

16

**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
(1997-98)**

SIXTEENTH REPORT



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**LOK SABHA SECRETARIAT
NEW DELHI**

COMMITTEE ON URBAN & RURAL DEVELOPMENT

(1998-99)

Corrigenda to the 16th Report (12th Lok Sabha)				
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SIXTEENTH REPORT
STANDING COMMITTEE ON
URBAN AND RURAL DEVELOPMENT
(1998-99)

(TWELFTH LOK SABHA)

MINISTRY OF URBAN AFFAIRS & EMPLOYMENT
(DEPARTMENT OF URBAN EMPLOYMENT &
POVERTY ALLEVIATION)

DEMANDS FOR GRANTS—(1997-98)

*[Action taken by the Government on the recommendations contained
in the Twelfth Report of the Standing Committee on
Urban & Rural Development (Eleventh Lok Sabha)]*

Presented to Lok Sabha on 5.3.1999
Laid in Rajya Sabha on 5.3.1999



LOK SABHA SECRETARIAT
NEW DELHI

March, 1999/Phalguna, 1920 (Saka)

Price : Rs. 27.00

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Ninth Edition) and Printed by Jainco Art India, 13/10, W.E.A., Saraswati Marg, Karol Bagh, New Delhi-110 005.

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

Shri Kishan Singh Sangwan — *Chairman*

MEMBERS

Lok Sabha

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- *3. Shri Sudip Bandyopadhyay
4. Dr. Shafiqur Rahman Barq
5. Shri Padmanava Behera
6. Shri Sriram Chauhan
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*Nominated *w.e.f.* 11.6.1998.

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43. Dr. Mohan Babu
44. Shri N. Rajendran
45. Shri Suryabhan Patil Vahadane

SECRETARIAT

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

INTRODUCTION

I, 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 Sixteenth Report on Action taken by the Government on the recommendations contained in the Twelfth Report of the Standing Committee on Urban & Rural Development (Eleventh Lok Sabha) on Demands for Grants (1997-98) of the Department of Urban Employment & Poverty Alleviation of the Ministry of Urban Affairs & Employment.

2. The Twelfth Report was presented to Lok Sabha on 22nd April, 1997. The replies of the Government to all the recommendations contained in the Report were received on 6th January, 1998.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 25th January, 1999.

4. An analysis of the action taken by the Government on the recommendations contained in the Twelfth Report of the Committee (Eleventh Lok Sabha) is given in Appendix XIII.

NEW DELHI;
23 February, 1999
4 Phalguna, 1920 (Saka)

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

CHAPTER I

REPORT

This Report of the Committee on Urban & Rural Development (1998-99) deals with the action taken by the Government on the recommendations contained in their Twelfth Report on Demands for Grants (1997-98) of the Department of Urban Employment & Poverty Alleviation of the Ministry of Urban Affairs & Employment which was presented to Lok Sabha on 22nd April, 1997.

2. Action taken notes have been received from the Government in respect of all the 12 recommendations which have been categorised as follows:

- (i) Recommendations/Observations that have been accepted by the Government:

Sl. Nos. 2.4, 2.9, 3.10, 3.24, 3.25, 3.34, 3.44, 3.57 and 4.6

- (ii) Recommendations/Observations which the Committee do not desire to pursue:

Sl. No. 3.5

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:

Sl. Nos. 1.19 and 3.18

- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:

Nil

3: The Committee will now deal with the action taken by Government on some of the recommendations in the succeeding paragraphs.

A. Allocations for Urban Poverty Eradication Programme

Recommendation (Para No. 1.9)

4. The Committee in its earlier recommendation observed as under:—

“... that as compared to Rs. 237.25 crores in 1996-97, the allocation made for 1997-98 at Rs. 259.41 crores, (both Plan and Non-Plan) has increased by about Rs. 22.16 crores....

...the Committee note that though there have been some increases in many poverty alleviation schemes, in the Budget estimates for 1997-98, they are constrained to observe that the Revised Estimates for 1996-97 have shown sharp downtrends in respect of PM's IUPEP and SUME & SHASHU under NRY. The Committee regret to note that the BE for 1997-98 in respect of PM's IUPEP has in fact decreased by Rs. 12.00 crores over the BE 1996-97. The Committee, therefore, desire that Government should ensure that funds earmarked are utilised fully so as to enable eradication of urban poverty and provide employment to the urban poor in a substantial manner. They also desire that the downscaling of the Budget Estimates at the RE stage as is noticed in 1996-97 must be avoided in future to the extent possible.”

5. The Ministry in its action taken reply stated as follows:—

“As far as SUME & SHASU under NRY are concerned, the decrease in Revised Estimates for 1996-97 was on account of exercise of economy amounting to Rs. 20.85 crores out of the total allocation of Rs. 71.00 crores for the year in pursuance of the instructions of the Department of Expenditure, Ministry of Finance.”

6. The Committee regret to note that Government's action taken reply to this recommendation is incomplete and the reasons for downscaling of the Budget Estimates at the RE stage as noticed by them in respect of 1996-97 have not been given with regard to all the Schemes being implemented by the Department. It is also not clear from the reply if the Department had been instructed by the Ministry of Finance in respect of other schemes also to reduce the allocation at the RE stage as also the reasons for which the Ministry of Finance has directed the Department to do so. The Committee desire that in future replies furnished to them should be complete in all respects.

B. Sustainability of enterprises assisted under various programmes

Recommendation (Para No. 2.4)

7. The Committee earlier recommended as under:—

“... Government accorded priority to amelioration of Urban Poverty and a four pronged strategy was adopted to tackle Urban Poverty by way of employment creation for low income communities through micro-enterprises, housing and shelter upgradation etc. in the 8th Plan...

.....The performance in respect of the sub-schemes of NRY was satisfactory except under SHASU, the physical targets were attained in respect of SUME & SUWE though under UBSP the coverage of towns fell below the target owing to lesser allocations. Similarly, under Nehru Rozgar Yojana also, the financial performance has left much to be desired though funds have been made available/released in excess of the original outlay of Rs. 227 crores to the extent of Rs. 261.54 crores as on 28.2.97. The Committee, therefore, are of the view that allocation of funds be made keeping in view not only the achievement under the scheme but also the sustainability or otherwise of the enterprises so assisted under various programmes.”

8. The Ministry in its action taken note stated:

“In view of the Committee’s observation that allocation of funds be made keeping in view not only the achievements under the Scheme of Urban Micro Enterprises (SUME) but also the sustainability or otherwise of the enterprises so assisted under various programmes, this Department has asked all the State Governments to have a survey done from the standpoints of sustainability of micro units. A study on a similar subject has already been assigned to five reputed institutions including the Department of Administrative Reforms & Public Grievances. However, SUME has been given a new shape in view of the recommendations contained in the Report of Hashim Committee set up by the Planning Commission and the decision of the Cabinet in this regard to have a single scheme for the urban areas in place of the NRY, PMIUPEP and UBSP.”

9. The Committee find that the Ministry in the action taken note have stated that it had asked all the State Govts. to conduct a survey on the sustainability aspect of the micro enterprises assisted by them under SUME latest by 30th Sept., 1997. However, they regret to find that no mention has been made in the reply furnished in January, 1998 about the present status of the survey viz. the number of States that have taken up/completed the said survey or the results/findings of those surveys wherever done as also the action the Department had taken further to that. Similar is the case with regard to the study assigned to five reputed institutions including the Deptt. of Administrative Reforms & Public Grievances. The Committee would therefore desire that they be apprised of the present status of the above surveys/studies.

C. Allocation of Projected requirements for Ninth Plan

Recommendation (Para No. 3.18)

10. The Committee had recommended as under:

“...The Committee further find that the Department has projected an allocation of Central share of Rs. 2117 crore for the 9th Plan for the three sub-schemes of NRY. The Committee desire that the Department should take all measures to obtain the projected allocations for NRY to make it more viable and sustainable, if the Yojana is to be contained in the 9th Plan.”

11. The Government had in their action taken note replied as follows:

“This Department has taken up the matter with the Planning Commission to ensure allocation of full projected requirements for the IX Plan. The Planning Commission has allocated a total of Rs. 188 crores for urban poverty alleviation schemes for 1997-98, the 1st year of IX Plan.”

12. The Committee are distressed to find that against the Deptt's projected allocation of Rs. 2117 crores for 9th Plan in respect of the three sub-schemes of NRY alone the total allocation made by the Planning Commission for all urban poverty alleviation schemes for 1997-98, the 1st year of 9th Plan was a meagre Rs. 188 crores which is not even ten per cent of the projected allocation for NRY. The Committee are therefore, doubtful if at this rate, the Govt. would be

able to get even 30-40 per cent of the projected allocations for poverty alleviation schemes in the remaining four years of the Ninth Plan. They therefore, desire the Ministry to impress upon the Planning Commission to allocate the required/projected allocations towards the Central Share for the different schemes.

D. Implementation of Hashim Committee Report

Recommendation (Para Nos. 3.24 & 3.25)

13. The Committee in the earlier recommendation observed as under:—

“.....The Committee regret to note that the Department proposes to continue the scheme in the 9th Plan in the present form only because the Planning Commission has allocated funds for the first year of the 9th Plan, *viz.*, 1997-98.

.....The Committee is anguished to observe that the Ministry has paid scant regard to the recommendations/observations of the Committee in respect of the wisdom of continuing the scheme under the present form and has been investing hundreds of crores of rupees as commented upon by them in their 2nd Report on Demands for Grants (1996-97) and 10th and 20th Reports (10th Lok Sabha) on Nehru Rozgar Yojana. The Committee, therefore, recommend that pending a final study and decision in consultation with Planning Commission and Department of Banking, Ministry of Finance on the aspects of viability and sustainability of the Micro Enterprises under the present guidelines, the scheme should be held in abeyance.”

