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**STANDING COMMITTEE ON
URBAN AND RURAL DEVELOPMENT
(1998-99)**

TWELFTH LOK SABHA

**MINISTRY OF URBAN AFFAIRS
AND EMPLOYMENT**

**(DEPARTMENT OF URBAN EMPLOYMENT
& POVERTY ALLEVIATION)**

**DEMANDS FOR GRANTS
(1998-99)**

THIRD REPORT



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**LOK SABHA SECRETARIAT
NEW DELHI**

July, 1998/Asadha, 1920 (Saka)

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Standing Committee on Urban & Rural Development
 (1998-99)
Corrigenda to Third Report (12th Lok Sabha)

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(TWELFTH LOK SABHA)

MINISTRY OF URBAN AFFAIRS
AND EMPLOYMENT

(DEPARTMENT OF URBAN EMPLOYMENT &
POVERTY ALLEVIATION)

DEMANDS FOR GRANTS—1998-99

Presented to Lok Sabha on 13.7.1998
Laid in Rajya Sabha on 13.7.1998



LOK SABHA SECRETARIAT
NEW DELHI

July, 1998/Asadha, 1920 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON
URBAN & RURAL DEVELOPMENT (1998-99)

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- *3. Shri Sudip Bandyopadhyay
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*Nominated w.e.f. 11.6.1998.

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42. Shri O.S. Manian
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SECRETARIAT

1. Shri G.C. Malhotra — *Additional Secretary*
2. Shri S.C. Rastogi — *Director*
3. Shri P.V.L.N. Murthy — *Assistant Director*

*Resigned from the Committee *w.e.f.* 04.7.1998.

**Ceased to be a member of the Committee consequent upon his retirement from Rajya Sabha on 29.6.1998.

ACRONYMS

BE	—	Budget Estimates
BMTPC	—	Building Material and Technology Promotion Council
BPL	—	Below Poverty Line
CBO	—	Community Based Organisations
CCEA	—	Cabinet Committee on Economic Affairs
DAVP	—	Directorate of Audio Visual Publicity
DU	—	Dwelling Units
DWCRA	—	Development of Women & Children in Rural Areas
DWCUA	—	Development of Women and Children in Urban Areas
EIUS	—	Environmental Improvement of Urban Slums
EWS	—	Economically Weaker Section
GDP	—	Gross Domestic Product
HFI	—	Housing Finance Institution
HUDCO	—	Housing & Urban Development Corporation
JJ	—	Jhuggi Jhonpri
LIG	—	Low Income Group
MCD	—	Municipal Corporation of Delhi
NGO	—	Non-Governmental Organisation
NHP	—	National Housing Policy
NP	—	Non Plan
NRY	—	Nehru Rozgar Yojana
NSDP	—	National Slum Development Programme
PM's IUPEP	—	PM's Integrated Urban Poverty Eradication Programme

RE	—	Revised Estimate
SHASHU	—	Scheme of Housing and Shelter Upgradation
SIU	—	Staff Inspection Unit
SJSRY	—	Swarna Jayanti Sahari Rozgar Yojana
SUME	—	Scheme of Urban Micro Enterprises
SUWE	—	Scheme of Urban Wage Employment
TCPO	—	Town & Country Planning Organisation
UBSP	—	Urban Basic Services of the Poor
UEPA	—	Urban Employment & Poverty Alleviation
UPA	—	Urban Poverty Alleviation
USEP	—	Urban Self Employment Programme
UT	—	Union Territories
UWEP	—	Urban Wage Employment Programme

INTRODUCTION

1, the Chairman of Standing Committee on Urban & Rural Development (1998-99) having been authorised by the Committee to submit the Report on their behalf, present the Third Report on Demands for Grants (1998-99) of the Department of Urban Employment & Poverty Alleviation of Ministry of Urban Affairs & Employment.

2. Demands for Grants have been examined by the Committee under Rule 331E(1) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee took evidence of the representatives of the Ministry of Urban Affairs & Employment (Department of Urban Employment & Poverty Alleviation) on 23rd June, 1998.

4. The Report was considered and adopted by the Committee at their sitting held on 4th July, 1998.

5. The Committee wish to express their thanks to the Ministry of Urban Affairs & Employment (Department of Urban Employment & Poverty Alleviation) for placing before them the requisite material in connection with examination of the subject.

6. The Committee wish to express their thanks to the officers of the Ministry of Urban Affairs & Employment who appeared before the Committee and placed their considered views. They would like to place on record their sense of deep appreciation for the invaluable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

NEW DELHI;
July 9, 1998
Asadha 18, 1920 (*Saka*)

KISHAN SINGH SANGWAN,
Chairman,
Standing Committee on
Urban & Rural Development.

CHAPTER I

INTRODUCTORY

The Department of Urban Employment & Poverty Alleviation which came into being in March, 1995 is responsible for implementation of Swarna Jayanti Sahari Rozgar Yojana (SJSRY) launched w.e.f. 1.12.1997. The earlier schemes of NRY, PM's IUPEP and UBSP are being implemented now under this scheme. This Department also deals with formulation of housing policy and programme (except rural Housing); review of implementation of Plan Schemes; collection and dissemination of data on Housing, building materials and techniques, reduction of building costs and nodal responsibility for National Housing Policy (NHP); Human settlements including UN Commission for Human Settlements, International cooperation and technical assistance in the field of Housing and Human settlements.

1.2 The estimated strength of establishment of the Department as on 1st March 1998 stands at 145 with a provision of Rs. 169.89 lakh for 1998-99 against the actual strength of establishment at 142 as on 1.3.97 with an outgo of Rs. 128.89 lakh.

ANALYSIS OF DEMANDS FOR GRANTS (1998-99)

Budget at a Glance

(Rs. in crore)

	Revenue	Capital	Total
Charged	-	-	-
Voted	222.21	115.00	337.21

1.3 A total provision of Rs. 337.21 crore for 1998-99 has been made in respect of the Department of Urban Employment & Poverty Alleviation. The detailed Demands for Grants of the Ministry of Urban Affairs & Employment were laid in Lok Sabha on 11th June, 1998.

1.4 It may be seen from the Demands for Grants that the total demand (voted) under Demand No. 84 — Department of Urban Employment and Poverty Alleviation is Rs. 337.21 crore of which Rs. 222.21 is on the Revenue side and Rs. 115 crore on the capital side. The details of financial requirements for different programme/activity wise and object/Head-wise are given in Appendix - I.

1.5 The Comparative budget allocations, net of recoveries of the Department of Urban Employment and Poverty Alleviation during 1997-98 and 1998-99 and Budget Estimates and actuals for 1996-97 are given below :—

Comparative Budget Proposals

	1996-97		1997-98		1997-98		1998-99		Total
	BE		BE		RE		BE		
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	
	(Actuals)						(%change over BE 97-98)		
Revenue	214.85 (163.84)	1.40 (1.08)	218.00	1.41	203.23	1.41	218.00	4.21	222.21
Capital	16.00 (16.00)	5.00 (4.86)	35.00	5.00	35.00	4.75	110.00	5.00	115.00
Total	230.85 (1179.84)	6.40 (5.94)	253.00	6.41	238.23	6.16	328.00	9.21 (+29.64)(+43.68)	337.21

1.6 It may be seen from the above comparative statement that there has been no change in the total plan expenditure of Rs. 218 crore in 1998-99 over BE 1997-98 while the actuals stand at Rs. 163.84 crore against BE of Rs. 214 crore for 1996-97 on the revenue side, though non-plan expenditure at Rs. 4.21 crore registered an increase of Rs. 2.80 crore from Rs. 1.41 crore in BE 1997-98. However, in the capital section the allocation at Rs. 110 crore for 1998-99 registered an increase of 214% over the BE figure of Rs. 35 crore on the plan side.

1.7 The allocations envisaged for 1998-99 in respect of certain major schemes/programmes *vis-a-vis* the BE & RE 1997-98 are indicated below :—

(Rs. in crore)

Sl. No.	Scheme/ Programme	BE 1997-98	RE 1997-98	BE 1998-99
Revenue Section				
1.	UBSP	19.80	8.47@	—
2.	PM's IUPEP	87.60	32.00@	—
3.	NRV	79.80	31.20@	—
4.	SJSRY	—	102.53\$	186.70
Capital Section				
5.	Equity to HUDCO for Housing	35.00	35.00	110.00

@ Schemes discontinued w.e.f 30.11.97 and subsumed with SJSRY.

\$ Scheme launched w.e.f. 1.12.97.

1.8 The Committee note that during the year 1997-98, the Ministry has launched a new Yojana *viz.* Swarna Jayanti Sahari Rozgar Yojana (SJSRY) encompassing the earlier schemes of NRV, UBSP and PMI UPEP from 1.12.1997. A cursory glance of the budgetary provisions for 1998-99 reveals that as compared to Rs. 259.41 crore in 1997-98, the allocation made for 1998-99 stands at Rs. 337.21 crore, registering an increase of 29.99% over BE 1997-98. However, there is no increase in the provision for plan expenditure on the Revenue side which has remained stagnant at Rs. 218 crore, while in the capital section, plan side, the allocation at Rs. 110 crore for 1998-99 shows an increase of 214% over BE figure of Rs. 35 crore in 1997-98.

1.9 The allocation envisaged for the earlier major Schemes of NRV, UBSP, PMI UPEP in the Revenue Section was Rs. 187.20 crore in 1997-98 as against the allocation of Rs. 186.70 crore for the newly launched Swarna Jayanti Sahari Rozgar Yojana (SJSRY) in BE

1998-99 showing a decrease of Rs. 50 lakh over the BE 1997-98. The Committee, therefore, desire that allocation for SJSRY should at least have been kept at the level of 1997-98 if not more, since the new Yojana encompasses the earlier three schemes of NRY, UBSP and PMIUPEP.

1.10 From the scrutiny of the detailed Demands for Grants under the Head Secretariat — General Services the following points may be observed :—

(i) that out of total estimate of Rs. 233 lakh for 1998-99, non-plan expenditure is estimated at Rs. 53 lakh, while in BE & RE 1997-98 non-plan expenditure was Rs. 32 lakh and Rs. 37 lakh, respectively, representing (ii) that allocation for office expenses has registered an increase of 714.29% from Rs. 14 lakh in BE & RE 1997-98 to Rs. 114 lakh in BE 1998-99.

1.11 When asked the reasons for the increase of Non-Plan expenditure by Rs. 21 lakh in 1998-99, the Department in a written reply stated :

“The reason for increase of Rs. 21 lakh in 1998-99 may be attributed to the implementation of the recommendations of the Fifth Central Pay Commission’s Report apart from other establishment related expenditure.”

1.12 The details of items on which the Non-Plan expenses had increased alongwith the amounts in each case separately are indicated below :—

(Rs. in lakh)			
	BE 1997-98	BE 1998-99	Excess Amount
(i) Sectt. (Estt.)	37.00	53.00	16.00
(ii) NBO (Estt.)	59.00	73.00	14.00
(iii) Assistance to HUDCO Interest subsidies for Areas Affected by Natural Calamities (Jabalpur Earthquake)	—	250.00	250.00

1.13 Asked further the reasons for such a steep hike in allocation for office expenses from a meagre Rs. 14 lakh in 1997-98 to Rs. 114 lakh in 1998-99 with the details of items under which this hike was proposed, the Ministry stated in reply as follows :

“When the Departments of Urban Employment & Poverty Alleviation was formed, it was invested with the responsibility of accelerating the pace of poverty alleviation programmes. For this purpose a special scheme known as Prime Minister Integrated Urban Poverty Eradication Programme (PMIUPEP) was formulated. To give wide publicity to the aims, objects and modalities of successfully implementing this programme, wide publicity was given through HUDCO and number of conferences and meetings were held to generate public awareness. The increased amount is to deal with the additional expenses incurred on the programme by HUDCO/DAVP/direct advertisements in press.”

1.14 It may be seen that a new provision of Rs. 250 lakh for the year 1998-99 on the non-plan side has been made under the Head — interest subsidy for areas affected by natural calamities.

1.15 Asked as to what are the reasons for giving assistance to HUDCO towards interest subsidy under this head, the Department in its written reply stated :

“The interest subsidy under this head is proposed to be given to HUDCO to meet interest loss on account of loans to Jabalpur earthquake victims. HUDCO has been directed not to charge interest for the first three years on loans to such people belonging to EWS/LIG.”

1.16 Asked further for what duration the Govt. propose to continue to give interest subsidy to HUDCO on this account, the Ministry replied that it is proposed to provide such interest subsidy to HUDCO initially for three years beginning 1998-99 and recommend its continuation till the differential is compensated.

1.17 It may also be seen from the schedule to the Demands for Grants for 1997-98 that the estimated staff strength was 52 as on 1.3.97 with an outgo of Rs. 128.89 lakh. The estimated strength of establishment as on 1.3.98 stands at 145 with an allocation of

Rs. 169.89 lakh. The Ministry has reported that the figure shown against this Department in the Demands for Grants of 1997-98 was only the estimated figure.

1.18 The estimated and actual strength of establishment (category-wise) of the Department as on 1st March during 1996, 1997 and 1998 and the estimated allocation and actual outgo therefor separately in each of these three years is indicated in *Appendix II*.

1.19 Asked as to the reasons for variation in estimates of staff strength for the years 1997 and 1998 (as on 1st March), the Department in a note stated that after the creation of the Department of Urban Employment & Poverty Alleviation, the staff expenses continued to be debited to the Department of Urban Development.

The staff strength shown for the year 1996-97 notionally pertains to NBO. The actual strength as shown on 1.3.97 and on 1.3.98 in the Demands for Grants for 1998-99 shows the actual strength of the Department after the relevant salary budgets were bifurcated.

