



Location: Dange Chowk BRT Station | Image source: Sarath KT- Elements Creative



Municipal Budget Analysis Report Pimpri Chinchwad

Transport Budget Allocations
Pimpri Chinchwad Municipal Corporation (PCMC)
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Off street parking

On street parking

BRTS

Grade separator

Metro rail

Footpath

Cycle track

A city's commitment to its sustainable mobility goals can be reflected by its budgetary allocations to various transport modes.

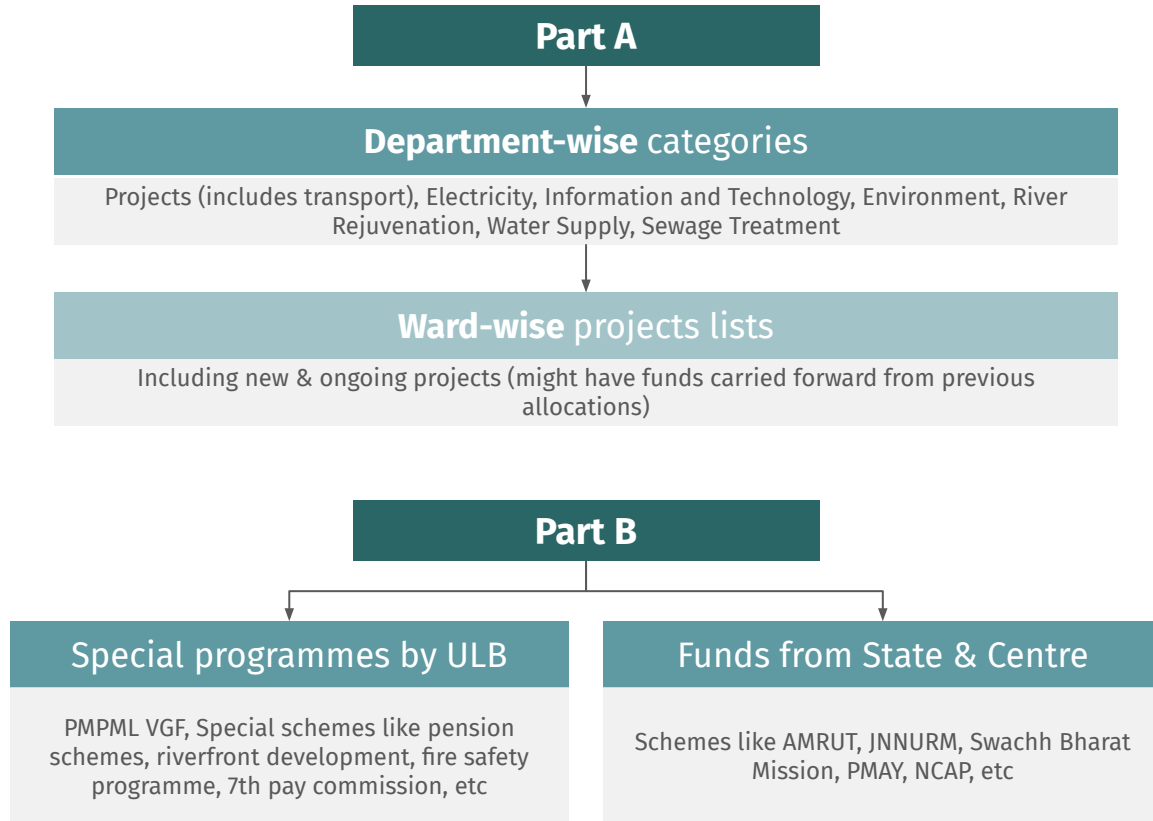
With this assumption, the study aims to:

1. Understand budget allocations for various transport projects;
2. Analyse trends and patterns in transport allocations;
3. Assess gaps in meeting transport-related goals;
4. Provide recommendations for future budgets;
5. Create a framework for similar assessments in other cities.

Scope & Limitations

1. The study only analyses the budget w.r.t to **transport** and focuses on budgetary **allocations & not the expenditure.**
2. The report studies municipal budget allocations from **2022-23 to 2024-25.**
3. Pimpri Chinchwad (PCMC)'s municipal budget also includes **funds allocated under central and state programmes**, like JNNURM, 15th Finance Commission- NCAP, SUTP, and UTF. These allocations are hence analysed as part of the budget assessment.
4. **The study does not include Smart City allocations** from the Centre and projects listed under PPP model as they are not part of the municipal budgets.

- PCMC follows a **uniform budget template every year** - easier to track historical allocation patterns.
- It has projectwise allocation details.
- PCMC **has dedicated heads for special initiatives** like Harit Setu, Urban Streetscapes Programme; and Parking policy.
- Currently, **'transport' items are included under the 'Projects' department which also includes non-transport items** like building parks, schools, crematoriums, etc.



After translating the last three years annual budget documents to English, **the team manually filtered out each transport-related allocation item nested under the projects department. These items were further segregated into following categories:**

Non-Motorised Transport

Items that directly improve walking and cycling infrastructure

like footpaths, cycle tracks, integration of modes, Public Bicycle Sharing (PBS), street furniture, junction improvement, on-street parking management, etc.

Also includes items that promote sustainability through traffic demand management measures.

Public Transport

Items that directly improve public transport infrastructure

like BRT improvements, building new bus stops/depots, VGF for public bus transport (PMPML), high capacity mass transit routes, procurement of buses, etc.

Also includes items that promote sustainability through cleaner transport.

Private Motor Vehicle-centric Transport

Items that prioritise private motor vehicle (PMVs) infrastructure.

like MLCPs, flyovers, carriageway resurfacing and road widening which are often implemented with the intention of improving private vehicles' movement.

These items encourage usage of PMVs and hence are further bracketed under non-sustainable modes.

Mixed Transport

Items that directly affect all three categories

like river bridges, railway over-bridges, utilities, etc that help in reducing block sizes and improve quality of services.

Items like 'development of the entire RoW' are included here as it includes creation of footpaths, cycle tracks and carriageways.

Observation 1

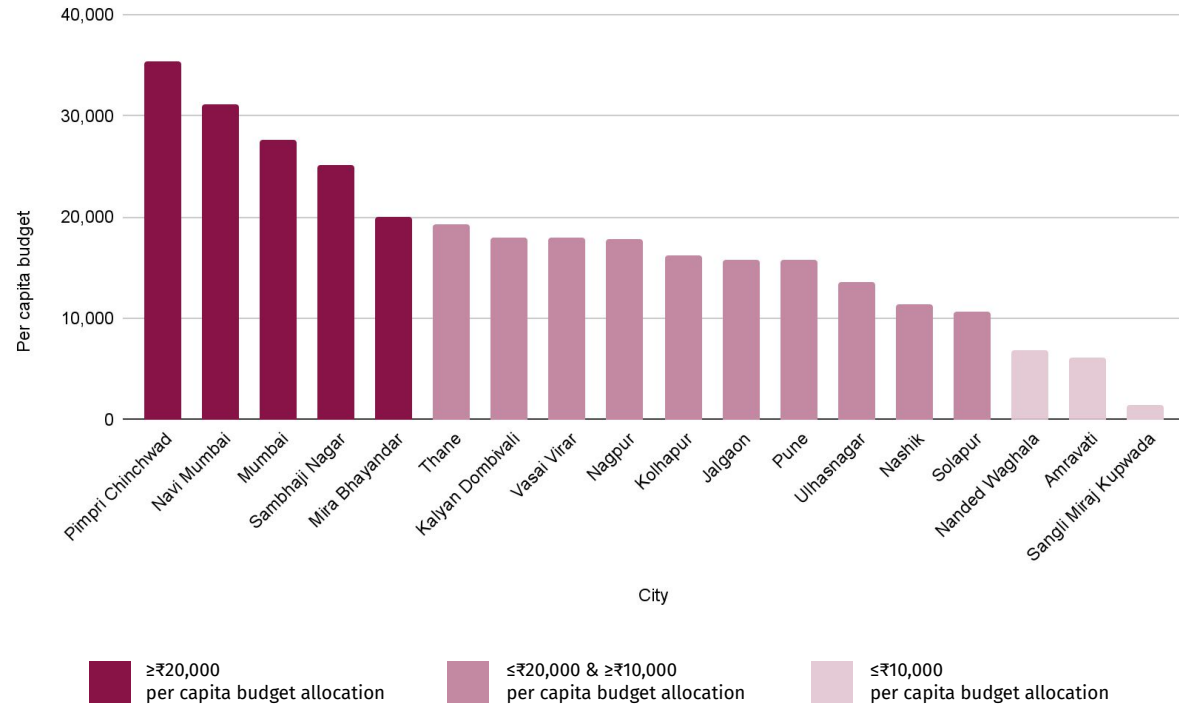
Budget allocation for transport has increased along with the increase in overall municipal budget

