

19

**STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2006-2007)**

FOURTEENTH LOK SABHA

**MINISTRY OF HOUSING AND URBAN
POVERTY ALLEVIATION**

**DEMANDS FOR GRANTS
(2006-2007)**

*[Action Taken by the Government on the Recommendations contained in
the Fifteenth Report of the Standing Committee on Urban Development
(Fourteenth Lok Sabha)]*

NINETEENTH REPORT



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI**

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STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2006-2007)

(FOURTEENTH LOK SABHA)

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POVERTY ALLEVIATION

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the Fifteenth Report of the Standing Committee on Urban Development
(Fourteenth Lok Sabha)]*

Presented to Lok Sabha on

Laid in Rajya Sabha on



LOK SABHA SECRETARIAT
NEW DELHI

January, 2007/Magha, 1928 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON
URBAN DEVELOPMENT (2006-2007)

Mohd. Salim — *Chairman*

MEMBERS

Lok Sabha

2. Shri Avtar Singh Bhadana
3. Shri Sharanjit Singh Dhillon
4. Shri Surendra Prakash Goyal
5. Shri Anant Gudhe
6. Shri Pushp Jain
7. Shri Kailash Joshi
8. Shri Sajjan Kumar
9. Prof. Vijay Kumar Malhotra
10. Shri A.K. Moorthy
11. Shri Shripad Yesso Naik
12. Shri L. Rajagopal
13. Shri Rajesh Ranjan *alias* Pappu Yadav
14. Shri D. Vittal Rao
15. Shri Sudhangshu Seal
- ##16. Shri Navjot Singh Sidhu
17. Kunwar Sarv Raj Singh
18. Shri Jagdish Tytler
- **19. Kunwar Devendra Singh Yadav
20. Shri Suresh Ganpatrao Wagmare
- \$\$21. Smt. Botcha Jhansi Lakshmi

Ceased to be the member of the Committee *w.e.f.* 4.12.2006 consequent upon resignation from Lok Sabha.

** Nominated *w.e.f.* 25.9.2006 vice Shri Ravi Prakash Verma, M.P. ceased to be the member of the Committee *w.e.f.* 25.9.2006.

\$\$ Nominated *w.e.f.* 2nd January, 2007.

Rajya Sabha

22. Shri Nandi Yellaiah
23. Smt. Syeda Anwara Taimur
24. Shri B.K. Hariprasad
25. Shri Surendra Moti Lal Patel
26. Shri Krishan Lal Balmiki
27. Shri Penumalli Madhu
28. Shri Mukul Roy
- #29. Shri Urkhao Gwra Brahma
30. Shri Varinder Singh Bajwa
- *31. Shri Manohar Joshi

SECRETARIAT

- | | | |
|-----------------------|---|-----------------------------|
| 1. Shri S.K. Sharma | — | <i>Additional Secretary</i> |
| 2. Shri S. Bal Shekar | — | <i>Joint Secretary</i> |
| 3. Shri R.K. Saxena | — | <i>Deputy Secretary</i> |
| 4. Smt. Neera Singh | — | <i>Under Secretary</i> |
| 5. Shri Shanker Verma | — | <i>Executive Assistant</i> |

*Nominated *w.e.f.* 1st September, 2006.

*Ceased to be the member of the Committee *w.e.f.* 30.11.2006.

INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2006-2007) having been authorised by the Committee to submit the Report on their behalf, present the Nineteenth Report on the action taken by the Government on the recommendations contained in the Fifteenth Report (14th Lok Sabha) of the Standing Committee on Urban Development on Demands for Grants (2006-2007) of the Ministry of Housing and Urban Poverty Alleviation.

2. The Fifteenth Report was presented to Lok Sabha on 22nd May, 2006. The replies of the Government to 18 recommendations contained in the Report were received on 21st August, 2006.

3. Reply to the remaining one Recommendation No. 3.39 was received from the Ministry on 28th November, 2006.

4. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 22nd January, 2007.

5. An analysis of the action taken by the Government on the recommendations contained in the Fifteenth Report (Fourteenth Lok Sabha) of the Committee (2006-2007) is given in *Appendix II*.

NEW DELHI;
25 January, 2007
5 Magha, 1928 (Saka)

MOHD. SALIM,
Chairman,
Standing Committee on Urban Development.

CHAPTER I

REPORT

This Report of the Committee on Urban Development (2006-2007) deals with the action taken by the Government on the recommendations contained in their Fifteenth Report on Demands for Grants (2006-2007) of Ministry of Housing and Urban & Poverty Alleviation which was presented to Lok Sabha on 22nd May, 2006.

2. Out of 19 recommendations, action taken notes in respect of all the recommendations have been received from the Government which have been categorized as follows:—

(i) Recommendations which have been accepted by the Government:

Para Nos. 1.8, 2.8, 2.9, 3.15, 3.16, 3.17, 3.18, 3.19, 3.20, 3.29, 3.30, 3.52, 3.53, 4.11 and 4.12

(ii) Recommendations which the Committee do not desire to pursue in view of Government's replies:

Nil

(iii) Recommendations in respect of which replies of the Government have not been accepted by the Committee:

Para No. 3.54

(iv) Recommendations in respect of which final replies of the Government are still awaited:

Para Nos. 2.10, 3.39 and 4.10

3. The Committee desire that action taken notes on the recommendations contained in Chapter-I and final action taken notes in respect of the recommendations contained in Chapter-V of the Report may be furnished to the Committee within three months of the presentation of the Report.

4. The Committee will now deal with action taken by the Government on some of their recommendations in the succeeding paragraphs.

