

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:6694
ANSWERED ON:08.05.2013
DIVERSION OF FUNDS UNDER JNNURM
Deo Shri Kalikesh Narayan Singh

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) the procedure used for selection, approval and sanction of projects under the JNNURM scheme;
- (b) whether funds under the scheme are being utilized for projects other than JNNURM projects and if so, the details thereof and the reasons therefor;
- (c) whether the Government has conducted an enquiry into these irregularities and if so, the details thereof along with the list of projects from which funds were diverted and the manner of utilisation of these funds;
- (d) the total loss to the exchequer from these diversions;
- (e) whether the Government has taken any action against the guilty officials and if so, the details thereof and if not, the reasons therefor; and
- (f) whether the Government has taken any measures to enhance financial discipline and improve monitoring of the utilisation of funds and if so, the details thereof and if not, the reasons therefor?

Answer

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

(a): The State/Union Territories(UTs) has to submit Detailed Project Reports (DPRs) emanating from the City Development Plan (CDP) and in conformity with the guidelines under Jawaharlal Nehru National Urban Renewal Mission (JnNURM) and duly Recommended /prioritized for consideration for sanction of Additional Central Assistance (ACA) by the Ministry subject to their technical appraisal and availability of funds.

(b) to (e): The JnNURM is an ACA to the State plan. Projects are sanctioned on recommendation of State/UTs Governments. These are implemented by States/UTs as per their extant rules and procedures. Some instances of alleged irregularities in implementation of works under JnNURM have been received in some of the States e.g. Andhra Pradesh, Bihar, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Puducherry, Uttar Pradesh and West Bengal etc.

The progress of the Projects is periodically reviewed by the Government of India. However, the execution and monitoring of projects is done by the States/ UTs in accordance with extant rules and procedures. The States/UTs monitors the implementation of the projects through State Level Nodal Agency (SLNA) and other monitoring agencies. The shortcomings/deviations if any, in implementation of project are conveyed to the State Government for proper rectification and suitable action thereon as per the rules and procedures of the State Government. States/UTs report on the proper utilization of funds through Quarterly Progress Reports (QPRs).

(f): The Independent Review & Monitoring Agency (IRMA) are agencies to be appointed by the states, duly approved by the Central Sanctioning and Monitoring Committee (CSMC) of Ministry of Urban Development, for monitoring the implementation of projects sanctioned under the JnNURM so that the funds released are utilized in a purposeful and time-bound manner. In addition, the Government has asked the States to constitute District Level Review and Monitoring Committee to be headed by the Member of Parliament to review and monitor implementation of projects and reforms under JnNURM. So far 20 States have constituted the Committee and issued Notifications in the regard. An Advisory reiterating the necessity of following applicable financial rules / regulations has been issued to the States on 29/5/2012.