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**STANDING COMMITTEE ON  
URBAN DEVELOPMENT  
(2010-2011)**

**FIFTEENTH LOK SABHA**

**MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION**

**DEMANDS FOR GRANTS  
(2010-2011)**

(Action Taken by the Government on the Recommendations contained in the Seventh Report (Fifteenth Lok Sabha) on of the Standing Committee on Urban Development on Demands for Grants (2010-2011) ) of the Ministry of Housing and Urban Poverty Alleviation]

**THIRTEENTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

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**STANDING COMMITTEE ON**  
**URBAN DEVELOPMENT**  
(2010-2011)

**(FIFTEENTH LOK SABHA)**

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**DEMANDS FOR GRANTS**

[Action Taken by the Government on the Recommendations contained in the Seventh Report (Fifteenth Lok Sabha) on of the Standing Committee on Urban Development on Demands for Grants (2010-2011) Ministry of Housing and Urban Poverty Alleviation]

Presented to Lok Sabha on 09.12.2010

Laid in Rajya Sabha on 09.12.2010



**LOK SABHA SECRETARIAT**  
**NEW DELHI**

December, Agrahayana 1932 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON  
URBAN DEVELOPMENT (2010-2011)**

**Shri Sharad Yadav - Chairman**

**MEMBERS**

**LOK SABHA**

2. Shri J.P. Agarwal
3. Shri Praveen Singh Aron
4. Shri Gajanan D. Babar
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28. Shri Khekiho Zhimomi
29. Shri Shyam Benegal
30. Dr. Bhalchandra Mungekar
31. Shri Kanwar Deep Singh

## SECRETARIAT

- |                        |   |                            |
|------------------------|---|----------------------------|
| 1. Shri T.K. Mukherjee | - | Joint Secretary            |
| 2. Shri K.D. Muley     | - | Director                   |
| 3. Ms. Amita Walia     | - | Deputy Secretary           |
| 4. Shri Priyadarshan   | - | Senior Committee Assistant |

## INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2010-2011) having been authorized by the Committee to submit the Report on their behalf, present the Thirteenth Report (15<sup>th</sup> Lok Sabha) on the action taken by the Government on the recommendations contained in the Seventh Report (14<sup>th</sup> Lok Sabha) of the Standing Committee on Urban Development on the subject " Demands for Grants (2010-2011) " of the Ministry of Housing and Urban Poverty Alleviation.

2. The Seventh Report was presented to Lok Sabha on 21<sup>st</sup> April, 2010. Replies of the Government to all the recommendations contained in the Report were received in July, 2010.

3. The Standing Committee on Urban Development considered and adopted this Report at their sitting held on 01<sup>st</sup> December, 2010.

4. An analysis of the action taken by the Government on the recommendations contained in the Sixth Report (Fifteenth Lok Sabha) of the Committee is given at Annexure-II.

5. For the facility of reference and convenience, the Observations/Recommendations of the Committee have been printed in bold letters in the body of the Report.

NEW DELHI;

01 December , 2010  
10 Agrahayana, 1932 (Saka)

SHARAD YADAV  
Chairman,  
Standing Committee on Urban Development

## CHAPTER-I

### REPORT

This Report of the Standing Committee on Urban Development (2010-2011) deals with the action taken by the Government on the recommendations contained in their Seventh Report (Fifteenth Lok Sabha) on Demands for Grants 2010-2011 of the Ministry of Housing and Urban Poverty Alleviation which was presented to Lok Sabha on 21 April, 2010.

1.2 Action Taken Notes have been received from the Government in respect of all the 10 recommendations contained in the Report. These have been categorized as follows:

(i) Recommendations/Observations, which have been accepted by the Government (Chapter – II):

**Para Nos. 3, 4, 8 and 10**

**(Total - 04)  
(Chapter-II)**

(ii) Recommendations/Observations, which the Committee do not desire to pursue in view of Government's replies (Chapter –III):

**NIL**

**(Total - Nil)  
(Chapter-III)**

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

**Para Nos. 1, 2, 5 and 9**

**(Total - 04)  
(Chapter-IV)**

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

**Para Nos. 6 and 7**

**(Total - 02)  
(Chapter-V)**

1.3 The Committee trust that utmost importance would be given by the Ministry to the implementation of their Recommendations. In cases, where it is not possible for the Ministry to implement the Recommendation(s) either fully or partially, for any reason, the matter may be reported to the Committee with reasons for non-implementation.



**1.4 The Committee further desire that action Taken Notes on the Recommendations/Observations contained in Chapter-I of this Report and final replies in respect of the Recommendations for which only interim replies have been furnished by the Government (included in Chapter-V) may be furnished to them at the earliest and in any case, not later than three months of the presentation of this Report.**

**1.5 The Committee will now deal with action taken by the Government on some of these recommendations in the succeeding paragraphs.**

### **Recommendation (Serial No. 1)**

#### **Underutilization of funds**

**1.6 The Committee had recommended as under:**

“From the expenditure details as furnished by the Ministry, the Committee note that there has been gross underutilization of funds during the year 2009-2010. The total allocation for the year 2009-2010 was Rs.850 crore out of which only Rs.521.56 crore could be spent. Scheme-wise analysis also shows that there is a general shortfall in the utilization of funds across almost every programme implemented by the Ministry. For example, the total allocation under SJSRY was Rs.515 crore while the actual expenditure was Rs.413.81 crore only. Similarly, the allocation under the ILCS was Rs.60 crore while the actual expenditure was Rs.36.92 crore only. The actual expenditure during the period was 38.64% below than what was allocated to the Ministry at the BE stage. So far as the expenditure of the funds received as Additional Central Assistance are concerned, while the BE 2009-2010 for the BSUP and IHSDP was Rs.2524.65 crore and Rs.1117.58 crore respectively, it was reduced to Rs. 1344.36 crore and Rs.786.74 crore at RE stage. Even this reduced allocation could not be spent fully and the actual expenditure under both BSUP and IHSDP schemes was only Rs.922.05 crore and Rs.613.19 crore, respectively.

From this, the Committee can easily draw the inference that the delivery mechanism of the Ministry is not proper and 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 demanded the larger allocation of funds for successful implementation of various schemes, their actual performance shows that they have not been able to utilize the amount allocated to them completely. The Committee need to emphasize that this trend of under utilization of funds results in cut at the Revised Estimate stage. That is why year after year plan allocations get reduced at RE stage which is evident from the fact that in 2008-2009, the allocation was reduced from Rs.850 crore to Rs.670 crore and in 2009-2010 from Rs.850 crore to Rs.575 crore. If the Ministry fails to spend even 60% of the entire funds allocated to them till the month of December, it cannot escape the cut at the RE stage. Moreover, under-utilisation of funds

results in the reduced allocation of funds in successive years. Thus, the onus lies on the Ministry to utilize the funds fully and that too in time to avoid reduction in allocation which ultimately reflect on the performance of schemes.

The Committee are of the firm opinion that there are serious problems in planning and implementation of various schemes. There is an urgent need to review the situation scheme-wise and project-wise. The corrective action in this regard should be taken immediately and the Committee informed accordingly.”

1.7 In their Action Taken Reply, the Ministry have stated as follows:-

“1. Utilisation of the allocated budget is dependent upon the ability of the States to submit requisite proposals for seeking 2<sup>nd</sup> installments along with Utilisation Certificates of earlier releases. Ministry has taken vigorous persuasive action with the States and UTs in this regard such as review meeting with State Secretaries, field visits, monitoring of progress reports, capacity building workshops etc. However, during 2009-10 the Ministry found constraints of the States by the engagement of their personnel and attention in the General Elections (and in 4 large States thereafter in the State Assembly elections) for the first 3-5 months of the year, with the result that their requests for sanctions to subsequent releases were slow in coming.

2. In case of Swarna Jayanti Shahari Rozgar Yojana (SJSRY), due to the above factors, submission of Utilisation Certificates for the past releases was consequently delayed well beyond normal and therefore, Central fund release to the States/UTs got consequently delayed. This led to the downward Revised Estimates (RE) allocation for the scheme as Rs. 428.69 crore from the Budget allocation of Rs. 515.00 crore for the year. However, the Revised Estimates allocation of Rs. 428.69 crore was fully utilised under SJSRY during 2009-2010.

3. The Budget provision for the year 2009-10 under Integrated Low Cost Sanitation Scheme (ILCS) was Rs. 60 crore. However, due to pending finalized Detailed Project Reports (DPRs) from the State Governments, actual expenditure incurred on ILCS Scheme during 2009-10 was Rs. 50.50 crore.

4. The Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) scheme was approved by the CCEA on 26.12.2008. The guidelines of the scheme were firmed up in February, 2009, and was effectively put in place in 2009-10. Anticipating from the initial and encouraging response to the scheme, an allocation of Rs. 180.59 crore was made during 2009-10. ISHUP is a demand driven loan based scheme aimed at facilitating institutional loans to EWS & LIG beneficiaries and is essentially linked to ability of States in creation of additional housing stock by the States. FY 2009-10 being effectively the first year of scheme, the response from States has been slow and only Andhra Pradesh has been able to take advantage of scheme and dove-tail it with a state scheme i.e. INDIRAMA. As a result the Ministry was constrained to surrender funds to the tune of Rs 175.59 crore at RE stage.

