**17** 

#### STANDING COMMITTEE ON

URBAN DEVELOPMENT (2011-2012)

FIFTEENTH LOK SABHA

# MINISTRY OF URBAN DEVELOPMENT

# DEMANDS FOR GRANTS (2011-2012)

(Action Taken by the Government on the Recommendations contained in the Fourteenth Report (Fifteenth Lok Sabha) on of the Standing Committee on Urban Development on Demands for Grants (2011-2012) ) of the Ministry of Urban Development]

# **SEVENTEENTH REPORT**



LOK SABHA SECRETARIAT

NEW DELHI

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# **DEMANDS FOR GRANTS**

[Action Taken by the Government on the Recommendations contained in the Fourteenth Report (Fifteenth Lok Sabha) of the Standing Committee on Urban Development on Demands for Grants (2011-2012) of the Ministry of Urban Development]

Presented to Lok Sabha on 28.03.2012

Laid in Rajya Sabha on 28.03.2012



# LOK SABHA SECRETARIAT NEW DELHI

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# COMPOSITION OF THE STANDING COMMITTEE ON URBAN DEVELOPMENT (2011-2012)

Shri Sharad Yadav - Chairman

#### **MEMBERS**

# **LOK SABHA**

- 2. Shri J.P. Agarwal
- 3. Shri M. Anandan
- 4. Shri Praveen Singh Aron
- 5. Shri Partap Singh Bajwa
- 6. Shri Ambica Banerjee
- 7. Smt. J. Helen Davidson
- 8. Smt. Priya Dutt
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- 16. Dr. Kirodi Lal Meena
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- 18. Shri Sonawane Pratap Narayanrao
- 19. Shri Rakesh Sachan
- 20. Shri Bhupendra Singh
- 21. Shri Umashankar Singh

# **RAJYA SABHA**

- 22 Shri Meghraj Jain
- 23. Shri P. Bhattacharya
- 24. Shri Parvez Hasmi
- 25. Dr. Manohar Joshi
- 26. Shri Avinash Pande
- 27. Dr. Bhalchandra Mungekar
- 28. Shri Kanwar Deep Singh
- 29. Shri Khekiho Zhimomi
- 30. Smt. Hema Malini
- 31. Vacant

(iii)

# **SECRETARIAT**

Shri T.K. Mukherjee
 Shri R.K. Jain

Joint Secretary
Director
Deputy Secretary
Under Secretary
Committee Assistant 3. Smt. J.M.Sinha Smt. K.Rangamani N.
 Shri Sumit Kumar Grover

#### INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2011-2012) having been authorized by the Committee to submit the Report on their behalf, present the Seventeenth Report (15<sup>th</sup> Lok Sabha) on the action taken by the Government on the recommendations contained in the Fourteenth Report (15<sup>th</sup> Lok Sabha) of the Standing Committee on Urban Development on "Demands for Grants (2011-2012)" of the Ministry of Urban Development.

- 2. The Fourteenth Report was presented to Lok Sabha on 05<sup>th</sup> August, 2011. Replies of the Government to all the recommendations contained in the Report were received in December, 2011.
- 3. The Standing Committee on Urban Development considered and adopted this Report at their sitting held on 22.03.2012.
- 4. An analysis of the action taken by the Government on the recommendations contained in the Fourteenth Report (Fifteenth Lok Sabha) of the Committee is given at Annexure-V.
- 5. For the facility of reference and convenience, the Observations/Recommendations of the Committee have been printed in bold letters in the body of the Report.

NEW DELHI;

22<sup>nd</sup> March , 2012 02Chaitra,1934 (Saka) SHARAD YADAV Chairman, Standing Committee on Urban Development

#### CHAPTER I

#### **REPORT**

This Report of the Standing Committee on Urban Development (2011-2012) deals with the action taken by the Government on the recommendations contained in their Fourteenth Report (Fifteenth Lok Sabha) on Demands for Grants (2011-12) of the Ministry of Urban Development which was presented to Lok Sabha on 5 August, 2011.

- 1.2 Action Taken Notes have been received from the Government in respect of all 14 recommendations contained in the Report. These have been categorized as follows:
- (i) Recommendations /Observations, which have been accepted by the Government. (Chapter-II):

**Recommendation Nos. 1, 2,5,6,11,13.** 

(Total -6)

(Chapter-II)

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

Recommendation No. Nil

(Total -Nil)

(Chapter-III)

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

**Recommendation Nos.3, 4,7, 8,9,12,14** 

(Total -07)

(Chapter-IV)

(iv) Recommendations /Observations, in respect of which final replies of the Government are, still awaited (Chapter-V):

Recommendation No. -10.

(Total -01)

- 1.3 The Committee desire that specific replies to the comments contained in Chapter-I of this Report and final replies in respect of the Recommendation for which only interim reply has been furnished by the Government (included in Chapter-V) may be furnished to them at the earliest and in any case, not later than three months of the presentation of this Report.
- 1.4 The Committee will now deal with the action taken by the Government on some of their recommendations in the succeeding paragraphs.

#### Recommendation (Serial No. 3)

# Demand No. 102 MH (4059)-Capital Outlay on Public Works

1.5 The Committee had recommended as under:

"The Committee note that net budgetary allocation under Demand No.102 is Rs. 1589 crore. However, the Committee are not happy to find 'nil' achievement during the financial year 2009-10, in Non-Residential (4059 Plan-UD) due to shortage of funds. During the financial year 2010-11, Government could complete only remaining left over work of the previous year. Other works like construction of General Pool Office Accommodation at INA (51782 sqm) New Delhi, at CBD Shahdara (15886 sqm.) New Delhi, and at Kavadiguda, (30000 sqm) at Hyderabad supposed to be completed by 31.03.2011 have not yet been completed. The Committee are deeply concerned with such state of affairs. The prestigious works are being delayed/ blocked for want of funds. The Ministry should have anticipated this and the demand for necessary funds should have been made at the time of Supplementary Demands.

The Committee are of the view that such delays put question mark on the planning, poor management and sincerity on the part of the Ministry besides such delays lead to cost and time overruns and become strain on the financial health of the country. The Committee recommend that the Ministry should properly plan the timely execution of its schemes, make effective monitoring and also fix responsibility for delay in completion of these projects besides allocating sufficient funds for them. "

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

"The progress of GPOA Projects at INA, New Delhi, CBD Shahdara, Delhi and Kavadiguda, Hyderabad suffered due to non-availability of sufficient funds during last two financial years i.e. in 2009-10 and 2010-11. However sufficient funds have been allotted during 2011-12 to complete these projects.

During the year 2009-10, the demand for additional funds to the tune of Rs. 59.00 crore under MH:4059-UD(P) had been submitted in the 1<sup>st</sup> Batch of Supplementary Demand for Grants which could not be sanctioned. However, the provision had been augmented to Rs. 81.00 crore

to meet the requirement for ongoing projects by re-appropriating the funds of Rs. 6.00 crore from savings under other plan sub-heads of the Grant.

During the year 2010-11, the demand for additional funds to the tune of Rs. 69.00 crore under MH:4059-UD(P) had been submitted in the 1st Batch of Supplementary Demand for Grants and Rs. 34.50 Crore had been sanctioned for meeting the additional requirement to complete the works like street scaping of Delhi roads around Stadium and Aesthetic Work, repairs and rehabilitation, upgradation & façade improvement in the vicinity of Commonwealth Games Venues.

In the current financial year (2011-12), the Budget Grant of Rs. 133.59 crore has been sanctioned as per BE demand of the zones which is sufficient for the ongoing works/ project. Details of Budget demand, allocation & expenditure under MH: 4059-UD(P) Year-wise since 2009-10 have been as under: -

Year	BE Demand	Budget Grant	Supplementary Demand	Supplementary Grant	Final Budget Grant	Actual Expenditure
2009-10	221.30	75.00	59.00	Nil	81.00	79.12
2010-11	201.13	84.00	69.00	34.50	118.50	116.50
2011.12	134.59	133.59				22.09 (up to Aug'2011)

Further the progress of these projects was also delayed due to other reasons such as site conditions, cross departmental issues involving role of other organizations. The status of these projects along with reasons for delay is as under:-

#### 1. GPOA at INA:

Out of total area of 51782 sqm. of all five blocks, an area of 36812 sqm. has been completed by 2010-11 and balance area is targeted to be completed by 30.9.2011. The position of various blocks is as under:

- (i) A new building 'B' Block has been constructed under the General Pool Office Accommodation (GPOA) at INA, New Delhi. The total usable area of the building is about 47,087 sq. ft. (Ground + 6<sup>th</sup> floor). This block has already allotted on 24.11.2011 with the approval of UDM to the under mentioned Central Govt. offices.
- (a) Department of AYUSH, M/o Health & Family Welfare an area of 34,087 sq. ft. (Ground, First to third and fifth and sixth floors).
- (b) National Commission for Minorities an area of 13,000 sq. ft (Fourth and fifth floor).
- (ii) Block C allotted to NHRC is complete and interior work going on,
- (iii) Block D allotted to ASI is complete and interior work going on,
- (iv) Block E allotted to CGA is complete,
- (v) Block F allotted to NCDRC has been occupied.

The project was delayed due to inadequate funds during 2009-10 and 2010-11. Further, CVC did not allow the construction of block adjacent to CVC building leading to delay of about 6 months on this account. There has been delay in certain activities relating to external services for want of clearance from respective organizations like CVC/ individual client, but these have now been resolved except the issue of exit path besides CVC block. Draft scheme with multiple alternatives has been submitted to CVC for approval and whole complex can be made functional on implementation of this scheme with the consent of CVC. These blocks have been made ready for interior works since 1st April 2011. Though the project has been delayed due to above reasons, there shall be no cost overrun in this project.

# 2. GPOA at CBD Shahdara, Delhi:

Area of land of 1.9 acre was allotted to then Department of Statistics, Ministry of Planning by DDA and possession taken on 06.08.1984. Ministry of Statistics & P.I approached CPWD to utilize plot as GPOA and allot space to them on 26.09.1986 as adequate funds were not likely to be available for them. MOUD approved on 18.11.1987 to CPWD to take up construction as GPOA. CPWD completed boundary wall on 30.11.1989 but after that plot was encroached upon which was got vacated in July 2007 with the help of MCD after payment of re-location charges. Director, Ministry of Statistics & P.I inquired on 29.09.1997 about the status of construction. CPWD meanwhile prepared the drawings and submitted to DDA for sanction in April 2005 but DDA refused to process till encroachment was removed.

All clearance i.e. CFO, DUAC, AAI, Air Force etc. obtained in July 2008 and DDA completed its process for release of plan but asked for latest EOT before release. Cost estimate of Rs. 43.14 crore sanctioned on 02.04.2008 by MOUD. Work physically started in July 2008. CPWD pursued EOT and DDA granted EOT upto 30.06.2009 but sent the approval to Ministry of Statistic & P.I. in Dec 2009 being land title holder. Ministry of Statistic & P.I. asked DDA to stop the construction being carried out by CPWD and requested MOUD to decide space allocation. Matter reported to MOUD for resolution and construction continued. Several meetings and discussions held starting from May 2009 in MOUD with AS and DOE.

Finally, MOUD in March 2011, agreed for space requirement of 40000 sqft to the Ministry of S & P.I and offered to allot entire building having 50000 sqft carpet area against the vacation of 10,000 sqft existing space. Minister of S & P.I. wrote Minster of UD to consider requirement of more space. Meeting held on 30.08.2011 in the chamber of DOE and in principally agreed for additional space of 4000 sqft and Ministry of S & P.I. agreed to vacate 6000 sqft existing space. Lastly meeting held in the chamber of AS(UD) on 29.09.2011 but matter could not be formally resolved as MOUD is not agreed to give more than 10,000 sqft space.