Unspent balance with the Implementing Agencies and timely utilization of funds by States/UTs under (SJSRY) Scheme

Recommendation (Para No. 2.9)

5. The Committee had noted as below:—

“The Committee express their deep concern over the fact that the Ministry of Urban Employment & Poverty Alleviation has surrendered Rs. 453.00 crore during the year 2001-02 to 2004-05 and as on 31 December, 2005 Rs. 1320.70 crore were lying as unspent balance with State/UTs Government under various Schemes of the Ministry and as on 31.12.2005 Rs. 132.61 crore of unspent balances were lying with the Implementing Agencies *i.e.* NBCC and BMTPC. The Committee cannot but conclude from the above that the performance and monitoring of various Schemes of the Ministry of Urban Employment & Poverty Alleviation has not been upto the mark. Though the mandate of the Ministry are (i) Urban Employment & Poverty Alleviation, and (ii) Housing & Human Settlements, the Ministry is precariously lagging behind in fulfilling the same. The Committee desire that the Ministry should seriously ponder over the issues as to why they are failing in the realization of their mandates and objectives. A serious thought is required to be given on this aspect. The Committee are of the view that the Ministry should strengthen their mechanism for monitoring of various Schemes both at the Central & State levels and persuade the States/UTs which are lagging behind in utilizing funds under various schemes to come up with viable and effective projects for the benefit of the urban poor, thereby, utilize the funds completely and in time. The Committee also recommend that the Government should explore the feasibility of imposing penal interest on the States/UTs, if they fail to utilize the unspent balances lying with them under various schemes within a fixed time period. The Committee should be kept informed about the steps taken in this regard”.

6. In response, the Ministry has replied as under:—

“The observations of the Hon’ble Committee have been noted for compliance. Moreover, in case of Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY), the unspent balances reflected in the Reports are calculated by deducting the expenditure reported by the States/UTs as on date from the total funds released under the Scheme. However, as this released amount includes the funds released even during the previous year, for which UCs are not due, the actual

accumulated unspent funds under the Scheme are quite less than what was reflected in the Statements. Regarding imposing of penal interest on the defaulting States/UTs, it is submitted that as per General Financial Rules (GFR-2005), the implementing agencies have to return the funds along with interest, if they fail to utilize the funds in accordance with the guidelines of the Scheme. However, keeping in view the ground realities and difficulties faced by the State/District level agencies in the implementation of the scheme at grass root level, it may be difficult to fix a timeframe for utilization of funds, which may attract penal interest for time-default”.

7. The Committee desire that a correct picture of the unspent-balance of funds under various schemes including the scheme of ‘SJSRY’ must be given by the Ministry in their budgetary papers *vis-a-vis* the funds released in a financial year for the perusal of the Committee in future so that the Committee could derive better conclusions. Regarding, the utilization of funds by the States/UTs for the projects under SJSRY, the Committee desire that all the States/UTs must be persuaded to furnish their utilization certificates (UCs) from time to time so that the implementation process of the scheme is not adversely effected.

Wide Publicity by Government about the benefits of SJSRY Scheme

Recommendation (Para No. 2.10)

8. The Committee had noted as below:—

“Keeping in view the poor performance of Urban Poverty Alleviation Schemes, the Committee note that there is lack of awareness amongst the urban poor about the benefits of UPA Schemes and their efficacy. As already stated on several occasions, the Committee recommend that the Ministry should give wide publicity to its various Schemes so as to create awareness amongst the urban poor. The Committee may be apprised about the action taken in this regard”.

9. In response, the Ministry has replied as under:—

“The Ministry is planning a comprehensive publicity campaign (both outdoor as well as audio-visual), through Directorate of Advertising & Visual Publicity (DAVP) for the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) Scheme this year. Directorate of Advertising and Audio-Visual Publicity (DAVP) is preparing the designs of advertisements and the campaign is likely to start very shortly”.

10. The Committee appreciate that the designs of advertisements and campaign about the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) scheme are being prepared by DAVP and will be launched shortly. The Committee desire that the Ministry should also ensure that success stories like that of ‘Kudambashree’ in the State of Kerala are publicized through print and electronic media so as to generate awareness amongst the urban poor about the benefits of its various schemes. The Committee may be apprised about the final position in this regard in due course.

Implementation of the SJSRY Scheme in UTs

Recommendation (Para No. 3.17)

11. The Committee had noted as below:—

“The Committee note that upto 31.12.2005, Rs. 217.45 crore was lying as unspent balance with States/UTs under SJSRY. The Committee also note that Jharkhand, Gujarat, Goa, North-Eastern States and all the UTs are defaulting in furnishing utilization certificates and the Scheme is not performing well in almost all the UTs. The Committee recommend that the Government should impress upon the defaulting States/UTs which are lagging behind in furnishing Utilization Certificates on time the need for furnishing the UCs in time and examine the feasibility of charging penal interest if they fail to furnish Utilization Certificates within a reasonable time period. Since UTs are under the direct administrative control of the Union Government, the Committee recommend that Pilot Projects be taken up in the UTs by the Union Government under the SJSRY Scheme. Such Pilot Projects would motivate the urban poor population in the UTs to set up micro enterprises under SJSRY scheme”.

12. In response, the Ministry have replied as under:—

“The Ministry recently organized a one day Conference at Shimla on 31st May, 2006 of average/bad performing States/UTs inviting Ministers/Secretaries of 10 States and all the 6 UTs and discussed in detail the problems/strategies for boosting the progress of the implementation of the scheme in these States/UTs. It is hoped that these States/UTs will now perform more effectively. Regarding imposing of penal interest on the defaulting States/UTs, as per General Financial Rules (GFR-2005), the implementing agencies have to return the funds along with interest, if they fail to utilize the funds in accordance with guidelines of the Scheme. However,

keeping in view the ground realities and difficulties faced by the State/District level agencies in the implementation of the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) scheme at grass root level, it may be difficult to fix a timeframe for utilization of funds which may attract penal interest for time-default. Regarding Pilot projects, it is submitted that present guidelines of the scheme do not permit the innovative projects under the scheme and the scheme has to be implemented through States/UTs only. However, the considered views of the Hon'ble Committee will be taken care of while proposing modifications in the guidelines of the Scheme for the 11th Five Year Plan".