5. As regards BSUP and IHSDP the revised allocation was reduced to Rs.2131.10 crores following budget cut across the board. The BE, RE, actual sanction, actual release for the year

2009-10 under Basic Services for Urban Poor ( BSUP), Integrated Housing and Slum Development Programme (IHSDP),Rajiv Awas Yojana (RAY) and Swarna Jayanti Shahari Rozgar Yojana (SJSRY), are as follows:-

(Rs. in crore)

	BE	RE	Actual Sanction	Actual Release
BSUP	2524.65	1344.36	1530.27	1338.37
IHSDP	1117.58	786.74	856.67	780.72
RAY	150.00	60.00	60.00	60.00
SJSRY	515.00	428.69	428.69	428.69
Total	4307.23	2619.79	2875.63	2607.78

It may be seen that the Ministry sanctioned an amount of Rs.255.84 crore over and above RE of Rs2619.79 crore. The sanctions excess of budget have been carried over for release to RE 2010-11.

The Ministry of Finance, going by the pace of expenditure and their own urgencies imposed a cut on this Ministry's budget as with all other Ministries. "

**1.8 The Committee take note of the explanation of the Government that huge under-utilization of allocated funds was due to the inability of the States to utilize the funds allocated to them largely due to their pre-occupation with the general elections and also due to elections in the four major States. The Committee, while appreciating the efforts made by the Ministry to accelerate the pace of utilisation of funds by holding review meeting with State Secretaries, field visits, monitoring of progress reports, capacity building workshops etc on regular basis so as to bring down the incidences of non-utilization of funds during the year and subsequent reduction at the revised estimate stage would like to draw the attention of the Ministry towards the fact that non-utilization of funds is not specific in this year, it has been persisting for quite some time now. The Committee are dismayed to note that despite their repeated requests, the Ministry have not utilized the entire allocated funds fully and judiciously. The Committee like to draw the attention of the Ministry to the fact that any reduction in allocation at the revised estimate stage, for whatever reasons, unjustifiably resulting in the deprivation of the targeted beneficiaries of intended benefits and the Committee urge that there should be no reduction in fund allocation to the State Governments in respect of the**

programmes being undertaken by the Ministry. The Committee, therefore, would like to be apprised of the outcome of the fresh measures initiated by the Ministry with a view to accelerating the pace of utilisation of funds and at the same time avoid the situation where funds at their disposal are surrendered on any ground.

### Recommendation (Serial No. 2)

#### Poor implementation of SJSRY

1.9 The Committee had recommended as under:

“Poverty alleviation is central to the urban development strategy. Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is the only poverty alleviation scheme for the urban dwellers being implemented by the Ministry with the aim of providing gainful employment to them. It was modified with effect from 01<sup>st</sup> of April, 2009 so as to make it more meaningful. However, it has been noticed that out of the total allocation of Rs.515 crore for the year 2009-2010 only Rs.364.27 crore could be spent by the Ministry up to January, 2010. The poor spending of funds had a clear impact on the targets. The lone indicator of the success of the scheme is the number of persons covered under the scheme. The targets achieved under the scheme do not portray a pleasant picture about the progress of the scheme. For example, target for number of persons to be imparted gainful training under the STEP-UP component of SJSRY was 2,00,000 whereas the achievement was not even 50% and only 91,019 persons could be covered under this scheme. Similarly, against the target of 25,000, the number of beneficiaries assisted for setting up group micro enterprises was only 14,653. The Committee strongly feel that the total number of beneficiaries to be covered under the entire scheme is only 3 lakh which in itself is not sufficient even to tackle the issue of unemployment among the urban poor keeping in view the ever increase in incidences of poverty in the urban areas. The recent Expert Group Report, headed by Shri Suresh Tendulkar, commissioned by the Planning Commission, estimates India’s aggregate poverty to be 37.2% which is higher than what was estimated earlier. The estimated figures may vary but it is unarguably too high for a nation growing as rapidly as India. Special initiatives are needed to combat it. Thus, a greater allocation of resources is required to eliminate the poverty and related problems from the urban areas. The Committee, therefore, recommend that the allocations and the targets fixed by the Ministry should appropriately be increased so as to address the mismatch between the number of urban poor and targets set by the Ministry.

Moreover, the Committee find that performance in some of the States like Jammu & Kashmir, Jharkhand, Punjab, Meghalaya etc. is utterly dismal and no Central Funds have been released to them as they could not spend the funds in time and furnish the utilization certificates for their past release. Further, the state-wise expenditure reported by the States show that Rs.61175.19 lakh of Central fund are still lying unspent with the States. The Committee feel that this non-utilisation of fund affects the overall performance of the scheme. The Committee,

therefore, urge the Ministry to take remedial measures so as to ensure that the funds allocated to the states are optimally utilized within the stipulated time frame.

The Committee further feel that the Ministry should ensure that personnel involved in the implementation of the Scheme should adequately be trained to handle the scheme. Infact, the Committee feel that except for the policy making, there should be an independent agency which would handle the implementation part of the scheme. The Committee also feel that instead of providing traditional training to the urban poor, the Ministry should specifically design their training modules in consultations with the recruiting firms and agencies and the industries, to enable the beneficiaries to actually find recruiters. The Committee also feel that instead of surrendering the funds allocated for the Capacity Building/Research & Studies, it should be optimally utilized to ensure that additional capacity is built up and optimum results could be achieved.”

1.10 In their Action Taken Reply, the Ministry have stated as follows:-

“It is noted that the revised scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) was approved only in January 2009; it became effective from the year 2009-2010. Due to the General Elections of Lok Sabha and State Elections in four major States soon after, the State Departments could turn their attention to plan schemes like Swarna Jayanti Shahari Rozgar Yojana (SJSRY) only in the second half of 2009. Submission of Utilisation Certificates for the past releases was consequently delayed well beyond normal and therefore Central fund release to the States/UTs got consequently delayed. This led to a downward revised allocation of Rs. 428.69 crore for the year. However, the Revised Estimates allocation was fully released.

The targets under the scheme were fixed commensurate with the Budget allocation for the scheme made by the Planning Commission. As the per capita subsidies under the revamped SJSRY have been substantially enhanced and the allocation for the scheme remained the same at Rs. 515 crore, as in the previous year, the physical targets changed. Regarding achievements against the targets, this Ministry is of the understanding that the over achievement of targets, which is quite substantial, is due to the States operating the scheme as per the old pattern, even as they focused on learning and relearning by all levels of the delivery machinery to reengineer the implementation to the revised parameters of the scheme. As per the updated Progress Reports received from the States/UTs for the year 2009-10, number of urban poor assisted for individual self-employment are 81301, number of urban poor women assisted for Group enterprises are 49974, number of urban poor women assisted through revolving fund are 1,36,178 and the number of urban poor imparted skill training are 1,83,883. Thus total beneficiaries covered under the scheme are more than 4.51 Lakhs, against the target of 3 Lakhs.

The views of Hon'ble Committee regarding enhancement in the allocation for the scheme are noted. The Ministry will request Planning Commission for enhanced allocation for the scheme next year, basing the projections on desired enhancement as well as the ability of the States to implement and utilise.

The unspent balances shown with the States/UTs include the Central funds released during the years 2008-2009 (total Rs. 540.67 crore) and 2009-2010 (total Rs. 421.61 crore), for which Utilisation Certificates have not become due till 31<sup>st</sup> March 2010. In fact, UCs for only an amount of Rs. 18.32 crore were due, as on 31<sup>st</sup> March 2010, from total 10 States/UTs, i.e. 18.56% of the amount (cumulative Rs. 98.71 Crore) released to these 10 States/UTs for which Utilisation was expected.

For skill training of urban poor in the emerging skills, the Ministry has circulated operational guidelines for the skill training component under SJSRY. Ministry is also guiding the States/UTs in skill training under various emerging sectors like tourism & hospitality, wellness, security guards, modern appliances etc.

For the capacity building and training of the project functionaries involved in the implementation of the scheme at the State/District/Urban Local Body (ULB) level, Ministry has empanelled various Institutions under the National Network of Resource Centers (NNRC) for comprehensive capacity building on urban poverty issues. Four such institutions namely the Human Settlement Management Institute (HSMI), New Delhi and the 3 Regional Centers for Urban & Environmental Studies (RCUES) at Lucknow, Mumbai and Hyderabad has been designated as the Nodal Resource Centers for revamped SJSRY and States/UTs have been distributed among these 4 Training Institutions for comprehensive capacity building of the State/ULB machinery as well as dissemination of the revised Guidelines of SJSRY at the local level.

With regard to the independent agency for implementation of the scheme it is submitted that the scheme is implemented through designated Nodal Agencies at the State/District/ULB level. Independent implementing agencies and NGOs are increasingly being drawn in by States in implementing some aspects of the scheme, most commonly the skill training. At the ground level, Community Structures such as Community Development Societies (CDS), Neighbourhood Committees (NHC) and Neighbourhood Groups (NHG) are involved in the implementation of the scheme in collaboration with the UPA Cells in the Urban Local Bodies. However, the suggestion of the Committee in this regard will be evaluated for likely increase the budgetary demand and will be placed before the States and Planning Commission for serious consideration.”