Further development in respect of above building is that Director of Estate vide letter no. 10/7/89-Ofc.(pt.) dated 18.11.2011 has conveyed to Ministry of Ministry of Statistics & Programme Implementation (MS&PI) that eligible additional office cannot be more than 39,423 sqft and accordingly MS&PI has to vacate 10,000 sqft of area before entire building is allotted. It is learnt verbally from Director (Admn.), MS&PI that they have now projected demand of 70,000 sqft in response to DOEs letter dated 18.11.2011.

Building is ready since 31.10.2011 but cannot be made functional in the want of external bulk connection of sewer, water and electricity as same can only be obtained after sanction of local body drawings which in turn can only happen on authorization by land title holder. Re-revised PE amounting to Rs. 62.45 cr has been submitted to Directorate CPWD on 11.11.2011. Certain observations have been received from Director (P&WA) on 19.12.2011 which are being clarified.

We have to provide security on building and inoccupation shall lead to deteriorate with passage of time. It is very important and urgent to occupy the building to safe guard government interest. It is therefore requested that matter please be taken up with MOUD to sort out the impasse on most urgent basis. MOUD may please be further requested that in case land title holder is not ready to reach for any agreement, matter may please be taken at appropriate level to find out alternate solution.

# 3. GPOA at Kavadiguda, Hyderabad:

This Project was initially targeted to be completed by 30.10.2011. But, the above project has suffered due to non-availability of required funds during last two financial years i.e. 2009-10 and 2010-11. Now the finishing work is in progress and the same has been targeted to be completed by February, 2012."

1.7 The Committee are pained to note that due to impasse upon space allotment between Ministry of Statistics and Programme Implementation (MS&PI) and Ministry of Urban Development (MoUD), the building of GPOA at CBD Shahdra, Delhi could not be made functional for want of external bulk connection of sewer, water and electricity as same can only be obtained after sanction of local body drawings which are dependent on authorization by title holder of the land.

The Committee fully agree with the view expressed by MS&PI that non-occupation of building shall lead to its deterioration with passage of time. It is very important to occupy the building to safeguard government interest.

The Committee, therefore, recommend that in case the title holder of the land is not ready to reach any agreement, matter may be taken at appropriate level to explore an alternate solution. The deadlock should be resolved on urgent basis and building made functional and the Committee be apprised of the progress within 3 months. The Committee are surprised to find the silence of the Ministry to their specific recommendation in respect of planning, timely execution of the Schemes and fix responsibility for delays. The Committee want the Ministry to make its perception clear on these recommendations and inform them.

# Recommendation (Serial No. 4)

# **Central Public Works Department**

1.8 The Committee had recommended as under:-

"The upkeep and ensuring proper maintenance of the Government buildings and residential complexes is the responsibility of the C.P.W.D. The Committee are dismayed to note widespread encroachment by shopkeepers, motor mechanics, pavement dwellers even in organized government residential complexes which not only pollutes the area but also creates inconvenience to residents. It also creates law and order problem besides giving

encouragement to anti-social elements. This is assuming alarming proportions and becoming a threat to the civil society. The Committee are of the opinion that it is inaction on the part of administration which encourages such encroachments not only being taking place but also prosper in or around every government residential complex. The Committee note that it has become a habit in the Government to always pass the buck from one agency to another. The Committee are of the view that it is the Government agencies that allow the flourishing of the encroachers. They want the encroachments should be stopped.

The Committee recommend that strict action needs to be taken against those found responsible. The Committee desire that effective steps should be taken by the Ministry for proper coordination among CPWD, M.C.D., N.D.M.C as well as police for removal and checking of such encroachments not only in Delhi but also across all the States in the country. All matters pertaining to jurisdiction like area does not come under the control of the Ministry should be sorted out so as to free the public place from encroachers. The encroachers should not in any way take benefit out of feuding Government agencies entangled on the issue of jurisdiction rather they must be crushed. The Committee would like to be apprised of the outcome of the initiatives taken by the Ministry in this regard and also results achieved."

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

"There are encroachments by Jhuggi/ Jhopri dwellers in the Govt. residential colonies. Efforts are being made for the removal of these Jhuggies in coordination with the authorities concerned as per guidelines. In some cases, the matter is under litigation in local courts. In some eligible cases, correspondence has already been made with MCD for their rehabilitations and relocation after joint survey to relocate them. Some of the colonies have already been surveyed and as per estimates sent by MCD, a consolidated amount of Rs. 18.99 lakh has already been deposited with the J J Cluster Department on 03.05.2003 in respect of Shankar Camp near J & K Block, MS flat, Sec-13, R.K. Puram. The relocation is to be done by Delhi Urban Shelter Improvement Board. An amount of Rs. 21.45 lacs have been deposited to MCD slum wing on 20.09.2001 for removal of 87 Jhuggies in Nicholson Square. Similarly a cheque of Rs. 13.2 lakh has been deposited by CPWD to MCD slum wing on 31.07.2001 for rehabilitation of 58 Jhuggi at J.J. cluster Rajiv Gandhi camp, Aram Bagh, New Delhi. Some of the encroachments such as in Sriniwaspuri, have already been removed and due care is being taken not to allow fresh encroachment.

Also with regard to the third para of the recommendation, it is to mention that an advisory has been issued to Delhi Development Authority (DDA) vide No. J-13036/2/2011-DDIIB dated 1st July, 2011 to take up the issue of large scale encroachments that are taking place on DDA land seriously and not allow any encroachment to come up on their land. The Authority has been advised to launch a concerted campaign to enable general public to inform about such illegal activity on net or telephone through publishing citizen friendly advertisements in the leading Hindi and English Newspapers of Delhi giving details of dedicated phone number and e-mail ID. On the basis of information received, DDA in coordination with police and other concerned agencies would carry out a well planned campaign to remove all kinds of encroachments on Government land and cordon off their properties in a manner that no encroachment takes place in the future.

The DDA had issued Public Notice in the Hindustan Times and Navbharat Times on 10.08.2011 soliciting the cooperation from public to intimate the incidents of encroachment on the land of Delhi Development Authority and lodge complaints. The details of e-mail address and phone number through which the complaints can be lodged were indicated in the Public Notice.

Secretary (UD) took a meeting on 06.09.2011 with the officers of Govt. of NCT of Delhi, M/o HUPA, NDMC, MCD, DDA, CPWD and DUSIB to review the progress of Rehabilitation/Relocation of Slums and JJ Clusters in Delhi. In the said meeting, it was decided that DDA, CPWD, MCD, NDMC, etc. will coordinate among themselves for implementing the rehabilitation programme, which may help in freeing the encroached land by slums and JJ clusters."

1.10 The Committee are not satisfied with the reply furnished by the Ministry of Urban Development in regard to the steps taken to curb encroachment. The Committee have been informed by the Ministry that C.P.W.D. has deposited the amount in MCD for removal, relocation and rehabilitation of a few selected JJ clusters only. The Committee are unhappy to note that the last amount was deposited by C.P.W.D. way back on 03.05.2003. Since then eight years have been passed and the Ministry has not furnished the steps taken in this regard in the recent past. The Committee desire the Ministry to apprise the progress made in this regard.

With regard to maintain proper coordination among various stakeholders like CPWD, MCD, NDMC & Police for checking encroachment, the Committee have been informed that only DDA has issued public notice in the Hindustan Times and Navbharat Times on 10.08.2011, for soliciting cooperation from public to intimate the incidents of encroachment on the land of DDA and lodge complaints. The Committee are of the opinion that other agencies like MCD, NDMC, Police and CPWD should also join hands to seek cooperation from the public to get the feedback on encroachment so that further action for removal of such encroachment could be taken. At the same time, the Committee are of the firm view that incidents of encroachment can not happen without the connivance of higher officials of civic agencies like DDA, Police etc. Hence, they want that a dedicated task force should be constituted which will ensure coordination among various agencies and see that encroachment does not take place at all. The Committee further want that stern and deterrent punishment should be awarded to the officials under whose nose such encroachment has taken place.

The Committee wonder to find that their recommendations in respect of encroachment on public land made in the context of the country as a whole has been taken by the Ministry as if it relates to Delhi only. The Ministry's silence in this regard surprises the Committee. The Committee, therefore, desire the Ministry to initiate early action in this regard under intimation to them.

# Effective monitoring system and control over performance of schemes under UIDSSMT

1.11 The Committee had recommended as under:-

"Urban Infrastructure Development Scheme for Small and Medium towns (UIDSSMT) is one of the sub-components of JNNURM for 7 years duration beginning from 2005-06. The Committee note that since inception of the scheme and till 31.12.2010, 764 projects in 641 towns involving Rs. 12928.93 crore have been approved for release of funds. The Committee have been informed that 123 projects in 8 States have been physically completed, 560 projects are at various stages of implementation and 415 Utilisation Certificates (UCs) amounting to Rs. 2556.75 crore have been received from 23 States. The Committee find that physical progress of projects as reported by the State Governments is far from satisfactory under UIDSSMT. Process for furnishing the UC's by States is also very slow. The Committee further note that Ministry have decided that the Independent Review and Monitoring Agency (IRMA) appointed for UIG would also be extended to the Urban Local Bodies under UIDSSMT. Governments/SLNAs have also been advised to constitute one Project Implementation Unit (PIU) each for 15 ULBs. The Committee, therefore, desire that effective mechanism should be devised by the Government to expedite the receipt of UCs and Quarterly Progress Reports from State Governments. The Committee recommend that process regarding appointing of IRMA and constitution of Project Implementation Unit for ULB's should be completed at the earliest for better monitoring and timely implementation of sanctioned projects under UIDSSMT. Needless to emphasise that strict monitoring is indispensible for speedy implementation of various reforms committed by States and ULBs for timely release of ACA. The Committee would like to be informed of the results achieved by the steps taken by the Ministry in this regard."

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

"For monitoring the implementation of projects under UIDSSMT, instructions have already been issued to the States/UTs. The IRMAs appointed under UIG have been entrusted to supervise the work relating to UIDSSMT towns. States/ UTs are being regularly reminded in the Review Meetings for establishing PIUs, timely submission of QPRs and to expedite the submission of Utilization Certificates for released funds.

In view of the efforts as indicated above, out of 753 UCs due so far, 516 UCs have been received from the States and UCs of 177 projects are likely to be received by March, 2012. Regarding the remaining 60 UCs it is stated that these projects have been identified as 'non-starter' due to various compelling reasons and the process has been initiated for withdrawal of sanction and to reallocate the money to the new projects.

In respect of implementation of Reforms, out of 644 towns/ cities covered under UIDSSMT, the number of cities/ towns that have implemented various reforms are given in the table below:

#### Achievement of Reforms under UIDSSMT as per QPR Mar / June 2011

A.	Mandatory Reforms	No. of ULBs achieved
1	Full migration to double entry accounting system	432
2	E-Governance (Defining monitorable time table for implementation of each e-governance initiative)	465
3	Full recovery of O&M cost from User Charges	339
4	Internal Earmarking for basic services to poor	558
5	Property Tax	

5.1	Achieving 85% coverage ratio	471
5.2	Achieving 90% collection ratio	393
B.	Optional Reforms	
1	Introduction of Property Title Certification system	0
2	Administrative Reforms	519
3	Structural Reforms	469
4	Encouraging Public Private Partnership	516
5	Revision of By-Laws for Streamlining building approval process	574
6	Simplification of legal procedural framework for conversion of agricultural land for non-agricultural purpose	575
7	Provision of Rain water Harvesting in all buildings	579
8	Earmarking of 20-25% of developed land for EWS and LIG category	516
9	Introduction of computerized process of registration of land and property	504
10	Byelaws on reuse of reclaimed water	422

1.13 The Committee note with satisfaction that for effective monitoring the implementation of projects under UIDSSMT, instructions have already been issued to the States/UTs and the IRMAs appointed under UIG have been entrusted to supervise the work relating to UIDSSMT towns. The Committee had also recommended for strict monitoring for speedy implementation of various reforms committed by States and ULBs for timely release of ACA. In this regard, the Committee note that the Ministry has furnished project wise achievement of completion of reforms as per quarterly progress report for March/June 2011. The Ministry has not furnished the data in regard to no. of towns/cities which have actually completed the reform process. The Committee are surprised to find that even mandatory reform relating to 'property tax' has not been achieved even by a single ULB, so is the case with 'optional reform for introduction of property title certification system'. The Committee want the Ministry to make reply in this regard. The Committee are extremely disturbed to note that the Ministry has found 60 projects as non-starter and the process has been initiated to withdraw the sanction. The Committee are of the view that this is a serious matter and is the result of failure of monitoring mechanism. They

want that this should be looked into and apprised to the Committee. The Committee while reiterating their recommendations for effective monitoring want that accountability be fixed for neglect of duty in this regard.