1.20 When asked on what basis the manpower requirements are being assessed in the Department, the Ministry replied that since this was a new Department and many functions like establishment, office expenses etc. continued to be debited in the initial year to the Department of Urban Development, the manpower requirements were assessed on a tentative basis. Even now the manpower requirements of this Department have been provided keeping in view the quantum of work handled by the Department. In time to come, SIU study/Internal work Study can be planned to assess the actual workloads and provide manpower to deal with it.

1.21 Review of certain Schemes/Programmes is dealt with in the succeeding chapters.

1.22 The Committee observe that while on one hand there has been no increase in the allocation for the major scheme of SJSRY in BE 1998-99, on the other the non-plan expenditure at Rs. 9.21 crore in 1998-99 registered an increase of 43.68% over Rs. 6.41 crore in BE 1997-98. A new provision of Rs. 250 lakh has been made towards giving assistance to HUDCO to compensate it for interest loss on account of loans to Jabalpur earthquake victims. It is proposed to assist HUDCO for the purpose initially for three years and recommend its continuation till the differential of interest loss to HUDCO on account of loan is compensated.

The Committee, however, regret to note that the allocation for office expenses (on non-plan side) registered an increase of over 714% from Rs. 14 lakh in BE 1997-98 to Rs. 114 lakh in BE 1998-99. According to the Ministry the increase was to meet the expenses for giving wide publicity to the programme of PMIUPEP launched in August, 1994 through the scheme itself now stands discontinued w.e.f. 30.11.1997 and has become part of the newly launched SJSRY.

1.23 They further note that the manpower requirements of the Department till now are being made on a tentative basis due to which there is a wide gap between the estimated and actual strength of establishment as on 1.3.1997. The Committee therefore, recommend that the manpower requirements of the Departments be assessed in a more pragmatic manner assessing the actual workload by carrying out SIU/Internal work study at the earliest. They also desire that office expenses on account of publicity for various programmes of the Department be kept to the bare minimum to reduce non-plan expenses in future.

CHAPTER II

URBAN POVERTY ALLEVIATION PROGRAMMES

Urban Poverty Alleviation is a major challenge to the nation and calls for an imaginative new approach. The goal is to adequately feed, educate, house and employ the large and rapidly growing number of impoverished city dwellers.

2.2 Ministry of Urban Affairs & Employment (Department of Urban Employment & Poverty Alleviation) was monitoring till 30.11.97, the implementation of Nehru Rozgar Yojana (NRY), the Urban Basic Services for the Poor (UBSP) and Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP). All these three Urban Poverty Alleviation schemes stand subsumed in a new scheme *viz.* Swarna Jayanti Sahari Rozgar Yojana (SJSRY) with effect from 1.12.1997.

A. URBAN POVERTY

2.3 The bulk of the urban poor are living in extremely deprived conditions with insufficient physical amenities like low-cost water supply, sanitation, sewerage, drainage, community centres and social services relating to health care, nutrition, pre-school, and non-formal education. A significant portion of the urban poor belong to Scheduled Castes, Scheduled Tribes and minorities. The need of the hour is to improve skill of the urban poor and to assist them in setting up micro-enterprises, thereby providing them avenues for enhancement of their income. Another major area of assistance for this target group is provision of funds for housing or shelter upgradation. Government have accorded high priority to the substantial expansion of programmes meant for improving the quality of life of the urban poor.

2.4 The number of persons below poverty line as per the new official methodology for 1993-94 by the Modified Expert Group stand at 763.37 lakh constituting 32.36% of the total number of persons in urban areas.

2.5 Allocation of funds to States for poverty alleviation schemes is made by Govt. in proportion to the poverty levels in each State based

on official estimates of the Planning Commission. These estimates are arrived at by the Planning Commission based on NSSO Consumer Expenditure surveys conducted after every five years.

2.6 The Ministry has reported that as per the revised poverty line for urban areas as given by the Planning Commission the persons whose monthly per capita income does not exceed Rs. 353.44 at 1996-97 prices are categorised as Below Poverty Line (BPL) families. The state specific figures of income limit for poverty line calculations as per new official methodology at 1996-97 prices is at *Appendix III*.

2.7 The comparative amounts proposed, the allocations made and actual utilisations in the 8th Plan and during the last two years (Ninth Plan), is as under :—

(Rs. in crore)				
Year/Plan	8th Plan	Ninth Plan	1997-98	1998-99
Amounts proposed	2699.05	5889.45	1029.20	—
Amount allocated	653.35	581.00 (Allocated for 2 Yrs.)	253.00	328.00
Actual utilisation	864.51	—	236.95 (Provisional)	—

2.8 It may be seen from the above table that the amounts allocated (Rs. 653.35 crore) in the Budget during 8th Plan for Poverty Alleviation Programmes was 24.21% of the amount proposed (Rs. 2699.05 crore) while for the first two years of the Ninth Plan (yet to be finalised) viz. 1997-98 & 1998-99, the amount allocated (Rs. 581 crore) is only 9.87% of the Department's overall projections for the Ninth Plan.

2.9 When asked about the reasons for low allocation of funds which came down from about 54 per cent in 1995-96 to less than 25 per cent in 1998-99, the Ministry in reply stated as follows :—

"The comparative position of the amounts proposed in respect of the schemes of Nehru Rozgar Yojana and Prime Minister's

Integrated Urban Poverty Eradication Programme during the last three years was as under :—

(Rs. in crore)

S.No.	Name of Scheme	1995-96		1996-97		1997-98	
		Pro-posed	Allo-cation	Pro-posed	Allo-cation	Pro-posed	Allo-cation
1.	NRY	120.00	71.00	142.00	71.00	708.20	80.00
2.	PMI UPEP	150.00	100.00	150.00	100.00	200.00	88.00

1997-98 being the first year of the Ninth Five Year Plan, higher allocation was sought for achieving stepped up targets under the aforesaid schemes. It will thus be seen that the variation in percentages of amounts proposed and agreed to by the Planning Commission was primarily on account of higher allocation sought by the Ministry for the Schemes of NRY and PMI UPEP during 1997-98.

Level of allocation by the Planning Commission has remained at the previous level.”

2.10 On the question of the basis of arriving at the figure of the proposed outlay, the Ministry stated that these are based on actual requirement of funds as worked out by this Ministry for implementation of each scheme keeping in view the number of beneficiaries proposed to be covered etc.

2.11 Generally, the allocations are determined by the Planning Commission keeping in view the overall availability of Plan funds. In terms of GDP it has remained in the region of 0.08% of the GDP during the years 1995-96 and 1996-97.

2.12 The Committee note that the number of persons living below poverty line at 763.37 lakh for 1993-94 constitute 32.36% of total number of persons in urban areas. The revised poverty line for people in urban areas to be categorised as BPL families at 1996-97 prices is Rs. 353.44 per capita per month. They further note that the funds allocated Rs. 653.35 crore by the Government for urban poverty alleviation programmes were 24.21% of the amounts proposed (Rs. 2699 crore) in respect of the 8th Five Year Plan which fell to

just 9.87% (Rs. 581 crore) for the first two years of the Ninth Plan (yet to be finalised) proposals (Rs. 5889.45 crore). The contention of the Ministry that the level of allocation by the Planning Commission remained at the previous Plan levels is untenable. It becomes all the more obvious when viewed in the context of percentage of GDP, which is in the region of 0.08% during 1995-96 and 1996-97. The Committee recommend that allocations for Urban Poverty Alleviation programmes (UPA) should be increased keeping in view the increasing level of urban poverty and also to provide a better quality of life to the urban poor. They would like to be apprised of the steps taken in this regard.

B. REVIEW OF POVERTY ALLEVIATION PROGRAMMES

(Prior to 1.12.1997)

(i) *Urban Basic Services for the Poor (UBSP)*

2.13 The Scheme of Urban Basic Services for the Poor (UBSP) initiated during the 7th Five Year Plan seeks to bring about functional integration between the provisions of Social Services under UBSP and provision of physical amenities under the State Sector Scheme of Environmental Improvement of Urban Slums (EIUS). The broad goal of the Scheme is to create a facilitating environment in the quality of life of the urban poor. During 1997-98 an outlay of Rs.19.80 crore has been provided for this Scheme. The Scheme has since been discontinued w.e.f 30.11.97.

(ii) *Prime Minister's Integrated Urban Poverty Eradication Programme (Pm's IUPEP)*

2.14 Recognizing the seriousness and complexity of urban poverty problems, especially in the small towns where the situation is more grave due to lack of resources for planning their environment and development, the Prime Minister had announced on 15th August, 1994 an integrated scheme for eradication of poverty, known as Prime Minister's Integrated Urban Poverty Eradication Programme (PMI UPEP). This scheme seeks to address the problems of Urban Poverty with a multi pronged and long term strategy. A provision of Rs. 8760 lakhs had been made in BE 1997-98. The Scheme has since been discontinued w.e.f 30.11.97.

(iii) *Nehru Rozgar Yojana*

2.15 Nehru Rozgar Yojana was launched by the Ministry in October, 1989. It was recast in March, 1990. The Yojana consist of three

schemes. (i) The Scheme of Urban Micro Enterprises (SUME), (ii) The Scheme of Urban Wage Employment (SUWE), and (iii) The Scheme of Housing & Shelter Upgradation (SHASHU). The entire expenditure on the Yojana was shared on a 60:40 basis between the Central Government and the State Governments with effect from VIII Plan. The Yojana has since been wound up w.e.f. 30.11.97 and replaced by Swarna Jayanti Sahari Rozgar Yojana w.e.f. 1.12.97.

2.16 During 1997-98 Rs. 79.80 crore was provided for all the three sub schemes of NRY.

The Committee's examination of the Demands for Grants with regard to SUME of NRY for the years 1996-97 and 1997-98 and detailed examination of the Nehru Rozgar Yojana revealed that due to under financing by Banks and other related shortcomings, the scheme of Urban Micro Enterprises as was being implemented earlier has become unviable and the micro enterprises assisted under the scheme have become unsustainable.

2.17 Asked if the Ministry was satisfied with the progress of implementations of the schemes of UBSP, PMIUPEP and NRY since their inception upto 30.11.97, the Ministry stated in reply that except for SHASU component of NRY, progress of all the schemes was generally satisfactory.

2.18 The comparative details of targets fixed (physical and financial), allocations provided, results attained and actual expenditure incurred in respect of each of the three UPA schemes/programmes during 8th Plan and each of the years of Ninth Plan, separately upto 30.11.97 (i.e. date of discontinuation of these schemes) are indicated below:—

(Rs. in crores)

Year	Allocation Provided	Release Made	Targets Fixed	Achievements
1	2	3	4	5
<i>Urban Basic Services for the Poor</i>				
8th Plan	82.45	82.45	70 lakhs urban poor	70 lakhs urban poor

1	2	3	4	5
97-98 (upto 30.11.97)	20.00	8.47	None. The allotted fund of Rs. 20 crores was considered insufficient to cover the then existing urban poor beneficiaries. However with the unspent funds available, the State Govts. covered an additional 15 lakhs urban poor beneficiaries.	

Prime Minister's Integrated Urban Poverty Eradication Programmes

8th Plan	175.40	175.40	5 million urban poor were targetted to be benefitted during the 5 year Programme Period.	(a) 11772 nos. of applications under the Self-Employment component were approved.
97-98 (upto 30.11.97)	88.00	31.90	No year-wise targets were fixed under PMI UPEP	(b) 18004 nos. of applications under Shelter-upgradation Component were approved. (c) 9400 nos. of beneficiaries were given training for setting up micro-enterprise.

Nehru Rozgar Yojana

8th Plan	327.16	327.16	(a) 5.23 lakhs beneficiaries (b) 225.66 lakhs mandays to be generated (c) 5.13 lakhs dwelling units upgraded	(a) 7.68 lakhs beneficiaries (b) 263.5 lakhs mandays generated (c) 4.56 lakhs dwelling units upgraded
97-98 (upto 30.11.97)	80.00	31.20	(a) 0.37 lakhs beneficiaries (b) 20.10 lakhs mandays to be generated (c) No targets fixed	(a) 1.08 lakhs beneficiaries (b) 34.69 lakhs mandays generated (c) 0.10 lakhs dwelling units upgraded

2.19 Asked to what were the reasons/rationale behind discontinuance of these schemes in the middle of the financial year and their merger with the newly launched Swarna Jayanti Sahari Rozgar Yojana, the Ministry replied that these schemes were launched at different times, have overlapping features. They also suffered from some contradictions and there are variety in their vital ingredients which resulted in unequal benefit being extended to beneficiaries in different areas. Hence, after thorough review, these schemes were discontinued and replaced with the comprehensive scheme of SJSRY.

2.20 On the status of unspent balances obtaining in each of these three schemes/programmes on the date of their discontinuance, the Ministry in a brief note stated :

“These schemes were discontinued with effect from 1.12.97. The status of unspent balances of these schemes as on 30.11.97 is being collected from the State Governments. The unspent balances, including the corresponding State share has been treated as opening balances for the SJSRY.”

2.21 The Ministry reportedly commissioned studies to assess the impact of Urban Poverty Alleviation Programmes and the reports are still awaited.

2.22 Asked as to when these reports are likely to be received and since when these studies have been initiated, the Ministry replied as follows :—

“Altogether, six evaluatory studies were commissioned by this Department to assess the impact of urban poverty alleviation programmes. One study was commissioned in September, 1996, the part report of which was submitted in September, 1997 which was found by the concerned State Government to be useful. Another study which was conducted by the Department of Administrative Reforms and Public Grievances, was commissioned in June, 1997 and completed in May, 1998, the final report of which is likely to be received shortly. Of the remaining four studies, three were commissioned in November, 1997 and one was commissioned in September, 1997. The progress of these four studies was held up on account of late release of funds due to delayed Supplementary Grants. The concerned institutions have been requested to expedite the reports.”