13. The Committee note with satisfaction that steps are being taken by the Ministry of Housing & Urban Poverty Alleviation for discussing problems/strategies for boosting the progress of the implementation of the SJSRY Scheme in the States/UTs through Conferences with States Governments. The Committee hope that such coordinative measures would be taken up by the Ministry on a regular basis so as to motivate the poor performing States/UTs to come up with tangible and feasible production units under the SJSRY scheme. The Committee may be apprised about the action taken in the matter.

Early completion of House-to-House Survey

Recommendation (Para No. 3.18)

14. The Committee had noted as below:—

"The Committee note that House-to-house survey has been done in only 3646 towns out of total 3755 towns in the country upto 31 March, 2006 for the identification of beneficiaries living below the poverty line. No timeframe has been fixed by the Ministry for the completion of house-to-house survey by the States. The Committee are of the view that in the absence of State specific urban poverty line list, it would be difficult to implement effectively SJSRY Scheme and assess the impact of the Scheme on the persons living below the poverty line. The Committee recommend that the Government should persuade States/UTs, which are lagging behind in completion of BPL survey to complete house to house survey at the earliest. The poverty line should reflect the prevailing conditions of the urban poor on non-economic parameters of the respective States/UTs".

15. In response, the Ministry have replied as under:—

“The defaulting States/UTs have been requested to complete the house to house survey at the earliest so that the identification of genuine beneficiaries under the scheme can be done and the scheme is implemented effectively. The guidelines of the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) contain economic/non-economic parameters to identify the genuine beneficiaries”.

16. The Committee reiterate their earlier recommendation and desire that the house-to-house survey of remaining 109 towns be completed without any further delay. The Ministry should also fix timeframe for the survey. The Committee may be apprised about the action taken in this regard.

Construction of Kiosks for Urban Poor by HUDCO funding

Recommendation (Para No. 3.20)

17. The Committee had noted below:—

“The Committee note that the proposal for modification of guidelines of the SJSRY has been considered by the Cabinet and the Cabinet had decided that the Scheme should continue without modification to its guidelines during the remaining period of the 10th Plan and an evaluation of the Scheme would be carried out for the 11th Plan. The Committee also note that the process of independent evaluation has been started which will be completed by 31st October, 2006 and the Ministry will get enough time for moving of appropriate modifications in the Scheme before the commencement of the 11th Five Year Plan in April, 2007. The Committee presume that the Ministry would be able to complete the independent evaluation of Scheme within the stipulated time period and are optimistic that the revised guidelines of the Scheme would be flexible and innovative enough to cater to the requirements of the urban poor. The Committee desire that keeping in view the large number of urban unemployed particularly in the Metropolitan Cities, the revised guideline of the Schemes during the 11th Five Year Plan should be able to cater to the needs of hawkers/and other urban poor. The Ministry in associations with HUDCO should explore the feasibility of providing ‘kiosks’ to these hawkers at an affordable price so as to solve the problem of encroachments on public land”.

18. In response, the Ministry have replied as under:—

“The evaluation of the Scheme for the 11th Plan has already been initiated and Human Settlements & Management Institute (HSMI), New Delhi has placed advertisement in Newspapers inviting Expression of Interest (EOI) from Research Agencies for carrying out the evaluation. Regarding the feasibility of providing kiosks, Housing & Urban Development Corporation Ltd. (HUDCO) has launched a Scheme in 2005 for construction of kiosks for urban poor. The Scheme is to provide loan facilities to urban poor living below the poverty line in any urban centre. The scheme provides employment opportunities to urban poor by providing loan facility to enable them to construct kiosks, vending platforms for sale of petty items etc”.

19. The Committee note that HUDCO has launched a scheme in 2005 for construction of ‘Kiosks’ for urban poor. The scheme envisages to provide loan facilities to urban poor living below poverty line in any urban centre. The Committee, hope that construction of ‘Kiosks’, vending platform etc. in cities/towns through HUDCO would go a long-way in providing livelihood to the urban poor families. The Committee may be apprised about the progress made in the matter.

Finalization of the guidelines in respect of Integrated Low Cost Sanitation Scheme (ILCS) by Government

Recommendation (Para No. 3.39)

20. The Committee had noted as below:—

“The Committee note that in order to eliminate the dehumanising practice of physically carrying night soil, the Centrally Sponsored Scheme for Integrated Low Cost Sanitation Scheme (ILCSs) was initiated in 1981. The Committee, however, deprecate that since its inception the Scheme is infested with numerous problems and it has not performed well. In the 10th plan Rs. 200 crore has been allocated for the scheme, but only 29.60 crore has been released unto 31.1.2006. In the circumstances, the Committee are compelled to believe that the Government has launched ILCS without doing proper study and homework. Moreover, the Government has also not shown any responsibility and accountability in revising the Scheme timely which is meant for eradicating manual scavenging. The Committee recommend the Ministry of Urban Employment & Poverty Alleviation should revise the guidelines of the Scheme

after incorporating suggestions and comments of the State Governments and the Planning Commission so as to make it user friendly. The Ministry should also ensure that the disadvantaged and deprived sections of society are given a fair deal so that they can live with human dignity and should take concerted action in association with State Governments and other Central Ministries to rehabilitate the manual scavengers.