# Recommendation (Serial No.8)

# <u>Unsatisfactory Progress under Scheme of 'Urban Infrastructure Development for 'Satellite Towns around Seven Mega cities'</u>

1.14 The Committee had recommended as under:-

"The Committee have been informed that the Urban Development Ministry has started a pilot scheme of Urban Infrastructure Development Scheme for Satellite Towns around seven mega cities with the objectives to develop urban infrastructure facilities and to enhance the sustainability of urban infrastructure facilities by implementing various reforms. Against an allocation of Rs. 200 crore made for seven mega cities and 8 counter magnet towns during the year 2010-11 actual disbursed amount was only Rs. 70 crore. For the financial year 2011-12 an amount of Rs. 135.00 crore has been made available for this scheme.

The Committee note with concern that since approval of this scheme in July, 2009 only 8 towns have been identified by States and 11 projects involving Rs. 438.02 crore sanctioned till date. The Committee find that most of the projects have been approved in the fourth year of the Plan and are unlikely to be completed during 11<sup>th</sup> Plan. The Committee are of the opinion that such a scheme should not be wrapped up within a short time. They feel that maximum benefit out of the scheme is yet to come. Hence, it is essential that this scheme is extended in the 12<sup>th</sup> Plan period. The Committee further feel that financial crunch should not come in way of this scheme. The Ministry should take up this matter with the Ministry of Finance and Planning Commission. At the same time, the Committee want the States to play proactive role with regard to implementation of urban reforms and take necessary steps to strengthen ULBs in towns so that City Development Plans and Detailed Project Reports could be prepared and submitted in time to harness the benefits of the scheme."

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

"Under this pilot scheme, only 8 towns could be taken up, hence selection of eligible towns has been completed. Under this scheme, infrastructure projects for provision of water supply, sewerage and solid waste management are admissible. In the process of sanctioning 11 projects, five of the eight towns have been covered. The ministry will take up the issue of extension of the scheme in the 12<sup>th</sup> Plan with the Ministry of Finance and Planning Commission and monitor the project closely."

1.16 The Committee while are appreciating of the efforts of Ministry of Urban Development to take up the issue of extension of the scheme in 12<sup>th</sup> Plan with the Ministry of Finance and Planning Commission fail to understand as to why only 5 out of 8 selected towns could be

covered under the scheme. They want that at least 8 selected towns should be covered under the scheme without any delay.

The committee, reiterate that the States concerned should play proactive role with regard to implementation of urban reforms and take necessary steps to strengthen ULBs in towns so that City Development Plans could be prepared and submitted in time to harness the benefits of the scheme. If need be, the Ministry of Urban Development should render all necessary help to States as well as cities.

# Recommendation (Serial No. 9)

# **State Sanitation Strategies and City Sanitation Plans**

1.17 The Committee had recommended as under:-

"The National Urban Sanitation Policy launched in December, 2008 envisages development of State Sanitation Strategies and City Sanitation Plans as an integral step towards the achievement of its vision that all Indian cities and towns become totally sanitized, healthy and livable.

The Committee are given to understand that out of 5161 cities/towns only 209 cities have initiated action for preparation of City Sanitation Plans and 24 States are formulating their State Sanitation Strategies. The Committee note that Ministry has been repeatedly writing to these states for preparation of City Sanitation Plans as it is the responsibility of the States and cities to design, build, operate and maintain relevant system. The Committee are given to understand that the city sanitation plan is envisaged as a document which will not solve all the sanitation related problems. Rather it is a first step in addressing the issue of sanitation in an integrated manner. While accepting this view, the Committee deprecate the allocation of a small sum of Rs. 20.05 crore for 5161 towns/cities during the entire plan period. They want the Ministry to take up the matter with the Ministries of Finance and Planning Commission so that an ambitious plan is not stuck up due to financial constraints. At the same time, they want the Ministry to take up this matter with states vigorously to persuade them to prepare state sanitation strategies and city sanitation plans so that these states and cities thereof could reap maximum benefit of the scheme. The Committee also desire that more stringent monitoring mechanism needs to be put in place not only at States level but also in the cities so as to ensure its speedy implementation."

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

"The National Urban Sanitation Policy (NUSP) was adopted by the GOI in October, 2008. Out of a total amount of Rs. 52.5 crore earmarked for implementation of the Policy, an amount of Rs. 20.05 crore has been set apart for preparation of State Sanitation Strategies (SSS) and City Sanitation Plans (CSP). As on date, an amount of Rs. 13.27 crore has been sanctioned to 9 states for preparation of 85 CSPs. In addition, 20 CSPs are being prepared with the assistance of multilateral and bilateral donors and other sources of funding. An amount of Rs. 2.47 crore is likely to be sanctioned for the preparation of CSPs for 24 cities and an additional amount of Rs.

1.50 crore is likely to be sanctioned to the Govt. of Maharashtra for preparation of CSPs for 15 cities. Out of 85 CSPs, 37 have been completed and the Ministry is regularly monitoring the completion of the balance. The Committee has correctly observed that preparation of CSP is the first step in addressing the issue of sanitation in an integrated manner. The view of the Committee is that an amount of Rs. 20.05 crore is rather low considering the level of urbanisation in the country is also accepted. Accordingly, a total amount of Rs. 200 crore has been proposed under the NUSP for the 12<sup>th</sup> Plan period. Sanitation is a very high priority area for the MoUD in view of the significant implications it has from the public health and environmental perspectives. The details of the projects sanctioned for sanitation under the various schemes of the Ministry are given in the **TABLEs** below:

# **SEWERAGE**

(Rs. in Crore)

S. No.	Scheme	No. of Projects	Sanctioned Cost
1	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIG (Urban Infrastructure and Governance)	109	14754.22
2	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIDSSMT (Urban Infrastructure Development Scheme for Small and Medium Towns)	97	2894.04
3	Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)	3	160.10

# **Solid Waste Management**

(Rs. in Crore)

S.	Scheme	No. of	Sanctioned
No.		Projects	Cost
1	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIG (Urban Infrastructure and Governance)	43	2052.45
2	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIDSSMT (Urban Infrastructure Development Scheme for Small and Medium Towns)	56	352.02
3	Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)		67.79
4	Scheme of 10% Lump-sum Provision Scheme for North Eastern Region including Sikkim	5	17.57
5	North Eastern Region Urban Development Programme (NERUDP)	2	18.91

# Storm Water Drainage

(Rs. in Crore)

S. No.	Scheme	No. of Projects	Sanctioned Cost
1	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIG (Urban Infrastructure and Governance)	71	8249.03
2	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIDSSMT (Urban Infrastructure Development Scheme for Small and Medium Towns)	64	729.76
3	Scheme of 10% Lump-sum Provision Scheme for North Eastern Region including Sikkim	18	185.33

1.19 The Committee are happy to note that as a result of their recommendation an amount of Rs. 200 Crore has been proposed under the NUSP for the 12<sup>th</sup> Plan period against a meagre sum of Rs. 20.5 Crores allocated earlier. But the Committee observe that the progress with regard to preparation of State Sanitation Strategies and City Sanitation Plans is quite slow. Moreover, the reply of the government is silent over the issue of monitoring mechanism at both the State and City levels.

The Committee therefore strongly recommend that the Ministry should take up this matter with states vigorously to persuade them to prepare State Sanitation Strategies and City Sanitation Plans. The Committee also desire that more stringent monitoring mechanism needs to be put in place not only at States level but also in the cities, so as to ensure speedy implementation of NUSP.

Recommendation (Serial No. 12)

# Setting up of National R&D Centre for Metro Rail Coaches

#### 1.20 The Committee had recommended as under:-

"The Committee in their earlier Report had emphasized the need for setting up of a National R&D Centre for state of art Metro Rail coaches under the aegis of Bharat Earth Movers Ltd. (BEML). However, due to non support of Ministry of Finance and Planning Commission, the proposal for setting up of this Centre could not be finalized. The CMD, Delhi Metro Rail Corporation (DMRC) during the evidence, informed the Committee that they have now modified

the proposal to house this in Bharat Heavy Electrical Ltd. (BHEL) and Bharat Earth Movers Ltd. (BEML) will also be involved. Since the Metro rail services have assumed greater significance with regard to alleviating the transport woes of the public at large, the Committee want that there should not be any laxity in respect of their demand. The setting up of National R&D centre will not only facilitate the building of state-of-the art metro coaches but will reduce the cost being incurred on import of coaches for metro rails. The Committee, however, desire that a definite time frame must be fixed and followed scrupulously for speedy implementation of setting up of the centre.

The Committee appreciate the steps taken by DMRC regarding introduction of metros in all those cities having population of more than two million. The Committee have been informed that process for preparation of detailed project report have been started in 12-13 cities out of 20 such cities and the remaining cities are not entitled as the concerned State Governments did not give clearance. The Committee, therefore, desire the Ministry to take up the matter with State Governments at the highest level for giving clearance so that Detailed Project Reports could be prepared in those cities also so that other related work could be commenced at the earliest."

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

"Earlier the proposal was under consideration before the CoS for Budgetary support of Rs.125 cr. to BEML for setting up "an R&D Centre of Excellence for Metro Coaches" for research, design and development of eco-friendly metro rail technology and rolling stock, auxiliary equipment, metro rail system etc. As a follow up action, (i) Ministry of Urban Development (Metro Rail Cell) got a new Budget Head for setting up of R&D Centre for State-of-Art Metro Rail Coaches by BEML, (ii) Budget Division also made a provision to the tune of Rs. 30 crore in BE of 2009-10 and (iii) Ministry of Defence, Department of Defence Production was requested to take further necessary action on the discussions of the meeting dated 21.10.2008.

The amount of Rs. 30 crore could not be utilized as the project could not take off on account of Ministry of Finance and Planning Commission not agreeing to set up such centre under BEML led consortium. As the metro coaches involve State-of-the art technology, electrical and electronic parts, it was decided that the Centre would be set up under the aegis of Bharat Heavy Electrical Ltd. (BHEL) led consortium. This has already been discussed in meeting held in Planning Commission under Member, Planning Commission while finalizing Annual Plan of this Ministry for 2011-12. Accordingly, in the Financial Year 2011-2012, a token sum of Rs. 50 lakh has been kept for BHEL in MoUD Budget.

Now BEML has submitted a concept paper to Planning Commission for setting up of a Centre of Excellence for Metro Rail Coaches and a meeting was held under the Chairmanship of Shri Arun Maira, Member, Planning Commission on 12<sup>th</sup> September, 2011 at 3:30 P.M. wherein, BEML and BHEL made a presentation and representatives of Ministry of Urban Development, Railway Board, Ministry of Defence Production and Delhi Metro Rail Corporation were present in the meeting. The minutes of the meeting are awaited.

As per Census: 2001, there are 13 cities in the country having population of more than 2 million. With projected annual growth @3.12%, 20 cities will cross the mark of 2 million population in 2015. Out of these cities, metro projects are under implementation in 7 cities; DPR has been prepared/ under preparation in 5 other cities. Regarding remaining 7 cities also,

the concerned State Govts. were approached by DMRC. However, the State Govt. concerned did not clear the proposal for preparation of DPR for Metro Rail Project. Since Urban Transport is intertwined with urban development which is a State, the decision of State Govt. is of vital importance. The Central Govt. can act only on the proposals that are approved and forwarded by the concerned State Govt. to Govt. of India."