PCMC has one of the highest per capita budget allocation

In 2024, PCMC's resident population crossed 24 lacs.

PCMC has one of the highest per capita budget allocation for 2024-25 among the cities in Maharashtra.

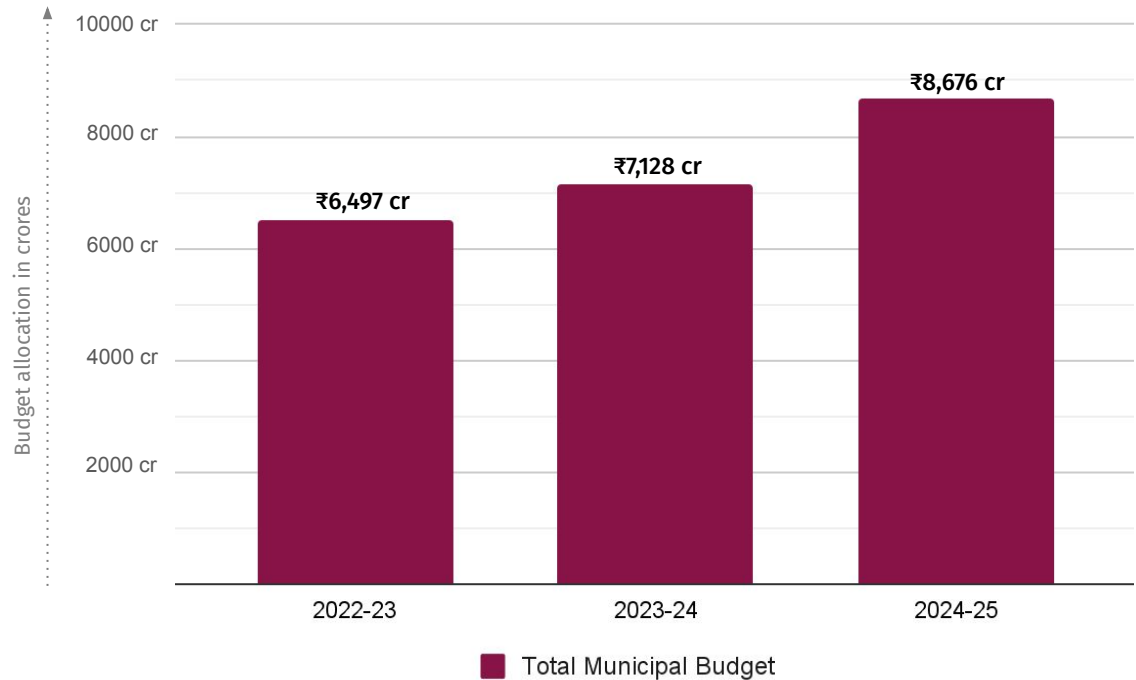
PCMC has **allocated** a budget of approximately **₹35,383 (420 USD) per capita** in the year 2024-25.



Budget allocation for 2024-25 is the highest ever

Compared to previous year, annual municipal budget allocation for 2024-25 has **increased by 22%**.

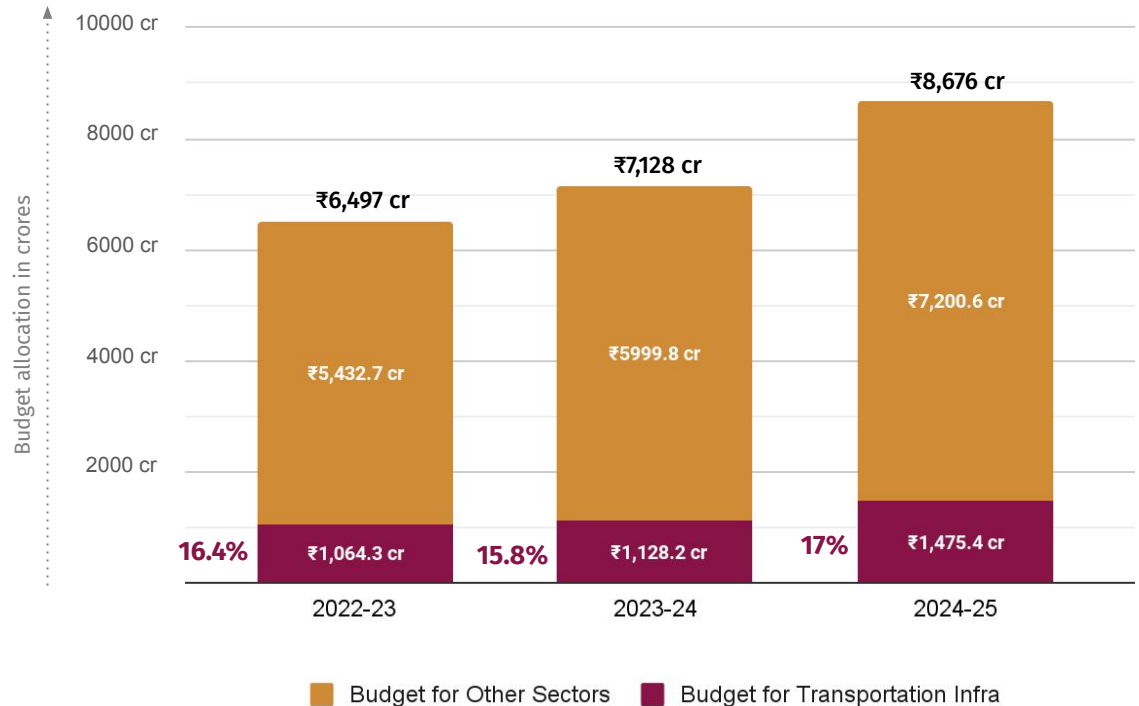
With a leap of around ₹2000 cr in the last 2 years, the current municipal budget of PCMC stands at **₹8,676 cr (1038.7 million USD) in 2024-25**.



In 2024-25, 17% of the budget is allocated to transport

Compared to previous year, the allocation for **transport** in 2024-25 has **increased by about 31%**.

The total allocation for transport in this year's budget is **₹1,475 cr** (176.6 million USD).