21. The Government has replied as under:—

“With an objective to revamp the scheme, the views/suggestions of the State Governments, Planning Commission and other concerned Ministries/Agencies were sought. Based on the suggestions/comments received from the Central Ministries/State Govt., an extensive revision of the existing guidelines is being carried out. The expenditure Finance committee meeting under the Chairmanship of Secretary (Expenditure), Ministry of Finance was held on 17.7.2006 which considered and approved the revised guidelines of ILCS. The Cabinet Note is under preparation”.

22. The Committee note that based on the suggestions/comments of the Central Ministries and State Governments, the Ministry of Housing and Urban Poverty Alleviation has taken up extensive revision of the existing guidelines for Integrated Low Cost Sanitation Scheme (ILCS). These revised guidelines have been considered and approved by the Ministry of Finance on 17.7.2006 and these revised guidelines have to be placed before Cabinet and approved for implementation. the Committee, therefore, desire that the revised guidelines for ILCS are finalized at the earliest possible by Government for onward transmission to the States/UTs for implementation.

Integrated Housing & Slum Development Programme (IHSDP)

Recommendation (Para No. 3.54)

23. The Committee had noted as below:—

“The Committee note that budgetary allocation for BSUP and IHSDP for the year 2006-07 have been provided in the budget of Ministry of Finance and not in the budget of Ministry of Urban Employment & Poverty Alleviation. The Committee recommend that for better financial control and smooth & speedy disbursement of funds, the budgetary allocations for BSUP & IHSDP should be provided in the budget of Urban Employment & Poverty Alleviation, as suggested by the National Steering Group and the Ministry should take up this matter at the highest level in the Ministry of Finance”.

24. The Government has replied as under:—

“The Ministry had taken up the matter of placing funds under JNNURM in the budget of the respective Ministry. However, Ministry of Finance did not agree to the proposal. The budget for the scheme has been provided as Additional Central Assistance (A.C.A.) to States/UTs in the budget of the Ministry of Finance”.

25. The Committee reiterate their earlier recommendation and desire that Ministry of Housing & Urban Poverty Alleviation (HUPA) should take up at the highest level with the Ministry of Finance for proper budgetary allocations for BSUP & IHSDP Schemes in the budget of Ministry of Housing & Urban Poverty Alleviation so as to facilitate successful implementation of these schemes by the urban local bodies (ULBs) in States/UTs in the country. The action taken in this matter may be reported to the Committee.

Finalization of the National Urban Housing and Habitat Policy

Recommendation (Para No. 4.10)

26. The Committee had noted as below:—

“The Committee note that draft of the National Urban Housing and Habitat Policy has been prepared to address various issues involved in the implementing the housing Policy. The draft of the National Urban Housing and Habitat Policy is yet to be placed before the cabinet for its approval. The committees desire that the Ministry should expedite the approval of draft of the National Urban Housing and Habitat Policy and implement the same at the earliest”.

27. The Government has replied as under:—

“The draft Cabinet note of the National Urban Housing and Habitat Policy was circulated to the various Ministries/Departments of the Govt. of India for their comments. The Planning Commission has suggested that issues involved in the draft Policy are complex and before going to the Cabinet, the paper should be discussed by the Committee of Secretaries (CoS)”. Comments from a few Ministries/Departments are still awaited. On receipt of their comments, the paper will be discussed in the CoS and revised draft policy will be placed for the approval of the Cabinet thereafter.

28. The Committee note that as suggested by the Planning Commission the draft Cabinet Note of National Urban Housing and Habitat Policy has been circulated to the various Ministries/ Departments of Government of India for their comments. However, comments from some Ministries/Departments are still awaited. On receipt their comments, the paper will be discussed in the Committee of Secretaries CoS). Thereafter, the revised draft policy will be placed for approval of the Cabinet. The Committee desire that all out efforts should be made to finalize the National Urban Housing and Habitat Policy at the earliest.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 1.8)

The Committee desire that Government should implement all the 22 recommendations, which are under process of implementation in a specific time frame. The Committee be apprised about the steps taken by the Government in this direction.

Reply of the Government

The observations of the committee have been noted for compliance and its recommendations are at different stages of processing. Final action, when completed would be informed to the committee.

[Ministry of Housing & Urban Poverty Alleviation O.M.
No. H-11013/3/2006-Bt. (HUPA) Dated 21.8.2006]

Recommendation (Para No. 2.8)

The Committee note that the Ministry of Urban Employment & Poverty Alleviation has been allocated an over all Budget Estimates of Rs. 431.67 crore (Gross) for the year 2006-2007. There is a decrease of Rs. 80.36 crore in B.E. 2006-2007 over B.E. 2005-06. The reasons advanced by the Ministry regarding the decrease are that (i) the Valmiki Ambedkar Awas Yojana (VAMBAY) and the National Slum Development Programme (NSDP) had been subsumed in the Integrated Housing and Slum Development (IHSDP) and the budgetary allocation for this new IHSDP scheme has been reflected in the budget of Ministry of Finance. The decrease in B.E. 2006-07 over BE 2005-06 is also due to discontinuation of interest subsidy to HUDCO for construction of two million houses.

Reply of the Government

The observations of the Hon'ble Committee have been noted for compliance.

