

**21**

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

**FOURTEENTH LOK SABHA**

**MINISTRY OF HOUSING AND URBAN  
POVERTY ALLEVIATION**

**DEMANDS FOR GRANTS  
(2007-2008)**

**TWENTY FIRST REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

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STANDING COMMITTEE ON  
URBAN DEVELOPMENT  
(2006-2007)

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MINISTRY OF HOUSING AND URBAN  
POVERTY ALLEVIATION

DEMANDS FOR GRANTS  
(2007-2008)

*Presented to Lok Sabha on 27.4.2007*

*Laid in Rajya Sabha on 27.4.2007*



LOK SABHA SECRETARIAT  
NEW DELHI

*April, 2007/Vaisakha, 1929 (Saka)*

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

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18. Shri Jagdish Tytler
- \*\*19. Kunwar Devendra Singh Yadav
20. Shri Suresh Ganpatrao Wagmare
- §21. Smt. Botcha Jhansi Lakshmi

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\* Nominated *w.e.f.* 22.3.2007.

\*\*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*

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23. Smt. Syeda Anwara Taimur
24. Shri B.K. Hariprasad
- <sup>\$\$</sup>25. Shri Manohar Joshi
26. Shri Surendra Moti Lal Patel
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29. Shri Mukul Roy
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31. Shri Varinder Singh Bajwa

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2. Shri S. Bal Shekar — *Joint Secretary*
3. Shri R.K. Saxena — *Director*
4. Smt. Anita B. Panda — *Deputy Secretary*
5. Dr. (Smt.) Sagarika Dash — *Committee Officer*

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<sup>\$\$</sup>Nominated *w.e.f.* 1st September, 2006.

<sup>#</sup>Nominated *w.e.f.* 6.3.2007.

## 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 Twenty-first Report on Demands for Grants (2007-2008) of the Ministry of Housing and Urban Poverty Alleviation.

2. The Demands for Grants of the Ministry of Housing and Urban Poverty Alleviation have been examined by the Committee under Rule 331E(1)(a) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee took evidence of the representatives of the Ministry of Housing and Urban Poverty Alleviation on 29th March, 2007.

4. The Committee considered and adopted the Report at their sitting held on 13th April, 2007.

5. The Committee wish to express their thanks to the officials of the Ministry of Housing and Urban Poverty Alleviation for placing before them the requisite material and their considered views in connection with the examination of the subject.

6. They would also like to place on record their deep sense of appreciation for the invaluable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

NEW DELHI;  
25 April, 2007  
5 Vaisakha, 1929 (Saka)

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



## CHAPTER I

### INTRODUCTORY

1.1 The Ministry of Housing and Urban Poverty Alleviation deals with two major areas, namely, (1) Urban Employment and Poverty Alleviation, and (2) Housing and Human Settlements. The business allocated to the Ministry is as under:—

- (i) Formulation of housing policy and programme (except rural housing), which is assigned to the Department of Rural Development, review of the implementation of the Plan schemes, collection and dissemination of data on housing, building materials and techniques, general measures for reduction of building costs and nodal responsibility for National Housing Policy;
- (ii) Human Settlements including the United Nations Commission for Human Settlements and International Cooperation and Technical Assistance in the field of Housing and Human Settlements;
- (iii) Urban Development including Slum Clearance Schemes and the Jhuggi and Jhonpri Removal Schemes. International Cooperation and Technical Assistance in this field;
- (iv) All the issues relating to the National Cooperative Housing Federation;
- (v) Implementation of the specific programmes of Urban Employment and Urban Poverty Alleviation including other programmes evolved from time to time; and
- (vi) All matters relating to the Housing and Urban Development Corporation (HUDCO) other than those relating to urban infrastructure.

1.2 The Ministry implements the above mandated work through formulation of appropriate policies, implementation of specific Plan programmes of housing, generation of employment in urban areas, and supporting autonomous bodies for undertaking relevant programmes and schemes. It also supervises/monitors the work of two Public Sector Undertakings, namely, Housing and Urban Development Corporation (HUDCO) and Hindustan Prefab Limited (HPL). The Ministry has one attached office namely National Building Organisation.

## **Plan Schemes**

1.3 The Ministry of Housing and Urban Poverty Alleviation provides support to the following Centrally Sponsored and other Schemes:—

### **Centrally Sponsored Schemes**

- i. Swarna Jayanti Shahari Rozgar Yojana (SJSRY).
- ii. Valmiki Ambedkar Awas Yojana (VAMBAY).
- iii. Integrated Low Cost Sanitation Scheme (ILCS).
- iv. Interest Subsidy Scheme for Housing for the Urban Poor (ISSHU).

### **Other Schemes**

- i. Building Materials and Technology Promotion Council (BMTPC).
- ii. National Cooperative Housing Federation (NCHF).
- iii. Central Government Employees Welfare Housing Organization (CGEWHO).
- iv. United Nations Centre for Human Settlements (UNCHS).
- v. UNDP Assistance for National Strategy for Urban Poor.
- vi. Mission Mode on Housing Data, Research & Survey.
- vii. Building Centre Scheme.

### **BSUP under JNNURM and IHSDP: Role of the Ministry**

1.4 With regard to Additional Central Assistance under Jawahar Lal Nehru National Urban Renewal Mission (JNNURM), the Committee were informed as under:—

- (a) In order to cope with massive problems that have emerged as a result of rapid urban growth, it has become imperative to draw up a coherent urbanization policy/strategy to implement projects in select cities on Mission mode. Accordingly, Jawahar Lal Nehru National Urban Renewal Mission (JNNURM) was launched by the Hon'ble Prime Minister on 3.12.2005. The Sub-Mission-II of the JNNURM has two components, (i) Basic Services for Urban Poor (BSUP), which addresses the requirement of poor people

residing in 63 select cities of the country (It is operated by the Ministry of Housing and Urban Poverty Alleviation). The Integrated Housing and Slum Development Programme (IHSDP) is for the cities not covered by the BSUP component of JNNURM.

- (b) An allocation of Rs. 1000.00 crore and Rs. 500.00 crore was earmarked for BSUP respectively for financial year 2006-07 as Additional Central Assistance (ACA) to States and UTs. in the Demands for Grants of the Ministry of Finance. Till 31st December, 2006, under BSUP, Central share of projects worth Rs. 3343.19 crore has been sanctioned and a sum of Rs. 379.69 crore has been released as ACA to States. Similarly under IHSDP, projects with Central Share worth Rs. 824.26 crore has been sanctioned and a sum of Rs. 412.13 crore has been released. Further, States have evinced their keen interest in accessing funds from the two components of JNNURM. The entire budgeted amount is likely to be utilized during the current year.

**Review of the status of implementation of recommendations contained in the Fifteenth Report of the Committee on Demands for Grants (2005-2006) of Ministry of Urban Employment and Poverty Alleviation.**

1.5 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 was presented to Parliament on 22nd May, 2006 and related Action Taken Report (Nineteenth Report) thereon was presented on 20th March, 2007.

1.6 In pursuance of the Direction 73A of direction issued by Hon'ble Speaker, Lok Sabha, the Minister of State (Independent Charge) for Housing and Urban Poverty Alleviation, made a statement under Direction 73A on 18th December, 2006 on the status of implementation of the recommendations contained in the Fifteenth Report of the Committee on Urban Development on Demands for Grants (2006-2007) of the Ministry of Housing and Urban Poverty Alleviation and the Nineteenth Action Taken Report thereon.

1.7 Out of the 19 recommendations contained in the Fifteenth Report of the Committee, 15 have been accepted by the Government. However, all these recommendations are under the process of implementation. Three recommendations are yet to be implemented. One recommendation has not been accepted by the Government.

1.8 The Committee note that although fifteen recommendations as contained in their Fifteenth Report (14th Lok Sabha), were accepted by the Government, the implementation of the same has not been completed even in one case. Therefore, they desire that the Government should implement all the 15 recommendations, which are currently under process of implementation, in a specific time frame. Due monitoring needs to be done to ensure that the set time frame is strictly adhered to. The Committee further desire to be apprised about the progress made by the Government in this direction in due course.

1.9 The Budget of the Ministry of Housing and Urban Poverty Alleviation comprises of one Demand for Grants *i.e.* Demand No. 55—Ministry of Housing and Urban Poverty Alleviation. The same has been discussed in succeeding paragraphs of this Report.

## CHAPTER II

### OVERALL ANALYSIS OF DEMANDS FOR GRANTS (2007-2008)

#### 2.1 Demand No.: 55

##### Ministry of Housing and Urban Poverty Alleviation

(Rs. in crore)

	Revenue	Capital	Total
Charged	-	-	-
Voted	504.14	5.61	509.75

##### Statement showing the Budget Allocation for 2007-2008 (Plan and Non-plan) in respect of Ministry of Housing and Urban Poverty Alleviation

(Rs. in crore)

Demand No.	Gross			Net			Net		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Revenue	Capital	Total
55	500.00	9.75	509.75	500.00	9.75	509.75	504.14	5.61	509.75
Total	500.00	9.75	509.75	500.00	9.75	509.75	504.14	5.61	509.75

##### Statement showing BE and RE 2006-07 and BE 2007-08 including percentage variation

##### Net Basis

Demand No 55	BE 2006-07		RE 2006-07		BE 2007-08		%Variation over BE 2006-07		%variation RE 2006-07 & BE 2007-08	
	Plan	Non-plan	Plan	Non-plan	Plan	Non-plan	Plan	Non-plan	Non-plan	Non-plan
Revenue	421.67	4.39	410.00	4.54	500.00	4.14	18.58%	-5.69%	21.95%	-8.81%
Capital	0.00	5.61	0.00	5.33	0.00	5.61	0.00%	0.00%	0.00%	5.25%
Total	421.67	10.00	410.00	9.87	500.00	9.75	18.58%	-5.69%	21.95%	-1.22%

2.2 The Ministry, in a written note, informed the Committee that their overall B.E. for the year 2007-2008 is Rs. 509.75 crore (Gross), including both plan and Non-Plan. The respective provisions on the Revenue and Capital sides are Rs. 504.14 crore and Rs. 5.61 crore respectively. The break-up of Plan and Non-Plan provision is Rs. 500.00 crore and Rs. 9.75 crore, respectively. A brief comparative analysis of BE 2007-2008 *vis-à-vis* 2006-2007 depict that BE 2006-2007 amounted to Rs. 421.67 crore (Plan) and Rs. 10.00 crore (Non-Plan) totalling to Rs. 431.67 crore in 2006-2007. However, the BE 2007-2008 shows a marginal increase of around 19%, totalling Rs. 509.75 crore in both Plan and Non-Plan Heads.

2.3 When asked by the Committee to furnish an analysis of the Demands for Grants for the last five years, that also shows the percentage variations in respect of Demand No. 53 including amount spent on Plan Schemes, the Ministry furnished the same and these are given in **Appendices-I and II**.

2.4 While elaborating the reasons for increase in BE 2007-2008 (Plan-Side) *vis-a-vis* BE 2006-2007 (Plan-Side), the Ministry of Housing and Urban Poverty Alleviation, in a written reply, stated that the increase in B.E 2007-08 (Plan-Side) *vis-a-vis* B.E 2006-07 (Plan-Side) was mainly due to increased allocation to Swarna Jayanti Shahari Rozgar Yojana (SJSRY) from Rs. 250.00 crore during 2006-07 to Rs. 344.00 crore during 2007-08. A sum of Rs. 30.00 crore has also been allocated to a new scheme *viz.* 'Interest Subsidy Scheme for Housing the Urban Poor' (ISSHU). In addition, the allocation for Integrated Low Cost Sanitation Scheme (ILCS) has been raised from Rs. 30.00 crore in 2006-07 to Rs. 40.00 crore during 2007-08 and for Mission Mode on Housing Data, Research and Survey from Rs. 2.00 crore to Rs. 7.60 crore.

2.5 With regard to the reasons for decrease in BE 2007-2008 (Non-plan side) *vis-a-vis* BE 2006-2007 (Non-plan side), the Ministry further submitted that during 2006-07 (Non-Plan), a sum of Rs. 0.90 crore was provided for organising Inter-Ministerial Conference of Asia-Pacific Region. During 2007-08, only a sum of Rs. 0.10 crore has been provided for this purpose and hence the decrease in Non-Plan side allocation during 2007-08.

2.6 The Committee specifically desired the Ministry to furnish their total allocations under the entire 10th Five Year Plan, year-wise

as well as scheme-wise. The Ministry accordingly furnished the details to the Committee, which are reproduced hereunder:—

I. FIVE YEAR PLAN ALLOCATION FOR THE MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION

(Rs. in crore)

Five Year Plan	Total Budget of Government	Allocation for Ministry of Housing and Urban Poverty Alleviation	% of allocation
10th Plan	405735.00	4710.00	1.16%

II. HOUSING & URBAN POVERTY ALLEVIATION— EXPENDITURE DETAILS

(Rs. in crore)

Year	PLAN					NON - PLAN				
	BE	RE	Actual	Shortfall	% of in Utili- Utilisation	BE	RE	Actual	Shortfall	% of in Utili- Utilisation
2000-2001	345.50	285.00	267.72	77.78	77.49%	19.51	□	14.40	5.11	73.81%
2001-2002	380.00	330.00	292.71	87.29	77.03%	17.27	20.22	□	17.27	0.00%
2002-2003	625.00	625.00	553.70	71.30	88.59%	16.97	16.99	13.10	3.87	77.20%
2003-2004	625.00	665.00	641.85	-16.85	102.70%	16.99	12.17	7.95	9.04	46.79%
2004-2005	830.00	650.00	621.23	208.77	74.85%	11.68	11.68	6.43	5.25	55.05%
2005-2006	500.00	400.00	309.05	114.31	77.14%	12.03	9.00	8.45	3.58	70.24%
2006-2007	421.67	410.00	206.66*	215.01	49.01%	10.00	9.87	5.76*	4.24	57.60%
2007-2008	500.00	□	□	500.00	0.00%	9.75	□	□	9.75	0.00%
<b>TOTAL</b>	<b>4227.17</b>	<b>3365.00</b>	<b>2892.42</b>	<b>1257.61</b>	<b>70.25%</b>	<b>114.20</b>	<b>79.93</b>	<b>56.09</b>	<b>58.11</b>	<b>49.12%</b>

\*Figures upto January 2007.

III. SCHEME-WISE 10TH PLAN ALLOCATION  
MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION

Sl.No.	Schemes	(Rs. in crore)																			
		10th Plan (2002-07) Outlays	BE 2002- 03	RE 2002- 03	Actual 2002- 03	BE 2003- 04	RE 2003- 04	Actual 2003- 04	BE 2003- 04	RE 2003- 04	Actual 2003- 04	BE 2004- 05	RE 2004- 05	Actual 2004- 05	BE 2004- 06	RE 2005- 06	Actual 2005- 06	BE 2005- 07	RE 2006- 07	Actual 2006- 07	BE (Tentative Exp.) 2007-08
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
1.	VAMBAY	2040.00	218.35	256.85	218.35	238.50	238.50	238.55	280.58	280.58	269.41	249.00	182.62	95.65	75.01	49.34	10.84	0.00			
2.	SJSRY	541.00	98.89	104.10	102.60	94.50	94.50	101.81	103.00	122.00	122.10	160.00	159.99	159.90	250.00	250.00	249.10	344.00			
3.	Low Cost Sanitation	200.00	30.00	4.80	4.80	30.00	4.80	4.80	30.00	30.00	20.00	30.00	5.00	2.00	30.00	30.00	30.00	40.00			
4.	National Scheme of Liberation & Rehabilitation of Scavengers	460.00	80.00	33.00	40.95	40.00	40.00	24.27	20.00	20.00	13.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
5.	BMTPC	20.00	4.40	7.00	4.40	3.00	4.00	4.00	5.00	5.77	4.92	4.52	4.52	3.09	4.30	4.30	4.30	7.00			
6.	Night Shelter Scheme	30.97	3.00	5.02	3.00	4.50	4.50	1.00	4.00	4.00	4.00	0.00	0.00	0.00	-	0.00	0.00	0.00			
7.	Urban Indicators Programme	1.00	0.14	0.10	0.00	0.20	0.20	0.11	0.01	0.01	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00			

31.3.2007



1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
8.	Building Centres	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	1.00
9.	HUDCO Equity for Housing	1000.00	180.00	180.00	180.00	215.60	215.60	215.60	225.00	100.00	100.00	0.00	0.00	0.00	-	0.00	0.00	0.00
10.	NCHF	1.00	0.22	0.20	0.22	0.20	0.20	0.22	0.40	0.64	0.40	0.38	0.38	0.38	0.36	0.36	0.36	0.40
11.	Displaced persons in Urban Colonies in West Bengal	8.03	0.00	8.03	0.00	6.00	5.00	4.44	0.01	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00
12.	Resettlement of Slums in Dharavi and along the road side connecting airport with south Mumbai	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75.00	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00
13.	UNDP Assistance for National Strategy for Urban Poor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	4.00	4.00	5.00	6.47	2.83	9.00	9.00	4.11	5.00
14.	Computerization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.84	1.00	1.00	0.14	-	1.00	0.22	1.00
15.	Urban Development Projects in the North East	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00	-	0.00	0.00	0.00

	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
16.	North East Lumpsum Provision	405.00	44.17	62.50	44.17	62.50	62.50	51.00	83.00	83.00	82.00	50.00	40.00	45.06	50.00	50.00	50.00	50.00
17.	Employment Assurance & skill formation in Urban Areas	-	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00	-	0.01	0.00	-	0.00	0.00	0.00
18.	Housing census periodic survey & MIS through NBO	-	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00	-	2.00	1.98	7.60
19.	JNNURM	-	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00	-	14.00	13.99	14.00
20.	Interest Subsidy for Housing to Urban Poor	-	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00	30.00
	<b>TOTAL</b>	<b>4710.00</b>	<b>659.17</b>	<b>658.00</b>	<b>594.65</b>	<b>695.00</b>	<b>669.80</b>	<b>645.80</b>	<b>830.00</b>	<b>650.00</b>	<b>621.24</b>	<b>500.00</b>	<b>400.00</b>	<b>309.05</b>	<b>421.67</b>	<b>410.00</b>	<b>364.90</b>	<b>500.00</b>

2.7 During the oral evidence, the Committee pointed out the huge gap between the Budgetary Estimates, Revised Estimates and the actuals as reflected from the above statements and asked for the reasons for shortfall, non-utilisation of the money allocated and funds being released only in February, in respect of almost all the major schemes. The Secretary, Ministry of Housing and Urban Poverty Alleviation submitted in this regard, as follows:—

“..... the Ministry of Finance has put a stipulation that there would be no March rush. For some reason or other, some of the sanctions are not being issued in time. But most of the sanctions—77 per cent or 78 per cent—are being issued in time. We are happy that this progress is being maintained. There is no March rush now. Actually, we spent all our money in December. By the end of December, we had finished all our money. We are quite content with the progress made so far. Our Minister was also very happy about that.”