2.23 The Committee note that the Ministry discontinued the implementation of the three schemes/programmes of Urban Poverty Alleviation viz. NRY, UBSP and the recently launched PM's Integrated Urban Poverty Eradication Programme w.e.f. 30.11.1997. These schemes/programmes sought to provide self-employment, wage employment and shelter upgradation avenues to the urban poor besides bringing about functional interaction of social services with provision of physical amenities thereby creating a facilitating environment in their quality of life and striving for eradication of urban poverty as a long term objective. The Government was satisfied with the progress of implementation of all these scheme except for SHASHU component of NRY. A quick glance of the physical/financial progress of the schemes reveals that no year-wise targets were fixed in respect of PMI UPEP while the achievements under the programme were only in the initial set-up mode with nil tangible benefits accruing to the 5 million urban poor targeted for a period of five years.

2.24 It is observed that the Committee (1996-97) in their 2nd and 12th Reports (Eleventh Lok Sabha) had recommended that sustainability and viability aspect (including the role of Banks in the micro enterprises assisted under SUME) of SUME of NRY be examined, pending which the scheme should be held in abeyance. Further, the Committee find it disconcerting to note that on the one hand these three schemes have now been discontinued as pointed out by the Committee (1996-97) as they suffered from certain contradictions, had overlapping features and resulted in unequal benefits extended to intended persons under the schemes, while on the other, the Government's claim that their progress was satisfactory is not comprehensible. The Committee feel that had these lacunae been removed at the time of launching of these schemes, they would not have to be discontinued now. The Committee also feel that the Ministry could have got expedited the reports of the evaluatory studies commissioned earlier, before these UPA schemes were discontinued. They therefore, desire that Government should be more vigilant before they launch new schemes with similar features, in future.

C. SWARNA JAYANTI SAHARI ROZGAR YOJANA

2.25 The Swarna Jayanti Sahari Rozgar Yojana (SJSRY) has been launched as a replacement for Nehru Rozgar Yojana (NRY), Urban

Basic Services for the Poor (UBSP), and Prime Minister's Integrated Urban Poverty Eradication Programme (PMI UPEP) on 1.12.1997. The SJSRY seeks to provide gainful employment to the urban unemployed, or underemployed poor through encouraging the setting up of self-employment ventures or provision of wage employment.

2.26 The Swarna Jayanti Sahari Rozgar Yojana will be funded on a 75:25 basis between the Centre and the States.

2.27 The Scheme consists of two special schemes, namely—

- (a) The Urban Self Employment Programme (USEP)
- (b) The Urban Wage Employment Programme (UWEP)

(A) *Urban Self Employment Programme (USEP)*

2.28 This Programme will have three components :

- (i) Assistance to individual urban poor beneficiaries for setting up gainful self employment ventures.
- (ii) Assistance to groups of urban poor women for setting up gainful self employment ventures. This Sub-scheme has been titled as, 'The Scheme for Development of Women and Children in the Urban Areas (DWCUA)'.
- (iii) Training of beneficiaries , potential beneficiaries and other persons associated with the urban employment programme for upgradation and acquisition of vocational and entrepreneurial skills.

Salient Features of Urban Self Employment Programme are:—

(a) *Setting up micro-enterprises and skill development*

Maximum Unit cost	Rs. 50,000/-.
subsidy	15% of the Project cost subject to a maximum ceiling of Rs.7500/-.

Margin money to be contributed by the beneficiary	5% of the Project Cost,
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For Joint Venture

Project cost	Sum of individual project cost allowable per beneficiary.
Subsidy	Total permitted subsidy per person.

(B) Training And Infrastructure Support

Training cost per person	Rs.2000/-.
Training period	Two to six months subject to a minimum of 300 hours.
Tool Kit worth	Rs.600/-.

(b) Development Of Women And Children In Urban Areas (DWCUA)

2.29 DWCUA aims at helping groups of urban poor women in taking up self-employment ventures. The group should consist of at least 10 women. The ceiling of subsidy under the scheme is Rs.1.25 lakh or 50% of the cost of project whichever is less. Where the groups sets itself up as Thrift and Credit Society, in addition to its self employment venture, it will be eligible for an additional grant of Rs.25,000/- as Revolving Fund at the rate of Rs. 1000 maximum per member. The fund is meant for purposes like purchases of raw material and marketing, infrastructure support, one time expense on child care activity, expenses upto Rs.500/- on travel cost of group members to bank, payment of insurance premium for self/spouse/child by maintaining savings for different periods by a member and any other expense allowed by the State in Group's interest. The Revolving Fund can be availed by the Group only after one year of its formation.

(B) Urban Wage Employment Programme (UWEP)

2.30 This programme shall seek to provide wage employment to beneficiaries living below the poverty line within the jurisdiction of urban local bodies by utilising their labour for construction of socially and economically useful public assets.

2.31 The programme shall apply to urban local bodies, the population of which was less than 5 lakh as per the 1991 census.

2.32 The material labour ratio for works under this programme shall be maintained at 60:40. The prevailing minimum wage rate as notified for time to time for each area, shall be paid to beneficiaries under this Programme.

2.33 A sum of Rs. 10252.53 lakh in RE 1997-98 and Rs. 18670 lakh for BE 1998-99 has been provided for the Yojana.

2.34 The State Governments have to send quarterly progress reports on implementation of various components of the scheme. Reports for the quarter ending March, 1998 have not been received from States.

2.35 The physical and financial targets fixed for the Yojana and its sub-schemes *viz.*, Urban Self Employment Programme, DWCUA and UWEP separately for 1997-98 and 1998-99 are as follows :

The financial allocation for USEP, DWCUA and UWEP components are as under :—

(Rs. in crore)

	1997-98	1998-99 (Tentative)
USEP	49.72	51.43
DWCUA	5.13	18.70
UWEP	30.19	61.70

The physical targets for these components have been left to be decided by the State Governments as per their priorities and in accordance with provision of the guide-lines.

2.36 When asked if all the formalities of discussion/ consultation with State Governments Planning Commission, Ministry of Finance, CCEA etc. were completed before launch of this Yojana, the Ministry in their written reply stated :

“Yes, the new schemes of SJSRY was conceptualised after holding broad based discussion with State Government officials, NGOs, field functionaries and the national and the State level research institutions.”

2.37 The essential component of the earlier schemes viz., self-employment component, wage employment component and creation of community structures have been retained in the new schemes, the shelter upgradation components has been taken away and linked with the National Slum Development Programme.

2.38 The Yojana inherited the unspent balances of the earlier schemes of UBSP, NRY and PMI UPEP over and above the amount allocated in RE 1997-98. The figures of unspent balances is being collected from all the States.

2.39 It is observed that no special provision has been made in the SJSRY for earmarking certain portion of funds for women beneficiaries under USEP & UWEP special schemes of the Yojana as is being done in respect of rural employment & poverty alleviation schemes/programmes being implemented by the Ministry of Rural Areas & Employment.

2.40 The Committee note that Government launched the Swarna Jayanti Sahari Rozgar Yojana (SJSRY) — a Yojana encompassing many of the features of the earlier UPA Schemes of NRY, UBSP and PMI UPEP effective from 1.12.1997. This Yojana is funded in the ratio of 75:25 between the Centre and States while the earlier schemes were on a 60:40 basis. The Yojana has a self employment & wage employment based special schemes akin to the SUME & SUWE sub-schemes of NRY with an exception of a new sub-component viz. the scheme of Development of Women and Children in Urban Areas on similar lines as that of DWCRA scheme in rural areas. An allocation of Rs.186.70 crore has been made in BE for the year 1998-99 for the Yojana. The unit cost ceiling in USEP under SJSRY has been enhanced to Rs.50,000/- from that of Rs.20,000/- in SUME of NRY with provision for group/joint ventures.

2.41 It appears to the Committee that the Ministry had not conducted any survey with regard to the utility of the Yojana, obtaining the feedback of the intended beneficiaries etc. before the Yojana was launched for implementation. They, recommend that in future the Ministry should conduct such a survey before any new scheme is launched for implementation. The Committee, therefore, desire that a certain portion of funds under the USEP and UWEP special schemes of SJSRY should be earmarked for women beneficiaries as is done in the rural poverty alleviation programmes

being implemented by the Ministry of Rural Areas & Employment. The Committee would like to be informed of the action taken in the matter.

2.42 Further, the shelter upgradation component of SHASHU under NRY has now been made part of the National Slum Development Programme. The Yojana had inherited the unspent balances of the earlier schemes of NRY, UBSP & PMI UPEP in addition to the allocation made in RE 1997-98. They, therefore, desire that as the Yojana is of recent origin, the Ministry should closely monitor the progress of implementation by States while allocating funds.

2.43 The Committee while noting that the new scheme of SJSRY has retained many of the features of the earlier schemes of NRY, PMI UPEP & UBSP, caution the Government with regard to the role of banks, the sustainability and viability of self employment ventures under USEP etc. and to avoid the pitfalls of the earlier schemes while implementing SJSRY. The Committee feel that proper planning is a necessary pre-requisite for successful implementation of projects under the Yojana in both the self employment and wage employment special schemes. They desire that the Ministry should keep in mind the views of this Committee as contained in their earlier Reports. They also desire that to have a close monitoring, a system of concurrent evaluation of the progress of implementation of the Yojana should be got done from an independent agency. They desire to be apprised of the steps taken in this regard.

CHAPTER III

HOUSING

The National Housing Policy is the broad policy framework of formulation of plans and execution of programmes for housing development activities in the country. However, given the wide variation in housing needs and resource endowments in the country, Governments of the States and Union Territory Administrations play the primary role in formulating specific action plans and programmes, suited to local needs and conditions in consultation with local bodies and citizens groups. The Central Government has to play the role of a facilitator striving to create a conducive environment for increased housing activity by formulating enabling policies for increased flow of housing finance, serviced land, innovative building materials and technology, various fiscal incentives and legal reforms.

3.2 The housing programmes to be undertaken during Ninth Plan (1997-2002) have been submitted to the Planning Commission. It is proposed to launch one Central Sector housing scheme for the benefit of urban poor. The existing Central Sector housing schemes, aimed at benefiting the urban poor, are proposed to be continued.

3.3 The National Agenda for Governance of the Central Govt. states that Shelter is a basic human requirement that needs to be met on a priority basis. A National Housing and Habitat Policy in consultations with State Government, aimed at providing 'Housing for All' is proposed to be evolved. Towards this end construction of 20 lakh additional housing units annually is envisaged with emphasis on the benefit to the poor and the deprived.

3.4 The Planning Commission had constituted Working Groups on Urban Housing and Urban Development including Water Supply and Urban Transport for the formulation of the IX Five Year Plan. The Working Groups had finalised and submitted their reports to the Planning Commission. These reports cover in-depth analysis of various issues connected with Urban Development and also a number of recommendations for formulation of strategies and programmes during the IX Plan Period. The Ministry has already formulated its IX Plan

Proposal/Schemes to be taken up for implementation during IX Plan Period. Besides, Annual Action Plan is prepared to ensure the effective implementation of the schemes and achievements of Physical and Financial targets.

3.5 The Ninth Plan is, yet to be finalised by the Planning Commission, Pending that, the Annual Plan 1998-99 has been prepared broadly on the basis of Ninth Plan proposals and has been approved by the Planning Commission.

3.6 The Ministry in a detailed note indicated the salient features of the Report of the Working Group set up by the Planning Commission in respect of Urban Housing as noted below :—

“The Working Group on Housing has taken stock of the housing including shortages and projections for the Ninth Five Year Plan and made several recommendations to meet the requirements in the field of housing, including housing finance, building technology etc.

As per the projections made by the Ninth Plan Working Group there was a shortage of 7.57 million dwelling units in the urban areas at the beginning of Ninth Plan, which called for allocation of Rs.14,281 crore in the Housing sector. It was estimated that a total of 16.76 million units would have to be constructed during the Ninth Plan period at a cost of Rs.1,21,371 crore for 100% satisfaction of the demand. Out of this, 15.02 million units would be required for EWS & LIG categories. The funds required for construction of EWS/LIG category houses are of the order of Rs. 61,000 crore. The projected flow of funds from formal sector for urban housing has been estimated to be Rs. 34,000 crores. The estimated housing shortage at the end of the 8th Plan was of the order of 21.23 million dwelling units out of which there was a shortage of 7.57 million units in the urban areas and 13.66 million units in rural areas.

The Working Group has recommended continuation of existing housing scheme and introduction of three new housing schemes *viz.* :

- (i) Saving linked housing loan scheme, for urban poor,
- (ii) Reconstruction of Houses for calamity hit areas,
- (iii) Urban indicators programme”

3.7 The Committee observed that Government has recognised the need of shelter for all as a basic human requirement and has accorded it the highest priority. In pursuance of that need, Government proposes to evolve a National Housing & Habitat Policy in consultation with State Governments. The Committee further note that in order to finalise the Ninth Five Year Plan proposals with regard to Housing, the Planning Commission had constituted Working Groups in respect of Urban Housing and Urban Development etc.

The Working Group on Urban Housing had assessed that there is a shortage of 7.57 million Dwelling Units (DUs) in Urban Areas as at the start of the Ninth Plan which alone requires a staggering allocation of Rs. 14,281 crore. It was further estimated that a total of 16.76 million units have to be constructed at a cost of Rs. 121,371 crore during Ninth Plan to attain 100% satisfaction. Of the above, 15.02 million units have to be for EWS/LIG categories alone requiring a sum of Rs. 61,000 crore. The Working Group had also suggested for introduction of three new Housing schemes, in addition to the existing ones.