14. The Ministry in its action taken reply stated:—

“The Scheme of Urban Micro Enterprises (SUME) has been given a new shape in view of the recommendations contained in the Report of Hashim Committee set up by the Planning Commission. On accepting the recommendations of the Hashim Committee Report, the Government of India has approved introduction of a unified Urban Employment Programme which will consist of two distinct scheme of self employment as well as wage employment, replacing the existing Nehru Rozgar Yojana (NRY Prime Minister’s integrated Urban Poverty Eradication Programme (PMI UPEP), and the Urban Basic Services for the

Poor (UBSP) with immediate effect. In addition the Government of India has also approved merger of the existing Housing and Shelter Upgradation Component under the NRY/PMI UPEP with the National Slum Development Programme, which is being implemented as Special Central assistance to States and is being monitored by this Department."

15. The Committee note that in pursuance of their recommendation and the report of Hashim Committee set up by Planning Commission, the Scheme of Urban Micro Enterprises (SUME) had been given a new shape and a unified Urban Employment programme consisting of self employment & wage employment components by replacing the earlier scheme of NRY and subsuming PM's IUPEP and UBSP had been introduced with immediate effect. Also the existing housing & shelter upgradation (SHASHU) component of NRY and PMIUPEP has been merged with the National Slum Development Programme and is being implemented and monitored by the Department as special Central assistance to States. The Committee, would like to be apprised of the salient features/recommendations of the Hashim Committee Report at the earliest. They would also like to be informed of the achievements made, if any, in this regard.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 2.4)

The Committee observe that Government accorded priority to amelioration of Urban Poverty and a four pronged strategy was adopted to tackle Urban Poverty by way of employment creation for low income communities through micro-enterprises, housing & shelter upgradation etc. in the 8th Plan. An outlay of Rs. 100 crores for UBSP and Rs. 227 crore for NRY was proposed with a target coverage of 500 towns and 70 lakh beneficiaries for UBSP and a target of 5.53 lakh beneficiaries under SUME, 228.01 lakh mandays of work to be generated under SUWE, 6.80 lakh dwelling units under SHASHU in respect of the three sub-schemes of NRY, respectively. The achievements under UBSP upto 1996-97 was 350 towns with 75 lakh beneficiaries were assisted under SUME, 260.04 lakh mandays of work generated under SUWE and 4.55 lakh dwelling units belonging to EWS were upgraded under the three sub-schemes of NRY during the VIIIth Plan upto 28.2.97.

The performance in respect of the sub-schemes of NRY was satisfactory except under SHASU, the physical targets were attained in respect of SUME & SUWE though under UBSP the coverage of towns fell below the target owing to lesser allocations. Similarly, under Nehru Rozgar Yojana also, the financial performance has left much to be desired though funds have been made available/released in excess of the original outlay of Rs. 227 crores to the extent of Rs. 261.54 crores as on 28.2.97. The Committee, therefore, are of the view that allocation of funds be made keeping in view not only the achievements under the scheme but also the sustainability or otherwise of the enterprises so assisted under various programmes.

Reply of the Government

Nehru Rozgar Yojana

In view of the Committee's observations that allocation of fund be made keeping in view not only the achievements under the Scheme of

Urban Micro Enterprises (SUME) but also the sustainability or otherwise of the enterprises so assisted under various programmes, this Department has asked all the State Governments to have a survey done from the standpoint of sustainability of micro units (*vide* letter at Appendix-I). A study on a similar subject has already been assigned to five reputed institutions including the Department of Administrative Reforms & Public Grievances (copies of Letters issued in this regard are at Appendices II to VI). However, SUME has been given a new shape in view of the recommendations contained in the Report of Hashim Committee set up by the Planning Commission and the decision of the Cabinet in this regard to have a single scheme for the urban areas in place of the NRY, PMIUPEP and UBSP.

[Ministry of UA&E (Deptt. of Urban Employment and Poverty Alleviation), O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.78]

Comments of the Committee

(Please see Paragraph No. 9 of Chapter I of the Report.)

Recommendation (Para No. 2.9)

The Committee noted that the Ninth Five Year Plan strategy aims to provide housing for all by the terminal year of the Plan *i.e.* 2000 A.D. Further, the Committee observed that Shelter for the houseless has been recognised as one of the seven basic minimum services identified as priority area in the 9th Plan approach. The major thrust will be on direct assistance for augmentation of housing finance and stock for urban poor and adoption of variety of initiatives apart from continuance of ongoing schemes like Night Shelter & Sanitation facilities for urban footpath dwellers, promotion of cost effective building materials and technologies and strengthening of data base on housing and budgetary support to HUDCO in the shape of equity/soft loans etc. The working Group set up by Planning Commission has estimated a requirement of approx. Rs. 120,000 crores during the Ninth Plan for housing alone for meeting the housing shortage of 16.76 million dwelling units.

The Committee regrets to note that though the Working Group of the Planning Commission estimated the Plan requirement of funds for housing alone at Rs. 1,20,000 crores, the Ninth Plan outlays proposed by the Deptt. in respect of new and ongoing schemes comes to only

Rs. 1140.25 crore which is only about 10% of the estimated requirement for this sector alone. The Committee is apprehensive, whether in the present position of budgetary constraints faced by the Central Government even this amount would be finally allocated for this purpose. The Committee, therefore, desires that the Deptt. should impress upon the Planning Commission to atleast agree to the outlays suggested by it in view of the heavy shortage of housing and realise the objective of housing for all partially, if not fully by the terminal year of the Ninth Plan, i.e. 2002.

Reply of the Government

The Ninth Plan outlay of Rs. 1140.25 crores proposed by the Deptt. in respect of new and ongoing housing schemes works out to approx. 1% of the total requirements of Rs. 120,000 crores estimated by the Working Group. However, the anticipated flow of funds from the formal sector during 9th Plan as worked at by the Working Group is of the order of Rs. 34,000 crores for urban housing. This is inclusive of the central government plan and non-plan outlays. As desired by the Committee this Deptt. has requested Planning Commission to keep the suggestions of the Hon'ble Committee in view while finalising the Plan. A copy of the letter addressed to Planning Commission is at Appendix VIII.

[Ministry of UA&E (Deptt. of Urban Employment and Poverty Alleviation), O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.78]

Recommendation (Para No. 3.10)

The Committee are distressed to note that against Eighth Plan Outlay of Rs. 100 crores for UBSP, the allocation/expenditure incurred as on 28.2.97 stands at Rs. 76.68 crores which is Rs. 6.07 crores less than the projected allocation as at the beginning of 1996-97. A yawning gap of Rs. 23.37 crores occurred despite the fact that 75 lakh urban poor have been benefitted in 350 towns upto 28.2.97. The Committee take a serious view of the increase in the gap between the outlay envisaged and the allocations made for this Programme which in their opinion has resulted in shortfall of coverage of 150 towns. They are further dismayed to find that this trend is likely to continue in 1997-98 also, because only Rs. 20 crores have been provided against a proposal of Rs. 40 crores for the Programme. They, therefore, recommend that funds be made available to the full extent to schemes performing satisfactorily for attainment of the objectives.

Reply of the Government

The observations/recommendations of the Committee have been brought to the notice of Planning Commission.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

Recommendation (Para Nos. 3.24 & 3.25)

It is observed that under the Scheme of Urban Micro Enterprises (SUME), though the physical and financial targets have largely been met during the 8th Plan, the allocation has been increased by Rs. 7.76 crores for 1997-98 as against Rs. 30.24 crores for 1996-97. The Committee regret to note that the Department proposes to continue the scheme in the 9th Plan in the present form only because the Planning Commission has allocated funds for the first year of the 9th Plan, viz., 1997-98. They further note that the scheme is to be continued with slight modification of raising the project cost ceiling to Rs. 1 lakh with 15% subsidy subject to a ceiling of Rs. 7500 per beneficiary and rest of the project cost to be covered as Loan from commercial Banks.

Further, they are dismayed to note that the Ministry has not made any attempt to ensure the sustainability of the enterprises being funded by it, before the project cost ceiling modifications are implemented it is regrettable to observe that the Ministry and the Planning Commission are allocating funds without first ensuring the viability and sustainability of the micro enterprises and thereby resulting in a virtual drain of resources through this scheme since no meaningful enterprise can survive based on the present levels of investment. So far, an amount of approx Rs. 100 crores has been spent on the scheme during the last 3-4 years alone. The Committee is anguished to observe that the Ministry has paid scant regard to the recommendations/observations of the Committee in respect of the wisdom of continuing the scheme under the present form and has been investing hundreds of crores of rupees as commended upon by them in their 2nd Report on Demand or Grants (1996-97) and 10th and 20th Reports (10th Lok Sabha) on Nehru Rozgar Yojana. The Committee therefore recommend that pending a final study and decision in consultation with Planning Commission and Department of Banking, Ministry of Finance on the aspects of viability and sustainability of the Micro Enterprises under the present guidelines, the scheme should be held in abeyance.

Reply of the Government

The Scheme of Urban Micro Enterprises (SUME) has been given a new shape in view of the recommendations contained in the Report of Hashim Committee set up by the Planning Commission. On accepting the recommendations of the Hashim Committee Report, the Government of India has approved introduction of a unified Urban Employment Programme which will consist of two distinct schemes for self employment as well as wage employment, replacing the existing Nehru Rozgar Yojana (NRY) Prime Minister's Integrated Urban Poverty Eradication Programme (PM IUPEP), and the Urban Basic Services for the Poor (UBSP) with immediate effect. In addition the Government of India has also approved merger of the existing Housing and shelter Upgradation Component under the NRY/PM IUPEP with the National Slum Development Programme, which is being implemented as Special Central assistance to States and is being monitored by this Department.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

Comments of the Committee

(Please see Paragraph No. 15 of Chapter I of the Report.)