2.8 From the Outcome Budget (2007-2008) of the Ministry of Housing and Urban Poverty Alleviation, the Committee noted that the unspent balances with the State Governments and other Implementing Agencies as on 31.12.2006 in respect of the Schemes operated by the Ministry were as under:—

**Unspent balances with State Government as on 31.12.2006**

(Rs. in crore)

Sl. No.	Schemes	Total
1.	Swarna Jayanti Shahari Rojgar Yojana (SJSRY)	273.61
2.	Valmiki Ambedkar Awas Yojana (VAMBAY)	342.16
3.	Integrated Low Cost Sanitation (ILCS)	38.84
	<b>Total</b>	<b>654.61</b>

**Unspent balances with other Implementing Agencies  
as on 31-12-2006**

Sl.No.	Name of the Agencies	Unspent Balances
1.	National Building Construction Corporation (NBCC)	61.27
2.	Building Materials and Technology Promotion Council (BMTPC)	2.05
3.	Hindustan Prefab Limited (HPL)	5.90
	<b>Total</b>	<b>69.22</b>

The position regarding Utilization Certificates Outstanding in respect of Grants/Loans Released upto 31st March 2005 in respect of Ministry of Housing & Urban Poverty Alleviation was furnished to the Committee as under:—

No. of UCs outstanding as on 1.4.2006	Amount involved on outstanding UCs (Rs. in crore)	No. of UCs received	Amount involved in respect of UCs received	No. of UCs outstanding in R/o grants released upto March, 2005 as on 31.12.2006	Amount involved (Rs. in crore)
140	458.47	75	132.75	65	325.72

2.9 When asked to furnish figures pertaining to the surrender of funds during the last five years, the Ministry of Housing and Urban Poverty Alleviation provided the figures as under:—

Year	Amount (Rs. in crore)
2001-2002	91.25
2002-2003	107.83
2003-2004	40.25
2004-2005	213.67
2005-2006	108.87
Total	561.87

2.10 The reasons tendered by the Ministry of Housing and Urban Poverty Alleviation for surrendering huge amount of Rs. 561.87 crore during the period 2001-2006, as furnished to the Committee, are summarized as under:

- (i) Non-approval of Ministry of Finance for re-appropriation from Nirmal Bharat Abhiyan component under VAMBAY and non-receipt of utilization certificates (UCs) from State Governments;
- (ii) Non-utilization of funds under the National Scheme for Liberation of Scavengers;
- (iii) Lower demand under VAMBAY scheme;

- (iv) Less utilization of funds for the benefit of North-Eastern Region under Plan Head;
- (v) HUDCO being given status of Mini-Ratna;
- (vi) Non-receipt of sufficient proposals for the Integrated Low Cost Sanitation; National Scheme for Rehabilitation of Scavengers and VAMBAY Scheme; and
- (vii) Scheme of resettlement of slum at Dharavi (Mumbai) could not take off.

2.11 On the issue of savings and surrenders of funds, the Secretary, during the course of oral evidence, further added as follows:

“Some concern has been expressed about the savings and surrenders by the Ministry. I may clarify that the surrenders under VAMBAY were due to the fact that it is a demand-driven scheme. Sanction under the scheme solely depends upon the receipt of projects from the State Governments and the availability of State share. Under VAMBAY, the subsidy per unit of house was Rs. 20,000 whereas under JNNURM, the subsidy per unit is minimum Rs. 64,000. As VAMBAY is merged with JNNURM, there has not been much demand for release of funds under VAMBAY. From next year onwards, there will be no VAMBAY as VAMBAY has been subsumed under IHSDP, a part of JNNURM and the terms for grants under JNNURM are more liberal.

From 2004-2005 onwards, there has been saving due to the reason that HUDCO was given the status of Mini-Ratna in August, 2004. Hence, no equity support was required to be extended to them. Also, the rehabilitation part of the Scheme of Liberation and Rehabilitation of Scavengers was transferred to the Ministry of Social Justice and Employment. This year, we have been able to spend hundred per cent allocation made under the Integrated Low-Cost Sanitation, Swarna Jayanti Shahari Rozgar Yojana, 10 per cent regarding North-Eastern Region Scheme etc.”

2.12 The Committee noted that the Approach Paper to the 11th Five Year Plan, prepared by the Planning Commission, accords priority to providing basic services to urban poor including security of tenure at affordable prices, improved housing, water supply and sanitation, and ensuring delivery of other existing universal services of the Government for education, health and social security. The selected cities are one million plus cities, State capitals and places of historical, religious or tourist importance. The Approach Paper further

states that the sub-Mission on Basic Services to the Urban Poor under JNNURM, administered by the Ministry of Housing and Urban Poverty Alleviation, has been entrusted with integrated development of slums through projects for providing shelter, basic services and other related civic amenities to the urban poor. Accordingly, the 11th Plan will have to make substantial provisions of funds under the JNNURM, if the momentum of urban reform linked to infrastructure creation really takes off.

2.13 The Committee further noted that the National Common Minimum Programme (NCMP) of the Government commits itself to a comprehensive programme of urban renewal and a massive expansion of social housing in towns and cities, paying particular attention to the needs of slum dwellers. As per the Programme, housing for the weaker sections in urban areas will be expanded, large scale forced eviction and demolition of slums will be stopped, and while undertaking urban renewal, care will be taken to see that the urban and semi urban poor are provided housing near their place of occupation. Besides, under the mandate of the National Common Minimum programme, the Government have identified certain basic principles of governance which include/promote social harmony, enhance the welfare of unorganized sector and assure a secure future for their families etc. This, the Committee felt, was closely related to the avowed overall objective of elimination of urban poverty.

2.14 The Committee noted that while there was a need for large allocation to the Ministry for fulfilling the mandate under the NCMP, the Ministry of Housing and Urban Poverty Alleviation had been allocated a mere 1.16% of the total budget of the Government *i.e.* Rs. 4710 crore only out of Rs. 405735 crore. When asked as to whether the amount was adequate for the intended purpose as well as the allocations made to the core sectors relating to Housing and Urban Poverty Alleviation under NCMP, the Ministry, in their written reply, stated as under:

“Under the National Common Minimum Programme (NCMP), a comprehensive programme of urban revival and massive expansion of social housing in towns and cities with particular attention to the needs of slum dwellers was to be drawn up. Keeping such commitment also in view, Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was launched in December, 2005. The two components of Sub-Mission II—Basic Services to the Urban Poor (BSUP) and Integrated Housing & Slum Development Programme (IHSDP) address the commitments made in the NCMP.

The targeted beneficiaries under BSUP and IHSDP are slum dwellers/ urban poor. The IHSDP has been launched with the objective to strive for holistic slum development, with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure facilities to the slum dwellers of the identified urban areas. As submitted earlier, this point will need further detailed consultations with the concerned Ministries/ Departments and other stakeholders.”

2.15 The Secretary, Ministry of Housing and Urban Poverty Alleviation further elaborated on this point during the evidence as under:

“Sir, as you are aware, the JNNURM is a reform-linked flagship programme of the Government, launched on 3rd December, 2005 by Hon’ble Prime Minister. This Mission, so far as this Ministry is concerned, has two components – Basic Services to the Urban Poor (BSUP) and Integrated Housing and Slum Development Programme (IHSDP). An allocation of Rs. 1322.34 crore has been provided for sub-mission on Basic Services to Urban Poor (BSUP). A sum of Rs. 488.04 crore has been allocated for Integrated Housing and Slum Development (IHSDP) as Additional Central Assistance during 2007-2008. Sir, I may also point out that this allocation may not be adequate for programmes keeping in view the committed liability for the next year and sanction of new projects for States which have not availed Central Assistance so far. We specially require enhanced allocation for IHSDP to cater to the needs of small and medium towns. I would request for the guidance and support of the Hon’ble Chairman and Members of Committee for increased allocation for this prestigious programme, especially the components relating to housing and slum upgradation in small and medium towns.”

#### **Budgetary Projection to be made more realistic**

2.16 The Committee observe from the details made available to them that there have been large variations with regard to BE, RE and Actual in the Budgetary provisions of the Ministry, particularly under the Plan Head. While the Budgetary Estimates have remained on the higher side except during 2003-2004, the allocation at the revised estimates stage and the actual expenditure of the Ministry has gone awry. To cite an instance, though the BE under Plan Head in 2004-2005 was Rs. 830 crore as against Rs. 625 crore in 2003-2004, the RE was reduced to Rs. 650 crore in 2004-2005. However, the

actuals were Rs. 621.23 crore only in 2004-2005 as against Rs. 641.85 crore in 2003-2004. The Committee, thus, feel that the Ministry have not been able to make an accurate estimate of requirement of funds under the various heads. In this connection, the Committee gather an impression that their earlier recommendations have not yielded the desired results as huge budgetary variations continue to exist in the Budget Estimates of the Ministry. The Committee, therefore, recommend the Ministry to take due care to make the budgetary exercise more sincere. They desire that the budgetary estimation should be accurate and as close to reality as possible and variations should be avoided to the maximum possible extent at the BE stage itself.

#### Underutilization of funds

2.17 From the Expenditure details as furnished by the Ministry, the Committee are dissatisfied to note that there has been gross underutilization of funds from the year 2000-2001 to 2006-07, with a lone exception of the Financial Year 2003-2004. While there is a continuous shortfall in the utilization of funds, the percentage ranging between 70 to 75 %, the utilization of funds by the Ministry for the year 2006-2007 stood at mere 49%, *i.e.* Rs. 215.01 crore out of Rs. 421.67 crore. From this, the Committee are inclined to conclude that the delivery mechanism of the Ministry needs an urgent attention. What is more distressing to note is that while on the one hand the Ministry of Housing and Urban Poverty Alleviation has advocated the need for larger allocation of funds for successful implementation of various schemes, their performance shows that they have not been able to utilize, whatever amount was allocated to them completely. The Committee were made to understand that there had been some delay in sanctions though the Ministry refrained from specifying reasons for the same. Therefore, the Committee, while taking a serious note of this gross underutilization of funds, urge the Ministry to make sincere efforts to optimally utilize the funds allocated to them. Proper homework, timely monitoring, timely action and initiatives need to be taken by the Government during the launching and implementation of any scheme.

#### Delay in furnishing Utilisation Certificates

2.18 In this connection, the Committee deplore the attitude of various State Governments and the implementing agencies for not furnishing the Utilisation Certificates as the figures show that a number of UCs involving an expenditure of Rs. 325.72 crore are still



outstanding as on 31.12.2006 in respect of the grants released upto March, 2005. The Committee urge the Ministry to sensitize the State Governments on the implications of their lackadaisical approach on the overall efforts taken by both the States and Central Governments with regard to achieving targets set for alleviation of urban poverty.

#### Surrender of Funds

2.19 The Committee note that though there was surrender of funds to the tune of Rs. 561.87 crore till the year 2005-06, there has been no surrender of funds by the Ministry in the year 2006-2007. From the reasons cited by the Ministry, they conclude that by and large the contributing reasons for the surrender of funds are non-start or low performance of various schemes like VAMBAY and ILCS. As the trend seems to have reversed this year, the Committee sincerely hope that it will continue in the coming years as well so as to avoid surrendering of funds. The Committee, therefore, recommend the Ministry to make extra efforts for the timely materialization of proposals under the Schemes/Projects and meet the targets, which are set at the time of making budgetary provisions.

#### Viability/Feasibility of urban poverty alleviation schemes

2.20 The overall trend, in the opinion of the Committee shows that over the years, schemes and programmes, devised from time to time to combat poverty, have not borne the desired results. Many of the urban poverty alleviation Schemes/Programmes implemented by the Ministry of Housing and Urban Poverty Alleviation have been named, renamed, restructured, combined or merged with other Schemes leading to bureaucratic and administrative confusion and delay in their implementation. Though the schemes have been targeted at different target groups and redefined at the State level to suit to local needs and aspirations, the fact still remains that these schemes have failed to reduce the level of urban poverty to the desired extent. This, the Committee feel, is more so due to the lack of a broader, all inclusive national strategy to tackle urban poverty. The onus is on the Ministry of Housing and Urban Poverty Alleviation, being the nodal Ministry for eradication of Poverty in the urban areas, to check the rapid growth in the number of urban poor and also to provide basic services to them so as to bring a qualitative change in their lives. Keeping this in perspective, the Committee recommend the Ministry to shift their focus from mere outlays and take a hard look at outcomes so as to realize the desired impact of various schemes/programmes.

## CHAPTER III

### SCHEME-WISE ANALYSIS

#### URBAN POVERTY ALLEVIATION SCHEMES

##### I. SWARNA JAYANTI SHAHARI ROJGAR YOJANA (SJSRY)

3.1 From the material furnished to them, the Committee note that the three earlier Urban Poverty Alleviation Schemes, namely Urban Basic Services for the Poor (UBSP), Nehru Rojgar Yojana (NRY) and Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP) stand subsumed in a new scheme namely, Swarna Jayanti Shahari Rojgar Yojana (SJSRY) with effect from 1.12.1997. SJSRY seeks to provide gainful employment to the urban unemployed or underemployed through encouraging the setting up of self-employment ventures or provision of wage employment. This programme relies on creation of suitable community structures and delivery of inputs through the medium of urban local bodies and such community structure. The SJSRY is funded on a 75:25 basis between Centre and the States. It consists of two sub-schemes, *viz:-*

- (A) The Urban Self Employment Programme (USEP)
- (B) The Urban Wage Employment Programme (UWEP)

##### 3.2 (A) The Urban Self Employment Programme (USEP):

This programme has three components:—

- (i) Assistance to individual urban poor beneficiaries for setting up gainful self-employment ventures.
- (ii) Assistance to groups of urban poor women for setting up gainful self-employment ventures. This sub-scheme has been titled as "The Scheme for Development of Women and Children in the Urban Areas (DWCUA)".
- (iii) Training of beneficiaries, potential beneficiaries and other persons associated with the urban employment programme for upgradation and acquisition of vocational and entrepreneurial skills.

3.3 Certain other significant features of SJSRY, as per the information made available to the Committee, are as follows:—

- (i) The programme is applicable to all urban towns in India and is implemented on a whole town basis with special emphasis on urban poor clusters.
- (ii) It targets the urban poor, defined as those living below the urban poverty line (as defined from time to time). Special attention is given to women, persons belonging to Scheduled Castes/Tribes, disabled persons and other such categories, as may be indicated by the Government from time to time. All other conditions being equal, women beneficiaries belonging to women-headed households, *viz.* widows, divorcees, single women of households, where women are the sole earners, are ranked higher in priority.
- (iii) There is no minimum educational qualification for beneficiaries under this programme. However, this scheme is not applied to beneficiaries educated beyond the IXth standard.
- (iv) Salient Features of USEP are as under:—

**(I) Setting up Micro-Enterprises and Skill Development**

Maximum unit cost — Rs. 50, 000/-

Subsidy — 15% of the project cost subject to a maximum ceiling of Rs. 7500/-

Margin money to — 5% of the project cost be contributed by the beneficiaries.

**(II) Training and Infrastructure Support**

Training cost per person — Rs. 2000/-

Training period — Two to Six months subject to a minimum of 300 hours.

