

**15**

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

**FIFTEENTH LOK SABHA**

**MINISTRY OF HOUSING AND URBAN  
POVERTY ALLEVIATION**

**DEMANDS FOR GRANTS  
(2011-12)**

**FIFTEENTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*June, 2011/Asadha, 1933 (Saka)*

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MINISTRY OF HOUSING AND URBAN  
POVERTY ALLEVIATION

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(2011-12)

*Presented to Lok Sabha on .....*

*Laid in Rajya Sabha on .....*



LOK SABHA SECRETARIAT  
NEW DELHI

*June, 2011/Asadha, 1933 (Saka)*

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

Shri Sharad Yadav — *Chairman*

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2. Shri R.K. Jain — *Director*
3. Ms. Amita Walia — *Deputy Secretary*
4. Shri Priyadarshan — *Senior Committee Assistant*

## INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2010-11) (Fifteenth Lok Sabha) having been authorized by the Committee to submit the Report on their behalf, present the Fifteenth Report on Demands for Grants (2011-12) of the Ministry of Housing and Urban Poverty Alleviation.

2. The Demands for Grants of the Ministry of Housing and Urban Poverty Alleviation were laid on the table of the House on 15th March, 2011. Under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, the Standing Committee on Urban Development are required to consider the Demands for Grants of the Ministries under their jurisdiction and make Report on the same to both the Houses of Parliament. Thereafter, the Demands are considered by the House in the light of the Report of the Committee. However, this year the Demands for Grants (2011-12) of Ministry of Housing and Urban Poverty Alleviation were passed by Lok Sabha on 17th March, 2011, prior to their consideration by the Standing Committee on Urban Development. Nonetheless in pursuance of the observations made by the Chair, the Committee examined Demands for Grants (2011-12) of the Ministry of Housing and Urban Poverty Alleviation and issues arising therefrom.

3. The Committee took evidence of the representatives of the Ministry of Housing and Urban Poverty Alleviation on 6th April, 2011. The Committee wish to express their thanks to the officials of the Ministry of Housing and Urban Poverty Alleviation for placing before them the requisite material and their considered views in connection with the examination of the Demands for Grants (2011-12).

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

5. The Committee considered and adopted the Report at their sitting held on 10th June, 2011.

6. For facility of reference, the observations/recommendations of the Committee have been printed in bold letters and placed as Part II of the report.

NEW DELHI;  
30 June, 2011  
9 Asadha, 1933 (Saka)

SHARAD YADAV,  
Chairman,  
Standing Committee on  
Urban Development.



## **PART I**

### **CHAPTER I**

#### **INTRODUCTORY**

The Ministry of Housing & Urban Poverty Alleviation was separated from the Ministry of Urban Development in 2004 with a vision of providing an equitable and inclusive sustainable growth of towns and cities free from slums which provides dignity and a decent quality of life to all inhabitants in the urban areas. It is the apex authority of the Government of India at the national level for formulation of urban housing policy and programme (except rural housing), urban development including slum redevelopment, formulation of specific programmes for affordable housing, slum redevelopment, urban employment and urban poverty, review of the implementation of the plan schemes, collection and dissemination of data on housing and slums, popularization of cost efficient building materials and techniques for adopting general measures for reduction of building costs and supervision and guidance to the autonomous bodies. In the federal structure of the Indian polity, while the matters pertaining to the housing and urban development have been assigned by the Constitution of India, to the State Governments, and the Government of India only plays coordinating and monitoring role and supports various programmes and schemes. In addition, the Ministry is entrusted with implementation of the specific programmes of urban employment and urban poverty alleviation.

1.2 The Ministry also plays a nodal role in addressing various issues of housing, urban employment and poverty alleviation by formulating appropriate policies, providing legislative guidance and through sectoral programmes. The National Policy issues are decided by the Ministry which allocates resources to the State Governments through various Centrally sponsored schemes. In addition, the Ministry also supports various external assistance programmes for housing, urban employment and poverty alleviation in the country as a whole.

1.3 In pursuance of recommendations of the Second Administrative Reforms Commission, the Ministry of Housing and Urban Poverty Alleviation has finalized the Results Framework Document (RFD) and strategy paper for next five years in order to ensure more objective performance monitoring of the Ministry. The Ministry in their RFD for

2010-2011 have highlighted *inter-alia* the vision, mission, objectives and functions of the Ministry which are as under:

### **VISION**

An equitable and inclusive sustainable growth of towns and cities free from slums which provides dignity and a decent quality of life to all inhabitants in the urban areas.

### **MISSION**

The provision of affordable housing for all, livelihood, shelter and basic civic services to all slum dwellers and poor in the urban areas.

### **OBJECTIVES**

#### **(A) POLICIES**

- (i) Implementation of National Urban Housing & Habitat Policy 2007.
- (ii) Adoption of National Policy on Urban Street Vendors 2009 by the States.
- (iii) To re-orient Urban Land Policy to make it more inclusive and equitable for the poorer sections.

#### **(B) IMPLEMENTATION OF PROGRAMMES**

- (i) Improved Municipal Governance through Reforms.
- (ii) Slum re-development.
- (iii) Slum-free City Programme for inclusive Urban Growth.
- (iv) Promoting cost effective building technologies.
- (v) Eradication of Dry latrines in the country.
- (vi) Tackling of vestiges of manual scavenging.
- (vii) Promoting affordable home building finance for EWS.
- (viii) Facilitating generation of employment and impart skill training to urban poor.

#### **(C) ADVOCACY**

- (i) Collection and dissemination of data on housing and slums to further the goals of Planning and Policy making.

- (ii) Advocacy and Capacity Building for Programme achievement.
- (iii) Change in Rental laws to promote house building.
- (iv) Regulatory Controls for transparency on R.E. construction.
- (v) Sharing information with the public.

## **FUNCTIONS**

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

1.4 The Ministry implements the above mandated work through formulation of appropriate policies, implementation of specific Plan programmes of housing, generation of employment in urban areas, and supporting autonomous bodies for undertaking relevant programmes and schemes. The Ministry also supervises/monitors the work of two Public Sector Undertakings, namely, Housing Development Corporation and Hindustan Prefab Limited. The Ministry also has one

attached office namely National Building Organisation (NBO). A brief introduction of these organisations/undertakings is as follows:

#### **National Buildings Organisation (NBO)**

1.5 National Buildings Organisation (NBO) is an attached office under the Ministry of Housing and Urban Poverty Alleviation (HUPA). It was established in the year 1954 under the then Ministry of Works and Housing with the following objectives:—

- (a) To collect, document, disseminate the information on the latest advances in housing,
- (b) To develop housing/buildings statistics and conduct studies relating to socio-economic, financial and investment aspects of housing.

NBO was restructured in the year 1992 as per the requirements under the prevailing Housing Policy and various socio-economic and statistical functions connected with housing and building activities and also to ensure that the plans/schemes of the Ministry are properly monitored. National Buildings Organisation was again restructured in the year 2005.

#### **Housing and Urban Development Corporation (HUDCO)**

1.6 The Housing & Urban Development Corporation Ltd. (HUDCO) was set up as a fully owned Government company in April, 1970 with a view to providing loans and technical support to States and City level agencies and other eligible organizations for various types of housing activities and infrastructure development.

#### **Hindustan Prefab Limited (HPL)**

1.7 The Hindustan Prefab Limited (HPL) is another Public Sector Undertaking under this Ministry since the year 1955. Presently it has been concentrating on project management services.

#### **Building Materials and Technology Promotion Council (BMTPC)**

1.8 The Building Materials and Technology Promotion Council (BMTPC) undertakes the task of extension, dissemination and application of innovative technologies and low-cost building materials based on industrial and agricultural wastes, developed by research institutions. It also encourages development of appropriate standards for the new materials and their adoption in the schedule and specifications for various agencies active in the fields of public housing and construction agencies.

## **National Cooperative Housing Federation (NCHF)**

1.9 The National Cooperative Housing Federation (NCHF) of India set up in 1969 is a national level organization (registered society) spearheading the cooperative housing movement in India and is supported by the Ministry of Housing and Urban Poverty Alleviation as part of the Government's efforts to encourage cooperative housing societies in the country.

## **Central Government Employees Welfare Housing Organisation (CGEWHO)**

1.10 The Central Government Employees Welfare Housing Organisation (CGEWHO) has been set up as a registered society under the aegis of Ministry of Housing & Urban Poverty Alleviation for construction of houses for Central Government employees.

### **1.11 Schemes and Programmes**

The Ministry of Housing and Urban Poverty Alleviation provides support to the following Centrally Sponsored and Central Schemes and Programmes:-

#### **(1) Centrally Sponsored Schemes**

##### **(i) Urban Poverty Alleviation Scheme—Swarna Jayanti Shahari Rozgar Yojana (SJSRY)**

With a view to providing gainful employment to the urban unemployed or underemployed through encouraging the setting up of self employment ventures on provision of wage employment, Swarna Jayanti Shahari Rozgar Yojana (SJSRY) was launched on 01.12.1997. The Scheme is being implemented through State/UT Governments and is funded on a 75:25 basis between the Centre and States. A revision of the guidelines of the schemes has been made with effect from the year 2009-2010. This scheme has five main components *viz.* Urban Self Employment Programme (USEP), Urban Women Self-help Programme (UWSP), Skill Training for Employment Promotion amongst Urban Poor (STEP-UP), Urban Wage Employment Programme (UWEP) and Urban Community Development Network (UCDN).

##### **(ii) Sanitation Scheme—Integrated Low Cost Sanitation Scheme (ILCS)**

The ILCS Scheme basically aims at conversion of individual dry latrine into pour flush latrines thereby liberating manual scavengers from the age old obnoxious practice of manually

carrying night soil. The Scheme was initially started in 1980-81. While implementing the ILCS Scheme it was observed that the scheme did not perform well due to various reasons. To make the Scheme more attractive and implementable, the Guidelines have been revised *w.e.f.* 17.01.2008.

**(iii) Urban Housing;**

- (a) Jawaharlal Nehru National Urban Renewal Mission launched on 3rd December, 2005 with an objective to provide focused attention to integrated development of urban infrastructure and services in selected 65 cities with emphasis on urban poor, slum improvement, community toilets/baths etc. The Mission has two main components *viz.* Basic Services for Urban Poor (BSUP) and Integrated Housing and Slum Development Programme (IHSDP) and 'Affordable Housing in Partnership' as an additional component.
- (b) Interest Subsidy Scheme for Housing for Urban Poor (ISSHUP).
- (c) Plan Scheme of NBO *viz.* 'Urban Statistics for HR and Assessments (USHA)' aimed at the development and maintenance of national database, MIS and knowledge repository relating to urban poverty, slums, housing, construction and other urbanization related statistics.
- (d) **Building Centres Scheme (BCS)**
- (e) **Rajiv Awas Yojana**—The Ministry is in the process of formulation of a new Scheme which aims at providing support to States that are willing to provide property rights to slum dwellers. The Scheme proposes to address the problem of slums in a holistic and definitive way adopting a multi-pronged approach focusing on bringing existing slums within the formal system and enabling them to avail of the same level of basic amenities as the rest of the town; redressing the failures of the formal system that lie behind the creation of slums; and tackling the shortages of urban land and housing that keeps shelter out of reach of the urban poor and forces them to resort to extra—legal solutions in a bid to retain their sources of livelihood and employment.

- (f) **Slum-free City Planning Scheme**—The preparatory phase of RAY has already commenced under this Scheme from March 2010 and States are being assisted to draw up their Slum-free Plans of Action to proceed towards the goal of slum-free Cities/States in a systematic and time bound manner. Detailed Guidelines under this scheme have been issued and the States are being provided technical and financial assistance to prepare Slum Free City Plans. This scheme comprises all the preparatory activities such as slum survey, GIS Mapping of slums and development of slum free city and slum free State Plans with active involvement of experts having expertise in the areas of GIS, MIS, Planning etc.

**(2) Other Schemes/Projects**

- (i) Technical Assistance from Department for International Development (DFID)) which aims to bring a sustained reduction in urban poverty by ensuring that JNNURM and other national programmes of the Ministry are implemented more effectively to benefit the urban poor. It seeks to strengthen institutional coordination between Ministry of Housing and Urban Poverty Alleviation and Ministry of Urban Development, develop and disseminate policy on urban poverty reduction and pro-poor governance learning from State experiences; support the Network of National Resource Centre and support to selected States and Urban Local Bodies *via* capacity building programmes.
- (ii) Contribution to UN Centre for Human Settlements now UN-Habitat.
- (iii) Projects/Schemes for the development of North-Eastern States including Sikkim under 10% Lump-Sum Provision earmarked for this purpose.

**Review of the status of implementation contained in the Seventh Report of the Committee on Demands for Grants (2010-2011) of Ministry of Housing and Urban Poverty Alleviation.**

1.12 The Seventh Report (Fifteenth Lok Sabha) of Standing Committee on Urban Development on Demands for Grants (2010-2011) of the Ministry of Housing and Urban Poverty Alleviation was presented to Parliament on 21 April, 2010 and Action Taken Report (13th Report) thereon was presented on 09 December, 2010.

1.13 In their Seventh Report, the Committee had made 10 recommendations. Out of these recommendations, 04 recommendations have been accepted by the Government and are at various stages of implementation. Replies of the Government on 04 recommendations have not been accepted by the Committee and are yet to be implemented by the Government and final replies of the Government are still awaited on remaining two.

1.14 The Committee desire that Government should implement all the recommendations of the Committee and apprise them about the action taken for implementation of the remaining 06 specific recommendations, which are yet to be implemented.

1.15 As per Direction 73A of the 'Directions by the Speaker, Lok Sabha', the Minister concerned shall make once in six months, a statement in the House regarding the status of implementation of recommendations contained in Reports (including those Reports which are on Demands for Grants) of Departmentally Related Standing Committees of Lok Sabha with regard to his Ministry. Accordingly, the Ministry concerned should review the implementation of the recommendations of the Committee in all States and Union Territories at regular intervals and present a statement to Parliament once in six months.

1.16 In pursuance of the Direction 73A issued by Hon'ble Speaker, Lok Sabha, The Minister for Housing and Urban Poverty Alleviation, made a Statement on 22nd March, 2011 in Lok Sabha on the status of implementation of the recommendations contained in the said Seventh Report of the Committee and the Thirteenth Action Taken Report thereon.

1.17 The Budget of the Ministry of Housing and Urban Poverty Alleviation comprises of one Demand for Grants *i.e.* Demand No. 57—Ministry of Housing and Urban Poverty Alleviation laid in Parliament on 15th March, 2011. The Demands for Grants were passed without the same being referred to the concerned Departmentally Related Standing Committee after suspension of Rule 331G of the Rules of Procedure and Conduct of Business in Lok Sabha. However, as per the ruling of Hon'ble Speaker, the demands have been referred to the Standing Committee for examination and Report. The demands have been discussed in succeeding paragraphs of this Report.



## CHAPTER II

### OVERALL ANALYSIS OF DEMAND FOR GRANTS (2011-12)

2.1 The overall BE for the year 2011-2012 is Rs. 1107.60 crore (Gross), including both Plan and Non-Plan. The respective provisions on the Revenue and Capital sides are Rs. 1107.60 crore and Rs. 0.00 crore respectively. The break-up of Plan and Non-Plan provision is Rs. 1000.00 crore and Rs. 7.60 crore respectively. In addition to the above funds are also granted to the Ministry in form of Additional Central Assistance for implementing two components of JNNURM viz. BSUP and IHSDP and RAY. The allocation (as Additional Central Assistance in the Budget of Department of Expenditure and Ministry of Home Affairs) for year is Rs. 2718.60 crore for BSUP, Rs. 1000.20 for IHSDP and for RAY it is Rs. 1000 crore. Thus the Ministry is responsible for the effective utilization of Rs. 5826.4 crore for urban poverty programmes.

#### Statement showing the Budget Allocation for 2011-12 (Plan and Non-Plan) in respect of Ministry of Housing & Urban Poverty Alleviation

(Rs. in crore)

Demand No. 57	Gross			Net			Net		
	Plan	Non- Plan	Total	Plan	Non- Plan	Total	Revenue	Capital	Total
Total	1100.00	7.60	1107.60	1100.00	7.60	1107.60	1107.60	0.00	1107.60

2.2 Out of the said Plan provision of Rs. 1100.00 crore following specific allocations have been made as under:

- (i) Provision for North Eastern Areas — Rs. 110.00 crore
- (ii) Scheduled Caste Sub-Plan — Rs. 247.50 crore
- (iii) Tribal Sub-Plan — Rs. 26.40 crore
- (iv) Women Specific Programme under Swarna Jayanti Shahri Rojgar Yojana — Rs. 243.90 crore

2.3 When asked about the basis for the specific allocations under different sub-plans and whether this would not reflect on the performance of the States, the Ministry in their written statement replied as under:

“Planning Commission had constituted a Task Force under the Chairmanship of Dr. Narendra Jadhav, Member, Planning Commission to (a) review the operational guidelines in implementing Scheduled Caste Sub-Plan (SCSP) and Tribal Sub-Plan (TSP) and (b) suggest remedial measures for an effective and meaningful implementation of SCSP and TSP, in future. The Task Force after extensive consultations with identified Central Ministries/Departments, had recommended a classification of Ministries/Departments according to their obligation towards earmarking of their plan outlay under SCSP and TSP. The Planning Commission had accepted the recommendations of the Task Force on differentiated Ministry/Department-wise earmarking of Plan funds under SCSP and TSP. As per the recommendation the Ministry of Housing & Urban Poverty Alleviation is required to earmark 22.50% under SCSP and 2.40% under TSP of the Annual Plan beginning from 2011-12.

The funds earmarked under SCSP and TSP are meant for release to the States/UTs as Grants-in-Aid to be utilized for implementation of various Centrally Sponsored Scheme for the benefit of urban poor. Hence, the earmarking of funds under SCSP and TSP will not adversely affect the better performing States.

Under SJSRY Scheme earmarking of 30% allocation for women is a regular feature under Gender Budgeting in this Ministry.”

