's current stockpile and circulation framework. Urban communities need to move towards inexhaustible sources and focus on green structures and green vehicle to diminish the requirement for power.

## CONCLUSION

In India, organization in the urban communities are frequently defied with a large number of key issues, as spontaneous turn of events, casual housing markets, unavoidable populace development, absence of framework, deficient vehicle offices, gridlock, unfortunate power supply, in able wellbeing administrations, and absence of essential administrations both inside the city and in the rural regions, unfortunate regular risks the board in overpopulated regions, wrongdoing, water, soil and air contamination prompting ecological corruption, environmental change and unfortunate administration plans are driving the metropolitan resident life in despondent. So it is the need of great importance to plan and fabricate the smart urban communities considering settling these issues. Smart City would require smart economy, splendid individuals, smart association, smart correspondence, savvy designing, smart travel, new climate and brilliant living. In any case, with mass movement prompting fundamental issues, similar to water deficiencies and congestion, the rate at which these urban communities will be created will be the key. A few drives are being driven by the Public authority of India to change over 100 Urban communities into Smart Urban communities.

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