The Committee are of the considered view that Government should take some concrete measures to boost housing activity by way of extending certain tax benefits or providing other similar concessions so that the Government's objective of shelter for all as visualised is attained in the minimum possible time frame and cost estimates.

3.8 It is observed from the detailed demands made under the head — capital outlay on Housing that the Government's investment towards equity to HUDCO for Housing has increased from a mere Rs. 35 crore in BE and RE 1997-98 to Rs. 110 crore in BE 1998-99, an increase of over 214% over BE 1997-98.

3.9 On the question of the reasons for increasing the outlay towards equity for Housing to HUDCO, the representative of the Ministry stated during evidence as follows :

" My submission is that the present debt equity ratio is about 8:1 and by increasing this to Rs. 110 crore probably HUDCO would be able to raise by way of additional resources about Rs. 800 crore. If you remember the presentation earlier, Sir, we had projected a requirement of Rs. 4,000 crore for this

two-million houses programme. Out of which 7 lakh is our share. But, out of that the formal sector, the direct loan portion is Rs. 2,800 crore and one-third of that is of HUDCO's share. Therefore, one-third of that comes to about Rs. 900 to 1000 crore. Though we did ask for more equity, what we were given in the Budget is Rs. 110 crore. As a result, we will be able to raise about Rs. 800 to Rs. 900 crore which will fall short by about a hundred crore from our fresh mobilisation efforts. This we hope to pump into the 7 lakh scheme in the urban areas."

3.10 The Ministry in a detailed written reply further elaborated the position obtaining in this regard as under:—

"..... HUDCO's Corporate Vision 2002 (1997-2002) envisages a quantum jump in its housing operations. As against the total housing assistance of Rs. 8450 crore in the first 27 years of operation (1970-1997), HUDCO plans to extend assistance to the tune of Rs. 8870 crore for housing in the Ninth Five Year Plan period (1997-2002). The projected equity requirement to meet this target is Rs. 400 crore for the Ninth Plan of which Rs. 280 crores is meant for Housing.

The National Agenda for Governance seeks to add two million houses for the weaker sections every year. Of this 7 lakh houses are to be constructed in the urban areas. HUDCO has been asked to take 1/3rd of this target *i.e.* construction of 2.33 lakh additional units for EWS/LIG in the urban areas.

HUDCO would take up financing the construction of 2.33 lakh urban dwelling units at a total project cost of Rs.1322 crore with HUDCO loan of Rs. 926 crore. HUDCO has also been asked to assist in the construction of 3 lakh additional houses in rural areas out of 13 lakh houses to be constructed under National Agenda. These units would be constructed at a total project cost of Rs. 1050 crore with a loan component of Rs. 735 crore of HUDCO. Thus the total loan coming from HUDCO would be of the order of Rs. 1661 crore over next five years.

In order to meet the additional requirement, outstanding borrowings, of HUDCO as at the end of the Ninth Plan are likely to increase substantially. To mobilize these borrowing by maintaining a debt-equity norm of 8:1 as prescribed, it is

necessary that equity base of HUDCO is increased substantially. It has been estimated that to sustain the projected level of operation in the field of urban housing alone, annual equity of Rs.156 crore would be required.

The enhanced equity support is in tune with the targets assigned to HUDCO."

3.11 The objective of the enhanced equity support to HUDCO is to mobilise additional resources required to meet the target set under the Action Plan and also provide zero cost funds to support the EWS/LIG units proposed, which are financed at subsidised rate, below the cost of borrowing of HUDCO. 55% of the loan allocation for housing is made by HUDCO for EWS/LIG and HUDCO is the only Housing Finance Institution (HFI) having a special mandate to cater to these categories.

3.12 When asked if the HUDCO was making any efforts to providing the basic minimum services of Water Supply, Sanitation, sewerage disposal and other related facilities in the areas where houses for EWS/LIG category of beneficiaries were being constructed with the financial assistance of HUDCO, the representative of the Ministry stated during evidence that Housing as such is a State subject. However, while approving the schemes for EWS/LIG Houses, which were routed through State Governments and that before sanctioning those schemes in the Ministry, it was ensured by HUDCO that provision for basic civic amenities was made in the plans.

3.13 The scrutiny of the Demands for Grants in respect of the Housing outlays reveals that Government's investment towards equity to HUDCO for Housing increased from Rs. 35 crore in BE 1997-98 to Rs. 110 crore in BE 1998-99, an increase of over 214% over the previous year. The Committee are given to understand that this has been done with a view to provide more funds for Housing for EWS/LIG category who are the primary beneficiaries of Government's Housing policy. This increased outlay is also due to the special emphasis of the Government for adding two million houses for weaker sections annually. HUDCO has been given the mandate of taking steps to fulfil the target of construction of 2.33 lakh additional DUs for EWS/LIG categories, i.e. 1/3rd of the total of 7 lakh houses to be constructed in urban areas. It is noteworthy here that HUDCO is the lone HFI having a special mandate to cater to these categories of beneficiaries.

3.14 The Committee while appreciating the special emphasis being laid on Housing for weaker section etc. in the Ninth Plan desire that HUDCO and the nodal Ministry of Urban Affairs & Employment should ensure that adequate provisions for meeting the basic civic amenities like electricity, water, sewerage and provision for health care etc. have been made in the plans for construction of houses of EWS/LIG categories.

To achieve this objective the HUDCO should examine to make the provision for basic amenities and facilities for health care etc., a condition precedent for sanctioning of loans to State Governments. HUDCO while releasing loans should also ensure that good quality building material is used in the houses being constructed with its help. For this purpose HUDCO should consider on the spot checking through some independent agency. The Committee would like to be apprised of the steps taken by the Government in this regard. .

3.15 The Committee feel that to ensure use of better quality of building material in the houses being constructed for persons belonging to EWS/LIG categories, the draw of lots for specific houses should be held in advance so that the beneficiary was aware that a particular unit was to be allotted to him. The Committee hope that if adopted, this system will not only expedite construction process but will also act as a deterrent on the constructing agency in using inferior quality of building material.

CHAPTER IV

NATIONAL SLUM DEVELOPMENT PROGRAMME

National Slum Development Programme (NSDP) was launched in August, 1996 to provide an additionality to the normal central assistance to the States/UTs for slum development.

4.2 The objective of this programme is to provide adequate and satisfactory water supply, sanitation, primary education facilities, health care, pre-primary, adult literacy and non-formal education facilities, etc. The scheme also has an objective provision of housing, community empowerment, garbage and solid waste management, as well as environmental improvement and convergence of different social factor programmes through creation of sustainable support systems. The focus may be on community infrastructure, provision of shelter, empowerment of urban poor women, training skill upgradation and advocacy and involvement of NGOs, CBOs, private institutions and other bodies.

4.3 The Scheme would be applicable to all the States and Union Territories having urban population and funds will be allocated to States on the basis of urban slums.

4.4 A yearly provision under this scheme will be indicated by the Planning Commission at the beginning of each financial year. *Inter se* allocation between States will be made by the Department of Expenditure only after the nodal Ministry reviews expenditure, the physical progress of works and other performance criteria.

4.5 At the national level, monitoring of NSDP is being done by the Ministry of Urban Affairs & Employment on quarterly basis by seeking information in the Management Information System (MIS) proforma circulated by the Ministry to all States/UTs. It is also proposed to monitor the progress by field visits and by calling review meetings with the officers of State Governments.

4.6 The Planning Commission issued guidelines at the time of launching of the Programme in August, 1996. The guidelines have been revised in December, 1997. The details of the original and revised guidelines are at Appendix IV & V respectively.

4.7 The additional Central assistance sanctioned and released during 1996-97 and 1997-98 are indicated below :—

(Rs. in lakh)

Year	Sanctioned	Released
1996-97	25001.00	25001.00
1997-98	33000.00	29099.00

State/UT-wise details of funds allocated and released is at Appendix VI.

4.8 On the question of the physical achievements under the Programmes, the Ministry stated as follows :—

“Since the scheme was launched in August, 1996 most of the implementing agencies in the States/UTs remained unaware about the funds released under the scheme and hence funds could not be released to implementing agencies during 1996-97 and as such no achievement could be recorded. This Ministry has taken up the matter with the Planning Commission to revalidate the funds but so far no positive response has been received from Planning Commission. During 1997-98, the Ministry has revised the guidelines in consultation with the Planning Commission and issued them in the month of December, 1997. Being a nodal Ministry, the Ministry has issued guidelines to all States/UTs for compliance. Since, the guidelines have been issued recently, it may take some time to implement. However, some States/UTs has communicated the details/comments which are placed Appendix VII.

4.9 When asked to provide data with regard to slum population in the country alongwith the trends of increase/decrease during the last decade, the Ministry in a written note stated as under :—

“Ministry of Urban Affairs & Employment do not maintained/ estimate the slum population statistics. However, Town and Country Planning Organisation (TCPO) has estimated slum population for 1981, 1991 and 2001 based on the percentage of identified slum population of 1981 and 1991 census population. As per the estimates of TCPO, the slum population for 1991

was 462.608 lakh. State-wise identified/estimated slum population during 1981, 1991 and 2001 which shows the trend of the slum population during the last decade, is placed at Appendix VIII."

4.10 On the aspect of Government's short term and long term planning for tackling the problem of illegal encroachments and rehabilitation of slum dwellers, the Ministry in a detailed note stated as follows :—

"National Housing Policy enunciated in 1994 lays emphasis on Slum and Squatter Settlements in Urban Areas & Housing for Urban Poor and provides Central and State Governments to—

- (i) encourage *in-situ* upgradation, slum renovation, and progressive housing development with conferment of occupancy rights wherever feasible, and to undertake selective relocation with community involvement only for clearance of priority sites in public interest;
- (ii) expand provision of water supply, sanitation and other basic services in slum and other settlements occupied by the poor;
- (iii) ensure proper maintenance of amenities through community involvement and decentralise institutional arrangements;
- (iv) integrate the provision of physical amenities with basic services including maternal and child welfare services and health care, structured on community participation and involvement of voluntary agencies and management by local bodies;
- (v) promote incremental construction and upgradation by poorer households through access to land and services through technical support, outlets for low cost technology and materials, opportunities for skill upgradation and access to housing finance on flexible terms; and
- (vi) provide night shelters and sanitary facilities for the footpath dwellers and the homeless."

4.11 The Committee note that the Government in August, 1996 has launched yet another scheme known as National Slum Development Programme (NSDP) which aims to provide additionality to the normal Central assistance given to States/UTs for slum development. The programme aims to provide adequate and satisfactory water supply, sanitation, primary education, health care etc. to the urban poor living in slums. It also aims to develop

community participation through NGOs, CBOs and other private institutions. The funds for the Programme are allocated by the Department of Expenditure (Ministry of Finance) and Ministry of Home Affairs to the States/UTs respectively. However, the monitoring of the progress of implementation etc. of NSDP has been entrusted to the Department of Urban Employment & Poverty Alleviation in the Ministry of Urban Affairs and Employment.

4.12 While the guidelines (original) and have been issued by the Planning Commission, the same have been revised by the Department of Urban Employment and Poverty Alleviation, in December, 1997. The Committee fail to understand the rationale behind such an arrangement made in respect of this programme and wonder as to what extent the monitoring by this Ministry will be effective when funds for the programmes are being made available from the Demands of other Departments/Ministries. This is further accentuated when viewed in the context of this Ministry's negligible role in the estimation of/maintaining data base in respect of the slum population in the country.

The slum population as per estimates of TCPO for 1991 stands at 462.608 lakh which is likely to rise to 618.258 by the year 2001. The Committee, therefore, desire that steps be taken urgently to streamline the system of fund allocation etc. and to evolve a coordinated approach for successful implementation of the NSDP. The Committee would like to be apprised of the steps taken in this regard as also the progress made as a result thereof.

4.13 While the Committee appreciate the concern of the Government towards the problem of development of slums in the country, at the same time they recommend that funds for this programme should not be allocated by reducing outlays for other schemes of urban development. They also observe that the slums put extra burden on the already inadequate infrastructure available in the particular city. They, therefore, recommend that instead of taking up development of slums in isolation, the Government should make a coordinated effort to develop/strengthen the available infrastructure of the city. They will also like to draw the attention of the Government to their recommendation made by them in their First report on Demands for Grants(1998-99) of the Department of Urban Development in this regard.

4.14 During their visit to Mumbai the Study Group II of the Committee (1997-98) were informed that to improve the slums, the private sector/builders were involved where some portion of land of

the slum was given to them for development and selling at market rate whereas on the remaining land all the slum dwellers of that particular slum were provided tenements with all amenities.

It was also reported in the Press that similar proposal for Delhi was under consideration of the Government.

4.15 As per currently available information with the Ministry, no other State is having such scheme. However, States will be addressed to get the upto date position.

4.16 The present position of the proposal so far as development of slums in Delhi is as follows :—

To solve the problems of jhuggi jhonpri dwellers in Delhi the following three pronged strategy is being implemented by Government of NCT of Delhi through the Slum Department of MCD.

1. (i) Relocation/resettlement of eligible JJ dwellers (as in existence on January, 1990) from the land urgently required for public projects.
- (ii) Provision of minimum basic amenities in the JJ cluster which are situated on such public land as are earmarked for public projects but not immediately required for implementation of such projects.
- (iii) *In situ* upgradation of identified JJ clusters situated on public land which are not earmarked for any project and are not required in the foreseeable future after obtaining no objection certificate from the land owning agencies.