2.4 Following is the statement showing the BE, RE 2010-11 and BE 2011-12 indicating percentage variation in respect of Ministry of Housing and Urban Poverty Alleviation:

**Statement Showing BE and RE 2010-2011 and BE 2011-2012  
indicating percentage variation**

Demand No. 57	BE 2010-11		RE 2010-11		BE 2011-12		% Variation over BE 2010-11 Excess(+) Saving(-)		% Variation over RE 2010-11 & BE 2011-12 Excess(+) Saving(-)		Actual expen- diture
	Plan	Non- Plan	Plan	Non- Plan	Plan	Non- Plan	Plan	Non- Plan	Plan	Non- Plan	
	Revenue	1000.00	7.03	880.00	7.29	1100.00	7.60	+10.00%	+8.11%	+25.00%	
Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00%	0.00%	0.00%	00
Total	1000.00	7.03	880.00	7.29	1100.00	7.60	+10.00%	+8.11%	+25.00%	+4.25%	820.29

2.5 It is seen that the overall budgetary allocation for the Year 2010-2011 was Rs. 1007.03 crore and RE for the same was Rs. 887.29 crore whereas the budgetary allocation for 2011-2012 is Rs. 1107.60 crore. There has been a reduction in RE 2010-2011 (Plan side) figures to Rs. 880 crore from the BE 2010-2011 (Plan) of Rs.1000 crore. Thus, even though the overall increase in budgetary allocation with respect to the BE is Rs. 100.57 crore *i.e.* 9.98% only, there is a huge increase of Rs. 220 crore *i.e.* 25% in the BE 2011-2012 (Plan) as compared to the RE 2010-2011 (Plan) of Rs. 880 crore. However, the actual expenditure of the Ministry during 2010-2011 was only Rs. 820.29 crore which is even less than the revised estimates.

2.6 The BE 2010-11 (Plan) was Rs. 1000 crore, whereas RE 2010-11 (Plan) shows a reduced figure of Rs. 880 crore. When asked to elaborate on the reasons for the decrease in RE 2010-2011, the Ministry in their written reply stated as under:

“The Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) could not gain momentum as expected during the year 2010-11, hence the BE 2010-2011 provision of Rs. 200.00 crore under the scheme could not be utilized. Hence, the BE 2010-11 of Rs.200.00 crore was brought down to Rs. 50.00 crore at RE stage.

The proposal for Building Centre Scheme or the Scheme for Confidence Building in Alternate Housing Technologies was considered in the Ministry in the light of comments of the Planning Commission and the Department of Expenditure, Ministry of Finance. It was decided in the light of comments that the proposed scheme may be undertaken by Building Materials & Technology Promotion Council (BMTPC) as a pilot project utilizing its available funds.

Due to sufficient balance available with the Building Materials & Technology Promotion Council (BMTPC) from the assistance released in earlier years, an amount of Rs. 1.50 crore remained unutilized.”

2.7 When asked about the reasons for subsequent increase in the BE 2011-2012 (Plan) as compared to RE 2010-2011 (Plan) to the tune of 25% the Ministry stated that:

“The increase in BE 2011-2012 (Plan) as compared to RE 2010-2011 (Plan) is due to enhanced allocation from Rs. 591.38 crore to Rs. 813.00 crore under Swarna Jayanti Shahri Rozgar Yojana (SJSRY) which is the only poverty alleviation scheme for urban poor in

the country. There is also an increase from Rs. 0.21 crore in RE 2010-2011 to Rs. 8.00 crore in BE 2011-2012 under Technical Assistance from Department for International Development (DFID).”

2.8 Under the jurisdiction of the Ministry there are four major Schemes *viz.* SJSRY, ILCS, JNNURM which has two components BSUP and IHSDP to tackle the problem of urban slums and to provide self-employment to urban poor and RAY. Scheme which aims at providing support to States that are willing to provide property rights to slum dwellers. The detailed analysis of the aforesaid Schemes have been made in the subsequent chapters of the Report. Here it is observed that the allocation under the above aforesaid Schemes for the year 2011-2012 are Rs. 813 crore for SJSRY Scheme, Rs. 71 crore for ILCS Scheme and Rs. 2718.60 crore and Rs. 1000.20 crore respectively for the BSUP and IHSDP components of the JNNURM and Rs. 1000 crore for RAY. While analyzing the Demands for Grants relating to the past few years, the Committee had observed that the actual expenditure of the Ministry has consistently been less than the BE and many a times even less what was allocated at the RE Stage. This is evident in the details of the BE 2010-2011, RE 2010-2011 and actual expenditure under various plan schemes/programmes being implemented by the Ministry.

2.9 The details of BE 2010-2011, RE 2010-2011 and the Actual Expenditure under various plan schemes/programmes being implemented by this Ministry during 2010-2011 is are under:

**Statement showing details of BE 2010-11 and 2011-12, RE 2010-11 and the Actual Expenditure under various Plan schemes/programmes**

(Rs. in crore)					
Sl.No.	Name of the Scheme/Programme	BE 2010-11	RE 2010-11	Actual Exp. Upto 31.03.2011 (Prov.)	BE 2011-12
1	2	3	4	5	6
<b>A. Central Sector Schemes</b>					
1.	Building Materials & Technology Promotion Council (BMTPC)	8.00	5.50	4.00	5.50
2.	Grants to National Council of Housing Federation (NCHF)	0.40	0.00	0.00	0.00

1	2	3	4	5	6
3.	Computerization	1.00	0.40	0.14	1.00
4.	Urban Statistics for HR & Assessment (USHA)	20.00	20.00	17.89	20.00
5.	Building Centre Scheme	5.00	0.01	0.00	1.00
6.	Administrative Expenses for JNNURM	20.00	20.00	8.05	80.00
7.	Lump sum provision for NE Region & Sikkim	50.00	50.00	50.00	50.00
8.	Interest Subsidy Scheme for Housing the Urban Poor (ISSHUP)	200.00	50.00	12.83	50.00
9.	Slum-free City Planning : Rajiv Awas Yojana (RAY)	60.00	60.00	38.46	0.00
10.	Technical Assistance from Department of International Development (DFID)	0.00	0.21	0.11	8.00
11.	Capacity Building for Urban Development—World Bank Assistance (IDA Loan)	0.00	2.50	0.00	0.50
<b>B. Centrally Sponsored Schemes</b>					
12.	SJSRY	564.60	591.38	587.96	813.00
13.	Integrated Low Cost Sanitation (ILCS)	71.00	80.00	100.85	71.00
Total		1000.00	880.00	820.29	1100

2.10 The details of BE 2010-2011, RE 2010-2011 and the Actual Expenditure of funds allocated to them as ACA under the JNNURM and RAY are as follows:—

Scheme	BE 2010-2011	RE 2010-2011	Actual Expenditure during 2010-2011	BE 2011-2012
BSUP	2357.60	2215.75	1193.14	2718.60
IHSDP	1015.43	1015.43	370.46	1000.20
RAY	1210.20	—	—	1000.00

2.11 It may be seen from the above that during 2010-2011, apart from ILCS Scheme the Ministry have not been able to utilize the funds allocated to them even at RE stage. Similarly, the figures of the utilization of funds under JNNURM shows that the level of utilization of funds allocated as ACA to the Ministry have also not been encouraging. This trend is evident in the overall picture of utilization of funds during the entire Eleventh Five Year Plan period.

2.12 As informed by the Ministry, during the Tenth Five Year Plan (2002-2007), approved outlay was Rs. 4710 crore whereas total plan allocation during that period has been only Rs. 3102.75 crore. However, the actual expenditure during the plan period was only Rs. 2559.63 crore. During Eleventh Plan (2007-2012) approved outlay is Rs. 3687 crore as against the proposed outlay of Rs. 9517.35 crore. The actual expenditure during the first four years of the plan is only Rs. 2553.67 crore.

2.13 The Secretary, Ministry of Housing and Urban Poverty Alleviation in her oral evidence, while discussing the basic approach and policy of the Eleventh Five Year plan period, stated as under:—

“The Eleventh Five Year Plan emphasises on inclusive economic and social growth. In 2007, we had formulated the National Urban Housing and Habitat Policy which sets before us the task of affordable housing for all. In 2009, we brought out the National Street Vendors Policy and Model Bill which looks at the problems of those who are deprived and strives to get them a better deal without harassment in order to make them inclusive and provide greater equity.

On housing, figures provided to us through our technical committee show that in 2006-07 out of 56 million households there was a shortage of 24.7 million amounting to about 44 per cent, which included obsolescence, congestion, *kachcha* houses counted as no houses as well as houselessness. This figure shows that a very large percentage of people did not have proper housing. The figure also shows that deprived people belonged mainly to the economically weaker and the lower income groups. The figure of urban poverty is 25.7 per cent. A quarter of the population of urban areas live in slums without proper housing and without basic services and infrastructure for civic or social functions. Slum population recalculated on the basis of 2001 figure shows that in 2001, 26 per cent population of cities live in slums.”

2.14 Further elaborating on the overall progress and performance of the Ministry during the Eleventh Five Year plan period, the Secretary during oral evidence stated as under:—

“In the 11th Plan we have taken our major task of providing housing and basic civic and social infrastructure and facilities to slum dwellers by slum redevelopment and relocation or upgradation. Secondly, the provision of enabling conditions for affordable housing for all. Thirdly, skill development and employment or self-employment for the poor below the poverty line so as to help them to come out of poverty.

In the 11th Plan, with the deepening of this emphasis on inclusion and equity, we have got a much greater Plan allocation. The 10th Plan Budgetary allocations at the RE stage were Rs. 3,102 crore and the actual 10th Plan expenditure was Rs. 2,559 crore with an Additional Central Assistance which is not reflected in our Budget but which is reflected in the Budget of the Department of Expenditure, but which is our responsibility to spend with justification and accountability. In the 10th Plan, we had an average per annum availability of Rs.805 crore. As against this figure, in the 11th Plan the Budgetary allocations including what has already been sanctioned for 2011-12, which is Rs. 1,100 crore, the allocation has been raised to Rs. 3,687 crore and ACA allocation in the Budget lines of the Department of Expenditure for JNNURM and RAY has risen to Rs. 15,259 crore In the 10th Plan our average annual expenditure was Rs. 805 crore and in the 11th Plan we are now accountable for almost four times the annual expenditure.

Sir, I must begin by confessing that we have been trying very hard, both on the ACA front and our Budget. It is not as if we have been able to spend the amount budgeted for at BE stage fully. We have about three major reasons as an excuse to offer for this. The first one is that in 2009-10 and again this year, by way of procedure, there was a cut in the RE. In the first year, we spent it all; second year there was a shortfall; and the third year, RE was cut unexpectedly which had reasons more to do with the stimulus package that the Government was putting together which required expenditure. This year it was a change in procedure which took us by surprise in the last one month of the year. Our biggest cause of concern is the scheme of Interest Subsidy for Housing for Urban Poor which is a pilot scheme which had got sanctioned after a great deal of convincing of the Ministry of Finance. We had been given Rs. 1,378 crore in the budget but our expenditure

against that is practically only one per cent. It is a scheme which has not been able to take off for various reasons. We have to say that our progress on ISHUP is a single biggest stumbling block against proper expenditure.

In addition, RAY which was announced and on which we had been really working very hard to give some shape has not started. It was put up to Cabinet but the Election Commission asked for its deferment and that has been put off till after the elections. So that has affected expenditure pace because Rs. 1,210 crore kept in the budget of last year for it had fully to be surrendered even though we had the Credit Guarantee Scheme ready and the announcement of it was also made and we could have spent straightaway the money that was required for the funding of Credit Guarantee Scheme."

2.15 When asked about the new challenges that have emerged in the urban areas so far as the implementation of projects and schemes is concerned and the areas which would need the special attention of the Ministry during the next five year plan, the Ministry in their written reply stated as under:—

"It is becoming increasingly clear that the mandate of this Ministry, broadly spelled out as the inclusion of the urban poor in the main stream of urban life, would require the revision of existing policy frameworks and administrative structures that concern:

- Expansion of urban lands and planning of urban spaces.
- Decentralization of governance to ensure local relevance and to give a decisive voice to the community in the decision taken for its future and its benefit.
- Capacity creation with urban governance structures at all levels, but especially at the city level.
- Availability of credit and finances to the informal sector, especially to the poor therein.

It is felt that the output and outcomes of the schemes of the Ministry could have been better had there not been constraints created by the shortage of urban land availability, lack of bank credit for the poor, and the limitations in capacities of the cities to plan and provide for inclusive growth.

It is felt that these areas would need to be given attention on priority to achieve the goal of inclusive urban growth. The Working Group for the 12th Plan for Urban Development has taken note of



these issues and has framed TORs accordingly. The issue of credit availability, which falls within the domain of the Ministry of Finance, is being pursued persistently with it.”

2.16 Effective monitoring is the key to the success of any schemes and programme. When asked about the mechanism by which the Ministry ensures effective monitoring of expenses made by the States out of the funds released to them, the Ministry in their written reply stated as under:—

“States are at liberty to utilize fund amongst various components of the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) as per their requirements. These components include: Urban Self Employment Programme (USEP), Urban Women Self-Help Programme (UWSP), Skills Training for Employment Promotion for the Urban Poor (STEP-UP), Urban Wage Employment Programme (UWEP) and Urban Community Development Network (UCDN). The SJSRY scheme is being monitored at the National level, through the Quarterly Progress Reports from the States giving component-wise physical and financial progress for each component. The revised SJSRY guidelines provide for steering committee at the national and state levels to monitor the implementation of SJSRY. Periodical review meetings at national, regional and state level are also held by the Government to monitor the progress of the scheme.”

2.17 Elaborating the mechanism of monitoring of JNNURM the Ministry, stated as follows:—

“A framework for Third Party Inspection and Monitoring (TPIM) established and 30 agencies for independent third party inspection and monitoring empanelled by Mission Directorate. TPIMs for 18 States have been approved. Other States have been advised to engage the TPIM Agencies to bring in transparency and quality in implementation of all BSUP and IHSDP projects. States have also been advised to use the services to independent review and monitoring agencies engaged for Urban Infrastructure and Governance (UIG), Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) or other programmes.

In furtherance of the objective of ensuring quality of projects under BSUP and IHSDP, two Agencies have been engaged at the Central level after selecting 126 projects on sample basis from the States/ ULBs for purpose of TPIM by Government of India.”

2.18 As regards the monitoring of schemes and programmes of the Ministry in March, 2011 have issued necessary directions to all States Governments to notify a Review and Monitoring Committee at the District level to review and monitor the progress of implementation of urban poverty alleviation schemes of the Ministry, *viz.* SJSRY, JNNURM, BSUP and IHSDP etc. These directions also stipulate the role, composition and functioning, of the members of the Committee.

2.19 When asked about the status of the social auditing of projects under the BSUP and IHSDP, the Ministry in their written reply stated as under:—

“It has been decided to establish an independent social audit and public accountability mechanism for JNNURM (BSUP and IHSDP). A Manual on Social Audit has been issued to guide social audit to ensure that the benefits of projects under JNNURM reach the intended poor beneficiaries and that the projects are implemented in a participatory manner involving the poor. The Ministry has so far achieved the following:—

- Manual for social Audit prepared and circulated.
- Proposals from 5 institutions in partnership with various NGOs have been approved for conduct of pilot social-audit exercises in 6 cities — Rajkot, Tirupati, Chandigarh, Agra, Ambala and Bhopal. Work-orders have been issued to the above institutions.

The experiences of the two pilot projects having independent social audits that were conducted in (Vijayawada) Andhra Pradesh and ( Bedan Khari–Ganj Basoda) Madhya Pradesh have revealed the following:—

1. Social Audit helped improve confidence levels among the beneficiaries.
2. Social Audit allowed the beneficiaries to interact with a variety of people like ULB officials, social audit team from CGG, contractor etc.
3. Community has been exposed to the detailed process and actors in the BSUP & IHSDP Schemes. Earlier the beneficiaries were not informed but now they better informed and know a lot more about their entitlements under these schemes.

4. Social audit also provided a platform for the concerned officials from the ULB to understand the needs of the beneficiaries. Beneficiaries on the other hand have benefitted as they were able to flag their concerns to the officials.
5. Social Audit is serving as a tool for bringing in accountability and transparency in public schemes.

The Ministry have advised all States to undertake the social audit of the BSUP and IHSDP projects to assess the ground impact of the schemes.”

## CHAPTER III

### SCHEME-WISE ANALYSIS

3.1 According to 2001 census the total urban population stood at about 286 million or 28 per cent of the total population out of which about 80.8 million or 25.7% of India's urban population was estimated to be below poverty line in 2004-2005 as per the NSSO 61st Round Survey reports. The survey also reveal that urban poverty at all India level declined at much faster pace during the 1970s and 1980s whereas it declined at a lower rate of 0.61% from 1993-94 to 2004-05; the period during which the economic growth proceeded at a faster pace due to economic reforms and liberalization. The number of urban poor increased in absolute terms by 4.4 million persons during this period. Hashim Report (2009) finds that across the States, poverty is negatively correlated with the level of urbanization and that poverty varies with the size of human settlements; larger cities tend to have a lower incidence of poverty than smaller cities and towns.

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

3.2 Swarna Jayanti Shahari Rozgar Yojana, which has been under implementation since 1997, has been completely been revamped. The revised scheme came into operation from 01st April, 2009. This scheme strives to provide support for employment of the unemployed and under-employed urban poor, through encouraging the setting up of self-employment ventures, skill development and also providing wage employment by utilising their labour for the construction of socially and economically useful public assets.

3.3 Objectives of the revamped SJSRY scheme:

- (i) Addressing urban poverty alleviation through gainful employment to the urban unemployed or under employed poor by encouraging them to set up self-employment ventures (individual or group), with support for their sustainability; or undertake wage employment;
- (ii) Supporting skill development and training programmes to enable the urban poor have access to employment opportunities opened up by the market or undertake self-employment; and

- (iii) Empowering the community to tackle the issues of urban poverty through suitable self-managed community structures like Neighbourhood Groups (NHGs), Neighbourhood Committees (NHC), Community Development Society (CDS), etc.

3.4 The SJSRY consists of following five components:—

- (i) **Urban Self Employment Programme (USEP)** (including Development of Women and Children in the Urban Areas (DWCUA) as its sub-component) — Targeted at individuals among the urban poor for the setting up of micro-enterprises.
- (ii) **Urban Women Self-help Programme (UWSP)**—Targeted at urban poor women self-help groups for setting up of group-enterprises and providing them assistance through a revolving fund for thrift and credit activities.
- (iii) **Skill Training for Employment Promotion amongst Urban Poor (STEP-UP)**—Targeted at urban poor for imparting quality training so as to enhance their employability for self-employment or better salaried employment.
- (iv) **Urban Wage Employment Programme (UWEP)**—Targeted at assisting the urban poor by utilizing their labour for construction of socially and economically useful public assets, in towns having population less than five lakh as per 1991 census; and
- (v) **Urban Community Development Network (UCDN)**—Targeted at assisting the urban poor in organizing themselves into self-managed community structures so as to gain collective strength to address the issues of poverty facing them and participate in the effective implementation of urban poverty alleviation programmes.