**1.11 The reason advanced by the Government for downward revision of allocation for SJSRY do not sound to be too convincing. The Committee reiterate that the Ministry should take up the matter regarding enhancement in allocation of fund under SJSRY with the Planning Commission at the highest level and impress upon them to enhance the funds under this scheme in order to tackle the new challenges that the rapid growth in urbanization presents today, especially keeping in mind drastic increase in the number of poor in urban areas. The Committee noted the fact from the reply of the Ministry that the progress of the Scheme in certain States is not**

satisfactory. The Committee are perturbed to know that even after implementation of revised SJSRY scheme with effect from January, 2009, many States/UTs were operating the scheme as per the old pattern and not according to the guidelines of the revamped SJSRY. This shows the lack of coordination between the Central Government and the State/UT Governments and also total disregard and apathy among urban local bodies and other implementing agencies towards the guidelines for implementation of the poverty alleviation programme. The Committee, therefore, recommend that the Ministry should take proper follow-up action with the States/UTs to ensure compliance of Ministry's guidelines issued to them on SJSRY from time to time.

Further, the Committee in their earlier report had highlighted that the experiences of the Community Development Societies (CDSs), which are involved in the implementation of the scheme in collaboration with the Urban Local Bodies were not noteworthy, as no focused attention was given to the formation of these structures in various States. The Committee would like to apprise about the status of the number of CDSs formed in the past one year after revamping of the SJSRY and also about the steps taken up by the Government to promote the formation and strengthening of these societies. The Committee hope that Ministry would take such coordinative measures so as to ensure appropriate and adequate delivery system and inform the Committee about their achievement in implementation of the various schemes of the urban local bodies in various States/UTs.

#### **Recommendation Serial No. 5**

##### **BSUP and IHSDP**

1.12 The Committee had recommended as under:

“Under Jawaharlal Nehru National Urban Renewal Mission (JNNURM), the Ministry of Housing and Urban Poverty Alleviation has been entrusted with the nodal responsibility for an integrated slum development in the 65 Mission cities under the component Basic Services to the Urban Poor (BSUP) and for providing shelter and basic amenities in other non-Mission cities under the Integrated Housing and Slum Development Programme (IHSDP). The key objectives of these programmes are to strive for holistic development, with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure facilities.

The submissions made by the Ministry suggest that of the total Additional Central Assistance (ACA) of Rs.16356.35 crore under the BSUP, about 82.29% have already been

committed to be released to the States/UTs. However, the cumulative ACA released to the States/UTs till mid March, 2010 was Rs.4646.64 crore only. Non-utilisation of funds is also evident from the fact that the number of dwelling units completed and those under construction till date is very low. Under BSUP and IHSDP, against the Mission period target of construction of 1.5 million housing units, sanctions for only 1022689 dwelling units have been obtained out of which, till date, only 165825 units have been completed and 361153 units are still under construction. Under IHSDP only 67160 units have been constructed and 137134 units are under construction against sanctioned 497671 dwelling units. The progress of the scheme is extremely dismal especially in the States like Punjab, Delhi, Jharkhand, Rajasthan, Goa and Bihar as these states have not yet availed the balance of ACA available with them. The basic reason attributed for the non release of the committed ACA to them is that they have failed to submit adequate number of Detailed Project Reports, according to the JNNURM guidelines. The Committee are extremely concerned about the under-utilization of funds and delayed submission of the Detailed Project Reports and express their serious doubts about the number of projects which would actually take off and would be completed in time given the slow pace of the progress made by these States.

From the material furnished to the Committee they feel that there are variations in progress across the country. In four years, since this major programme was launched, some States and Cities have progressed well and others towards tangible results. The Committee feel that there is a need for more attention to governance reforms followed by building capabilities. The Committee, therefore, recommend that there is a need to support the States/ULBs in their capacity building/training programmes in a structured manner to promote effective implementation of JNNURM and other poverty alleviation programmes.”

1.13 In their Action Taken Reply, the Ministry have stated as follows:-

“The Ministry has taken many initiatives to enhance the capacity of States/ULBs in preparation of DPRs and implementation of projects. Programme Management Units comprising 5 experts have been sanctioned in 26 States. Similarly, 111 Project Implementation Units have been sanctioned with 3-5 experts each at the city/ULB level for supporting implementation.

More than 110 capacity building programmes have been conducted training more than 12500 officials for States/ULBs. The Ministry has conducted regular regional review at the level of Secretary (HUPA) and State level reviews where senior officers from Mission Directorate and Technical organization of HUDCO and BMTPC are going.

In this regard a toolkit for Financial Support for Comprehensive Capacity Building for Improved Urban Governance and Poverty Alleviation has been circulated. The Ministry plans to conduct capacity building programmes in the areas of Project Monitoring, Quality Assurance, Social Audit, Reforms Implementation and Implementation of IPoMS in the structured manner in the coming years.”



1.14 The Committee are happy to note that the Ministry have taken several initiatives to enhance the capacity of States/Urban Local Bodies in preparation of Detailed Project Reports and implementation of the on-going projects. The Committee, however, feel that despite the passage of more than three years of JNNURM, very few State Governments have given priority to provide basic services like infrastructure and housing in the urban areas. The Committee in their Report had drawn the attention of the Ministry towards the sorry state of affairs of JNNURM in some States like Punjab, Delhi, Jharkhand, Rajasthan, Goa and Bihar, where there is huge underutilization of resources. The Governments reply is silent as to reasons for non-submission of adequate number of DPRs and utilization certificates by these States due to which funds allocated to the Ministry as Additional Central Assistance for the purpose could not be properly utilized. The Committee would like the Ministry to inform the Committee the reasons for the slow progress of work in these States. The Committee expect the Ministry to take up the matter vigorously with the concerned State Governments and ensure better performance in these States. The Committee further feel that the completion of on-going projects under JNNURM should also be given priority. There may be tendency to initiate more new works just to add up the data of on going works. While allocating funds, it should be analysed as to how many incomplete works were given priority and completed during the year. Quality of infrastructure of cities created under JNNURM must also be ensured. The Committee while reiterating their earlier recommendation would also like the Ministry to monitor the data with regard to incomplete works regularly so that more stress may be given to the complete the incomplete work on priority basis. The Committee would like to be apprised of the specific steps taken by the Government in this regard.

#### **Recommendation Serial No. 9**

##### **Interest Subsidy Scheme for Housing the Poor**

1.15 The Committee had recommended as under:

“The ‘Interest Subsidy Scheme for Housing the Poor’ (ISHUP) to provide 5% subsidy on interest charged on loan upto one lakh was introduced in Eleventh Five Year Plan with the allocation of 1378 crore. During 2010-11 Rs. 200 crore have been allocated. As informed by the Ministry,

during 2009-10 Rs. 5 crore were allocated out of which Rs. 52 lakh have been spent by Andhra Pradesh alone by dove-tailing it with a State scheme called 'INDIRAMA'. There seems to be no progress in other States. Some of the reasons attributed for slow progress, are very late finalization of guidelines, unawareness of banks and beneficiaries and less demands from States. The Committee have been informed that ISHUP is to be subsumed in another newly introduced scheme called Rajiv Awas Yojana. The Committee fail to understand the reasons for which the Ministry propose such a scheme that takes initially 4 years to take off and then later on proposed to be subsumed in another scheme that too has not started as yet. The Committee, therefore, expect the Ministry to do proper homework before introducing any scheme and then only go to planning Commission for approvals.

The Committee further feel that the maximum limit of one lakh for providing subsidy is very low as no house could be constructed with the amount of one lakh. Therefore, the maximum limit should be approximately raised in order to make it more realistic and attract more beneficiaries under the scheme. Moreover, the States should be directed to study the example of Andhra Pradesh and come up with their demands to avail the benefits of the scheme to construct the houses for urban poor.”

1.16 In their Action Taken Reply, the Ministry have stated as follows:-

“Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) is a demand driven loan based scheme aimed at facilitating institutional loans to EWS & LIG beneficiaries and is essentially linked to the ability of States in creation of additional housing stock by the State. The State Level Bankers’ Meetings have been held so far in the states of Andhra Pradesh, Karnataka, Tamilnadu, Rajasthan, Kerala, Haryana, Madhya Pradesh, Jammu and Kashmir Uttar Pradesh, Punjab, Jharkhand, Pudducherry, Delhi, Himachal Pradesh and Gujarat and first five states have fixed a total target of 6,29,121 beneficiaries under the Scheme. A review meeting with the identified states and banks/HFIs which have entered into agreement with the Central Nodal Agencies, namely, Housing and Urban Development Corporation and National Housing Bank was held in the month of December 2009 which was also addressed by representative of Ministry of Finance to impress upon the banks to make concerted efforts to achieve the targets assigned under the Scheme. Apart from this, consultations have been organized at state level involving the concerned State Government and meetings with the State Secretaries, Municipal Commissioners, senior level bank officers etc. The states covered so far are Gujarat, Maharashtra, Kerala, Karnataka, Andhra Pradesh, Tamil Nadu, Madhya Pradesh, Haryana, Punjab, Uttar Pradesh, Rajasthan, Orissa, Chhattisgarh, J&K, West Bengal and Assam. The response has been encouraging and the scheme has been received well by the State Governments and PLIs.