2. The above strategy is being implemented by the Government of NCT of Delhi through the Slum Department of MCD. The Slum Department undertakes relocation/resettlement of the eligible JJ dwellers on the request of the land owning agency who share the relocation cost. This is being done under the approved plan scheme development of sites and services plots for squatters self-help housing of the Government of NCT of Delhi. The present funding pattern of the schemes is as under :-

(i) Share of the land owning agency for each JJ dwelling unit	Rs. 29,000
(ii) Plan assistance under the approved scheme of GNCTD	Rs. 10,000
(iii) Share of the beneficiary	Rs. 5,000
<hr/>	
Total	Rs. 44,000
<hr/>	

4.17 The Study Group II of the Committee (1997-98) had observed during their study visit to Mumbai that to improve the living conditions in the slums, private sector/builders were being involved in the slum development in a big way by providing tenements with all civic amenities to the people of that slum in a portion of the slum land and by developing the remaining part of the land and selling it at market rates. The cost of building the tenements for the slum dwellers is thus allowed to be recovered from the sale of flats in the other portion of the slum so develop by the private builders.

The Committee understand that such an arrangement has not been tried in any other part of the country. It is observed that in Delhi, the JJ clusters are being developed in a slightly different form. The Committee, therefore, desire the Ministry to explore the possibility of development of slums in other cities/towns on the above pattern under the National Slum Development Programme. They may be apprised of the steps taken in that direction.

4.18 It is felt that while planning any programme for slum development, it is presumed that the dwellers are very poor having no or very little economic capacity to contribute for the development of their own area. With a view to discourage growth of slums and to involve the slum dwellers in the development, the Government should not only increase the outlay for programmes like IDSMT etc., but should also conduct a study of the economic capacity of the slum dwellers. To begin with such a study could be conducted by the Government on sample basis of any slum of NCT of Delhi. The Committee will like to be informed of the report of such study.

NEW DELHI;
July 9, 1998
 Asadha 18, 1920 (Saka)

KISHAN SINGH SANGWAN,
 Chairman,
 Standing Committee on
 Urban & Rural Development.

APPENDIX I

FINANCIAL REQUIREMENTS

DEPARTMENT OF URBAN EMPLOYMENT AND POVERTY ALLEVIATION

(A) PROGRAMME/ACTIVITY CLASSIFICATIONS

Sl.No.	Programme/Activity	(Rs. in thousands)										
		Budget Estimates 1997-98		Revised Estimates 1997-98		Budget Estimates 1998-99		1997-98		1998-99		Total
		Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	
1	2	3	4	5	6	7	8	9	10	11		
1.	Secretariat—General Services	8000	3200	11200	8000	3700	11700	18000	5300	23300		
2.	N.B.O. including Research Survey Schemes	40000	6400	46400	40000	5900	45900	40000	7300	47300		
3.	UNCHS International Co-operation Activities (IYSH)	6000	3500	9500	6000	3500	9500	6000	3500	9500		
4.	Grants-in-aid—NCHF	2000	—	2000	2000	—	2000	2000	—	2000		
5.	Displaced Persons' Colonies in West Bengal *	180000	—	180000	180000	—	180000	180000	—	180000		

1	2	3	4	5	6	7	8	9	10	11
6.	Urban Basic Services for the Poor	198000	—	198000	84735	—	84735	—	—	—
7.	Financing Housing Scheme for Central Govt. Employees through Housing Employees through Housing Agencies	—	50000	50000	—	47500	47500	—	50000	50000
7A.	Swarna Jayanti Shahari Rozgar Yojana	—	—	—	102,5261	—	1025261	1867000	—	1867000
8.	Finance to Public Sector Companies-Equity-Housing	350000	—	350000	350000	—	350000	1100000	—	1100000
9.	Night Shelter Scheme	10000	—	10000	10000	—	10000	10000	—	10000
10.	Nehru Rozgar Yojana	798000	—	798000	311997	—	311997	—	—	—
11.	PM's Integrated Urban Poverty Eradication Programme	876000	—	876000	320007	—	320007	—	—	—
12.	Building Material and Technology Promotion Council	44000	—	44000	44000	—	44000	44000	—	44000

1	2	3	4	5	6	7	8	9	10	11
13.	Central Govt. Employess Housing Welfare Orgn.	—	1000	1000	—	1000	1000	—	1000	1000
14.	Saving Lined Housing Scheme	10000	—	10000	100	—	100	5000	—	5000
15.	PM's Awas Yojana for Urban Poors affected by natural calamities	5000	—	5000	100	—	100	5000	—	5000
16.	Development of Indicators Programme	3000	—	3000	100	—	100	3000	—	3000
17.	Interested subsidy to areas affected by natural calamities	—	—	—	—	—	—	—	25000	25000
Total		2530000	64100	2594100	2382300	61600	2443900	3280000	92100	3372100

(A) Programme/Activity Classifications

OBJECT HEADWISE CLASSIFICATION

01.	Salaries	3700	7500	11200	4700	8426	13126	4700	10419	15119
02.	Wages	40	50	90	40	35	75	40	50	90

1	2	3	4	5	6	7	8	9	10	11
93.	Overtime Allowance	150	130	280	150	80	230	150	130	280
11.	Domestic Travel Expenses	900	219	1119	900	219	1119	1000	300	1300
12.	Foreign Travel Expenses	—	200	200	—	—	—	—	200	200
13.	Office Expenses	1400	500	1900	1400	500	1900	11400	500	11900
16.	Publications	100	270	370	100	37	137	100	270	370
28.	Professional Services	200	—	200	200	—	200	200	—	200
31.	Grant-in-aids	2146000	1005	2147005	2008200	1005	2009205	2141000	1005	2142005
32.	Contributions	16000	3500	19500	16000	3500	19500	16000	3500	19500
33.	Subsidies	10000	—	10000	100	—	100	5000	25000	30000
50.	Other Charges	1510	726	2236	510	298	808	410	726	1136
54.	Investments	350000	—	350000	350000	—	350000	1100000	—	1100000
55.	Loan And Advances	—	50000	50000	—	47500	47500	—	50000	50000
Grand Total		2530000	64100	2594100	2382300	61600	2443900	3280000	92100	3372100

1	2	3	4	5	6	7	8	9	10	11
DEMAND NO. 84—URBAN EMPLOYMENT AND POVERTY ALLEVIATION										
2052	Secretariat General Services	8000	3200	11200	8000	3700	11700	18000	5300	23300
2216.	Housing	120000	10900	130900	102300	10400	112700	115000	36800	151800
2217.	Urban Development	17000	—	17000	6100	—	6100	—	—	—
3475.	Other General Economic Services	11300	—	11300	60019	—	60019	64500	—	64500
3601.	Grants-in-aid to State Governments	2016500	—	2016500	1848654	—	1848654	1957200	—	1957200
3602.	Grants-in-aid to UT Government	7200	—	7200	7227	—	7227	25300	—	25300
4216.	Capital Outlay on Housing	350000	—	350000	350000	—	350000	1100000	—	1100000
6216.	Loans for Housing	—	50000	50000	—	47500	47500	—	50000	50000
Total	Demand No. 84 Urban Employment & Poverty Alleviation	2530000	64100	2594100	2382300	61600	2443900	3280000	92100	3372100

APPENDIX II

DEMAND NO. 84

URBAN EMPLOYMENT AND POVERTY ALLEVIATION
SCHEDULE

Estimated Strength of Establishment and provisions therefor

(In thousands of Rupees)

Actual Strength as on 1st March, 1996	Actual Strength as on 1st March 1997	Estimated Strength as on 1998	Category	Actual 1996-97	Actual 1997-98*
1	2	3	4	5	6
#			1. Salary		
Strength shown against the Dept: In Demands for Grants 97-98 is notional	1	1	26000 Fixed	96	
	1	1	18,400-22,400	70	
	3	2	14,300-18,300	1.30	
	1	1	12,000-16,500	80	

1	2	3	4	5	6
10	9	10,000-15,200	2.60		
4	8	8,000-13,500	1.10		
1	1	7,450-11,500	30		
15	13	6,500-10,500	2.07		
41	38	5,500-9,000	5.67		
1	3	5,000-8,000	55		
—	3	4,500-7,000	52		
18	18	4,000-6,000	1.83		
18	18	3,050-4,590	1.05		
4	4	2,650-4,060	38		

1	2	3	4	5	6
	1	1	2610-3540	10	
	23	23	2550-3200	2.20	
#	142	145	Total 22,13		*
	142	145	Total		
#			Total : Salary	22,13	
			2. Allowances (Other than Overtime Allowances and Travel Expenses)52,51		
			Total	74,64	*

#Deptt. of Urban Employment & Poverty Alleviation did not exist in 1995-96.

*Final Figures for 1997-98 are yet to be finalised.

APPENDIX III

POVERTY LINE FOR 1996-97 AS PER THE NEW OFFICIAL METHODOLOGY

(Rs. monthly per capita)

State	Rural	Urban
1	2	3
1. Andhra Pradesh	216.65	344.40
2. Arunachal Pradesh	280.85	271.71
3. Assam	280.85	271.71
4. Bihar	263.13	305.50
5. Goa	266.97	419.98
6. Gujarat	254.00	373.16
7. Haryana	289.31	337.42
8. Himachal Pradesh	289.31	300.91
9. Jammu & Kashmir	258.74	302.58
10. Karnataka	255.12	385.40
11. Kerala	327.48	372.96
12. Madhya Pradesh	245.70	364.45

1	2	3
13. Maharashtra	266.97	419.98
14. Manipur	280.85	271.71
15. Meghalaya	280.85	271.71
16. Mizoram	280.85	271.71
17. Nagaland	280.85	271.71
18. Orissa	249.69	287.37
19. Punjab	289.31	300.91
20. Rajasthan	273.65	356.72
21. Sikkim	280.85	271.71
22. Tamil Nadu	269.07	381.04
23. Tripura	280.85	271.71
24. Uttar Pradesh	272.53	320.84
25. West Bengal	274.35	313.12
26. Andaman & Nicobar	269.07	381.04
27. Chandigarh	300.91	300.91
28. Dadra & Nagar Haveli	266.97	419.98

1	2	3
29. Daman & Diu	266.97	419.98
30. Delhi	289.31	404.96
31. Lakshadweep	327.48	372.96
32. Pondicherry	269.07	381.04
All India	266.27	353.44

1. Poverty line of Assam is used for Sikkim, Arunachal Pradesh, Meghalaya, Mizoram, Manipur, Nagaland and Tripura.
 2. Poverty line of Tamil Nadu is used for Pondicherry and A & N Island.
 3. Poverty line of Kerala is used for Lakshadweep.
 4. Poverty line of Maharashtra is used for Goa, Dadra & Nagar Haveli and Daman & Diu.
 5. Urban Poverty line of Punjab is used for both rural and urban areas of Chandigarh.
- N.B. These poverty lines are used to estimate poverty. Use of these poverty lines for allocation of funds under various Central and State Government Programmes should be made with care and the Planning Commission be consulted on such matters.

APPENDIX IV

GUIDELINES ON NSDP (ISSUED IN AUGUST, 1996)

Planning Commission (Housing & Urban Development Division)

**Subject: Centrally Assisted Slum Development
Programme in the States/UTs—Guidelines**

A provision of Rs. 250 crore for slum development programme in the States has been made by the Ministry of Finance in the budget for 1996-97 as an additionality to the normal Central Assistance to the States/UTs. The State-wise allocation of Rs. 250 crore has been worked out by the Planning Commission on the basis of the estimated slum population in 1991 (copy enclosed). The following guidelines have been suggested for the utilisation of this amount.

1. Objectives & Components of the Programme

The objectives of this programme shall be provision of adequate and satisfactory water supply, sanitation, primary education facilities, health care, pre-primary, adult literacy and non-formal education facilities etc. The scheme will also have as an objective, provision of housing, community empowerment, garbage and solid waste management, as well as environmental improvement and convergence of different social sector programmes through creation of sustainable support systems. The focus may be on community infrastructure, provision of shelter, empowerment of urban poor women, training, skill upgradation and advocacy and involvement of NGOs, CBOs, private institutions and other bodies.

2. Role of Urban Local Bodies

In keeping with the spirit of 74th Amendment, the existence of elected urban local bodies will be mandatory before funds can be released to new urban area. The programme envisages the urban local body as the nodal agency for the execution of this programme. Proposals for work to be undertaken under this programme must emanate from the CDSs in the form of a Community Plan, which will

be forwarded by the ULB with appropriate comments to the DUDA for sanction. Execution of all works falling under the jurisdiction of the ULB may be done through the ULB as far as possible. The ULBs shall try to involve the CDSs in the execution, to the extent possible. As regards maintenance and repair of works carried out under this programme, the physical responsibility may be that of the CDSs concerned.

3. Convergence

This programme may seek to ensure provision of certain identified basic minimum services, within each slum. The programme may provide for facilities not provided elsewhere in the line department schemes, the absence of which makes effective implementation of these social sector schemes ineffective. In other words, missing links will be provided under this programme. However, this may be clearly subject to the proviso that, funds under convergence will be a source of supplementing line department efforts to achieve better delivery of social sector schemes and under no circumstances will these funds be used to substitute line department schemes or parts thereof.

4. The State Governments should bring in their own funds bearing some proportion to the funds given by the Centre.

5. Monitoring

At the State level, the programme will regularly be monitored by the State Urban Development Authority (SUDA), which may issue necessary guidance as well as instructions to the District Urban Development Authorities (DUDAs) and ULBs. At the national level, the programme will be monitored by the Department of Urban Employment & Poverty Alleviation.