### 3.5 Implementation and Monitoring

- (i) At the National level the Ministry of Housing and Urban Poverty Alleviation shall be the nodal Ministry for implementation of SJSRY.
- (ii) At the Central level, a Steering Committee headed by Secretary (HUPA) and having members from the States/UTs, Ministry of Finance, RBI, and other stakeholders will monitor the Scheme. This Committee will be meeting at least once in every three months.

- (iii) At the State level also, a State Level Monitoring Committee having members from the Banks, Micro Finance Institutions, Civil Society, and other stakeholders will be set up to effectively monitor the Scheme. This Committee will be meeting at least once in every three months.
- (iv) At the Urban Local Body level an Urban Poverty Alleviation and Livelihood Development Cell will coordinate and implement the scheme with a suitable monitoring system put in place.

3.6 When asked whether it is true that the incidence of poverty in the urban areas is increasing on year-to-year basis and to what extent has the SJSRY scheme been able to contain it, the Ministry in their reply stated as under:—

“In absolute terms the number of urban poor is estimated to have gone up by more than 4 million between 1993-94 and 2004-05 (Planning Commission). However, in percentage terms the ratio of poor in urban population has gone down from 28.30% in 1993-94 to 25.70% in 2004-05.

SJSRY has been under implementation since 1997. The intervention in the urban poverty alleviation arena has been very small as the budget allocated for SJSRY has been small compared to estimated urban poor population of 81 million in 2004-05 in the country. However, due to various policies and programmes by the Central and State Governments and efforts by the urban poor themselves, the number of people below poverty line at the national level is reportedly reduced by 2.5% between 1993-94 and 2004-05.

As reported by states, so far 1,136,636 beneficiaries have been assisted for setting up individual micro enterprises, 443.846 beneficiaries assisted for setting up group micro enterprises, 1,869,309 beneficiaries provided skill training and 761.31 lakh mandays of work generated under the scheme.”

3.7 The Committee note that the allocation for this urban poverty alleviation scheme has been comprehensively enhanced during the past few years so as to have adequate focus on the issue of urban poverty. The table below shows the actual allocation for the Scheme during Tenth Five Year Plan period and year-wise allocation during the Eleventh Five Year Plan period:

**11th Five Year Plan (2007-11), year-wise and  
Scheme/Project-wise Allocation**

*(Rs. in crores)*

10th Plan	11th Plan	BE 2007-08	BE 2008-09	BE 2009-10	BE 2010-11	BE 2011-12	Total Plan
706.39	1750.00	344.00	515.00	515.00	564.60	813.00	2751.60

3.8 The total outlay for the SJSRY scheme for the Eleventh Five Year Plan was tentatively allocated as Rs. 1750.00 crore by the Planning Commission whereas the actual allocation for the period is Rs. 2751.60 crore. When asked whether the Ministry feel that the allocation for the SJSRY would be sufficient to achieve the desired results of alleviation of poverty in urban areas, the Ministry in their written reply stated as under:

“Ministry of Housing & Urban Poverty Alleviation is concerned with the alleviation of poverty in urban areas and not directly with urban unemployment which is linked to issues of demand and supply of labour, in general. The Ministry is implementing the urban poverty alleviation scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY), which limitedly targets at the urban poor for assistance in income generation, livelihood promotion, promotion of self-help groups and community development activities. The budget allocation for SJSRY for 2010-2011, has been Rs. 564.60 crore, which is small compared to the estimated urban poor population of 807.96 lakh and GDP of the country (GDP at factor cost at current prices estimated at Rs. 3,952,241 in 2006-2007 and Rs. 6,133,230 crore in 2009-2010).”

3.9 A detail of actual expenditure for the years 2007-2008, 2008-2009, 2009-2010 and 2010-11 is as follows:

Sl.No.	Plan Year	Budget Grants	RE for SJSRY	Actual Exp. for SJSRY
1st	2007-08	344.00	343.00	340.00
2nd	2008-09	515.00	514.00	544.00
3rd	2009-10	515.00	428.69	428.69
4th	2010-11	564.60	591.38	519.93 (upto 24th March 2011)
5th	2011-12	813.00	—	—

3.10 As may be seen from the above, during 2009-10 the allocation was reduced from Rs. 515 crore to Rs. 428.69 crore at RE stage whereas for the year 2010-2011, BE of Rs. 564.60 crore was raised to Rs. 591.38 crore at the RE stage. However, the actual expenditure under the scheme during the year 2010-2011 was only Rs. 519.93 crore which is far less than Rs. 591.38 crore which was estimated by the Ministry at the RE stage. It is observed that there have been serious inconsistencies in the total outlays figures, actual allocations and the actual expenditure by the Ministry during the entire Eleventh Five Year Plan period. When asked to specify the reasons for such inconsistencies and why could the Ministry not able to anticipate the demand and expenditure while placing the same before the Planning Commission or the Ministry of Finance, The Ministry in their written reply stated as under:—

“The Five Year Plan allocations for the scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) were made by the Planning Commission on tentative basis. However, the actual allocation for the scheme is done in the Annual Plan proposals, after discussions between the Officers of the Ministry of Housing & Urban Poverty Alleviation and Planning Commission and also taking into account the expenditure pattern, availability of funds etc. For the Eleventh Five Year Plan, the Ministry of Housing & Urban Poverty Alleviation had proposed for Rs.10000 crore as the allocation needed based on the suggestion for a Mission mode approach for the urban poverty alleviation. However, Planning Commission allocated only Rs.1750 crore for the Eleventh Plan. The additional allocations to SJSRY during the Plan has been through Annual Plans and within-the-Ministry budget adjustments.”

3.11 During 2009-2010, the actual expenditure under the SJSRY Scheme was only Rs. 428.69 crore however BE for the year 2010-2011 was raised to Rs. 564.50 crore which was further raised to Rs. 591.38 crore at the RE stage. When asked to clarify as to why was the allocation increased at the RE stage when the Ministry was not able to spent the entire fund which was initially allocated to them at the BE stage and the reasons for the non-utilisation of the funds allocated to them at the RE stage, the Ministry clarified as under:

“The Budget allocation for the year 2009-2010 was reduced at the RE stage, keeping in view the general budget cut affected by the Finance Ministry. Moreover, the expenditure by some States was not satisfactory. As the SJSRY scheme was comprehensively revised with effect from 2009-10 and a revamped scheme came into existence, it is natural that States/UTs took some time in coping



with the revised guidelines and changed patterns. However, for the year 2010-11, States/UTs were fully geared up for implementing the revised SJSRY and meeting the skill development and employment needs of urban poor. Thus, the entire allocation for SJSRY originally budgeted for 2010-11 has been released apart from releasing additional allocation due to diversion from other schemes to SJSRY. It is pointed out that at RE stage certain diversions from other schemes have been permitted for SJSRY. Thus, SJSRY has not only utilized the original allocation made for 2010-11, it has also been able to absorb some diversions from other schemes where utilization was poor. As far as SJSRY is considered the financial performance is more than what was envisaged.”

3.12 The Committee note that the BE for the year 2011-2012 under the scheme has been raised to Rs. 813 crore, though the past record of the Ministry on the utilization of funds have not been very encouraging. The Ministry on being asked about the details as to how the Ministry will ensure the utilisation of funds allocated to them, replied as under:

“As the SJSRY scheme has been comprehensively revised with effect from 2009-10, States/UTs took some time in tuning with the revised guidelines and changed patterns. However, for the next year, States/UTs appear to be fully geared up for meeting the skill development and employment needs of urban poor and the Ministry is hopeful that the enhanced allocation for the year 2010-2011, will be effectively utilised. The number of urban poor is estimated at 81 million in 2004-05. Even with enhanced allocation for SJSRY, the intervention in poverty alleviation will remain small compared to the magnitude of the problem. The Ministry will undertake a massive capacity building programme with States/ City officials to ensure that the enhanced allocation will be used with emphasis on skill development and self-employment.”

### **Physical and financial progress**

3.13 As regards, the co-relation between physical and financial targets, the Ministry in their statement informed that financial allocations to the States are made on the basis of incidence of urban poverty as per Planning Commission norms. The physical targets are however, distributed to the States/UTs as per incidences of urban poverty from the total target at National level. The physical and financial progress is commensurate to each other. Regarding the physical targets and achievements for the revamped SJSRY scheme, the Ministry stated that, “the Revamped SJSRY is effective from this

year 2009-2010” only. Therefore, targets and achievements for the years 2009-10 and 2010-11 only are comparable. Physical targets under USEP, UWSP and STEP-UP components only have been fixed by the Ministry. No financial targets have been prescribed under SJSRY. The annual targets at the National level are as under:—

	2009-10		2010-11	
	Target*	Achievement	Target**	Achievement
1. Number of urban poor to be assisted for individual micro-enterprises	21250	86066	25000	42657
2. Number of urban poor women to be assisted for group micro-enterprises	21250	64994	25000	27717
3. Number of urban poor women to be assisted for thrift & credit (with revolving fund assistance)	42500	135373	50000	124245
4. Number of urban poor to be imparted skill training	17,00,00	187644	200000	156238

\*The targets were based on an allocation of ‘Rs. 515 crore’ for SJSRY. The targets are to be proportionately reduced as the overall allocation under SJSRY is reduced to ‘Rs. 428.69 crore’.

\*\*As per report received from States/UTs as on 30.03.2011.

3.14 It may be seen that barring the targets for the number of urban poor to be imparted skill training, the Ministry have been able to achieve all targets fixed for the scheme. When asked about the targets and achievements of the various States/UTs implementing the SJSRY scheme, the Ministry while providing the statement showing targets fixed, achievements and allocation made to states for the current and last year have stated that the full expenditure made was not available with them as UCs for the same has not become due. The Ministry further stated that:

“During the last year, the achievement under SJSRY was more than the target fixed. As Quarterly Progress Report (QPRs) ending the quarter 31st March, 2011 from States/UTs would be available to them us later on, Ministry would hopefully be able to achieve the targets fixed.”

3.15 When asked about the basis or criteria adopted for the allocation of funds to State Governments, the Ministry in their written reply stated as under:

“In so far as the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is concerned, the allocation of funds to the States is in proportion to the incidence of urban poverty in each State as indicated by the Planning Commission. Based on the Planning Commission data on number of people below poverty line as a ratio of urban poor population in the country, allocation to States is decided.”

3.16 From the above information furnished by the Ministry, it appears that in the States of Arunachal Pradesh, North Eastern States, Bihar, Chhattisgarh, Goa, Himachal Pradesh, Jammu and Kashmir, Jharkhand, Punjab, Uttarakhand, achievements have almost been negligible or nil. When asked about the reasons for the same, the Ministry in their post evidence written replies stated as under:-

“As old SJSRY scheme was comprehensively revised and the new scheme is in essence started only from financial year 2009-10, it is natural that States would take time to percolate the guidelines to Municipalities and Community Development Cadres, given their existing capacity constraints. The Ministry has been consistently pursuing with the States/UTs through orientation workshops, training programmes by the National, Regional and State Resource Centres under IEC component of SJSRY for implementation of the scheme. Special focus is laid on training to functionaries in lagging States. The State have been advised to pool together the capacity available for implementation of JNNURM, newly proposed Rajiv Awas Yojana (RAY) and Swarna Jayanti Shahari Rozgar Yojana and adopt a comprehensive approach to urban poverty alleviation, including addressing shelter, basic services and employment issues together.

During 2011-12, special focus will be assigned to capacity building in the lagging States through systematically designed regional and state-specific programmes.”

3.17 The Ministry when asked to furnish the details of the State-wise allocation of funds under the scheme and as to how many States have fully utilized the amount released to them replied as under:-

“State-wise allocation of Central funds, actual releases and made to the States/UTs during the year 2008-2009, 2009-2010 and 2010-2011 is as below:

## Financial Progress under Swarna Jayanti Shahari Rozgar Yojana (SJSRY)

(As on 4.1.2011)

Sl.No.	States/UTs	2008-09			2009-10			2010-11		
		Central Tentative allocation	Central Actual Funds released	Expenditure reported (central share)	Central Tentative allocation	Central Actual Funds released	Expenditure reported (central share)	Central Tentative allocation	Central Actual Funds released*	Expenditure reported (central share)
1	2	3	4	5	6	7	8	9	10	11
1.	Andhra Pradesh	3115.78	4327.22	1773.79	3390.53	3390.53	3162.76	3790.43	5226.02	3839.19
2.	Arunachal Pradesh	222.53	0.00	0.00	207.85	103.93	173.59	201.79	201.79	9.90
3.	Assam	2956.48	2947.90	385.27	2956.05	1478.03	2947.90	2869.96	2869.96	0.00
4.	Bihar	1855.09	1980.98	1114.42	1790.24	895.12	102.39	2001.40	2001.40	544.61
5.	Chhattisgarh	1122.37	637.36	589.35	1075.14	881.30	273.14	1201.95	1201.95	656.00
6.	Goa	110.94	0.00	0.00	90.56	0.00	0.00	101.24	0.00	0.00
7.	Gujarat	1450.38	1548.80	156.53	1501.44	1501.44	750.75	1678.53	1928.53	48.14
8.	Haryana	547.14	1334.27	486.48	585.34	585.34	388.03	654.37	654.37	483.26
9.	Himachal Pradesh	11.64	12.43	12.62	12.15	12.15	5.62	50.00	50.00	0.00
10.	Jammu and Kashmir	160.24	0.00	17.17	120.93	0.00	824.60	135.21	135.21	0.00
11.	Jharkhand	727.93	0.00	0.00	728.91	0.00	1101.02	814.88	814.88	0.00
12.	Karnataka	3648.54	4896.14	2319.30	3524.71	3524.71	1010.70	3940.45	5376.04	2777.22
13.	Kerala	953.22	1017.91	746.21	948.13	948.13	716.75	1059.96	474.03	601.31
14.	Madhya Pradesh	4722.97	5043.48	2847.07	4087.96	4087.96	2125.04	4570.13	5914.80	2191.05
15.	Maharashtra	8998.10	9608.72	7439.96	8075.96	8075.96	1906.75	9028.52	10464.11	3742.47
16.	Manipur	445.06	445.71	92.55	461.88	461.88	528.88	448.43	448.43	1512.35
17.	Meghalaya	381.48	190.74	0.00	369.51	0.00	0.00	358.74	0.00	0.00
18.	Mizoram	349.70	350.20	349.69	369.51	369.51	252.26	358.74	641.66	96.14
19.	Nagaland	286.11	286.53	143.06	277.13	277.13	0.00	269.06	419.06	134.53
20.	Orissa	1664.03	1776.95	931.06	1476.59	1476.59	433.13	1650.75	1650.75	951.62
21.	Punjab	241.04	120.52	39.53	358.93	0.00	33.44	401.27	0.00	49.00
22.	Rajasthan	2773.39	1574.91	764.08	2623.52	1311.76	402.49	2932.96	2932.96	501.62
23.	Sikkim	63.58	63.67	106.75	46.19	46.19	27.83	44.84	194.84	21.44
24.	Tamil Nadu	4012.17	4284.44	3370.20	3817.38	3817.38	0.00	4267.63	4267.63	610.43

1	2	3	4	5	6	7	8	9	10	11
25.	Tripura	445.06	248.84	0.00	461.88	0.00	0.00	448.43	224.25	0.00
26.	Uttarakhand	530.71	566.72	0.00	488.70	488.70	255.55	546.34	546.34	591.20
27.	Uttar Pradesh	6880.05	8846.94	5929.37	6462.43	6462.43	1487.36	7224.67	7224.67	4381.72
28.	West Bengal	1824.27	1948.07	1477.54	1940.44	1940.44	1888.40	2169.31	2169.31	1030.40
29.	Andaman and Nicobar Islands	43.55	0.00	5.25	37.50	0.00	24.53	37.50	18.75	0.00
30.	Chandigarh	58.06	0.00	6.82	78.52	0.00	0.00	78.52	39.26	0.00
31.	Dadra and Nagar Haveli	25.81	0.00	0.00	17.58	17.58	0.00	17.58	8.79	0.00
32.	Daman and Diu	22.58	0.00	0.00	16.41	0.00	0.00	16.41	0.00	0.00
33.	Delhi	92.20	0.00	1.25	93.34	0.00	0.00	200.00	0.00	0.00
34.	Puducherry	7.80	7.80	0.00	6.66	6.66	45.27	50.00	50.00	6.15
	Additional Grant							3748.00		
	Total	50750.00	54067.25	31105.32	48500.00	42160.85	20868.18	57368.00	58149.79	24779.75

\*Including Additional funds released.