Government has announced a new scheme called Rajiv Awas Yojana (RAY) for the slum dwellers and the urban poor. This scheme aims at providing support to States that are willing to provide property rights to slum dwellers. The Government’s effort through the implementation of RAY would be to encourage the States to adopt a pace that will create a Slum free India at the earliest. The objectives of ISHUP that is to enable affordable housing

to EWS and LIG segments by giving interest subsidy and RAY, that is, to create slum free India are similar. Further, as the aim of slum free India under RAY cannot be realized unless there is provision of affordable housing for EWS/LIG segments of population; the Government is considering to subsume the ISHUP Scheme under Rajiv Awas Yojana. Meantime, ISHUP is under implementation.

The 'INDIRAMA' scheme, which is successful in the state of Andhra Pradesh, is discussed by the other states in Conferences organized and reviewed by the Ministry whenever Andhra Pradesh Government is present. These forum serve to propagate the Andhra Pradesh example among others."

**1.17 From the information furnished by the Ministry, the Committee are pained to note that the Interest Subsidy Scheme for Housing the Urban Poor (ISHUP), launched in 2008-2009, which aimed at encouraging people belonging to EWS/LIG sections in urban areas to avail loan from primary lending institutions with Central Government subsidy for acquisition/construction of houses, has dismally failed to achieve its targets so far. The Committee understand that the total outlay as per this programme was Rs.1100 crore which proposed to cover around 3.10 lakh beneficiaries in four years period. The Ministry in their reply have not provided the number of beneficiaries covered under the scheme during the period under consideration. However, as per the figures furnished during the examination of the demands for Grants, there was hardly any noticeable progress in the scheme. The Committee feel that the success of the Scheme largely depends upon the retail participation alongwith cooperation among the agencies of the State Governments responsible for implementation of the scheme and the primary lending institutions. The Ministry have stated about review meetings with the states and banks/HFIs which have entered into agreement with the Central Nodal Agencies, namely, Housing and Urban Development Corporation and National Housing Bank to make concerted efforts to achieve the targets assigned under the Scheme. Apart from this, consultations were organized at state level involving the concerned State Government and meetings with the State Secretaries, Municipal Commissioners, senior level bank officers etc. The Committee would like to know whether such special review meetings have yielded any desired results in improving the performance of the scheme. The Committee, however, strongly feel that there is an urgent need to revisit the entire scheme and also increase the subsidised loan component to make it more meaningful.**

## Recommendation Serial No.10

### Monitoring of Schemes

1.18 The Committee had recommended as under:

“The Committee note that their recommendation made in second Report on Demand for Grants (2009-10) regarding involving elected representatives in social auditing and monitoring of schemes and setting up of Vigilance Committees under the Chairmanship of the local Members of Parliament to monitor the progress of various ongoing schemes, supported by the Ministry, has not been given due attention.

The Committee are of the firm view that involvement of the Members of Parliament is very essential in monitoring of these scheme, as they can keep a tight vigil on the quality of houses so constructed under JNNURM and keep a watch over the funds being spent under SJSRY etc. Moreover, Members can create awareness among their constituents about the contents and benefits of various schemes, as well as expedite the construction process and submission of utilization certificates by States which would further ensure timely funding in future. The Committee, therefore, reiterate their earlier recommendation and urge the Ministry to take up this mater on priority basis and set up a Vigilance Committee on the lines of rural development schemes for monitoring and social auditing of the schemes of Ministry of Housing and Urban Poverty Alleviation.”

1.19 In their Action Taken Reply, the Ministry have stated as follows:-

“Following discussions in the Meeting of the National Steering Group, the Ministry of Urban Development has issued directives vide its letter dated 31.3.2010 to all States, Municipal Commissioners of Mission Cities and the State Level Nodal Agencies to notify Review & Monitoring Committee comprising MPs/ MLAs/ Mayors/ Chairperson of ULB / eminent citizens for review and monitoring of projects and reforms. The order of Ministry of Urban Development prescribes Review and Monitoring Committee at the city level for BSUP and UIG and Review and Monitoring Committee at district level for UIDSSMT and IHSDP to review and monitor the progress of projects and reforms.

The Ministry of Housing & Urban Poverty Alleviation has requested all States/UTs to comply with the directives as mentioned above.”

**1.20 The Committee are happy to note that both the Ministry of Urban Development and the Ministry of Housing and Urban Poverty Alleviation has understood the importance of involving the elected representatives in the monitoring of the on going schemes and have issued directives to all States, Municipal Commissioners of Mission Cities and the State Level Nodal Agencies to notify a Review & Monitoring Committee for reviewing and monitoring the progress**

of projects and reforms, accordingly. However a good number of States are yet to implement the Central directives. The Committee desire the Ministry to ensure that their directions in the matter are complied with by all States and their agencies and necessary action is taken on their part at the earliest. The Committee further desire the Ministry to issue necessary guidelines to these agencies to hold meetings both at State and District Level in each quarter so as to ensure effective monitoring of the projects and schemes. The Committee recommend that the role and powers of the Members of Parliament and other Members of the Review & Monitoring Committee may also be clearly defined so that they can discharge their duties effectively. The Committee would like to be apprised regularly regarding steps taken by the States and the urban local bodies on the directions issued by the Ministry in the matter.

## **CHAPTER-II**

### **RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT**

#### **Recommendation Serial No. 3**

##### **Integrated Low Cost Sanitation Scheme**

2.1 Under the Integrated Low Cost Sanitation Scheme (ILCS), which aims at conversion of existing individual dry latrines into low cost water seal pour flush latrines and construction of new latrines in EWS households, Rs. 71 crore have been allocated for 2010-11 against the RE of Rs.45.00 crore during 2009-10. The Committee are perplexed to note that when ILCS was revised in 2008 to convert six lakh dry-latrines into water sealed toilets by 2010, why this target could not be achieved even when there are reportedly lesser number of dry latrines i.e., 304724 and that too only in four states. The Committee further note that out of a total of 285930 sanctioned units only 76679 units could be completed and 168120 units are in progress. The Committee are quite apprehensive because the pace at which the scheme is progressing leaves much to be desired and wonder if the target could be achieved even by the end of 11<sup>th</sup> Five Year Plan. The Committee desire the Ministry to take up the matter with the State Governments and remove the impediments whatsoever so that conversion/construction work could be completed in time.

The Committee have been informed that previously States had estimated the existence of 6 lakh dry latrines but afterwards, the States surveyed and informed that the figure is less. Again, they want to conduct survey because, there is a huge difference between both the figures. The Committee are perturbed to note that the scheme is in operation since 1989-90 and even today there is doubt about the exact figures of dry latrines in various states. This shows that the Government is not serious about the problem. The Committee, therefore, feel that the Ministry should take up the matter with the States so as to arrive at an approximate number of dry latrines in the country.

##### **Reply of the Government**

2.2 The figure of 6 lakh was the estimate submitted before the scheme was started. At that stage, 2 states had reported that their surveys were pending and four states had submitted estimates amounting to approximate 6 lakh. The others had noted that dry latrines do not exist.

Since the scheme was launched, house to house surveys were conducted to obtain beneficiary details. The figures on actual survey changed as follows:

Uttar Pradesh	-- 2,38,253
Uttarakhand	- 1613
Bihar	--931
Jammu and Kashmir	--63927

The implementation of the scheme and conversion of all dry latrines by December, 2010 has been actively pursued at all levels, including coordination meetings held by Cabinet Secretary. The representatives of Governments of Uttar Pradesh and Uttarakhand have assured the Ministry that they would be able to complete the conversion task by December 2010 deadline. Government of Bihar has reported additional 931 dry latrines and the State Government has been impressed upon to expedite their DPRs for necessary sanction by this Ministry for completion of conversion of all these units of 931 by December, 2010.

In so far as Jammu and Kashmir is concerned, the State has now informed that the dry latrines reported by them do not come under the definition of dry latrines adopted by the scheme and hence they would submit a proposal for using the financial assistance for construction of latrines instead of conversion of dry latrines under new construction category of the ILCS Scheme.

#### **Recommendation Serial No. 4**

##### **Problem related to lack of proper latrines and open defecation**

2.3 The Committee are shocked to learn that as per the Report of WHO 665 million people in India still defecate in open which is the highest in the world. Moreover, as per census 2001, there were 14,110,936 households without any latrines. The Committee are of the view that in view of increased population the number is bound to increase. In urban localities 26% households do not have latrine facility within the house. The Committee are very much perturbed with this embarrassing scenario, and recommend the Government to tackle this issue on top priority basis.

The Committee observe that the Ministry of HUPA only takes care of dry latrines and under its scheme of Integrated Low Cost Sanitation Scheme (ILCS) Rs. 71 crore have been allocated for conversion of dry latrines into two-pit pour flush latrines. During the evidence, Secretary, HUPA

clarified that problem of no latrines and other kind of open defecation does not come under Ministry of Housing and Urban Poverty Alleviation but the same comes under Ministry of Urban Development under the head 'total sanitation'. The Committee find that the biggest problem in urban sanitation is open defecation by the urban poor and the revised ILCS scheme does not address this problem. The Committee, therefore, feel that the issue of open defecation should also come under the jurisdiction of Ministry of HUPA instead of Ministry of Urban Development so as to address the problem in a better perspective.

### **Reply of the Government**

2.4 The views of the Committee on the subject of the transfer of business allocation from Ministry of Urban Development to Ministry of Housing and Urban Poverty Alleviation will be put before the Government for consideration.