1.22 The reply furnished by the Ministry of Urban Development makes the Committee to understand that DMRC has put in its sincere efforts in connection with the introduction of metro-rail in all twenty cities having population of more than two million. However, seven State Governments did not clear the proposal for preparation of Metro Rail Project.

The Committee fully agree with the Ministry of Urban Development that Urban Transport being a state subject, the decision of State Government is of vital importance. But at the same time the Committee strongly feel that in given circumstances only the metro rail could alleviate the woes of public transport. Hence, in context of these seven cities, the Committee strongly recommend once again that instead of leaving the issue in limbo, the Ministry should again take up the matter with State Governments at the highest level for giving clearance so that Detailed Project Reports could be prepared in those seven cities also and other related work commenced at the earliest.

# Recommendation (Serial No. 14) M/s Emmar MGF as the PPP Project Developer in Commonwealth Games Village

#### 1.23 The Committee had recommended as under:-

"The Committee have been informed that there was huge delay in the completion of Commonwealth Village and due to this Government suffered financial loss also. M/s Emmar MGF was selected as a private partner for implementation of this project. The basis of selection of M/s Emmar MGF is that Group of Ministers had decided to develop the residential apartments in the Commonwealth Games Village on Public Private Partnership mode and DDA, after the due process on Request For Quotations (RFQ) and Request For Proposal (RFP), selected M/s Emmar MGF as the PPP project Developer. However, despite continuous monitoring developer was unable to complete the work within the scheduled time and the reason furnished by them was the financial crunch.

The Committee are dismayed to note that even though DDA had provided an amount of Rs. 766.89 Crore as a financial help through the purchase of 333 flats of Commonwealth Games Village, the developer could not complete the project within extended period.

The Committee are of the opinion that, awarding of contract to M/s Emmar MGF without verifying its financial status is a serious matter and cast doubt on the functioning of DDA.

The Committee are further informed that the Ministry have levied liquidated damages and invoked performance security of Rs.183 crore on M/s Emmar MGF. Out of this, only Rs.90 crore could be realized by the Ministry. The matter regarding recovery of remaining amount is

sub-judice. However, the Committee desire that a thorough inquiry, should be conducted in the matter which will ascertain why such a huge contract was awarded to a firm who was not financially sound enough and complicity of DDA officials therein should also be determined. The Committee want the Ministry to fix responsibility on the basis of inquiry and bring the guilty to book. The Committee would like to be apprised of the steps taken in this regard."

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

"DDA has informed that during 9<sup>th</sup> meeting of the Group of Ministers held on 4.1.2006, DDA was given the mandate for the construction of residential apartments to provide accommodation for approximately 8000 participants during the CWG 2010 at Delhi. Various options for development of the Village were discussed in the 9<sup>th</sup> meeting of Group of Ministers and it was decided to develop the residential apartments on Public Private Participation (PPP) mode.

- 2. The PPP developer was selected through a two-stage transparent open tendering process. Stage 1 (RFQ) consisted of short-listing of qualified developers through inviting Expression of Interest from interested parties. Stage 2 (RFP) consisted of inviting detailed proposal from shortlisted developers.
- 3. 15 bidders had submitted their Expression of Interest (EOIs) in response to above RFQ, out of whom only 11 bidders who fulfilled the pre-qualification criteria were qualified.
- 4. While there were numerous reasons as to why the Project Developer was not able to complete the project in time i.e. upto 31.03.2010, one of the major factor was the recession which happened at the beginning of the year 2009. The Project Developer was not able to generate the finances and it was only due to the help provided to the DDA financially that they were able to start the work anew. Four months from January to April 2009 were lost as no work could be undertaken due to financial constraints of the Project Developer. The work suspended for these four months was reflected in the Project Developer completing the work by September, 2010 that too with some defects still remaining in the residential complex.

# Capability of the bidder

5. The bidder, Emaar MGF, is a Joint Venture between a world famous global property developer viz. M/s Emaar Properties Public Joint Stock Company (PJSC), UAE and a leading Indian player in real estate in India viz. M/s MGF Development. Both the groups have substantial expertise in real estate development across the globe/ India. Emaar's activities include property investment and development, property management services, education, healthcare, retail and hospitality sectors, as well as investing in financial service providers. A note indicating credentials of M/s Emaar Properties PJSC is placed at **ANNEXURE-I**.

# Purchase of Flats by DDA

6. DDA's decision to buy 333 apartments at Rs.766.89 crore was taken keeping in view the circumstances which were existing at that period of time i.e. the worldwide recession and the inability of the project developer to sell the apartments from which the finances had to be generated and the fact that the banks were not advancing any loans in the reality sector. The decision of DDA to provide financial assistance to the developer to purchase apartments, helped completion of the project. In the unlikely event of non-completion of the project which actually did not happen, the DDA had the bank guarantee of Rs.300 crore from the developer in addition to valuable assets created on the project site which duly protected the financial interest of the risk taken on by DDA. It may be reiterated that but for this 'out of box solution' to the problem at that point of time, the Games Village could not have been completed. Details regarding utilization of funds given by DDA to the Project Developer for purchasing the flats are placed at **ANNEXURE-II**.

# **Encashment of Bank Guarantee**

7. As per the Project Development Agreement M/s Emaar MGF Construction Pvt. Ltd. could not meet the 8th and 9th milestone. Therefore, liquidated damages as per the agreement were to be enforced. Total liquated damages (LD) of Rs.106.90 crore have been worked out against the Project Developer (PD) for delayed completion of the project. DDA encashed the performance bank guarantee of Rs.183 crore to adjust this claim. The Hon'ble High Court of Delhi has permitted DDA credit of Rs.90 crore and has stayed the encashment of balance of Rs.93 crore. Thus, Rs.16.90 crore of balance LD could not be encashed due to orders of Hon'ble High Court, on which the case is still pending in the High Court of Delhi. Thus, DDA has acted in the matter but due to the court case could not realise this amount of Rs.16.90 crore.

# Role of officials in monitoring

8. As per the Project Development Agreement, the project developer was to complete the residential facility by March 31, 2010 and hand over to DDA for use as accommodation for athletes during the Commonwealth Games 2010. However the Project Developer was unable to complete the project in stipulated time and there were still many finishing works pending even till September, 2010. DDA being a partner in the project and in the right earnest made all efforts to ensure completion of the project in time including financial assistance. The good faith, assistance and spirit of DDA was not reflected by Project Developer, who continued with his slow work. DDA constantly brought to the notice of Project Developer the delay in completion of work through various notices issued to PD from time to time at all stages in the project. A note indicating monitoring activities done by DDA is placed at **ANNEXURE-III**.

- 9. Regarding the Committee's observation that there should be a thorough enquiry to ascertain why such huge contract was given to a firm which was not financially sound and also to determine complicity of the DDA officials, it may be stated that Government Constituted a High Level Committee (HLC) under the chairmanship of Sh. V.K. Shunglu to look into issues relating to the organizing and conduct of Commonwealth Games-2010. The Committee has since submitted six Reports on various aspects relating to organizing and conduct of the Games. The 2<sup>nd</sup> Report of submitted by the Committee is exclusively relating to Commonwealth Games Village. Ministry of Urban Development/ DDA have examined the Report and submitted the response to the findings of the Committee to the Cabinet Secretariat.
- 10. The Cabinet Secretariat has constituted a Group of Ministers (GoM) on 02.8.2011 to look into issues relating to the Reports of the High Level Committee and to consider the views expressed on the findings and recommendations by the concerned Ministries/ Departments. The terms of reference of the Group of Ministers include: (i) to consider the views expressed by the concerned Ministries of the Govt. of India and other agencies on the findings and recommendations contained in the Report of HLC and arrive at a considered view on the various recommendations of the HLC; (ii) to recommend the future course of action on each of the recommendations of the HLC, which would include disciplinary, criminal and civil action against persons/ agencies/ contractors indicated in the Report. MoUD has already submitted its findings to the GoM and the GoM is seized with the issue."
- The Committee are given to understand that the main role of DDA during the 1. 25 construction of Commonwealth village was to monitor the project and oversee its timely completion. For achieving this objective DDA had put all its available resources viz. formation of various Committees such as Stadia Committee, Site Coordination Committee and High Powered Committee, the progress of which was constantly reviewed by Vice Chairman, DDA. The Ministry has also informed that higher authorities i.e., Hon'ble Lieutenant Governor, Delhi, Committee of Secretaries headed by Cabinet Secretary, Secretary Ministry of Urban Development and Secretary Ministry of Youth Affairs and Sports did constant monitoring and reviewed the progress report. Submission of various reports such as monthly report, Tata Consultancy Services(TCS) report: Initially monthly and later weekly, and weekly reports ensured regular progress and quality monitoring and facilitation of project at all levels by addressing issues faced during the execution of project. For the residential complex, the progress was even monitored on a real time basis in each tower by DDA. The Committee are at a loss to understand as to why despite such an effective mechanism being in place, the complex could not be completed in time. The reasons of recession broken in 2009 along with better credentials of project developer advanced by the Ministry do not satisfy the Committee. They are of the firm opinion that there was deep-rooted involvement of the officials in awarding the contract to M/s EMMAR MGF. The Ministry's claim of sound monitoring sounded hollow when the Ministry of Urban Development itself acknowledged that the project developer had

constructed extra residential units. The question how he could construct extra units remains unanswered. The Committee reiterate their earlier observation that M/s EMMMAR MGF was not financially strong developer and the award of contract to them was a big mistake.

The Committee are further informed about the constitution of Shunglu Committee and Group of Ministers in this regard. They want that on the basis of the final report, stringent deterrent action should be taken against the officials, firms and other bodies indicted for lapses.

#### CHAPTER II

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

# Recommendation (Serial No. 1)

# Need for adequate budgetary allocation to fulfill growing requirements in Urban Sector

2.1 The Committee note from the Ministry's submission that for the year 2011-12 against the requirement of Rs. 13360.38 crore projected by the Ministry to the Planning Commission, a plan allocation of Rs. 6,210 crore was provided to them as Gross Budgetary Support (GBS) excluding the Internal and External Budgetary Resources (IEBR). An amount of Rs. 1,844 crore has been allocated towards IEBR taking the total allocation to Rs. 8,054 crore. As per Ministry's submission more than 80% of the plan budget of the Ministry goes towards funding of metro rail projects of Delhi, Bangalore, Chennai and Kolkata taken up on DMRC Model of 50:50 joint ownership of Government of India and the concerned State Government. This leaves very small amount at the disposal of the Ministry to cater to its various programmes/schemes. The Committee are of the view that due to unabated growth of urban population which is because of inefficient management of urban areas, urbanization has assumed significance and as such there is an urgent need to give priority to the urban infrastructure issues. The Committee are informed that efforts have been made by the Ministry to initiate certain schemes and policies to face various challenges of urbanization. The Committee are of the opinion that the schemes and policies proposed to be undertaken by the Ministry cannot be realized if the Ministry faces financial crunch. The Committee feel that inadequate allocation of funds by the Planning Commission vis-à-vis Ministry's demand are also affecting the development schemes for urban sector. The Committee recommend that the Ministry of Urban Development should vigorously impress upon the Ministry of Finance and the Planning Commission to allocate adequate funds to various schemes so as to achieve the targets set out for the 11th Five Year Plan.

# Reply of the Government

2.2 The observations of the Committee to impress upon the Ministry of Finance and the Planning Commission to allocate adequate funds to various schemes so as to achieve the targets set out for the 11th Five Year Plan have been noted. As regards budgetary allocation, the Ministry had proposed a substantial requirement of Rs. 13,360.38 crore, including IEBR of Rs. 1,844 crore, to the Planning Commission for the year 2011-12 against which the Planning Commission had allocated Rs 8,054.00 crore for the Ministry. The Ministry had taken up the issue of enhancement of the budgetary allocation vide DO letter dated 03.02.2011 from Secretary (UD) to the M. S., Planning Commission. Planning

Commission vide DO letter dated 04.02.2011 informed that the entire GBS made available by the Ministry of Finance for the year 2011-12 has been allocated. However, any additionality demand over and above the Plan allocation might be considered at the RE stage.