Recommendation (Para No. 3.34)

It is observed with regret that the performance under the scheme of Housing & Shelter Upgradation (SHASU) the third sub-scheme of NRY has been well below the targets set for it in the 8th Plan. The Committee are peeved at the poor performance owing to the reported lack of participation from the State Governments on account of their inability to provide guarantees for shelter upgradation for the Loan component under the scheme. The Committee are also distressed to find that there have been huge unspent funds under the scheme during the last two years amounting to Rs. 19,726.03 lakhs in 1995-96 and 1996-97, while expenditure reported was only Rs. 1885.25 lakhs against an availability of Rs. 21,611.28 lakhs in the same period. There has been an overall shortfall of 0.57 lakh dwelling units for upgradation as on 28.2.97. Further, the Department proposes to review/revise the ceilings on subsidy and loan under the scheme. The Committee are constrained to observe that the proposed review by Government of the norms under the Scheme should not be limited to only the norms

of subsidy but government should also make a study as to how participation of State Government alongwith the role of Urban Local Bodies including elected representatives could be increased to make the implementation of the scheme effective to enable the realisation of the set targets and objectives of the scheme. The Committee, therefore, can not but conclude, that poor performance under the scheme is also attributable to huge availability of unspent funds as also diversion of funds to the newly launched scheme of PM's IUPEP in 1995-96. The Committee, therefore, desire that steps be taken for fuller utilisation of funds as well as stop diversions to other schemes to improve the performance under the scheme.

Reply of the Government

In view of the availability of sufficient unspent Central funds with HUDCO under SHASU, no funds have been released under this component since 1995-96. No more funds are proposed to be released under this component till the existing funds are spent. Also, the Central Government has been impressing upon the States/UTs continuously at various levels to improve the implementation of the Scheme. Some of the recent instructions issued in this regard are involvement of NGOs as an alternative agency for implementation of SHASU and allowing States/UTs on trial basis to obtain Loan from commercial banks (if possible) and then approach HUDCO for release of Central subsidy. Moreover, States/UTs have also been stressed upon to widely publicise all components of NRY to make people aware of the scheme.

In view of the recommendations contained in the Report of Hashim Committee SHASU has been phased out and merged with the National Slum Development Programme which is being implemented as special central assistance to State.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

Recommendation (Para No. 3.44)

The Committee noted that the Night Shelter and Sanitation scheme for footpath dwellers was launched in 1988-89 with a view to provide shelter to absolutely shelterless in Metropolitan cities and that the scheme is being implemented through HUDCO since 1990-91. However, the Committee is distressed to find that as is the situation in other scheme like PM IUPEP etc. the scheme is being formally implemented

at the Central level since 1990-91, though the same was launched in 1998-89. Here too, the implementation at the Central level started after about two years only after the unsuccessful attempt by the State and Local agencies. Further, the Budget provision of Rs. 10 lakhs for 1995-96 too remained unutilised by HUDCO, as HUDCO could not use the Central subsidies in the previous years.

The Committee note further, that HUDCO has so far sanctioned only 56 schemes with a Central subsidy of Rs. 9.13 crores. The Government has reportedly modified the Guidelines in 1993 to remove the shortcomings observed in implementation by adding some remunerative component to it after which the scheme is gradually picking up. The Committee desires that for effectively implementing the scheme States/Municipal agencies be encouraged by providing land in core areas for setting up night shelters and providing sanitation facilities to the urban footpath dwellers. They further desire that apart from State/Municipal agencies, private agencies including NGOs and Voluntary organisations in the urban areas may also be involved more vigorously in the implementation of the scheme.

Reply of the Government

The scheme was launched in 1998-99. During the first two years, the scheme was implemented by the Ministry through various State Governments. A total of ten projects envisaging construction of 9852 individual shelters for urban footpath dwellers, 34 pay-and-use toilet blocks and 3 night shelter projects accommodating 2210 pavement dwellers were sanctioned by this Ministry to the States of Andhra Pradesh, Maharashtra, Tamil Nadu and West Bengal. It was felt later on that it would be more appropriate to involve HUDCO with the implementation of the scheme due to the fact them HUDCO had the appropriate machinery for appraisal and monitoring of projects as it has a network of regional/zonal/development offices all over the country. Accordingly, it was decided to improvement the scheme through HUDCO from 1990-91 onwards to ensure more effective implementation and monitoring.

The suggestions made by the Committee for the effective implementation of the scheme, have been brought to the notice of the State Governments. They have also been requested to formulate more and more projects under this scheme. HUDCO has also been requested to play a positive role in motivating the Private Sector and NGOs/

Voluntary Organisations to get involved in implementation of the Scheme. A copy of the letter addressed to the State Governments is at Appendix IX.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

Recommendation (Para No. 3.57)

The Committee observe that the Prime Minister's Integrated Urban Poverty Eradication Programme launched in November 1995 with an outlay of Rs. 800/- crores as Central share for a five year period (1995-96 to 1999-2000) has not made much progress though it is being implemented now for over two years. The programme intends to cover 345 class II Urban Agglomerations (UAs) in the population range of 50,000 and one lakh as per 1991 census. The Committee, however, regret to point out that programme has so far not been able to take off in that the States are still in the primary stages of implementation of preparatory nature *viz.*, house to house surveys, Spatial mapping, Constitution of Town Urban Poverty Eradication Cells etc. to name a few. Upto the end of 1996-97, town-wise reports in 229 UAs/Towns and house to house surveys in 213 UAs/Towns have been completed. The Committee are surprised to learn that the Ministry has no information with regard to the number of towns where Town Urban Poverty Eradication Cells have been constituted on the ground that the scheme is being implemented and monitored at the State level and is in its primary stages of implementation. The Committee desire that work of house to house surveys and preparations of project reports in the remaining towns be completed expeditiously. The Ministry being the nodal agency has also the fact that each year about 100 crores is being spent as Central share for the programme, the Committee expects the Department to keep itself abreast of the state of implementation of the programme. They would like to be apprised of the steps taken by the Government in this regard.

Reply of the Government

The Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP) was launched in November 1995. Funds to most States, (States where elections to ULBs had not been held and

the Hill district towns in North-East/Hilly States) for 1995-96 was released in the last quarter of 1995-96. PMIUPEP is a scheme with multidimensional facets and numerous components requiring extensive ground work in the form of activities such as house to house survey, preparation of projects reports, formation of community based organisations (COBs) etc. for effective implementation of the programme. The Department has, since the inception of the programme been monitoring the implementation of PMIUPEP in the States/UTs through regional review meetings, periodical reports and returns and the Inter Ministerial Convergence Forum (IMCF). The States have been frequently written to and reminded for expediting the ground work and implementation of the Programme and for furnishing information to this Department.

As per the reports received till date, house to house survey has been completed in 258 towns, project reports have been prepared for 255 towns and Towns Urban Poverty Eradication Cells have been constituted in 143 towns. The achievements under PMIUPEP as reported by States is at Appendix X.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

Recommendation (Para No. 4.6)

The Committee observed that the National Cooperative Housing Federation of India (NCHF) was primarily set up in 1969 for leading the entire Cooperative Housing Movement in the country. It is playing a major role in coordinating the activities of various State level cooperative housing federations. There are 25 State level apex cooperative housing federations as members of NCHF. The Committee, however, regret to observe that grants are being provided to NCHF by Government to part support the administrative expenses of NCHF. Though it is accepted that NCHF is playing a pioneering and major role in building and coordinating the activities of State level housing federations the Committee is of the opinion that the NCHF could itself meet its obligations on account of administrative expenses from its other sources of finance *viz.* share moneys and membership fees

etc. The Committee feel this is particularly in-built when viewed in the context of the very nature of task of developing cooperative housing movement in the country. They, therefore, desire that NCHF should try to encourage community based organisations to take up shelter related activities as the principal form of housing activity to attain the goal of National Housing Policy.

Reply of the Government

With regard to Committee's suggestion that NCHF could itself meet its obligation on account of administrative expenses from other sources of finance, viz., share money and membership fees etc. following observations are submitted:

- (i) At present NCHF is playing a vital role in the development of housing cooperatives in the country.
- (ii) NCHF being a promotional organisation has no other financial resources except Government grants and annual subscription from member federations to meet its administrative and other promotional expenses.
- (iii) The 25 State Cooperative Housing Federations, which are the members of NCHF, are also not financially strong as they retain very little margin in their loaning operations as the loans are provided to housing cooperatives having members of limited means. The amount of annual subscription paid to NCHF every year is meagre which cannot meet the expenses of NCHF.
- (iv) Some of the federations located in North Eastern Zones and Andaman and Nicobar are not in a position even to pay annual subscriptions.
- (v) The State federations are not in a position to pay additional subscription or contribution to NCHF as they are having no other sources of income as they work only on a small margin.

As NCHF has to oversee the working of housing cooperatives nation-wide and the apex and primary cooperatives are not financially strong enough to render funding support to NCHF, it deserves all possible support from the Government, so as to enable it to supplement Governmental efforts to provide shelter to needy people, as envisaged in the National Housing Policy.

