

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

UNSTARRED QUESTION NO:956
ANSWERED ON:11.12.2013
BASIC FACILITIES TO URBAN POOR
Singh Shri Ratan;Yadav Shri M. Anjan Kumar

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

- (a) Whether the funds allocated to provide basic facilities to urban poor are not being utilized properly;
- (b) If so, the reaction of the Government thereto;
- (c) The number of States which have utilized less than 50 per cent of the allocated funds per year during each of the last three years and the current year, State-wise; and
- (d) The reasons for such under-utilisation along with the corrective steps being taken by the Government in this regard?

Answer

THE MINISTER OF HOUSING AND URBAN POVERTY ALLEVIATION (Dr. (Ms.) Girija Vyas)

(a) to (d): No Madam. Government launched the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) on 3rd December 2005 for assisting State Governments in providing housing and basic services to urban poor/slum dwellers in 65 cities under the Sub-Mission Basic Services to the Urban Poor (BSUP) and in other cities and towns, under the Integrated Housing and Slum Development Programme (IHSDP). Mission duration was 7 Year from 2005-06 upto 2011-12 which has been initially extended upto March 2014 for completion of projects sanctioned upto March 2012.

Available ACA of Rs. 231184.66 crore for the scheme was allocated to different States/UTs for entire duration of scheme. Against this allocation, projects worth Rs. 41560.33 crore involving Central ACA of Rs. 22257.00 crore were sanctioned. No upfront State-wise Annual Allocation is made under this scheme. Releases are made based on utilization certificate submitted by the States for each project. State-wise details along with progress are Annexed.

There has been delay in execution of projects due to following reasons:

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 escalations. Govt. of India's contribution under the schemes remain frozen to the original sanction and the cost escalation is to be borne by the States/ULBs/Beneficiaries.

In IHSDP component, cost ceiling was artificially imposed at Rs. 80,000 per DU which was revised in 2009 to Rs. 1.00 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.

Difficulties in making slum residents temporarily relocation in the case of in-situ projects and

Lack of availability of encumbrance-free land.

States/UTs have been advised to bear cost escalation and complete projects in time. The duration of the sanctioned projects has been extended till March 2015 for completion of projects.