

**GOVERNMENT OF INDIA
HOUSING AND URBAN POVERTY ALLEVIATION
LOK SABHA**

STARRED QUESTION NO:596
ANSWERED ON:08.05.2013
CONSTRUCTION OF DWELLING UNITS
Alagiri Shri S. ;Choudhary Shri Harish

Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:

- (a) whether construction of dwelling units under the Basic Services to the Urban Poor (BSUP) and Integrated Housing and Slum Development Programme (IHSDP) is progressing as per plan and schedule;
- (b) if so, the details thereof along with the number of houses constructed under the above schemes during each of the last three years and the current year, State and city-wise;
- (c) if not, the reasons therefor and the action taken/being taken by the Government in this regard;
- (d) whether the Government has received any complaint regarding the malpractices and irregularities in the implementation of these schemes in certain States; and
- (e) if so, the details thereof and the action taken/being taken by the Government in this regard?

Answer

THE MINISTER OF HOUSING & URBAN POVERTY ALLEVIATION (SHRI AJAY MAKEN)

(a) to (e): A Statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 596 FOR 08.05.2013 REGARDING CONSTRUCTION OF DWELLING UNITS

(a): The overall progress of construction of dwelling units under the Basic Services for the Urban Poor (BSUP) and the Integrated Housing and Slum Development Programme (IHSDP) - components of Jawaharlal Nehru National Urban Renewal Mission (JNNURM), launched on 3.12.2005, is satisfactory, however the progress is uneven among States/Union Territories. While the progress in some States is excellent, some others are lagging.

The Ministry of Housing and Urban Poverty Alleviation has sanctioned a total of 15.70 lakh Dwelling Units (DUs) under the Sub Mission of Basic Services to the Urban Poor (BSUP) in 65 cities and under the Integrated Housing and Slum Development Programme (IHSDP) for provision of housing and basic services to urban poor in 927 cities/towns. Out of these 10.63 lakh DUs have either been completed or are at different stages of construction.

(b): State/UT and city-wise details of dwelling units completed/at various stages of completion under BSUP and IHSDP are at Annexure-I and Annexure-II respectively.

(c): Important reasons for delay in completion of dwelling units are as under:

Cost escalations, due to rising prices of steel and cement amongst other factors and the reluctance of States, Urban Local Bodies to meet such cost escalation. Govt's contribution under the schemes remains frozen to the original sanction and the cost escalation is to be borne by the States / ULBs / Beneficiaries.

In IHSDP component, which is meant for small and medium towns, cost ceiling was artificially imposed at Rs 80,000 per Dwelling Unit which was revised in 2009 to Rs.1 lakh per DU effect from 1.4.2008 of which Government of India contribution was 80%. This ceiling resulted into a heavier burden on the States / ULBs resulting in stalling of projects.

Lack of project management capacity at State/Implementing Agency/ Urban Local Body (ULB) levels

Difficulties in making slum residents temporarily relocate in the case of in situ projects; and

Lack of availability of encumbrance-free land.

To complete these projects, States/UTs have been advised:

- To provide additional state share to implementing agencies to meet cost escalation ;

- To resort to beneficiary led execution of projects to avoid cost and time overruns.
- The States may fund the cost of escalations in the projects from their own resources or through loan from financial institutions like HUDCO to complete it within the stipulated time.
- To draw up Plan of Action and set clear milestones.

Duration of the Mission was for a period of seven years beginning from December, 2005. However, the Government has extended the Mission Period upto March 2014 to facilitate completion of on-going projects sanctioned till March, 2012 and implementation of 3 pro-poor reforms.

(d) and (e) : List of complaints received in connection with the implementation of the BSUP and IHSDP components of JNNURM are at Annexure-III. As the execution and implementation of projects are undertaken by the respective State Governments/UTs and their implementing agencies, primarily Urban Local Bodies, these complaints have been sent to the respective States/UTs for remedial action.