Regarding suggestion of the Committee that NCHF should try to encourage community based organisations to take up shelter related activities as principal form of housing activity, it is submitted that the primary cooperative societies which directly undertake the housing construction activities, are themselves in the nature of community based organisations. These societies have constructed about 13.50 lakhs of dwelling units so far.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

Recommendation (Para No. 3.5)

The Committee observe with regret that while the estimates of urban poor living below poverty line are varying between various surveys & Reports. The number of persons in Urban areas living below poverty line, as per the methodology adopted by the Modified Expert Group of 1993-94 stands at 763.37 lakh constituting 32.36 percent of an approximately 27.02 million Urban poor. The Committee are surprised to note that the Department has so far not received any information on the modified methodology of estimating the Urban poor living below poverty line while the counterpart Department of Rural Employment & Poverty Alleviation are in possession of the said Report of the Modified Expert Group. The Committee take a serious view of the state of affairs in the Department and are astonished to observe that the Department is functioning in a void like situation and are working without a sound basis. The Committee desire the Ministry to keep itself abreast of the developments around it so that its estimates of fund requirement etc. for various programmes of poverty alleviation are based on more realistic premises.

Reply of the Government

After the meeting of the Standing Committee on Urban & Rural Development held on 2.4.97, this Department contacted the Planning Commission in this regard on phone on 3.4.97 and sought a clarification. Then the Planning Commission, *vide* their D.O. Letter No. PC/H/8/11/95 dated 3.4.97 (Appendix—XI) supplied the necessary information on revised estimates of poverty. This position was explained to the Lok Sabha Secretariat *vide* this Ministry's D.O. Letter No. K-14011/3/95-UPA (NRY) dated 4.4.97 (Appendix—XII).

The revised estimates of poverty have been used for allocation and release of Central Funds under NRY to different States/UTs for 1997-98. However, it may be mentioned here that the allocation for urban poverty alleviation for 1997-98 are not at all commensurate with the figures of poverty.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Para No. 1.9)

From the broad analysis of the budgetary provisions for 1997-98 of the Department, it is observed that as compared to Rs. 237.25 crores in 1996-97, the allocation made for 1997-98 at Rs. 259.41 crores, (both Plan and Non-Plan) has increased by about Rs. 22.16 crores. The allocation in the Capital Section increased by Rs. 19.00 crores, from Rs. 16 crores in the 1996-97 to Rs. 35 crores in 1997-98, while the allocation in Revenue Section increased by about Rs. 3.16 crores only, from Rs. 216.25 crores in 1996-97 to Rs. 219.41 crores in 1997-98.

Furthermore, the Committee note that though there have been some increases in many alleviation schemes, in the Budget estimates for 1997-98, they are constrained to observe that the Revised estimates for 1996-97 have shown sharp downtrends in respect of PM's IUPEP and SUWE & SHASU under NRY. The Committee regret to note that the BE for 1997-98 in respect of PM's IUPEP has in fact decreased by Rs. 12.00 crores over the BE 1996-97. The Committee, therefore, desire that Government should ensure that funds earmarked are utilised fully so as to enable eradication of urban poverty and provide employment to the urban poor in a substantial manner. They also desire that the downscaling of the Budget Estimates at the RE stage as is noticed in 1996-97 must be avoided in future to the extent possible.

Reply of the Government

As far as SUWE & SHASU under NRY are concerned, the decrease in Revised Estimates for 1996-97 was on account of exercise of economy amounting to Rs. 20.85 crores out of the total allocation of Rs. 71.00 crores for the year in pursuance of the instructions of the Department of Expenditure, Ministry of Finance.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

Comments of the Committee

(Please see Paragraph No. 6 of Chapter I of the Report.)

Recommendation (Para No. 3.18)

The Committee find that according to the Ministry the financial progress is slightly on the lower side in respect of SUME and SHASU due to the reason that majority of the projects are of such nature where beneficiaries do not require skill upgradation training while on the other hand there is a little gap in the physical achievement of targets of dwelling units to be upgraded under SHASU as on 28.2.97. The ministry expects this gap to be covered before the end of the financial year 1996-97. The shortfall under SHASU is reportedly on account of lack of State government guarantees for recovery of loans.

The Committee further find that the Department has projected an allocation of Central share of Rs. 2117 crore for the 9th Plan for the three sub-schemes of NRY. The Committee desire that the Department should take all measures to obtain the projected allocations for NRY to make it more viable and sustainable, if the Yojana is to be continued in the 9th Plan.

Reply of the Government

This Department has taken up the matter with the Planning Commission to ensure allocation of full projected requirements for the IX Plan. The Planning Commission has allocated a total of Rs. 188 crores for urban poverty alleviation schemes for 1997-98, the 1st year of the IX Plan.

[Ministry of UA&E (Deptt. of Urban Employment & Poverty Alleviation) O.M. No. G-24011/18/MIS/UPA/97 dated 6.1.98]

Comments of the Committee

(Please see Paragraph No. 12 of Chapter I of the Report.)

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

—NIL—

NEW DELHI;
23 February, 1999
4 Phalgunā, 1920 (Saka)

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

APPENDIX I

COMMITTEE ON URBAN & RURAL DEVELOPMENT (1998-99)

EXTRACT OF THE MINUTES OF THE 33RD SITTING OF THE
COMMITTEE ON URBAN & RURAL DEVELOPMENT HELD
ON MONDAY, THE 25TH JANUARY, 1999 IN COMMITTEE
ROOM 'E' PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee sat from 1100 hrs. to 1245 hrs.

PRESENT

Shri Kishan Singh Sangwan — *Chairman*

MEMBERS

Lok Sabha

2. Shri D.S. Ahire
3. Dr. Shafiqur Rahman Barq
4. Shri Padmanava Behera
5. Shri Sriram Chauhan
6. Shri Shivraj Singh Chouhan
7. Shri Mitha Lal Jain
8. Shri Subhash Maharia
9. Shri Bir Singh Mahato
10. Shri Subrata Mukherjee
11. Shrimati Ranee Narah
12. Shri Mullappally Ramachandran
13. Shri Gaddam Ganga Reddy
14. Shri Vithal Baburao Tupe
15. Dr. Ram Vilas Vedanti

Rajya Sabha

16. Shri Nilotpal Basu
17. Dr. M.N. Das
18. Shri N.R. Dasari
19. Shri John F. Fernandes
20. Shri C. Apok Jamir
21. Shri Onkar Singh Lakhawat
22. Prof. A. Lakshmisagar
23. 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. At the outset, the Chairman welcomed the members to the sitting of the Committee.

Consideration of draft Action Taken Reports

3. ****
4. ****

5. The Committee then considered Memorandum No. 9 regarding draft Report on the action taken by the Government on the recommendations contained in the 12th Report of the Committee (11th Lok Sabha) on Demands for Grants (1997-98) of the Department of Urban Employment & Poverty Alleviation of the Ministry of Urban Affairs & Employment. After some discussion the Committee adopted the draft action taken Report.

****Relevant portions of the minutes not related to the subject have been kept separately.

6. The Committee, then authorised the Chairman, to finalise the said draft action taken Reports on the basis of factual verification from the concerned Ministries/Departments.

7.

*The Committee then adjourned to meet at 1500 hrs. on
9th February, 1999.*

APPENDIX II

COPY OF MINISTRY'S LETTER DATED 27.5.97
ADDRESSED TO NODAL OFFICERS OF ALL STATES/UTS.



RAJIV TAKRU
DIRECTOR (E&PA)

Government of India
Ministry of Urban Affairs
and Employment
Department of Urban Employment
and Poverty Alleviation

नई दिल्ली-110011

Dated New Delhi-110011

D.O. No. K-14014/13/97—UPA (NRY)
27th May, 1997

Dear Shri

As you are aware that the progress of implementation of NRY is being monitored by this Department through the MIS reports furnished by your Department on a monthly basis. Recently, while tendering evidence with regard to Demand for Grants, before the Standing Committee of Parliament on Urban & Rural Development, the Standing Committee enquired about the sustainability of micro enterprises being set-up by the urban poor beneficiaries. As you will agree that the MIS format does not take care of this aspect. I would therefore request you to have a detailed survey/study on the subject conducted either by your own Department or by a reputed NGO immediately. While conducting such survey other related success stories under the various schemes of the Yojana may also be intimated as this Department intends to have such success stories published in the quarterly Newsletter brought out by the National Institute of Urban Affairs (NIUA), New Delhi.

I understand that this exercise will take some time and therefore an interim reply will be highly appreciated.

With regards,

Yours sincerely,

Sd/-
(RAJIV TAKRU)

Nodal officer of all States/UTs

APPENDIX III

COPY OF MINISTRY'S LETTER DATED 29.4.97
ADDRESSED TO DIRECTOR, NIUA, NEW DELHI

RAJIV TAKRU
DIRECTOR (EPA)
Tel. No. 3018157
Fax No. 301 0991

D.O. No. K-14014/7/97-UPA (NRY)

April 29, 1997

Dear

As you are aware the Nehru Rozgar Yojana was launched in October, 1989 with the objective of providing employment opportunities to the unemployed and underemployed urban poor living below the poverty line. The employment contemplated is of two types—one relates to the setting up of Micro Enterprises and the other relates to generation of Wage Employment through the creation of useful public assets in the low income neighbourhoods and also through the Housing & Shelter Upgradation Activities.

2. The Scheme of Urban Micro Enterprises (SUME) is one of the three schemes under the Yojana which seeks to assist the urban poor beneficiaries in setting up of self-employment ventures. Under the Scheme subsidy of 25% of the unit cost subject to a ceiling of Rs. 4000/- in the case of general category beneficiaries and Rs. 5000/- in the case of SCs/STs/Women is given 75% of the unit cost is available in the form of loan from the banks.