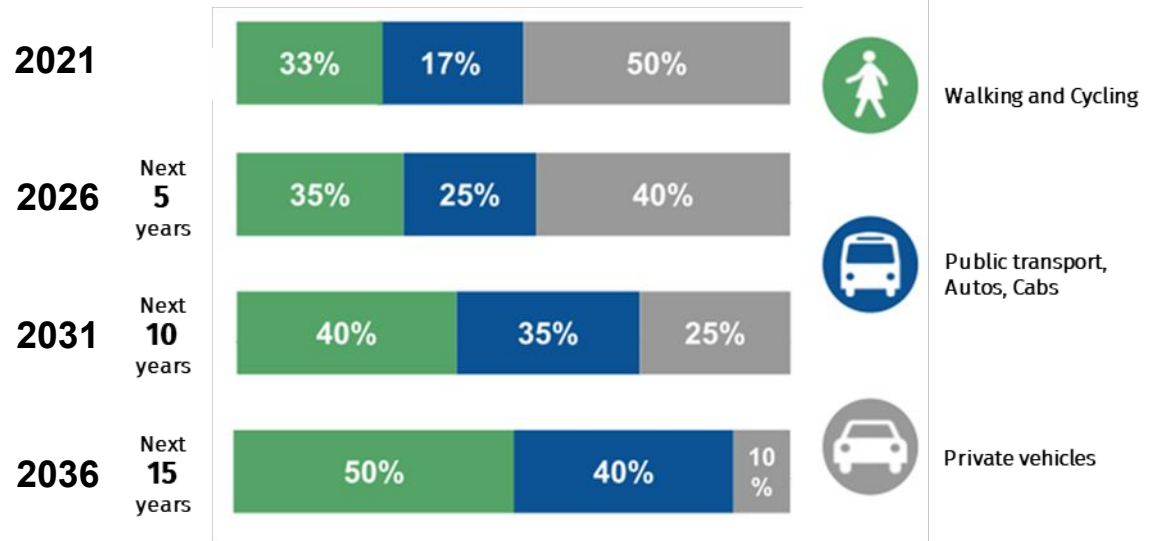
Observation 2

PCMC's transport allocations are inching towards its sustainable transport goals

9 out of 10 trips should be by sustainable modes

By 2036, 90% of total trips to be by walking, cycling and public transport according to the PCMC NMT Policy (2021) and the PMR Comprehensive Mobility Plan (2018).

The city needs to reflect these goals in its budgetary allocation as well.

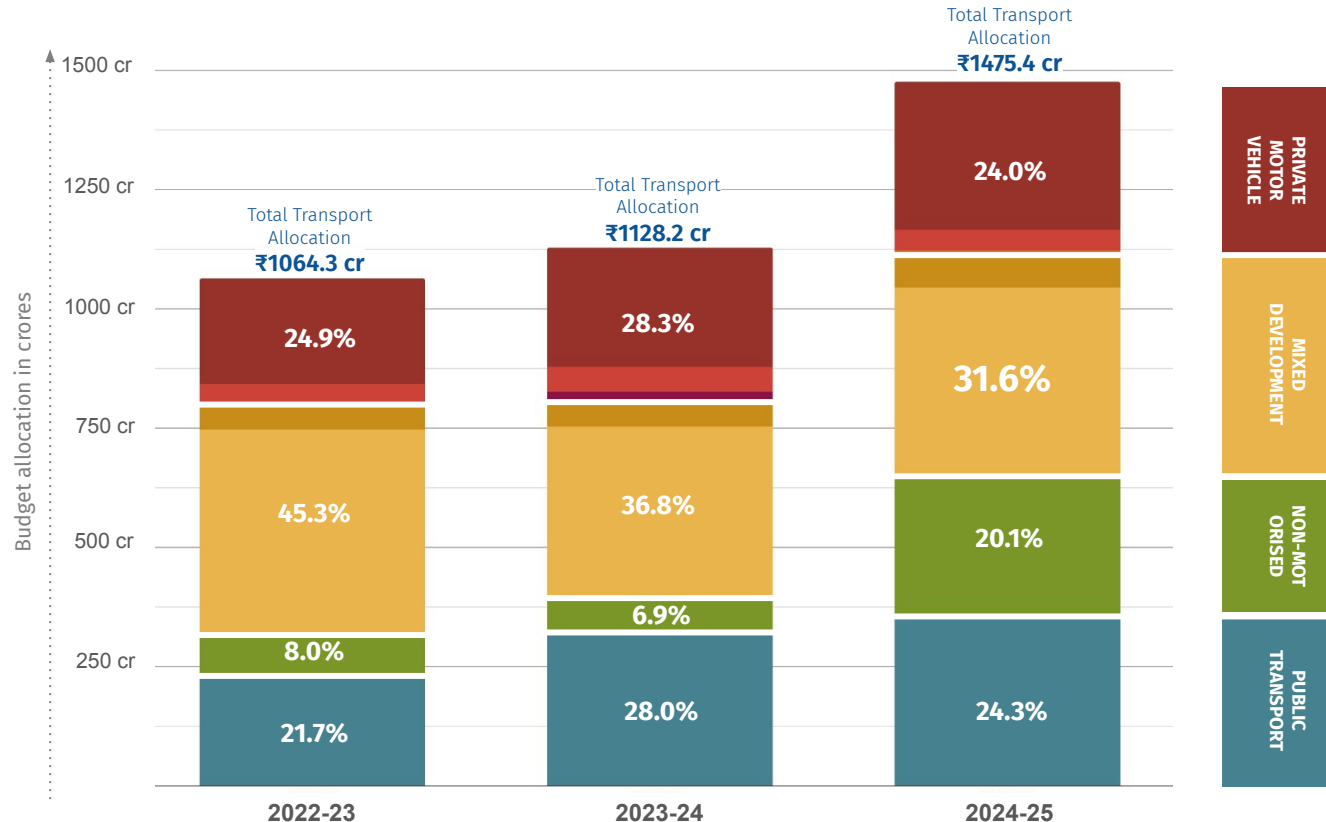


Source: PCMC NMT Policy 2021

Transport allocations under various categories

PCMC is a rapidly growing city and development of new road network is critical. Hence in 2024-25, **1/3rd of the transport budget is allocated towards mixed development** that includes creation of new streets that entails entire RoW development.

- Carriageway
- Pedestrian and Vehicular Grade Separators
- Multi-level Car Park/Off-street Parking
- Bridge
- Full Street Development
- NMT infrastructure
- Public Transport