Tentative allocation of Central funds to the States/UTs for the year 2011-2012 would be made shortly. State-wise utilisation of funds for the releases made in the year 2008-09 is as below:

### Pending UCs/Shortfall in State share (Cumulative)

(Rs. in Lakhs)

Sl.No.	State/UT	Total Central funds, (including O.B.) available upto March, 2009	UCs received till now	Pending UCs as per requirement	Central Funds released in 2009-10	Total Central funds available upto March, 2010	State share (including O.B.) required upto March 2010	State share (including O.B.) released till now	Shortfall in State share
1	2	3	4	5	6	7	8	9	10
1.	Andhra Pradesh	20147.56	24343.62	-4196.06	3390.53	23538.09	10960.75	15516.97	-4556.22
2.	Arunachal Pradesh	720.43	1048.92	-328.49	103.93	824.36	344.28	344.28	0.00
3.	Assam	7946.51	8838.65	-892.14	1478.03	9424.54	3593.71	3912.59	-318.88
4.	Bihar	7191.62	8511.30	-1319.68	895.12	8086.74	4916.20	5222.39	-306.19

1	2	3	4	5	6	7	8	9	10
5.	Chhattisgarh	3619.47	4154.84	-535.37	881.30	4500.77	1500.26	1508.62	-8.36
6.	Goa	222.90	164.06	58.84	0.00	222.90	111.08	118.19	-7.11
7.	Gujarat	9743.41	10740.77	-997.36	1501.44	11244.85	4145.58	4468.51	-322.93
8.	Haryana	5490.12	5783.86	-293.74	585.34	6075.46	2098.19	2207.25	-109.06
9.	Himachal Pradesh	707.29	707.29	0.00	12.15	719.44	592.36	640.43	-48.07
10.	Jammu and Kashmir	1923.45	1923.45	0.00	0.00	1923.45	483.71	2440.43	-1956.72
11.	Jharkhand	1556.38	1331.80	224.58	0.00	1556.38	1560.45	1804.42	-243.97
12.	Karnataka	17783.34	19284.19	-1500.75	3524.71	21308.15	9228.99	10542.45	-1313.46
13.	Kerala	6340.45	6753.28	-412.83	948.13	7288.58	2821.56	2973.96	-152.40
14.	Madhya Pradesh	21440.75	22332.22	-891.47	4087.96	25528.71	9709.56	11232.92	-1523.36
15.	Maharashtra	32378.26	36623.10	-4244.84	8075.96	40454.22	14905.43	16530.09	-1624.66
16.	Manipur	1512.35	1517.64	-5.29	461.88	1974.23	687.46	1923.68	-1236.22
17.	Meghalaya	977.95	532.40	445.55	0.00	977.95	388.50	342.92	63.58
18.	Mizoram	3180.59	3359.96	-179.37	369.51	3550.10	1120.27	1160.50	-40.23
19.	Nagaland	1405.78	1581.81	-176.03	277.13	1682.91	727.02	929.87	-202.85
20.	Orissa	6421.67	6452.60	-30.93	1476.59	7898.26	3185.69	3560.06	-374.37
21.	Punjab	1775.73	1799.24	-23.51	0.00	1775.73	1003.55	998.78	4.77
22.	Rajasthan	8555.15	8621.54	-66.39	1311.76	9866.91	4677.73	5177.29	-499.56
23.	Sikkim	564.89	611.08	-46.19	46.19	611.08	249.19	259.18	-9.99
24.	Tamil Nadu	18894.06	19989.35	-1095.29	3817.38	22711.44	10727.29	11437.89	-710.60
25.	Tripura	2133.43	2183.97	-50.54	0.00	2133.43	731.68	736.85	-5.17
26.	Uttarakhand	1674.19	1703.64	-29.45	488.70	2162.89	612.36	642.68	-30.32
27.	Uttar Pradesh	37596.31	40952.84	-3356.53	6462.43	44058.74	18299.29	20027.63	-1728.34
28.	West Bengal	10425.29	12227.30	-1802.01	1940.44	12365.73	5419.81	5781.49	-361.68
29.	Andaman and Nicobar Islands	361.49	476.75	-115.26	0.00	361.49	0.00	0.00	0.00
30.	Chandigarh	783.20	1498.73	-715.53	0.00	783.20	0.00	0.00	0.00
31.	Dadra and Nagar Haveli	369.11	382.21	-13.10	17.58	386.69	0.00	0.00	0.00
32.	Daman and Diu	243.28	50.81	192.47	0.00	243.28	0.00	0.00	0.00
33.	Delhi	430.14	206.49	223.65	0.00	430.14	199.47	608.71	-409.24
34.	Puducherry	1144.28	1152.06	-7.78	6.66	1150.94	528.34	546.81	-18.47
	Total	235660.93	257841.77	-22180.84	42160.85	277821.78	115529.76	133579.84	-18050.09

As no financial targets are prescribed for the scheme of SJSRY as a whole, it is not possible to furnish the percentage of targets achieved by States/UTs for components.

3.18 The Ministry have furnished data on the number of beneficiaries that have been assisted for setting up of individual micro-enterprises, group micro enterprises, beneficiaries provided skilled training and man-days generated. However, in absolute terms, the numbers of urban poor estimated have gone up by more than four million between 1993-94 and 2004-05. Whereas that the expenditure reported is far less than actual funds released, due to which poverty in urban areas has not declined. When asked to comment on this the Ministry replied as under:—

“Urban Poverty is multi-pronged. As per the 11th Five Year Plan document the causes of urban poverty are many. These include: structural (which include socially constructed constraints to opportunities for low income groups), influx of a large number of workers to cities without commensurate job opportunities and availability of housing and basic amenities, high cost of living etc. Swarna Jayanti Shahari Rozgar Yojana implemented by the Ministry has been a moderate intervention aimed at provision of gainful employment to the urban poor by assisting them to set up individual/group enterprises and through skill training as well as utilizing their labour for the construction of socially useful public assets. For addressing other facets of poverty the Ministry is implementing since 2005 sub-missions of Basic Services for Urban Poor (BSUP), catering to 65 identified cities, and the Integrated Housing and Slum Development Programme (IHSDP), in cities/towns other than 65 identified cities under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). These programmes are aimed at providing basic amenities *viz.* water, sanitation, primary health, primary education and social security to the urban poor, including slum dwellers alongwith descent shelter and security of tenure. The proposed Rajiv Awas Yojana is aimed at making an improvement over JNNURM by adopting a ‘whole slum’, ‘all slum’ and ‘whole city’ approach to address the issues of slums in a holistic manner.

The Revised Budget Allocation for SJSRY for 2010-11 was Rs. 591.38 crore. Current year’s Budget Estimate for the scheme is Rs. 813.00 crore, which is small compared to the estimated urban poor population of 807.96 lakhs (2004-2005) and GDP of the country (GDP at factor cost at current price estimated at Rs. 3,952,241 crore in 2006-07 and Rs. 6,133,230 crore in 2009-10).

As regard the incidence of urban poverty, as reported to the Committee, the same has reduced in relative terms between 1993-94 and 2004-05 as revealed from the Planning Commission/ Tendulkar Committee estimates. Urban poverty is a dynamic phenomenon and it will depend on changing urbanization forces, including natural increase in the poor segment of cities, annexation of rural areas and influx of poor migrant to cities from the country side."

3.19 When asked about the unspent balance available with the States/UTs, the Ministry furnished the details as under:

"State-wise unspent balance available with the States/UTs under SJSRY, as per the expenditure reported by the States/UTs, is as given below. However, this includes the funds released to the States/UTs in the year 2009-2010 and 2010-2011, for which Utilisation Certificates have not become due. The Ministry of Housing & Urban Poverty Alleviation is consistently pursuing with the States/UTs for the implementation of the scheme through review meetings, orientation workshops, training programmes etc.



**STATE-WISE FINANCIAL PROGRESS (CUMULATIVE) UNDER SJSRY**

(Rs. in lakhs)

Sl.No.	States/UTs	Opening Balance (as on 1.12.97)		Total Fund Released (1997-2011)		Total Fund Available		Total Expenditure Reported		Unspent Fund		% of Expenditure						
		Central	State	Central	State	Central	State	Central	State	Central	State	Central	State	Total				
															Total	Total	Total	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
1.	Andhra Pradesh	1178.50	3507.56	4686.06	26150.02	12009.41	38159.43	27328.52	15516.97	42845.49	24596.08	12968.44	2732.44	37564.52	2732.44	2548.53	5280.97	87.67
2.	Arunachal Pradesh	304.93	199.11	504.04	721.22	145.17	866.39	1026.25	344.28	1370.43	730.33	264.85	295.82	995.18	295.82	79.43	375.25	72.62
3.	Assam	792.63	292.16	1084.79	11501.87	3620.43	15122.30	12294.50	3912.59	16207.09	7946.51	656.59	4347.99	8603.10	4347.99	3256.00	7603.99	53.08
4.	Bihar	648.83	2436.90	3085.73	9439.31	2785.49	12224.80	10088.14	5222.39	15310.53	5770.02	3329.60	4318.12	9099.62	4318.12	1892.79	6210.91	59.43
5.	Chhattisgarh	0.00	0.00	0.00	5702.72	1508.62	7211.34	5702.72	1508.62	7211.34	3457.48	1148.60	2245.24	4606.08	2245.24	360.02	2605.26	63.87
6.	Goa	138.84	83.06	221.90	84.06	35.13	119.19	222.90	118.19	341.09	186.08	93.89	36.82	279.97	36.82	24.30	61.12	82.08
7.	Gujarat	1685.26	594.67	2279.93	11238.12	3873.84	15111.96	12923.38	4468.51	17391.89	7698.90	3072.11	10771.01	10771.01	5224.48	1396.40	6620.88	61.93
8.	Haryana	293.79	170.97	464.76	6436.04	2036.28	8472.32	6729.83	2207.25	8937.08	5346.04	1855.01	1383.79	7201.05	1383.79	352.24	1736.03	80.57
9.	Himachal Pradesh	257.09	440.94	698.03	512.35	199.49	711.84	769.44	640.43	1409.87	703.79	639.43	1343.22	1343.22	1.26	66.91	95.27	
10.	Jammu and Kashmir	490.61	448.60	939.21	1568.05	1991.83	3559.88	2058.66	2440.43	4499.09	1923.45	2440.43	4363.88	4363.88	135.21	0.00	135.21	96.99
11.	Jharkhand	287.11	1137.36	1424.47	2084.15	667.06	2751.21	2371.26	1804.42	4175.68	1101.02	0.00	1101.02	1101.02	1804.42	3074.66	26.37	
12.	Karnataka	2071.86	2816.89	4888.75	23176.74	7725.56	30902.30	25248.60	10542.45	35791.05	17638.50	7056.22	24694.72	24694.72	7610.10	3486.23	11096.33	69.00
13.	Kerala	353.75	509.95	863.70	7408.86	2464.01	9872.87	7762.61	2973.96	10736.57	7020.23	2867.59	9887.82	9887.82	742.38	106.37	848.75	92.09
14.	Madhya Pradesh	1390.47	1663.48	3053.95	28708.37	9569.44	38277.81	30098.84	11232.92	41331.76	21993.80	8413.53	30407.33	30407.33	8105.04	2819.39	10924.43	73.57
15.	Maharashtra	3884.94	2715.67	6600.61	45597.80	13814.42	59412.22	49482.74	16630.09	66012.83	35473.98	11982.73	47456.71	47456.71	14008.76	4547.36	18556.12	71.89
16.	Manipur	299.66	56.38	356.04	2123.00	1867.30	3990.30	2422.66	1923.68	4346.34	3014.81	994.42	4009.23	4009.23	-592.15	929.26	337.11	92.24

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
17. Meghalaya	19676	128.10	324.86	781.19	196.82	978.01	977.95	324.92	1302.87	698.67	292.32	990.99	279.28	32.60	311.88	76.06		
18. Mizoram	53.67	36.91	90.58	3855.17	1123.59	4978.76	3908.84	1160.50	5069.34	3111.69	1064.95	4176.64	797.15	95.55	892.70	82.39		
19. Nagaland	150.62	80.00	230.62	1801.35	849.87	2651.22	1951.97	929.87	2881.84	1383.52	833.31	2216.83	568.45	96.56	665.01	76.92		
20. Orissa	422.55	693.79	1116.34	9126.46	2866.27	11992.73	9549.01	3560.06	13109.07	6177.76	2606.17	8783.93	3371.25	953.89	4325.14	67.01		
21. Punjab	847.37	522.78	1370.15	928.36	476.00	1404.36	1775.73	998.78	2774.51	1810.11	802.45	2612.56	-34.38	196.33	161.95	94.16		
22. Rajasthan	1328.56	1831.61	3160.17	11471.31	3345.68	14816.99	12799.87	5177.29	17977.16	6624.98	3072.11	9697.09	6174.89	2105.18	8280.07	53.94		
23. Sikkim	37.80	68.36	106.16	618.12	190.62	808.94	655.92	259.18	915.10	583.94	233.07	817.01	71.98	26.11	98.09	89.28		
24. Tamil Nadu	3268.38	4246.28	7514.66	23710.69	7191.62	30902.31	26979.07	11437.89	38416.96	18590.25	8288.34	26878.59	8388.82	3149.55	11538.37	69.97		
25. Tripura	58.25	39.95	98.20	2299.43	696.90	2996.33	2357.68	736.85	3094.53	1724.60	601.16	2325.76	633.08	135.69	768.77	75.16		
26. Uttarakhand	0.00	0.00	0.00	2709.23	642.68	3351.91	2709.23	642.68	3351.91	1457.22	297.57	1754.79	1252.01	345.11	1597.12	52.35		
27. Uttar Pradesh	3112.79	4650.64	7763.43	48170.62	15376.99	63547.61	51283.41	20027.63	71311.04	38974.91	16462.52	55437.43	12308.50	3565.11	15873.61	77.74		
28. West Bengal	1035.93	1653.21	2679.14	13499.11	4138.28	17637.39	14535.04	5781.49	20316.53	12170.52	5045.66	17216.18	2364.52	735.83	3100.35	84.74		
29. Andaman and Nicobar Islands	100.43	0.00	100.43	279.81	0.00	279.81	380.24	0.00	380.24	380.87	0.00	380.87	-0.63	0.00	-0.63	100.17		
30. Chandigarh	77.70	0.00	77.70	744.76	0.00	744.76	822.46	0.00	822.46	413.49	0.00	413.49	408.97	0.00	408.97	50.27		
31. Dadra and Nagar Haveli	81.34	0.00	81.34	314.14	0.00	314.14	395.48	0.00	395.48	382.21	0.00	382.21	13.27	0.00	13.27	96.64		
32. Daman and Diu	81.65	0.00	81.65	161.63	0.00	161.63	243.28	0.00	243.28	42.10	0.00	42.10	201.18	0.00	201.18	17.31		
33. Delhi	154.83	107.70	262.53	275.31	501.01	776.32	430.14	608.71	1038.85	232.32	423.72	656.04	197.82	184.99	382.81	63.15		
34. Puducherry	85.83	173.30	259.13	1115.11	373.51	1488.62	1200.94	546.81	1747.75	1245.57	597.39	1842.96	-44.63	-50.58	-95.21	105.45		
Total	25172.73	31296.32	56469.05	304314.48	102283.52	406598.00	329487.21	133679.84	463067.05	240605.75	98404.18	339109.93	88881.46	35175.66	124157.12	73.21		

3.20 Actual allocation *vis-a-vis* expenditure under SJSRY scheme reveal that the funds so allocated have been largely underutilized. This is in spite of the fact that the Ministry have been pursuing with the States/Union Territories for implementation of the Scheme through review meetings, orientation workshops, training programmes etc., by the Centre. When asked what Ministry have to say on this, the Ministry in their post evidence replies stated as under:

“Under Swarna Jayanti Shahari Rozgar Yojana from inception upto 31st March, 2011 utilization certificate to the tune of Rs. 257841.77 lakhs have been received against the total fund release of 235660.93 lakhs for which UCs were due. The unutilized funds including releases for 2010-11 for which UC is not due this year. A State-wise statement is placed below:

Sl.No.	States/UTs	Central funds released in 2010-2011 (in lakh)*
1	2	3
1.	Andhra Pradesh	5226.02
2.	Arunachal Pradesh	201.79
3.	Assam	2869.96
4.	Bihar	2001.40
5.	Chhattisgarh	1201.95
6.	Goa	0.00
7.	Gujarat	1928.53
8.	Haryana	654.37
9.	Himachal Pradesh	50.00
10	Jammu and Kashmir	135.21
11	Jharkhand	814.88
12	Karnataka	5376.04
13	Kerala	474.03
14	Madhya Pradesh	5914.80
15	Maharashtra	10464.11

1	2	3
16	Manipur	448.43
17	Meghalaya	0.00
18	Mizoram	641.66
19	Nagaland	419.06
20	Orissa	1650.75
21	Punjab	0.00
22	Rajasthan	2932.96
23	Sikkim	194.84
24	Tamil Nadu	4267.63
25	Tripura	224.25
26	Uttarakhand	546.34
27	Uttar Pradesh	7224.67
28	West Bengal	2169.31
29	Andaman and Nicobar Islands	18.75
30	Chandigarh	39.26
31	Dadra and Nagar Haveli	8.79
32	Daman and Diu	0.00
33	Delhi	0.00
34	Puducherry	50.00
	Total	58149.79

\*Including Additional funds released

From the above statement it is clear that only a few States like Goa, Jharkhand, Meghalaya, Daman & Diu and Delhi are defaulting in UC submission. The Ministry is taking steps for getting the utilization certificates from the defaulting States and will hold quarterly reviews with all States in this regard. The Ministry will also comprehensive support capacity building programmes aimed at improving capacity of States/cities in effectively implementing Swarna Jayanti Shahari Rozgar Yojana, especially skills training programmes and utilization of funds following the canons of financial propriety.”

3.21 The revised components of the SJSRY Scheme is almost the same as that of the old scheme. Even after providing assistance to individuals, the incidence of poverty has not decreased. When asked the Ministry propose to take to make the scheme more effective in terms of reducing the actual incidence of poverty the Ministry replied as follows:

“The Ministry has comprehensively revamped the scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) with effect from 01.04.2009. Earlier scheme of SJSRY (1997) had only two major components namely Urban Self Employment Programme (USEP) and Urban Wage Employment Programme (UWEP). In the revamped SJSRY apart from these two, three more major components namely Urban Woman Self Help Programme (UWSP), Urban Community Development Network (UCDN) and Skill Training for Employment Promotion amongst Urban Poor (STEP-UP) have been incorporated to tackle the Poverty in urban areas. Skill training has been given major focus in the new scheme. For the effective implementation of the scheme Ministry has taken various measures like issuing of Operational Guidelines for Programme Administration and Monitoring, Guidelines for implementation of STEP-UP, awareness generation/orientation among the stakeholders through conduct of National/Regional/State level workshops, seminars and conferences, capacity building activities based on a saturation approach, covering institutional and human resource capacity at a State/ULB and Resource Centre level etc. The Ministry will be starting concurrent evaluation of Swarna Jayanti Shahari Rozgar Yojana in selected States shortly.”

3.22 When asked about the progress of the scheme so far and its evaluation by the Ministry itself, the Ministry stated as under:

“The Ministry has comprehensively revamped the scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) in 2009 on the basis of evaluation study conducted by the Ministry as well as feedback received from various quarters. The revamped SJSRY provides for concurrent evaluation of the scheme at periodic intervals. Ministry has recently conducted a partial evaluation study for Swarna Jayanti Shahari Rozgar Yojana with the involvement of the Regional Centre for Urban and Environmental Studies (RCUES), Lucknow. The Ministry has also initiated steps for concurrent evaluation of SJSRY this year covering one State each from North, East, West, South and North East Zone. Accordingly, States of Uttar Pradesh, West Bengal, Rajasthan, Tamil Nadu and Assam are proposed for the concurrent evaluation. The scope of the concurrent evaluation would be extended to other States also in coming years. The agencies for undertaking concurrent evaluation are being finalized.”

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

3.23 The Centrally sponsored Integrated Low Cost Sanitation Scheme (ILCS) has been under implementation through Ministry of Urban Development since 1989-90 till 2003-2004. This scheme has been transferred to the Ministry of Housing and Urban Poverty Alleviation *w.e.f.* 2004-2005. It basically aims at conversion of existing individual dry latrines into low cost water seal pour flush latrines with superstructures and appropriate variations to suit local conditions and construct new latrines where EWS households have no latrines. The basic objective is to liberate the scavengers from the obnoxious practice of carrying head loads of night soil and the scheme is being implemented on a 'All Town' coverage basis. To make the scheme more attractive and implementable, the guidelines of the ILCS Scheme have been revised in January, 2008.