3. Training is another element of the Scheme. The training to urban unemployed youth is provided in a variety of servicing and manufacturing trades so that they can set up self-employment ventures or secure salaried employment with better remuneration. The training is provided at a per capita expenditure of Rs. 400/- per month.

4. Of late, need has been felt to conduct a sample survey in order to assess the impact from the standpoint of sustainability of the enterprises set up by the urban poor beneficiaries. It is also proposed to assess the impact of the skill provided to the beneficiaries under the training component and how it has affected the income status of the individual.

5. The Department would like your Institution to take up a study in 2-3 towns each of Punjab, Haryana, Himachal Pradesh, and Delhi. I would appreciate if you could kindly send by 20th May, 1997 a detailed study proposal indicating objectives, methodology proposed to be adopted, financial requirement, time-frame, etc. The study needs to be completed by 30.9.97 in any case.

6. Should you need any further information/material, please let us know.

With regards,

Your sincerely,

Sd/-
(RAJIV TAKRU)

Dr. Dinesh Mehta
Director,
National Institute of Urban Affairs (NIUA),
Nyay Marg, Chanakyapuri
New Delhi

APPENDIX IV

COPY OF MINISTRY'S LETTER DATED 29.4.97
ADDRESSED TO ILGUS, CALCUTTA

RAJIV TAKRU
DIRECTOR (EPA)
Tele. No. 3018157
Fax No. 301 0991

D.O. No. K-14014/9/97—UPA (NRY)

April 29, 1997

Dear,

As you are aware the Nehru Rozgar Yojana was launched in October 1989 with the objective of providing employment opportunities to the unemployed and underemployed urban poor living below the poverty line. The employment contemplated is of two types—one relates to the setting up of Micro Enterprises and the other relates to generation of Wage Employment through the creation of useful public assets in the low income neighbourhoods and also through the Housing & Shelter Upgradation Activities.

2. The scheme of Urban Micro Enterprises (SUME) is one of the three schemes under the Yojana which seeks to assist the urban poor beneficiaries in setting up of self-employment ventures. Under the Scheme subsidy of 25% of the unit cost subject to a ceiling of Rs. 4000/- in the case of general category beneficiaries and Rs. 5000/- in the case of SCs/STs/Women is given. 75% of the unit cost is available in the form of loan from the banks.

3. Training is another element of the Scheme. The training to urban unemployed youth is provided in a variety of servicing and manufacturing trades so that they can set up self-employment ventures or secure salaried employment with better remuneration. The training is provided at a per capita expenditure of Rs. 400/- per month.

4. Of late, need has been felt to conduct a sample survey in order to assess the impact from the standpoint of sustainability of the enterprises set up by the urban poor beneficiaries. It is also proposed to assess the impact of the skill provided to the beneficiaries under the training component and how it has affected the income status of the individual.

5. This Department would like your Institution to take up study in 2-3 towns each of West Bengal, Assam and Bihar on the suggested lines. I would appreciate if you could kindly send by 20th May, 1997 a detailed study proposal indicating objectives methodology proposed to be adopted, financial requirement, time-frame, etc. The study need to be completed by 30.9.97 in any case. Should you need any further information/material, do let us know.

With regards,

Your sincerely,

Sd/-
(RAJIV TAKRU)

Shri T.K. Das
I.L.G.U.S.,
ILGUS Bhawan,
Sector-3, Salt Lake City,
Calcutta 700 091

Copy to : Shri A.M. Chakraborty,
Secretary, (UD)
Govt. of West Bengal

APPENDIX V

COPY OF MINISTRY'S LETTER DATED 29.4.97
ADDRESSED TO DIRECTOR, RCUES, MUMBAI

RAJIV TAKRU
DIRECTOR (EPA)
Tel. No. 3018157
Fax No. 301 0991

D.O. No. K-14014/7/97—UPA (NRY)

April 29, 1997

Dear

As you are aware the Nehru Rozgar Yojana was launched in October 1989 with the objective of providing employment opportunities to the unemployed and under-employed urban poor living below the poverty line. The employment contemplated is of two types—one relates to the setting up of Micro Enterprises and the other relates to generation of Wage Employment through the creation of useful public assets in the low income neighbourhoods and also through the Housing & Shelter Upgradation Activities.

2. The Scheme of Urban Micro Enterprises (SUME) is one of the three schemes under the Yojana which seeks to assist the urban poor beneficiaries in setting up of self-employment ventures. Under the Scheme subsidy of 25% of the unit cost subject to a ceiling of Rs. 4000 in the case of general category beneficiaries and Rs. 5000 in the case of SCs/STs/Women is given. 75% of the unit cost is available in the form of loan from the banks.

3. Training is another element of the Scheme. The training to urban unemployed youth is provided in a variety of servicing and manufacturing trades so that they can set up self-employment ventures or secure salaried employment with better remuneration. The training is provided at a per capita expenditure of Rs. 400 per month.

4. Of late, need has been felt to conduct a sample survey in order to assess the impact from the standpoint of sustainability of the enterprises set up by the urban poor beneficiaries. It is also proposed to assess the impact of the skill provided to the beneficiaries under the training component and how it has affected the income status of the individual.

5. The Department would like your Institution to take up this study in 2-3 towns each of Gujarat, Goa and Karnataka on the suggested lines. I would appreciate if you could kindly send by 20th May, 1997 a detailed study proposal indicating objectives, methodology proposed to be adopted, financial requirements, a time-frame, etc. The study needs to be completed by 30.9.97 in any case.

6. Should you need any further information/material, please let us know.

With regards,

Yours sincerely,

Sd/-
(RAJIV TAKRU)

Dr. (Mrs.) H.M. Golandaz
Director,
Regional Centre for Urban &
Environmental Studies (RCUES),
Sthanic Raj Bhawan,
C.D. Burfiwala Marg,
Andheri (W), Mumbai.

APPENDIX VI

COPY OF MINISTRY'S LETTER DATED 29.4.97
ADDRESSED TO DIRECTOR, RCUES, HYDERABAD

RAJIV TAKRU
DIRECTOR (EPA)
Tel. No. 3018157
Fax No. 301 0991

D.O. No. K-14014/8/97—UPA (NRY)

April 29, 1997

Dear

As you are aware the Nehru Rozgar Yojana was launched in October 1989 with the objective of providing employment opportunities to the unemployed and under-employed urban poor living below the poverty line. The employment contemplated is of two types—one relates to the setting up of Micro Enterprises and the other relates to generation of Wage Employment through the creation of useful public assets in the low income neighbourhoods and also through the Housing & Shelter Upgradation Activities.

2. The Scheme of Urban Micro Enterprises (SUME) is one of the three schemes under the Yojana which seeks to assist the urban poor beneficiaries in setting up of self-employment ventures. Under the Scheme subsidy of 25% of the unit cost subject to a ceiling of Rs. 4000 in the case of general category beneficiaries and Rs. 5000 in the case of SCs/STs/Women is given. 75% of the unit cost is available in the form of loan from the banks.

3. Training is another element of the scheme. The training to urban unemployed youth is provided in a variety of servicing and manufacturing trades so that they can set up self-employment ventures or secure salaried employment with better remuneration. The training is provided at a per capita expenditure of Rs. 400 per month.

4. Of late, need has been felt to conduct a sample survey in order to assess the impact from the standpoint of sustainability of the enterprises set up by the urban poor beneficiaries. It is also proposed to assess the impact of the skill provided to the beneficiaries under the training component and how it has affected the income status of the individual.

5. The Department would like your Institution to take up a study in 2-3 towns each of Andhra Pradesh and Tamil Nadu and as also Pondicherry on the suggested lines. I would appreciate if you could kindly send by 20th May, 1997 a detailed study proposal indicating objectives, methodology proposed to be adopted, financial requirement, time-frame, etc. The study needs to be completed by 30.9.97 in any case.

6. Should you need any further information/material, please let us know.

With regards,

Yours sincerely,

Sd/-
(RAJIV TAKRU)

Dr. Ravindra Prasad
Director,
Regional Centre for Urban & Environmental Studies (RCUES),
Osmania University,
Hyderabad (A.P.) 500007.

APPENDIX VII

COPY OF MINISTRY'S LETTER DATED 29.4.97 ADDRESSED
TO DEPARTMENT OF ADMINISTRATIVE REFORMS
AND PUBLIC GRIEVANCES, NEW DELHI

D.O. No. K-14014/5/97-UPA (NRY)

KIRAN AGGARWAL (MRS.)
SECRETARY
Tele : 3017444

Government of India
Ministry of Urban Affairs
and Employment
Department of Urban Employment
and Poverty Alleviation
Nirman Bhawan, New Delhi-110011

29.4.97

Dear Shri Sunderam,

As you are aware the Nehru Rozgar Yojana was launched in October 1989 with the objective of providing employment opportunities to the unemployed and under employed urban poor living below the poverty line. The employment contemplated is of two types: one relates to the setting up of Micro Enterprises and the other relates to generation of wage employment through the creation of useful public assets in the low income neighborhoods and also through the Housing & Shelter Upgradation activities.

2. The scheme of Urban Micro Enterprises (SUME) is one of the three schemes under the Yojana which seeks to assist the urban poor beneficiaries in setting up of self-employment ventures. Under the Scheme subsidy of 25% of the unit cost subject to a ceiling of Rs. 4000/- in the case of general category beneficiaries and Rs. 5000/- in the case of SCs/STs/Women is given. 75% of the unit cost is available in the form of loan from the banks.

3. Training is another element of the Scheme. The training to urban unemployed youth is provided in a variety of servicing and manufacturing trades so that they can set up self-employment ventures or secure salaried employment with better remuneration. The training is provided at a per capita expenditure of Rs. 400/- per month.