[Ministry of Housing & Urban Poverty Alleviation O.M.
No. H-11013/3/2006-Bt. (HUPA) Dated 21.8.2006]

Recommendation (Para No. 2.9)

The Committee express their deep concern over the fact that the Ministry of Urban Employment & Poverty Alleviation has surrendered Rs. 453.00 crore during the year 2001-02 to 2004-05 and as on 31 December 2005 Rs. 1320.70 crore were lying as unspent balance with State/UTs Government under various Schemes of the Ministry & as on 31.12.2005 Rs. 132.61 crore of unspent balances were lying with the Implementing Agencies *i.e.* NBCC and BMTPC. The Committee cannot but conclude from the above that the performance and monitoring of various Schemes of the Ministry of Urban Employment & Poverty Alleviation has not been upto the mark. Though the mandate of the Ministry are (i) Urban Employment & Poverty Alleviation and (ii) Housing & Human Settlements, the Ministry is precariously lagging behind in fulfilling the same. The Committee desire that the Ministry should seriously ponder over the issues as to why they are failing in the realization of their mandates and objectives. A serious thought is required to be given on this aspect. The Committee are of the view that the Ministry should strengthen their mechanism for monitoring of various Schemes both at the central & State levels and persuade the States/UTs which are lagging behind in utilizing funds under various schemes to come up with viable and effective project for the benefit of the urban poor, thereby, utilize the funds completely and in time. The Committee also recommend that the Government should explore the feasibility of imposing penal interest on the States/UTs. if they fail to utilize the unspent balances lying with them under various schemes within a fixed time period. The Committee should be kept informed about the steps taken in this regard.

Reply of the Government

The observations of the Hon'ble Committee have been noted for compliance. Moreover, in case of Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY), the unspent balances reflected in the Reports are calculated by deducting the expenditure reported by the States/UTs as on date from the total funds released under the Scheme. However, as this released amount includes the funds released even during the previous year, for which UCs are not due, the actual *accumulated* unspent funds under the Scheme are quite less than what was reflected in the Statements. Regarding imposing of penal interest on the defaulting States/UTs, it is submitted that as per General Financial Rules (GFR-2005), the implementing agencies have to return the funds alongwith interest, if they fail to utilize the funds in accordance with the guidelines of the Scheme. However, keeping in

view the ground realities and difficulties faced by the State/District level agencies in the implementation of the scheme at grass root level, it may be difficult to fix a timeframe for utilization of funds which may attract penal interest for time-default.

[Ministry of Housing & Urban Poverty Alleviation O.M.
No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Comments of the Committee

(Please *see* Para No. 7 of Chapter-I of the Report)

Recommendation (Para No. 3.15 & 3.16)

The Committee note that Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is the only flagship Scheme of the Ministry of Urban Employment and Poverty Alleviation, which seeks to provide gainful employment to the Urban unemployed or underemployed, living below the poverty line. The Committee take a positive note of the fact that budgetary allocation for the Scheme for the year 2006-2007 has been increased to Rs. 250 crore from Rs. 160 crore for the year 2005-2006. The Committee also note that during the year 2005-2006 some States demanded additional funds under the Scheme which were partly met by the Ministry keeping in view the funds available for the Scheme for the year 2005-2006. The Committee recommend that adequate financial allocation should be made for this Scheme so as to meet the additional requirement of funds of better performing States. The Committee desire that the Ministry should pay special attention to the States where urban poor population is more but demands under the scheme is low. Such States should be persuaded and motivated to give priority to this Scheme which is the only Urban Poverty Alleviation Scheme in Urban Sector so that massive problem of unemployment could be tackled in an effective manner. The Committee recommended that frequent and regular meetings must be held between the senior officials of the Central Ministry and State Governments so as to impress upon the non performing States to set up SJSRY projects/Units.

Reply of the Government

The considered views of Hon'ble Committee have been noted and the Ministry will coordinate and follow up the implementation of the Scheme with the States/UTs. Also regular meetings and conferences/workshops are organized by the Ministry at central/regional level, inviting the States/UTs and other stakeholders to remove the bottlenecks in the effective implementation of the scheme.

[Ministry of Housing & Urban Poverty Alleviation O.M.
No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Recommendation (Para No. 3.17)

The Committee note that upto 31.12.2005, Rs. 217.45 crore was lying as unspent balance with States/UTs under SJSRY. The Committee also note that Jharkhand, Gujarat, Goa, North-Eastern States and all the UTs are defaulting in furnishing utilization certificates and the Scheme is not performing well in almost all the UTs. The Committee recommend that the Government should impress upon the defaulting States/UTs which are lagging behind in furnishing Utilization Certificates on time the for furnishing the UCs in time and examine and the feasibility of charging penal interest if they fail to furnish Utilization Certificates within a reasonable time period. Since UTs are under the direct administrative control of the Union Government. The Committee recommend that Pilot Projects be taken up in the UTs by the Union Government under the SJSRY Scheme. Such Pilot Projects would motivate the urban poor population in the UTs to set up micro enterprises under SJSRY scheme.

Reply of the Government

The Ministry recently organized a one day Conference at Shimla on 31st May 2006 of average/bad performing States/UTs inviting Ministers/Secretaries of 10 States and all the 6 UTs and discussed in detail the problems/strategies for boosting the progress of the implementation of the scheme in these States/UTs. It is hoped that these States/UTs will now perform more effectively. Regarding imposing of penal interest on the defaulting States/UTs, as per General Financial Rules (GFR-2005), the implementing agencies have to return the funds along with interest, if they fail to utilize the funds in accordance with the guidelines of the Scheme. However, keeping in view the ground realities and difficulties faced by the State/District level agencies in the implementation of the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) scheme at grass root level, it may be difficult to fix a timeframe for utilization of funds which may attract penal interest for time-default. Regarding Pilot projects, it is submitted that present guidelines of the scheme do not permit the innovative projects under the scheme and the scheme has to be implemented through States/UTs only. However, the considered views of the Hon'ble Committee will be taken care of while proposing modifications in the guidelines of the Scheme for the 11th Five Year Plan.