#### Recommendation (Serial No. 2)

# Review of projects/ schemes and monitoring system on regular basis:

2.3 The Committee have been informed that in order to improve implementation of projects, NCR Planning Board requires State Governments/ implementing agencies to submit Detailed Project Reports (DPRs) for Infrastructure Development projects. The implementation of the projects sanctioned by the Board is monitored by the Project Monitoring & Coordination wing of the NCR Planning Board through monthly and quarterly Reports submitted by the Implementing Agency/ NCR cells. Regular reviews of the Projects at the state level and the Board level are followed up by filed visits and interactions with the State Implementing Agencies at the time of release of loan installments. Even the second and further loan installments are released only after review and verification of financial and physical progress made in the project. Despite various efforts made by the Ministry to review the projects/ schemes monitoring system and control over the performance of each scheme, the progress of projects/ schemes undertaken by various states/ ULBs in not at all satisfactory.

The Committee desire that Ministry should introspect its efforts of implementation and monitoring and identify the lacunae because even after so many concerted efforts of Ministry the progress under various schemes and projects is still not satisfactory.

# **Reply of the Government**

- 2.4 The NCR Planning Board provides loan assistance to constituent State Governments/ Govt. of National Capital Territory of Delhi and their development agencies/ Local Bodies (LBs) for selected infrastructure development projects that are in compliance with the Regional Plan policies. The projects are prepared and implemented by State Governments and their agencies/ LBs. The following general shortcomings were noticed in the implementation of the projects:-
- 1. Delay in land acquisition.
- 2. Revision of scope due to site constraints and other local factors.
- 3. Delay in obtaining Interdepartmental clearances.
- Land acquisition challenged in Courts etc.

The above factors lead to time and cost overruns in the implementation of the projects. Delays and deviations noticed were being brought to the notice of the implementing agencies. The Board generally considers above reasons and gets suitable details from the States before release of subsequent installments of loan. In addition, these are also highlighted at the highest levels in the state government including in the meetings held by the Chief Secretaries of the concerned states.

In order to ensure effective implementation and timely completion of the projects, NCRPB has taken the following steps:

- 1. Implementing Agencies are required to prepare Detailed Project Reports (DPRs) for the scheme/ project for which loan assistance has been sought.
- 2. The DPRs are appraised from financial and technical angle with the assistance of outside technical agencies.
- 3. Loan is sanctioned by the Project Sanctioning & Monitoring Group (PSMG) of the Board subject to implementation of project in accordance with approved DPRs.
- 4. Before release of loan installments Board ensures that the land required for the implementation of project is in possession of the Agency and all the statutory permissions required are in place.
- 5. Monitoring of project implementation through periodic progress reports.
- 6. Incentive Scheme for timely and quality implementation of the projects within approved cost has been put in place.
- 7. Delays and deviations are being brought to the notice of the highest levels in the state government including in the meetings held by the Chief Secretaries of the concerned states.

# Recommendation (Serial No. 5)

# Slow Progress of Urban Infrastructure and Governance (UIG) Scheme under JNNURM

2.5 The Committee note that an amount of Rs. 31,500 crore as Additional Central Assistance (ACA) has been allocated for Urban Infrastructure and Governance (UIG) component of JNNURM for the mission period i.e. 2005-2012. Further, an allocation of Rs. 3587.00 crore was provided for 11 approved projects during the year 2010-11 and the total ACA released was Rs. 1026.32 crore as on 28th February, 2011 which shows the slow pace of progress under this scheme. The reasons for slow pace attributed by the Ministry are non-completion of various reforms as committed by the State/ Urban Local Bodies (ULBs), non-receipt of utilization certificates from States/ Cities and non-release of further instalments of ACA for the approved projects. The Committee are not convinced with the justification given by the Ministry for slow progress of UIG scheme. The Committee strongly feel that these problems could have been easily solved by having effective coordination with States/ ULBs so as to check their tendency of not furnishing the Utilization Certificates in time. There should also be a mechanism for taking strict action against those defaulting States. The Committee, therefore, recommend that Government should devise effective as well as pragmatic ways and means to keep a watch on the States/ ULBs and provide every assistance needed for timely implementation of projects/ schemes by them.

#### Reply of the Government

2.6 JNNURM is a reform linked Scheme for provisioning of urban infrastructure and services in urban centers. In this, the second and subsequent installment of Additional Central Assistance (ACA) is released for projects subject to utilization of 70% of grants and achievement of reforms according to the timelines agreed to as per Memorandum of Agreement (MoA) by the States and Urban Local Bodies.

The Ministry has laid great emphasis on implementation of the various reforms included in the Mission. These reforms envisage institutional, financial and structural changes in the governance structure of the Local Bodies to make them efficient, accountable and transparent. The implementation of reforms has been a challenge. Besides, most of the smaller cities have inadequate capacity in terms of finance and human resource, which has led to slow absorption of funds and consequent implementation of projects.

Six years of implementation of JnNURM has brought to focus certain deficiencies among the Local Bodies in terms of capacity and resources which have impeded implementation of the projects and reforms. The Ministry has embarked upon a number of capacity development initiatives to bridge this gap. The Mission Directorate has undertaken a Rapid Training Programme (RTP) on Governance and Reforms, extended assistance for preparation of DPRs and supervision and monitoring of project implementation. More than 1800 Local Bodies and parastatal staff and over 2000 elected representatives have undergone training across various cities.

Since funding of infrastructure projects taken up under JnNURM was linked to satisfactory progress on reform implementation and most States slipped on the time lines for the same on account of capacity constraints, release of ACA installments for ongoing projects suffered during 2010-11 and virtually came to a complete halt during the 9 month period from April 2010 to December, 2010. This in turn, led to stoppage of work on the projects,. Recognizing the danger of time and cost over-runs in the ongoing projects on account of drying up of the fund flow, the Ministry moved a proposal before the Cabinet Committee on Infrastructure (CCI) for relaxing certain reforms conditionalities for release of funds. The CCI vide its decision dated 1.12.2010, agreed for authorizing the Central Sanctioning and Monitoring Committee (CSMC) for release of funds after relaxing reforms conditionalities under UIG. However, it was mandated that 10 per cent of the Additional central Assistance (ACA) would be withheld till reforms are achieved. It was only after this decision that the Ministry could process and recommend release of ACA amounting to Rs. 2422.22 crore for 198 projects under UIG during the year 2010-11, out of which Rs. 1930.93 crore was released by Ministry of Finance till 31.03.2011, against Rs. 5291.63 crore (RE) for the year 2010-11.

The Ministry is making efforts to handhold these cities and also to see how best projects can be completed by incentivizing reforms. In the current Financial Year 2011-12, Rs.2604.70 crore has been released. As on 22.12.2011, proposals worth Rs.115.19 crore are in pipeline with MoF.

The projects are implemented by the Local Bodies (LBs)/ Parastatals. Process of completion of projects is at times slow, which is a matter of concern. State Governments have mentioned about various constraints in terms of land acquisition, tendering etc.

The implementation of Mission is being monitored through different instrumentalities like the Central Sanctioning and Monitoring Committee (CSMC), field visits, Zonal review Meetings. For each State, an Independent Review and Monitoring Agency (IRMA) as well as reform appraisal agency has been appointed. Technical support of different wings of the Ministry like the CPHEEO and the TCPO are available with the Local Bodies. There is a constant interaction and communication with the State Governments to expedite the progress of reforms and projects. It is a constant endeavour of the Ministry to remove bottlenecks and speed up implementation of projects, so that the same are completed at the earliest.

# Recommendation (Serial No. 6)

# Adequate funding for UIDSSMT to include more cities under JNNURM

2.7 The Committee in their previous Report on 'Demands for Grants' 2010-11 and also in the Action Taken Report had emphasized upon the need for inclusion of the cities having a population of 5 lakh and above in Jawaharlal Nehru National Urban Renewal Mission (JNNURM) so as to improve their infrastructure and foster their economic growth. The Ministry, in response, stated that the need for providing funds for all the remaining eligible uncovered cities was brought to the notice of Ministry of Finance and the Planning Commission. The Ministry of Finance did not agree for inclusion of 28 more cities under JNNURM due to lack of Gross Budgetary Support for 11th Plan while the Planning Commission stated that due to constraints of resources, inclusion of more cities may be taken only in 12<sup>th</sup> Plan. The Committee, note that out of 28 cities, 18 cities got projects sanctioned under Urban Infrastructure Development Scheme in Small and Medium Towns(UIDSSMT) by the State Level Sanctioning Committee (SLSC) under the respective State Governments. As regards, remaining 10 cities, 2 cities got approval of their projects and for remaining 8 cities, no project has been submitted by the State Governments. The Committee were told that the approved projects, as well as those likely to be submitted by the State Government in future cannot be taken up at present due to inadequate funds under UIDSSMT. The Committee feel that it is necessary to take forward the activities and reforms initiated under JNNURM into the 12th Plan. The gains of JNNURM need to be consolidated and gaps in reform implementation needs to be addressed. They also feel that the weakness of programme design and problems of implementation needs to be reviewed. The Committee therefore, recommend that period of JNNURM Mission should be extended and adequate allocation of funds be made under UIDSSMT Scheme so as to include more cities during the 12th Five Year Plan. The Committee also recommend that Ministry should device a mechanism so that each scheme under UIDSSMT could be effectively monitored and reviewed on regular basis and problems, wherever identified, could be resolved in time.

# **Reply of the Government**

2.8 The recommendation of the Committee for inclusion of more cities under UIDSSMT during the 12<sup>th</sup> Five Year Plan period has been taken up with the Planning Commission for providing adequate financial support. Regarding the recommendation on devising mechanism for effective monitoring and review, it is stated that as per Scheme Guidelines, the SLSC/ SLNA are responsible for periodical review and monitoring the implementation of projects and reforms. However, a periodical review of UIDSSMT is being undertaken along with the review of UIG in the CSMC Review Meetings. Apart from this, review is taken with Secretary/ Principal Secretary (UD) of States/ UTs for proper implementation of projects/ reforms and also with Urban Development Ministers of the States during the Annual Conference on JNNURM.

# Recommendation (Serial No. 11)

# **Urban Transport Planning Scheme**

2.9 The Committee note that a scheme of Urban Transport Planning was launched in August, 2008 with the objectives to ensure easily accessible, safe, affordable, quick, comfortable, reliable and sustainable mobility for all. It provides central financial assistance, upto 80% for taking up traffic and transportation studies/preparation of Detailed Project Reports (DPR) in place of the old scheme for providing 40% central assistance. The Committee have been informed that for improving overall mobility several measures such as improved integration of land use and transport planning, integration of public transport systems and demand restraint measures etc. are required to be undertaken in a coordinated manner but a complete understanding of such issues is lacking at both the states and cities level.

The Committee are happy to note that a new scheme for capacity building in the field of urban transport which envisages manpower development was launched in October, 2009 as Government are encouraging public private participation in the urban transport. The Committee find that during the year 2009-10, 31 proposal were furnished by 21 states and similarly in 2010-11 only 34 proposals were received from these states which cannot be termed as sufficient. The Committee are of the view that the

stakeholders will understand the nuances of the scheme once they are trained through capacity building programme. The Committee also note that central grant is released by Ministry of Urban Development in stages according to the terms of reference and progress of the studies. The Committee find that even after the lapse of 18 months, neither any review nor any evaluation of this scheme has been made by the Ministry. They are not satisfied with the reply of the Ministry in this regard that since the scheme has recently been launched, the evaluation/ review has not been done. The Committee feel that this is high time to undertake the exercise of evaluation as any shortcomings/bottlenecks could be sorted out. Keeping in view, the massive challenge of urban transportation, the Committee desire evaluation of this revised scheme be immediately done.