4. Of late, need has been felt to conduct a sample survey in order to assess the impact from the standpoint of sustainability of the enterprises set up by the urban poor beneficiaries. It is also proposed to assess the impact of the skill provided to the beneficiaries under the training component and how it has affected the income status of the individual.

5. It would be appreciated if your Department takes up study in 2-3 towns each of Maharashtra, Kerala and Orissa on the suggested lines.

6. I shall be grateful if the study is got completed by 31.7.97. Should you need any further information/material, my Department will gladly supply the same.

7. Looking forward to your reply.

With regards,

Yours sincerely,

Sd/-
(KIRAN AGGARWAL)

Dr. P. S.A. Sunderam,
Additional Secretary (AR&T)
Deptt. of Administrative Reforms
& Public Grievances,
Sardar Patel Bhavan,
New Delhi-110 001.

APPENDIX VIII

COPY OF MINISTRY'S LETTER ADDRESSED TO MEMBER SECRETARY, PLANNING COMMISSION NEW DELHI

KIRAN AGGARWAL (MRS.)
SECRETARY,
Tele: 3017444

D.O. No. H-11013/1/97—HI
Government of India
Min. of Urban Affairs & Emp.
(Deptt. of Urban Emp. & P.A.)

Dear

I would like to bring to your notice that the Parliamentary Standing Committee on Urban Development and Rural Development has made the following observations while examining the Demands for Grants of this Department for the year 1997-98 in April, 1997:—

“The Committee regret to note that though the Working Group of the Planning Commission estimated the plan requirement of funds for Housing alone at Rs. 120,000 crores, the Ninth Plan outlays proposed by the Department in respect of new and ongoing schemes comes to only Rs. 1140.25 crores which is only about 10% of the estimated requirement for this sector alone. The Committee are apprehensive, whether in the present position of the budgetary constraints faced by the Central Government even this amount would be finally allocated for this purpose. The Committee, therefore, desire that the Department should impress upon the Planning Commission to at least agree to the outlays suggested by it in view of the heavy shortage of housing and realise the objective of housing for all partially, if not fully by the terminal year of the Ninth Plan i.e. 2002.”

I would be grateful if the above observations of the Standing Parliamentary Committee are kept in view by the Planning Commission while finalising the 9th Five Year Plan outlay proposed by this Department.

With regards,

Yours sincerely,

Sd/-
(KIRAN AGGARWAL)

Dr. Bimal Jalan,
Member Secretary,
Planning Commission,
New Delhi.

APPENDIX IX

COPY OF MINISTRY'S LETTER ADDRESSED TO CHIEF SECRETARIES OF ALL STATES

KIRAN AGGARWAL (MRS.)

D.O. No. II-11013/1/97-HI
Government of India
Min. of Urban Affairs & Emp.
Deptt. of Urban Emp. & P.A.
Nirman Bhavan, New Delhi-11

Dear

You may be aware that the Central scheme of Night Shelter and Sanitation Facilities for Urban Footpath Dwellers has been in operation since 1988-89. The guidelines of this scheme were modified in the light of the experience of the working of the scheme and suggestions received from the implementing Agencies (Annexure-I.) and forwarded to Hon'ble Chief Minister/Administrator of Your State/UT through a letter written by Minister for Urban Development *vide* letter No. N-14013/1/90-HI dated 8.2.93 (Annexure-II). The modified guidelines of the scheme provide for construction of Night Shelter and community pay and use toilets together with remunerative components so as to reduce the loan burden on the implementing agencies and to defray maintenance cost to some extent.

2. The scheme has the following two components:

- (i) Construction of community night shelters with community toilets and baths.
- (ii) Construction of community pay and use toilets/bath for the homeless.

These two components can be part of an overall complex of commercial or remunerative facilities or civic infrastructure. For the construction of night shelter a Central subsidy Rs. 1000/- per beneficiary and HUDCO loan Rs. 4000/- per beneficiary is available. For the construction of pay and use toilets Central subsidy Rs. 350/ per seat per user is being provided. The implementing agencies are

free to mobilise their own resources in addition to Central subsidy in case they do not opt for HUDCO loan. The Projects under the scheme will be formulated, implemented and operated by the Municipal Bodies or agencies designated by the State Governments or Municipal Corporation. Apart from the State or Local agencies, the private agencies including voluntary organisations/NGOs which are recommended by the State Government or its agencies could also be associated with the implementation and management of the scheme.

3. While examining the Demands for Grants of this Department for the Year 1997-98, the Standing Parliamentary Committee on Urban Development and Rural Development has observed that "for effectively implementing the scheme States/Municipal agencies be encouraged by providing land in core areas for setting up night shelters and providing sanitation facilities to the urban footpath dwellers. They further desired that apart from State/Municipal agencies, private agencies including NGOs and Voluntary organisations may be involved more vigorously in the implementation of the Scheme." The above observations of the Committee may kindly be kept in view by the State Government, while formulating specific projects under this scheme.

4. The following are some of the reasons identified for delay and slow pace of the implementation of the scheme:

- (i) The State Government do not give approval/guarantee for completion legal documentation and release of funds.
- (ii) Scheme is being implemented through local bodies which have narrow financial base and hence Government guarantee is not forthcoming speedily which lead to delay in implementation of the scheme.
- (iii) Poor cost recoveries apprehended by State Government/Agencies in these schemes.

For the successful implementation of the scheme it is imperative that the State Government provide land to the implementing agencies in core areas and take remedial steps to remove aforesaid bottlenecks.

5. As this scheme is meant for the poorest among the urban poor and the Standing Parliamentary Committee has also made valuable observations on its speedier and vigorous implementation, I would request you to look into the matter personally and instruct the

concerned authorities to take expeditious steps to implement more projects so that the footpath dweller and urban poor benefit from this scheme in a meaningful manner.

With regards,

Yours sincerely,

Sd/-
(KIRAN AGGARWAL)

To

All Chief Secretaries

Copy forwarded for information and necessary action to Sh. V. Suresh, CMD, HUDCO. The Zonal/Regional Offices may be directed to play a positive role in motivating the private and NGO Sector to get involved in implementation of the scheme.

Sd/-
(H.K. GHOSH)
Under Secretary to the Govt. of India

ANNEXURE I TO APPENDIX IX

SHELTER AND SANITATION
FACILITIES
FOR THE
FOOTPATH DWELLERS
IN URBAN AREAS

GUIDELINES



GOVERNMENT OF INDIA
Ministry of Urban Affairs & Employment

AUGUST 1992

SHELTER AND SANITATION FACILITIES FOR THE FOOTPATH DWELLERS IN URBAN AREAS

GUIDELINES

1. Introduction

- 1.1 The footpath dwellers in major cities, who are absolutely shelterless, have been identified in National Housing Policy as a target group for providing shelter on priority basis.
- 1.2 As per the 1981 census, the total number of houseless households in the urban areas is 2 lakhs and most of them are in the 12 metropolitan cities *viz.* Calcutta, Bombay, Delhi, Madras, Bangalore, Ahmedabad, Hyderabad, Kanpur, Nagpur, Jaipur, Lucknow and Pune. A majority of the houseless in the urban areas comprises footpath dwellers who are unable to secure any kind of shelter against the vagaries of weather e.g. rain and winter. They comprise also single women and children. To meet their minimum housing needs, the construction of 'Raen Baseras' or the 'Community Night Shelters' having minimum level of sanitary, water supply and other facilities has been found to be an appropriate approach in Delhi and other cities. The Central Scheme will cover all major urban centres wherever there is concentration of footpath dwellers or homeless. The present scheme has been conceived as an immediate measure to ameliorate the living condition and shelter problems of the absolutely shelterless households till such time as they can secure affordable housing from ongoing efforts of State housing agencies. This is a priority programme of the Govt. of India.

The Centrally sponsored Night Shelter Scheme for Footpath Dwellers is already under implementation in VII Plan through HUDCO and on the basis of the approved financial pattern with the undermentioned components:

- (1) Construction of Community night shelters with water supply and sanitary facilities.

- (ii) Pay and use toilets/baths.
- (iii) Renovation of existing structures, like market places etc. as Night Shelter.
- (iv) Temporary or mobile night shelter of adequate standards on the basis of justification provided by State Government considering the prevailing local factors.

2. Modified Scheme

2.1 In the light of experience with the working of the scheme and the suggestions from State Govts. and local agencies, it is proposed to modify the scheme and make it a composite mix with remunerative components so as to reduce the loan burden of the beneficiary agency and to defray maintenance costs to some extent; and make the scheme more flexible as long as the basic aim of reaching the benefit of night shelters and sanitation to footpath dwellers and the homeless is met. It is further envisaged that Central grant assistance can be an input in the overall scheme for night shelter and remunerative components to be financed by the beneficiary agency with funds from various sources. The modified scheme will now have the following components with remunerative component and provision for proper maintenance and involvement of all agencies:

- (1) Construction of community night shelters with community toilets and baths.
- (2) Construction only of community pay and use toilets/baths for the homeless.

The scheme will primarily cater to the needs of urban footpath dwellers as assessed by State Governments and borrowing agencies.

- 2.2 These two components can be part of an overall complex of commercial or remunerative facilities or civic infrastructure.
- 2.3 The night shelters will be provided separately for men and women according to local circumstances.

3. Modality of Operation

- 3.1 The projects under the scheme will be formulated, constructed and operated by the municipal bodies or agencies designated

by State Governments or Municipal Corporations. Apart from State or local agencies, the private agencies including voluntary organisations recommended or concurred in with the State Government or its agencies could be associated with the implementation and management of the schemes.

