

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:979
ANSWERED ON:30.07.2010
PROGRESS UNDER JNNURM
Dhruvanarayana Shri R.

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether despite massive allocations, the progress under the Jawaharlal Nehru National Urban Renewal Mission(JNNURM)has been dismal with less than 5 per cent of the local infrastructure projects having been completed;
- (b) if so, the reaction of the Government thereto;
- (c) whether the Government has now proposed to empower the urban local bodies to raise funds directly from multilateral agencies like World Bank, Asian Development Bank etc. based on their work performance rating; and
- (d) if so, the details thereof?

Answer

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

(a)&(b): No Madam. A sum of Rs.31,500 crore has been allocated as Additional Central Assistance (ACA) for sanctioning of projects under Urban Infrastructure & Governance (UIG) of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) for the Mission period of seven years, beginning from 2005-06 and Rs.11,400 crore for sanction of project under Urban Infrastructure Development Scheme for Small & Medium Town (UIDSSMT). The committed ACA against the above mentioned provision is Rs. 27852.07 crore for 528 projects approved under UIG and Rs.10428.85 crore for 763 projects approved under UIDSSMT. So far 78 projects have been reported physically complete under UIG and 114 projects under UIDSSMT. Some of the States like Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Maharashtra, Meghalaya, Orissa, Pudducherry, Rajasthan, Tamil Nadu, Tripura and Uttar Pradesh have either exceeded or almost reached their 7 years allocation under UIG of JNNURM. Only States like Andaman Nicobar, Bihar, Goa, Haryana, Jharkhand, Lakshadweep, Uttar Pradesh and Nagaland are left with some balance in their 7 year allocation under UIDSSMT.

(c) & (d): In order to enable the process of leveraging of Debt for JNNURM projects credit-rating of Urban Local Bodies (ULBs) has been undertaken. It provides a platform to the ULBs and financial institutions to engage on issues relating to project financing. Presently, 63 ULBs in the Mission Cities have been assigned draft and final ratings. However, Funds from Multilateral Agencies for which Government guarantee is required can be accessed by ULBs through Central & State Governments. For funds not requiring Government guarantee, Asian Development Bank(ADB) has been allowed to lend to Special project Vehicle (SPV)owned 100% by ULB and not directly to the ULBs in local currency to three projects (Bus Rapid Transit Project in Pimpri-Chichwad City, Nagpur City Bulk Water supply Project and Bengaluru Metro Rail Project) on mutually agreeable terms and conditions. Lending to similar other projects where Borrower is a majority government owned corporate entity has also been allowed, subject to specific no objection being taken from the Department of Economic Affairs, Government of India, for particular projects.