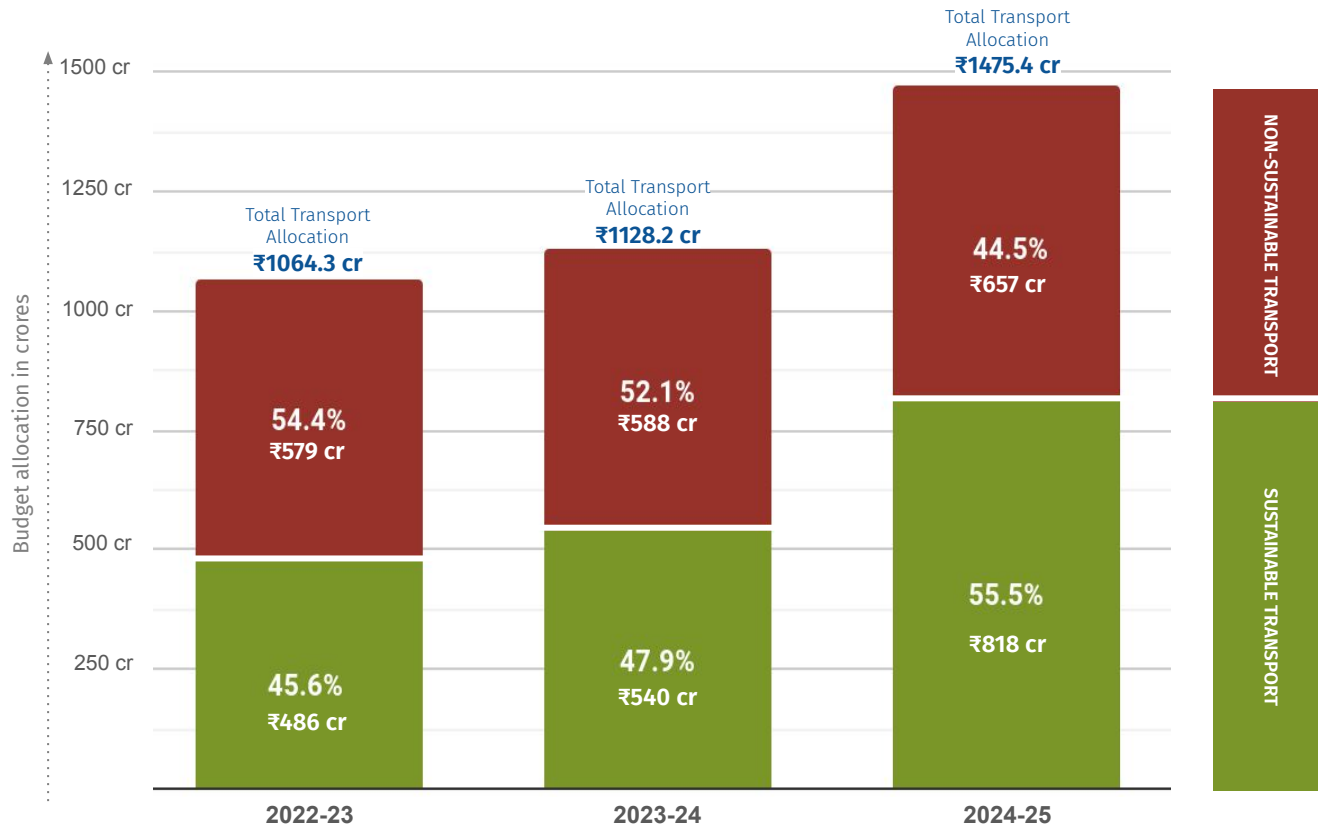


55% of the transport budget is towards Sustainable Transport!

Items that encourage use of private motor vehicles and prioritise car-centric development are categorised as **Non-Sustainable Transport**.

Items that encourage walking, cycling and use of public transport are categorised as **Sustainable Transport**.

Note-
Based on discussions with officials and experts, allocations for **mixed development** have been split into Sustainable (35% for NMT development) & Non-sustainable (65% for carriageway development)



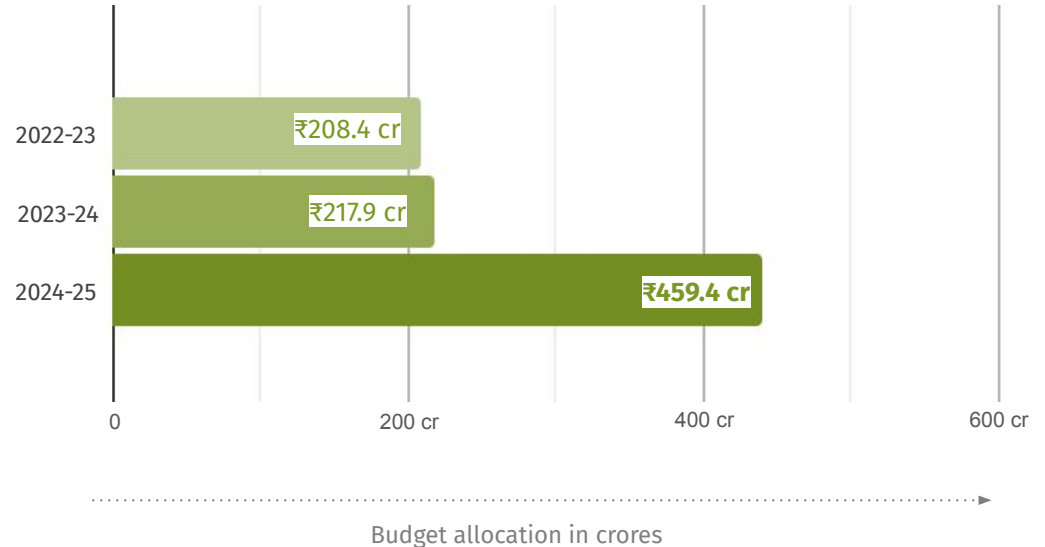
Observation 3

Significant increase in allocation towards
walking-cycling infrastructure

Budget allocation towards NMT has doubled this year!

Allocation for walking and cycling infrastructure development has **doubled** as compared to previous year, and the city needs to continue such quantum of investment.

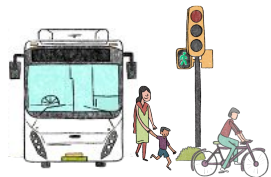
Approx **1/3rd of the total transport budget** in 2024-25 is allocated towards NMT infrastructure.



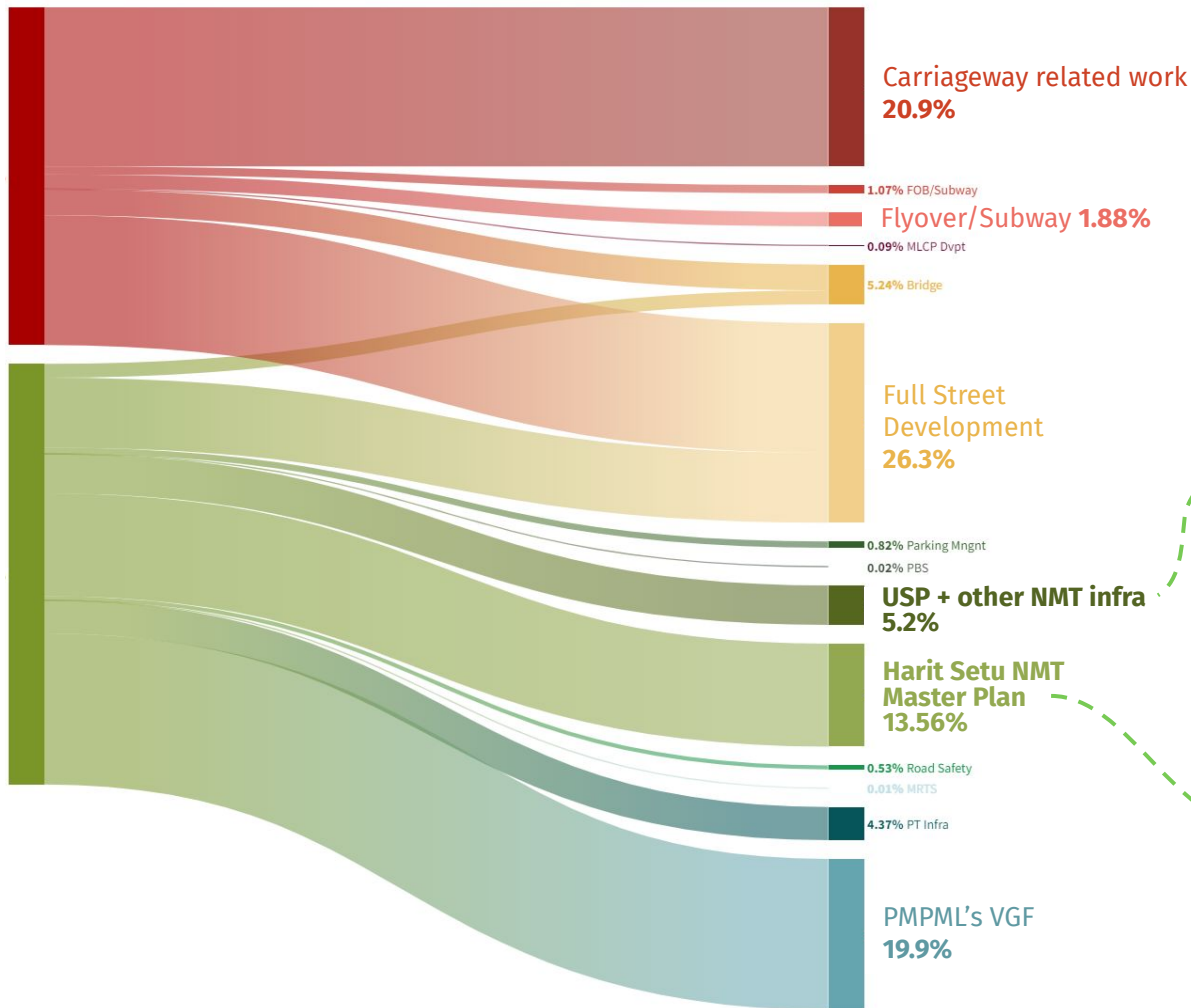
NMT allocations include footpath-cycletrack developments, Harit Setu and Streetscape project, traffic calming and junction improvements, placemaking, etc.