[Ministry of Housing & Urban Poverty Alleviation O.M.
No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Comments of the Committee

(Please see Para No. 13 of Chapter-I of the Report.)

Recommendation (Para No. 3.18)

The Committee note that house-to-house survey has been done in only 3646 towns out of total 3755 towns in the country upto 31 March, 2006 for the identification of beneficiaries living below the poverty line. No time frame has been fixed by the Ministry for the completion of house-to-house survey by the States. The Committee are of the view that in the absence of State specific urban poverty line list, it would be difficult to implement effectively SJSRY Scheme and assess the impact of the Scheme on the persons living below the poverty line. The Committee recommend that the Government should persuade States/UTs, which are lagging behind in completion of BPL survey to complete house-to-house survey at the earliest. The poverty line should reflect the prevailing conditions of the urban poor on non-economic parameters of the respective States/UTs.

Reply of the Government

The defaulting States/UTs have been requested to complete the house-to-house survey at the earliest so that the identification of genuine beneficiaries under the scheme can be done and the scheme is implemented effectively. The guidelines of the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) contain economic/non-economic parameters to identify the genuine beneficiaries.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Comments of the Committee

(Please see Para No. 16 of Chapter I of the Report)

Recommendation (Para No. 3.19)

The Committee note that the Scheme is being monitored through quarterly progress reports and periodical review meetings under the Chairmanship of Minister/Secretary/Joint Secretary/Director of the Ministry. The Committee also note with satisfaction that the Ministry is proposing to call a meeting of average/bad performing States/UTs to sort out their problems. The Committee recommend that the Government should strengthen their monitoring mechanism of the Scheme both at Central and State levels for the effective implementation of the Scheme. The Ministry for the success of the Scheme should lay special focus on the average/bad performing States by conducting workshops, training programmes for the functionaries. Success stories

and best practices of the better performing States should be documented and replicated in bad performing States. The Committee also recommend that capacity building and sensitisation of functionaries of States/UTs and bank officials related with the Scheme should be taken up for the success of the Scheme.

Reply of the Government

Regular meetings and conferences/workshops will be organized by the Ministry at Central/Regional level, inviting the States/UTs and other stakeholders with a view to remove the bottlenecks in the effective implementation of the Swarna Jayanti Shahari Rozgar Yojana (SJSRY). The capacity building of functionaries and documentation of best practices under the scheme is carried out effectively by the five National Training Institutes *viz.* Human Settlement & Management Institute (HSMI), New Delhi, Regional Centre for Urban & Environmental Studies (RCUES), Mumbai, Regional Centre for Urban & Environmental Studies (RCUEs), Hyderabad, Institute of Local Government and Urban Studies (ILGUS, Kolkata and National Institute for Entrepreneurship and Small Business Development (NIESBUD), NOIDA.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Recommendation (Para No. 3.20)

The Committee note that the proposal for modification of guidelines of the SJSRY has been considered by the Cabinet and the Cabinet had decided that the Scheme should continue without modification to its guidelines during the remaining period of the 10th Plan and an evaluation of the Scheme would be carried out for the 11th Plan. The Committee also note that the process of independent evaluation has been started which will be completed by 31st October, 2006 and the Ministry will get enough time for moving for appropriate modifications in the Scheme before the commencement of the 11th Five Year Plan in April, 2007. The Committee presume that the Ministry would be able to complete the independent evaluation of Scheme within the stipulated time period and are optimistic that the revised guidelines of the Scheme would be flexible and innovative enough to cater to the requirements of the urban poor. The Committee desire that keeping in view the large number of urban unemployed particularly in the Metropolitan Cities, the revised guideline of the Schemes during the 11th Five Year Plan should be able to cater to the needs of hawkers/and other urban

poor. The Ministry in associations with HUDCO should explore the feasibility of providing 'kiosks' to these hawkers at an affordable price so as to solve the problem of encroachments on public land.

Reply of the Government

The evaluation of the Scheme for the 11th Plan has already been initiated and Human Settlement & Management Institute (HSMI), New Delhi has placed advertisement in Newspapers inviting Expression of Interest (EOI) from Research Agencies for carrying out the evaluation. Regarding the feasibility of providing kiosks, Housing & Urban Development Corporation Ltd. (HUDCO) has launched a Scheme in 2005 for construction of kiosks for urban poor. The Scheme is to provide loan facilities to urban poor living below the poverty line in any urban centre. The scheme provides employment opportunities to urban poor by providing loan facility to enable them to construct kiosks, vending platforms for sale of petty items etc.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Comments of the Committee

(Please see Para No. 19 of Chapter I of the Report)

Recommendation (Para No. 3.29)

The Committee note that to have an integrated approach to ameliorate the conditions of the urban slum dwellers who do not have adequate shelter and reside in dilapidated conditions, VAMBAY and the discontinued National Slum Development Programme (NSDP) have been subsumed in a new Scheme called Integrated Housing & Slum Development Programme (IHSDP). This new Scheme was launched by the Hon'ble Prime Minister on 3rd December, 2005. The Committee also note a budget provision of Rs. 75.01 crore has been made under VAMBAY for the year 2006-07 to provide necessary funds for the on-going Schemes till completion of those projects. The Committee recommend that till IHSDP is implemented un full force, no slackness should be shown in implementation of VAMBAY. The Government should effectively persuade the State Governments of Arunachal Pradesh, Bihar, Chhattisgarh, Haryana, Jharkhand & Uttaranchal, which are not performing well under the scheme in terms of physical achievements and in submission of Utilization Certificates to submit in time.