Tool kit worth — Rs. 600/-

(v) Development of Women and Children in Urban Areas (DWCUA):

3.4 DWCUA aims at helping groups of urban poor women in taking up self-employment ventures. The group may consist of at least

10 women. The ceiling of subsidy under the scheme is Rs. 1.25 lakh or 50% of the cost of the project whichever is less. Where the group sets itself up as Thrift & Credit Society, in addition to its self employment venture, it will be eligible for an additional grant of Rs. 25,000 as revolving fund at the rate of Rs. 1,000 maximum per member. The fund is meant for purposes like purchase of raw materials and marketing, infrastructure support etc.

#### **(B) The Urban Wage Employment Programme (UWEP)**

3.5 The Urban Wage Employment Programme (UWEP) seeks to provide wage employment to beneficiaries living below the poverty line within the jurisdiction of urban local bodies by utilising their labour for construction of socially and economically useful public assets. Under the programme, there are no restrictions on educational qualification. This programme applies to urban local bodies, having population less than 5 lakh as per the 1991 Census. The material labour ratio for works under this programme is to be maintained at 60:40. The prevailing minimum wage rate, as notified from time to time for each area, has to be paid to beneficiaries under this programme. The programme is dovetailed with the State Sector Environment Improvement of Urban Slums (EIUS) scheme as well as the NSDP.

#### **(C) Information, Education and Communication (IEC) and Community Structure Components**

3.6 With a view to play an effective role in coordination and organizing training, monitoring, evaluation, dissemination of information etc., IEC and Community Structure Components have been evolved under SJSRY. It is proposed to have a coordinated and uniform level of training across the country for training of trainers, elected representatives, functionaries of Urban Local Bodies and field functionaries like Project Officers, Community Organisers etc. through National Training Institutes and selected State Training/Field Training Institutes. Under SJSRY, Community Structure is created in all the urban towns of the country for which the State Governments have taken action to set up community structures, create Community Development Societies (CDSs) and form Thrift & Credit Society etc.

#### **Financial Allocation under SJSRY**

3.7 The Committee were informed that during the 10th Plan Period, a sum of Rs. 541.00 had been earmarked for the Scheme. When asked

so by the Committee, the total outlay in the 10th Five Year Plan, year-wise allocated under the Scheme, was furnished as under:—

Year	Amount
2002-03	Rs. 105.00 Crore
2003-04	Rs. 105.00 Crore
2004-05	Rs. 123.00 Crore
2005-06	Rs. 160.00 Crore
2006-07	Rs. 250.00 Crore

3.8 As per the Ministry, financial allocations to the States are made on the basis of incidence of urban poverty as per Planning Commission norms. The physical targets are fixed by the States according to their allocations. During the 10th plan period the actual allocation for SJSRY stood at Rs. 743.00 crore.

Statement showing Budget Estimates, Revised Estimates and Actual Expenditure for the years 2004-2005, 2005-2006 and 2006-2007 and Budget Estimates for 2007-2008 showing separately plan and non-plan expenditure (as furnished to the Committee):—

(Rs. in crore)			
Year	Budget Estimates	Revised Estimates	Actual Expenditure
2004-05	103.00	123.00	123.00
2005-06	160.00	160.00	160.00
2006-07	250.00	250.00	174.65*
2007-08	344.00		

\*as on 31.12.2006

3.9 With regard to a point raised by the Committee regarding increase in budgetary allocations for the year 2007-2008 as against the decrease in actual expenditure during 2006-2007, the Ministry in a written reply, submitted that:—

“As on 19.3.2007, total expenditure under the SJSRY Scheme is Rs. 223.88 crore and proposals are under process for the release of balance amount out of total allocation of Rs. 250 crore. Thus total allocation is expected to be utilised for the current year 2006-2007.

For the year 2007-2008, the Ministry proposes to revamp/restructure the Scheme of SJSRY to make it more effective by increasing the ceilings of expenditure under skill training including other additional components and subsidy. For this the enhanced allocation has been provided for 2007-2008.”

3.10 The Ministry further informed that at the Central level in the year 2006-2007, as on 19.3.2007, an amount of Rs. 25.21 crore, still lying with the Ministry, was under consideration for the release. Further, the Ministry informed that at the State level, as per the expenditure details reported by the States/UTs, the central funds amounting to Rs. 260.95 crore was lying with States/UTs. This amount included the Central funds released to the States in 2005-2007 and 2006-2007 also for which UCs had not become due.

3.11 When asked about the reasons for such huge sum lying as unspent balances in respect of SJSRY, the Ministry informed the Committee as under:—

“...the unspent balances are calculated by deducting the Utilization Certificates (UCs) received from the States/UTs as on date from the total funds released under the Scheme as on date (as advised by the Ministry of Finance). However, as this released amount includes the funds released even during the current year as well as previous year, for which UCs are not due, the actual accumulated unspent funds under the Scheme are quite less. It may be mentioned here that States/UTs get one year time from the end of the financial year to utilize the funds and furnish UCs. Thus, States/UTs are required to submit UCs for the funds released upto 2004-2005 only so as to become eligible for release of Central funds in the year 2006-2007. A self-explanatory Statement giving the State-wise unspent funds under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is given at **Appendix-III.**”

3.12 With regard to exploring the feasibility of imposing penal interest on the defaulting States/UTs/implementing agencies, the Ministry further informed the Committee, as under:

“There is no provision for imposing a penal interest on the defaulting States/ UTs/Implementing agencies for not utilizing the funds. As per the instructions of the Government where there are pending UCs, the subsequent instalments of the Grants would not be released unless UCs are furnished by them. In such cases, the funds can be released only with the specific approval of the Ministry of Finance.

Further, 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. Thus, the idea of imposing penal interest on the States/UTs for not submitting the UCs in time may not be feasible.”

### Physical/Financial progress

3.13 In their written note furnished to the Committee, the Ministry informed that earlier, no State-wise physical targets were prescribed under the Scheme and this was left to be fixed by the State/UTs as per their needs. However, during the 10th Plan at the National level, under USEP, annual target of 80000 self-employment under USEP/DWCUA sub-component was fixed. Similarly, 1,00,000 persons were targeted to be given skill development training annually under USEP (Training) sub-component.

3.14 During the 10th plan period, total Central funds amounting Rs. 1150.00 crore was released to the States/UTs (upto 31.12.2006) while the expenditure reported was Rs. 1119.00 crore (this includes expenditure from unspent balances of old UPA Programmes). The Committee were informed that regarding physical achievements, during the years 2002-03, 2003-04, 2004-05, 2005-06 and 2006-07 (as reported upto 31.12.2006), cumulative, 4,62,265 number of micro-enterprises have been set up and 5,60,032 urban poor have been provided skill training against the cumulative corresponding 5 years target of 4,00,000 micro enterprises and 5,00,000 skill training.

#### Physical achievement under various components of SJSRY against the Annual Targets

Year	Under Self employment programme				No. of Man-days of work generated under Urban Wage employment Programme (in lakh)	
	Beneficiaries assisted for setting up of micro enterprises		Persons provided skill training			
	Target	Achievement	Target	Achievement	Target	Achievement
2004-05	80,000	1,03,372	1,00,000	1,60,000	-	31.24
2005-06	80,000	98,791	1,00,000	1,42,073	-	43.48
2006-07	1,20,000	56,357*	1,50,000	73,203*		26.95

\*As on 31.12.2006

3.15 A statement showing State-wise physical progress for the year 2006-2007 under the SJSRY is given at **Appendix-IV**.

3.16 While elaborating the reasons for the specifically poor performance of the scheme for the year 2006-2007, the Ministry, in a reply to the Committee's query, stated as follows:—

“The information provided for the year 2006-2007 is on the basis of information received through Quarterly Progress Reports (QPRs) received upto 31.12.2006 only. As it takes some time in compilation of details at the State level, QPRs from the States/UTs are received after lapse of considerable time. Thus most of the States/UTs have sent QPRs for the period upto only September 2006 only and therefore the information is far lagging behind the target. However, when QPRs upto March 2007 are received, it is expected that the achievement will be much more than the target as is the case for earlier years. Ministry of Housing & Urban Poverty Alleviation, at the Central level, is consistently pursuing with the States/UTs for improvement in the performance. Review meetings/visits by Senior Officers of the Ministry are also taken at regular intervals so as to improve the progress of the Scheme.”

3.17 When asked whether house-to-house survey for identification of beneficiaries have been completed in towns of all States/UTs, the Ministry of Housing and Urban Poverty Alleviation in a written reply stated that the survey had been completed in almost all States/UTs except 5 States/UTs. Out of a total number of 3755 towns, the house-to-house survey had been completed in 3646 towns and in 109 towns the survey remained to be completed as per Quarterly Progress Report (QPR) reported by States/UTs.

#### **Monitoring/Evaluation of SJSRY**

3.18 The Committee noted that the Scheme was being monitored through quarterly progress reports and periodical review meetings under the chairmanship of Ministers/Secretary/Joint Secretary/Director of the Ministry. Concurrent evaluation of SJSRY in seven States of Andhra Pradesh, Karnataka, Madhya Pradesh, West Bengal, Rajasthan, Maharashtra and Uttar Pradesh was conducted through Indian Institute of Public Administration (IIPA) and other renowned agencies earlier. A comprehensive all India evaluation of the scheme was also done by the Human Settlement Management Institute (HSMI), New Delhi and the report had already been submitted to the Ministry. An independent evaluation of the scheme in 9 representative States/UTs was being carried out by M/s Access Development Services, New Delhi during



the preparation of this Report. As per the Ministry, the Report of this evaluation would be available, before the scheme is carried over to the 11th Plan.

3.19 The Ministry further informed that the CARE-India had since submitted the draft evaluation report on SJSRY. Some of the major findings of the report were as under:—

- (i) Urban poor is not aware of their BPL status. They get to know about this only after told so by the community organizers.
- (ii) The increase in the household income is more in case of beneficiaries under Urban Self Employment Programme (USEP) than under Urban Wage Employment Programme (UWEP).
- (iii) Beneficiaries covered under UWEP have better access to the basic facilities than the individuals who are not covered under SJSRY.
- (iv) Training support provided to the beneficiaries was found to be inadequate in almost 70% of the cases. Selection of trainees was inappropriate in 76% of the cases.
- (v) Market assessment for the income generating activity was not taken up in any case and so the demand supply scenario was not clear which often led to selection of an unviable activity by the beneficiaries. Also, the market support provided for the goods/services under these activities is insufficient across all the States.
- (vi) Migration is not prominent in the individuals under UWEP. However, those who migrate do so because of reasons other than for better job opportunities.”

3.20 As there was a demand raised in some quarters that there is a need to appoint exclusive staff to look after various programmes being implemented under SJSRY in different States, the Committee desired to have the Ministry’s views. They also wished to know as to how the Ministry was ensuring that the implementation of the scheme was being done in the best possible manner. To these points, the Ministry, in a written reply, responded as under:—

“Yes Sir. There is an urgent need to have an exclusive cadre of officers/staff engaged for implementation of the urban poverty alleviation schemes/programmes so that these schemes get proper

attention of the State Governments/Urban Local Bodies. At present, most of the staff working in the State Urban Development Agencies (SUDA)/District Urban Development Agencies (DUDA) are on deputation/contract basis. Because of this there is a lack of commitment towards the implementation of schemes. However, as the Administrative and Other Expenses (A&OE) are limited to 5% of the allocation, which is very meager amount to meet the salary of staff, State Governments face difficulty in having dedicated manpower support for the scheme. Hence suitable provisions must be made for meeting the A&OE expenditure of such separate cadre of officials dedicated for the implementation of urban poverty alleviation programmes including SJSRY.”

### **Modification of Guidelines of SJSRY**

3.21 The Committee noted that there was no minimum educational qualification for beneficiaries under this programme. However, to avoid an overlap with the Prime Minister’s Rozgar Yojana (PMRY), for self-employment component, this scheme was not made applicable to the persons educated beyond the IXth standard. In view of the increase in the minimum education level beyond IXth standard among the urban poor, the Committee wanted to know whether there was any proposal in the Ministry to revise the present guideline to bring more takers in the ambit of the scheme. To this, the Ministry responded by stating that after considering the suggestions receiving from various stakeholders in the implementation of SJSRY Scheme, they were of the view that the education criteria fixed for the self-employment programme should be removed so that the urban poor educated beyond the IXth standard may not be at a disadvantage. However, it was also informed that this would be taken up by the Ministry at the time of revision of the Guidelines for the Scheme.

3.22 From the salient features of the Scheme, the Committee noted that one of the eligibility criteria for setting up Micro-enterprises under the scheme was that the potential beneficiary must be residing in the town for at least three years. Since a large chunk of urban poor constitute a floating population, the Committee desired to know as to what measures were being adopted by the Ministry to identify the beneficiaries under this scheme. To this, the Ministry in their written reply, stated as under:—

“The criteria of three years’ residence for the beneficiary of the self-employment programme (individual loan and subsidy), was made keeping in view the reservations expressed by the financial

institutions in extending credit to a person who has no permanent residence. This criteria is only for the beneficiary under "individual loan" category, so that a person genuinely residing in the area gets the benefit and default in loan repayments can be minimized. The criteria of identifying the beneficiaries through house to house survey has been devised only for this purpose so as to identify the actual poor residing in the particular locality."

3.23 Highlighting further on the modifications/revision of the scheme, the representative of the Ministry of Housing and Urban Poverty Alleviation added during the evidence as under:

"We are planning to revamp this scheme to focus more on employability rather than employment. We want to create a lot of skills for the high-paying jobs. Even for a small computer operator, in Hyderabad, he gets about Rs. 5,000. Even an under-matriculate can get Rs. 5,000 by becoming a computer operator. If you take the drivers, you cannot get them in a city like Hyderabad without paying Rs. 4,500. So, we want to focus on skills. Secondly we want to focus on micro enterprises and thirdly we want to focus on micro finance. Just like the GRAMEEN model or the Andhra Pradesh or Karnataka model we propose strengthening of self-help groups through micro finance. These are four or five areas where within a month or so we will be bringing out a revised note to revise the scheme. The focus will be on micro finance, on empowerment of urban women and self-help groups, skill development and micro enterprises."

3.24 Informing about another area which will be addressed under the revision of SJSRY, a representative of the Ministry, during the oral evidence, *inter-alia* stated as under:—

"... As you are kindly aware, SJSRY is under implementation from 1997. The Budget allocation for 2006-2007 was Rs. 250 crore. This year will be able to spend 100 per cent money; 93 per cent has been done already. What we did we made a study. We thought that before we go to the Eleventh Plan we will make a critical evaluation of the scheme. We got inspiration from your report. We thoroughly took that into account. Then we conducted a study. CARE INDIA was given the work to do the study. They have already submitted the draft report. As you are kindly aware, the Swarna Jayanti Shahari Rozgar Yojana has got two components. One is the self-employment and the other is the wage employment. The study says that the wage employment component is not

successful. Therefore, we have now made a tentative plan. We have identified five elements of the new revision. One is that wage employment will not be there.”

3.25 Under the Urban Self-Employment Programme (USEP), training is given to beneficiaries, potential beneficiaries and other persons associated with the urban employment programme for upgradation and acquisition of vocational and entrepreneurial skill. The Scheme envisages Rs. 2000 as training cost per persons and training period two to six months subject to a minimum of 300 hours. During evidence when pointed out that wherefrom and who will give six months training of 300 hours in Rs. 2000, the representative of the Ministry Stated:—

“Sir, based on your kind suggestion, we are suggesting to increase this stipend from Rs. 2000 to Rs. 5000. This is a suggestion.”

#### **Early Finalization of Modified Guidelines of Swarna Jayanti Shahari Rojgar Yojana**

3.26 The Committee observe that there is a substantial delay in the adoption of the modified guidelines with regard to the Swarna Jayanti Shahari Rojgar Yojana (SJSRY) scheme. The Committee in their 6th Report on Demands for Grants (2005-2006), 9th Report on Swarna Jayanti Shahari Rojgar Yojana (SJSRY) presented on 2.8.2005 and 15th Report on Demands for Grants (2006-2007) had recommended for early finalization of the revised guidelines of the scheme. However, the Ministry have informed the Committee that they are still in the process of modifying the guidelines of the scheme. The Committee take note of this and recommend that the Ministry should be ready with the modified guidelines well before the launching of the 11th Five Year Plan. The Committee also sincerely hope that in-built flexibility in these guidelines are ensured in SJSRY, as this is the only employment generation scheme for the urban poor. The Committee desire that the guidelines should enable the expansion of the scope and coverage of the scheme keeping in view the specific requirements of the States and Union Territories.

#### **Skill upgradation for the urban poor**

3.27 The Committee further note that Micro-enterprises which constitute an important component of this programme need timely and adequate credit. However, inadequate flow of credit from Banks has been noticed as a major bottle-neck. The Committee are of the view that skill formation and up-gradation is important to convince

the Banks about the credit worthiness of the loanees. Therefore, attention needs to be paid to skill development and selection of vocational training establishing backward and forward linkages.