3.24 The focus of the scheme is on conversion of dry latrines and construction of new latrines for latrine-less households so as to address the issues of sanitation in cities and towns. The upper ceiling cost of Rs. 10000/- has been provided for the complete unit of a pit pour flush individual latrine with superstructure (excluding States falling in difficult/hilly areas). For States falling in the category of difficult and hilly areas, an extra cost of 25% has been provided for each two pit pour flush latrine. The scheme is limited to EWS households only and does not entail a loan component.

3.25 According to written information furnished by the Ministry, the ILCS was revised to make it more productive and implementable and the target was to convert six lakh existing dry-latrines into two-pit pour flush latrines within the period of three years *i.e.* 2007-2010. The Scheme being demand driven, no physical targets were fixed. However, while envisaging revision of guidelines, the original estimates for the scheme and the Central Subsidy of component of Rs. 545.16 crore were drawn up to cover approximately 6 lakhs dry latrines as reported by the States.

### Financial allocation

3.26 The details of Budget Allocation and Expenditure incurred during Eleventh Five year Plan under ILCS are as under:

Year	(Rs. in crore)		
	B.E	R.E	Actual Expenditure
2007-2008	40.00	40.00	70.97
2008-2009	150.00	40.03	38.53
2009-2010	60.00	45.00	50.50
2010-2011	71.00	80	68.38
2011-2012	No funds have been allocated so far		

3.27 When asked the reasons for such drastic variations in B.E., R.E., and Actual Expenditure for 2008-2009, 2009-2010 and 2010-2011 under this Scheme, the Ministry in their written reply stated as under:

“The ILCS Scheme was revised in the month of January, 2008. Under the previous guidelines of the scheme, this Ministry has released Rs. 70.97 crore during 2007-08 to HUDCO for transferring the same to the States of Uttar Pradesh, Bihar, Assam and J&K. These unutilized funds lying at the disposal of State Governments had to be adjusted against the releases during 2008-09 under the revised guidelines.

Hence, out of budget provision of Rs. 150.00 crore for the year 2008-09, funds were released after adjusting of the unspent balance available with the States and taking into account an expected reduction in the number of dry latrines (as the States of Assam and Nagaland have reported that there are no dry latrines) an amount of Rs. 40.00 crore was requested in the Revised Estimates of 2008-09. Less amount was proposed in the R.E 2008-09 due to non-utilization of funds released during 2007-08 which were adjusted in the releases during 2008-09 and proposals were pending from the States in the DPR as the scheme was revised only in the month of January, 2008.

During the year 2009-10 budget provision of Rs. 60.00 crore was reduced to Rs. 45.00 crore, due to reallocation in the overall plan outlay of the Ministry at RE stage.

Enhanced allocation has been sought under the scheme during 2010-11 as more States came up with proposals for construction of new units under the scheme and posed demand for release of second and final installments (75% of the sanctioned amount).

As on 31.3.2011 against the RE allocation of Rs. 80 crore, an amount of Rs. 101.67 crore was utilised by the Ministry. The additional expenditure was made out of savings under the other schemes.”

3.28 As per the Annual Report of the Ministry Bihar, Uttar Pradesh and Uttarakhand are yet to declare dry latrine free. When asked about the latest status of existence of dry latrines in these States the Ministry stated as under:

“The number of dry latrines reported by these States (which are the only States that have reported existence of dry latrines) is as under:

Name of State	No. of dry latrines for conversion
Uttar Pradesh	238253
Bihar	3545
Uttarakhand	1613

In the various review meetings undertaken by the Ministry, Bihar and Uttar Pradesh have committed to complete the conversion task by 31.3.2011. Uttarakhand has reported to have completed the conversion task. However, a formal declaration announcing them to be a dry latrine free State is awaited from all the three States.”

3.29 When asked about the assurance made by the Ministry to eradicate dry latrines by 31.03.2011, the Secretary reported as under:

“We had given assurance that manual scavenging and dry latrines would be eradicated from the country by March, 2011 and the Government was also trying to declare so. In the meantime there were two major developments, firstly, the State Governments could not complete their work in time and we have deputed ISS for evaluation of the work done by them and we are still waiting for their feedback. Several NGOs are also undertaking this work. Secondly, one Society called Safai Karamchari Andolan refuted all the claims of the State Governments and the survey reports and claimed that dry latrines still exist in the country and the survey should be conducted again. We were asked to conduct the survey all over again. Accordingly, information regarding break-up of every form and kind of latrines have been collected in the Census, 2011. We will get the requisite information within a month or two and afterwards re-evaluate the entire scheme.”

3.30 Further elaborating on the issue the Ministry, in their post evidence written replies stated as under:

“The State of Uttarakhand has reported that out of the total reported 1613 dry latrines; 1204 units have been converted into water sealed toilets and rest 409 beneficiary had converted dry latrines into water sealed toilets on their own. Thus, all reported 1613 dry latrines have been converted into water sealed toilets in the State of Uttarakhand. The State of Uttar Pradesh has informed that out of 2,38,253 dry latrines conversion of 2,09,727 dry latrines into water sealed toilets have been completed and rest units are under progress. The State in the review meeting under the Integrated Low Cost Sanitation Scheme held on 11.2.2011, assured that it would be able to complete the balance units by end of March, 2011 and declare itself Dry Latrine Free State by 31.3.2011. The State has further reported 1445 dry latrines existing in the State and submitted proposal for conversion of dry latrines into twin pit pour flush latrines.

This Ministry is taking Programmatic interventions to tackle this problem.”



### **III. PROJECTS/SCHEMES FOR THE DEVELOPMENT OF NORTH EASTERN STATES, INCLUDING SIKKIM UNDER 10% LUMP-SUM PROVISION**

3.31 The Ministry while explaining the entire scheme in their written background material stated that:

“The then Ministry of Urban Development and Poverty Alleviation had organized a conference of Ministers of Local Self Governments/ Urban Development/Housing of North Eastern States and Sikkim at Gangtok on 19-20 May, 2001. The main objectives of the conference was to review the progress of Centrally Sponsored Scheme being implemented by the Ministry in these States and to evolve appropriate strategies for the special development needs of the eight States. As a follow up action of the conference, a Task Force was constituted in the Ministry under the Chairmanship of the Union Minister for Urban Development and Poverty Alleviation for considering project proposals from the State Governments of North Eastern Region and Sikkim to be funded out of the Non-Lapsable Central Pool Fund meant for these States. It may be recalled that the Government of India took a decision that 10% of the total budget provision for the Ministries/Departments will be spent on the projects/schemes for development of the North Eastern Region including Sikkim. Funds under this provision are non-lapsable and unspent balances under this provision in a financial year are pooled up in the non-lapsable central fund meant for these States, and are governed by the Ministry of Development of North Eastern Region (DoNER).

The Ministry of Housing and Urban Poverty Alleviation is concerned with the project proposals for the North Eastern States in the following identified areas:

- (i) Housing projects (predominantly for the urban poor)
- (ii) Poverty alleviation projects
- (iii) Slum improvement/upgradation projects

Accordingly, the project proposals are invited from the State Governments of North Eastern Region including Sikkim and considered in the Ministry of Housing and Urban Poverty Alleviation under the 10% lump sum provision of the Budget of the Ministry, placed separately for the projects/schemes for the benefit of North Eastern Region and Sikkim.

Further, the Ministry is earmarking 10% of the scheme allocations for the NER States under various schemes *viz.* Swarna Jayanti Shahari Rozgar Yojana (SJSRY) etc. Therefore, effectively, the total expenditure on the NER States is maintained at 10% of the Plan Budget of the Ministry.”

3.32 The statement showing Budget Estimates, Revised Estimates and actual expenditure for the year 2007-2008, 2008-2009, 2009-2010, 2010-2011 and Budget Estimates for 2011-2012 showing separately Plan and non-Plan expenditure is as under:

(Rs. in crore)

Year	Budget Estimates	Revised Estimates	Actual Expenditure
2005-2006	50.00	40.00	45.06
2006-2007	50.00	50.00	50.00
2007-2008	50.00	50.00	50.00
2008-2009	50.00	50.00	50.00
2009-2010	50.00	53.50	53.50
2010-2011	50.00	50.00	29.77
2011-2012	50.00	–	–

3.33 It may be seen from the above that till 2009-2010, the Ministry were able to utilize the entire fund allocated to them under this head. So far as utilizing the 10% of the scheme allocations earmarked for the North Eastern States under various schemes *viz.* Swarna Jayanti Shahari Rozgar Yojana (SJSRY) etc. is concerned, the scenario is not very encouraging either. There have been huge underutilization of funds under SJSRY in the North Eastern States, including Sikkim. When asked the reasons for the underutilization of funds in these areas given the fact that the literacy rate is higher in these States, raw material for handicrafts products is in abundance and especially when one-tenth of the entire resources of the Ministry have been earmarked for the North-Eastern States, the Ministry replied as under:

“Under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) Central funds to North Eastern States (NER) (and other special category States like Jammu & Kashmir, Himachal Pradesh and Uttaranchal) are released to State Nodal Offices in the ratio of 90:10 between the Centre and the State. State Nodal Offices distribute the funds

among District level authorities/cities/towns as per their requirements. Process of releasing funds to District level authorities/cities/towns is seen to be taking considerable time in the NER States. Lack of capacity of district/cities/towns authorities is also a cause for slow utilization of funds in these areas.”

## CHAPTER IV

### URBAN HOUSING

4.1 The Ministry of Housing and Urban Poverty Alleviation is the apex authority of Government of India at the national level for formulation of housing policy and programme, review of the implementation of the plan scheme, collection and dissemination of data on housing, building materials/techniques and for adopting general measures for reduction of building costs. It also has a nodal responsibility for national housing policy.

#### **Urban Housing Shortage**

4.2 National Building Organisation in their Urbanisation and Poverty in India, 'A Statistical Compendium 2010' have highlighted the fact that although the number of houseless population in the rural areas has been on a decline, the number of houseless population has steadily been rising. In 1981 the figure for the houseless people stood at 619 thousand households which rose to 726 in 1991 and upto 779 thousand households in 2001. The report has also highlighted the fact that the contribution of the Housing Sector to the GDP has also steadily been on a decline.

4.3 The Technical group on Estimation of Urban Housing Shortage constituted by the Ministry has estimated that the total shortage of dwelling units in urban areas at the beginning of the 11th Plan Period, *i.e.* 2007 was 24.71 million. Out of this, 21.78 million or about 98% pertains to the EWS and LIG categories of the urban population. The housing requirement during the 11th Plan period has been worked out by utilizing the rates of growth in various parameters of housing shortage on the assumption that such rates would not change drastically during the plan period. The total shortage of dwelling units in cities and towns at the beginning of the 11th plan period, estimated at 24.71 million would rise to 26.53 million at the end of the plan.

4.4 The Committee note that there is an ever growing demand for new houses in the urban areas particularly when cities and towns are growing at a much faster rate due to the force of natural increase, migration and reclassification of villages and towns. This has led to the widening of gap between demand and supply of essential services and also led to lack of formal space for the urban poor for housing

and thus forced them to settle for other solutions resulting in mushrooming of slums in cities and towns. In order to address all these problems sound urban policy and planning design backed by reliable data is required.

### **Budgetary Allocation**

4.5 As per the detailed Demands for Grants (2011-12) of the Ministry of Housing and Urban Poverty Alleviation (MoHUPA), an amount of Rs. 76.50 crore has been provided for the year in regard to Housing (Major Head 2216). The amount under this head was Rs. 236.54 crore during 2010-11. However, the actual expenditure under this head was only Rs. 34.32 crore. The Ministry when asked about the reasons for a huge decrease of 67.66% in the allocation during this fiscal year in a written note replied as under:—

“The decrease to the tune of 67.66% for the year 2011-12 attributes to the less provision for the scheme of ISHUP during the year 2011-12. The BE provision under the ISSHUP was Rs. 200.00 crore during 2010-11 whereas during the year 2011-12 it is provided Rs. 51.00 crore. As the scheme could not pick up the desired speed, lesser provision has been made.”

### **I. NATIONAL URBAN HOUSING AND HABITAT POLICY, 2007**

4.6 The Ministry of Housing and Urban Poverty Alleviation has formulated a National Urban Housing and Habitat Policy (NUHHP-2007) which primarily aims at providing housing and other basic infrastructure to economically weaker section (EWS)/low income group (LIG) and other sections of the society at affordable cost. NUHHP-2007 envisages that the States/UTs will develop a “Habitat Infrastructure Action Plan” for all cities with a population of over one lakh. It also envisages that they prepare 10 years perspective plan for housing of EWS/LIG. Encouragement and support are to be provided by the Central Government to State Governments for the preparation of State Urban Housing and Habitat Policy and Action Plan. State/UT policy is required to provide road map to institutional, legal and financial reforms to promote affordable housing to all, especially to the urban poor.

4.7 Out of the estimated shortage of 24.7 million housing units at the end of the 10th Five Year Plan, estimated 99% pertains to households falling in the Economically Weaker Sections (EWS) and Low Income Group (LIG) segments. In order to mitigate the housing shortage along with deficiencies in basic services and in consonance with the changing policy environment, the Ministry has announced the National Housing and Habitat Policy, 2007. This Policy focuses on affordable housing for all with special emphasis on economically weaker

sections of the society such as SCs, STs, OBCs, Minorities, women-headed households and the disabled. The Policy seeks to emphasize public sector partnering with private sector and also cooperative sector, the employees welfare housing sector, the industrial *cum* labour housing sector playing important role.

4.8 The Annual Plan states a High Level Task Force, under the Chairmanship of Mr. Deepak Parekh, Chairman - HDFC Ltd. to look into various aspects of providing "Affordable Housing for All" and recommend ways and means of enhancing accessibility of EWS/LIG groups to housing with suitable governmental support and recommend ways and means of enhancing accessibility of MIG groups to housing apart from developing innovative financial instruments for bringing flexibility in the housing market and make recommendations on fiscal, spatial incentives for increasing supply of houses.

4.9 The Ministry when asked as to how many States have so far prepared State urban housing policies in consonance with the NUHHP, 2007, replied as under:

"NUHHP, 2007 provides a road map to the State Governments to comprehensively address the issue of housing. Subsequently letters were written to State Governments at the level of Chief Minister, Ministers dealing with Housing/UD, Chief Secretaries, and Administrators in UTs, and Secretaries dealing with Housing/UD/LSG matters in the States/UTs with the advice to prepare State Urban and Housing Policy and specific acts in consonance with NUHHP, 2007. Some of the States which have been preparing their Urban Housing Policy in consonance with NUHHP, 2007 include Maharashtra, Madhya Pradesh, Punjab and Kerala."

## **II. JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION (JNNURM)**

4.10 In India, cities contribute over 55% to country's GDP and urbanisation has been recognised as an important component of economic growth. However, the incidence of decline of urban poverty has not accelerated with GDP growth. The sustainability of urban development in India is seen in the context of shelter and slums, basic urban services, financing urban development and Governance and Planning. Therefore, a need has arisen to develop new poverty reduction tools and approaches to attack the multi-dimensional issues of urban poverty. Accordingly, the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was launched on 3rd December, 2005 with an objective to provide focused attention to integrated development of urban infrastructure and services in select cities with emphasis on urban poor, slum improvement etc.

## Components of Jawaharlal Nehru National Urban Renewal Mission

### A. Basic Services to the Urban Poor (BSUP)

4.11 The salient features of BSUP are as follows:—

- Central Assistance in the form of ACA as full grant.
- 50% percent of the project cost in respect of cities having a population of one million or more to be borne by the Central Government.
- 90% of the project cost to be borne by the Central Government for projects from cities/towns in North Eastern States and Jammu & Kashmir.
- 80% of the project cost to be borne by the Central Government for projects from the remaining cities/towns.
- A minimum of 12% beneficiary contribution for houses; for SC/ST/BC/OBC/PH and other weaker sections, 10% beneficiary contribution.
- Access to Central assistance predicated upon the State/Urban Local Bodies/Parastatals agreeing to implementation of reforms.
- Reforms to ensure improvement in urban governance.
- Cities to prepare City Development Plans and Detailed Project Reports so as to seek Additional Central Assistance.
- Central Sanctioning & Monitoring Committee to consider approval of projects and project financing pattern.

### Funding Pattern of BSUP

4.12 The Central share is released as Additional Central Assistance (in the form of grant). The financing of the projects is as under:—

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

4.13 During 2010-2011, a sum of Rs. 2357.60 crore has been granted as ACA under this scheme in the budget of Ministry of Finance (in respect of States) and Ministry of Home Affairs (in respect of Union territories).

4.14 The admissible components under the BSUP as stated by the Ministry in their Annual Report 2010-2011 are as follows:—

- Integrated development of slums, *i.e.* housing and development of infrastructure projects in the slums in the identified cities.
- Projects involving development/improvement/maintenance of basic services to the urban poor.
- Slum improvement and rehabilitation projects.
- Projects on water supply/sewerage/drainage, community toilets/baths, etc.
- Houses at affordable costs for slum dwellers/urban poor/EWS/LIG categories.
- Construction and improvements of drains/storm water drains.
- Environmental improvement of slums and solid waste management.
- Street lighting.
- Civic amenities like community halls, child care centres, etc.
- Operation and maintenance of assets created under this component.
- Convergence of health, education and social security schemes for the urban poor.

#### **B. Integrated Housing & Slum Development Programme (IHSDP)**

4.15 For cities/towns not covered under BSUP, Integrated Housing & Slum Development Programme (IHSDP) has also been launched on 3.12.2005 while the ongoing Valmiki Ambedkar Awas Yojana (VAMBAY) and the discontinued National Slum Development Scheme (NSDP) were subsumed in this scheme. The key objectives of IHSDP is to strive for holistic slum development, with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure



facilities to the slum dwellers of the identified urban areas. The salient features of IHSDP are:—

- Central Assistance in the form of ACA as full grant.
- 80% percent of the project cost borne by the Central Government, in general.
- 90% of the project cost borne by the Central Government for projects from cities/towns in special category States, including North-Eastern region.
- A minimum of 12% beneficiary contribution for houses; for SC/ST/BC/OBC/PH and other weaker sections, 10% beneficiary contribution.
- Access of Central assistance predicated upon the State/Urban Local Bodies/Parastatals agreeing to implementation of reforms.
- Reforms to ensure improvement in urban governance.
- Cities/towns to prepare Detailed Project Reports in order to seek Central Assistance.

#### **Funding Pattern of IHSDP**

4.16 The Ministry informed that the sharing of funds would be in the ratio of 80:20 between Central Government and State Government/ULB/Parastatals. For special category States, the funding pattern between Centre and States will be in the ratio of 90:10. The Central share will be released as Additional Central Assistance (grant). As in the case of BSUP, signing of a tripartite MoA is a necessary condition to access Central Assistance.

