ABSTRACT

In the era of globalisation, cities have acquired a new meaning as they have become transnational market places for buying financial instruments and specialised services. The entrepreneurial approach adopted by city administrators has resulted in restructuring of cities so that they appeal to global investors. This phenomenon as observed in many cities of the world has led to the inquiry as to whether Indian cities are also experiencing such changes induced by the globalisation process. India’s economy started witnessing an upward swing after the introduction of economic reforms in 1991. A noticeable factor of this growth has been the rise in contribution of tertiary sector of which I.T. and I.T.E.S. forms an integral part. Being a city based industry, the role of cities has become crucial in sustaining the growth of I.T. industry. The aim of this research is to establish the relation between economic factors and urban development policies with a specific focus on I.T. industry. As a case study, Chennai Metropolis, one of the big metropolitan cities of India has been taken up for investigation.

Tamil Nadu is one of the states in India which implemented the I.T. policy as early as 1997. The importance given to the fiscal incentives and physical infrastructure vide the I.T. policy has resulted in many I.T. companies choosing Tamil Nadu for their operations. The I.T. industry’s impact is felt mostly in Chennai Metropolitan Area (CMA) only, despite the emphasis given by the I.T. policy to promote tier II and tier III cities of Tamil Nadu. It is found that Chennai Metropolitan Area accounts for about 186 I.T. parks with a total plinth area of nearly 6.69 million Sq.m. The manifestation of the I.T. related developments is observed in the form of I.T. parks both within the core city and its peripheral areas. However, the peripheral areas account for more than 75% of total development.
The scale and intensity of I.T. related developments taking place on Old Mahabalipuram Road (OMR) indicate that this belt is the most favoured location with more than 50% of the total development in the state. The developments along this stretch are witnessed beyond the CMA boundary on OMR. The declaration of I.T. corridor with a width of 500 M on both sides of OMR and the changes in Development control rules of CMDA permissibility of Multi storeyed buildings for I.T. related developments are found to have attracted many private initiatives in the form of I.T. parks. The study brings out the proactive role played by the state government in the form of TIDEL I.T. park at Taramani and the large scale land initiatives undertaken in the form of SIPCOT I.T. park at Siruseri and Knowledge Industry Township at Sholinganallur. These are found to have anchored the developments in the I.T. corridor.

With regard to the I.T. SEZs which are likely to be the future form of I.T. developments, the study brings to light that the concentration is in the I.T corridor with nearly 500 Ha of lands under them. From the study it is estimated that nearly 1.5 million direct employees can be accommodated in the I.T. corridor which is far above the 400,000 estimated in the Action plan report prepared by CMDA for the Thirupporur I.T. corridor. Hence a big gap is found between the projected demand and the supply of built space.

This research has brought out that the expansion of Chennai Metropolis along the I.T. corridor is almost entirely driven by I.T. industry. Besides, I.T. related developments are also witnessed in two other stretches namely, the Mt. Poonamalee road and Grand Southern Trunk road. Together, these two stretches are witnessing 16% of the total I.T. related development. The study also brings to light the transformation taking place at Ambattur Industrial Estate and Guindy Industrial Estate and attributes the same to the
I.T. policy of the state which has enabled the utilisation of the existing infrastructure at the industrial estates.

In the process of accommodating the I.T. industry, it is found that the core and the peripheral areas have experienced certain restructuring. In the I.T. corridor which was taken as a case study for the peripheral areas the restructuring is witnessed in the form of changes in land use and traffic and transportation network. The declaration of I.T. corridor, proposal to widen the OMR as I.T. Expressway and the favourable development control rules have enabled the restructuring of the peripheral area.

With regard to the developments in the core city, it is observed that the land uses have been restructured on account of I.T. sector and it is evident in Guindy Industrial estate which is likely to become an exclusive I.T. hub within Chennai city. Besides Guindy Industrial Estate, it is observed that many I.T. parks are distributed in other locations within the core city. South Chennai is found to be the most attractive district for I.T related activities. The study also has brought out that I.T. related activities are not exclusive to designated I.T. buildings as majority of I.T. and I.T.E.S. units are located in other commercial office spaces also which is an indication of preference to Chennai city. This form of restructuring is also witnessed mostly in the southern parts of Chennai.

The presence of large number of technically qualified personnel in the newly emerged knowledge sector in CMA has generated the need for built forms not only for work spaces but also for meeting the other requirements. In the absence of a comprehensive proposal by the government, these cascading effects of I.T. industry are found to have been addressed entirely by the private sector.
The case study of the I.T. corridor and its surrounding regions has brought out the fact that OMR is the popular destination for the residential and commercial developments also, as majority of the developments are concentrated along this belt. Despite the fact that no special incentives are given for developments other than for the work spaces, many private developers have undertaken residential, commercial and social infrastructure projects to capitalise the market potential that exists on account of the highly paid I.T. work force. However, the study has pointed out the gap between the supply and the projected demand for housing units. The supply is found to be around 21,500 housing units as against the projected demand of 500,000 housing units.

The study has brought out that I.T. industry has manifested spatially in a substantial manner in CMA and the urban development is influenced by this sector. The planning authority has responded to the thrust given in the I.T. policy by adopting an entrepreneurial approach and taken appropriate measures towards restructuring the city and its peripheral areas. The planning authority has created an enabling mechanism for private sector participation in creation of the built infrastructure required for the I.T. industry. However, it is found that market oriented approach in planning has led to lopsided urban developments which is more evident in the I.T. corridor.

From the case study of CMA, it is concluded that the I.T. industry has helped in transforming the face of some of the Indian cities. However, to sustain the economic growth, balanced urban development is required and the role of planners has become all the more important.