It is noted however that the Ministry of Housing & Urban Poverty Alleviation is contributing significantly to the programme of total sanitation by including the construction of individual Toilets in all houses in slums taken up for upgrading and redevelopment under BSUP / ISHDP, the same emphasis has been placed on sanitation in the proposal for RAY. Thus it may be hoped that by the end of these programmes open defecation in slums would have reduced significantly. The figure of houses constructed by toilet facilities and of urban slums respectively 26% & 22% (2001) in urban areas being so proximate, it may be concluded that the slum redevelopment programme would be the most appropriate method of tackling open defecation in urban areas.

### **Recommendation Serial No. 8**

#### **Rajiv Awas Yojana**

2.5 Rajiv Awas Yojana (RAY) for the slum dwellers and the urban poor envisages a 'Slum-free India' through encouraging States/UTs to tackle the problems of slums in a definitive manner. The Committee feel that the main hindrance in the implementation of Rajiv Awas Yojana is ensuring supply of adequate serviced land for housing the EWS and LIG segments. The Committee have noticed that



participation on the part of the States have not been forthcoming in initiating of reforms which are pre-condition to the effective implementation and success of RAY. According to the Ministry's own submissions, it is a state-led action and the response of the States have been slow. In fact only two states *viz.* Andhra Pradesh and Gujarat have initiated the process of drafting State model frameworks based on the initial draft framework circulated by the Ministry. The Committee feel that the target of creating a slum free India in five years appears to be largely aspirational since it has not yet taken off till date even after the lapse of almost three quarters of a year and the Ministry still trying to impress on the stake-holders to initiate reforms. The Committee feel that all the State/UTs Governments should be brought on board before proceeding with the necessary legal and administrative reforms especially keeping in view that acquisition of land has been a major problem in many States. The Committee feel that Ministry should draw realistic targets and realistic time-frame for addressing this issue.

The Committee further feel that while approving the housing layouts by the city planners emphasis should be on the demarcation of plots into small zones comprising of HIG and MIG segments along with the LIG and EWS segments so that these could evenly be spread across the city. Moreover, special initiative should be taken to ensure creation of appropriate financial and institutional mechanisms for credit enhancement and flow of capital for this programme.

The Committee feel the basic objective of RAY is to assign property rights to the slum dwellers. However, past experiences have shown that in many cases the allottees transfer their rights in favour of others and shift to some other slum. The Committee, therefore, recommend that necessary safeguards may be included in the agreement itself wherein the allottee, or their heir on whom the title devolves on inheritance, cannot transfer their rights in any way, till the passage of at least 15 mandatory years from allotment.

### **Reply of the Government**

2.6 The Ministry of Housing & Urban Poverty Alleviation has taken a series of measures towards the launch of RAY and the preparatory activities to be carried out by States and UTs.

After the announcement by Hon'ble President, Ministry of HUPA prepared a Concept Note, which was circulated to Planning Commission. The Planning Commission gave its in-principle approval to the Concept Note and various consultations were held with Experts, Civil Society Representatives, Members of Technical Advisory Group, City Commissions, State Secretaries, Central Ministries and Departments etc. and based on the consultations the draft Guidelines were circulated to Planning Commission, Central Ministries and States for their comments.

Based on the comments and suggestions received from Planning Commission and Central Ministries and State Governments on the draft Guidelines and feedback from various quarters, a draft Rajiv Awas Yojana (Slum-free India Mission) Scheme was prepared and circulated to an Expert Committee constituted under the Chairmanship of Shri Deepak Parekh, Chairman, HDFC to critically examine the draft Rajiv Awas Yojana scheme prepared by the Ministry. The Committee has appraised and made suggestions on strategies, financial pattern and other features of the scheme. Deepak Parekh Committee has recently submitted its report on 26.4.2010 and the Ministry has analysed the comments. The recommendations were discussed by Minister (HUPA) with Planning Commission, PMO and the Committee. A revised scheme is prepared. The Ministry agrees that target of 5 years is aspirational. Therefore, it is envisaged that scheme would be implemented at the pace led by State pace of action.

In order to utilize the budget of Rs.150 crore for RAY in 2009-10, the Ministry held an EFC meeting in January, 2010, and it was decided to utilize Rs.120 crore (Rs. 60 crore in 2009-10 and Rs. 60 crore in 2010-11) for preparatory activities such as compilation of data base, capacity building and slum free city planning activities for Rajiv Awas Yojana, duly taking into account the suggestions by the Planning Commission and Finance Ministry. In this respect a scheme of Slum-free City Planning for Rajiv Awas Yojana, with focus on Slum Survey, Slum MIS, GIS Mapping of Slums and Preparation of Slum-free City and State Plans has been started in March 2010. Out of this, Rs. 60 crore has been released to 20 States in 2009-10. An equal amount is expected to be released in the year 2010-11 also.

Meanwhile, the Ministry has also held deliberations on the "Model Legal Framework for Assigning Property Rights to Slum Dwellers/Urban Poor" with State Government Officials, experts from

National Law School., Bangalore, National Law University, Delhi, School of Planning and Architecture, Delhi, Institute of Town Planners of India, etc. to guide the development of a model legal legislative framework for according property rights to slum dwellers/urban poor. A draft model legal framework for according property rights to slum dwellers/urban poor (including housing or land to accommodate such housing) along with basic amenities such as water and sanitation, has been prepared by the Ministry and circulated to experts/State Nodal Agencies for their views and taking appropriate action with regard to developing their State level legal frameworks.

Regarding the recommendation of the Committee that necessary safeguards may be included in the agreement itself wherein the allottee, or their heir on whom the title devolves on inheritance, cannot transfer their rights in any way, till the passage of at least 15 mandatory years from allotment, the Ministry would keep the same in mind while formulating the programme.

A provision of Rs.1270 crore has been made for RAY for year 2010-11, Rs. 1200 crore is in the budget of Department of Expenditure for release to States, Rs.10.20 crore in the Budget of Ministry of Home Affairs (for release to Delhi and Puducherry) and Rs.60 crore in the budget of Ministry of Housing & Urban Poverty Alleviation.

The Ministry also emphasizes the pro-poor reforms on Reservation of land for EWS /LIG in all housing layouts which leads to inclusive development as recommended by the Committee. The reform is an integral part of Rajiv Awas Yojana.

### **Recommendation Serial No.10**

#### **Monitoring of Schemes**

2.7 The Committee note that their recommendation made in second Report on Demand for Grants (2009-10) regarding involving elected representatives in social auditing and monitoring of schemes and setting up of Vigilance Committees under the Chairmanship of the local Members of Parliament to monitor the progress of various ongoing schemes, supported by the Ministry, has not been given due attention.

The Committee are of the firm view that involvement of the Members of Parliament is very essential in monitoring of these scheme, as they can keep a tight vigil on the quality of houses so constructed under JNNURM and keep a watch over the funds being spent under SJSRY etc. Moreover, Members can create awareness among their constituents about the contents and benefits of various schemes, as well as expedite the construction process and submission of utilization certificates by States which would further ensure timely funding in future. The Committee, therefore, reiterate their earlier recommendation and urge the Ministry to take up this mater on priority basis and set up a Vigilance Committee on the lines of rural development schemes for monitoring and social auditing of the schemes of Ministry of Housing and Urban Poverty Alleviation.

### **Reply of the Government**

2.8 Following discussions in the Meeting of the National Steering Group, the Ministry of Urban Development has issued directives vide its letter dated 31.3.2010 to all States, Municipal Commissioners of Mission Cities and the State Level Nodal Agencies to notify Review & Monitoring Committee comprising MPs/ MLAs/ Mayors/ Chairperson of ULB / eminent citizens for review and monitoring of projects and reforms. The order of Ministry of Urban Development prescribes Review and Monitoring Committee at the city level for BSUP and UIG and Review and Monitoring Committee at district level for UIDSSMT and IHSDP to review and monitor the progress of projects and reforms.

The Ministry of Housing & Urban Poverty Alleviation has requested all States/UTs to comply with the directives as mentioned above.

### **Comments of the Committee**

2.9 *For comments of the Committee please see paragraph No. 1.18 of Chapter-I of the Report*

## **CHAPTER-III**

### **RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT**

**-NIL-**

## **CHAPTER-IV**

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

#### **Recommendation Serial No. 1**

##### **Underutilization of funds**

4.1 From the expenditure details as furnished by the Ministry, the Committee note that there has been gross underutilization of funds during the year 2009-2010. The total allocation for the year 2009-2010 was Rs.850 crore out of which only Rs.521.56 crore could be spent. Scheme-wise analysis also shows that there is a general shortfall in the utilization of funds across almost every programme implemented by the Ministry. For example, the total allocation under SJSRY was Rs.515 crore while the actual expenditure was Rs.413.81 crore only. Similarly, the allocation under the ILCS was Rs.60 crore while the actual expenditure was Rs.36.92 crore only. The actual expenditure during the period was 38.64% below than what was allocated to the Ministry at the BE stage. So far as the expenditure of the funds received as Additional Central Assistance are concerned, while the BE 2009-2010 for the BSUP and IHSDP was Rs.2524.65 crore and Rs.1117.58 crore respectively, it was reduced to Rs. 1344.36 crore and Rs.786.74 crore at RE stage. Even this reduced allocation could not be spent fully and the actual expenditure under both BSUP and IHSDP schemes was only Rs.922.05 crore and Rs.613.19 crore, respectively.