#### **Financial/Physical Progress under JNNURM**

4.17 Summary of Financial & Physical Progress (Mission Period—2005-2012) as provided by the Ministry is as follows:—

##### **CUMULATIVE PHYSICAL & FINANCIAL PROGRESS (As on 31.12.2010)**

7 Year Allocation Commitment & Release (in Crores)	BSUP	IHSDP	Total
1	2	3	4
Revised 7-Year Allocation	16356.35	6828.31	23184.66
ACA Commitment against 7- year Allocation	13566.63	6614.14	20180.77

	1	2	3	4
% Commitment		82.94%	96.86%	87.04%
ACA Released (total)		6102.72	3577.13	9679.85
% Release (Release vs Commitment)		44.98%	54.08%	47.96%
No of projects approved		477	966	1443
Total project cost approved		26844.28	9711.60	36555.88
No of States/UTs covered		31	31	—
No of Cities/Towns covered		64	820	884
No of DUs Approved		1028503	515244	1543747
No. of DUs in Progress		318151	137373	455524
No. of DUs Completed		264965	108416	373381
No. of DUs Occupied		116852	64796	181648

**PHYSICAL & FINANCIAL PROGRESS OF BSUP & IHSDP  
DURING THE YEAR OF 2010-11 (upto 31.12.2010)**

(Rs. in crore)

Sl.No.	BSUP	IHSDP	Affordable Housing in Partnership (AHP)
1. No. of Projects Approved*	04	22	14
2. Project Cost Approved	655.22	307.58	792.04
3. Central Share Approved	303.1	198.12	53.96
4. State Share Approved	354.6	109.45	-
5. ACA Released (Total)	1014.73	215.35	-
6. No. of Dwelling Units Approved	23878	13049	19100

\*Additional cost has been approved for one project, which was earlier approved for Uttar Pradesh during 2006-07.

4.18 The statement below shows budget estimates, revised estimates and actual expenditure for the year 2005-06, 2006-07, 2007-08, 2008-09, 2009-2010 and 2010-2011 and budget estimates for 2011-2012 showing separately Plan and non-Plan expenditure:—

(Rs. in crore)

Year	BSUP			IHSDP		
	BE	RE	Actual expenditure	BE	RE	Actual expenditure
2006-07	908.51	908.51	901.78	500.00	500.00	492.62
2007-08	1501.00	1201.00	1192.80	490.00	790.00	792.24
2008-09	1880.35	1880.35	1582.92	613.84	1113.84	1296.20
2009-10	2524.65	1344.36	1338.37	1117.58	786.74	780.72
2010-11	2357.60	2215.75	1193.14	1015.43	1015.43	370.46
2011-12	2718.60	-	-	1000.20	-	-

4.19 Explaining the reasons for variations in budget estimates, revised estimates and actual expenditure during the aforesaid period, the Ministry stated as under:—

“Due to huge demand for IHSDP projects, funds amounting to Rs. 300 crore were diverted from BSUP to IHSDP during the year 2007-08. During the year 2008-09:—(i) Rs. 500 crore was additionally allocated by Planning Commission as part of Economic Stimulus Package and released to States as ACA under IHSDP; (ii) out of Rs. 1656.54 crore under BSUP in the Budget of Department of Expenditure, Rs. 183.86 crore was re-appropriated to IHSDP. During the year 2009-10, the revised allocation was reduced to Rs. 2131.10 crore following Budget cut across the Board. The utilisation for ACA in 2009-10, however was 99.44% of RE allocation. During 2010-11, the Ministry of Home Affairs has reduced the allocation of ACA to UTs in RE to Rs. 225.10 crore from Rs. 366.95 crore. As regards expenditure, it is stated that the release of ACA and approval of CSMC/CSC for the instalments of ACA is demand driven and depends upon the Utilisation Certificates furnished by the States/UTs. CSMC/CSC would also take into consideration the updated progress on the implementation of the 3 Pro-Poor reforms/analysis of TPIMA reports while approving the instalments. It is, however, expected that the entire allocation in RE 2010-11 will be utilised by 31.3.2011.”

4.20 As regards the physical target under the BSUP and IHSDP, the Ministry have further stated that no physical target has been fixed for construction, but on the basis of costs and budgets, a Mission outlay of 15 lakh was estimated. Sanctions have been accorded to 15,99,838 units so far and the details are as under:—

For Mission Cities	:	1066224 (BSUP)
And for Non-Mission Cities	:	533614 (IHSDP)

The reported figure for completion by date is 417471 based on the latest reports from the States and the total number of houses/dwelling units still under construction are 443565. Projects have been delayed for the reasons of cost escalation, availability of land, low capacity in implementation and monitoring of projects, unwillingness of community to contribute and court litigations. The Mission Directorate is advising the States to sort-out all the bottlenecks and implement projects on fast track by conducting regular visits and meetings.

4.21 On the current status of the projects under the JNNURM, the Ministry stated as under:

“The Ministry is monitoring completion and occupation of houses sanctioned under these projects. A total of 1066224 houses have been sanctioned against 497 Projects in BSUP and as on date, total number of 205160 houses have been allotted to beneficiaries. As reported by States, 145592 houses have been occupied by beneficiaries. Under IHSDP a total of 115639 houses have been allotted and 75219 houses have been occupied by the beneficiaries. The progress is somewhat slow. Projects have been delayed for the reasons of cost escalation, lack of availability of land, low capacity in implementation and monitoring of projects and court litigations. Experience reveals that housing projects generally take two years or more to complete, and certain projects need to be done in phases, take longer. It would be not possible to complete and allot all houses sanctioned by 2012 as many of the houses have been sanctioned during 2009-10 and 2010-11.”

4.22 The Ministry when asked to furnish the State-wise details of houses constructed under the JNNURM, submitted as under:—

## JNNURM

## BASIC SERVICE TO THE URBAN POOR (Sub-Mission II)

Sl.No.	Name of States/UTs	2008-09						2009-2010						2010-2011					
		No. of Projects Approved	Total Project cost Approved	Central Share Approved	Dwelling unit Approved	Completed	ACA released	No. of Projects Approved	Total Project cost Approved	Central Share Approved	Dwelling unit Approved	Completed	ACA released	No. of Projects Approved	Total Project cost Approved	Central Share Approved	Dwelling unit Approved	Completed	ACA released
1	2	3	4	5	6	6-A	7	8	9	10	11	11-A	12	13	14	15	16	16-A	17
1.	Andhra Pradesh	17	1302.40	650.50	40699	10168	213.35					49774	240.89					25928	306.93
2.	Arunchal Pradesh	1	45.15	40.59	752		0.30						10.99						0.84
3.	Assam	1	54.49	49.04	1028		0.65						24.40					352	12.26
4.	Bihar	9	342.27	133.22	7776		33.84						0.00						
5.	Chhattisgarh	1	28.79	23.03	888		2.24		42.25	29.77	1136		84.28						7.44
6.	Chandigarh (UT)						94.03					512	90.11					1600	38.28
7.	Delhi	3	150.70	63.11	3328	7900	16.18						0		7	1905.13	893.88	5628	183.69
8.	Goa						0.00												
9.	Gujarat	3	168.02	78.75	7580	7757	175.34	3	273.06	130.72	10960	40517	138.81					16670	158.44
10.	Haryana						15.59					1614						392	7.79
11.	Himachal Pradesh						0.48						2.01						
12.	Jammu and Kashmir	3	57.22	49.56	1469		8.29						4.92						3.19
13.	Jharkhand	6	175.38	118.69	5008		10.25						1.80	3	159.71	77.15	3998		37.48

	1	2	3	4	5	6	6-A	7	8	9	10	11	11-A	12	13	14	15	16	16-A	17	
14. Karnataka	1	236.91	134.99	6272	117	22.74							4048	74.37					4674	49.97	
15. Kerala	1	39.55	31.18	1369	489	0.80							4671	24.00					3560	50.72	
16. Madhya Pradesh	3	183.98	87.59	8157	1676	17.81							1565	52.99					1487	56.65	
17. Maharashtra	19	1736.27	834.00	32506	4339	488.81	5	943.11	467.99	14323	19728	232.55							7592	293.87	
18. Meghalaya	1	21.30	16.58	168		0								10.43					16		
19. Manipur	1	51.23	43.91	1250		0.34								10.98							
20. Mizoram	2	56.99	51.20	688		0								12.80					135	7.23	
21. Orissa	1	7.45	5.41	192		1.86							37	0					617	9.95	
22. Punjab						0								8.32					140	9.78	
23. Puducherry						0.03	1	92.00	50.89	1660				13.79					207		
24. Sikkim	2	30.33	26.26	202		0.28								6.56						7.96	
25. Nagaland						11.01								0					750	26.40	
26. Rajasthan						0.57							491	0	3	405.63	183.09	17814	160	43.37	
27. Tamil Nadu	27	193.21	94.44	5711	2383	59.61							5693	126.71					8770	162.35	
28. Tripura						3.49							256	6.98							
29. Uttar Pradesh	55	1893.13	937.76	46240	1272	239.28							6472	71.82			11.67	5.40	0	6684	288.82
30. Uttarakhand	4	13.24	9.93	249		3.86	4	49.91	37.33	1026				0.00					45	10.61	
31. West Bengal	15	881.74	440.87	24872	5228	211.90							21626	87.84	12	710.33	355.17	15847	18181	150.32	
Total	186	7672.75	3920.61	196404	41555	1582.93	14	1400.33	716.70	29105	157004	1338.35	25	3192.47	1514.69	73599	103588	1924.34			

\*Released upto 31.03.2011.

4.23 It is observed that the progress under BSUP & IHSDP during initial years have been very slow and all subsequent efforts made by the Ministry to achieve the targets in time have failed to deliver positive results. On being asked about the efforts the Ministry propose to take during the remaining period so as to improve the situation replied as under:

“Ministry has taken vigorous persuasive action with the States and UTs towards completing houses with attention to quality such as review meetings with State Secretaries, field visits, monitoring through quarterly and monthly progress reports, capacity building workshops etc. and would continue to undertake the same measures in the coming years for improving the situation. During 2011-12, more than 2000 functionaries implementing JNNURM projects and reforms will be targeted for capacity building in project management, quality assurance, reform implementation etc. The Ministry also plans to undertake monitoring through regular reviews and site inspections done through specially constituted Monitoring Agencies.”

4.24 When asked about the steps that have been taken by the Ministry for building institutional capacity for better implementation of JNNURM, they replied as under:

“To address the institutional capacity constraints at State and Urban Local Body/implementing agency level the Ministry has provided financial support to State Governments for establishment of Programme Management Units at State level and Programme Implementation Unit at the city level comprising of experts with specialization in the areas of engineering, town planning, social development, MIS etc. Financial support for setting up of Programme Management Units (PMUs) in 28 States/UTs has been approved to assist States in monitoring BSUP, IHSDP and other urban poverty alleviation/slum development schemes. 20 PMUs have so far been established and the rest are under process. Financial support for setting up of 119 Project Implementation Units (PIUs) has also been approved at the City/ULBs levels to assist cities/project implementing agencies in monitor BSUP, IHSDP and other urban poverty alleviation/slum development schemes. Detailed guidelines have been issued for engaging experts in PIUs. 78 PIUs have so far been established and the rest are under process.

To address institutional constraints, programme of National Network of Resource Centers (NNRCs) under an initiative called National Programme on Capacity Building for Improved Urban

Governance and Poverty Alleviation has been established. The Ministry provides activity based support to the NNRCs who are conducting capacity building in areas such as JNNURM, SJSRY Guidelines, Project Management, Quality Assurance, Community Mobilisation, Convergence etc. During the year 2010-11, more than 2400 officials were trained in 65 Capacity Building programmes organized on IPoMS, Project Management and Implementation, Urban Governance and Municipal Finance and Quality Assurance and TPIM. The Ministry has so far organized more than 200 programmes in which more than 16000 officials at State/ULB/Parastatal levels were trained."

4.25 It has been observed that despite so much emphasis by the Ministry on institutional capacity building and human resource capacity building along with setting up of PMUs in all States, performance of certain States like Bihar, Jharkhand, Punjab, Chhattisgarh, Goa and NE States has been miserable so far as the implementation of BSUP and IHSDP is concerned. The performance of majority of the States in terms of furnishing of Utilization Certification (UC) is also extremely dismal right from the commencement of JNNURM. The Ministry explained the reasons as under:

"The performance of States in submission of UCs is somewhat slow because it depends on utilization of 70% of ACA released along with matching State and ULB share and achievement of reforms. The project implementation has experienced many bottlenecks such as cost escalation, low capacity, unwillingness of beneficiaries, lack of litigation free land and court cases. The Ministry is following up with the States on the basis of the Monthly Progress Reports/Quarterly Progress Reports/Fund Utilisation/Reforms status and Third Party Inspection. States are now submitting UCs."

4.26 As regards the amount of unspent balance with some of the States showing nil utilization, the Ministry in their post evidence reply stated as under:

"Some States like Chhattisgarh, Punjab, Manipur have submitted UCs for 2nd instalment and the UC for the 3rd instalment can only be submitted after 70% utilisation of ACA/State/ULB matching share and also achievement of milestones agreed for implementation of mandatory and optional reforms of State and ULB level as envisaged in the MOA. This Ministry will follow up with the States on the basis of Monthly Progress Reports and holding review meetings with the States for submission of UCs in



time. Further, during the financial year 2010-11, this Ministry has approved 22 new projects in the States of Bihar, Punjab and Jharkhand with Central assistance of Rs. 287.66 crore. With these measures it would be possible to ensure maximum spending of the allocated funds by the States.”

**Summary of the unspent balances with the States**

*ANNEXURE J7 (a)*

**BSUP—UNSPENT BALANCE WITH STATE GOVERNMENT**

(Rs. in crores)

Sl.No.	States	Total ACA Released	UC Received against ACA Released	Unspent Balance
1	2	3	4	5
1.	Andhra Pradesh	1055.75	808.27	247.48
2.	Arunachal Pradesh	12.97	1.68	11.29
3.	Assam	49.45	12.14	37.31
4.	Bihar	78.73	0.00	78.73
5.	Chhattisgarh	172.01	78.05	93.96
6.	Goa	1.15	0.00	1.15
7.	Gujarat	658.24	551.62	106.62
8.	Haryana	31.18	31.17	0.00
9.	Himachal Pradesh	7.06	0.00	7.06
10.	Jammu and Kashmir	37.62	3.18	34.44
11.	Jharkhand	82.75	0.00	82.75
12.	Karnataka	215.32	103.17	112.15
13.	Kerala	126.17	67.04	59.13
14.	Madhya Pradesh	195.10	61.85	133.25
15.	Maharashtra	1438.41	843.72	594.69
16.	Manipur	11.32	0.00	11.32
17.	Meghalaya	16.37	11.88	4.49
18.	Mizoram	27.26	14.46	12.80

1	2	3	4	5
19.	Nagaland	79.20	79.20	0.00
20.	Orissa	24.00	0.00	24.00
21.	Punjab	27.13	25.68	1.45
22.	Rajasthan	86.24	42.28	43.96
23.	Sikkim	15.51	13.83	1.68
24.	Tripura	13.96	6.98	6.98
25.	Tamil Nadu	563.83	277.28	286.55
26.	Uttar Pradesh	648.23	329.98	318.25
27.	Uttarakhand	18.26	1.28	16.98
28.	West Bengal	712.22	288.69	423.53
	Total for States	6405.44	3653.41	2752.03
1.	Delhi	357.59	105.58	252.01
2.	Chandigarh	227.42	249.09	-21.67
3.	Puducherry	21.90	2.12	19.78
	Total for UTs	606.91	356.79	250.12
	Total for States & UTs	7012.35	4010.20	3002.15

## ANNEXURE J7 (b)

## IHSDP—UNSPENT BALANCE WITH STATE GOVERNMENT

(Rs. in crores)

Sl.No.	States	Total ACA Released	UC Received against ACA Released	Unspent Balance
1	2	3	4	5
1.	Andhra Pradesh	614.36	250.56	363.80
2.	Arunachal Pradesh	4.48	0.00	4.48
3.	Assam	35.11	0.00	35.11
4.	Bihar	81.24	0.00	81.24
5.	Chhattisgarh	118.32	55.68	62.64
6.	Goa	0.00	0.00	0.00
7.	Gujarat	125.80	33.32	92.48
8.	Haryana	124.66	39.61	85.05
9.	Himachal Pradesh	24.39	0.00	24.39
10.	Jammu and Kashmir	44.91	11.82	33.09
11.	Jharkhand	55.05	0.00	55.05
12.	Karnataka	149.18	40.04	109.14
13.	Kerala	130.70	39.67	91.03
14.	Madhya Pradesh	115.74	4.76	110.98
15.	Maharashtra	674.76	67.98	606.78
16.	Manipur	16.33	6.18	10.15
17.	Meghalaya	11.21	0.00	11.21
18.	Mizoram	14.89	0.00	14.89
19.	Nagaland	29.92	7.25	22.67

1	2	3	4	5
20.	Orissa	92.90	9.01	83.89
21.	Punjab	66.77	0.00	66.77
22.	Rajasthan	312.69	47.69	265.00
23.	Sikkim	8.96	0.00	8.96
24.	Tripura	34.55	15.52	19.03
25.	Tamil Nadu	316.56	136.35	180.21
26.	Uttar Pradesh	484.24	112.17	372.07
27.	Uttarakhand	45.28	0.00	45.28
28.	West Bengal	498.79	205.14	293.65
	Total for States	4231.79	1082.75	3149.03
1.	Andaman and Nicobar	5.53	0.00	5.53
2.	Chandigarh	0.00	0.00	0.00
3.	Delhi	0.00	0.00	0.00
4.	Dadra and Nagar Haveli	1.67	0.00	1.67
5.	Puducherry	3.80	0.00	3.80
6.	Daman and Diu	0.29	0.00	0.29
	Total for UTs	11.29	0.00	11.29
	Grand Total	4243.08	1082.75	3160.32

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

4.27 During the 11th Plan a new scheme, namely Interest Subsidy Scheme for Housing the Urban Poor (ISSHUP) which encourages poor sections to avail home loans from the Primary Lending Institutions (PLIs), *i.e.*, Bank/Housing Finance companies has been formulated. The scheme provides home loan with Central Government Subsidy to EWS/LIG persons for acquisition of houses as also for construction of house. Loan repayment period would be permissible generally ranging from 15-20 years. The subsidy will be 5% p.a. on interest charged on the admissible loan up to Rs. 1 lakh for construction or acquisition of a new house. The size of the houses being 25 sq. meters in the case of EWS & 40 sq. meters in the case of LIG. The economic parameters of EWS and LIG are presently defined respectively, as household having an average monthly income up to Rs. 3,300/- (now revised up to Rs. 5,000/-) and households having an average monthly income between Rs. 3,301/- upto Rs. 7,300/- (now revised between Rs. 5,001/- upto Rs. 10,000/-). Other salient features of the scheme are:

- (i) The mortgage of dwelling unit be accepted as primary security. However, there would be no collateral security/ third party guarantee for loans upto and inclusive of Rs. 1 lakh excluding group guarantee.
- (ii) The scheme would close in 2012. However, the loans extended in the last year will also have a repayment period of 20 years.
- (iii) Preferences would be given to the SCs/STs/Minorities/ Disabled persons/Women beneficiaries in accordance with their proportion in the total population of city/urban agglomerate during the 2001 census.