APPENDIX V

REVISED GUIDELINES FOR NSDP (Issued in December, 1997)

GUIDELINES

Additional Central Assistance to States for Slum Development

Introduction

The Constitution 74th (Amendment) Act, 1992 envisages a critical role for elected municipal governments in the provision of basic services to their residents. The Act incorporates a 12th Schedule containing an Illustrative list of municipal functions. Slum improvement, slum upgradation and urban poverty alleviation are considered as legitimate functions of the municipal authorities. These functions, requiring local knowledge and active participation by local communities, can be best handled at the local level, with necessary support from the Central and State Governments.

As far as poverty alleviation is concerned, the Government of India has taken up a large number of programmes in the urban and rural sector and recently the SJSRY was launched to cover the urban poor. This scheme replaces the NRY, UBSP and PMIUPEP. However, as far as slum improvement and upgradation are concerned, during the Fifth Plan, the Central Government had introduced a Centrally Sponsored Scheme of EIUS which was transferred to the state sector subsequently. Experience shows that virtually none of the State Governments has been able to provide sufficient funds for the scheme as a result of which there has not been much improvement and upgradation work in urban slums except, perhaps, where external funding agencies like the Department for International Development (UK) were involved. In the light of the Constitution 74th (Amendment) Act, and considering the fact that the conditions of urban slums in most of the States and towns are extremely unsatisfactory and that the slum population of the country was 46.78 million (1991), it is considered appropriate for

the Government of India to introduce a **Addl. Central Assistance to States for upgradation of urban slums with the following elements:**

- (1) The scheme should be applicable to all the States and Union Territories having urban population.
- (2) Funds will be allocated to States on the basis of urban slum population.

Components:

3. The components of this scheme would include:

- (i) Provision of physical amenities like water supply, storm water-drains, community bath, widening and paving of existing lanes, sewers, community latrines, street lights, etc.
- (ii) Community Infrastructure: Provision of Community centres to be used for pre-school education, non-formal education, adult education, recreational activities etc.
- (iii) Community Primary Health Care Centre Buildings can be provided (It is proposed that after creation of infrastructure facilities the concerned municipalities will seek the support of Registered Medical Practitioners/Government Doctors in the State/NGOs/CBO/Philanthropic Associations to man these centres.
- (iv) Social Amenities like pre-school education, non-formal education, adult education, maternity, child health and Primary health care including immunisation etc.

The scheme will attempt to bring about convergence between schemes being implemented by different line departments and may also provide missing links, if required.

- (v) Provision for Shelter: The Scheme must have a component of shelter upgradation or construction of new houses (including EWS) as may be required. This is a necessity if genuine slum improvement is to be done. Not less than 10% of the allocation to States under this assistance shall be utilised for construction and/or upgradation of houses for the urban poor.
- (vi) State may work out State specific schemes for housing construction/upgradation under this component subject to the proviso that the scheme shall not be an entirely subsidy based

scheme but the funding shall contain a loan component as well. The State scheme shall be first got sanctioned in a State level project Committee which shall be set up for this purpose by the State Government concerned and which shall have one representative from the Department of UEPA, which is the nodal Department for this scheme in the GOI.

- (vii) The scheme must make adequate provision for achieving convergence between different sectoral and departmental programmes relating to achieving social sector goals similar to those envisaged in this scheme.

Release of Funds

4. A yearly provision under this scheme shall be indicated by the Planning Commission at the beginning of each financial year. Inter se allocations between States shall be made on the basis of the slum populations of the States. However, releases to States shall be made by the Department of Expenditure only after the nodal Department reviews expenditure, the physical progress of works, and other performance criteria. The Department of Expenditure shall release funds to the States on the basis of recommendations of the nodal Department.

Implementation

5. The scheme should be implemented at the grass-root level by Neighbourhood Committees and Community Development Societies, basically the same structures as already exist for UBSP and PMIUPEP and as shall be set up for the SJSRY. The activities of the Community Development Societies should include taking over of various community activities including organisation of Thrift and Credit Societies, provision of community sanitation, pre-school education, non-formal education, adult education etc. The required staff shall be appointed by the community committees and paid for out of the Community Development Fund. This fund at the community level will be set up based on a principle that for every rupee raised by the community for this fund, a matching share of Rs. 5 shall be contributed from the Special Central Assistance allocation. Expenditure from this fund shall be closely monitored by the concerned ULB to ensure that the fund is not misutilised.

6. Every urban body must create a separate sub-head in the budget for slum development and urban poverty eradication. In addition, a

Slum Development Committee should also be created which will oversee all slum development programmes within the urban area. This Committee will consist of elected members of the municipal body and can co-opt representatives of the NGOs, CBOs, etc. as per requirement.

Monitoring

7. The urban local body shall report progress under this scheme periodically to the DUDA/SUDA in a format which may be prescribed by the SUDA/State Government in this regard.

8. At the National level, the Department of Urban Employment & Poverty Alleviation shall be the nodal department and shall monitor this programme. States shall submit reports in the prescribed MIS format to the Department of UEPA regularly as per the prescribed schedule.

APPENDIX VI

ADDITIONAL CENTRAL ASSISTANCE RELEASED UNDER NSDP TO STATES/UTs

(Rs. in lakhs)

States/UTs	1996-97		1997-98#			Total ACA released 1996-97 to 97-98
	ACA Sanctioned	ACA Released	ACA Sanctioned	ACA Released	ACA Released	
1	2	3	4	5	6	
Andhra Pradesh*		1607.90		1545.00		3152.90
	Loan					
	Grants	689.10		660.00		1349.10
	Total	2297.00	2297.00	2945.00	2205.00	4502.00
Arunachal Pradesh		1.10		10.00		11.10
	Loan					
	Grants		9.90	78.00		87.90
	Total	11.00	11.00	100.00	88.00	99.00

1	2	3	4	5	6
Assam*	Loan	22.20		20.00	42.20
	Grants	199.80		187.00	386.80
	Total	222.00	284.00	207.00	429.00
Bihar*	Loan	1323.70		1271.00	2594.70
	Grants	567.30		547.00	1114.30
	Total	1891.00	2425.00	1818.00	3709.00
Goa	Loan	30.80		63.00	93.80
	Grants	13.20		25.00	38.20
	Total	44.00	100.00	88.00	132.00
Gujarat*	Loan	998.90		956.00	1954.90
	Grants	428.10		412.00	840.10
	Total	1427.00	1830.00	1368.00	2795.00

1	2	3	4	5	6
Haryana	Loan	255.50		299.00	554.50
	Grants	109.50		130.00	239.50
	Total	365.00	469.00	429.00	794.00
Himachal Pradesh	Loan	5.00		10.00	15.00
	Grants	45.00		78.00	123.00
	Total	50.00	100.00	88.00	138.00
J&K	Loan	32.60		35.00	67.60
	Grants	293.40		339.00	632.40
	Total	326.00	418.00	374.00	700.00
Karnataka	Loan	884.80		1037.00	1921.80
	Grants	379.20		448.00	827.20
	Total	1264.00	1621.00	1485.00	2749.00

1	2	3	4	5	6
Kerala	Loan	508.90		594.00	1102.90
	Grants	218.10		253.00	471.10
	Total	727.00	932.00	847.00	1574.00
Madhya Pradesh	Loan	1036.00		1219.00	2255.00
	Grants	444.00		519.00	963.00
	Total	1480.00	1898.00	1738.00	3218.00
Maharashtra	Loan	2496.90		2935.00	5431.90
	Grants	1070.10		1256.00	2326.10
	Total	3567.00	4573.00	4191.00	7758.00
Manipur	Loan	4.50		10.00	14.50
	Grants	40.50		78.00	118.50
	Total	45.00	100.00	88.00	133.00

Meghalaya	Loan	4.00	10.00	14.00
	Grants	36.00	78.00	114.00
	Total	40.00	88.00	128.00
Mizoram	Loan	3.40	10.00	13.40
	Grants	30.60	78.00	108.60
	Total	34.00	88.00	122.00
Nagaland	Loan	2.40	10.00	12.40
	Grants	21.60	78.00	99.60
	Total	24.00	88.00	112.00
Orissa	Loan	315.00	372.00	687.00
	Grants	135.00	156.00	291.00

1	2	3	4	5	6
Punjab	Loan	493.50		676.00	1069.50
	Grants	211.50		249.00	460.50
	Total	705.00	904.00	825.00	1530.00
Rajasthan	Loan	734.30		860.00	1594.30
	Grants	314.70		372.00	686.70
	Total	1049.00	1345.00	1232.00	2281.00
Sikkim	Loan	0.30		10.00	10.30
	Grants	2.70		78.00	80.70
	Total	3.00	100.00	88.00	91.00
Tamil Nadu	Loan	1333.50		1562.00	2895.50
	Grants	571.50		671.00	1242.50
	Total	1905.00	2442.00	2233.00	4138.00

1	2	3	4	5	6
Tripura	Loan	3.90		10.00	13.90
	Grants	35.10		78.00	113.10
	Total	39.00	100.00	88.00	127.00
Uttar Pradesh	Loan	2189.00		2573.00	4762.60
	Grants	938.40		1101.00	2039.40
	Total	3129.00	4011.00	3674.00	6802.00
West Bengal	Loan	1728.30		2024.00	3752.30
	Grants	740.70		869.00	1609.70
	Total	2469.00	3166.00	2893.00	5362.00
Total States	Loan	10017.00		18021.00	34038.00
	Grants	7545.00		8818.00	16363.00
	Total	23562.00	30740.00	26839.00	50401.00

1	2	3	4	5	6
UNION TERRITORIES					
A&N Islands	Total	8.00	100.00	100.00	108.00
Chandigarh	Total	62.00	100.00	100.00	162.00
Dadra & N Haveli	Total	1.00	100.00	100.00	101.00
Daman & Diu	Total	5.00	100.00	100.00	105.00
Lakshadweep	Total	3.00	100.00	100.00	103.00
Pondicherry	Total	66.00	100.00	100.00	166.00
NCT of Delhi	Total	1294.00	1660.00	1660.00	2954.00
Total UTs		1439.00	2260.00	2260.00	3699.00
Grand Total		25001.00	33000.00	29099.00	54100.00

*Instalment for the month of Jan. & Feb. 1998 not released.

#Instalment for the month of March-98 not released to any State.

APPENDIX VII

PHYSICAL PROGRESS MADE BY STATES/UTs UNDER NSDP DURING 1997-98

States/UTs	Progress made during 1997-98
1	2
A&N Islands	1 slum has been improved. Construction of 400 meters foot path has been completed.
Andhra Pradesh	Nil
Assam	The amount was released by the Finance Deptt. at the fag end of the Financial Year. Necessary steps like identification of slums, selection of schemes and beneficiaries have been completed and detailed estimates have been prepared. Work is being executed to utilise the funds by October, 98.
Bihar	Since, the authority for drawal of the amount under NSDP has not been received from AG, Bihar, no work has been undertaken.
Goa	Since, no amount released to Goa State Urban Dev. Agency no slums were improved during 1997-98.
Haryana	Under NSDP, development work has been executed in 435 slum areas.
Himachal Pradesh	254 slums pocket improved.
Lakshadweep	The amount released under the scheme has been utilised for protecting the shore from erosion to protect the local residential houses and for improvement of the area.
Maharashtra	The State Government has taken decision to implement the NSDP in the State from the current year i.e. 1998-99. Therefore, no slums were improved during 1997-98.

1	2
Manipur	Work programme taken up in 7 Municipal Council areas.
Meghalaya	In 13 slums improvement work was undertaken during 1997-98.
Nagaland	Sanctioned amount have not been made available from the State Finance Fund for slum development. In order to enable the Deptt. to make up with the State Finance Department for release of sanctioned amount, the Planning Commission was requested to revalidate the sanction accorded during 1996-97. So far, no such revalidation has been done. Thus, no fund is made available to the department and hence no progress has been made.
Pondicherry	During 1997-98, improvement work in 54 slums areas were carried out in all the regions of the Union Territory of Pondicherry.
Punjab	In view of the fact that no fund was released to the Urban Local Bodies. Hence no progress in regard to the improvement of slums could be achieved during 1997-98.
Tamil Nadu	The Tamil Nadu Slum Clearance Board has provided Slum improvement works to 17903 families living in 90 slums in urban areas of Tamil Nadu.
Tripura	<p data-bbox="399 1266 983 1363">94 Slum Pockets were improved during 1997-98 under NSDP and the following work was completed:</p> <p data-bbox="399 1390 983 1617">236 Tapes/Hand Pumps, 13 Community Baths, 53 Community Urinal/Latrines, 23 Kms. Sewer, 15 Kms. Storm Water Drains, 13 Kms. paving of existing lanes, 28 Kms. Street Light, 10 Community Halls were constructed, 44 trees were planted and 55 garbage collection/disposal of bins.</p>

APPENDIX VIII

STATE-WISE IDENTIFIED/ESTIMATED SLUM POPULATION

(Population in lakhs)

Sl. No.	Series/UTs	1981				1991				2001	
		Urban population	Identified Slum Population	Urban population	Estimated %age slum population	Urban population	Estimated %age slum population	Urban population	Estimated %age slum population	Urban population	Estimated %age slum population
1	2	3	4	5	6	7	8	9	10		
1.	Andhra Pradesh	124.876	28.579	22.9	178.871	43.133*	24.1	249.654	60.166		
2.	Arunachal Pradesh	0.414	—	—	1.106	0.221	20.0	1.879	0.375		
3.	Assam	17.824	1.236	6.9	24.878	4.483+	18.0	32.367	5.826		
4.	Bihar	87.190	32.699	37.5	113.530	26.906	23.7	149.556	35.444		
5.	Goa	3.518	0.242	6.9	4.798	0.833	17.4	6.559	1.141		
6.	Gujarat	106.017	15.316	14.5	142.461	25.814*	18.1	189.993	34.388		