From this, the Committee can easily draw the inference that the delivery mechanism of the Ministry is not proper and 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 demanded the larger allocation of funds for successful implementation of various schemes, their actual performance shows that they have not been able to utilize the amount allocated to them completely. The Committee need to emphasize that this trend of under utilization of funds results in cut at the Revised Estimate stage. That is why year after year plan allocations get reduced at RE stage which is evident from the fact that in 2008-2009, the allocation was reduced from Rs.850 crore to Rs.670 crore and in 2009-2010 from Rs.850 crore to Rs.575 crore. If the Ministry fails to spend even 60% of the entire funds allocated to

them till the month of December, it cannot escape the cut at the RE stage. Moreover, under-utilisation of funds results in the reduced allocation of funds in successive years. Thus, the onus lies on the Ministry to utilize the funds fully and that too in time to avoid reduction in allocation which ultimately reflect on the performance of schemes.

The Committee are of the firm opinion that there are serious problems in planning and implementation of various schemes. There is an urgent need to review the situation scheme-wise and project-wise. The corrective action in this regard should be taken immediately and the Committee informed accordingly.

### **Reply of the Government**

4.2 Utilisation of the allocated budget is dependent upon the ability of the States to submit requisite proposals for seeking 2<sup>nd</sup> installments along with Utilisation Certificates of earlier releases. Ministry has taken vigorous persuasive action with the States and UTs in this regard such as review meeting with State Secretaries, field visits, monitoring of progress reports, capacity building workshops etc. However, during 2009-10 the Ministry found constraints of the States by the engagement of their personnel and attention in the General Elections (and in 4 large States thereafter in the State Assembly elections) for the first 3-5 months of the year, with the result that their requests for sanctions to subsequent releases were slow in coming.

In case of Swarna Jayanti Shahari Rozgar Yojana (SJSRY), due to the above factors, submission of Utilisation Certificates for the past releases was consequently delayed well beyond normal and therefore, Central fund release to the States/UTs got consequently delayed. This led to the downward Revised Estimates (RE) allocation for the scheme as Rs. 428.69 crore from the Budget allocation of Rs. 515.00 crore for the year. However, the Revised Estimates allocation of Rs. 428.69 crore was fully utilised under SJSRY during 2009-2010.

The Budget provision for the year 2009-10 under Integrated Low Cost Sanitation Scheme (ILCS) was Rs. 60 crore. However, due to pending finalized Detailed Project Reports (DPRs) from the State Governments, actual expenditure incurred on ILCS Scheme during 2009-10 was Rs.50.50 crore.

The Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) scheme was approved by the CCEA on 26.12.2008. The guidelines of the scheme were firmed up in February, 2009, and was effectively put in place in 2009-10. Anticipating from the initial and encouraging response to the scheme, an allocation of Rs. 180.59 crore was made during 2009-10. ISHUP is a demand driven loan based scheme aimed at facilitating institutional loans to EWS & LIG beneficiaries and is essentially linked to ability of States in creation of additional housing stock by the States. FY 2009-10 being effectively the first year of scheme, the response from States has been slow and only Andhra Pradesh has been able to take advantage of scheme and dove-tail it with a state scheme i.e. INDIRAMA. As a result the Ministry was constrained to surrender funds to the tune of Rs 175.59 crore at RE stage.

As regards BSUP and ISHDP the revised allocation was reduced to Rs.2131.10 crores following budget cut across the board. The BE, RE, actual sanction, actual release for the year 2009-10 under Basic Services for Urban Poor ( BSUP), Integrated Housing and Slum Development Programme (IHSDP), Rajiv Awas Yojana (RAY) and Swarna Jayanti Shahari Rozgar Yojana (SJSRY), are as follows:-

**(Rs. in crore)**

	<b>BE</b>	<b>RE</b>	<b>Actual Sanction</b>	<b>Actual Release</b>
<b>BSUP</b>	2524.65	1344.36	1530.27	1338.37
<b>IHSDP</b>	1117.58	786.74	856.67	780.72
<b>RAY</b>	150.00	60.00	60.00	60.00
<b>SJSRY</b>	515.00	428.69	428.69	428.69
<b>Total</b>	4307.23	2619.79	2875.63	2607.78

It may be seen that the Ministry sanctioned an amount of Rs.255.84 crore over and above RE of Rs2619.79 crore. The sanctions excess of budget have been carried over for release to RE 2010-2011.

The Ministry of Finance, going by the pace of expenditure and their own urgencies imposed a cut on this Ministry's budget as with all other Ministries.

#### **Comments of the Committee**

4.3 For comments of the Committee please see paragraph No.1.8 of Chapter-I of the Report.



## **Recommendation Serial No. 2**

### **Poor implementation of SJSRY**

4.4 Poverty alleviation is central to the urban development strategy. Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is the only poverty alleviation scheme for the urban dwellers being implemented by the Ministry with the aim of providing gainful employment to them. It was modified with effect from 01<sup>st</sup> April, 2009 so as to make it more meaningful. However, it has been noticed that out of the total allocation of Rs.515 crore for the year 2009-2010 only Rs.364.27 crore could be spent by the Ministry up to January, 2010. The poor spending of funds had a clear impact on the targets. The lone indicator of the success of the scheme is the number of persons covered under the scheme. The targets achieved under the scheme do not portray a pleasant picture about the progress of the scheme. For example, target for number of persons to be imparted gainful training under the STEP-UP component of SJSRY was 2,00,000 whereas the achievement was not even 50% and only 91,019 persons could be covered under this scheme. Similarly, against the target of 25,000, the number of beneficiaries assisted for setting up group micro enterprises was only 14,653. The Committee strongly feel that the total number of beneficiaries to be covered under the entire scheme is only 3 lakh which in itself is not sufficient even to tackle the issue of unemployment among the urban poor keeping in view the ever increase in incidences of poverty in the urban areas. The recent Expert Group Report, headed by Shri Suresh Tendulkar, commissioned by the Planning Commission, estimates India's aggregate poverty to be 37.2% which is higher than what was estimated earlier. The estimated figures may vary but it is unarguably too high for a nation growing as rapidly as India. Special initiatives are needed to combat it. Thus, a greater allocation of resources is required to eliminate the poverty and related problems from the urban areas. The Committee, therefore, recommend that the allocations and the targets fixed by the Ministry should appropriately be increased so as to address the mismatch between the number of urban poor and targets set by the Ministry.

Moreover, the Committee find that performance in some of the States like Jammu & Kashmir, Jharkhand, Punjab, Meghalaya etc. is utterly dismal and no Central Funds have been released to them as they could not spend the funds in time and furnish the utilization certificates for their past release. Further, the state-wise expenditure reported by the States show that Rs.61175.19 lakh of Central fund

are still lying unspent with the States. The Committee feel that this non-utilisation of fund affects the overall performance of the scheme. The Committee, therefore, urge the Ministry to take remedial measures so as to ensure that the funds allocated to the states are optimally utilized within the stipulated time frame.

The Committee further feel that the Ministry should ensure that personnel involved in the implementation of the Scheme should adequately be trained to handle the scheme. Infact, the Committee feel that except for the policy making, there should be an independent agency which would handle the implementation part of the scheme. The Committee also feel that instead of providing traditional training to the urban poor, the Ministry should specifically design their training modules in consultations with the recruiting firms and agencies and the industries, to enable the beneficiaries to actually find recruiters. The Committee also feel that instead of surrendering the funds allocated for the Capacity Building/Research & Studies, it should be optimally utilized to ensure that additional capacity is built up and optimum results could be achieved.

### **Reply of the Government**

4.5 It is noted that the revised scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) was approved only in January 2009; it became effective from the year 2009-2010. Due to the General Elections of Lok Sabha and State Elections in four major States soon after, the State Departments could turn their attention to plan schemes like Swarna Jayanti Shahari Rozgar Yojana (SJSRY) only in the second half of 2009. Submission of Utilisation Certificates for the past releases was consequently delayed well beyond normal and therefore Central fund release to the States/UTs got consequently delayed. This led to a downward revised allocation of Rs. 428.69 crore for the year. However, the Revised Estimates allocation was fully released.

The targets under the scheme were fixed commensurate with the Budget allocation for the scheme made by the Planning Commission. As the per capita subsidies under the revamped SJSRY have been substantially enhanced and the allocation for the scheme remained the same at Rs. 515 crore, as in the previous year, the physical targets changed. Regarding achievements against the targets, this Ministry is of the understanding that the over achievement of targets, which is quite

substantial, is due to the States operating the scheme as per the old pattern, even as they focused on learning and relearning by all levels of the delivery machinery to reengineer the implementation to the revised parameters of the scheme. As per the updated Progress Reports received from the States/UTs for the year 2009-10, number of urban poor assisted for individual self-employment are 81301, number of urban poor women assisted for Group enterprises are 49974, number of urban poor women assisted through revolving fund are 1,36,178 and the number of urban poor imparted skill training are 1,83,883. Thus total beneficiaries covered under the scheme are more than 4.51 Lakhs, against the target of 3 Lakhs.