Non-sustainable Transport
44.5%



Sustainable Transport
55.5%



The increase in allocation can be mainly attributed to:

₹56.14 cr
For Urban Streetscape Programme (USP)
(6.7 million USD)

₹200 cr
For Harit Setu
1st time such large allocations towards NMT initiative
(23.9 million USD)

Observation 4

Need for more investments in
public transport

PCMC's vehicular population is increasing rapidly

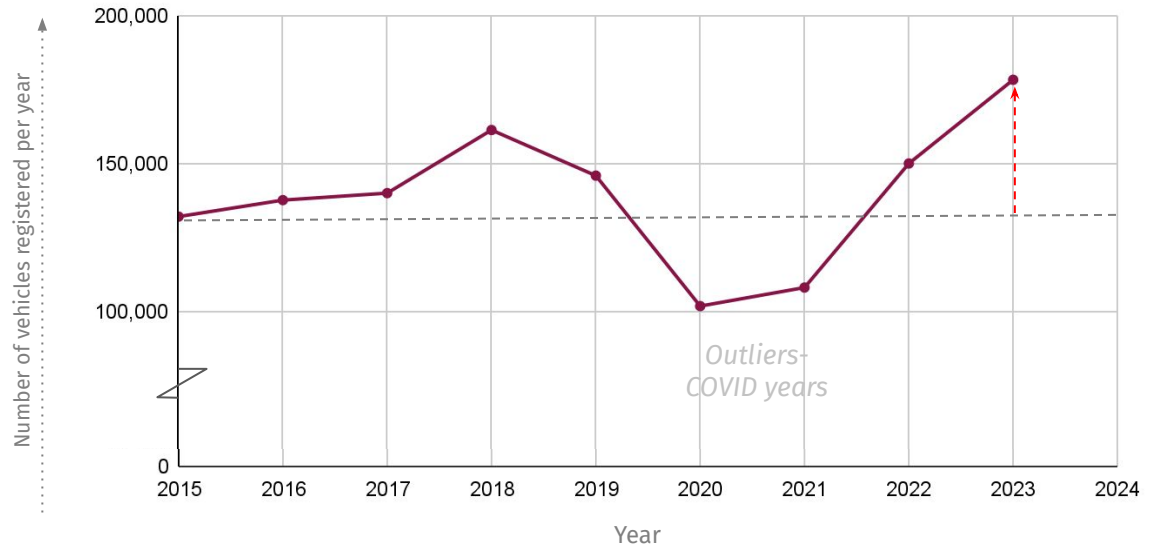
In 2024, PCMC's total vehicular population is a whopping **21.45 lacs!***

With the increase in vehicular population, road crashes in PCMC have **also increased 3 times** over the last 5 years.**

On an average, **over 30%** of the crash affected people are **pedestrians & cyclists.****

*Vahan Parivahan (MoRTH)

**Annual Road Crash Report, 2018-2021



For every 100 residents, PCMC has ~90 private motor vehicles, & PCMC will soon have **one vehicle per resident!**

By 2038, private vehicle trips should reduce by 18%

According to PMR's Comprehensive Mobility Plan 2018,

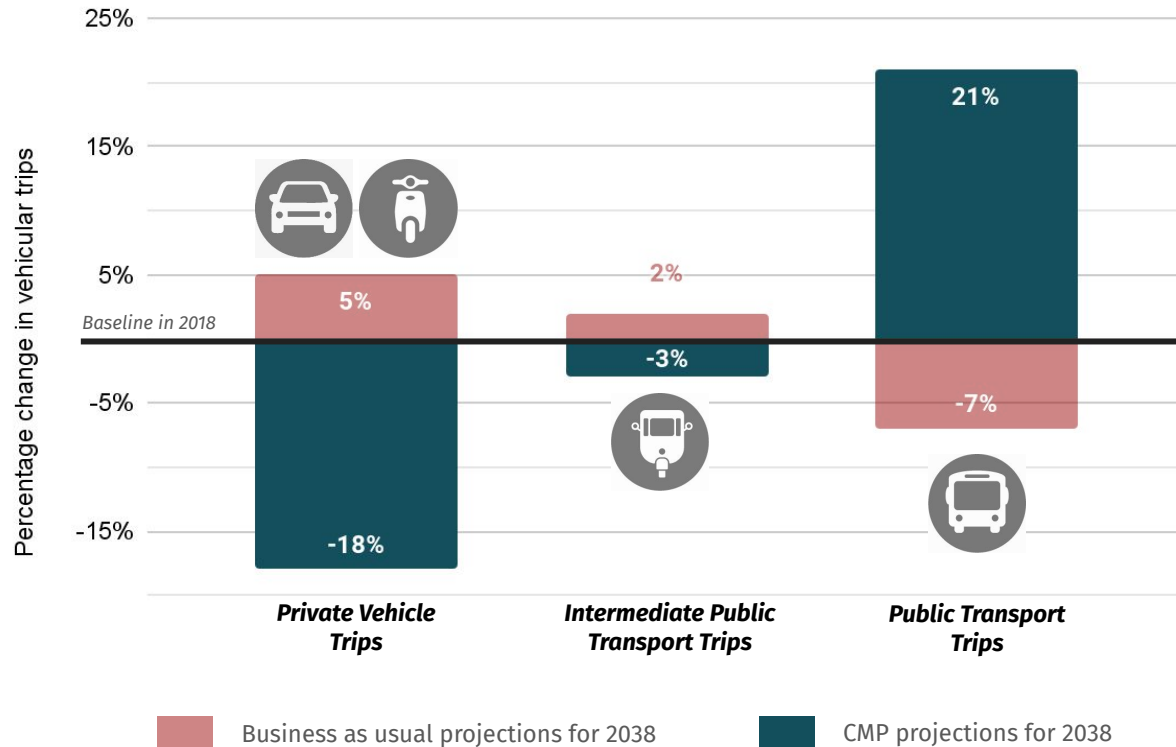
if PCMC continues this trend, by 2038, PCMC would see -