- 3.2 To make the composite night shelter scheme self supporting for maintenance purpose, commercial places like shops and godowns could be provided in the ground floor of such complexes and existing structures can be renovated to create such integrated units.
- 3.3 HUDCO will be responsible for appraisal, financing and monitoring of the scheme under the supervision of MOUD. Urban local bodies/the designated State agencies as well as agencies recommended and concurred in by the State Government will be given prescribed Government subsidy through HUDCO. Loan will also be available from HUDCO wherever required. After completion of construction, the night shelters and other facilities will be managed by municipal bodies or NGOS or private agencies recognised by the State Govt. operating in those areas or by agencies designated or agreed upon by State Govts. Local bodies where the night shelter is part of an integrated complex with independent areas for different components of the complex.

4. Survey, Identification, Design Cost and Financing Pattern

- 4.1 Systematic survey would be undertaken in cities/towns by the local municipal bodies.

Surveys would cover aspects like socio-economic characteristics occupation, household composition, present dwelling/working locations so that appropriate programmes and projects can be formulated in this sector.

- 4.2 **Construction of Community night shelters with Community toilet/bath facilities**

These buildings besides providing space for sleeping, would also include facilities for common bathing, W.C., drinking water and lockers etc. Wherever required, open parking of rickshaws, hand carts or rehries etc. can be provided near

the shelter. The facility can be designed as part of an integrated complex having remunerative components and model designs for this as well as technical help in design as per local conditions will be provided by HUDCO. The upgradation and renovation of existing market places or buildings in disuse can also be proposed. Land will be provided by State/Local Government or through agreement with private owners. The cost of construction should be limited to Rs. 5000/- per beneficiary Central Government through HUDCO will provide upto Rs. 1000/- per capita as subsidy and the balance Rs. 4000/- per capita may be either the contribution by the local body from its own resources or State budget or to be secured from HUDCO as loan at terms applicable for social infrastructure or found from the overall cost of execution of the integrated complex by the executing agency. The subsidy element alone would not be released to the local bodies/public agencies and recommended private agencies, including voluntary organisations, unless HUDCO has ensured through appraisal that adequate funds to cover balance cost has been/is being mobilised by the agency. Thus, subsidy will be linked to funds mobilised from HUDCO or other sources. Subsidy may be released only if the agency is found to be capable of raising remaining funds for construction of night shelters alone or as part of integrated complex and maintaining the assets on land allotted to them or available with them and meeting recurring costs from their revenues of user charges. HUDCO will satisfy itself as to the availability of required funds with the executing agency for completion of the construction of night shelter and sanction as per approved design.

Where the agency seeks the balance cost from HUDCO beyond Rs. 5000/-, only 50% of the excess cost beyond Rs. 5000/- will be financed by HUDCO and the balance will be provided by Municipal body/State Government or the executing agency. HUDCO loan will be provided at rates or interest as prescribed.

4.3 Construction of Pay and Use toilets/baths

Construction of independent Pay and use toilets can also be proposed under the scheme where night shelters are not

considered feasible, and this will be taken up with Central assistance and suitable contribution by the Municipal Bodies/ State Governments and optional loan assistance from HUDCO. The number of users per seat of pay and use toilet will be as per local conditions, consistent as far as possible with the norms prescribed by Ministry of Urban Development in the Eighth Plan norm for slum improvement. The central subsidy for this scheme will be limited to Rs. 350/- per user, provided the executing agency undertakes to mobilise balance funds for constructing sanitary latrines with adequate water and arrangements for maintenance. The loan assistance may be secured from HUDCO as per existing norms.

- 4.4 Where the project is undertaken by voluntary agencies, on the land with it or provided by the local bodies, HUDCO may provide subsidy upto Rs. 350/- per user and loan to voluntary agencies on the recommendation or agreement with State Govt. or its agencies subject to satisfaction of HUDCO on the mobilisation of balance cost from the sources and proper maintenance. The pay and use toilets and baths for various users may be preceded by proper surveys before taking up the scheme. In this case the scheme will be implemented and operated by the selected voluntary agency in association with the local bodies and the local bodies are to assist in providing land where the toilet complex can be set up. The rate of interest on HUDCO loans for both the above components will be according to interest rates fixed by the Empowered Committee from time to time.

5. Planning, Implementation and Monitoring

- 5.1 The scheme should be implemented by Local Municipal Bodies or other State sponsored/recommended agencies. They will be responsible for assessing actual local needs through specific surveys, formulation of schemes, procuring the funds from Central Government and HUDCO and construction of building/services in a time bound manner. The State Department for Urban Local Bodies/Housing will be the principal coordinating agencies at the State level. The implementing agency should have adequate powers delegated for sanction of estimates and for prompt implementation of the scheme by eliminating procedural delays. In view of the

“National Priority” for this programme a single point project forum for preparation, sanction of estimates, tendering should be evolved. It should also Paise with the Regional Office of HUDCO often for expeditious appraisal, sanction and release of funds. In order to avoid delay in getting land in the identified locations at the beginning of the programme, available vacant. State Govt./Municipal land or buildings should be utilised for provision of Night Shelters and other components of the scheme.

- 5.2 The Secretary of the State Coordinating Deptt. will monitor the programme in concert with other departments and agencies concerned with the programme. There will be a Project level monitoring done by the Municipal Commissioner to sort out problems of construction and subsequent maintenance of facilities. For this programme at the Central Government the Joint Secretary handling Housing in the Ministry of Urban Development will be the “Nodal Point” and there will be concurrent monitoring by the Ministry of Urban Development and HUDCO. The States will be required to furnish the progress of implementation every fortnight in the proforma which will be circulated by HUDCO. Periodical inspection of the projects sanctioned would be undertaken by Ministry of Urban Development and HUDCO.
- 5.3 All the assets created under the scheme will be constructed, maintained & managed by the local authorities or by the designated executing agencies. Maintenance can also be entrusted to recognised and willing non-governmental voluntary agencies. Where it is run by the Corporation itself, competent and motivated staff should be engaged to ensure proper maintenance of the premises. The shelters and other facilities created under this scheme will generally function on “Pay and use” basis. In Delhi for example, the users of night shelters are charged at the rate of Re. 1/- per night who get access to all the facilities such as toilets, entertainment, reading room etc. The charges for use in different cities will of course depend upon local situations. The recurring expenditure on maintenance of facilities could be met partly out of payments received from the users/beneficiaries and partly out of general revenues or will be cross subsidised from the receipts generated out of the limited

commercial activities proposed to be carried out from those premises.

- 5.4 In view of the acute shortage of space in the already crowded localities where the need for Night Shelters would be the maximum, the possibility of utilising existing rooms/space in the compounds of institutions which are utilised only during day time and are vacant at night may be seriously explored. Funds so save could then be utilised for adding amenities which could be utilised by the Institutions in day time and footpath dwellers users at night. Of course adequate attention will have to be given to the day-to-day upkeep and cleanliness to avoid inconvenience to the regular users of the building.

6. Project Report

- 6.1 The local municipal bodies will be required to submit a preliminary project proposal for consideration by HUDCO, a copy of which should also be furnished to the Ministry of Urban Development. The preliminary report will indicate the number of beneficiaries to be covered under each component of the scheme, the revealed preferences of the beneficiaries especially women, and the number of units to be constructed, the availability of land, water and electric connection on the sites, preliminary cost estimates and the proposed organisational set up for implementation and management of the project. Before submitting the preliminary proposal a fair assessment of the local demand of the shelterless through a formal survey or otherwise and through consultation with NGOs should be made. However, a formal survey identifying the exact number of beneficiaries should be done for the overall scheme before the final project report is submitted. Three copies of the report should be sent, two to HUDCO and one to the Ministry of Urban Development.
- 6.2 A few typical designs of Night Shelter and other facilities with commercial component will be prepared by HUDCO separately and will be circulated to the implementing agencies identified by the State Govts.

ANNEXURE II TO APPENDIX IX

MINISTER OF URBAN
DEVELOPMENT,
GOVT. OF INDIA.

D.O. No. N-14013/1/90/HI
Dated : 8.2.93
New Delhi-110011.

Dear,

As you are aware, the National Housing Policy since finalised and introduced in Parliament lays great emphasis on reduction of shelterlessness in the country and an improvement in the housing conditions of the absolutely poor and vulnerable sections of the society, including footpath dwellers.

2. With a view to ameliorating the housing conditions of the urban houseless people, a Central Scheme *viz.* Footpath Dwellers' Night Shelter Scheme was launched by my Ministry in 1998-99. The scheme has been modified in 1992 taking into account practical difficulties being faced in the smooth implementation of the programme. A copy of the guidelines of the revised scheme 'Shelter and Sanitation for Footpath Dwellers in Urban Areas' which was sent to all Housing Secretaries of your State in September, 1992 is enclosed. The modified scheme in contrast to the earlier one provides different options for construction of night shelters and Community Pay & Use Toilets together with remunerative components so as to reduce the loan burden of the beneficiary agencies and to defray the maintenance cost to some extent. The object is to make the scheme more flexible as long as the basic aim of extending the benefit of night shelters and sanitation to footpath dwellers and urban homeless is met.

3. While the element of central subsidy towards construction of night shelters has been kept at the original level of Rs. 1000 per beneficiary, the earlier stipulation of dovetailing central subsidy with HUDCO loan has been made optional. Now the implementing agencies are free to seek HUDCO loan or utilise only the central subsidy supplemented with their own resources or cross subsidise the cost of construction and maintenance of night shelters with the profits generated out of leasing of shops or godowns provided as part of the complex.

