

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:4341
ANSWERED ON:19.12.2012
INCREASE IN ALLOCATION
Bhagora Shri Tarachand

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether the Government proposes to enhance allocation of Rajasthan under Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) Sub-Mission of JNNURM and if so, the details thereof;
- (b) whether the progress of UIDSSMT projects has been adversely affected due to pending release of Additional Central Assistance (ACA);
- (c) if so, whether the Government proposes to release pending ACA of Rs. 109.01 crore for UIDSSMT projects and if so, the details thereof;
- (d) whether the Government proposes to reimburse expenses for preparation of DPR of 12 ULBs amounting Rs. 2.07 crore; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN MINISTRY OF URBAN DEVELOPMENT (SMT. DEEPA DASMUNSHI)

(a) No, Madam.

(b) to (c) Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) is a reform-linked scheme, as per Scheme guidelines, release of 2nd installment of Additional Central Assistance (ACA) is dependent upon furnishing of Utilization Certificate of earlier release funds to the extent of 70% and completion of urban sector reforms by the State and ULBs. However, considering the difficulties being faced by the smaller Urban Local Bodies (ULBs) of the country in completing the prescribed urban sector reforms, Cabinet Committee on Infrastructure (CCI) on 31/05/2012 has approved relaxation of reform conditionalities under UIDSSMT for release of second instalments in the following manner:-

(i) To de-link the reforms implementation with release of funds for the second instalment in the ongoing projects in the States of North-Eastern Region & State of Jammu and Kashmir.

(ii) The second instalment for the on-going projects sanctioned under UIDSSMT may be released to those Urban Local Bodies (ULBs) that have completed four out of the six mandatory ULB level reforms, including two reforms relating to property tax to the extent of 60% coverage of properties and 70% collection efficiency and in respect of reforms on recovery of O&M cost through user charges to the extent of 70 % are achieved.

(iii) Those ULBs which are not able to achieve the relaxed standards, works of the on-going projects may be carried out with the funds available with them. This would be reimbursed if reforms to the extent of

(ii) above are achieved by March 2014.

Since ULBs of Rajasthan have not even achieved the relaxed standards of urban sector reforms, the request of the Government of Rajasthan could not be acceded for release of 2nd installment of Rs. 158.24 crore in 18 projects in which UCs have been furnished. Accordingly, as per CCI decision dated 31/05/2012 Government of Rajasthan has been advised to complete their projects from their own resources and claim the reimbursement of 2nd installment of ACA after achieving the reforms by 31st March, 2014.

(d) to (e) As per Scheme guidelines, reimbursement of DPR incentive is dependent upon furnishing of relevant supporting documents, SLSC approval and availability of funds.