- 5% increase in private vehicular trips
- 7% decrease in public transport trips

However by 2038, PCMC aims to -

- Reduce private vehicular trips by 18%
- Increase public transport trips by 21%

Business as usual vs Sustainable scenario - shift in vehicular trips: from 2018 to 2038



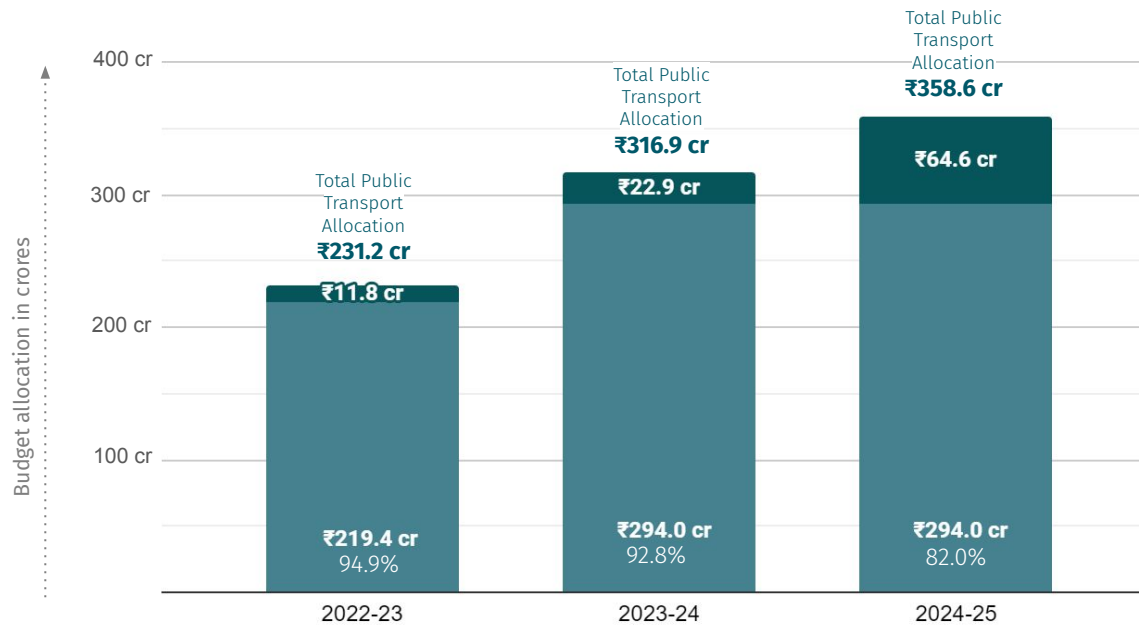
82% of the allocation for public transport is towards VGF



PCMC provides affordable bus services to commuters through its own bus transport system- the PMPML, funded collectively by Pune and Pimpri Chinchwad.

1/5th of the total transport budget is generally allocated to the Viability Gap Funding (VGF) which is used to support the procurement of buses, operational subsidies, and technology upgrades.

In 2024-25, of the 358.6 cr (43mn\$) allocated for public transport, 294 cr (35.2mn\$) (82%) is earmarked for VGF.



Other PT improvements

VGF for PMPML

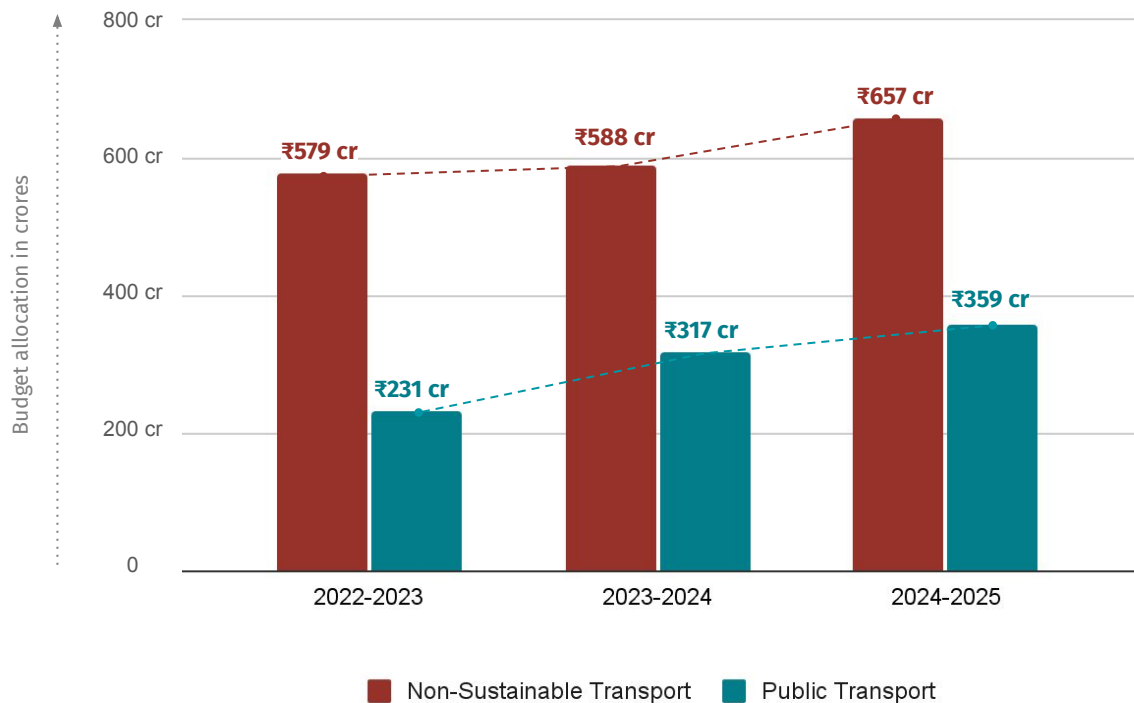
This includes items like BRT improvements, building new bus stops/ depots and procurement of buses under NCAP, etc

In PMR, the VGF for PMPML is divided into two parts: 60% is covered by PMC and 40% by PCMC. The chart shows PCMC's share of the VGF.

Allocations for public transport fall short of the goals

Allocation for non-sustainable transport is consistently high, with it being **double of the** allocation for public transport.

Allocation towards public transport is low with a gradual increase. However, **exponential increase is required** to meet the goals.



Observation 5

Budget allocations inconsistent with NUTP & SUTP priorities

SUTP funds allocated for non-sustainable projects

SUTP PROJECT

स्थापत्य मुख्य कार्यालय

अ.क्र	बजेट कोड Budget code	Project Name	प्रभाग क्र	Project Cost	2022-23 Updated Allocation	2023-24 Allocation
04-Roads and Bridges						
05-Bridges						
		जुनी कामे				
1	222308533	नाशिक फाटा उड्डाणपूल (flyover)		93,00,00,000	50,00,000	2,50,00,000
2	222308534	एम्पायर इस्टेट उड्डाणपूल (flyover)		1,50,00,00,000	5,20,00,000	2,50,00,000
		एकूण जुनी कामे र.रु.		2,43,00,00,000	5,70,00,000	5,00,00,000

Source: Excerpt from PCMC Annual Municipal Budget (2024-25)

