

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3166

ANSWERED ON:24.04.2012

FUNDS UNDER JNNURM

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Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether the C&AG in its report had pointed out anomalies in the allocation of funds under JNNURM and if so, the details thereof and the action taken thereon so far;
- (b) whether funds had been released under JNNURM to the States despite the fact that civic bodies of those States did not fulfill the laid down guidelines;
- (c) if so, the details thereof and the action taken by the Government against the erring officials during each of the last three years and the current year, State-wise;
- (d) the funds allocated and utilised since 2009-10 under JNNURM, year-wise and State-wise;and
- (e) the details of cities selected under JNNURM, State-wise and the plan of action initiated to cover more cities?

Answer

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

(a) : A Draft Performance Audit of Jawaharlal Nehru National Urban Renewal Mission

(JNNURM) making observations inter-alia related to delays in release of funds to States, non-release/ less release of ULB share, etc. has been received by the Government.

(b): Funds under JNNURM have been released as per guidelines. Guidelines under JNNURM in Urban Infrastructure & Governance (UIG) Sub-mission stipulates that the first installment of 25% will be released on signing of Memorandum of Agreement by the State Government/ULB/Para- Statal for implementation of JNNURM projects. The balance amount of assistance shall be released as far as possible in three installments upon receipt of Utilisation Certificates to the extent of 70% of the grants (Central & State) and subject to achievement of milestones for implementation of mandatory and optional reforms at the State and ULB/Parastatal level as envisaged in the Memorandum of Agreement. As the States have not achieved all the reforms as per their commitment in the MoA, the Ministry was unable to consider release of subsequent installments of ACA for the approved projects.

The Government has reviewed the position and decided on 01.12.2010 to accord approval for consideration/release of further installments of ACA after withholding 10% of the Central Share in case of UIG projects in States/ ULBs where significant progress has been made in the implementation of reforms. It has been further decided that States may use their own funds to meet the balance amount and complete the ongoing projects and obtain reimbursement of the withheld amount upon completion of reforms.

(c): The projects under JNNURM are implemented by State Government/Urban Local Bodies (ULBs) in accordance with their rules and procedures. The Government of India has no role in implementation of the projects and in determining action whatsoever against the State Officials in connection with implementation of JnNURM Projects. The Government of India conveys the shortcomings/deviations if any, in implementation of project to the State Government for proper rectification and suitable action thereon as per the rules and procedures of the State Government.

(d): Details is at annexure-I.

(e): 65 cities are included under the Urban Infrastructure & Governance (UIG) Sub-Mission of JNNURM as per details at annexure-II. Other cities are covered under Urban Infrastructure Development Scheme of Small and Medium Towns (UIDSSMT) of JNNURM.