4.28 Total outlay of Rs.1100.00 crore proposed in the Eleventh Five Year Plan for this scheme was expected to cover 3.11 lakh houses during the plan period. Statement showing budget estimates, revised estimates and actual expenditure for the last three years and budget estimates for 2011-12:

	(Rs. in crore)			
	2008-09	2009-10	2010-11	2011-12
Budget Estimates	95.00	180.59	200.00	50.00
Revised Estimates	30.00	5.00	50.00	—
Actual Expenditure	Nil	0.83	12.80	—

4.29 The scheme applies to the 11th Plan period with an outlay of Rs. 1100.00 crore. However, since the start of this scheme till 15.12.2010 only Rs. 13.63 crore has been utilized. When asked about the current status of the scheme the Ministry informed that "as on 15.3.2011, 6175 beneficiaries have been covered under the scheme in the States of Andhra Pradesh, Karnataka, Rajasthan, and Chhattisgarh".

4.30 It may be seen that Ministry could not use all the funds and scheme has almost failed. When asked the reasons for inability of the Ministry to utilize the funds allocated to them, the Ministry replied as under:

"The scheme has been launched as a pilot and is a first scheme envisaging credit of Government interest subsidy directly to the beneficiary's account. The targets were based on the projections of applications from various States. On ground, only a fraction of such applications have been found acceptable by the Banks due to documentation and due-diligence requirements. As a result the financial progress of the scheme has not been encouraging. It is, however, expected that with several States taking pro-active measures for easier documentation, the implementation and progress of scheme in 2011-12 will improve."

4.31 The allocation for the year 2011-12 is Rs. 50 crore. When asked as to how does the Ministry plan to utilize the amount sanctioned, the Ministry replied as under:

"The initiatives of the pro-active States like Andhra Pradesh, Madhya Pradesh, Tamil Nadu and Kerala have been circulated to all States for peer learning and taking enabling measures for generating more applications. Further, with four States already on board, the scheme is expected to pick up further during 2011-12".

4.32 As regards, the steps taken by the Government to address the difficulties in utilizing and disbursing the funds allocated under this head, the Ministry stated as under:

"Releases to Central Nodal Agencies under the scheme, namely National Housing Bank (NHB) and Housing & Urban Development Corporation Ltd. (HUDCO), is linked to their demand which in turn is dependent on demand from the Primary Lending Institutions (PLIs).

During 2010-11, the efforts of the Ministry through State level consultations, circulation of best practices etc. have yielded results

and the progress of the scheme has improved. In addition to Andhra Pradesh, Karnataka has also dovetailed two State level housing schemes with ISHUP for construction of houses for the Economically Weaker Sections (EWS) and for the Low Income Group (LIG). The two Central Nodal Agencies for the implementation of the scheme of ISHUP-Interest Subsidy Scheme of Housing for the Urban Poor have reported that till date NHB has already released NPV subsidy of Rs. 3.00 crore benefiting nearly 4000 beneficiaries as compared to Rs. 41 lakh benefiting 603 beneficiaries in the last Financial Year *i.e.* 2009-10, while HUDCO which could not make any releases last year too released NPV subsidy of Rs. 32 lakh benefiting 440 beneficiaries during Financial Year 2010-11."

4.33 When asked whether the scheme would be continued in any form with the introduction of Rajiv Awas Yojana, the Ministry stated as under:

"The ISHUP-Interest Subsidy Scheme of Housing for the Urban Poor is proposed to be dovetailed with Rajiv Awas Yojana (RAY) as part of package for credit enablement for housing for the poor."

#### **IV. RAJIV AWAS YOJANA**

4.34 The Hon'ble President in her Presidential address in 2011 to the Parliament proposed to introduce a Rajiv Awas Yojana for the slum dwellers and the urban poor on the lines of the Indira Awas Yojana for the rural poor. The schemes for affordable housing through partnership and the scheme for interest subsidy for urban housing is proposed to be dovetailed into the Rajiv Awas Yojana which would extend support under JNNURM to States that are willing to assign property rights to people living in slum areas.

#### **Rationale for the Scheme**

4.35 The Ministry explained the rationale of the Scheme as under:

"As per the Planning Commission estimates using NSSO 61st Round Data, an estimated 26% of urban population of the country (810 lakh in 2004-05) still subsists on incomes that are below the poverty line. The majority of them live in slums and squatter settlements (estimated at 75.2 million in 2001), in inhuman conditions that deny them dignity, shelter, security, and the right to basic civic amenities or social services, in an environment in which crime, ill-health and disease frequently raise demands that



draw them deeper into vulnerability and poverty; to which they are condemned by the failures of the current master planning system that provides little space for the poor for housing and livelihoods. That about a quarter of the country's urban population lives in notified and non-notified slums—higher in the metros, as high as 54% in Mumbai and 46% in Faridabad, 45% in Aligarh, 44% in Meerut (2001 Slum Census data)—is an indication of the iniquitous and exclusionary urban planning system, urban land management practices and land legislation that have not been able to adapt themselves to the pace or profile of indigenous urban growth; or to create space within the formal system of planned living and working spaces to accommodate the informal working classes.

To address shortages for dwelling units for urban poor the BSUP and IHSDP, as components of JNNURM have so far achieved a modest success with the overarching aims of focusing State attention on the problems of inequity in urban areas, and drawing budgetary resources to the welfare of the urban poor. What JNNURM (BSUP and IHSDP) has not been able to do is to break the deep-seated bias against conferment of legal property rights to the urban poor. While some States are indeed willing to and have given legal title to property to the slum households, the larger numbers are still guided by the suspicion that conferment of title will enable the slum dweller to sell the property and create a fresh encroachment.”

### **Objective and approach under RAY**

4.36 Further elaborating the objective and approach of the scheme the Ministry stated that “RAY envisages creating a Slum Free India by encouraging States to assign property rights to slum dwellers. It proposes to address the problem of slums in a holistic and definitive way adopting a multi-pronged approach to create a slum free India in five years.”

The overarching aim of RAY would thus be to drive a fundamental change in policy and reform in the existing urban development systems to make cities inclusive and equitable. Release of funds under RAY would be predicated upon the acceptance and implementation of the following necessary policy actions by the States:

- (i) Assignment of the property right to slum-dwellers
- (ii) Completion of Pro-poor reforms under JNNURM

- (iii) Making urban development inclusive with provision of spaces for the Urban Poor.

#### **Present status of the scheme**

4.37 So far as the financial progress of the scheme is concerned, during 2010-2011, a total of Rs. 1210 crore had been allocated for implementing the scheme which was revised to Rs. 1040 at the RE stage. However, as per the information furnished by the Ministry, the note for Scheme of Rajiv Awas Yojana was sent for consideration of Cabinet Committee on Economic Affairs on 10.02.2011 but could not be considered by the Cabinet Committee on Economic Affairs, on the advice of the Election Commission of India and had to be deferred till the completion of Elections in the 5 States/UTs. Thus, the entire amount of Rs. 1210 crore allocated in BE 2010-11 has been surrendered. As regards the physical targets, the Ministry has stated that "Year-wise physical targets have not been framed under the scheme as the pace is expected to be set by the States."

4.38 When enquired about the progress of the BSUP and IHSDP, in their own reply have accepted that the progress is somewhat slow and the reasons for delay as enumerated by the Ministry were cost-escalation, lack of availability of land, low capacity in implementation and monitoring of projects and court litigation. The same set of problems will arise during the implementation of Rajiv Awas Yojana. When asked as how does the Ministry plan to address these issues of shortage of land given the fact that land is still a State subject and court litigations will be there, the Ministry replied as under:

"The Issues of land will be addressed through assignment of property rights to slum-dwellers under Rajiv Awas Yojana (RAY). As announced by the President of India, RAY will provide central support to those States that are willing to assign property rights to slum dwellers/urban poor. RAY also intends to address the issues of urban land through reforms in the urban planning systems and review of urban policy including land policy in cities, aimed at developing an 'inclusive' urban planning model that takes the income distribution structure and Gini coefficient of cities into account. The reform regarding reservation of 20-25% development land for housing the poor in every housing project initiated under JNNURM will be pursued under RAY".

#### **Slum-free city Planning Scheme under Rajiv Awas Yojana (RAY)**

4.39 As a precursor to RAY, the preparatory phase has already commenced under Slum-free City Planning Scheme from March 2010 and the States are being assisted to draw up their Slum-free Plans of

Action to proceed towards the goal of Slum-free Cities/States in a systematic and time bound manner. Detailed Guidelines under the Slum Free City Planning Scheme have been issued and the States are being provided technical and financial assistance to prepare Slum Free City Plans.

4.40 This scheme comprises all the preparatory activities such as slum survey, GIS Mapping of Slums and development of Slum free City and Slum free State Plans with active involvement of experts having expertise in the areas of GIS, MIS, Planning etc. During 2009-2010 an amount of Rs. 60.00 crore has been released to the States for undertaking preparatory activities.

4.41 When asked that since the NBO under the USHA scheme has prepared and released statistical data on slums in India, why again such data is being prepared by the Government under RAY scheme, Secretary, the Ministry of Housing and Urban Poverty Alleviation, during evidence deposited as under:

“It is not duplication. The formats framed under USHA Scheme by National Building Organisation (NBO) are being used in cities selected under RAY, USHA scheme gives funds and the data is being collected under RAY.”

4.42 The total allocation under this scheme for 2010-2011 was Rs. 60 crore and the actual expenditure was Rs. 38.46 crore. When asked about the status of these surveys and its impact on RAY, the Ministry replied as under:

“Funds under SFCP Scheme were released to 20 States in 2009-10. Of these States, two States—Andhra Pradesh and Karnataka have completed the survey. 13 States—Gujarat, Haryana, Kerala, Maharashtra, Manipur, Orissa, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh, Uttaranchal, West Bengal, Madhya Pradesh have initiated the process and the rest of the States *i.e.* Bihar, Jharkhand, Chhattisgarh, Himachal Pradesh and Assam are in the process of initiating the survey. Under the proposed RAY, 250 cities, mostly class 1, are proposed to be covered by the end of the 12th FYP.”

## **V. HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED (HUDCO)**

4.43 The Housing & Urban Development Corporation Ltd. (HUDCO) was incorporated as a fully owned Government Company under the Companies Act, 1956 with the main objectives of financing

housing and urban development projects in the country, to finance Building Material Industries and setting up of new townships. In order to achieve these objectives, HUDCO finances a variety of housing and urban development projects, formulated by the State Housing Boards, Development Authorities, Improvement Trusts, Co-operative Housing Societies etc. HUDCO was awarded 'mini-ratna' status in the year 2004, after that the Government of India withdrew equity support to the company.

#### **HUDCO's operation during 2008-09**

4.44 During 2008-09 HUDCO achieved sanctions of Rs. 14,754 crore providing assistance for construction of 114009 lakh dwelling units and 103 urban infrastructure projects throughout the country. The loan released during the year amounted to Rs.4019 crore. Cumulatively, HUDCO sanctioned 16183 schemes involving a total project cost of Rs. 385935 crore (excluding HUDCO Niwas) with loan component of Rs. 97314 crore out of which an amount of Rs. 64574 crore had been released. HUDCO's assistance helped in the construction of 142.08 Lakh residential units and about 66.87 Lakh sanitation units and in undertaking 1546 urban infrastructure schemes in over 1851 towns and thousands of villages. During the same year, HUDCO sanctioned loan of Rs. 1733 crore for housing programme. This schemes will provide 114009 residential units, 635 non-residential buildings. Out of total residential units sanctioned by HUDCO, 90% is for the EWS and LIG families.

#### **HUDCO's role in generation of BSUP/IHSDP Projects under JNNURM**

4.45 While highlighting the role of HUDCO in the BSUP/IHSDP Projects, the Ministry have stated that HUDCO in conformity with its emphasis in providing housing for Economically Weaker Sections and disadvantaged populace, is playing a very significant role by reaching the Mission objective to the target beneficiaries. This role entails dissemination of information on JNNURM through trainings/workshops in various States; Assisting State Governments/Implementing Agencies in formulation of Detailed Project Reports by providing technical & design consultancy in areas like efficient housing, comprehensive layout plans addressing the socio-economic and livelihood needs of the beneficiaries like provision of need based Community centres, Livelihood centre, Occupational Spaces, informal market spaces, adequate green open areas, primary health centres, informal educational centres etc, cost effective infrastructural services like rain water

harvesting, solid waste management etc. appraisal Projects received from the States in accordance with the Government of India guidelines and directives for consideration of sanction by the Ministry.

4.46 A High Powered Committee to rejuvenate HUDCO, headed by Shri Ashok Jha suggested following measures for the rejuvenation of HUDCO:

- (a) Permitting HUDCO to raise funds under the purview of Municipal Tax Free Bonds for capital investments in urban infrastructure for providing potable water supply sewerage or sanitation, drainage, solid waste management, roads, bridges and flyovers and urban transport. The capital investments cover setting up of new project(s) for above services and expansion, augmentation or improvements of the existing system.
- (b) Letter of comfort from Government of India for a period of 3 years to enable it to get the highest credit rating (AAA), so that its borrowing cost is more competitive.
- (c) Allowing plan funds allocation towards repayment of overdues of HUDCO against the loans availed by State Governments and their para-statal backed by State Govt. Guarantees.
- (d) Permission to issue 54 (EC) Bonds which is likely to result in a saving of Rs. 608 crore in three years.
- (e) Allowing HUDCO to follow Reserve Bank of India norms in respect of credit connection.
- (f) Permission to plough back of dividend.
- (g) Restoration of equity support to HUDCO of Rs 100 crore per year for the next seven years be given to HUDCO. This would be used only for EWS/LIG housing and will be contingent upon HUDCO fulfilling the targets for EWS/LIG housing.

4.47 The Ministry, when asked about the government's compliance/initiatives on the recommendations of Ashok Jha Committee Report, stated as under:

"The Ministry has examined the Report and is of the view that it would not be able to convince the Ministry of Finance to allow such concessions, without HUDCO first being able to restructure

its internal systems of finance management and functioning to reduce its operating expenses and considerably enhance to focus on social housing and present a credible plan on reducing costs borrowing or enhanced profitability from lending to other sectors. The HUDCO is working on a credible restructuring plan”.

## PART II

### OBSERVATIONS/RECOMMENDATIONS

#### 1. *Budgetary allocation vis-a-vis spending by Ministry*

The Committee observe that over the past two decades, there has been a sizeable increase in the number of poor in the urban areas of the country. In spite of the several programmes/schemes of the Government the incidence of poverty has increased in absolute terms over the years. The Committee, while taking note of the modest increase of 10% in the BE for the year 2011-12 strongly feel that allocation under the various schemes still has not been adequate enough to effectively achieve the desired results. In order to make these schemes truly result oriented and meaningful, the Committee would like the Ministry to demand for higher allocation of funds for each scheme by apprising the Planning Commission and Ministry of Finance of the ground realities which are affecting these schemes due to want of adequate funds.

The Committee are pained to know that for the past few years the expenditure of the Ministry has actually been less than the total allocation of the Ministry. This is equally true in the case of the Additional Central Assistance (ACA) provided to the Ministry for the implementation of BSUP and IHSDP where the Ministry were not able to spend the entire amount. This has resulted in unspent balance at the end of each year resulting in reduction in allocation at the RE stage. Further, the Committee find that the unspent balance under major schemes like SJSRY, BSUP and IHSDP were relatively higher. This is really serious given the fact that these schemes together get bulk of the budgetary allocation earmarked for the Ministry. The Committee in their Second and Seventh Reports of Fifteenth Lok Sabha, had expressed serious concern over the trend of huge unspent balance and under-utilization of funds and had accordingly, recommended the Ministry to analyse the situation and take corrective steps accordingly. The Committee find that no serious effort has been made by the Ministry to correct the situation in this regard. The Committee, therefore, strongly recommend that expenditure plan should be properly chalked out and evenly spread throughout the year so that the total available funds provided for scheme could be spent within that year itself and no unspent balances are left with the implementing agencies. Such a step will

also strengthen the claim of the Ministry to impress upon the Planning Commission and Ministry of Finance for better funding of the schemes while making allocations for the Twelfth Five Year Plan.

2. *Participation of MPs/MLAs in the Review and Monitoring Committee*

The Committee are happy to note that both the Ministry of Urban Development and the Ministry of Housing and Urban Poverty Alleviation while understanding the importance of involving the elected representatives in the monitoring of the ongoing schemes have issued directives to all States, Municipal Commissioners of Mission Cities and the State Level Nodal Agencies to notify a Review and Monitoring Committee for reviewing and monitoring the progress of projects and reforms, accordingly. The Committee are given to understand that till date such Review and Monitoring Committee have not been formed in many States in spite of Union Government's directives. The Committee desire the Ministry to ensure that their directions in the matter are complied with by all the States and their agencies within three months. The Committee further desire that the States which are yet to form Review and Monitoring Committee should do so without any further delay. The Committee also desire the Ministry to monitor the conduct of the Review and Monitoring Committees and ensure that these are being held as per the guidelines issued by the Ministry besides overseeing the action taken on the decisions taken in these meetings. The Committee feel that any laxity in this regard will defeat the purpose. The Committee want that officials of the Ministry should also pay random visits to the districts to know the functioning of these and thereafter Review and Monitoring Committees (R&MCs). Members of Parliament should also be informed well in advance whenever the officers pay such random visits. The Committee would like to be apprised of the steps taken by the States and the urban local bodies on the directions issued by the Ministry in the matter.

3. *Non utilization of funds and non furnishing of utilization certificates by the States under JNNURM*

The Committee find that under BSUP, only Rs. 1193.14 crore could be utilized out of the total ACA of Rs. 2357.60 crore that was released to the States/UTs and for IHSDP the actual expenditure was only Rs. 370.46 crore which is mere 36% of the total allocation of Rs. 1015.43 crore.