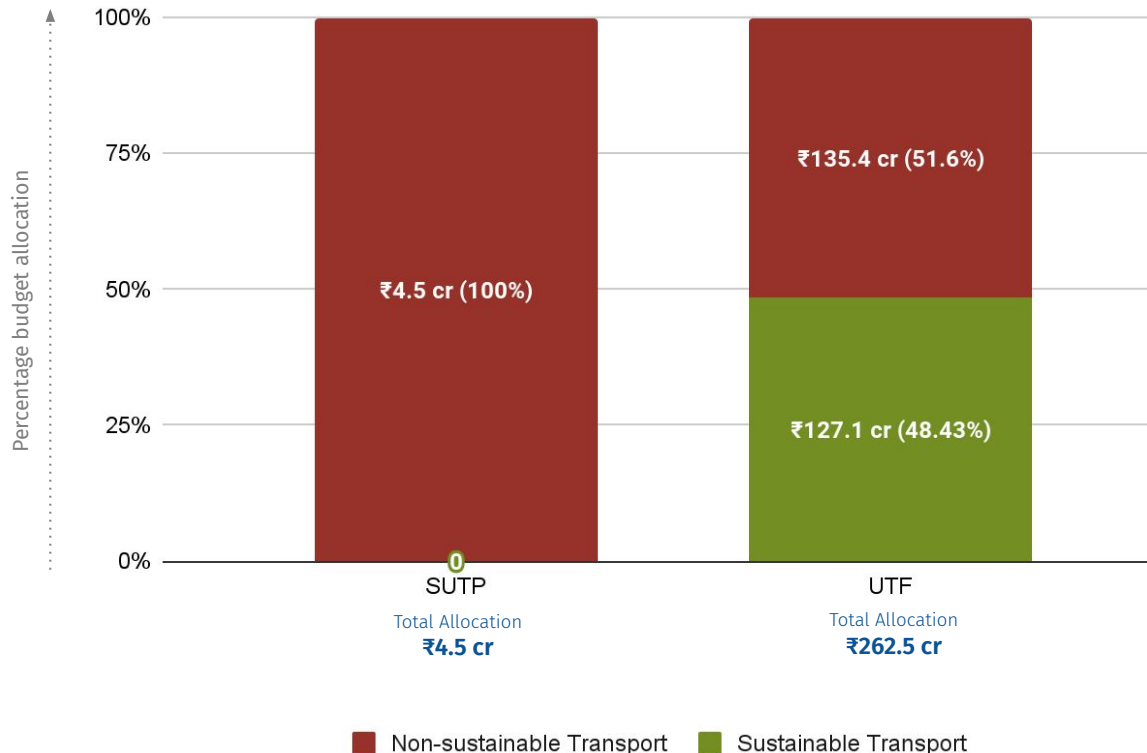
The Sustainable Urban Transport Project (SUTP) prioritises sustainable modes of transport—walking, cycling and public transport—and dissuades the use of personal motor vehicles. Yet some items like **infrastructure and maintenance for flyovers are marked under SUTP head in the budget document.**

50% of UTF allocated towards sustainable transport

NUTP suggests Urban Transport Fund (UTF) to be used for improving street network, public transport, parking, non-motorized transport, IPT, research and capacity building.

However, in 2024-25, only 50% of the UTF is used for improving non-motorised transport and public transport.

The remaining 50% is allocated for flyovers (₹6.5 cr) and carriageway development.



Observation 6

PCMC is exploring various avenues to ensure continued funding for sustainable transport projects

How is PCMC supporting its sustainable transport initiatives?

Dedicated street design program head in budget

PCMC budget has consistently incorporated dedicated budget heads for NMT projects

(accounted within municipal budget)

₹256 cr
(30mn USD) through Urban Streetscapes, Harit Setu Project

National and State-level Funds

PCMC has used funds from national & state programmes for improving sustainable transport

(accounted within municipal budget)

₹78 cr
(9.3mn USD) through 15th Finance Commission- NCAP

National & international competitions

PCMC has actively participated & won many competitions that provide funds for street transformations

(Additional source, not accounted in budget)

₹4.5 cr
through Streets4People, BICI, Cycles4Change

Market-based funds

PCMC is the 1st ULB in India to raise funds for NMT infrastructure through green bonds

(Additional source, not accounted in budget)

₹300+ cr*
(36mn USD) through Municipal Bonds and Green Bonds

International bank loans/grants

PCMC is pursuing loans from finance institutions like International Banks

(Additional source, not accounted in budget)

₹150+ cr*
(18mn USD) through International Finance Corporation

Data source- Pimpri Chinchwad Municipal Corporation

*In process 26

What should next year's transport budget include?

Recommendations

1. Vision-oriented budget formulation



Accessible Streets for all

Healthy streets & public spaces
Wider footpaths, safe cycle tracks
& Junctions
No more grade separators or FOBs!



Buses near everyone, everywhere, on time

Convenient, reliable public transport
More greener, faster buses.
Improved service & Multi-modal
integration



Congestion- & Pollution- free PCMC

Shift to cleaner transport
Low Emission Zones.
Parking management,
Congestion pricing.

A. Accessible streets for all

To achieve NMT Policy's goal of achieving 90% of all trips by sustainable means by 2036, all major streets should have good PT and NMT infrastructure.

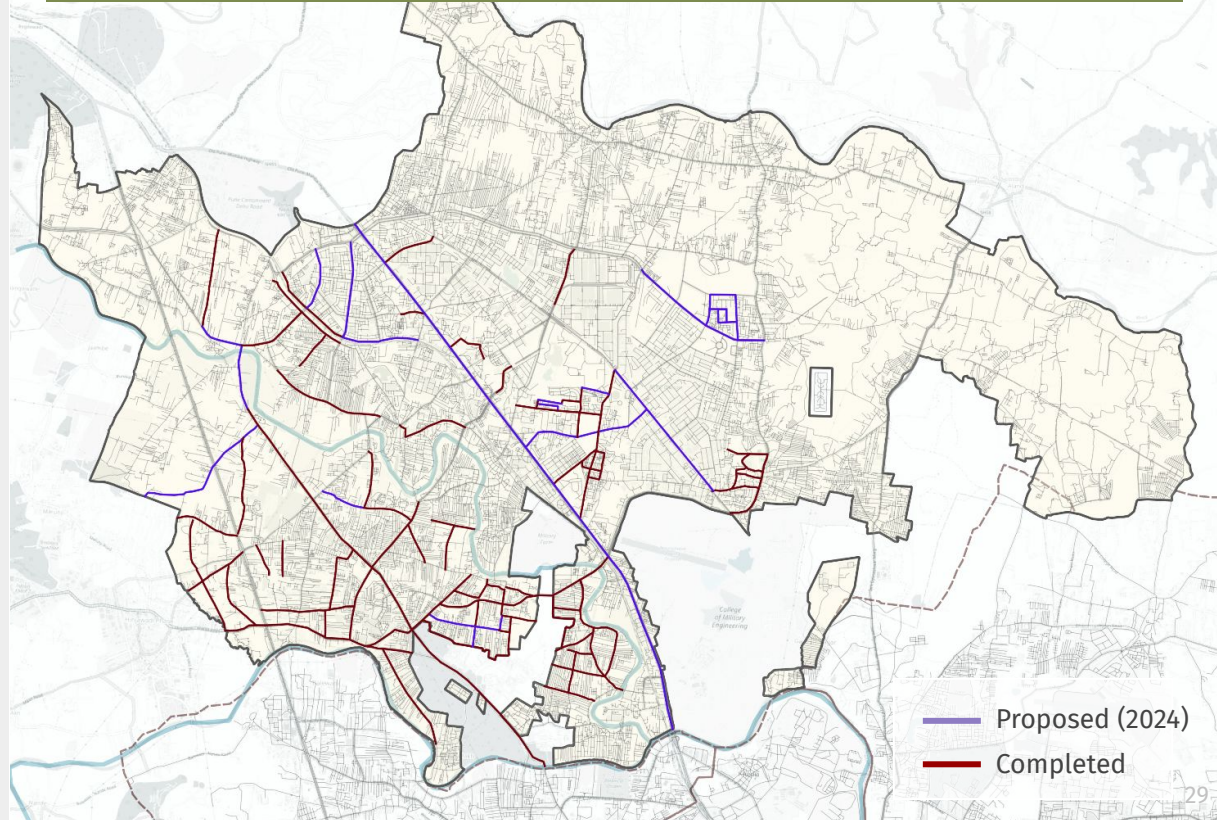
Only 4% (around 90 km of the total 2300 km) of PCMC's streets have been transformed so far.