1	2	3	4	5	6	7	8	9	10
7.	Haryana	28.274	2.742	9.7	40.547	6.843*	16.9	59.572	10.067
8.	Himachal Pradesh	3.260	0.761	23.3	4.492	1.258+	28.0	5.765	1.614
9.	Jammu & Kashmir	12.604	6.270	49.7	18.394	5.922	32.2	24.173	7.783
10.	Karnataka	107.296	5.745	5.4	139.078	12.934	9.3	190.989	17.761
11.	Kerala	47.713	4.101	8.6	76.803	12.218	15.9	103.474	16.452
12.	Madhya Pradesh	105.865	10.749	10.2	153.388	21.029	13.7	204.050	27.954
13.	Maharashtra	219.936	43.149	19.6	305.416	78.724	25.8	416.155	107.367
14.	Manipur	3.755	0.165	4.4	5.056	0.853	16.9	6.702	1.132
15.	Meghalaya	2.413	0.660	27.4	3.300	0.833+	25.2	4.608	1.161
16.	Mizoram	1.218	N.A.	—	3.179	0.572	18.0	6.424	1.156

1	2	3	4	5	6	7	8	9	10
17.	Nagaland	1.202	N.A.	—	2.082	0.416	20.0	3.049	0.609
18.	Orissa	31.103	2.820	9.1	42.350	8.432*	19.9	56.320	11.207
19.	Punjab	46.478	11.668	25.1	59.932	14.144*	23.6	80.241	18.936
20.	Rajasthan	72.105	10.252	14.2	100.671	24.000+	23.8	137.193	32.651
21.	Sikkim	0.511	0.024	4.7	0.370	0.095+	25.7	0.479	0.123
22.	Tamil Nadu	159.519	26.760	16.8	190.776	35.713*	18.7	233.080	43.585
23.	Tripura	2.256	0.184	8.2	4.217	0.744*	17.6	5.078	0.893
24.	Uttar Pradesh	198.991	25.800	13.0	276.059	58.391*	21.1	365.397	77.098
25.	West Bengal	144.467	30.280	21.0	187.076	51.949	27.8	236.620	65.780
Total States		1528.805	260.202	17.0	2078.830	436.460	21.0	2769.377	580.669

1	2	3	4	5	6	7	8	9	10
26.	A&N Islands	0.496	—	—	0.750	0.349+	46.5	1.102	0.512
27.	Chandigarh	4.228	—	—	5.758	1.612	28.0	7.618	2.133
28.	D&N Haveli	0.069	—	—	0.117	0.023	19.7	0.199	0.039
29.	Daman & Diu**	—	—	—	0.475	0.095	20.0	0.698	0.139
30.	Delhi	57.682	18.000	31.2	84.716	22.480+	26.5	122.891	32.566
31.	Lakshadweep	0.186	—	—	0.291	0.058+	19.9	0.362	0.072
32.	Pondicherry	3.160	0.942	29.8	5.170	1.531	29.6	7.190	2.128
Total UTs		65.821	18.942	28.8	97.277	26.148	26.9	140.060	37.589
Grand Total		1594.626	279.144	17.5	2176.107	462.608	21.3	2909.437	618.258

Note:

+ Figures of identified/estimated slum population have been furnished (for the state as a whole) by the respective State Governments.

* Slum population estimates are based on the information (for Class-I and Class-II cities/towns) received from the States/UTs Governments for the year 1991.

** Figures of 1981 have already been included in Goa.

APPENDIX IX

COMMITTEE ON URBAN & RURAL DEVELOPMENT 1998-99

**Minutes of the Fourth sitting of the Committee held
on Tuesday, the 23rd June, 1998**

The Committee sat from 1100 hrs. to 1320 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Kishan Singh Sangwan — *Chairman*

MEMBERS

Lok Sabha

2. Shri D.S. Ahire
3. Dr. Shafiqur Rahman Barq
4. Shri Sriram Chauhan
5. Shrimati Malti Devi
6. Shri Vinod Khanna
7. Shri Bir Singh Mahato
8. Shrimati Ranee Narah
9. Shri Rameshwar Patidar
10. Shri Mullappally Ramachandran
11. Shri Gaddam Ganga Reddy
12. Shri Nikhulananda Sar
13. Shri I. M. Jayaram Shetty
14. Shri Vithal Baburao Tupe
15. Dr. Ram Vilas Vedanti

Rajya Sabha

16. Shri Nilotpal Basu
17. Shri N. R. Dasari
18. Shri C. Apok Jamir
19. Shri Onkar Singh Lakhawat
20. Prof. A. Lakshmisagar
21. Shri Jagdambi Mandal
22. Shri Suryabhan Patil Vahadane

SECRETARIAT

1. Shri S. C. Rastogi — *Director*
2. Shri P. V. L. N. Murthy — *Assistant Director*

*Representatives of the Ministry of Urban Affairs & Employment
(Department of Urban Employment & Poverty Alleviation)*

1. Shri S. S. Chattopadhyay, Special Secretary
2. Shri Hemendra Kumar, Additional Secretary
3. Shri J. P. Murthy, Joint Secretary
4. Shri G. C. Bhandari, Joint Secretary
5. Shri Brij Bhushan, Economic Adviser
6. Shri V. Suresh, CMD, Housing & Urban Development Corporation
7. Shri Shivraj Asthana, Director
8. Shri T. N. Gupta, Executive Director, Building Material & Technology Promotion Council

2. At the outset, the Chairman welcomed the representatives of the Ministry of Urban Affairs and Employment (Department of Urban Employment and Poverty Alleviation) and drew their attention to the provisions of the direction 55(1) of the Directions by the Speaker.

3. Thereafter, Special Secretary, Department of Urban Employment & Poverty Alleviation briefed the Committee about various schemes/programmes being implemented by the Ministry.

4. The Committee then took up for consideration the Demands for Grants (1998-99) of the Department of Urban Employment and Poverty Alleviation and took the evidence of the representatives of the Department of Urban Employment and Poverty Alleviation on the Demands for Grants of that Department.

5. A verbatim record of the proceedings of the sitting was kept.

The Committee then adjourned.

APPENDIX X

COMMITTEE ON URBAN & RURAL DEVELOPMENT (1998-99)

**Minutes of the 12th sitting of the Committee held on
Saturday, the 4th July, 1998.**

The Committee sat from 1700 hrs. to 1920 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Kishan Singh Sangwan — *Chairman*

MEMBERS

Lok Sabha

2. Dr. Shafiqur Rahman Barq
3. Shri Padmanava Behera
4. Shri Sriram Chauhan
5. Shri Shivraj Singh Chouhan
6. Shri Vinod Khanna
7. Shri Subrata Mukherjee
8. Shri Chandresh Patel
9. Shrimati Jayanti Patnaik
10. Shri I. M. Jayaram Shetty

Rajya Sabha

11. Shri Nilotpal Basu
12. Shri C. Apok Jamir
13. Shri Onkar Singh Lakhawat
14. Prof. A. Lakshmisagar
15. Shri Suryabhan Patil Vahadane

SECRETARIAT

1. Shri S.C. Rastogi — *Director*
2. Smt. Sudesh Luthra — *Under Secretary*
3. Shri P.V.L.N. Murthy — *Assistant Director*

2. The Committee took up for consideration the draft Report on Demands for Grants (1998-99) of the Department of Urban Employment and Poverty Alleviation.

3. The Committee then adopted the Report on Demands for Grants (1998-99) of the Department of Urban Employment & Poverty Alleviation with certain modifications as indicated in Annexure.

4. The Committee then authorised the Chairman to finalise the report after getting it factually verified from the concerned Department/ Ministry and present the same to the Houses of Parliament.

The Committee then adjourned.

(See para 3 of the Minutes dated 4.7.1998)

Page No.	Para No.	Modifications
1	2	3
12	2.12	<p><i>For</i></p> <p>"The Committee, therefore, recommend that Government should take steps to get more funds allocated not only for Urban Poverty Alleviation Programmes but also to provide a better quality of life to the urban poor.</p> <p><i>Substitute</i> the following:</p> <p>"The Committee recommend that allocations for Urban Poverty Alleviation Programmes (UPA) should be increased keeping in view the increasing level of urban poverty and also to provide a better quality of life to the urban poor. They would like to be apprised of the steps taken in this regard".</p>
14	2.16	<p><i>After</i> para 2.16 <i>add</i> the following:</p> <p>"The Committee's examination of the Demands for Grants with regard to SUME of NRY for the years 1996-97 and 1997-98 and detailed examination of the Nehru Rozgar Yojana revealed that due to under financing by Banks and other related shortcomings, the scheme of Urban Micro Enterprises as was being implemented earlier has</p>

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become unviable and the micro enterprises assisted under the scheme have become unsustainable."

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2.24

For para 2.24 substitute the following:

"It is observed that the Committee (1996-97) in their 2nd and 12th Reports (Eleventh Lok Sabha) had recommended that sustainability and viability aspect (including the role of Banks in the micro enterprises assisted under SUME) of SUME of NRY be examined, pending which the scheme should be held in abeyance. Further, the Committee find it disconcerting to note that on the one hand these three schemes have now been discontinued as pointed out by the Committee (1996-97) as they suffered from certain contradictions, had overlapping features and resulted in unequal benefits extended to intended persons under the schemes, while on the other, the Government's claim that their progress was satisfactory is not comprehensible. The Committee feel that had these lacunae been removed at the time of launching of these schemes, they would not have to be discontinued now. The Committee also feel that the Ministry could have got expedited the reports of the evaluatory studies commissioned earlier, before these UPA schemes were discontinued. They therefore, desire that Government should be more vigilant before they launch new schemes with similar features, in future."

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21.

After para 2.38 insert the following:

"2.39 It is observed that no special provision has been made in the SJSRY for earmarking certain portion of funds for women beneficiaries under USEP & UWEP special schemes of the Yojana as is being done in respect of rural employment & poverty alleviation schemes/ programmes being implemented by the Ministry of Rural Areas & Employment."

Existing para 2.39 be *renumbered* as 2.40.

22.

Insert after existing para 2.39 so renumbered.

"2.41 It appears to the Committee that the Ministry had not conducted any survey with regard to the utility of the Yojana, obtaining the feedback of the intended beneficiaries etc. before the Yojana was launched for implementation. They, recommend that in future the Ministry should conduct such a survey before any new scheme is launched for implementation. The Committee, therefore, desire that a certain portion of funds under the USEP and UWEP special schemes of SJSRY should be earmarked for women beneficiaries as is done in the rural poverty alleviation programmes being implemented by the Ministry of Rural Areas & Employment. The Committee would like to be informed of the action taken in the matter."

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22.	2.40	<p><i>For para 2.40 substitute the following:</i></p> <p>"2.42 Further, the shelter upgradation component of SHASHU under NRY has now been made part of the National Slum Development Programme. The Yojana had inherited the unspent balances of the earlier schemes of NRY, UBSP & PMIUPEP in addition to the allocation made in RE 1997-98. They, therefore, desire that as the Yojana is of recent origin, the Ministry should closely monitor the progress of implementation by States while allocating funds."</p>
22.		<p><i>After para 2.42 add the following:</i></p> <p>"2.43 The Committee while noting that the new scheme of SJSRY has retained many of the features of the earlier schemes of NRY, PMIUPEP & UBSP, caution the Government with regard to the role of banks, the sustainability and viability of self-employment ventures under USEP etc. and to avoid the pitfalls of the earlier schemes while implementing SJSRY. The Committee feel that proper planning is a necessary pre-requisite for successful implementation of projects under the Yojana in both the self-employment and wage employment special schemes. They desire that the Ministry should keep in mind the views of this Committee as contained in their earlier Reports. They also desire that to have a close monitoring, a system of concurrent evaluation of the progress</p>

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of implementation of the Yojana should be got done from an independent agency. They desire to be apprised of the steps taken in this regard."

30.

After para 3.14 add the following:

"3.15 The Committee feel that to ensure use of better quality of building material in the houses being constructed for persons belonging to EWS/LIG categories, the draw of lots for specific houses should be held in advance so that the beneficiary was aware that a particular unit was to be allotted to him. The Committee hope that if adopted, this system will not only expedite construction process but will also act as a deterrent on the constructing agency in using inferior quality of building material."