#### Wage Employment Component of the SJSRY

3.28 The Committee have been informed that out of the two components of the SJSRY, the self-employment component is comparatively performing better while the wage employment component is not very successful in the States. As such, the Ministry have made a tentative plan and identified certain elements in the scheme for a new revision and as a part of this revision exercise, the Ministry plans to do away with the wage employment component. The Committee desire the early finalization of the plan scheme so that it can be implemented right from the very beginning of the Eleventh Five Year Plan.

#### Unspent Balances Under the SJSRY Scheme

3.29 The Committee note that as on 19.3.2007, an amount of Rs. 25.21 crore are still lying with the Ministry for release. Similarly at the State level, Central funds amounting to Rs. 260.95 crore are lying with the States/UTs as unutilized. The Committee are not convinced with the explanation that this released amount included the funds released even during the current year as well as previous years, for which utilization certificates are not due and the actual accumulated unspent funds under the scheme are less than this. Nonetheless, the Committee can-not but conclude that the implementation of the scheme in the States have been very sluggish and there is a laxity on the part of the States and the Implementing Agencies, as far as the implementation of the scheme is concerned. The Committee are of the strong view that the Ministry should strengthen the mechanism for tight monitoring of the scheme at both Central and State levels. The Ministry may also think of establishing a standing Monitoring Committee to oversee and monitor the effective implementation of the scheme.

#### Awareness amongst the Urban Poor about the Benefits of the Scheme

3.30 The Committee note that one of the reasons for abysmal performance of the scheme in the urban areas is total lack of awareness amongst the urban poor about the benefits of the scheme. Therefore, the Committee strongly recommend that the Ministry should give wide publicity to the scheme amongst the urban poor. At the State level also, adequate publicity should be given to the

target groups in the vernacular language so as to reach large sections of the people. Awareness campaigns should also be organized at Municipal/ward level through Urban Local Bodies from time to time so that there are more takers for the scheme.

#### **Recovery of Funds along with Interest from States /UTs and other Implementing Agencies**

3.31 On the issue of feasibility of imposing penal interest on the defaulting States/UTs and Implementing Agencies, the Committee note that there is no provision for imposing a penal interest on the defaulting States/UTs/Implementing Agencies for not utilizing the funds. However, as per the instructions of the Government, where there are pending UCs, the subsequent instalments of the grants would not be released unless UCs are furnished by them and as per the 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. While the Committee agree with the Ministry's submission that the idea of imposing penal interest on States/UTs for not submitting the UCs in time may not be feasible, they are at the same time of the view that as per this GFR instruction, the Ministry should closely and actively monitor the flow of funds and instantly try to recover the unutilized amount along with interest due so as to ensure that the States and Implementing Agencies utilize the disbursed money. This will not only ensure a stringent monitoring mechanism but also help in implementation of the scheme in a better way. The Committee may be apprised of the progress in this regard within six months of submission of this report.

#### **Need for Exclusive, Dedicated and Committed Staff for Successful Implementation of SJSRY Scheme**

3.32 The Committee find that there is an urgent need to have an exclusive cadre of officers/staff engaged for implementation of the urban poverty alleviation schemes/ programmes so that these schemes get proper attention of the State Government/UTs/Urban Local Bodies. In this connection, they have been given to understand that at present, most of the staff working in the State Urban Development Agencies and District Urban Development Agencies are on deputation/contract/extension basis and hence there is a lack of commitment towards the implementation of scheme. The Committee are in full agreement with the submission of the Ministry and recommend that the matter of appointing dedicated manpower may be taken up and discussed at the ministerial level. The Committee feel that the feasibility of utilizing the services of unemployed youth from the deprived sections of society could also be explored for this purpose. In the meantime, they desire that available staff may be

efficiently utilized and their allocation of duty should be done in such a way that at least some section of existing staff are exclusively put in charge of overseeing the successful implementation of the SJSRY scheme.

## II. INTEGRATED LOW COST SANITATION SCHEME (ILCS)

3.33 The Committee note that in order to eliminate the abhorring practice of manual carrying of night soil, the Centrally sponsored scheme for Integrated Low Cost Sanitation was initiated in 1981 by the Ministry of Home Affairs and later implemented through the Ministry of Social Justice and Empowerment. From 1989-90, it was operated by the Ministry of Urban Development and Poverty Alleviation (It is being implemented by Ministry of Urban Employment and Poverty Alleviation since 2003-04). The scheme envisages conversion of dry latrines into low cost twin pit sanitary latrines.

3.34 The scheme has been taken up on a 'whole town basis' and is being operated through the Housing and Urban Development Corporation (HUDCO) by providing a mix of subsidy from the Central Government and loan from the HUDCO in a synchronised manner as per the following financing pattern.

	Category	Subsidy	Loan	Beneficiary
Contribution	EWS	45%	50%	5%
	LIG	25%	60%	15%
	MIG/HIG	Nil	75%	25%

### Financial allocation

3.35 From the Budget documents, the Committee noted that in the 10th Plan, an amount of Rs. 200 crore had been allocated for the scheme. However, amount released upto 31.12.2006 was Rs. 61.60 crore.

3.36 The details of amounts released year-wise during 10th Plan under ILCS Scheme were furnished to the Committee as below:

(Rs. in crore)

Year	B.E	R.E.	Actual Expenditure
2002-03	30.00	4.80	4.80
2003-04	30.00	4.80	4.80
2004-05	30.00	30.00	20.00
2005-06	30.00	5.00	2.00
2006-07	30.00	—	30.00



For the year 2007-2008, an amount of Rs. 40 crore has been allocated for ILCS scheme.

### Physical Progress

3.37 The Outcome Budget (2007-2008) of the Ministry showed that upto 31.12.2006, 21.86 lakh units had been completed and 1.32 lakh units were under progress. Accumulative progress of the scheme in the country upto 31.12.2006 was given as follows:

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1. Total No. of schemes sanctioned by HUDCO	:	873
2. No. of Towns covered	:	1538
3. Project cost of sanctioned schemes	:	Rs. 2368.34 crore
4. Subsidy sanctioned	:	Rs. 610.55 crore
5. Loan sanctioned	:	Rs. 672.25 crore
6. Subsidy released by HUDCO to State	:	Rs. 311.86 crore
7. Loan released by HUDCO to State	:	Rs. 497.77 crore
8. No. of units sanctioned for Conversion + Constructions	:	5665582
9. No. of units completed (Conversion + Constructions)	:	2186312
10. No. of units in progress (Conversion + Constructions)	:	132451
11. No. of scavengers to be liberated with the implementation of sanctioned schemes	:	138464
12. No. of scavengers liberated	:	52829
13. No. of towns declared scavenger-free	:	650

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3.38 The ILCS scheme is a demand driven scheme from the States. Out of the actual expenditure of Rs. 30 crore, an amount of Rs. 27 crore was sanctioned for the State of Uttar Pradesh and Rs. 3 crore was released to Registrar General of India (RGI) for slums survey in the country. When asked by the Committee as to why the entire amount of Rs. 30 crore has been released for only two entities while no funds have been released for other States, the Ministry in their written reply, submitted as under:

“The Integrated Low Cost Sanitation Scheme (ILCS) is a Demand Driven Scheme. Money was released to only two States since proposals were only from these states which were complete in all respects *i.e.* they were meeting the criteria of 100% submission of



UCs of earlier funds released in the previous years laid down by Ministry of Finance. No other proposals from the State for release of funds was considered as they were not fulfilling the criteria of 100% submission of UCs.”

3.39 The Committee desired to know as to when exactly the proposal for release of funds to the State of Uttar Pradesh was received from HUDCO. The Ministry, through a post evidence supplementary note sent to the Committee, informed as follows:—

“The proposal for release of funds to the State of Uttar Pradesh was initially received from HUDCO in the financial year 2005-2006 which was approved by the Coordination Committee in its meeting held on 20.8.2005. However, the funds could not be released to State of UP in absence of 100% UCs for the funds already released to them. The State of UP was, therefore, repeatedly reminded for submission of UC to enable the Ministry to release the funds. HUDCO resubmitted the proposal on 14.11.2006 wherein they stated that since the State of UP has furnished all the UCs for the funds released in the previous years, they may now be considered for release of funds. Subsequently, Coordination Committee in its meeting held on 6th December, 2006 under the Chairmanship of Secretary (HUPA) approved the proposal for releasing the funds to the tune of Rs. 27 crore to the State of UP.”

3.40 Responding to a query from the Committee, the Ministry, through a written note, informed the Committee that the main reasons for the slow financial and physical progress of ILCS were as follows:—

- Some State Governments are not according priority to the programme. There is delay in providing government guarantee and budgetary provision for the loan component. Time overruns result in cost overruns and even changes in demand position resulting in revision of scheme and further delay in implementation.
- In some States where loan portion is fully arranged by the State governments out of their State budgets, the progress is slow, as such, contribution from the State budgets are not forthcoming. Such States use only the upfront subsidy and curtail the original scope of work without submission of UCs.
- Some State’s nodal agencies do not send the UCs in respect of availed subsidy amounts.

3.41 As per Outcome Budget, the Committee noted that in respect of ILCS, Rs. 38.84 crore was lying as unspent balance with State Governments. On a related query, the Ministry stated that in the case of Integrated Low Cost Sanitation (ILCS) scheme there was no provision of penal action. This was a demand driven scheme and primary responsibility for fulfillment of the targets in physical terms rested with the State Governments. Hence, the successful implementation of the Scheme largely depended upon the cooperation of the agencies of the State Governments responsible for implementation of the scheme.

3.42 In reply to a subsequent query, the Ministry further informed the Committee that the draft Cabinet Note proposing the revised/modified guidelines of the ILCS Scheme had already been finalized and circulated to the concerned Ministries/Departments for their comments. The proposed modifications of the scheme were provided as follows:—

- (i) The earlier ILCS Programme was town-wise for population upto 5 lakh as per 1981 census which need not be restricted any more as the whole country is to be declared as scavenger free by 31st March, 2007 *i.e.* the new guidelines will cover all towns on “All Towns” basis.
- (ii) 75% subsidy for the EWS beneficiaries.  
15% of State’s contribution and  
10% of Beneficiaries contribution.
- (iii) Provision of subsidy including the superstructure in case of individual toilets. An upper ceiling of Rs. 10,000/- for complete unit of pour flush unit with superstructure.
- (iv) It is proposed to include the Information, Education and Communication (IEC) component with 1% of the total central allocations under the scheme in each of the financial year with the Ministry. In case the funds retained are not utilized, these may be utilized in the projects.
- (v) NGOs may be involved by the State Governments in the implementation of the scheme in various activities meant for the benefit of EWS population under the scheme with maximum charges upto 15% over and above the total project cost.
- (vi) Options like septic tank, connecting to small-bore or conventional sewer network etc. may also be permitted under the cost ceiling. Technology which can enable to tap

local resources should be permitted to be adopted. State implementing agencies may decide the technology best suited for the site/locality, which may be adopted.

- (vii) It is proposed that for providing universal sanitation and to avoid the practice of open defecation, community toilets of appropriate standard under ILCS be placed all over the town/city for use by general public. The toilets will be implemented and run by NGOs selected by State Governments/ULBs.
- (viii) The community toilets component would be made demand driven with 90% grant from centre and 10% coming from the State Government/ULB/Financial Institution/any other organisation.

3.43 During oral evidence, when asked by the Committee as to how many States and UTs have been declared as scavenger free, the Ministry, in a post evidence note stated that out of 28 States, 13 States, namely Arunachal Pradesh, Kerala, Manipur, Mizoram, Nagaland, Sikkim, Jharkhand, Punjab, Haryana, Madhya Pradesh, Goa, Gujarat and Tripura and all the 7 UTs had so far, declared themselves as scavenger free. Three other States namely, Andhra Pradesh, Meghalaya, Rajasthan were likely to be declared as scavenger free this year.

3.44 The legislation banning the manual scavenging was passed way back in 1994 and some of the States like Karnataka banned it as early as 1974. In this scenario, the Committee expressed their serious concern that even after 33 years, the manual scavenging still exists in many States. The Secretary, HUPA, while agreeing to the concern of the Committee deposed as under:—

“You are right. Manual scavenging should have been removed long ago. The target the Prime Minister has fixed is December, 2007. But it is a shame that manual scavenging still persists and some of the States, like in Uttarakhand, it still persists and there have been photographs of manual scavenging being done there. Actually I bow my head in shame.”

3.45 The representatives of the Ministry further admitted as follows:—

“The existing system has some limitations and that is why States are not coming. The Ministry is coming up with the revised guidelines for integrated low cost sanitation scheme.”

3.46 In response to a specific query from the Committee he informed that they will come up with the new scheme in two months.

#### **Need for review of the Integrated Low Cost Sanitation Scheme in the Light of its poor performance in many States**

3.47 The Committee note that in order to eliminate the abhorring practice of physically carrying night soil, the centrally sponsored scheme for ILCS was initiated way back in 1987. The Committee further observe that the Employment of manual Scavengers and Construction of Dry Latrines( Prohibition ) Act , 1993 was enacted by the Parliament in the year 1994, which provides that no person shall engage in or be employed for manually carrying night soil nor maintain a dry latrine. However, the Committee are deeply pained to note that even after a lapse of more than a decade since the Act was passed, the most shameful, inhuman and degrading practice of manual handling of night soil is still prevalent in many parts of the country. The Committee have been informed that as on date, out of 28 States, only 13 States and 7 Union Territories have declared themselves scavenger free while in the rest of the States, the practice still persists. Even the Secretary was candid enough to admit this fact during the evidence. In this scenario, the Committee regret to note that the scope and impact of the scheme has not been able so far to abolish this practice despite a twenty-year run. In many States, the Scheme has failed to evoke the requisite enthusiasm which calls for a need to identify the hurdles and bottlenecks in the implementation of the scheme. Although the Ministry, as per the modifications suggested in the ILCS Scheme, has stated that the whole country is to be declared scavenger free by 31.3.2007, the Committee have genuine doubts about actual attainment of this goal. In the light of this, the Committee recommend that the Ministry should revise and implement the guidelines of the scheme urgently by examining the existing subsidy scheme in order to make it more feasible. They desire that the Ministry should set quarterly targets for State Governments to convert dry latrines into wet ones and monitor it closely. The information, education and communication component of the scheme should also be strengthened by undertaking more motivation campaigns through mass-media for cleaner sanitary practices among the general public.

#### **Introduction of the Concept of Community Toilets**

3.48 The Committee note that community toilets are the best tools to promote better sanitation practices among the public residing

in the slum areas and unauthorized clusters. Community toilets are especially important for slums where it is not possible to construct individual household toilets due to unavailability of space and other facilities. The Committee are happy to note that the Ministry are exploring the possibility of introducing community toilets under ILCS Scheme. The Committee desire that, in addition, the Ministry may also examine the concept of 'Eco-toilets' as introduced in Karnataka which reportedly has proved to be quite successful. The Committee recommend the Ministry to despatch an expert team to the State of Karnataka to see the actual working of this concept and explore the feasibility of extending the same to other areas.

#### Need to Reduce the Disparity in the Fund Disbursement under the ILCS Scheme

3.49 The Committee find that the implementation of Integrated Low Cost Sanitation (ILCS) scheme for eradication of manual scavenging has been painfully slow and not many States are keen to prepare viable plans to avail the benefits under the scheme. The Committee are quite perturbed to note that out of the budgetary allocation of Rs. 30 crore earmarked for 2006-2007, only one state *i.e.* Uttar Pradesh came up with projects under this scheme and almost the entire amount was disbursed to only that state. This is a clear case of failure on the part of the Ministry to impress upon the other State Governments to avail the benefits under the scheme. The Committee also find that enough feedback is not forthcoming from the States in order to assess the magnitude and extent of the problem. The Committee, therefore recommend that the Ministry should motivate and guide the States to come up with more viable projects under the scheme. As the modification of the scheme is already underway, the Committee hope that it would be able to attract more proposals from those State Governments where the practice of manual scavenging still exists.

#### III. INTEREST SUBSIDY SCHEME FOR HOUSING FOR THE URBAN POOR (ISSHUP)

3.50 As per the information furnished to them, the Committee note that Housing is the largest component of wealth leading to asset building, old age security, women empowerment and sound collateral for various finances. Besides promoting financial stability and economic resilience, it has a multiple effect on income and employment generation. Therefore, housing the urban poor has become both urgent and important in the era of increasing urbanization. However in view

of a steep rise in real estate prices, the urban poor have a nearly zero chance of buying a house in towns and cities.

3.51 The Ministry informed the Committee that a new Scheme ISSHUP has been introduced from the current Financial Year for which an allocation of Rs. 30.00 crore has been made during 2007-2008. Under the scheme, an interest subsidy of 5% per annum for a period of 5 years only could be provided to commercial lenders for lending to the Economically Weaker Section (EWS) (monthly family income upto Rs. 3300) and Lower Income Group (LIG) (monthly family income ranging between Rs. 3301- upto Rs. 7300) segments of the urban areas. Interest subsidy had thus been expected to leverage market funds to flow into housing for poor.

