

**GOVERNMENT OF INDIA  
URBAN DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:4369

ANSWERED ON:19.12.2012

CENTRAL GRANT TO URBAN INFRASTRUCTURE DEVELOPMENT SCHEME

Panda Shri Baijayant

**Will the Minister of URBAN DEVELOPMENT be pleased to state:**

- (a) whether the Union Government has stopped Central grants to certain States under the Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT);
- (b) if so, the details thereof and reasons therefor;
- (c) whether an exception has been made for North-Eastern States and Jammu & Kashmir regarding the same; and
- (d) if so, the details thereof and the reasons therefor?

**Answer**

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

(a) No, Madam.

(b) Does not arise.

(c) to (d) 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) vide its meeting held on 31/05/2012 has approved relaxation of reform conditionalities under Urban Infrastructure Development Scheme for Small and Medium Towns (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.