PCMC should annually aim to transform 25 km of major streets and 100 km of minor streets consistently.

PCMC needs at least **₹350 cr*** (**41.9mn USD**) just for these streets developments annually

*Considering ₹10cr/km for complete street redesign, and ₹1cr/km for interventions on minor streets.

PCMC has around **300 km** of major and **2000 km** of minor streets.



B. Buses near everyone, to go everywhere, on time

	2024	2030
Increasing bus fleet (CNG + Electric)	2190 Buses	7670 Buses ¹
Increasing bus ridership (per day)	13.5 Lacs	61 Lacs ²
Maintaining BRTS	Basic BRT status	Silver status ³
Cleaner transport	31% E-Buses	50% E-Buses ⁴
Increasing Metro ridership (per day)	0.8 Lacs	41 Lacs ²

Apart from the budget for operational expenditure, PCMC requires ₹730 cr⁵ (87.4 mn USD) annually to achieve target bus fleet size by 2030 (50% Electric & 50% CNG)

¹ Based on MoHUA Standard for Buses per lac Population: SLBs for Urban Transport

² Ridership estimated as per: i. CMP for PMR, 2018, & ii. Assuming 60-40 split between Bus and Metro ridership for 2031

³ Institute for Transportation and Development Policy (ITDP) BRT Standard, 2024

⁴ Of the total fleet required as per PMPML's vision based on Maharashtra State Policy, 2021

⁵ At NPV. Excluding PMC's and PMRDA's share from the funding.

C. Congestion-free streets, pollution-free PCMC

PCMC needs to invest more for mitigating air pollution. **NCAP and Maharashtra EV policy** can be leveraged for Travel demand management measures, the Graded Response Action Plan, Low-emission zones, etc.

A strict implementation of Parking policy with **on-street parking management on 25 km of streets can generate a revenue of ₹10cr (1.2 mn USD) annually; a total of ₹60 cr by 2030***.

**With approx 5,500 parking spaces in 25 km of roads with a parking fee of ₹10/hr, an average occupancy of 75% per per day for 300 operational days annually, and an operator charge of ₹3 per car parking event.*



2. Exploring additional sources of funding

The Urban Transport Fund (UTF) needs boosting with revenue generated from fuel cess, green tax, congestion pricing, etc.

In 2023-24, PCMC's revenue was ₹ 9.96 lacs from the on-street parking management.

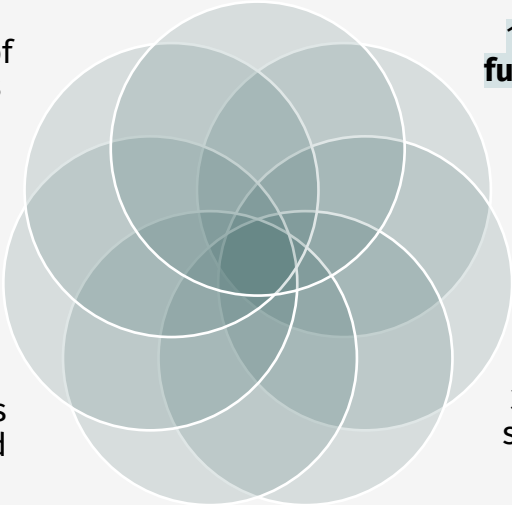
The additional revenue generated **should only be utilised for sustainable transport projects.**

1. Various Travel Demand Management measures- parking management charges and congestion pricing.
2. Development funds from political representatives
3. Land Value Capture mechanisms through Transit-Oriented Development
4. Contributions from citizens and corporates
5. Technical assistance grants, Low/Zero-interest loans from external development banks
6. Other taxes like petrol and diesel taxes, green tax, additional vehicle registration charges, etc

3. Reactivating PUMTA & establishing Mobility dept.

PCMC is in the process of creating the '**Urban Mobility Department**' which would oversee all mobility-related projects along with a focus on capacity building, research and budgetary allocations.

Currently, **PUMTA** is focused on projects like Metro, HCMTR, and flyover construction. It needs restructuring to achieve sustainable transport goals for the twin cities.

- 
6. To **ensure implementation** of CMP-recommended measures
 5. To **oversee key transport projects** including Sustainable transport projects in PMR
 4. To **undertake studies** for PMR's long term transport planning and provide framework as per CMP

1. To **plan, monitor and regulate funding and expenditure** for urban transport initiatives

2. To **facilitate integrated planning and management** of urban transport [MMI]

3. To facilitate common ticketing system/seamless **fare integration** across public transport

PCMC needs to sustain the efforts going forward!



With more than half of the transport budget allocated towards footpaths, cycle tracks and buses; **Pimpri Chinchwad boasts of one of the highest budget allocations towards sustainable transport** compared to other Indian cities. The substantial doubling of funding for non-motorised transport projects, notably driven by the 'Harit Setu' initiative, highlights PCMC's commitment to its NMT Policy goals.



Public transport remains underfunded with a visible shortfall of buses in the city. On the contrary, **private vehicle-centric projects continue to receive disproportionately high funding**. To achieve its goals, PCMC should not just increase funding for sustainable modes but also simultaneously reduce the allocations towards high-value private vehicle-centric infrastructure. This can be achieved through **reallocation of existing budgets** towards sustainable mobility projects.



Having said that, the study focuses only on budget 'allocations' made by the city. **Further study is needed to analyse the city's expenditure patterns.**

Abbreviations

BICI	Bloomberg Initiative for Cycling Infrastructure	NMT	Non-motorised Transport
BRTS	Bus Rapid Transit System	NPV	Net Present Value
CMP	Comprehensive Mobility Plan (2018)	NUTP	National Urban Transport Policy (2014)
EV	Electric Vehicle	PMPML	Pune Mahanagar Parivahan Mahamandal Ltd
FOB	Foot Over Bridge	PMR	Pune Metropolitan Region
HCMTR	High Capacity Mass Transit Route	PT	Public Transport
IPT	Intermediate Public Transport	PUMTA	Pune Unified Metropolitan Transport Authority
JNNURM	Jawaharlal Nehru National Urban Renewal Mission	RoW	Right of Way
LEMZ	Low Emission Mobility Zone	SUTP	Sustainable Urban Transport Project
MLCP	Multi-level Car Parking	UTF	Urban Transport Fund
MoRTH	Ministry of Road Transport and Highways	ULB	Urban Local Body
MoHUA	Ministry of Housing and Urban Affairs	VGF	Viability Gap Funding
NCAP	National Clean Air Program		

References

1. [PCMC Annual Municipal Budget \(2024-25\)](#)
2. [PMR Comprehensive Mobility Plan \(2018\)](#)
3. [PCMC Non-motorised Policy \(2021\)](#)
4. [Annual Maharashtra Road Crash Report \(2018-2021\)](#)
5. [PMPML vision for 2027 \(2022\)](#)

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