The Committee express their deep concern on continuous trend of unspent balance of funds lying with the State Governments, for implementation of BSUP and IHSDP depicting the incomplete



implementation of these schemes/programmes. The Committee are of the opinion that non-utilisation of funds defeats the very purpose for which these schemes are formulated. The Committee are of the opinion that there is serious problem in planning and implementation of these schemes and there is an urgent need to review the situation. The Committee, therefore, strongly recommend that comprehensive monitoring at the Central level along with periodical and timely review of implementation of the programmes should be done by a high powered body of the Ministry of Housing and Urban Poverty Alleviation so as to ensure proper implementation of the schemes.

The Committee note that States/UTs are still sitting on huge amount as unspent ACA released to the States/UTs. Under BSUP, unspent funds to the tune of Rs. 3002.15 crore out of Rs. 7012.35 crore are still lying with the States/UTs and under the IHSDP only Rs. 1082.75 crore could be utilized out of the total ACA of Rs. 4343.08 crore. The Committee want the Ministry to impress upon the various State Governments and the implementing agencies for timely utilization of ACA funds released to them. Non-utilisation of funds adversely affect the very purpose of the scheme. The Committee urge the Ministry to sensitize the State Governments on the implications of taking a casual approach towards BSUP and IHSDP programmes, that is negating the aims and objectives of these programmes.

#### *4. Swarna Jayanti Shahari Rozgar Yojana (SJSRY)*

The Committee note that out of the total allocation of Rs. 591.38 crore for Swarna Jayanti Shahari Rozgar Yojana (SJSRY) only Rs. 519.93 crore could be utilized by the Ministry till 24.03.2011. The Committee further note that the progress of the SJSRY Scheme in certain States has not been very satisfactory as revamped scheme came into existence with effect from 2009-10 and these States/UTs took some time in coping with the revised guidelines and changed pattern of the scheme. The Committee are perturbed to know that even after implementation of revised SJSRY scheme with effect from January, 2009, many States/UTs have not been able to operate the scheme as per the new guidelines which shows 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 SJSRY scheme. The Committee find that since many of the components of the modified SJSRY scheme are almost similar to the earlier scheme the impact of the new guidelines is minimal resulting

in very little impact on the performance of these components. The Committee, thus, feel that the delivery mechanism of the Ministry and its implementing agencies needs to be more efficient. The Committee, nevertheless, appreciate the efforts of the Ministry in consistently pursuing with the States/UTs through orientation workshops conducted by the National, Regional and State Resource Centers under IEC component of SJSRY and laying strong focus on capacity building activities. The Committee, however, recommend that the Ministry should take proper follow-up action with the States/UTs to ensure compliance of guidelines and directions issued by them.

The Committee also note that even though the number of urban poor in absolute terms has gone up in the last few decades, Government spending has not been very consistent and commensurate with increase in the number of urban poor. The Committee take a positive note of the fact that the budgetary allocation for SJSRY has gone up from Rs. 564.60 crores last year (RE Rs. 591.38 crore) to Rs. 813 crore this year thereby registering an increase of around 44%. Considering the fact that SJSRY is the only urban poverty alleviation scheme encompassing both self-employment and wage employment components and income-generation and community support systems to the urban poor, the Committee hope that the additional funds so allocated would be utilised appropriately in accordance with the modified guidelines of the scheme. The Committee also desire that the Ministry of Housing and Urban Poverty Alleviation in coordination with the Ministry of Micro-small and Medium enterprises should play a more pro-active role and increase employment opportunities for the intended beneficiaries.

##### *5. Integrated Low Cost Sanitation Scheme (ILCS)*

The Committee note that Integrated Low Cost Sanitation Scheme (ILCS) had been under implementation through Ministry of Urban Development since 1989 to 2003-04 and through the Ministry of Housing and Urban Poverty Alleviation *w.e.f.* 2004-05. The focus of the scheme is on conversion of dry latrines and construction of new latrines for latrine-less households so as to address the issues of sanitation in cities and towns. The Committee find that the States of Bihar, Uttar Pradesh and Uttarakhand are yet to declare them dry latrine free. The Committee have been told that the States of Bihar and Uttar Pradesh have assured to declare them dry latrine free by 31st March, 2011. Even then they find a contradictory claim by a NGO about the existence of dry latrines in the country. The

Committee understand that the survey in this regard is being undertaken afresh. The Committee are pained to observe that this scheme has not been handled properly by the Ministry and the States. This is evident from the fact that on being challenged by a NGO, the Ministry got ready to conduct the survey again thereby putting a question mark on the authenticity of earlier survey. Hence, the Committee want the Ministry to direct the States to collect the data in respect of dry latrines and take pragmatic measures to tackle the problem. They would also like to be apprised of the status of dry latrines in the States of Bihar and Uttar Pradesh.

#### 6. *Funds for North Eastern States*

The Committee note that consequent to a decision taken in 2001 by the Government, 10% of the total budget provision of the Ministries/Departments is to be spent for the development projects in North Eastern States including Sikkim. The Ministry of Housing and Urban Poverty Alleviation also implements other schemes/programmes in these States related to areas *viz.* (i) Housing projects predominantly for the urban poor; (ii) Poverty alleviation projects and (iii) Slum improvement/upgradation projects. While the financial allocations were fully utilized in the past, the actual expenditure for the year 2010-11 was only Rs. 29.77 crore out of the allocated Rs. 50 crore. The Committee observed that there have been huge under utilization of funds under SJSRY in the North Eastern States. On the question of under-spending and poor utilization of funds during 2010-11, the Ministry have explained that under SJSRY, Central funds to North Eastern States (NER) (and other special category States like Jammu & Kashmir, Himachal Pradesh and Uttarakhand) are released to State Nodal Offices in the ratio of 90:10 between the Centre and the State and these State Nodal Offices distribute the funds among District level authorities/cities/towns as per their requirements. Process of releasing funds to District level authorities/cities/towns is seen to be taking considerable time in the NER States. Lack of capacity of Districts/cities/towns authorities is also a cause for slow utilization of funds in these areas. The Committee recommend that concerted efforts should be made to address the North Eastern State Governments to expedite their submission of project proposals for timely release of funds so that the schemes/programmes could be implemented in a time-bound manner. The Committee further desire that there is a need to support the states/ULBs in their capacity building/ training programmes in a structured manner which would further ensure timely submission of project proposals and release of funds.

### 7. Interest Subsidy Scheme for Housing the Urban Poor (ISSHUP)

The Committee note that the total outlay for Interest Subsidy Scheme for Housing the Urban Poor (ISSHUP) was Rs. 1100 crore during the 11th Plan Period and was proposed to cover around 3.10 lakh beneficiaries in four years period. However, the actual expenditure in past three years under the scheme has been Rs. 13.63 crore only covering 6175 beneficiaries in the States of Andhra Pradesh, Karnataka, Rajasthan, and Chhattisgarh. The Committee are pained to note that ISSHUP, a demand driven scheme, launched in 2008-2009, with the aim of encouraging people belonging to EWS/LIG sections in urban areas to avail loan from primary lending institutions with Central subsidy for acquisition/construction of houses has dismally failed to achieve even noticeable targets so far. They are pained to note that a scheme launched for the benefit of poor is being allowed to die its natural death due to sheer apathy of the Ministry. This is evident in the lower budgetary allocation of Rs. 50 crores for 2011-12 against the budget estimates of Rs. 200 crores in 2010-11. The Committee note that the Ministry itself has admitted the failure of the scheme due to inability of beneficiaries to produce proper documentation and guarantees with the lending institutions. The Committee are of the view that the success of the scheme depends on the active participation of all stakeholders *i.e.* the beneficiaries, agencies of the State Governments and primary lending institutions. In this regard they are given to understand that several states are taking proactive measures for easier documentation. The Ministry have held slew of meetings with the States and banks/HFIs besides circulating the initiative of the pro active states like Andhra Pradesh, Madhya Pradesh, Tamil Nadu and Kerala among all the States for peer learning and taking enabling measures for generating more applications. They are of the view that had the Ministry taken pro active measures like conferment of legal rights, extending mortgage facilities and considering the proposal like hire purchase agreement before the launch of the scheme, the fate of the scheme would have been altogether different. It appears that the scheme was launched in haste and without proper consideration and homework. The Committee have been told that this scheme is proposed to be dovetailed with Rajiv Awas Yojana and thereby the Ministry can hope that the scheme would gain momentum in due course of time. The Committee can only hope that this will be fructified. The Committee while deprecating the inaction on the part of the Ministry hope that the Ministry will be able to sort out all the issues in consultation with all the stake holders so that this scheme can be started in full swing without any hassles.

#### 8. *Rajiv Awas Yojana (RAY)*

The Committee are happy to note that the Government have announced Rajiv Awas Yojana (RAY) for the city slum dwellers and urban poor on the lines of Indira Awas Yojana with the aim of creating a slum free India in five years. Besides, the Government also intend to encourage States/UTs to assign property rights to slum dwellers under the Scheme and propose to bring about fundamental changes in the existing Urban Master Plan to make development of cities inclusive and equitable. The Committee observe that neither the Scheme has been launched so far, nor any year-wise physical targets have been fixed, yet Rs. 1210 crore had been allotted for implementation of the Scheme during 2010-11, which was revised to Rs. 1040 crore at RE stage. The Committee find that acquisition and availability of land was the main reason, due to which there were many litigations also, which hindered the progress of BSUP and IHSDP, the other flagship schemes of the Ministry. The Committee are of the view that these problems will again arise and affect implementation of Rajiv Awas Yojana if not taken care suitably. Though the Committee have been informed that the issue of land acquisition would be addressed by giving property rights to slum dwellers under RAY and Government will also provide central support to those States that are willing to assign property rights to slum dwellers/urban poor.

The Committee desire that Rajiv Awas Yojana should focus on not only granting property rights to slum dwellers/urban poor by States/UTs, but also providing basic amenities such as water supply, sewage, drainage internal and approach roads, street lighting and social infrastructure facilities in slums and low income settlements by adopting a 'whole city' approach.

It is in the knowledge of the Committee that often the allottees transfer their property rights in favour of others and migrate to other slum areas. The Committee strongly recommend that the reasons for such transfer of property rights be enquired into and remedial measures taken. Further in order to obviate such cases, there must be some conditions to be fulfilled by slum dwellers that they will have to live in the allotted dwelling units at least for 15 years and they cannot sell it and can only transfer it in the name of their son/daughter. Needless to say that the allottees be told in categorical terms that they cannot avail loan subsidy again for another dwelling.

The Committee are of the view that Government should also explore partnership between the urban poor, municipalities, States and Central Government and private developers to enable the construction of affordable houses through access to subsidized credit. The Committee also desire that a legal framework should be chalked out in States which should include reservation of land for housing to urban poor as the existing Master Plan has led to their exclusion from the city development process and driven them to precarious and illegal settlements. The Committee are quite optimistic that if these suggestions are kept in mind and implemented in true spirit, then only the Government's objective to have a slum free India in five years could be achieved under RAY.

#### 9. *Concurrent evaluation of the Schemes*

The Committee note that the SJSRY has been under implementation since 1997. Statistically, the Ministry has impressive figures about the number of beneficiaries that have been assisted for setting up of individual micro-enterprises, group micro enterprises, beneficiaries provided skilled training and man-days generated. However, in absolute terms, the number of urban poor estimated has gone up by more than four million between 1993-94 and 2004-05. The Committee note that Ministry have decided to start the process of concurrent evaluation of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) in one State from every region beginning this year. However since, most of the other major schemes undertaken by the Ministry except SJSRY are demand driven and no physical or financial targets are fixed, it is very difficult to assess and analyse the real performance of the Ministry and States/UTs in terms of implementation of these schemes. The Committee note that the financial allocations under SJSRY to the States are made on the basis of incidence of urban poverty as per Planning Commission norms whereas Physical and Financial progress are commensurate to each other. The Committee feel that undoubtedly the process of concurrent evaluation would definitely help in identifying the gaps and opportunities in the current implementation of SJSRY and in turn help formulate suggestions for further simplification of procedure for the scheme on one hand and on other it would also be helpful in evaluating the performance of the Ministry and the States/UTs, besides assessing its net impact on the incidence of poverty in a more rational manner. The Committee, however, feel that such selective evaluation, *viz.* one State from each region, would not be adequate in taking the stock of the scheme in its entirety. The Committee, therefore, desire that the concurrent evaluation of

the scheme may be extended to other schemes undertaken as well and across the country to make it more meaningful. The Committee further desire that the Ministry while conducting concurrent evaluation of the SJSRY scheme should collect statistics about the number of beneficiaries that have been assisted for setting up of individual micro enterprises/group micro enterprises provided skilled training have actually set up micro enterprises and got employment during the last three years. The Committee would like to be apprised of the statistics.

*10. Housing and Urban Development Corporation (HUDCO)*

The Committee note that the Ministry of Housing and Urban Poverty Alleviation had set up a high-powered Committee under Shri Ashok Jha to rejuvenate Housing and Urban Development Corporation (HUDCO) with a view to strengthening its financial position and expansion of activities, and to provide better services to poor and weaker sections of the society. The high powered committee suggested measures for rejuvenating of HUDCO *viz.* allowing HUDCO to raise funds for capital investment in urban infrastructure, securing letter of comfort from Government of India for 3 years to enable it to get 'AAA' credit rating, allowing HUDCO to follow RBI norms in respect of credit collection, permission to issue Bonds under section 54 (EC) of the Income Tax Act which would save Rs. 608 crore in 3 years etc. The Committee are broadly in agreement with the suggestions of the High Powered Committee that HUDCO may diversify its revenue streams gradually to gain a substantial receipt from non-interest based/fee based streams. The Committee are, however, disappointed to learn that the Ministry has not been able to put the recommendations of the Ashok Jha Committee before the Ministry of Finance to get their views and approval stating that first HUDCO will chalk out a plan to first restructure its internal systems of finance management and functioning to reduce its operating expenses and considerably enhance to focus on social housing and present a credible plan on reducing costs borrowing or enhanced profitability from lending to other sectors.

The Committee are of the view that these steps would take much time resulting in unnecessary delays in adopting the recommendations of the High Powered Committee. The Committee recommend that the Ministry should place suggestions of the High Powered Committee before the Ministry of Finance and convince them otherwise the very purpose of appointing the High Powered

Committee would be defeated and the HUDCO in particular and the beneficiaries in general would be deprived of the benefit of such recommendations. At the same time, the Committee also recommend that HUDCO should strive its best to reposition itself to become a self-sustaining entity so as to meet the requirements of the ever-increasing housing sector single handedly.

NEW DELHI;  
30 June, 2011  

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9 Asadha, 1933 (Saka)

SHARAD YADAV,  
Chairman,  
Standing Committee on  
Urban Development.



## APPENDIX I

STANDING COMMITTEE ON URBAN DEVELOPMENT (2010-2011)

MINUTES OF THE SEVENTH SITTING OF THE COMMITTEE  
HELD ON WEDNESDAY, 6th APRIL, 2011

The Committee sat from 1430 hrs. to 1700 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

### PRESENT

Shri Sharad Yadav — *Chairman*

### MEMBERS

#### *Lok Sabha*

2. Shri Ramesh Kumar
3. Dr. Sanjeev Ganesh Naik
4. Shri Gajanan D. Babar
5. Dr. Kirit Premjibhai Solanki
6. Shri Radhe Mohan Singh
7. Dr. (Prof.) Ramshankar
8. Shri Ambica Banerjee

#### *Rajya Sabha*

9. Shri Pravin Naik
10. Shri Surendra Moti Lal Patel

### SECRETARIAT

1. Shri T.K. Mukherjee — *Joint Secretary*
2. Shri R.K. Jain — *Director*

### List of Witnesses

1. Smt. Kiran Dhingra — Secretary (HUPA)
2. Shri P.K. Mohanty — AS & MD (JNNURM), CMD, HUDCO

- |                               |                             |
|-------------------------------|-----------------------------|
| 3. Shri S.K. Singh            | — Joint Secretary(Housing)  |
| 4. Smt. Sudha Krishnan        | — Joint Secretary & FA      |
| 5. Smt. Aruna Sundararajan    | — Joint Secretary (RAY)     |
| 6. Smt. Deepti Gaur Mukherjee | — Director (RAY & HUDCO)    |
| 7. Shri Ramesh Kumar          | — Director (Budget-II)      |
| 8. Shri D.P.S. Negi           | — Director (NBO)            |
| 9. Shri T. Prabakaran         | — Director (Finance), HUDCO |
| 10. Shri Jaiveer Srivastava   | — CMD, HPL                  |
| 11. Shri Shailesh Aggarwal    | — Executive Director, BMTPC |
| 12. Col. Sunil Kumar          | — CEO, CGEWHO               |
| 13. Shri Sanjeev Srivastava   | — Controller of Accounts    |

2. At the outset, the Hon'ble Chairman welcomed the members of the Committee and representatives of the Ministry of Housing and Urban Poverty Alleviation to the sitting of the Committee and apprised them of the provisions of Direction 55(1) of 'Directions by the Speaker'.

3. The Secretary, Ministry of Housing and Urban Poverty Alleviation, thereafter briefly explained the overall Budgetary position with regard to various Central sector schemes and programmes of the Ministry for the year 2011-2012 and highlighted their targets and achievements of the previous financial year as well as reasons for shortfall, wherever applicable. The Committee then discussed in detail various issues related to the examination of the 'Demands for Grants' of the Ministry for the year 2011-2012.

4. The Members sought clarifications on various issues relating to the subject and the Secretary and representatives of the Ministry responded to the same. The Committee directed the representatives of the Ministry to furnish written replies to the queries which could not be responded to by them.

5. The Witnesses then withdrew.

6. A verbatim record of the proceedings of the sitting of the Committee has been kept.

*The Committee then adjourned.*

## APPENDIX II

### MINUTES OF THE EIGHTH SITTING OF THE STANDING COMMITTEE ON URBAN DEVELOPMENT (2010-2011) HELD ON FRIDAY, 10th JUNE, 2011

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

#### PRESENT

Shri Sharad Yadav — *Chairman*

#### MEMBERS

#### *Lok Sabha*

2. Shri Partap Singh Bajwa
3. Shri Ambica Banerjee
4. Shri Sakti Mohan Malik
5. Shri Kailash Joshi
6. Shri Ramesh Kumar
7. Shri P.C. Mohan
8. Dr. (Prof.) Ramshankar
9. Dr. Kirit Premjibhai Solanki

#### *Rajya Sabha*

10. Shri Rajeev Shukla
11. Shri Surendra Moti Lal Patel
12. Shri Pravin Naik
13. Shri Avinash Pande
14. Shri Manohar Joshi
15. Shri Khekiho Zhimomi

#### SECRETARIAT

1. Shri T.K. Mukherjee — *Joint Secretary*
2. Shri R.K. Jain — *Director*
3. Ms. Amita Walia — *Deputy Secretary*