# Reply of the Government

2.10 The scheme funds studies like comprehensive mobility plans, research studies and detailed project reports etc. proposed by cities/ LBs through State/ UT Governments. Representatives of Cities/ LBs/ State-UT Governments are interacting with the Ministry of Urban Development and providing feedback on regular basis. Therefore, a continuous evaluation is taking place. Since launch of the scheme, response from the end users i.e. Cities/ LBs/ UTs/ States has been encouraging which is reflected in the increased expenditure under the scheme as given below:

Year	Expenditure (Rs. in Crore)	Remarks
2005-06	3.62	Pre-revised
2006-07	1.98	Pre-revised
2007-08	3.76	Pre-revised
2008-09	3.09	Pre-revised as well as revised*
2009-10	15.76	Revised
2010-11	22.65	Revised
2011-12	27.00 (Budgeted)	Revised

<sup>\*</sup> The revised scheme was made effective from August, 2008. However, it took some time to disseminate the details of the scheme.

A short of evaluation of the scheme has been made by the Working Group on Urban Transport for 12th Five Year Plan set up by the Planning Commission. The Working Group made extensive discussions regarding the scheme in context of finalizing policy interventions to realize the goals for 12<sup>th</sup> Five Year Plan and in its report submitted to the Planning commission, in September, 2011, has

recommended the continuation of the existing schemes of Urban Transport Planning and Capacity building in urban transport with additional allocation and scope.

# Recommendation (Serial No. 13)

# Regularization of unauthorized colonies in Delhi

2.11 The Committee are given to understand that Union Government had approved the revised guidelines for regularization of unauthorized colonies on 8-2-2007, DDA notified the Regulations in this regard under the Delhi Development Act, 1957 on 24-3-2008. The work relating to regularization, including preparation and implementation of development works involving agencies concerned is to be undertaken, coordinated, monitored and supervised by the Government of the National Capital Territory of Delhi (GNCTD). As provided in a subsequent notification issued in this regard on 16<sup>th</sup> June 2008, time limit of one year has been given for formal regularization of unauthorized colonies after the date of issuance of Provisional Regularization Certificates to such unauthorized colonies. GNCTD has issued Provisional Regularization Certificates to 1223 unauthorized colonies on 4<sup>th</sup> October, 2008 in accordance with the notification dated 16<sup>th</sup> June, 2008.

The Committee note that a provision of Rs. 697.50 crore was made for providing civic amenities to unauthorized colonies during the financial year 2011-12 and water supply, sewerage, roads, street lighting and electrification etc. have already been given to 1033 unauthorized colonies in Delhi. The Committee have been informed that the Urban Development Department of Delhi State has recently forwarded a tentative list of 733 unauthorized colonies which have been found eligible for basic amenities as per the parameters fixed. The Committee are surprised to find that out of 733 colonies, only 90 lay out plans have been scrutinized by Municipal Corporation of Delhi (MCD) and sent to Government of National Capital Territory of Delhi (GNCTD) for finalizing the boundaries. Thereafter, the lay-out plan of these colonies will be approved by the Standing Committee of MCD which is the final authority. The Committee are not satisfied with the progress of regularization and development work being undertaken in the unauthorized colonies. The Committee feel that though the regularization of unauthorized colonies is a State subject yet the Central Government should ensure that regularization of unauthorized colonies in Delhi is done as per their revised guidelines and also to ensure that basic amenities should be provided to them within 2 years of their authorization so that the people do not live in inhuman civic conditions.

# **Reply of the Government**

2.12 The Govt. of NCT of Delhi has indicated that a total number of 1639 applications have been received from Residents Welfare Association (RWAs) for regularization of unauthorized colonies, and Provisional Regularisation Certificates have been issued to 1218 unauthorised colonies. Clearances were received for 1018 unauthorised colonies from agencies like Municipal Corporation of Delhi (MCD), Archeological Survey of India (ASI), Forest Department, and Revenue Department and have been forwarded to MCD for scrutiny / approval of layout plans. MCD supplied scrutinized Layout Plans to Govt. of NCT of Delhi for 160 Unauthorised Colonies. Meeting of 'Committee constituted for fixation of boundaries of Unauthorised Colonies' had been convened from 11.7.11 to 15.7.11 to tentatively fix the boundaries of 60 unauthorised colonies, and 51 cases have been tentatively finalized and subsequently sent to MCD for getting approval of Standing Committee.

MoUD reviews the progress of regularization of unauthorized colonies from time to time. A meeting had been taken by Secretary (UD) on 1.6.2011 to review the progress made towards Regularization of Unauthorized Colonies in the NCT of Delhi, which was attended by officers from DDA, NDMC, MCD and Govt. of NCT of Delhi. In the said meeting, Secretary (UD) directed all concerned to expedite the process of regularization of unauthorized colonies as per Regulations issued for the purpose. A meeting had been taken by the Chief Secretary, GNCTD on 12.8.2011 to decide the time frame for completing the regularization process of 1639 unauthorised colonies, which was attended by officers from DDA and MCD.

GNCTD has intimated that it is providing basic civic amenities like construction of roads and drains, water supply, sewerage, sanitation, street lights and electrification in the unauthorized colonies. The funds are provided to the agencies since 1998 for development works and augment facilities in unauthorized colonies. An amount of Rs. 3,376 crore has been released to the Municipal Corporation of Delhi (MCD), Delhi State Industrial and Infrastructure Development (DSIIDC), Irrigaton & Flood Control (I&FC) and Delhi Jal Board (DJB) since 1998 to till date. An allocation of Rs. 2,800 crore was kept for the development of unauthorized colonies under the Plan scheme of "Provision of Essential Services in Unauthorized Colonies" in the 11th Five Year Plan. In the financial year 2010-2011, an allocation of Rs.749 crore has been made. Estimate amounting to Rs.171.06 crore has been sanctioned from April, 2010 to 31.01.2011 for construction of roads and drains, laying of water lines, sewerage, street lighting, sanitation, electricity. In the financial year 2011-12, a provision of Rs.697.50 crore has been made for providing civic amenities.

An advisory has been issued to Delhi Development Authority (DDA) vide No. J-13036/2/2011-DDIIB dated 1st July, 2011 to take up the issue of large scale encroachments that are taking place on DDA land seriously and must not allow any encroachment to come up on their land. The Authority has

been advised to launch a concerted campaign to enable general public to inform about such illegal activity on net or telephone through publishing citizen friendly advertisements in the leading Hindi and English Newspapers of Delhi giving details of dedicated phone number and e-mail ID. On the basis of information received, DDA in coordination with police and other concerned agencies would carry out a well planned campaign to remove all kinds of encroachments on Government land and cordon off their properties in a manner that no encroachment takes place in the future.

Delhi Development Authority issued Public Notice in the Hindustan Times and Nav Bharat Times on 10.08.2011 soliciting the cooperation from public to intimate the incidents of encroachment on the land of Delhi Development Authority and lodge complaints. The details of e-mail address and phone number through which the complaints can be lodged was indicated in the Public Notice.

Secretary (UD) also took a meeting on 06.09.2011 with the officers of Govt. of NCT of Delhi, Ministry of HUPA, NDMC, MCD, DDA, CPWD and DUSIB to review the progress of Rehabilitation/Relocation of Slums and JJ Clusters in Delhi. In the said meeting, it was decided that DDA, CPWD, MCD, NDMC, etc. will coordinate among themselves for implementing the rehabilitation programme, which may help in freeing the encroached land by slums and JJ clusters. Secretary (UD) also took a meeting on 07.9.2011 and 2.11.2011 with the senior officers of Government of NCT of Delhi to review the progress made towards regularization of unauthorized colonies as per the existing Guidelines.

#### The National Capital Territory of Delhi Laws (Special Provisions) Second Bill, 2011

The Parliament has passed the National Capital Territory of Delhi Laws (Special Provisions) Second Bill, 2011. The proposed Act under the Bill will provide temporary relief and minimize avoidable hardship and irreparable loss to the people of NCT of Delhi, while facilitating realistic revision of Master Plan for Delhi (MPD-2021) and ensuring its smooth implementation by maintaining status quo in the entire National Capital Territory of Delhi.

As provided in the Bill, no punitive action shall be taken till 31st December, 2014, in any area of NCTD provided compliance is made to such directions, as the Central Government may give from time to time, and that any punitive action required to be taken by the local authorities shall be carried only with the specific approval of the Administrator of Delhi (i.e. Lt. Governor, Delhi). However, no relief shall be available from encroachment on public land, except where explicitly covered under the Act.

#### **CHAPTER III**

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

#### CHAPTER IV

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

Recommendation (Serial No. 3)

#### Demand No. 102 MH (4059)-Capital Outlay on Public Works

4.1 The Committee note that net budgetary allocation under Demand No.102 is Rs. 1589 crore. However, the Committee are not happy to find 'nil' achievement during the financial year 2009-10, in Non-Residential (4059 Plan-UD) due to shortage of funds. During the financial year 2010-11, Government could complete only remaining left over work of the previous year. Other works like construction of General Pool Office Accommodation at INA (51782 sqm) New Delhi, at CBD Shahdara (15886 sqm.) New Delhi, and at Kavadiguda, (30000 sqm) at Hyderabad supposed to be completed by 31.03.2011 have not yet been completed. The Committee are deeply concerned with such state of affairs. The prestigious works are being delayed/ blocked for want of funds. The Ministry should have anticipated this and the demand for necessary funds should have been made at the time of Supplementary Demands.

The Committee are of the view that such delays put question mark on the planning, poor management and sincerity on the part of the Ministry besides such delays lead to cost and time overruns and become strain on the financial health of the country. The Committee recommend that the Ministry should properly plan the timely execution of its schemes, make effective monitoring and also fix responsibility for delay in completion of these projects besides allocating sufficient funds for them.

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

4.2 The progress of GPOA Projects at INA, New Delhi, CBD Shahdara, Delhi and Kavadiguda, Hyderabad suffered due to non-availability of sufficient funds during last two financial years i.e. in 2009-10 and 2010-11. However sufficient funds have been allotted during 2011-12 to complete these projects.

During the year 2009-10, the demand for additional funds to the tune of Rs. 59.00 crore under MH:4059-UD(P) had been submitted in the 1<sup>st</sup> Batch of Supplementary Demand for Grants which could not be sanctioned. However, the provision had been augmented to Rs. 81.00 crore to meet the requirement for ongoing projects by re-appropriating the funds of Rs. 6.00 crore from savings under other plan sub-heads of the Grant.

During the year 2010-11, the demand for additional funds to the tune of Rs. 69.00 crore under MH:4059-UD(P) had been submitted in the 1st Batch of Supplementary Demand for Grants and Rs. 34.50 Crore had been sanctioned for meeting the additional requirement to complete the works like

street scaping of Delhi roads around Stadium and Aesthetic Work, repairs and rehabilitation, upgradation & façade improvement in the vicinity of Commonwealth Games Venues.

In the current financial year (2011-12), the Budget Grant of Rs. 133.59 crore has been sanctioned as per BE demand of the zones which is sufficient for the ongoing works/ project. Details of Budget demand, allocation & expenditure under MH: 4059-UD(P) Year-wise since 2009-10 have been as under: -

Year	BE Demand	Budget Grant	Supplementary Demand	Supplementary Grant	Final Budget Grant	Actual Expenditure
2009-10	221.30	75.00	59.00	Nil	81.00	79.12
2010-11	201.13	84.00	69.00	34.50	118.50	116.50
2011.12	134.59	133.59				22.09 (up to Aug'2011)

Further the progress of these projects was also delayed due to other reasons such as site conditions, cross departmental issues involving role of other organizations. The status of these projects along with reasons for delay is as under:-

#### 4. GPOA at INA:

Out of total area of 51782 sqm. of all five blocks, an area of 36812 sqm. has been completed by 2010-11 and balance area is targeted to be completed by 30.9.2011. The position of various blocks is as under:

- (i) A new building 'B' Block has been constructed under the General Pool Office Accommodation (GPOA) at INA, New Delhi. The total usable area of the building is about 47,087 sq. ft. (Ground + 6<sup>th</sup> floor). This block has already allotted on 24.11.2011 with the approval of UDM to the under mentioned Central Govt. offices.
  - (c) Department of AYUSH, M/o Health & Family Welfare an area of 34,087 sq. ft. (Ground, First to third and fifth and sixth floors).
  - (d) National Commission for Minorities an area of 13,000 sq. ft (Fourth and fifth floor).
- (ii) Block C allotted to NHRC is complete and interior work going on,
- (iii) Block D allotted to ASI is complete and interior work going on,
- (iv) Block E allotted to CGA is complete,
- (v) Block F allotted to NCDRC has been occupied.