4. The Central Subsidy for pay & Use Toilets will be limited to Rs. 350/- per beneficiary provided the executing agency undertake to mobilise balance funds for constructing sanitary latrines with adequate water and arrangements for maintenance. Loan assistance may be secured from HUDCO as per existing norms.

5. You will appreciate that whole hearted support and cooperation of all State Govts. is necessary for transforming the promises made to the people, into a time bound Action Plan. In doing this the State implementing agencies may involve voluntary organisations, NGOs and even private agencies for maintenance of the facilities created under the scheme.

6. I shall, therefore, be grateful if you could issue suitable instructions to the implementing agencies under your control, to come up with more and more night shelter/sanitation schemes and submit the same to HUDCO. I have already instructed HUDCO officers to help State agencies to formulate appropriate schemes, and clarify various points of doubt if any. Sufficient funds are available in my Ministry's budget during the current financial year for payment of subsidy to the projects formulated under this scheme and I do hope your officers would definitely take advantage of this central financial support for implementing at least a few projects in your State with a view to ameliorating shelter and sanitary conditions of most deserving sections of the population.

With regards,

Yours Sincerely,

Sd/-
(SHEILA KAUL)

To

All Chief Ministers/Governors and
LGs of the States/UTs.

APPENDIX X

STATEMENT TO RECOMMENDATION PARAGRAPH NO. 3.57

PRIME MINISTER'S INTEGRATED URBAN POVERTY ERADICATION PROGRAMME (PMI UPEP)

PHYSICAL ACHIEVEMENTS

Targets

5 million urban poor have been targeted to benefit under the programme during the 5 year programme period (1995-96 to 1999-2000).

Achievements

The physical achievements as reported by the States are as under:

- (a) House-to-house survey completed in 258 towns.
- (b) Town-wise project reports have been prepared for 255 towns.
- (c) Under the Self-employment component, 45295 applications have been forwarded to banks, out of which 8261 cases have been approved.
- (d) Under the Shelter Upgradation Component, 24981 applications have been forwarded to banks/HUDCO, out of which 17777 cases have been approved by Banks/HUDCO.
- (e) 12042 Neighbouring Groups have been formed.
- (f) 2456 Neighbourhood Development Committees have been formed.
- (g) 119 Community Development Societies have been formed.
- (h) 1164 Thrift and Credit Societies have been formed.
- (i) 253 Community Kendras have been formed.
- (j) 9290 beneficiaries have been given training/skill development for setting up micro enterprises.

APPENDIX XI

**COPY OF PLANNING COMMISSION LETTER DATED 3.4.97
ADDRESSED TO MINISTRY**

**S.K. TEWARI
DEPUTY ADVISER (HUD)
Tel. : 3715481**

योजना आयोग,
योजना भवन,
नई दिल्ली-110001.

**Planning Commission,
Yojana Bhavan,
New Delhi-110001.
the 3rd April, 1997**

Dear Shri Sinha,

I am enclosing a copy of the Press Release on 'Estimate of Poverty' for information (Annexure).

With regards,

Yours sincerely,

Sd/-

(S.K. TEWARI)

Shri A.P. Sinha,
Joint Secretary (HEPA),
Deptt. of Urban Employment
and Poverty Alleviation,
Nirman Bhawan,
New Delhi.

ANNEXURE TO APPENDIX XI

**NUMBER AND PERCENTAGE OF POPULATION BELOW
POVERTY LINE BY STATES—1993-94
(MODIFIED EXPORT GROUP)**

S.No.	State	Rural		Urban		Combined	
		No. of Persons (Lakhs)	%age of Persons	No. of Persons (Lakhs)	%age of Persons	No. of Persons (Lakhs)	%age of Persons
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	79.49	15.92	74.47	38.33	153.97	22.19
2.	Arunachal Pradesh	3.62	45.01	0.11	7.73	3.73	39.35
3.	Assam	94.33	45.01	2.03	7.73	96.36	40.86
4.	Bihar	450.86	58.21	42.49	34.50	493.35	54.96
5.	Goa	0.38	5.34	1.53	27.03	1.91	14.92
6.	Gujarat	62.16	22.18	43.02	27.89	105.19	24.21
7.	Haryana	36.56	28.02	7.31	16.38	43.88	25.05
8.	Himachal Pradesh	15.40	30.34	0.46	9.18	15.86	28.44
9.	Jammu & Kashmir	19.05	30.34	1.86	9.18	20.92	25.17
10.	Karnataka	95.99	29.88	60.46	40.14	156.46	33.16

1	2	3	4	5	6	7	8
11.	Kerala	55.95	25.76	20.48	24.55	76.41	25.43
12.	Madhya Pradesh	216.19	40.64	82.33	48.38	298.52	42.52
13.	Maharashtra	193.33	37.93	111.90	35.15	305.22	36.86
14.	Manipur	6.33	45.01	0.47	7.73	6.80	33.78
15.	Meghalaya	7.09	45.01	0.29	7.73	7.38	37.92
16.	Mizoram	1.64	45.01	0.30	7.73	1.94	25.66
17.	Nagaland	4.85	45.01	0.20	7.73	5.05	37.92
18.	Orissa	140.90	49.72	19.70	41.64	160.60	48.56
19.	Punjab	17.76	11.95	7.35	11.35	25.11	11.77
20.	Rajasthan	94.68	26.46	33.82	30.49	128.50	27.41
21.	Sikkim	1.81	45.01	0.03	7.73	1.84	41.43
22.	Tamil Nadu	121.70	32.48	80.40	39.77	202.10	35.03
23.	Tripura	11.41	45.01	0.38	7.73	11.79	39.01
24.	Uttar Pradesh	496.17	42.28	108.28	35.39	604.46	40.85
25.	West Bengal	209.90	40.80	44.66	22.41	254.56	35.66

1	2	3	4	5	6	7	8
26.	Andaman & Nicobar	0.73	32.48	0.33	39.77	1.06	34.47
27.	Chandigarh	0.07	11.35	0.73	11.35	0.80	11.35
28.	Dadra & Nagar Haveli	0.72	51.95	0.06	39.93	0.77	50.84
29.	Daman & Diu	0.03	5.34	0.15	27.03	0.18	15.80
30.	Delhi	0.19	1.90	15.32	16.03	15.51	14.69
31.	Lakshadweep	0.06	25.76	0.08	24.55	0.14	25.04
32.	Pondicherry	0.93	32.48	2.38	39.77	3.31	37.40
All India		2440.31	37.27	763.37	32.36	3203.68	35.97

- Poverty Ratio of Assam is used for Sikkim, Arunachal Pradesh, Meghalaya, Mizoram, Manipur, Nagaland and Tripura.
- Poverty Ratio of Tamil Nadu is used for Pondicherry and A&N Island.
- Poverty Ratio of Kerala is used for Lakshadweep.
- Poverty Ratio of Goa is used for Daman & Diu.
- Urban Poverty Ratio of Punjab used for both rural and urban poverty of Chandigarh.
- Poverty Line of Maharashtra and expenditure distribution of Goa is used to estimate poverty ratio of Goa.
- Poverty Line of Maharashtra and expenditure distribution of Dadra & Nagar Haveli is used to estimate poverty ratio of Dadra & Nagar Haveli.
- Poverty Ratio of Himachal Pradesh is used for Jammu & Kashmir for 1993-94.

APPENDIX XII

COPY OF MINISTRY'S LETTER DATED 4.4.97 ADDRESSED TO LOK SABHA SECRETARIAT

S. G. VAZIRANI
Under Secretary
Tel. 3018426

GOVT. OF INDIA
MINISTRY OF URBAN AFFAIRS AND
EMPLOYMENT
DEPARTMENT OF URBAN EMPLOYMENT AND
POVERTY ALLEVIATION

D.O. No. K-14011/3/95-UPA (NRY)

Dated..... New Delhi-110011, the 199

April 4, 1997.

Dear Shri Juneja,

Please recall the discussions during the meeting of the Standing Committee on Urban & Rural Development held on 2.4.97 in Parliament House Annexe. It was mentioned during the meeting that this Department had not received any communication from the Planning Commission regarding revision of estimates of poverty by the Planning Commission. This Department was requested by the Hon'ble Chairman to verify the actual position.

2. Thereafter, on 3.4.97, the Planning Commission was contacted over the phone and clarification sought. A copy of the communication received from the Planning Commission, issued after the telephonic conversation, on 3.4.97, is enclosed herewith for information of the Committee.

With regards,

Yours sincerely,

Sd/-
(S.G. VAZIRANI)

Shri G.R. Juneja,
Deputy Secretary,
Lok Sabha Secretariat,
Parliament House Annexe,
New Delhi.

Copy with a copy of the Planning Commission communication, forwarded for information to:—

1. Under Secretary I(UPA), New Delhi.
2. Under Secretary II(UPA), New Delhi.

Sd/-
(S.G. VAZIRANI)
Under Secretary

APPENDIX XIII

[Vide Para 4 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE TWELFTH REPORT OF THE STANDING COMMITTEE ON URBAN & RURAL DEVELOPMENT (11TH LOK SABHA)

I. Total number of Recommendations	12
II. Recommendations that have been accepted by the Government	
(Para Nos. 2.4, 2.9, 3.10, 3.24, 3.25, 3.34, 3.44, 3.57 and 4.6)	9
Percentage to Total	75%
III. Recommendations which the Committee do not desire to pursue in view of the Government's replies	
(Para No. 3.5)	1
Percentage to Total	8.33%
IV. Recommendations in respect of which replies of the Government have not been accepted by the Committee	
(Para Nos. 1.19 and 3.18)	2
Percentage to Total	16.67%
V. Recommendations in respect of which final replies of the Government are still awaited	Nil
Percentage to Total	—