Reply of the Government

Noted for compliance and necessary follow up action is being taken.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Recommendation (Para No. 3.30)

The Committee observe that nature of urban poverty in towns/cities other than the Mega Cities is more acute due to limited economic opportunities in small towns/cities. Therefore, poor people in those towns generally live in inadequate housing on their own in small tenements. The Committee recommend that in newly launched IHSDP, special projects of housing for poor should be taken up in the small towns and cities. The Committee also recommend that proper awareness programmes may be made to motivate State level bodies to take up housing projects for poor by public-private partnership.

Reply of the Government

Thrust is given on projects with an integrated approach to provide housing & infrastructure in the cities & towns covered under Integrated Housing and Slum Development Programme. To disseminate information on the project and also for capacity building of the implementing agencies/officials, a number of workshops have already been organized by the Govt. More such workshops will be organized in the coming days.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Recommendation (Para No. 3.52)

The Committee note with appreciation the objectives of the Sub-Mission of Basic Services to the Urban Poor (BSUP) implemented by the Ministry of Urban Employment & Poverty Alleviation. The Committee desire that in order to make BSUP a sustainable and successful Scheme the Ministry should cautiously monitor the Scheme and on the basis of feedback received from the States/ULBs revise the Scheme accordingly, if found necessary. The Committee hope that the Ministry would earnestly try to overcome the risk factors involved in the implementation of the Scheme.

Reply of the Government

The observations of the Hon'ble Committee noted for compliance.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Recommendation (Para No. 3.53)

The Committee note that Integrated Housing & Slum Development Programme (IHSDO) has been launched on 3rd December, 2005, with the objective to strive for holistic slum development, with a healthy & enabling urban environment by providing adequate shelter and basic infrastructure facilities to the slum dwellers of the identified urban areas. The existing VAMBAY and the discontinued NSDP Scheme are subsumed on the IHSDP. The Committee hope that in order to make IHSDP a successful scheme, the Ministry must have taken into account while formulating IHSDP, the shortfalls & risk factors experienced during the implementation of VAMBAY and NSDP Schemes.

Reply of the Government

The new scheme is an improvement over the previous schemes.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Recommendation (Para No. 4.11)

The Committee note that total housing shortage in the country is 24.7 million, out of which 14.1 million is in rural areas and 10.6 million is in urban areas. The Committee desire that keeping in view the huge housing shortage in the country, the Government should explore the feasibility Public-Private Partnership in the housing sector in order to address the problem of housing shortage. Priority should be given to the States where housing shortage is acute. The Government should also encourage cost effective construction technologies in coordination with BMTPC and other agencies so as to reduce the cost of construction and provide affordable houses to the needy people.

Reply of the Government

Observation of the Hon'ble committee has been noted. The issues of Public-Private Partnership in the housing sector, housing shortage and cost effective technologies to reduce the cost of construction have been largely focused in the draft of National Urban Housing and Habitat Policy.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Recommendation (Para No. 4.12)

The Committee note that as per the report of the Working Group of Planning Commission on Urban Housing, there is shortage of about 18 million dwelling units under EWS/LIG category. The Committee appreciate that HUDCO used to allocate 55% of its resources for housing sector to LIG and EWS housing. The Committee, however, feel that HUDCO alone will not be able to cater to the need of EWS/LIG category, as the shortage in this category is very large. As such, they feel that suitable innovative measures should be taken to address this problem.

Reply of the Government

The observations of the Hon'ble Committee has been noted.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT
DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

-NIL-

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Para No. 3.54)

The Committee note that budgetary allocation for BSUP and IHSDP for the year 2006-07 have been provided in the budget of Ministry of Finance and not in the budget of Ministry of Urban Employment & Poverty Alleviation. The Committee recommend that for better financial control and smooth & speedy disbursement of funds, the budgetary allocations for BSUP & IHSDP should be provided in the budget of Urban Employment & Poverty Alleviation, as suggested by the National Steering Group and the Ministry should take up this matter at the highest level in the Ministry of Finance.

Reply of the Government

The Ministry had taken up the matter of placing funds under JNNURM in the budget of the respective Ministry. However, Ministry of Finance did not agree to the proposal. The budget for the scheme has been provided as Additional Central Assistance (A.C.A.) to States/UTs in the budget of the Ministry of Finance.

[Ministry of Housing & Urban Poverty Alleviation O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Comments of the Committee

(Please see Para No. 25 of Chapter I of the Report)

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Wide Publicity by Government about the benefits of SJSRY scheme.

Recommendation (Para No. 2.10)

Keeping in view the poor performance of Urban Poverty Alleviation Schemes, the Committee note that there is lack of awareness amongst the urban poor about the benefits of UPA Schemes and their efficacy. As already stated on several occasions, the Committee recommend that the Ministry should give wide publicity to its various Schemes so as to create awareness amongst the urban poor. The Committee may be apprised about the action taken in this regard.

Reply of the Government

The Ministry is planning a comprehensive publicity campaign (both outdoor as well as audio-visual), through Directorate of Advertising & Visual Publicity (DAVP) for the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) Scheme this year. Directorate of Advertising and Audio Visual Publicity (DAVP) is preparing the designs of advertisements and the campaign is likely to start very shortly.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Comments of the Committee

(Please *see* Para No. 10 of Chapter I of the Report)

Integrated Low Cost Sanitation Scheme (ILCS)

Recommendation (Para No. 3.39)

The Committee note that in order to eliminate the dehumanizing practice of physically carrying night soil, the Centrally Sponsored Scheme for Integrated Low Cost Sanitation (ILCS) was initiated in 1981. The Committee, however, deprecate that since its inception the Scheme is infested with numerous problems and it has not performed well. In the 10th Plan Rs. 200 crore has been allocated for the Scheme,

but only Rs. 29.60 crore has been released upto 31.1.2006. In the circumstances, the Committee are compelled to believe that the Government has launched ILCS without doing proper study and homework. Moreover, the Government has also not shown any responsibility and accountability in revising the Scheme timely which is meant for eradicating manual scavenging. The Committee recommend the Ministry of Urban Employment and Poverty Alleviation should revise the guidelines of the Scheme after incorporating suggestions and comments of the State Governments and the Planning Commission so as to make it user friendly. The Ministry should also ensure that the disadvantaged and deprived sections of society are given a fair deal so that they can live with human dignity and should take concerted action in association with State Governments and other Central Ministries to rehabilitate the manual scavengers.