The project was delayed due to inadequate funds during 2009-10 and 2010-11. Further, CVC did not allow the construction of block adjacent to CVC building leading to delay of about 6 months on this account. There has been delay in certain activities relating to external services for want of clearance from respective organizations like CVC/ individual client, but these have now been resolved except the issue of exit path besides CVC block. Draft scheme with multiple alternatives has been submitted to CVC for approval and whole complex can be made functional on implementation of this scheme with the consent of CVC. These blocks have been made ready for interior works since 1st April 2011. Though the project has been delayed due to above reasons, there shall be no cost overrun in this project.

#### 5. GPOA at CBD Shahdara, Delhi:

Area of land of 1.9 acre was allotted to then Department of Statistics, Ministry of Planning by DDA and possession taken on 06.08.1984. Ministry of Statistics & P.I approached CPWD to utilize plot as GPOA and allot space to them on 26.09.1986 as adequate funds were not likely to be available for them. MOUD approved on 18.11.1987 to CPWD to take up construction as GPOA. CPWD completed boundary wall on 30.11.1989 but after that plot was encroached upon which was got vacated in July 2007 with the help of MCD after payment of re-location charges. Director, Ministry of Statistics & P.I inquired on 29.09.1997 about the status of construction. CPWD meanwhile prepared the drawings and submitted to DDA for sanction in April 2005 but DDA refused to process till encroachment was removed.

All clearance i.e. CFO, DUAC, AAI, Air Force etc. obtained in July 2008 and DDA completed its process for release of plan but asked for latest EOT before release. Cost estimate of Rs. 43.14 crore sanctioned on 02.04.2008 by MOUD. Work physically started in July 2008. CPWD pursued EOT and DDA granted EOT upto 30.06.2009 but sent the approval to Ministry of Statistic & P.I. in Dec 2009 being land title holder. Ministry of Statistic & P.I. asked DDA to stop the construction being carried out by CPWD and requested MOUD to decide space allocation. Matter reported to MOUD for resolution and construction continued. Several meetings and discussions held starting from May 2009 in MOUD with AS and DOE.

Finally, MOUD in March 2011, agreed for space requirement of 40000 sqft to the Ministry of S & P.I and offered to allot entire building having 50000 sqft carpet area against the vacation of 10,000 sqft existing space. Minister of S & P.I. wrote Minster of UD to consider requirement of more space. Meeting held on 30.08.2011 in the chamber of DOE and in principally agreed for additional space of 4000 sqft and Ministry of S & P.I. agreed to vacate 6000 sqft existing space. Lastly meeting held in the chamber of AS(UD) on 29.09.2011 but matter could not be formally resolved as MOUD is not agreed to give more than 10,000 sqft space.

Further development in respect of above building is that Director of Estate vide letter no. 10/7/89-Ofc.(pt.) dated 18.11.2011 has conveyed to Ministry of Ministry of Statistics & Programme Implementation (MS&PI) that eligible additional office cannot be more than 39,423 sqft and accordingly MS&PI has to vacate 10,000 sqft of area before entire building is allotted. It is learnt verbally from Director (Admn.), MS&PI that they have now projected demand of 70,000 sqft in response to DOEs letter dated 18.11.2011.

Building is ready since 31.10.2011 but cannot be made functional in the want of external bulk connection of sewer, water and electricity as same can only be obtained after sanction of local body drawings which in turn can only happen on authorization by land title holder. Re-revised PE amounting to Rs. 62.45 cr has been submitted to Directorate CPWD on 11.11.2011. Certain observations have been received from Director (P&WA) on 19.12.2011 which are being clarified.

We have to provide security on building and inoccupation shall lead to deteriorate with passage of time. It is very important and urgent to occupy the building to safe guard government interest. It is therefore requested that matter please be taken up with MOUD to sort out the impasse on most urgent basis. MOUD may please be further requested that in case land title holder is not ready to reach for any agreement, matter may please be taken at appropriate level to find out alternate solution.

#### 6. **GPOA** at Kavadiguda, Hyderabad:

This Project was initially targeted to be completed by 30.10.2011. But, the above project has suffered due to non-availability of required funds during last two financial years i.e. 2009-10 and 2010-11.

Now the finishing work is in progress and the same has been targeted to be completed by February, 2012.

4.3 For the comments of the Committee please see paragraph No. 1.7

#### Recommendation (Serial No. 4)

#### **Central Public Works Department**

4.4 The upkeep and ensuring proper maintenance of the Government buildings and residential complexes is the responsibility of the C.P.W.D. The Committee are dismayed to note widespread encroachment by shopkeepers, motor mechanics, pavement dwellers even in organized government residential complexes which not only pollutes the area but also creates inconvenience to residents. It also creates law and order problem besides giving encouragement to anti-social elements. This is assuming alarming proportions and becoming a threat to the civil society.

The Committee are of the opinion that it is inaction on the part of administration which encourages such encroachments not only being taking place but also prosper in or around every government residential complex. The Committee note that it has become a habit in the Government to always pass the buck from one agency to another. The Committee are of the view that it is the Government agencies that allow the flourishing of the encroachers. They want the encroachments should be stopped.

The Committee recommend that strict action needs to be taken against those found responsible. The Committee desire that effective steps should be taken by the Ministry for proper coordination among CPWD, M.C.D., N.D.M.C as well as police for removal and checking of such encroachments not only in Delhi but also across all the States in the country. All matters pertaining to jurisdiction like area does not come under the control of the Ministry should be sorted out so as to free the public place from encroachers. The encroachers should not in any way take benefit out of feuding Government agencies entangled on the issue of jurisdiction rather they must be crushed. The Committee would like to be apprised of the outcome of the initiatives taken by the Ministry in this regard and also results achieved.

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

There are encroachments by Jhuggi/ Jhopri dwellers in the Govt. residential colonies. Efforts are being made for the removal of these Jhuggies in coordination with the authorities concerned as per guidelines. In some cases, the matter is under litigation in local courts. In some eligible cases, correspondence has already been made with MCD for their rehabilitations and relocation after joint survey to relocate them. Some of the colonies have already been surveyed and as per estimates sent by MCD, a consolidated amount of Rs. 18.99 lakh has already been deposited with the J J Cluster Department on 03.05.2003 in respect of Shankar Camp near J & K Block, MS flat, Sec-13, R.K. Puram. The relocation is to be done by Delhi Urban Shelter Improvement Board. An amount of Rs. 21.45 lacs have been deposited to MCD slum wing on 20.09.2001 for removal of 87 Jhuggies in Nicholson Square. Similarly a cheque of Rs. 13.2 lakh has been deposited by CPWD to MCD slum wing on 31.07.2001 for rehabilitation of 58 Jhuggi at J.J. cluster Rajiv Gandhi camp, Aram Bagh, New Delhi. Some of the encroachments such as in Sriniwaspuri, have already been removed and due care is being taken not to allow fresh encroachment.

Also with regard to the third para of the recommendation, it is to mention that an advisory has been issued to Delhi Development Authority (DDA) vide No. J-13036/2/2011-DDIIB dated 1st July, 2011 to take up the issue of large scale encroachments that are taking place on DDA land seriously and not allow any encroachment to come up on their land. The Authority has been advised to launch a concerted campaign to enable general public to inform about such illegal activity on net or telephone through publishing citizen friendly advertisements in the leading Hindi and English Newspapers of Delhi

giving details of dedicated phone number and e-mail ID. On the basis of information received, DDA in coordination with police and other concerned agencies would carry out a well planned campaign to remove all kinds of encroachments on Government land and cordon off their properties in a manner that no encroachment takes place in the future.

The DDA had issued Public Notice in the Hindustan Times and Navbharat Times on 10.08.2011 soliciting the cooperation from public to intimate the incidents of encroachment on the land of Delhi Development Authority and lodge complaints. The details of e-mail address and phone number through which the complaints can be lodged were indicated in the Public Notice.

Secretary (UD) took a meeting on 06.09.2011 with the officers of Govt. of NCT of Delhi, M/o HUPA, NDMC, MCD, DDA, CPWD and DUSIB to review the progress of Rehabilitation/ Relocation of Slums and JJ Clusters in Delhi. In the said meeting, it was decided that DDA, CPWD, MCD, NDMC, etc. will coordinate among themselves for implementing the rehabilitation programme, which may help in freeing the encroached land by slums and JJ clusters.

4.6 For the comments of the Committee please see paragraph No. 1.10

#### Recommendation (Serial No.7)

### Effective monitoring system and control over performance of schemes under UIDSSMT

Urban Infrastructure Development Scheme for Small and Medium towns (UIDSSMT) is one of the sub-components of JNNURM for 7 years duration beginning from 2005-06. The Committee note that since inception of the scheme and till 31.12.2010, 764 projects in 641 towns involving Rs. 12928.93 crore have been approved for release of funds. The Committee have been informed that 123 projects in 8 States have been physically completed, 560 projects are at various stages of implementation and 415 Utilisation Certificates (UCs) amounting to Rs. 2556.75 crore have been received from 23 States. The Committee find that physical progress of projects as reported by the State Governments is far from satisfactory under UIDSSMT. Process for furnishing the UC's by States is also very slow. The Committee further note that Ministry have decided that the Independent Review and Monitoring Agency (IRMA) appointed for UIG would also be extended to the Urban Local Bodies under UIDSSMT. State Governments/SLNAs have also been advised to constitute one Project Implementation Unit (PIU) each for 15 ULBs. The Committee, therefore, desire that effective mechanism should be devised by the Government to expedite the receipt of UCs and Quarterly Progress Reports from State Governments. The Committee recommend that process regarding appointing of IRMA and constitution of Project

Implementation Unit for ULB's should be completed at the earliest for better monitoring and timely implementation of sanctioned projects under UIDSSMT. Needless to emphasise that strict monitoring is indispensible for speedy implementation of various reforms committed by States and ULBs for timely release of ACA. The Committee would like to be informed of the results achieved by the steps taken by the Ministry in this regard.

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

4.8 For monitoring the implementation of projects under UIDSSMT, instructions have already been issued to the States/UTs. The IRMAs appointed under UIG have been entrusted to supervise the work relating to UIDSSMT towns. States/ UTs are being regularly reminded in the Review Meetings for establishing PIUs, timely submission of QPRs and to expedite the submission of Utilization Certificates for released funds.

In view of the efforts as indicated above, out of 753 UCs due so far, 516 UCs have been received from the States and UCs of 177 projects are likely to be received by March, 2012. Regarding the remaining 60 UCs it is stated that these projects have been identified as 'non-starter' due to various compelling reasons and the process has been initiated for withdrawal of sanction and to reallocate the money to the new projects.

