

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:5816

ANSWERED ON:30.04.2010

NON-UTILISATION OF FUNDS UNDER JNNURM

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Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether more than a third of the funds allocated under the Jawaharlal Nehru National Urban Renewal Mission(JNNURM) has remained unspent at the end of the first three quarters of fiscal year of 2009-10;

(b) if so, the details thereof;

(c) the reasons for poor utilisation of budgetary funds for 2009-10;

(d) whether any steps have been initiated to ensure that the funds earmarked in a year are spend evenly across the year and completion of projects within a time period; and

(e) if so, the details thereof alongwith the outcome of such measures?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI SAUGATA ROY)

(a) & (b): An amount of Rs. 5960.13 crore was allocated as Budget Estimate (BE) for the year 2009-10 under Urban Infrastructure & Governance (UIG) of Jawaharlal Nehru National Urban Renewal Mission (JNNURM), against which an amount of Rs. 2647.52 crore was released till the 3rd quarter of the year (i.e. till December, 2009) and that comes to 44.42% of the BE. However, an amount of Rs. 3921.97 crore has been allocated as Revised Estimate (RE) for the year 2009-10 and the amount of Rs. 2647.52 crore released till the 3rd quarter of the year comes to 67.50% of RE.

(c): Utilisation of the allotted funds is dependent upon submission of new projects and claims for second and subsequent installment of Additional Central Assistance (ACA) by the States. JNNURM is demand driven programme and the States are to submit new projects in conformity with the guidelines and emanating from City Development Plan (CDP) and in conformity with the priorities by the States.

The new projects are eligible for funding subject to their technical appraisal and availability of funds. The claims for second and subsequent installments of ACA are dependent upon the implementation of projects by States, utilisation of funds upto 70% of ACA released and meeting reforms commitments.

(d) & (e): The respective State Governments/UTs have been advised to expedite implementation of the approved projects and submit UCs in time. For effective implementation of the approved projects, monitoring is undertaken at the Ministerial level as well as by the Secretary (UD). In addition, the following monitoring mechanism has been adopted in the Mission:-

i. Central Sanctioning and Monitoring Committee (CSMC) reviews the progress of implementation of the Mission every month. The representatives from select States/UTs are also asked to attend these meetings with a view to expediting the implementation of the Mission.

ii. Every year a meeting of the State Secretaries of Urban Development is held under the chairmanship of Secretary (Urban Development), Government of India where the implementation of the Mission is reviewed.

iii. There are Regional Review Meetings by Secretary (UD) with States and ULBs of different regions of the country.

iv. D.O. letters at the level of Secretary (UD) are written to the Chief Secretaries of the States/UTs every month bringing to the notice issues requiring urgent action.

v. The status of reforms and project implementation of the already sanctioned projects of a State/UT is considered by the CSMC at the time of sanctioning of a new project or second or subsequent installment.

vi. Quarterly Progress Reports (QPRs) are obtained on a regular basis to monitor the progress of the projects.

vii. Capacity building measures such as conducting Rapid Training Programme of the officials of ULBs/parastatals, supporting Programme Management Units (PMU) at the state level and Project Implementation Units (PIUs) at the ULB level, Independent Review and Monitoring Agency (IRMA) at the state level, provision of toolkits for preparation of City Development Plans (CDPs) and

Detailed Project Reports (DPRs) along with toolkit for their reimbursement etc have been taken with a view to facilitate achievement of targets by the Mission Directorate.

viii. The reform appraisal agencies have been asked to hand hold the States/ULBs in order to facilitate the reforms process.

As a result of these measures, there is improvement in utilisation of funds under UIG of JNNURM.