3.52 Salient Features of Interest subsidy Scheme, as furnished to the Committee, are as follows:—

- (i) Interest subsidy will be available to EWS segments only. Maximum loan amount shall be restricted to Rs. 80,000 for EWS category and Rs. 1.50 lakh for LIG category. Interest subsidy of 5% p.a. on market rate of interest for a limited period of 5 years only will be given to ensure that the instalment will be less than 20% of the beneficiary's monthly family income. It is presumed that beneficiary will endeavour to increase his monthly income by about 10% p.a. and therefore, interest subsidy shall be withdrawn after 5 years. With increased monthly income, the beneficiary will graduate to pay normal EMI for next 10 years. The expected instalment will be less than 20% of the beneficiary's monthly family income.
- (ii) The proposed scheme will be launched under the aegis of Ministry of Housing and Urban Poverty Alleviation, which will implement the Interest Subsidy Scheme, including review and monitoring of the outcome of the Scheme.
- (iii) Ministry of Housing & Urban Poverty Alleviation will set up an Inter Ministerial Steering Committee under the Chairpersonship of Secretary, Ministry of Housing & Urban Poverty Alleviation and members draw from Planning Commission, Ministry of Finance, Reserve Bank of India, National Housing Board, Housing & Urban Development Corporation, major lenders and two independent eminent personalities on urban development.

- (iv) National Housing Board (NHB) and Housing & Urban Development Corporation (HUDCO) will be the Nodal Agencies for disbursement of the subsidy and monitoring the progress. NHB will be the nodal agency in respect of scheduled banks, housing finance companies, (other than HUDCO), Micro Finance Institutions. HUDCO will be the nodal agency for direct loans made by itself, State Govt. agencies, apex Co-operative Housing Societies and other institutions, as may be notified by Ministry of Housing & Urban Poverty Alleviation.
- (v) Subsidy will be available to all primary lending institutions as may be approved by Inter Ministerial Steering Committee. The case of interest subsidy essentially rests on the grounds of affordability, leveraging of funds from market and larger coverage.

3.53 The Committee were of the opinion that in view of the noble objective of the scheme, it was imperative to ensure that no misuse was made of the scheme. When asked as to how the Ministry propose to ensure this and also details as to whether the guidelines for use of subsidy amount by the nodal agencies have already been prepared along with the current position of this scheme, the Ministry, in their written reply, stated as under:

“The Ministry of Housing and Urban Poverty Alleviation is in the process to provide interest rate subsidy to Economically Weaker Sections/Low Income Group category for Housing Sector. The comments of National Housing Bank (NHB)/Housing and Urban Development Corporation Ltd. (HUDCO) are being obtained on the draft EFC Memo before the same is circulated to all Ministries/ Departments concerned. The implementation mechanism of the scheme will check its misuse by any quarter, as it have the view points of National Housing Bank (NHB)/Housing and Urban Development Corporation Ltd. (HUDCO) and all Ministries/ Departments concerned of the Government of India.”

#### **Launching of ISSHU in the 11th Five Year Plan**

3.54 The Committee are informed that a new scheme Interest Subsidy Scheme for Housing for the Urban Poor has been introduced from this financial year with an allocation of Rs. 30.00 crore in the 2007-2008 budget of the Ministry. Under the scheme, interest subsidy of 5% per annum for a period of five years only will be provided to the commercial lenders for lending to EWS and LIG segments of



the people in the urban areas. The target groups under the scheme are EWS and LIG and interest subsidy is expected to leverage market funds to flow to housing the poor. The Committee feel that while the efforts of the Ministry for providing housing facility to urban poor through the interest subsidy is laudable, the actual impact of the scheme in meeting the housing need of the urban poor will be seen only after it is actually implemented. The Committee recommend that while every effort should be made to finalise the intricacies of the scheme at the earliest and implement it in an efficient manner, considerable caution is required to ensure that no undue advantage of the scheme is taken by the landmafia and other vested interests and the actual benefits accrue to the intended sections of the society.

#### IV. BASIC SERVICES TO THE URBAN POOR (BSUP)

##### **A sub-Mission under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM)**

3.55 The JNNURM, launched on 3rd December, 2005, comprises two Sub-Missions – one for Basic Services to the Urban Poor (BSUP) and the other for Infrastructure and Governance.

3.56 From the material furnished to them, the Committee noted that the Sub-Mission **Basic Services to the Urban Poor (BSUP)**, implemented by the Ministry of Housing and Urban Poverty Alleviation (HUPA) was launched with the following objectives:—

- Focused attention to integrated development of basic services to the urban poor;
- Security of tenure at affordable price, improved housing, water supply, sanitation;
- Convergence of services in fields of education, health and social security;
- As far as possible providing housing near the place of occupation of the urban poor;
- Effective linkage between asset creation and asset management to ensure efficiency;
- Scaling up delivery of civic amenities and provision of utilities with emphasis on universal access to urban poor;
- Ensuring adequate investment of funds to fulfil deficiencies in the basic services to the urban poor.



3.57 The Committee noted that under BSUP Central fund will be released as Additional Central Assistance (in the form of grant). The financing of the projects would be as under:

Category of cities	Grant Central Share	State/ULB/Parastatal share, including Beneficiary contribution
Cities with 4 million plus population as per 2001 census	50%	50%
Cities with million plus but less than 4 million population as per 2001 census	50%	50%
Cities/towns in North Eastern States and Jammu & Kashmir	90%	10%
Other Cities	80%	20%

3.58 The Committee further noted that a City Development Plan (CDP) was required before the city could access Mission funds. The State Governments and the Urban Local Bodies (ULBs)/Parastatals were required to execute a Memorandum of Agreement (MoA) with Government of India indicating their commitment to implement the identified reforms, as a necessary condition to access Central Assistance. Memorandum of Agreement (MoA) were to be State & City specific comprising Basic Services to the Urban Poor (BSUP). CDPs and MoAs were common for both the Ministry of Urban Development and Ministry of Urban Employment & Poverty Alleviation. The Committee were also informed by the Ministry that during 2005-2006, ten projects were received and considered by the Central sanctioning & Monitoring Committee from three States, viz., Andhra Pradesh, Madhya Pradesh and Gujarat and nine projects were approved by the said Committee in respect of Andhra Pradesh and Madhya Pradesh.

3.59 In reply to a query by the Committee, the Ministry stated that the funds for the scheme was provided in the Demands for Grants of the Ministry of Finance as additional Central Assistance to States. The allocation for the year 2007-2008 was given as Rs. 1322.34 crore.

Month-wise details of the ACA released by the Department of Expenditure was furnished as follows:

Sl. No.	Month in which fund released by Department of Expenditure	Amount released under BSUP	Amount released under IHSDP
1.	Apr-06	15.19	
2.	Sep-06	18.39	
3.	Nov-06	146.93	
4.	Dec-06	214.36	
5.	Feb-07	157.62	139.14
6.	March-2007 (upto 8th)	8.64	
	Total	561.13	139.14

3.60 When asked about the level of performance of the States and Union Territories, the Ministry stated that all the States were not in a position to utilize the budget. However, some States did come up with projects capable of absorbing the entire allocation for the year 2006-07. When asked to furnish a list the following States, who were not in a position to utilize the funds and did not submit projects during the year 2006-07, the Ministry submitted the following list:

1. Arunachal Pradesh
2. Assam
3. Bihar
4. Goa
5. Himachal Pradesh
6. Jammu & Kashmir
7. Jharkhand
8. Manipur
9. Meghalaya
10. Mizoram
11. Orissa
12. Punjab

13. Rajasthan
14. Sikkim
15. Tripura
16. Uttaranchal (now Uttarakhand)
17. Delhi
18. Pondicherry

3.61 The States, who have submitted projects that have been approved, were as under:—

1. Andhra Pradesh
2. Chhattisgarh
3. Chandigarh (UT)
4. Gujarat
5. Haryana
6. Karnataka
7. Kerala
8. Madhya Pradesh
9. Maharashtra
10. Nagaland
11. Tamil Nadu
12. Uttar Pradesh
13. West Bengal

3.62 As per the Ministry inadequate level of capacity building at State/Urban Local Bodies was the primary reason for different performance of States under JNNURM. Status of CDPs approved and MoAs signed as furnished to the Committee, is reproduced at **Appendix-V and VI.**

3.63 With regard to the concern expressed over the overall progress of the JNNURM, the representative of the Ministry sought to assure the Committee during the oral evidence:

“In JNNURM, this was the first year of the mission and because of that reason we were not able to spend the funds as much as

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\*As on 19.3.2007.

we would be able to spend in the next years and the Ministry understands the concern of Hon'ble Members. Our Secretary has discussed it more than once in the internal meetings. The progress in the years to come would be better."

3.64 When the Committee desired to be apprised about specific measures being taken by the Ministry to enthuse the Municipal bodies and ULBs to undertake the mandatory and optional reforms under the scheme, the Ministry informed the Committee as follows:-

"The Ministry has conducted capacity building workshop and conferences at various parts of the country which were attended by officials of States, Municipal Commissioners and other stake holders. The reforms to be undertaken and the projects to be implemented under the JNNURM are dependent upon the capacity of the ULBs Keeping in view the lack of proper capacity building at the State/municipal level, the Ministry of HUPA has prepared an action plan for strengthening the capacity building of the State and Urban Local Bodies and for preparing city/state/slum/urban poverty profile for which the State Governments are given financial assistance."

3.65 Elaborating on the preparation of City Development Plans under JNNURM, the Secretary, Ministry of Housing and Urban Poverty Alleviation (HUPA) stated during the course of oral evidence as follows:-

"Sir, a sum of Rs. 14 crore has been allocated in the Ministry's Demand for Grant to meet the expenditure on preparation and appraisal of CDP, Detailed Project Reports, Development of Poverty and Slum Profiles, organization of workshops, seminars, training, capacity building and related activities. The City Development Plans received from some States suffered from many infirmities. We had to send the same back to the State Governments with the comments that the Plan does not conform to our guidelines. Now, the State Governments are improving. We are happy to report that the City Development Plans are meeting our requirements. We are approving the same quite quickly. CDPs enable capacity building for effective implementation of the JNNURM."

3.66 Jawaharlal Nehru National Urban Renewal Mission, being the only Mission mode scheme for the nation as a whole, needs to be implemented uniformly. However, statistics showed that as many as 18 States were not in a position to utilize the fund and the money was going to only one or two States. The Committee had felt that

under JNNURM, all big projects and programmes, meant for providing basic facilities to the poorest of the poor in urban areas, were not taking off. When the Committee expressed their collective concern about the same and asked the ministry as to how do they justify this, the Secretary, Ministry of Housing and Urban Poverty Alleviation (HUPA), during the course of oral evidence submitted as under:

“If we are not implementing any scheme properly we do not have any justification to exist. That is the bottom line. It is true that some of the States are cornering large sums of money. I will not name the States, but the list is there. Some of the States are not sending any schemes. Their CDPs are poor. Their progress is not good and we need to improve this situation. This situation can only be improved by again going back to the State Governments, again talking to them and making sure that the CDPs and the Project Reports are in line with what we expect.”

We will try again and listen carefully to the concerns expressed by the Hon’ble Committee.... starting 1st of April, we will send our teams to the State Governments and we will send our teams from HUDCO, HPL and BMPTC. May be in three month’s time, a different picture will emerge. That is my assurance.”

3.67 The Committee further desired to know whether private public participation (PPP) model is being explored by the Ministry in order to provide the much needed basic services of housing and habitat to the urban poor population. In the subsequent reply, the Ministry stated as under:-

“Earmarking at least 20-25% of developed land in all housing projects (both Public and Private Agencies) for EWS/LIG category, with a system of cross subsidization, and encouraging Public-Private partnership are among the reforms which the Urban Local Bodies and State Governments have agreed to undertake. In order to further explore the viable implementation of private public participation projects, the National Core Group on Urban Poverty constituted under the chairmanship of Minister, Housing and Urban Poverty Alleviation (HUPA) is examining the issue.”

#### IV. INTEGRATED HOUSING & SLUM DEVELOPMENT PROGRAMME (IHSDP)

3.68 For other cities/towns not covered under – JNNURM two schemes, namely, Integrated Housing & Slum Development Programme (IHSDP) and Urban Infrastructure Development Scheme for Small and

Medium Towns (UIDSSMT) were launched along with JNNURM on 3.12.2005. The then existing Valmiki Ambedkar Awaas Yojana (VAMBAY) and the discontinued National Slum Development Scheme (NSDP) stood subsumed in the IHSDP. The IHSDP, implemented by Ministry of UEPA, was launched with the objective to strive for holistic slum development, with a healthy and enabling urban environment, by providing adequate shelter and basic infrastructure facilities to the slum dwellers of the identified urban areas. Unspent balances lying with States/UTs under VAMBAY and NSDP were to be used in the respective schemes for completion of ongoing projects.

### **Funding**

3.69 With regard to a query from the Committee on the funding pattern of the Scheme, the Ministry, in a written note informed as under:-

“The sharing of funds would be in the ratio of 80:20 between Central Government and State Government/ULB/Parastatals. For special category States, the funding pattern between Centre and States will be in the ratio of 90:10. The Central fund will be released as Additional Central Assistance (grant). As in the case of BSUP, signing of a tripartite MoA is a necessary condition to access Central Assistance. As on 19.03.2007, eleven States (Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Madhya Pradesh, Maharashtra, Nagaland, Rajasthan, Uttar Pradesh and West Bengal) have signed MoA under IHSDP. In the next couple of days\* States of Kerala, Tamil Nadu and Assam will also be signing the MoA. Status of DPRs received under IHSDP is given in **Appendix-VII.**”

3.70 Responding to a point raised by the Committee that there was a great disparity in the performance of different States, in so far as the implementation of the Scheme is concerned, the Ministry stated as under:-

“The disparity is primarily due to lack of preparedness by some States in preparing City Development Plan, Detailed Project Reports and Plans for Implementation of Reforms under JNNURM. Training programmes have been conducted for various States on issues like preparation of Detailed Project Reports etc. The Ministry of HUPA has circulated Model Detailed Project Report to guide States in preparing projects. In coordination with the State agencies, the Ministry has also conducted a number of seminars and capacity building workshops in various States.”

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\*This reply was furnished by the Ministry on 26.3.2007.

3.71 From the figures furnished to them, the Committee noticed that the allocation for the year 2007-2008 for IHSDP was Rs. 488.04 crore as ACA to States/UTs, which was provided in the Demands for Grants of Ministry of Finance, while the budgetary estimates for this scheme for 2006-2007 stood at Rs. 500 crore. When asked as to why there was a decrease of Rs. 11.96 crore in the budgetary allocation for this scheme, the Ministry, in their written reply, stated that an allocation of Rs. 1000 crore was sought by them under IHSDP for the year 2007-08 and Planning Commission had indicated that Rs. 800 crore would be the allocation during the year 2007-08. However, Planning Commission in their discretion allocated Rs. 488.04 crore for IHSDP. The Ministry also submitted before the Committee that the earmarked amount of Rs. 488.04 crore could be insufficient considering the proposed demands from a large number of States that had not submitted projects as well as expected demands from States for second instalment.

3.72 The Committee were also informed that under the IHSDP, the Department of Expenditure had released Rs. 139.14 crore in the month of February, 2007.

3.73 When asked to explain the reasons for non-release of funds from April 2006 to February, 2007 as well as the release of Rs. 139.14 crore in the month of February, 2007 suddenly, the Ministry, in their reply, clarified that IHSDP was a demand-driven programme and thus, the release of funds was dependent upon the acceptance of reforms by the State Governments, Urban Local Bodies and para-statal agencies. This required the execution of a Memorandum of Agreement (MoA) with the Government of India. Also, the process of release of funds involved the preparation of Detailed Project Reports (DPRs) and its appraisal at the State level and then by the Ministry. In order to speed up the process, the Ministry was stated to have planned to hold a number of workshops/seminars across India during the year 2007-2008 for creating awareness and adequate capacity building at States/Urban Local Bodies level. Further, the nodal officer of the States were said to be asked by the Ministry to submit the DPRs to the Ministry as per JNNURM guidelines.

3.74 As a suggestion, the Ministry further made a submission to the Committee that to make implementation of JNNURM more successful, release of funds might be allowed to administrative Ministry since it was in a better position to recognize and understand the activities related to formulation, adoption and execution of projects. The Ministry also informed the Committee that they were constantly

pursuing at the higher level with Planning Commission and Ministry of Finance to allocate the funds for BSUP and IHSDP in Plan Budget of the Ministry of Housing and Urban Poverty Alleviation, thus making it a Centrally Sponsored Scheme.