The views of Hon'ble Committee regarding enhancement in the allocation for the scheme are noted. The Ministry will request Planning Commission for enhanced allocation for the scheme next year, basing the projections on desired enhancement as well as the ability of the States to implement and utilise.

The unspent balances shown with the States/UTs include the Central funds released during the years 2008-2009 (total Rs. 540.67 crore) and 2009-2010 (total Rs. 421.61 crore), for which Utilisation Certificates have not become due till 31<sup>st</sup> March 2010. In fact, UCs for only an amount of Rs. 18.32 crore were due, as on 31<sup>st</sup> March 2010, from total 10 States/UTs, i.e. 18.56% of the amount (cumulative Rs. 98.71 Crore) released to these 10 States/UTs for which Utilisation was expected.

For skill training of urban poor in the emerging skills, the Ministry has circulated operational guidelines for the skill training component under SJSRY. Ministry is also guiding the States/UTs in skill training under various emerging sectors like tourism & hospitality, wellness, security guards, modern appliances etc.

For the capacity building and training of the project functionaries involved in the implementation of the scheme at the State/District/Urban Local Body (ULB) level, Ministry has empanelled various Institutions under the National Network of Resource Centers (NNRC) for comprehensive capacity building on urban poverty issues. Four such institutions namely the Human Settlement Management Institute (HSMI), New Delhi and the 3 Regional Centers for Urban & Environmental Studies (RCUES) at Lucknow, Mumbai and Hyderabad has been designated as the Nodal Resource Centers for revamped

SJSRY and States/UTs have been distributed among these 4 Training Institutions for comprehensive capacity building of the State/ULB machinery as well as dissemination of the revised Guidelines of SJSRY at the local level.

With regard to the independent agency for implementation of the scheme it is submitted that the scheme is implemented through designated Nodal Agencies at the State/District/ULB level. Independent implementing agencies and NGOs are increasingly being drawn in by States in implementing some aspects of the scheme, most commonly the skill training. At the ground level, Community Structures such as Community Development Societies (CDS), Neighbourhood Committees (NHC) and Neighbourhood Groups (NHG) are involved in the implementation of the scheme in collaboration with the UPA Cells in the Urban Local Bodies. However, the suggestion of the Committee in this regard will be evaluated for likely increase the budgetary demand and will be placed before the States and Planning Commission for serious consideration.

4.6 *For comments of the Committee please see paragraph No.1.11 of Chapter-I of the Report*

#### **Recommendation Serial No. 5**

##### **BSUP and IHSDP**

4.7 Under Jawaharlal Nehru National Urban Renewal Mission (JNNURM), the Ministry of Housing and Urban Poverty Alleviation has been entrusted with the nodal responsibility for an integrated slum development in the 65 Mission cities under the component Basic Services to the Urban Poor (BSUP) and for providing shelter and basic amenities in other non-Mission cities under the Integrated Housing and Slum Development Programme (IHSDP). The key objectives of these programmes are to strive for holistic development, with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure facilities.

The submissions made by the Ministry suggest that of the total Additional Central Assistance (ACA) of Rs.16356.35 crore under the BSUP, about 82.29% have already been committed to be released to the States/UTs. However, the cumulative ACA released to the States/UTs till mid March, 2010 was Rs.4646.64 crore only. Non-utilisation of funds is also evident from the fact that the number of

dwelling units completed and those under construction till date is very low. Under BSUP and IHSDP, against the Mission period target of construction of 1.5 million housing units, sanctions for only 1022689 dwelling units have been obtained out of which, till date, only 165825 units have been completed and 361153 units are still under construction. Under IHSDP only 67160 units have been constructed and 137134 units are under construction against sanctioned 497671 dwelling units. The progress of the scheme is extremely dismal especially in the States like Punjab, Delhi, Jharkhand, Rajasthan, Goa and Bihar as these states have not yet availed the balance of ACA available with them. The basic reason attributed for the non release of the committed ACA to them is that they have failed to submit adequate number of Detailed Project Reports, according to the JNNURM guidelines. The Committee are extremely concerned about the under-utilization of funds and delayed submission of the Detailed Project Reports and express their serious doubts about the number of projects which would actually take off and would be completed in time given the slow pace of the progress made by these States.

From the material furnished to the Committee they feel that there are variations in progress across the country. In four years, since this major programme was launched, some States and Cities have progressed well and others towards tangible results. The Committee feel that there is a need for more attention to governance reforms followed by building capabilities. The Committee, therefore, recommend that there is a need to support the States/ULBs in their capacity building/training programmes in a structured manner to promote effective implementation of JNNURM and other poverty alleviation programmes.

### **Reply of the Government**

4.8 The Ministry has taken many initiatives to enhance the capacity of States/ULBs in preparation of DPRs and implementation of projects. Programme Management Units comprising 5 experts have been sanctioned in 26 States. Similarly, 111 Project Implementation Units have been sanctioned with 3-5 experts each at the city/ULB level for supporting implementation.

More than 110 capacity building programmes have been conducted training more than 12500 officials for States/ULBs. The Ministry has conducted regular regional review at the level of Secretary (HUPA) and State level reviews where senior officers from Mission Directorate and Technical organization of HUDCO and BMTPC are going.

In this regard a toolkit for Financial Support for Comprehensive Capacity Building for Improved Urban Governance and Poverty Alleviation has been circulated. The Ministry plans to conduct capacity building programmes in the areas of Project Monitoring, Quality Assurance, Social Audit, Reforms Implementation and Implementation of IPoMS in the structured manner in the coming years.

4.9 *For comments of the Committee please see paragraph No.1.14 of Chapter-I of the Report.*

### **Recommendation Serial No. 9**

#### **Interest Subsidy Scheme for Housing the Poor**

4.10 The 'Interest Subsidy Scheme for Housing the Poor' (ISHUP) to provide 5% subsidy on interest charged on loan upto one lakh was introduced in Eleventh Five Year Plan with the allocation of 1378 crore. During 2010-11 Rs. 200 crore have been allocated. As informed by the Ministry, during 2009-10 Rs. 5 crore were allocated out of which Rs. 52 lakh have been spent by Andhra Pradesh alone by dovetailing it with a State scheme called 'INDIRAMA'. There seems to be no progress in other States. Some of the reasons attributed for slow progress, are very late finalization of guidelines, unawareness of banks and beneficiaries and less demands from States. The Committee have been informed that ISHUP is to be subsumed in another newly introduced scheme called Rajiv Awas Yojana. The Committee fail to understand the reasons for which the Ministry propose such a scheme that takes initially 4 years to take off and then later on proposed to be subsumed in another scheme that too has not started as yet. The Committee, therefore, expect the Ministry to do proper homework before introducing any scheme and then only go to planning Commission for approvals.

The Committee further feel that the maximum limit of one lakh for providing subsidy is very low as no house could be constructed with the amount of one lakh. Therefore, the maximum limit should be approximately raised in order to make it more realistic and attract more beneficiaries under the scheme. Moreover, the States should be directed to study the example of Andhra Pradesh and come up with their demands to avail the benefits of the scheme to construct the houses for urban poor.

### **Reply of the Government**

4.11 Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) is a demand driven loan based scheme aimed at facilitating institutional loans to EWS & LIG beneficiaries and is essentially linked to the ability of States in creation of additional housing stock by the State. The State Level Bankers' Meetings have been held so far in the states of Andhra Pradesh, Karnataka, Tamilnadu, Rajasthan, Kerala, Haryana, Madhya Pradesh, Jammu and Kashmir Uttar Pradesh, Punjab, Jharkhand, Pudducherry, Delhi, Himachal Pradesh and Gujarat and first five states have fixed a total target of 6,29,121 beneficiaries under the Scheme. A review meeting with the identified states and banks/HFIs which have entered into agreement with the Central Nodal Agencies, namely, Housing and Urban Development Corporation and National Housing Bank was held in the month of December 2009 which was also addressed by representative of Ministry of Finance to impress upon the banks to make concerted efforts to achieve the targets assigned under the Scheme. Apart from this, consultations have been organized at state level involving the concerned State Government and meetings with the State Secretaries, Municipal Commissioners, senior level bank officers etc. The states covered so far are Gujarat, Maharashtra, Kerala, Karnataka, Andhra Pradesh, Tamil Nadu, Madhya Pradesh, Haryana, Punjab, Uttar Pradesh, Rajasthan, Orissa, Chhattisgarh, J&K, West Bengal and Assam. The response has been encouraging and the scheme has been received well by the State Governments and PLIs.

Government has announced a new scheme called Rajiv Awas Yojana (RAY) for the slum dwellers and the urban poor. This scheme aims at providing support to States that are willing to provide property rights to slum dwellers. The Government's effort through the implementation of RAY would be to encourage the States to adopt a pace that will create a Slum free India at the earliest. The objectives of ISHUP that is to enable affordable housing to EWS and LIG segments by giving interest subsidy and RAY, that is, to create slum free India are similar. Further, as the aim of slum free India under RAY cannot be realized unless there is provision of affordable housing for EWS/LIG segments of population; the Government is considering to subsume the ISHUP Scheme under Rajiv Awas Yojana. Meantime, ISHUP is under implementation.

The 'INDIRAMA' scheme, which is successful in the state of Andhra Pradesh, is discussed by the other states in Conferences organized and reviewed by the Ministry whenever Andhra Pradesh Government is present. These forum serve to propagate the Andhra Pradesh example among others.