APPENDIX XI

STATEMENT OF OBSERVATIONS/RECOMMENDATIONS

Sl. No.	Para No.	Observation/Recommendation
1	2	3
1.	1.8	<p>The Committee note that during the year 1997-98, the Ministry has launched a new Yojana viz. Swarna Jayanti Sahari Rozgar Yojana (SJSRY) encompassing the earlier schemes of NRY, UBSP and PMIUPEP from 1.12.1997. A cursory glance of the budgetary provisions for 1998-99 reveals that as compared to Rs. 259.41 crore in 1997-98, the allocation made for 1998-99 stands at Rs. 337.21 crore, registering an increase of 29.99% over BE 1997-98. However, there is no increase in the provision for plan expenditure on the Revenue side which has remained stagnant at Rs. 218 crore, which in the capital section, plan side the allocation at Rs. 110 crore for 1998-99 shows an increase of 214% over BE figure of Rs. 35 crore in 1997-98.</p>
2.	1.9	<p>The allocation envisaged for the earlier major schemes of NRY, UBSP, PMIUPEP in the Revenue Section was Rs. 187.20 crore in 1997-98 as against the allocation of</p>

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3.	1.22	<p>Rs. 186.70 crore for the newly launched Swarna Jayanti Sahari Rozgar Yojana (SJSRY) in BE 1998-99 showing a decrease of Rs. 50 lakh over in BE 1997-98. The Committee, therefore, desire that allocation for SJSRY should at least have been kept at the level of 1997-98 if not more since the new Yojana encompasses the earlier three schemes of NRY, UBSP and PMI UPEP.</p>
		<p>The Committee observe that while on one hand there has been no increase in the allocation for the major schemes of SJSRY in BE 1998-99, on the other the non-plan expenditure at Rs. 9.21 crore in 1998-99 registered an increase of 43.68% over Rs. 6.41 crore in BE 1997-98. A new provision of Rs. 250 lakh has been made towards giving assistance to HUDCO to compensate it for interest loss an account of loans to Jabalpur earthquake victims. It is proposed to assist HUDCO for the purpose initially for three years and recommend its continuation till the differential of interest loss to HUDCO on account of loan is compensated.</p>
		<p>The Committee, however, regret to note that the allocation for office expenses (on non-plan side) registered an increase over 714%</p>

1	2	3
		<p>from Rs. 14 lakh in BE 1997-98 to Rs. 114 lakh in BE 1998-99. According to the Ministry the increase was to meet the expenses for giving wide publicity to programme of PMI UPEP launched in August, 1994. The scheme itself now stands discontinued w.e.f. 30.11.1997 and has become part of the newly launched SJSRY.</p>
4.	1.23	<p>They further note that the manpower requirements of the Department till now are being made on a tentative basis due to which there is a wide gap between the estimated and actual strength of establishment as on 1.3.1997. The Committee therefore, recommend that the manpower requirements of the Department, be assessed in a more pragmatic manner assessing actual workload by carrying out SIU/Internal work study at the earliest. They also desire that office expenses on account of publicity for various programmes of the Department be kept to the base minimum to reduce non-plan expenses in future.</p>
5.	2.12	<p>The Committee note that the number of persons living below poverty line at 763.37 lakh for 1993-94 constitute 32.36% of total number of persons in urban areas. The revised poverty line for people in urban areas to be categorised as</p>

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BPL families at 1996-97 prices is Rs. 353.44 per capita per month. They further note that the funds allocated Rs. 653.35 crore by the Government for urban poverty alleviation programmes were 24.21% of the amounts proposed (Rs. 2699 crore) in respect of the 8th Five Year Plan which fell to just 9.87% (Rs. 581 crore) for the first two years of the Ninth Plan (yet to be finalised) proposals (Rs.5889.45 crore). The contention of the Ministry that the level of allocation by the Planning Commission remained at the previous Plan levels is untenable. It becomes all the more obvious when viewed in the context of percentage of GDP, which is in the region of 0.08% during 1995-96 and 1996-97. The Committee recommend that allocations for Urban poverty alleviation programmes (UPA) should be increased keeping in view the increasing level of urban poverty and also to provide a better quality of life to the urban poor. They would like to be apprised of the steps taken in this regard.

6.

2.23

The Committee note that the Ministry discontinued the implementation of the three schemes/programmes of Urban Poverty Alleviation viz. NRY, UBSF and the recently launched PM's Integrated Urban Poverty

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Eradication Programme w.e.f. 30.11.1997. These schemes/programmes sought to provide self-employment, wage employment and shelter upgradation avenues to the urban poor besides bringing about functional interaction of social services with provisions of physical amenities thereby creating a facilitating environment in their quality of life and striving for eradication of urban poverty as a long term objective. The Government was satisfied with the progress of implementation of all these schemes except for SHASHU component of NRY. A quick glance of the physical/financial progress of the schemes reveals that no year-wise targets were fixed in respect of PMI UPEP while the achievements under the programme were only in the initial set-up mode with nil tangible benefits accruing to the 5 million urban poor targeted for a period of five years.

7.

2.24

It is observed that the Committee (1996-97) in their 2nd and 12th Reports (Eleventh Lok Sabha) had recommended that sustainability and viability aspect (including the role of Banks in the micro enterprises assisted under SUME) of SUME of NRY be examined, pending which the scheme should be held in abeyance. Further, the Committee find it disconcerting to

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note that on the one hand these three schemes have now been discontinued as pointed out by the Committee (1996-97) as they suffered from certain contradictions, had overlapping features and resulted in unequal benefits extended to intended persons under the schemes, while on the other, the Government's claim that their progress was satisfactory is not comprehensible. The Committee feel that had these lacunae been removed at the time of launching of these schemes, they would not have to be discontinued now. The Committee also feel that the Ministry could have got expedited the reports of the evaluatory studies commissioned earlier, before these UPA schemes were discontinued. They therefore, desire that Government should be more vigilant before they launch new schemes with similar features, in future.

8.

2.40

The Committee note that Government launched the Swarna Jayanti Sahari Rozgar Yojana (SJSRY) — a Yojana encompassing many of the features of the earlier UPA Schemes of NRY, UBSP and PMI UPEP effective from 1.12.1997. This Yojana is funded in the ratio of 75:25 between the Centre and States while the earlier schemes were on a 60:40 basis. The Yojana

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has a self employment & wage employment based special schemes akin to the SUME & SUWE sub-schemes of NRY with an exception of a sub-component *viz.* the scheme of Development of Women and Children in Urban Areas on similar lines as that of DWCRA scheme in rural areas. An allocation of Rs.186.70 crore has been made in BE for the year 1998-99 for the Yojana. The unit cost ceiling in USEP under SJSRY has been enhanced to Rs.50,000/- from that of Rs.20,000/- in SUME of NRY with provision for group/joint ventures.

9.

2.41

It appears to the Committee that the Ministry had not conducted any survey with regard to the utility of the Yojana, obtaining the feedback of the intended beneficiaries etc. before the Yojana was launched for implementation. They, recommend that in future the Ministry should conduct such a survey before any new scheme is launched for implementation. The Committee, therefore, desire that a certain portion of funds under the USEP and UWEP special schemes of SJSRY should be earmarked for women beneficiaries as is done in the rural poverty alleviation programmes being implemented by the Ministry of Rural Areas & Employment. The Committee

1	2	3
		would like to be informed of the action taken in the matter.
10.	2.42	<p>Further, the shelter upgradation component of SHASHU under NRY has now been made part of the National Slum Development Programme. The Yojana had inherited the unspent balances of the earlier schemes of NRY, UBSP & PMI UPEP in addition to the allocation made in RE 1997-98. They, therefore, desire that as the Yojana is of recent origin, the Ministry should closely monitor the progress of implementation by States while allocating funds.</p>
11.	2.43	<p>The Committee while noting that the new scheme of SJSRY has retained many of the features of the earlier schemes of NRY, PMI UPEP & UBSP, caution the Government with regard to the role of banks, the sustainability and viability of self employment ventures under USEP etc. and to avoid the pitfalls of the earlier schemes while implementing SJSRY. The Committee feel that proper planning is a necessary pre-requisite for successful implementation of projects under the Yojana in both the self employment and wage employment special schemes. They desire that the Ministry should keep in mind the views of this Committee as contained in their</p>

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earlier Reports. They also desire that to have a close monitoring, a system of concurrent evaluation of the progress of implementation of the Yojana should be got done from an independent agency. They desire to be apprised of the steps taken in this regard.

12.**3.7**

The Committee observed that Government has recognised the need of shelter for all as a basic human requirement and has accorded it the highest priority. In pursuance of that need, Government proposes to evolve a National Housing & Habitat Policy in consultation with State Governments. The Committee further note that in order to finalise the Ninth Five Year Plan proposals with regard to Housing, the Planning Commission had constituted Working Group in respect of Urban Housing and Urban Development etc.

The Working Group on Urban Housing had assessed that there is a shortage of 7.57 million Dwelling Units (DUs) in Urban Areas as at the start of the Ninth Plan which alone requires a staggering allocation of Rs. 14,281 crore. It was further estimated that a total of 16.76 million units have to be constructed at a cost of Rs.121,371 crore during Ninth Plan to attain

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100% satisfaction. Of the above, 15.02 million units have to be for EWS/LIG categories alone requiring a sum of Rs.61,000 crore. The Working Group had also suggested for introduction of three new Housing schemes, in addition to the existing ones.

The Committee are of the considered view that Government should take some concrete measures to boost housing activity by way of extending certain tax benefits or providing other similar concessions so that the Government's objective of shelter for all as visualised is attained in the minimum possible time frame and cost estimates.

13.

3.13

The scrutiny of the Demands for Grants in respect of the Housing outlays reveals that Government's investment towards equity to HUDCO for Housing increased from Rs.35 crore in BE 1997-98 to Rs.110 crore in BE 1998-99, an increase of over 214% over the previous year. The Committee are given to understand that this has been done with a view to provide more funds for Housing for EWS/LIG category who are the primary beneficiaries of Government's Housing policy. This increased outlay is also due to the special emphasis of the Government for adding two million houses for

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weaker sections annually. HUDCO has been given the mandate of taking steps to fulfil the target of construction of 2.33 lakh additional DUs for EWS/LIG categories, i.e. 1/3rd of the total of 7 lakh houses to be constructed in urban areas. It is noteworthy here that HUDCO is the lone HFI having a special mandate to cater to these category of beneficiaries.

14.**3.14**

The Committee while appreciating the special emphasis being laid on Housing for weaker section etc. in the Ninth Plan desire that HUDCO and the nodal Ministry of Urban Affairs & Employment should ensure that adequate provisions for meeting the basic civic amenities like electricity, water, sewerage and provision for health care etc. been made in the plans for construction of houses of EWS/LIG categories.

To achieve this objective the HUDCO should examine to make the provision for basic amenities and facilities for health care etc., a condition precedent for sanctioning of loans to State Governments. HUDCO while releasing loans should also ensure that good quality building material is used in the houses being constructed with its help. For this purpose HUDCO should consider on the spot checking through some independent

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		agency. The Committee would like to be apprised of the steps taken by the Government in this regard.
15.	3.15	The Committee feel that to ensure use of better quality of building material in the houses being constructed for persons belonging to EWS/LIG categories, the draw of lots for specific houses should be held in advance so that the beneficiary was aware that a particular unit was to be allotted to him. The Committee hope that if adopted, this system will not only expedite construction process but will also act as a deterrent on the constructing agency in using inferior quality of building material.
16.	4.11	The Committee note that the Government in August, 1996 has launched yet another scheme known as National Slum Development Programme (NSDP) which aims to provide additionality to the normal central assistance given to States/UTs for slum development. The programme aims to provide adequate and satisfactory water supply, sanitation, primary education, health care etc. to the urban poor living in slums. It also aims to develop community participation through NGOs, CBOs and other private institutions. The funds for the Programme are allocated by the Department of

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Expenditure (Ministry of Finance) and Ministry of Home Affairs to the States/UTs respectively. However, the monitoring of the progress of implementation etc. of NSDP has been entrusted to the Department of Urban Employment & Poverty Alleviation in the Ministry of Urban Affairs and Employment.

17.

4.12

While the guidelines (original) have been issued by the Planning Commission, the same have been revised by Department of Urban Employment and Poverty Alleviation, in December, 1997. The Committee fail to understand the rationale behind such an arrangement made in respect of this programme and wonder as to what extent the monitoring by this Ministry will be effective whether funds for the programmes are being made available from the Demands of other Departments/Ministries. This is further accentuated when viewed in the context of the Ministries negligible role in the estimation of/maintaining data base in respect of the slum population in the country.

The slum population as per estimates of TCPO for 1991 stands at 462.608 lakh which is likely to rise to 618.258 by the year 2001. The Committee, therefore, desire that steps be taken urgently to

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		streamline the system of fund allocation etc. and to evolve a coordinate approach for successful implementation of the NSDP. The Committee would like to be apprised of the steps taken in this regard as also the progress made as a result thereof.
18.	4.13	<p>While the Committee appreciate the concern of the Government towards the problem of development of slums in the country, at the same time they recommend that funds for this programme should not be allocated by reducing outlays for other schemes of urban development. They observe that the slums put extra burden of the already inadequate infrastructure available in the particular city. They, therefore, recommend that instead of taking up development of slums in isolation the Government should make a coordinate effort to develop/strengthen the available infrastructure of the city. They will also like to draw the attention of the Government to their recommendation made by them in their report on Demands for Grants (1998-99) of the Department of Urban Development in this regard.</p>
19.	4.17	<p>The Study Group II of the Committee (1997-98) had observed during their study visit to Mumbai</p>

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that to improve the living conditions in the slums, private sector/builders were being involved in the slum development in a big way by providing tenements with all civic amenities to the people of that slum in a portion of the slum land and by developing the remaining part of the land and selling it at market rates. The cost of building the tenements for the slum people is thus allowed to be recovered from the sale of flats in the other portion of the slum so develop by the private builders.

The Committee understand that such an arrangement has not been tried in any other part of the country. It is observed that in Delhi, the JJ clusters are being developed in a slightly different form. The Committee, therefore, desire the Ministry to explore the possibility of development of slums in other cities/towns on the above pattern under the National Slum Development Programme. They may be apprised of the steps taken in that direction.

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4.18

It is felt that while planning any programme for slum development, it is presumed that dwellers are very poor having no or very little economic capacity to contribute for the development of their own area. With a view to discourage growth

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of slums, and to involve the slum dwellers in the development, the Government should not only increase the outlay for programmes like IDSMT etc., but should also conduct a study of the economic capacity of the slum dwellers. To begin with such study could be conducted by the Government on sample basis of any slum of NCT of Delhi. The Committee will like to be informed of the report of such study.