#### **Integrated Slum Development to be accorded top priority**

3.75 The Committee note that the availability of basic civic amenities/services in the urban areas are grossly insufficient in view of the rapid urbanization in the Country. Majority of the city population do not have access to basic services such as clean drinking water supply, sewerage, drainage network, garbage disposal facilities etc. Besides, in the absence of proper housing and human settlements, the urban poor are compelled to live in dilapidated and impoverished slums and unauthorized clusters. Therefore, it is high time that slum development is made a priority in the Government's agenda. In this context, the Committee would like to recall that the National Common Minimum Programme of the Government has also sought to give utmost importance to providing basic services to urban poor. The Committee further note that to have an integrated approach to ameliorate the conditions of the urban dwellers, the only flagship scheme of JNNURM was launched in December, 2005. However the Committee are constrained to note that even though the scheme is in a mission mode, many States are yet to come up with viable projects under it. From the figures, they note that as many as 18 States are lagging behind, as they are not in a position to utilize the funds allocated under JNNURM. Even the Secretary, HUPA, has admitted during the oral evidence that many States are not sending any schemes under JNNURM and even those CDPs which have been submitted by certain States also are found to be non-viable. Keeping this in view, the Committee desire that regular capacity building programmes need to be conducted vigourously at the State and Union Territory levels for preparation of City Development Plans and that integrated development of urban slums should be given topmost priority in preparation of CDPs. The ULBs as well as the nodal agencies at the State level should be trained to prepare acceptable CDPs so that more States could avail of the benefits of the scheme during the remaining five years of its seven year duration. Further, the Committee feel that there is an urgent need to have a national perspective on the issues concerning slum development throughout the country, which can have a universal acceptance. This, the Committee believe, would be very helpful in giving the requisite thrust to the schemes/programmes like those under JNNURM for the benefit of urban poor.



### Increase in allocation under JNNURM

3.76 The Committee are pained to note that influx of rural population to urban areas has led to a sharp rise in urban slums and unauthorized settlements with virtually no access to civic amenities and other utilities. To cope with the growing urban population and provide them with basic services, the Ministry needs a corresponding increase in the Plan allocation so that the delivery of civic amenities and provision of utilities for the urban poor could be ensured. Therefore, the Committee recommend that the allocation under this Head needs a re-look. They also are of the view that for smooth and speedy disbursement of funds under this scheme, the budgetary allocation for BSUP and IHSDP need to be shifted from the Department of Expenditure to the Ministry of HUPA.

Even disbursement of funds throughout the year in order to avoid March rush and under utilization

3.77 The Committee find that under the Integrated Housing and Slum Development Programme, a sum of Rs. 139.14 crore was released and that too in the month of February 2007. Though the Committee have time and again advised the Ministry for an even disbursement of funds under the JNNURM in order to avoid any March rush, the Committee find that under the IHSDP there was no release of fund from April, 2006 to January 2007 and suddenly in the month of February 2007, a total of Rs. 139.14 crore was released at one go. In this regard, the Committee recall that even the Ministry of Finance has formulated a stipulation advising the Ministries against March rush. They, therefore, feel that release of funds of IHSDP in February, 2007 is highly uncalled for. The Committee take a serious note of this undesirable trend and counsel the Ministry to avoid such a disproportionate release of fund, which adversely affects the overall performance of the Scheme.

## CHAPTER IV

### URBAN HOUSING

**Statement showing summary of Demand under the Head (2216) for the last years from 2003-2004 to 2007-2008, the percentage increase/decrease.**

(Rs. in crore)

Year	Plan + Non-Plan	% increase
2003-2004	252.95	18.75%
2004-2005	300.37	
2004-2005	300.37	0.00%
2005-2006	263.35	
2005-2006	263.35	-64.65%
2006-2007	93.10	
2006-2007	93.10	-43.19%
2007-2008	52.89	

4.1 From the above statement furnished to them the Committee noted that with growing demand for urban housing, although there was an increasing need for more budgetary allocation in the Housing sector, yet there was a sharp decrease in allocation under this Head from the 2005-2006 onwards. When asked so, the Ministry informed that the decrease in allocation under this Head was due to lesser allocation to Valmiki Ambedkar Awaas Yojana (VAMBAY), which stood subsumed in JNNURM in the year 2005.

4.2 According to their Annual Report (2006-2007), the Committee noted that the Ministry of Housing and Urban Poverty Alleviation is the apex authority of Government of India at the national level for formulation of housing policy and programme, review of the implementation of the plan scheme, collection and dissemination of data on housing, building materials/techniques and for adopting general measures for reduction of building costs. It also has a nodal

responsibility for National Housing Policy 1998. As the nodal Ministry, it monitors the following points under the 20 point programme - 1986:-

- 14(d) Economically Weaker Section (EWS) Housing
- 14(e) Low Income Group (LIG) Housing and
- 15 (EIUS)- Environment Improvement of Urban Slums

4.3 The Ministry of Housing & Urban Poverty Alleviation, however, does not provide the funds for the above-mentioned schemes under the 20-point programme.

4.4 It was further noted that the Ministry in consultation with the States/Union Territories fixes the physical targets in respect of the points mentioned above and monitors the progress made by them. The States/Union Territories are required to furnish progress reports on Monthly/Half Yearly and Annual basis to this Ministry. The physical monitoring is done by obtaining periodical reports from them. In addition, two evaluatory items namely 'use of low cost building material' under Point 14 and 'restricting growth of urban slums' under Point 15 are also monitored.

4.5 The Annual Report acknowledges that based on the information received from various States/Union Territories, the level of performance varies in matters of physical achievements. In this context, the low level of performance in housing sectors has been attributed to inadequate Budget provision, land acquisition problem, difficulty in providing services, inadequate access to institutional finance, shortage of building materials/resources, rising cost of construction, etc.

4.6 From the Annual Report, the Committee noted the following activities and performance of the Ministry:—

**(i) Economically Weaker Section (EWS) Housing**

Investments for EWS housing are made by the State Governments and UT Administrations through provision made under their Plans. This is supplemented by loans from Institutional finance. Refinance is also available from the National Housing Bank to States, HUDCO, Cooperatives and other Organizations involved in the construction of EWS Housing.

During the year 2006-07, 22960 dwelling units were constructed upto August, 2006 against the annual targets of 114181 dwelling units (**Appendix-VIII**).

### **(ii) Low Income Group (LIG) Housing**

This scheme is long term in nature and is being executed by the State Governments/Union Territories through Housing Boards and Housing Departments. The Budget provisions are made under the States/Uts Plans and are supplemented by institutional finance.

During the year 2006-07, 2251 dwelling units were constructed upto August, 2006 against the annual targets of 24003 dwelling units (**Appendix-IX**).

### **(iii) Environmental Improvement of Urban Slums(EIUS)**

The objective of the scheme is to ensure environmental improvement of urban slums by extending basic infrastructure in the peripheral dwelling units. Under this scheme, State Governments and Union Territories promote environmental improvement by providing the following basic amenities.

- Water Supply
- Sewer-open drains with normal outflow avoiding accumulation of stagnant waste water
- storm water drains
- community baths and latrines
- widening and paving of existing pathways
- street lighting
- other community facilities to slum dwellers.

During the year 2006-07, 330958 persons were covered upto August, 2006 against the annual targets of 2669342 persons (**Appendix -X**).

### **Two Million Housing Programme (2MHP)**

4.7 As per the Annual Report (2006-2007) of the Ministry, in accordance with the National Housing & Habitat Policy 1998 which focuses on Housing for All as a priority area, with particular stress on the needs of the Economically Weaker sections and Low Income Group categories, the Two Million Housing Programme was launched during 1998-99. This is a loan based scheme, which envisages facilitating construction of 20 lakh additional units every year (7 lakh Dwelling Units (DUs) - in Urban areas; 13 lakh DUs in Rural areas). HUDCO is to meet the target of 4 lakh dwelling units in Urban areas and

6 lakh dwelling units in Rural areas annually. The target of 2 lakh dwelling units in Urban areas is to be met by Housing Finance Institutions [HFIs] recognized by the National Housing Bank & Public Sector Banks and the balance 1 lakh dwelling units in Urban areas by the Co-operative Sector.

4.8 With regard to the physical and financial progress of the Two Million Housing Programme from 1998-1999 till 2006-2007, the Ministry submitted details to the Committee, which are placed below:

Year-wise, organization-wise details of progress of 2MHP in urban areas:

Year	Annual Target (DUs)	No. of Dwelling Units	Amount Sanctioned (Rs. in Crore)	No. of Dwelling Units	Amount Sanctioned (Rs. in Crore)	No. of Dwelling Units	Amount Sanctioned (Rs. in crore)	No. of Dwelling Units	Amount Sanctioned (Rs. in crore)
1998-99	700000	430399	1193.35	193671	6123.05	174944	1205.88	799014	8522.28
1999-00	700000	460218	1159.11	226495	5639.39	88218	1240.86	774931	8039.36
2000-01	700000	470881	578.87	333736	8871.66	80899	1367.72	885516	10818.25
2001-02	700000	401078	450.48	458615	12870.12	73659	1392.90	933352	14713.50
2002-03	700000	459969	2792.91	637091	19148.71	73461	1287.09	1170521	23228.71
2003-04	700000	427455	685.77	621331	22491.35	89948	1538.93	1138734	24716.05
2004-05	700000	254885	1055.52	434675	21016.98	117004	1782.16	806564	23854.66
2005-06	700000	184597	749.28	440859	32504.04	69499	0	694955	33253.32
2006-07	700000	13796	719.35	□	□	□	□	13796	719.35
<b>Total</b>	<b>6300000</b>	<b>3103278</b>	<b>9384.64</b>	<b>3346473</b>	<b>128665.30</b>	<b>767632</b>	<b>9815.54</b>	<b>7217383</b>	<b>147865.48</b>

4.9 As per the Ministry, the primary responsibility for fulfillment of the targets in physical terms rested with the State Governments, while HUDCO and other agencies made the funds available in the form of loans. Hence the successful implementation of the scheme largely depended upon the cooperation of the agencies of the State Governments responsible for launching and implementation of various housing schemes. The Ministry also stated in their Annual Report that the Housing Cooperative societies and private sector would also be encouraged to participate in the housing activity in a big way provided a facilitating environment was created by the State Governments in the form of legal, administrative and fiscal reforms.

4.10 During the course of oral evidence when the Committee pointed out that the Housing for the poor *i.e.* for the EWS and LIG

housing of 20 Point Programme – *Sabke Liye Aawas* are not picking up as per target, the Secretary, Ministry of Housing and Urban Poverty Alleviation stated:—

“Sir, EWS and LIG are very vulnerable. We need to support them. As I suggested to you, we have now a scheme for affordable EWS and LIG through the Finance Department, which is interest subsidy. We hope that it will start implementing in April itself. We hope that there will be some relief to the LIG and EWS.”

### Urban Housing Shortage

4.11 In reply to a query about the measures taken to handle housing shortage, the Ministry stated as under:—

“The estimated housing shortage has been divided amongst the States on the basis of the proportion of the number of households in the urban areas of State to the total number of households in the urban areas of State to the total number of households in the urban India as per the Census of India, 2001.”

The distribution of the housing shortage amongst the States as on 2007 was given to the Committee as follows:

“As per the 11th Five Year Plan the Estimation of Housing Shortage in the country as on 2007 are as under:—

(million)	
State/UTs	Housing Shortage
1	2
Andhra Pradesh	1.95
Arunachal Pradesh	0.02
Assam	0.31
Bihar	0.59
Chhattisgarh	0.36
Goa	0.07
Gujarat	1.66
Haryana	0.52

1	2
Himachal Pradesh	0.06
Jammu & Kashmir	0.18
Jharkhand	0.47
Karnataka	1.63
Kerala	0.76
Madhya Pradesh	1.29
Maharashtra	3.72
Manipur	0.05
Meghalaya	0.04
Mizoram	0.04
Nagaland	0.03
Orissa	0.50
Punjab	0.69
Rajasthan	1.00
Sikkim	0.01
Tamil Nadu	2.82
Tripura	0.06
Uttaranchal	0.18
Uttar Pradesh	2.38
West Bengal	2.04
A & N Islands	0.01
Chandigarh	0.08
Dadra & Nagar Haveli	0.01
Daman & Diu	0.01
Delhi	1.13
Lakshadweep	0.00
Pondicherry	0.06
<b>All India</b>	<b>24.71</b>

4.12 The Committee were informed that the total fund required in the urban housing sector at the beginning of the 11th Plan Period was Rs. 1471950.00 crore. During the 11th plan period, for new addition to the housing stock including the additional housing shortage, the investment amounting to Rs. 2141231 crore would be required. Thus the total fund requirement in the urban housing sector for the 11th plan period was estimated to be around Rs. 361318.1 crore.

**Actual shortage of EWS/LIG housing units by the end of 10th Five Year Plan**

Category	Housing shortage in Million as on 2007
EWS	21.78
LIG	2.89

**Shelterless population in urban areas-State-wise  
(As per Census-2001)**

States/UTs	Number of Shelterless Persons
1	2
Andhra Pradesh	66837
Arunachal Pradesh	82
Assam	2366
Bihar	12730
Chhattisgarh	6214
Gujarat	72095
Goa	2289
Haryana	23976
Himachal Pradesh	1317
Jammu & Kashmir	2622
Jharkhand	3889
Karnataka	40328



1	2
Kerla	7437
Madhya Pradesh	61870
Maharashtra	104512
Manipur	372
Meghalaya	183
Mizoram	263
Nagaland	748
Orissa	11832
Punjab	23409
Rajasthan	55361
Sikkim	58
Tamil Nadu	57128
Tripura	187
Uttar Pradesh	96642
Uttaranchal	3935
West Bengal	90809
A&N Islands	164
Chandigarh	2681
Dadra & Nagar Haveli	210
Daman & Diu	412
Delhi	23903
Pondicherry	1468
<b>Total</b>	<b>778329</b>

4.13 According to the estimate for Eleventh Plan, an amount of Rs. 3,61,318 crore was required for urban housing sector. When asked as to how the Ministry was planning to cope with the tremendous housing shortage, how would they raise funds for the same in view of the insufficient Budget allocation, and whether the Planning Commission was being approached to increase the fund in the Revised

Estimates, the representative of the Ministry, during the course of oral evidence, elaborated as under:—

“We have made a study of the total housing shortage in the country at the beginning of the Eleventh Plan. We constituted a Committee under Prof. Amitab Kundu of Jawaharlal Nehru University. So, this Committee with its expert members has come to a conclusion that 24.7 million is the housing shortage and out of which almost 95 per cent is belonging to EWS and LIG category because the middle income group and the HIG group are well covered by the market reforms. So, that is a cause of concern. So, the loan flow to the lower category is not coming. That is one major concern. We wanted to segment these 24.7 million houses into different segments because the upper segment can be taken care of by loans. The next segment can be taken care of by interest subsidy. If we give three to four per cent interest subsidy, they can be taken care of. Then one group can be taken care of by Town Planning Scheme. Another group can be taken care of by reservation. WE have proposed reservation.

When we have proposed 10 to 15 per cent reservation, we do not want it to be done as a matter of charity. So, we have suggested to the State Governments that they can give incentives. Supposing, some builders are able to give small flats with one room or two rooms tenement, they can be compensated. So, one group can be taken care of by the builders. Then, we are planning to take care of another group through JNNURM. We will be able to cover about one to two million houses out of 24.7 million houses under JNNURM. Then, there is interest rate subsidy of about five million.

A study is being given to the National Housing Bank Chairman. We have given him a study to work out and there is also a possibility to go for employer housing. We can even approach the employer. They can create one lakh or two lakh houses for the employees. Thus, we are trying to segment these 24.7 million houses into different segments, and for each segment we should have a different policy. We have already sounded the Planning Commission. That is why, for the first time, they have given us interest rate subsidy scheme. Once our report is ready, we will again approach the Planning Commission. It could be partly done by the private sector. Partly it could be done by Public-Private Partnership (PPP).”

4.14 In the Committee’s view, there was considerable scope for Foreign Direct Investment (FDI) in the Housing Sector and the same

needed to be viewed in light of the fact that even in other countries, maximum FDI inflows were in the Housing Sector alone. In this background the Ministry informed the Committee that the Government of India had allowed FDI under the automatic route in integrated townships and housing sectors with certain restrictions as per press note 2 (2005) series issued by the Ministry of Industrial Policy & Promotion and that the Ministry of Housing & Urban Poverty Alleviation was taking all efforts to attract FDI.

#### **National Urban Housing and Habitat Policy 2007**

4.15 From the material furnished by the Ministry, the Committee noted that the National Housing & Habitat Policy, 1998 was formulated to address the issues of sustainable development, infrastructure development and for strong public private partnerships for shelter delivery and was approved and laid before Parliament on 29.7.98. The objectives of the policy were to create surpluses in housing stock and facilitate construction of two million dwelling units each year in pursuance of national Agenda for Governance. It also sought to ensure that housing along with supporting services was treated as a priority sector at par with infrastructure.