4.12 *For comments of the Committee please see paragraph No.1.17 of Chapter-I of the Report.*



## **CHAPTER-V**

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

#### **Recommendation Serial No. 6**

##### **Lack of Finance and Land for Housing**

5.1 With rapidly rising rural urban migration and economic growth, it is estimated that by 2030, the urban population will increase considerably. Given the trend, the Committee apprehend that with the high level of urbanization comes matching low level of poverty accompanied by acute shortage of houses for the urban poor. As per deposition of the Ministry, there are few constraints that are adversely affecting the Government's efforts to construct affordable houses. One of them is lack of adequate resources with urban local bodies and another is availability of land.

The Committee note that under JNNURM, out of the committed allocation of Rs. 42287.04 crore during mission period (2005-12) only 38% could be released by 31.12.2009. The main reason as submitted by the States like Punjab and Goa, where no fund has been released, is that they cannot raise the State's share to match the Central share of funds because the financial health of their municipalities is not good. The Committee feel that this problem is more or less same with all the States.

The Committee, therefore, recommend that the Ministry in consultation with the Planning Commission and the State Governments should work out a plan to generate the resources and financially strengthen the municipalities. The Committee also suggest to explore the possibilities so that the Central share of the total funds allocation for the projects under BSUP and IHSDP may be provided to the municipalities directly so as to expedite the whole process. On this aspect the Committee further recommend that the experience of better performing States like Andhra Pradesh and Gujarat and cities like Ahmedabad could be followed by other States also.

In regard to availability of land, the Committee recommend that the States should be asked to make it compulsory in their State expansion plans to specify 5-10% land for EWS houses. The

Committee further feel that the State Governments should try to go in for high rise buildings thereby accommodating more dwelling units.

### **Reply of the Government**

5.2 The Ministry fully agrees with the observations of the Standing Committee that lack of adequate resources with the Urban Local Bodies (ULBs) and availability of land are adversely affecting the government's effort to construct affordable houses. The Standing Committee has rightly observed that in several States the Municipalities are not in a position to match the Central share of funds under JNNURM because of their precarious financial condition. However, there is also the problem of non release of matching State Share on time. Central assistance under JNNURM is provided to States as transfer in the form of Plan assistance (Additional Central Assistance). Under the current financing pattern of JNNURM the Central share is being released in the form of Additional Central Assistance (ACA) through Ministry of Finance ( to States ) and Ministry of Home Affairs ( to Union Territories). Accordingly, it may not be possible to release funds to ULBs directly.

In so far as BSUP/IHSDP components under JNNURM are concerned, out of the 7 year allocation of Rs. 23184.66 crore the Ministry committed ACA of Rs. 19910.58 Crore as on 30.6.2010 for 1421 projects under BSUP/IHSDP in 31 States/UTs. Out of this commitment Rs. 8841.39 crore has been released. This includes 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> installments for different projects depending upon their progress of implementation. Further releases depend upon the ability of the States to submit requisite proposals for seeking 2<sup>nd</sup> and subsequent installments of ACA along with the Utilization Certificates of earlier releases.

As regards financially strengthening the Municipalities is concerned, the Thirteenth Finance Commission has recommended that local bodies be transferred a percentage of divisible part of taxes (over and above the share of the states). For the year 2010-11, the recommended Aggregate Grants to local bodies is 1.5%. Further the Thirteenth Finance Commission recommends that State Governments should incentivize revenue collection by local bodies through methods such as mandating some or all local taxes as obligatory at non-zero rates of levy, by deducting deemed own revenue collection from transfer entitlements of local bodies, or through a system of matching grants.

Regarding availability of land for EWS/LIG housing, the National Urban Housing and Habitat Policy, 2007 provides that 10%-15% land or 20%-25% Floor Area Ratio (FAR), whichever is greater, to be reserved for EWS and LIG housing.

### **Recommendation Serial No. 7**

#### **Promoting Public-Private Partnership to address the urban housing shortage problem**

5.3 As per the estimates of the Technical Group constituted by the Ministry, the total urban housing shortage in the country is projected to go up to 26.53 million during the 11th Five Year Plan (2007-2012). Out of the total urban housing deficit almost 99% pertains to EWS/LIG category houses.

The Committee feel that the situation is very alarming and needs to be seriously addressed as housing is one of the basic human needs for which sufficient funding is required. The Working Group on Urban Housing pertaining to the 11th Plan estimated that an investment of Rs.3,61,318.10 crore would be required for overcoming the problem of urban housing shortage, bulk of which belong to the EWS/LIG category.

The Committee further feel that the enormity of the funds that are required for the purpose cannot be met by the public money alone and desire that ample scope should be created for public-private partnership in the housing sector. Since affordable housing projects may not be a viable business proposition for the private players, special fiscal and spatial incentives need to be devised to attract them. Incentives in the form of tax rebates on housing also needs to be re-looked in present circumstances and the Committee would like the Ministry of Housing and Urban Poverty Alleviation along with the Ministry of Finance to devise a mechanism to promote private participation in the housing sector especially for the EWS/LIG category and arrive at a plausible solution. State Governments and Urban Local Bodies may be advised to bring in necessary legislation to make lands available at affordable prices for the urban poor. However, while encouraging public-private partnership necessary caution may be exercised so that the interest of the urban poor are protected.

The Committee appreciate the launch of the new initiative entitled, 'Affordable Housing in Partnership' by the Ministry under which Rs.50,000 or 25% of the infrastructure cost would be given as

subsidy for construction of each EWS dwelling unit. The Committee urge the Ministry to issue necessary guidelines so as to ensure enhanced participation by the Urban local bodies and developers in realizing the goal of affordable housing for all.

### **Reply of the Government**

5.4 It is noted that at 2008-2009 prices, the requirement of funds for Affordable Housing for All is far higher under the scheme of 'Affordable Housing in Partnership'. A McKinsey Consulting Group report on the urban sector puts the requirement at Rs 423614.30 crore. The Ministry is pursuing the matter for issue of model guidelines for Public-Private Partnership in Housing to address the issues and two national level consultations involving NAREDCO and FICCI were held with the experts, realtors/developers and State Government representatives to develop a consensus on methodologies for developing such partnership.

In addition, noting that the size of the Affordable Housing for All (AHA) programme cannot be done by the public sector alone, the Ministry is pursuing with the Ministry of Finance the creation of a set of initiatives to induce private sector development of Affordable Housing.

New Delhi;

01 December, 2010  
10 Agrahayana, 1932 (Saka)

**SHARAD YADAV**  
**Chairman**  
**Standing Committee on Urban Development**

## **APPENDIX - I**

### **COMMITTEE ON URBAN DEVELOPMENT(2010-2011)**

#### **MINUTES OF THE THIRD SITTING OF THE COMMITTEE HELD ON WEDNESDAY, 01 DECEMBER, 2010**

The Committee sat from 1500 hrs. to 1630 hrs. in Room No. 'D', Parliament House Annexe, New Delhi.

#### **PRESENT**

Shri Sharad Yadav - Chairman

#### ***MEMBERS***

#### **LOK SABHA**

2. Shri Gajanan D. Babar
3. Shri Partap Singh Bajwa
4. Shri Sakti Mohan Malik
5. Shri Ramesh Kumar
6. Shri P.C. Mohan
7. Dr. Sanjeev Ganesh Naik
8. Shri Kadir Rana
9. Dr. Kirit Premjibhai Solanki

#### **RAJYA SABHA**

10. Shri Surendra Motilal Patel
11. Shri Shyam Benegal
12. Dr. Bhalchandra Mungekar

#### **SECRETARIAT**

1. Shri T.K. Mukherjee - Joint Secretary
2. Shri K.D. Muley - Director
3. Ms. Amita Walia - Deputy Secretary

2. At the outset, the Chairman welcomed the members to the sitting of the Committee. The Committee then took up for consideration the following draft Action Taken Reports:-

- (i) Draft Report on Action Taken by the Government on the recommendations contained in the Sixth Report (Fifteenth Lok Sabha) of the Committee on 'Demands for Grants 2010-2011 of the Ministry Urban Development.
- (ii) Draft Report on Action Taken by the Government on the recommendations contained in the Seventh Report (Fifteenth Lok Sabha) of the Committee on 'Demands for Grants 2010-2011 of the Ministry of Housing and Urban Poverty Alleviation.

3. The Committee adopted the draft Action Taken Reports without any change(s)/modifications.

4. The Committee then authorized the Chairman to finalise both the reports and present the same to the Parliament.

**The Committee then adjourned.**

\* \* \* \* \*

**APPENDIX - II**  
[vide Para 4 of the Introduction]

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

I.	Total number of recommendations	10
II.	Recommendations which have been accepted by the Government	04
	<b><u>(Para Nos. 3, 4, 8 and 10)</u></b>	
	Percentage to total recommendations	(40%)
III.	Recommendations which the Committee do not desire to pursue in view of Government's replies:	NIL
	Percentage to total recommendations	NIL
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee:	04
	<b><u>(Para Nos. 1, 2, 5, and 9)</u></b>	
	Percentage to total recommendations	(40%)
V.	Recommendations in respect of which final replies of the Government are still awaited:	02
	<b><u>(Para No. 6 and 7)</u></b>	
	Percentage to total recommendations	(20%)