Reply of the Government

With an objective to revamp the scheme, the views/suggestions of the State Governments, Planning Commission and other concerned Ministries/Agencies were sought. Based on the suggestion/comments received from the Central Ministries/State Govt., an extensive revision of the existing guidelines is being carried out. The expenditure Finance committee meeting under the Chairmanship of Secretary (Expenditure), Ministry of Finance was held on 17.7.2006 which considered and approved the revised guidelines of ILCS. The Cabinet Note is under preparation.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 8.11.2006]

Comments of the Committee

(Please *see* Para No. 22 of Chapter I of the Report)

Finalization of the National Urban Housing and Habitat Policy

Recommendation (Para No. 4.10)

The Committee note that draft of the National Urban Housing and Habitat Policy has been prepared to address various issues involved in implementing the housing Policy. The draft of the National Urban Housing and Habitat Policy is yet to be placed before the cabinet for its approval. The committees desire that the Ministry should expedite the approval of draft of the National Urban Housing and Habitat Policy and implement the same at the earliest.

Reply of the Government

The draft Cabinet note of the National Urban Housing and Habitat Policy was circulated to the various Ministries/Departments of the Govt. of India for their comments. The Planning Commission has suggested that issues involved in the draft Policy are complex and before going to the Cabinet, the paper should be discussed by the Committee of Secretaries (COS). Comments from a few Ministries/Departments are still awaited. On receipt of their comments, the paper will be discussed in the COS and revised draft policy will be placed for the approval of the Cabinet thereafter.

[Ministry of Housing & Urban Poverty Alleviation
O.M. No. H-11013/3/2006-Bt. (HUPA) dated 21.8.2006]

Comments of the Committee

(Please *see* Para No. 28 of Chapter I of the Report)

NEW DELHI;
25 January, 2007
5 Magha, 1928 (Saka)

MOHD. SALIM,
Chairman,
Standing Committee on Urban Development.

APPENDIX I

COMMITTEE ON URBAN DEVELOPMENT (2006-2007)

MINUTES OF THE EIGHTH SITTING OF THE COMMITTEE
HELD ON MONDAY, THE 22ND JANUARY, 2007

The Committee sat from 1500 hrs. to 1530 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Mohd. Salim—*Chairman*

MEMBERS

Lok Sabha

2. Shri Surendra Prakash Goyal
3. Shri Anant Gudhe
4. Shri Sajjan Kumar
5. Shri A.K. Moorthy
6. Shri Shripad Yesso Naik
7. Shri L. Rajagopal
8. Shri D. Vittal Rao
9. Shri Sudhangshu Seal
10. Kunwar Sarv Raj Singh
11. Kunwar Devendra Singh Yadav
12. Shri Suresh Ganpatrao Wagmare
13. Smt. Botcha Jhansi Lakshmi

Rajya Sabha

14. Shri B.K. Hariprasad
15. Shri Surendra Moti Lal Patel
16. Shri Krishan Lal Balmiki
17. Shri Penumalli Madhu
18. Shri Mukul Roy
19. Shri Varinder Singh Bajwa

SECRETARIAT

1. Shri S.K. Sharma — *Additional Secretary*
2. Smt. Neera Singh — *Under Secretary*

2. At the outset the Chairman welcomed the members and also newly nominated member Smt. Botcha Jhansi Lakshmi, MP, Lok Sabha to the sitting of the Committee.

3. The Committee took up for consideration Memorandum No. 2 regarding draft Report of the Committee on Action Taken by the Government on the recommendations contained in the Fourteenth Report of the Committee on Urban Development (Fourteenth Lok Sabha) on Demands for Grants (2006-2007) of the Ministry of Urban Development. The Committee adopted the draft action taken report with slight modification.

4. The Committee then took up for consideration Memorandum No. 3 regarding draft Report of the Committee on Action Taken by the Government on the recommendations contained in the Fifteenth Report of the Committee on Urban Development (Fourteenth Lok Sabha) on Demands for Grants (2006-2007) of the Ministry of Housing and Urban Poverty Alleviation. After some deliberations Committee adopted the draft action taken report with slight modifications.

5. The Committee then authorized the Chairman to finalise both the Reports and present the same to Parliament.

The Committee then adjourned.

APPENDIX II

[vide Para 5 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE FIFTEENTH REPORT OF THE STANDING COMMITTEE ON URBAN DEVELOPMENT (FOURTEENTH LOK SABHA)

I.	Total number of recommendations	19
II.	Recommendations which have been accepted by the Government: Para Nos. 1.8, 2.8, 2.9, 3.15, 3.16, 3.17, 3.18, 3.19, 3.20, 3.29, 3.30, 3.52, 3.53, 4.11 and 4.12	15
	Percentage to total recommendations	(78.94%)
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies: Nil	Nil
	Percentage to total recommendations	(0%)
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee: Para No. 3.54	1
	Percentage to total recommendations	(5.27%)
V.	Recommendations in respect of which final replies of the Government are still awaited: Para Nos. 2.10, 3.39 and 4.10	3
	Percentage to total recommendations	(15.79%)