4.16 The housing sector has witnessed several changes since the formulation of National Housing & Habitat Policy (NHHP) 1998, which has necessitated to review and revise the Policy. In this regard, the Committee were informed that a Task Force was constituted under the Chairpersonship of Secretary, Urban Employment & Poverty Alleviation on 27.1.2005 representing members from Planning Commission, Ministry of Finance & Others Ministries/Departments/State Governments and Financial and other institutions dealing with housing sectors. The terms of reference of the Task Force were:—

- (i) to review the existing Housing & Habitat Policy, suggest changes and draft a new Policy,
- (ii) to review the existing schemes, policies, guidelines, laws, bye-laws and rules & regulations at the Central/State levels in the housing and habitat sector and suggest revision of these in the light of the proposed revised Housing Policy; and
- (iii) to recommend the broad parameters on the lines of which the model laws, bye-laws, rules & regulations of the Central/State level may be drafted to boost the housing activities and to remove legal impediments in achieving goals of the proposed policy.

4.17 As per the Ministry, the Task Force had submitted a draft Policy to the Ministry, which was further discussed in a National Consultation convened under the Chairpersonship of Minister of State (Independent Charge) of this Ministry with representatives from State Govt. and Central Ministries, Task Force Members, NGOs & other stakeholders etc. on 5.10.2005 at New Delhi.

4.18 The Committee were further informed that a draft of the National Urban Housing and Habitat Policy had since been prepared to address these issues. Draft Cabinet Note on National Urban Housing & Habitat Policy had been circulated to 15 Ministries/Departments for their comments. As per the Ministry, comments from 14 Ministries/Departments had since been received . Subsequently it was decided on the suggestion of Planning Commission to place the draft policy in the Committee of Secretaries before placing it to Cabinet.

4.19 When the Committee sought the details of the proposed policy from the Ministry, the following was submitted:—

“The central theme of the proposed Policy is strong public-private partnerships for tackling housing and infrastructure problems. The Government would act as enabler and provide fiscal concessions, carry out legal and regulatory reforms and create a supportive environment. The private sector as the other partner is expected to come forward to undertake actual construction activities and invest and also run infrastructure services. Whereas the private sector would also be encouraged to carve plots and to make houses for the EWS/LIG through earmarking of land, cross subsidy, FAR relaxation & other models, the public sector would, however, retain a key role in social housing for the EWS/LIG. The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is seen as an important vehicle for social housing delivery by making housing affordable to slum dwellers.

The new Policy would *inter-alia* provide:(i) create adequate and affordable housing stock on rental & ownership basis (ii) promoting larger flow of funds to meet the requirements of Housing and infrastructure using innovative tools (iii) reviewing legal financial and administrative barriers facilitating access to terms, Land, finance, technology (iv) adopt pro-active financing policy including through Micro-finance and Self help Group programmes (v) for strong partnerships between Private Public and Co-operative Sectors to enhance capacity to deliver in housing & Urban infrastructure (v) Generate more FDI in Housing Sector in India by liberalizing

the guidelines etc. Due to the above, it is expected that more funds will be generated in Housing Sector.”

4.20 When asked about the present status of the new draft on National Urban Housing and Habitat Policy and the reasons for delay in the adoption of the draft new policy, the Ministry replied in a written note that the draft of the National Housing and Habitat Policy, 2007 (NUHHP-2007) had been finalized for approval of Cabinet Committee on Economic Affairs (CCEA). According to them, this Policy got delayed because the comments were not received in time from some Ministries. To cite an instance, the Planning Commission and Ministry of Rural Development sent their comments only in the month of February, 2007.

#### **Poor Performance under the Two Million-Housing Programme**

4.21 The Committee hardly need to stress that shelter, being one of the basic human needs just next to food and clothing, is a major growing requirement in urban areas. Due to the rapid pace of urbanization, increased migration from rural to urban centres in search of livelihood, mismatch between demand and supply of sites and services and dwelling units at affordable cost and the inability of poor urban settlers to afford houses, a non-sustainable situation has emerged in our cities which needs urgent attention. The Committee have been given to understand that the aim of the Government is to ensure that the basic need of ‘Shelter-to-all’ is fulfilled through schemes like the Two Million Housing Programme. However, the Committee find that the progress of the Two Million Housing programme has not been satisfactory. To cite an instance, the number of Dwelling Units constructed under the scheme for the year 2006-2007 remained as low as 13,796 as against the annual target of 7,00,000. In this regard, they are not convinced with the justification forwarded by the Ministry that the achievement under this scheme is low because fulfillment of physical targets under the scheme rests basically with the State Governments, while HUDCO and other agencies simply provide the loans and funds. The Committee are of the firm view that the Ministry of Housing and Urban Poverty Alleviation, being the nodal ministry in the housing sector, has the prime responsibility to ensure that the physical targets set for completion in a year are met by all the State Governments. It is only this way that the housing and shelter needs of the urban poor can be fulfilled and the housing shortage in the country can be brought down to the minimum.

## Public-private partnership in the Housing Sector

4.22 The Committee note that as the need for safe, durable and affordable housing is acute in India, the housing industry has become a vitally important economic engine for growth and development. The current housing shortage in the country is estimated to be around 24.07 million. The fund requirement in the housing sector is very large, which cannot be met solely with the limited public resources, even if it is increased substantially. This requires an encouragement to the private sector to play an important role in the housing scenario. Therefore, the Committee desire that the Ministry should encourage public-private partnership in addressing the issue of housing shortage particularly for the poor and the deprived sections of the society.

## Early Adoption of the National Urban Housing and Habitat Policy

4.23 The Committee express serious concern over the fact that there is considerable delay in the adoption of the draft National Urban Housing Policy. They have been made to understand that the draft policy has now been finalized for the approval of the Cabinet Committee on Economic Affairs, though comments from some Ministries are still awaited. The Committee desire that the Ministries concerned may be approached to send their comments without further delay so that the Housing and Habitat Policy can be adopted soon. Meanwhile, the Committee hope that all the relevant issues concerning major changes in housing and real estate sectors as well as habitat and human settlement issues will be taken care of in the draft policy. The Committee may be apprised about the progress in this regard within three months of presentation of this Report.

NEW DELHI;  
25 April, 2007  
5 Vaisakha, 1929 (Saka)

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

**APPENDIX I**

STATEMENT SHOWING SUMMARY OF DEMANDS FOR THE LAST YEARS 2003-04, 2004-2005 &  
2004-05, 2005-2006, 2006-07 AND 2007-08-THE PERCENTAGE INCREASE/DECREASE

DEMAND NO. 55 MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION

Revenue Section	Major Head	Plan + Non-Plan		% increase	Plan + Non-Plan		% increase	Plan + Non-Plan		% increase	Plan + Non-Plan		% increase
		2003-04	2004-05		2004-05	2005-06		2005-06	2006-07		2006-07	2007-08	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Secretariat	2052	1.55	1.65	6.45%	1.65	3.87	0.00%	3.87	3.86	-0.26%	3.86	4.25	10.10%
Water Supply & Sanitation	2215		50.00		50.00	30.00		30.00	30.00	0.00%	30.00	40.00	
Housing	2216	252.95	300.37	18.75%	300.37	263.35	0.00%	263.35	93.10	-64.65%	93.10	52.89	-43.19%
Urban Development	2217	0.00	75.00		75.00	0.10		0.10		-100.00%		14.00	
Other General Economic Services Swarna Jayanti Shahari Rozgar Yojana	3475	6.29	6.29	0.00%	6.29	6.29	0.00%	6.29	6.29	0.00%	6.29	8.00	27.19%
Grants in aid to State Government	3601	91.40	93.91	2.75%	93.91	150.90	0.00%	150.90	240.90	59.64%	240.90	334.00	38.65%

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Grants-in-aid to UTs	3602	1.91	1.91	0.00%	1.91	1.91	0.00%	1.91	1.91	0.00%	1.91	1.00	-47.64%
North Eastern Areas	2552	1.00	1.00	0.00%	1.00	50.00	0.00%	50.00	50.00	0.00%	50.00	50.00	0.00%
Total		355.10	530.13	49.29%	530.13	506.42	-4.47%	506.42	426.06	-15.87%	426.06	504.14	18.33%
CAPITAL SECTION													
Capital Outlay on Housing	4216	215.60	225.00	4.36%	225.00	0.00	0.00%	0.00	0.00		0.00	0.00	
North Eastern Areas	4552	61.50	82.00	33.33%	82.00	0.00	0.00%	0.00	0.00		0.00	0.00	
Investment in PSUs	6216	9.79	4.55	-53.52%	4.55	5.61	0.00%	5.61	5.61		5.61	5.61	0.00%
Total		286.89	311.35	8.60%	311.55	5.61	-98.20%	5.61	5.61		5.61	5.61	0.00%
Grand Total		641.99	841.68	31.10%	841.68	512.03	-39.17%	512.03	431.67	-15.69%	431.67	509.75	18.09%



**APPENDIX II**

**MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION**

**PLAN ALLOCATION & EXPENDITURE**

(Rs. in crore)

Sl.No.	Name of Schemes	2003-04			2004-05			2005-06			2006-07			2007-08
		BE	RE	Act. Exp.	BE	RE	Act. Exp.	BE	RE	Act. Exp.	BE	RE	Act. Exp. as on 24.3.2007	Allocation
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Urban Poverty Alleviation													
1.	SJSRY	94.50	94.50	101.81	103.00	122.00	122.10	159.99	159.99	159.90	250.00	250.00	227.75	344.00
2.	Employment Assurance & Skill Formation in Urban Areas	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.00
3.	Equity to HUDCO	215.60	215.60	215.60	225.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
4.	Housing Census Periodic Survey & MIS through NBO	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00	1.37	7.60
5.	Night Shelter Schemes	4.50	4.50	1.00	4.00	4.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6.	Resettlement of Slums in Dharavi	0.00	0.00	0.00	75.00	000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7.	Low Cost Sanitation for Liberation of Scavengers	30.00	4.80	4.80	30.00	30.00	20.00	30.00	5.00	2.00	30.00	30.00	30.00	40.00
8.	National Scheme for Liberation & Rehabilitation of Scavengers	40.00	40.00	24.27	20.00	20.00	13.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9.	BMTPC	3.00	4.00	4.00	5.00	5.77	4.92	4.52	4.52	3.09	4.30	4.30	4.30	7.00
10.	Grants to NCHF	0.20	0.20	0.22	0.40	0.64	0.40	0.38	0.38	0.38	0.36	0.36	0.36	0.40
11.	VAMBAY	238.50	238.50	238.55	280.58	280.58	269.41	249.00	182.62	95.65	75.01	49.34	3.42	0.00

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
12.	Infrastructure facilities in D.P. Colonies in West Bengal	6.00	5.00	4.44	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13.	UNDP Assistance for National Strategy for Urban Poor	0.00	0.00	0.00	4.00	4.00	4.00	5.00	6.47	2.83	9.00	9.00	4.11	5.00
14.	JNNURM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.00	5.87	14.00
15.	Urban Indicators Programme	0.20	0.20	0.11	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16.	N.E. Areas	62.50	62.50	51.00	83.00	83.00	82.00	50.00	40.00	45.06	50.00	50.00	50.00	50.00
17.	Urban Development Projects in N-E	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.01	0.00	0.00	0.00	0.00	0.00
18.	Computerisation	0.00	0.00	0.00	0.00	0.00	0.84	1.00	1.00	0.14	1.00	1.00	0.30	1.00
19.	Building Centre Scheme	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
20.	Interest Subsidy for housing to Urban poor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00
	Grand Total	695.00	669.80	645.80	830.00	650.00	621.24	500.00	400.00	309.05	421.67	410.00	327.48	500.00

## APPENDIX III

MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION  
UNSPENT BALANCES WITH STATE GOVERNMENT UNDER SJSRY

As on 21.03.2007  
(Rs. in Lakhs)

Sl.No.	Names of States/UTs	Central Funds released (including Opening Balance) upto 2004-05	UCs received till now	Balance fund available with States/UTs for which UCs are due	Central Funds released during 2005-2006 (UCs not become due)	Central Funds released during 2006-2007 (UCs not become due)	Total Central Funds available with State/UTs
1	2	3	4	5 = (3-4)	6	7	8 = (5+6+7)
1.	Andhra Pradesh	9939.82	10229.79	-289.97	1526.17	1938.99	3175.19
2.	Arunachal Pradesh	525.11	525.11	0.00	0.00	46.68	46.68
3.	Assam	2655.53	2655.53	0.00	0.00	368.27	368.27
4.	Bihar	2716.61	2716.61	0.00	681.66	0.00	681.66
5.	Chhattisgarh	1136.50	1136.50	0.00	405.67	698.46	1104.13
6.	Goa	222.90	164.06	58.84	0.00	0.00	58.84
7.	Gujarat	6341.78	6443.14	-101.36	0.00	894.65	793.29

1	2	3	4	5 = (3-4)	6	7	8 = (5+6+7)
8.	Haryana	2350.03	2504.27	-154.24	681.12	571.67	1098.55
9.	Himachal Pradesh	632.57	632.57	0.00	45.36	9.24	54.60
10.	Jammu & Kashmir	983.93	912.62	71.31	9.06	0.00	80.37
11.	Jharkhand	1075.48	0.00	1075.48	0.00	0.00	1075.48
12.	Karnataka	8236.96	8727.05	-490.09	822.99	1416.98	1749.88
13.	Kerala	3372.32	3490.22	-117.90	681.26	639.22	1202.58
14.	Madhya Pradesh	9291.98	9931.43	-639.45	1596.76	2388.35	3345.66
15.	Maharashtra	10495.78	12647.50	-2151.72	2552.92	3776.34	4177.54
16.	Manipur	657.97	657.97	0.00	111.39	0.00	111.39
17.	Meghalaya	434.75	338.81	95.94	0.00	0.00	95.94
18.	Mizoram	1711.51	1962.39	-250.88	351.90	533.40	634.42
19.	Nagaland	588.40	702.94	-114.54	194.51	145.23	225.20
20.	Orissa	2266.56	2466.56	-200.00	469.86	808.97	1078.83
21.	Punjab	1320.58	1331.58	-11.00	39.68	135.71	164.39
22.	Rajasthan	3799.72	3810.75	-11.03	495.38	852.93	1337.28

1	2	3	4	5 = (3-4)	6	7	8 = (5+6+7)
23.	Sikkim	375.07	376.95	-1.88	0.00	10.38	8.50
24.	Tamil Nadu	9143.16	9143.16	0.00	924.36	1891.51	2815.87
25.	Tripura	1460.23	1459.64	0.59	0.00	127.08	127.67
26.	Uttaranchal	353.76	559.48	-205.72	309.14	0.00	103.42
27.	Uttar Pradesh	16566.22	20772.72	-4206.50	3071.43	4566.49	343.42
28.	West Bengal	5591.43	6197.21	-605.78	617.47	1063.13	1074.82
29.	Andaman & Nicobar Islands	361.49	306.36	55.13	0.00	0.00	55.13
30.	Chandigarh	783.20	76.54	706.66	0.00	0.00	706.66
31.	Dadra & Nagar Haveli	369.11	300.54	68.57	0.00	0.00	68.57
32.	Daman & Diu	243.28	19.94	223.34	0.00	0.00	223.34
33.	Delhi	430.14	142.24	287.90	0.00	0.00	287.90
34.	Pondicherry	1036.48	859.94	176.54	0.00	0.00	176.54
	Total	107470.36	114202.12	-6731.76	15588.09	22883.68	31740.01

**APPENDIX IV**

**PHYSICAL TARGETS/ACHIEVEMENTS FOR 2006-07**

Sl.No.	State/UT	Total SJSRY Allocation in 2006-2007 (Rs. in Lakhs)	Central funds released in 2006-2007 (Rs. in Lakhs)	State-wise targets for setting up of micro-enterprises	State-wise achievements for setting up of micro-enterprises	State-wise targets for skill training to Urban Poor	State-wise achievements for skill training to Urban Poor
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	1938.99	1938.99	10904	2195	13630	4945
2.	Arunachal Pradesh	93.36	46.68	32	0	40	3
3.	Assam	1234.44	0.00	426	0	533	0
4.	Bihar	1173.65	0.00	6600	0	8250	0
5.	Chhattisgarh	698.46	349.23	3928	766	4910	1642
6.	Goa	18.79	0.00	106	0	132	0
7.	Gujarat	894.65	894.65	5031	2937	6289	735
8.	Haryana	171.67	571.67	965	1264	1207	3182
9.	Himachal Pradesh	9.24	9.24	52	137	65	256

1	2	3	4	5	6	7	8
10.	Jammu & Kashmir	15.61	0.00	88	0	110	0
11.	Jharkhand	391.11	0.00	2199	0	2749	0
12.	Karnataka	1416.98	1416.98	7968	25917	9961	14396
13.	Kerala	639.22	639.22	3597	1994	4491	2499
14.	Madhya Pradesh	1888.35	2388.35	10619	249	13274	6154
15.	Maharashtra	3276.34	3776.34	18425	2304	23031	865
16.	Manipur	342.32	0.00	118	0	148	628
17.	Meghalaya	176.35	0.00	61	0	76	0
18.	Mizoram	233.40	533.40	81	0	101	1906
19.	Nagaland	145.23	145.23	50	0	63	0
20.	Orissa	808.97	808.97	4549	2473	5687	931
21.	Punjab	136.63	135.71	768	0	960	0
22.	Rajasthan	852.93	852.93	4796	1941	5996	1210
23.	Sikkim	20.75	0.00	7	0	9	0
24.	Tamil Nadu	1591.51	1891.51	8950	6036	11187	3054



1	2	3	4	5	6	7	8
25.	Tripura	254.15	0.00	88	1020	110	561
26.	Uttaranchal	187.91	0.00	1057	0	1321	0
27.	Uttar Pradesh	3566.49	4566.49	20056	6496	25071	16871
28.	West Bengal	1063.13	531.57	59779	534	7473	12850
29.	Andaman & Nicobar Islands	55.79	0.00	43	15	54	0
30.	Chandigarh	104.61	0.00	81	18	101	515
31.	Dadra & Nagar Haveli	6.97	0.00	5	0	7	0
32.	Daman & Diu	11.62	0.00	9	0	11	0
33.	Delhi	165.37	0.00	2045	61	2557	0
34.	Pondicherry	25.63	0.00	317	0	396	0
	Total	23610.62	21497.16	120000	56357	150000	73203

**APPENDIX V**  
**JAWAHARLAL NEHRU URBAN RENEWAL**  
**MISSION IN 63 CITIES**

Sl.No.	City	Sl.No.	City
1	2		
<b>CDPs Submitted</b>		<b>CDPs not Submitted</b>	
<b>CDPs Approved</b>		<b>CDPs under Appraisal</b>	
1.	Puri	1.	Haridwar
2.	Shillong	2.	Nainital
3.	Dhanbad	3.	Delhi
4.	Agartala	4.	Pondicherry
5.	Agara	5.	Ujjain
6.	Ahmedabad	6.	Dehradun
7.	Ajmer-Pushkar	7.	Gangtok
8.	Allahabad		
9.	Amritsar		
10.	Asansol		
11.	Bangalore		
12.	Bhopal		
13.	Bhubaneshwar		
14.	Bodhgaya		
15.	Chandigarh		
16.	Chennai		
17.	Cochin		
18.	Coimbatore		
19.	Faridabad		

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1	2
20.	Greater Mumbai
21.	Guwahati
22.	Hyderabad
23.	Imphal
24.	Indore
25.	Jabalpur
26.	Jaipur
27.	Kanpur
28.	Kohima
29.	Kolkata
30.	Lucknow
31.	Ludhiana
32.	Madurai
33.	Mathura
34.	Meerut
35.	Mysore
36.	Nagpur
37.	Nanded
38.	Nashik
39.	Patna
40.	Pune
41.	Raipur
42.	Rajkot
43.	Srinagar
44.	Surat
45.	Thiruvananthapuram
46.	Vadodara

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1	2
47.	Varanasi
48.	Vijayawada
49.	Vishakhapatnam
50.	Aizwal
51.	Shimla
52.	Ranchi
53.	Jamshedpur
54.	Jammu
55.	Itanagar

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## APPENDIX VI

### REFORM AGENDA (MoA) NEGOTIATED AND SIGNED

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1.	Agra	Uttar Pradesh	07/01/2007
2.	Ahmedabad	Gujarat	24/03/2006
3.	Ajmer-Pushkar	Rajasthan	29/11/2006
4.	Allahabad	Uttar Pradesh	08/01/2007
5.	Amritsar	Punjab	08/12/2006
6.	Asansol	West Bengal	27/06/2006
7.	Bangalore	Karnataka	08/12/2006
8.	Bhopal	Madhya Pradesh	23/03/2006
9.	Bhubaneswar	Orissa	18/12/2006
10.	Bodhgaya	Bihar	10/02/2007
11.	Chandigarh	Chandigarh (UT)	27/10/2006
12.	Chennai	Tamil Nadu	13/11/2006
13.	Cochin	Kerala	10/03/2007
14.	Coimbatore	Tamil Nadu	29/07/2006
15.	Faridabad	Haryana	22/12/2006
16.	Greater Mumbai	Maharashtra	07/10/2006
17.	Guwahati	Assam	22/01/2007
18.	Hyderabad	Andhra Pradesh	27/03/2006
19.	Imphal	Manipur	21/11/2006
20.	Indore	Madhya Pradesh	23/03/2006
21.	Jabalpur	Madhya Pradesh	19/05/2006
22.	Jaipur	Rajasthan	04/08/2006
23.	Jammu	Jammu and Kashmir	29/12/2006
24.	Kanpur	Uttar Pradesh	08/01/2007
25.	Kohima	Nagaland	27/02/2007

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26.	Kolkata	West Bengal	28/06/2006
27.	Lucknow	Uttar Pradesh	08/01/2007
28.	Madurai	Tamil Nadu	31/07/2006
29.	Mathura	Uttar Pradesh	08/01/2007
30.	Meerut	Uttar Pradesh	08/01/2007
31.	Mysore	Karnataka	28/12/2006
32.	Nagpur	Maharashtra	26/03/2006
33.	Nanded	Maharashtra	29/07/2006
34.	Nashik	Maharashtra	29/11/2006
35.	Patna	Bihar	10/02/2007
36.	Pune	Maharashtra	27/04/2006
37.	Raipur	Chhattisgarh	11/08/2006
38.	Rajkot	Gujarat	24.03/2006
39.	Shimla	Himachal Pradesh	08/12/2006
40.	Srinagar	Jammu and Kashmir	29/12/2006
41.	Surat	Gujarat	27/03/2006
42.	Thiruvananthapuram	Kerala	10/03/2007
43.	Ujjain	Madhya Pradesh	13/03/2007
44.	Vadodara	Gujarat	04/04/2006
45.	Varanasi	Uttar Pradesh	08/01/2007
46.	Vijayawada	Andhra Pradesh	27/03/2006
47.	Vishakhapatnam	Andhra Pradesh	27/03/2006

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**APPENDIX VII**

**STATE-WISE STATUS OF DPRs RECEIVED & APPROVED UNDER  
INTEGRATED HOUSING & SLUM PROGRAMME (IHSDP)**

(Status as on 19.03.2007)  
(Rs. in crores)

Sl.No.	Name of States/UTs	DPRs Received		Project Under Appraisal	OPRs Returned for Modification	Projects not approved	Project Approved				1st installment of Central Assistance (50% of central)	ACA released by M/o Finance	
		No. of DPRs received	Proposed Project Costs				No. of Projects	No. of dwelling units (new construction)	No. of dwelling units (upgradation)	Total Approved Cost			Approved Central Share
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1.	Andhra Pradesh	60	993.3	33	1	1	25	24662	0	301.92	210.57	105.28	44.49
2.	Chhattisgarh	27	312.57	5	8	—	14	14846	0	176.50	122.01	61.00	4.40
3.	Haryana	60	560.25	16	29	—	15	14558	83	238.84	182.96	91.48	10.68
4.	Karnataka	35	583.26	28	4	—	3	2920	0	46.24	28.27	14.13	0.00
5.	Madhya Pradesh	36	226.74	6	7	1	22	14381	265	197.16	138.00	69.00	18.99
6.	Maharashtra	28	280.03	17	—	—	11	11360	0	131.11	104.05	52.03	0.00
7.	Rajasthan	32	190.32	5	12	—	15	2375	1649	59.45	46.49	23.25	23.25

1	2	3	4	5	6	7	8	9	10	11	12	13	14
8.	Uttar Pradesh	53	63.55	0	45	—	8	2032	0	29.01	22.11	11.05	11.05
9.	West Bengal	29	423.98	3	10	—	16	12824	0	201.20	150.57	74.23	21.57
10.	Jammu & Kashmir	13	52.25	13	0	—	0	0	0	0.0000	0.00	0.00	0.00
11.	Tamil Nadu	228	394.68	206	0	—	22	12407	483	146.000	112.56	56.28	4.71
12.	Nagaland	1	87.99	0	—	—	1	2496	0	87.7404	44.14	22.07	0.00
13.	Gujarat	8	74.70	4	0	—	4	2556	0	32.2000	23.17	11.58	0.00
14.	Kerala	15	63.49	0	—	—	15	3695.00	2053	65.2500	50.10	25.05	0.00
15.	Assam	3	12.24	0	—	—	3	613	0	12.2400	10.74	5.39	0.00
16.	Bihar	7	48.82	6	—	—	1	143	0	3.2000	2.56	1.28	0.00
	Total	635	4368.18	342	116	2	175	121868	4533	1728.12	1248.33	623.11	139.14



**APPENDIX VIII**

**TARGETS & ACHIEVEMENT OF POINT NO. 14 (D) EWS  
HOUSING OF 20 POINT PROGRAMME FOR THE YEAR 2006-07**

Sl.No.	States/UTs	Targets 2006-07	Achievement (upto August, 06)	% of Achievement
1.	Andhra Pradesh	85085	18897	22
2.	Assam	84	0	0
3.	Bihar	116	58	50
4.	Chhattisgarh	3000	0	0
5.	Gujarat	300	0	0
6.	Haryana	2000	0	0
7.	Jammu & Kashmir	326	0	0
8.	Karnataka	11435	3309	29
9.	Kerala	1343	178	13
10.	Maharashtra	90	69	69
11.	Manipur	270	0	0
12.	Mizoram	120	0	0
13.	Orissa	100	0	0
14.	Pondicherry	210	0	0
15.	Punjab	4275	0	0
16.	Rajasthan	1650	108	7
17.	Sikkim	2	0	0
18.	Uttar Pradesh	3500	348	10
19.	West Bengal	270	0	0
20.	Deman & Diu	5	0	0
	<b>Total</b>	<b>114181</b>	<b>22960</b>	<b>20</b>

### APPENDIX IX

#### TARGETS & ACHIEVEMENT OF POINT NO. 14 (E) LIG HOUSING OF 20 POINT PROGRAMME FOR THE YEAR 2006-07

Sl.No.	States	Targets 2006-07	Achievement (upto August, 06)	% of Achievement
1.	Andhra Pradesh	8708	925	11
2.	Assam	18	0	0
3.	Bihar	119	0	0
4.	Chhattisgarh	2000	0	0
5.	Goa	225	0	0
6.	Haryana	442	0	0
7.	Kerala	2580	433	17
8.	Maharashtra	1896	14	1
9.	Manipur	231	0	0
10.	Mizoram	160	0	0
11.	Pondicherry	180	0	0
12.	Punjab	2700	0	0
13.	Rajasthan	110	64	58
14.	Tamil Nadu	3828	696	18
15.	Uttar Pradesh	630	119	19
16.	West Bengal	176	0	0
	Total	24003	2251	9

Ministry of Housing & Urban Poverty Alleviation

## APPENDIX X

### TARGETS & ACHIEVEMENT OF POINT NO. 15 ENVIRONMENTAL IMPROVEMENT OF URBAN SLUMS FOR THE YEAR 2006-07

Sl.No.	States/UTs	Targets 2006-07	Achievement (upto August, 06)	% of Achievement
1.	Andhra Pradesh	454577	127848	28
2.	Assam	1250	0	0
3.	Bihar	70374	34960	50
4.	Chhattisgarh	2500	4500	18
5.	Delhi	93750	18557	20
6.	Himachal Pradesh	2550	212	8
7.	Jammu & Kashmir	16500	0	0
8.	Jharkhand	81675	0	0
9.	Karnataka	150530	0	0
10.	Kerala	11818	3335	28
11.	Manipur	3866	0	0
12.	Meghalaya	5625	807	14
13.	Mizoram	3500	44	1
14.	Nagaland	7500	0	0
15.	Orissa	2000	762	38
16.	Pondicherry	11646	2325	20
17.	Rajasthan	50000	11667	23
18.	Sikkim	6000	0	0
19.	Tripura	16100	4640	29
20.	Uttaranchal	125670	17321	14
21.	Uttar Pradesh	1500000	92039	6
22.	West Bengal	29152	11941	41
23.	Andaman & Nicobar Islands	250	0	0
24.	Daman & Diu	9	0	0
	Total	2669342	330958	12

## APPENDIX XI

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

#### MINUTES OF THE ELEVENTH SITTING OF THE COMMITTEE HELD ON THURSDAY, THE 29th MARCH, 2007

The Committee sat from 1430 hrs. to 1630 hrs. in Room No. 53,  
First Floor, Parliament House, New Delhi.

#### PRESENT

Mohd. Salim—*Chairman*

#### MEMBERS

##### *Lok Sabha*

2. Shri Surendra Prakash Goyal
3. Shri Anant Gudhe
4. Shri Pushp Jain
5. Shri Kailash Joshi
6. Shri A.K. Moorthy
7. Shri Shripad Yesso Naik
8. Shri Sudhangshu Seal
9. Kunwar Devendra Singh Yadav
10. Shri Suresh Ganpatrao Wagmare

##### *Rajya Sabha*

11. Shri Nandi Yellaiah
12. Shri B.K. Hariprasad
13. Shri Manohar Joshi
13. Shri Surendra Moti Lal Patel
15. Shri Krishan Lal Balmiki
16. Shri Penumalli Madhu
17. Shri Mukul Roy

#### SECRETARIAT

1. Shri S.K. Sharma — *Additional Secretary*
2. Shri S. Balshekar — *Joint Secretary*
3. Shri R.K. Saxena — *Director*
4. Smt. Anita B. Panda — *Deputy Secretary*

REPRESENTATIVES OF THE MINISTRY OF HOUSING  
AND URBAN POVERTY ALLEVIATION

1. Shri Ranjit Issar, Secretary, (HUPA)
2. Shri Raghbir Singh, AS & FA
3. Dr. P.K. Mohanty, Joint Secretary
4. Shri J.P.S. Chawla, Chief Controller of Accounts
5. Shri Pankaj Joshi, Director, (Housing)
6. Shri Mukul Chaturvedi, Director (UPA)
7. Shri R.K. Celly, ED, BMTPC
8. Shri D.P.S. Negi, Director, NBO
9. Shri Jaiveer Srivastava, CMD, HPL
10. Shri M.L. Khurana, MD, NCHF
11. Col. R.K. Singh, CEO, CGEWHO
12. Shri R.K. Khanna, Senior Executive Director (HUDCO)
13. Shri T. Prabhakaran, Director (Finance) (HUDCO)

2. At the outset, the Chairman welcomed the members and the representatives of the Ministry of Housing and Urban Poverty Alleviation to the sitting of the Committee. The Chairman then asked the Secretary, Ministry of Housing and Urban Poverty Alleviation to brief the Committee about the salient features of the Demands for Grants of the Ministry for the year 2007-2008. He also drew the attention of the representatives to the provisions of direction 55(1) of the 'Directions by the Speaker'.

3. The Secretary, Ministry of Housing and Urban Poverty Alleviation then briefly outlined the overall budgetary position with regard to the budget allocations of the Ministry of Housing and Urban Poverty Alleviation for the year 2007-2008 and also explained the major schemes of the Ministry. The Committee deliberated on various issues related to examination of the Demands for Grants (2007-2008) of the Ministry of Housing and Urban Poverty Alleviation. The representatives of the Ministry clarified to the queries raised by the members on Demands for Grants.

4. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

## APPENDIX XII

STANDING COMMITTEE ON URBAN DEVELOPMENT (2006-2007)

MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE  
HELD ON FRIDAY, THE 13th APRIL, 2007

The Committee sat from 1100 hrs. to 1300 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

### PRESENT

Mohd. Salim — *Chairman*

### MEMBERS

#### *Lok Sabha*

2. Shri Anant Gudhe
3. Shri Kailash Joshi
4. Shri Shripad Yesso Naik
5. Shri Sudhangshu Seal
6. Kunwar Devendra Singh Yadav
7. Shri Suresh Ganpatrao Wagnmare
8. Smt. Botcha Jhansi Lakshmi

#### *Rajya Sabha*

9. Shri Nandi Yellaiah
10. Shri B.K. Hariprasad
11. Shri Manohar Joshi
12. Shri Surendra Moti Lal Patel
13. Shri Krishan Lal Balmiki
14. Shri Penumalli Madhu
15. Shri Mukul Roy
16. Shri Brij Bhushan Tiwari

### SECRETARIAT

- |                        |   |                         |
|------------------------|---|-------------------------|
| 1. Shri S. Balshekar   | — | <i>Joint Secretary</i>  |
| 2. Shri R.K. Saxena    | — | <i>Director</i>         |
| 3. Smt. Anita B. Panda | — | <i>Deputy Secretary</i> |
| 4. Shri Harchain       | — | <i>Under Secretary</i>  |

2. At the outset, Hon'ble Chairman welcomed the Members to the sitting of the Committee. He also welcomed Shri Brij Bhushan Tiwari, MP, Lok Sabha on his nomination to the Committee. The Committee first took up for consideration the draft Report on Demands for Grants (2007-2008) of the Ministry of Urban Development. After some deliberation, the Committee adopted the draft Report with some modifications.

3. Thereafter, the Committee took up for consideration, the draft Report on Demands for Grants (2007-2008) of the Ministry of Housing and Urban Poverty Alleviation. Members suggested changes/modifications to the draft Report. The Committee adopted the draft Report with modifications.

4. The Committee then authorized the Chairman to finalise both the Reports on the basis of factual verification from the concerned Ministries and present the same to the Parliament.

*The Committee then adjourned.*