In respect of implementation of Reforms, out of 644 towns/ cities covered under UIDSSMT, the number of cities/ towns that have implemented various reforms are given in the table below:

#### Achievement of Reforms under UIDSSMT as per QPR Mar / June 2011

A.	Mandatory Reforms	No. of ULBs achieved
1	Full migration to double entry accounting system	432
2	E-Governance (Defining monitorable time table for implementation of each e-governance initiative)	465
3	Full recovery of O&M cost from User Charges	339
4	Internal Earmarking for basic services to poor	558
5	Property Tax	
5.1	Achieving 85% coverage ratio	471

5.2	Achieving 90% collection ratio	393
B.	Optional Reforms	
1	Introduction of Property Title Certification system	0
2	Administrative Reforms	519
3	Structural Reforms	469
4	Encouraging Public Private Partnership	516
5	Revision of By-Laws for Streamlining building approval process	574
6	Simplification of legal procedural framework for conversion of agricultural land for non-agricultural purpose	575
7	Provision of Rain water Harvesting in all buildings	579
8	Earmarking of 20-25% of developed land for EWS and LIG category	516
9	Introduction of computerized process of registration of land and property	504
10	Byelaws on reuse of reclaimed water	422

### 4.9 For the comments of the Committee please see paragraph No. 1.13

#### **Recommendation (Serial No.8)**

# <u>Unsatisfactory Progress under Scheme of 'Urban Infrastructure Development for 'Satellite Towns around Seven Mega cities'</u>

4.10 The Committee have been informed that the Urban Development Ministry has started a pilot scheme of Urban Infrastructure Development Scheme for Satellite Towns around seven mega cities with the objectives to develop urban infrastructure facilities and to enhance the sustainability of urban infrastructure facilities by implementing various reforms. Against an allocation of Rs. 200 crore made for seven mega cities and 8 counter magnet towns during the year 2010-11 actual disbursed amount was only Rs. 70 crore. For the financial year 2011-12 an amount of Rs. 135.00 crore has been made available for this scheme.

The Committee note with concern that since approval of this scheme in July, 2009 only 8 towns have been identified by States and 11 projects involving Rs. 438.02 crore sanctioned till date. The

Committee find that most of the projects have been approved in the fourth year of the Plan and are unlikely to be completed during 11<sup>th</sup> Plan. The Committee are of the opinion that such a scheme should not be wrapped up within a short time. They feel that maximum benefit out of the scheme is yet to come. Hence, it is essential that this scheme is extended in the 12<sup>th</sup> Plan period. The Committee further feel that financial crunch should not come in way of this scheme. The Ministry should take up this matter with the Ministry of Finance and Planning Commission. At the same time, the Committee want the States to play proactive role with regard to implementation of urban reforms and take necessary steps to strengthen ULBs in towns so that City Development Plans and Detailed Project Reports could be prepared and submitted in time to harness the benefits of the scheme.

#### Reply of the Government

- 4.11 Under this pilot scheme, only 8 towns could be taken up, hence selection of eligible towns has been completed. Under this scheme, infrastructure projects for provision of water supply, sewerage and solid waste management are admissible. In the process of sanctioning 11 projects, five of the eight towns have been covered. The ministry will take up the issue of extension of the scheme in the 12<sup>th</sup> Plan with the Ministry of Finance and Planning Commission and monitor the project closely.
- 4.12 For the comments of the Committee please see paragraph No. 1.16

#### **Recommendation (Serial No.9)**

#### **State Sanitation Strategies and City Sanitation Plans**

4.13 The National Urban Sanitation Policy launched in December, 2008 envisages development of State Sanitation Strategies and City Sanitation Plans as an integral step towards the achievement of its vision that all Indian cities and towns become totally sanitized, healthy and livable.

The Committee are given to understand that out of 5161 cities/towns only 209 cities have initiated action for preparation of City Sanitation Plans and 24 States are formulating their State Sanitation Strategies. The Committee note that Ministry has been repeatedly writing to these states for preparation of City Sanitation Plans as it is the responsibility of the States and cities to design, build, operate and maintain relevant system. The Committee are given to understand that the city sanitation plan is envisaged as a document which will not solve all the sanitation related problems. Rather it is a first step in addressing the issue of sanitation in an integrated manner. While accepting this view, the

Committee deprecate the allocation of a small sum of Rs. 20.05 crore for 5161 towns/cities during the entire plan period. They want the Ministry to take up the matter with the Ministries of Finance and Planning Commission so that an ambitious plan is not stuck up due to financial constraints. At the same time, they want the Ministry to take up this matter with states vigorously to persuade them to prepare state sanitation strategies and city sanitation plans so that these states and cities thereof could reap maximum benefit of the scheme. The Committee also desire that more stringent monitoring mechanism needs to be put in place not only at States level but also in the cities so as to ensure its speedy implementation.

#### Reply of the Government

4.14 The National Urban Sanitation Policy (NUSP) was adopted by the GOI in October, 2008. Out of a total amount of Rs. 52.5 crore earmarked for implementation of the Policy, an amount of Rs. 20.05 crore has been set apart for preparation of State Sanitation Strategies (SSS) and City Sanitation Plans (CSP). As on date, an amount of Rs. 13.27 crore has been sanctioned to 9 states for preparation of 85 CSPs. In addition, 20 CSPs are being prepared with the assistance of multilateral and bilateral donors and other sources of funding. An amount of Rs. 2.47 crore is likely to be sanctioned for the preparation of CSPs for 24 cities and an additional amount of Rs. 1.50 crore is likely to be sanctioned to the Govt. of Maharashtra for preparation of CSPs for 15 cities. Out of 85 CSPs, 37 have been completed and the Ministry is regularly monitoring the completion of the balance. The Committee has correctly observed that preparation of CSP is the first step in addressing the issue of sanitation in an integrated manner. The view of the Committee is that an amount of Rs. 20.05 crore is rather low considering the level of urbanisation in the country is also accepted. Accordingly, a total amount of Rs. 200 crore has been proposed under the NUSP for the 12th Plan period. Sanitation is a very high priority area for the MoUD in view of the significant implications it has from the public health and environmental perspectives. The details of the projects sanctioned for sanitation under the various schemes of the Ministry are given in the TABLEs below:

#### **SEWERAGE**

(Rs. in Crore)

S. No.	Scheme	No. of	Sanctioned
		Projects	Cost
		_	

1	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIG (Urban Infrastructure and Governance)	109	14754.22
2	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIDSSMT (Urban Infrastructure Development Scheme for Small and Medium Towns)	97	2894.04
3	Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)	3	160.10

### **Solid Waste Management**

(Rs. in Crore)

S. No.	Scheme	No. of Projects	Sanctioned Cost
1	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIG (Urban Infrastructure and Governance)	43	2052.45
2	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIDSSMT (Urban Infrastructure Development Scheme for Small and Medium Towns)	56	352.02
3	Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)	4	67.79
4	Scheme of 10% Lump-sum Provision Scheme for North Eastern Region including Sikkim	5	17.57
5	North Eastern Region Urban Development Programme (NERUDP)	2	18.91

#### **Storm Water Drainage**

(Rs. in Crore)

S. No.	Scheme	No. of Projects	Sanctioned Cost
1	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIG (Urban Infrastructure and Governance)	71	8249.03
2	Jawaharlal Nehru National Urban Renewal Mission (JNNRUM) – UIDSSMT (Urban Infrastructure Development Scheme for Small and Medium Towns)	64	729.76
3	Scheme of 10% Lump-sum Provision Scheme for North Eastern Region including Sikkim	18	185.33

4.15 For the comments of the Committee please see paragraph No. 1.19

#### Recommendation (Serial No.12)

### Setting up of National R&D Centre for Metro Rail Coaches

R&D Centre for state of art Metro Rail coaches under the aegis of Bharat Earth Movers Ltd. (BEML). However, due to non support of Ministry of Finance and Planning Commission, the proposal for setting up of this Centre could not be finalized. The CMD, Delhi Metro Rail Corporation (DMRC) during the evidence, informed the Committee that they have now modified the proposal to house this in Bharat Heavy Electrical Ltd. (BHEL) and Bharat Earth Movers Ltd. (BEML) will also be involved. Since the Metro rail services have assumed greater significance with regard to alleviating the transport woes of the public at large, the Committee want that there should not be any laxity in respect of their demand. The setting up of National R&D centre will not only facilitate the building of state-of-the art metro coaches but will reduce the cost being incurred on import of coaches for metro rails. The Committee, however, desire that a definite time frame must be fixed and followed scrupulously for speedy implementation of setting up of the centre.

The Committee appreciate the steps taken by DMRC regarding introduction of metros in all those cities having population of more than two million. The Committee have been informed that process for preparation of detailed project report have been started in 12-13 cities out of 20 such cities and the remaining cities are not entitled as the concerned State Governments did not give clearance.

The Committee, therefore, desire the Ministry to take up the matter with State Governments at the highest level for giving clearance so that Detailed Project Reports could be prepared in those cities also so that other related work could be commenced at the earliest.

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

4.17 Earlier the proposal was under consideration before the CoS for Budgetary support of Rs.125 cr. to BEML for setting up "an R&D Centre of Excellence for Metro Coaches" for research, design and development of eco-friendly metro rail technology and rolling stock, auxiliary equipment, metro rail system etc. As a follow up action, (i) Ministry of Urban Development (Metro Rail Cell) got a new Budget Head for setting up of R&D Centre for State-of-Art Metro Rail Coaches by BEML, (ii) Budget Division also made a provision to the tune of Rs. 30 crore in BE of 2009-10 and (iii) Ministry of Defence, Department of Defence Production was requested to take further necessary action on the discussions of the meeting dated 21.10.2008.

The amount of Rs. 30 crore could not be utilized as the project could not take off on account of Ministry of Finance and Planning Commission not agreeing to set up such centre under BEML led consortium. As the metro coaches involve State-of-the art technology, electrical and electronic parts, it was decided that the Centre would be set up under the aegis of Bharat Heavy Electrical Ltd. (BHEL) led consortium. This has already been discussed in meeting held in Planning Commission under Member, Planning Commission while finalizing Annual Plan of this Ministry for 2011-12. Accordingly, in the Financial Year 2011-2012, a token sum of Rs. 50 lakh has been kept for BHEL in MoUD Budget.

Now BEML has submitted a concept paper to Planning Commission for setting up of a Centre of Excellence for Metro Rail Coaches and a meeting was held under the Chairmanship of Shri Arun Maira, Member, Planning Commission on 12<sup>th</sup> September, 2011 at 3:30 P.M. wherein, BEML and BHEL made a presentation and representatives of Ministry of Urban Development, Railway Board, Ministry of Defence Production and Delhi Metro Rail Corporation were present in the meeting. The minutes of the meeting are awaited.

As per Census: 2001, there are 13 cities in the country having population of more than 2 million. With projected annual growth @3.12%, 20 cities will cross the mark of 2 million population in 2015. Out of these cities, metro projects are under implementation in 7 cities; DPR has been prepared/under preparation in 5 other cities. Regarding remaining 7 cities also, the concerned State Govts. were approached by DMRC. However, the State Govt. concerned did not clear the proposal for preparation

of DPR for Metro Rail Project. Since Urban Transport is intertwined with urban development which is a State, the decision of State Govt. is of vital importance. The Central Govt. can act only on the proposals that are approved and forwarded by the concerned State Govt. to Govt. of India.

4.18 For the comments of the Committee please see paragraph No. 1.22

#### **Recommendation (Serial No.14)**

#### M/s Emmar MGF as the PPP Project Developer in Commonwealth Games Village

4.19 The Committee have been informed that there was huge delay in the completion of Commonwealth Village and due to this Government suffered financial loss also. M/s Emmar MGF was selected as a private partner for implementation of this project. The basis of selection of M/s Emmar MGF is that Group of Ministers had decided to develop the residential apartments in the Commonwealth Games Village on Public Private Partnership mode and DDA, after the due process on Request For Quotations (RFQ) and Request For Proposal (RFP), selected M/s Emmar MGF as the PPP project Developer. However, despite continuous monitoring developer was unable to complete the work within the scheduled time and the reason furnished by them was the financial crunch.

The Committee are dismayed to note that even though DDA had provided an amount of Rs. 766.89 Crore as a financial help through the purchase of 333 flats of Commonwealth Games Village, the developer could not complete the project within extended period.

The Committee are of the opinion that, awarding of contract to M/s Emmar MGF without verifying its financial status is a serious matter and cast doubt on the functioning of DDA.

The Committee are further informed that the Ministry have levied liquidated damages and invoked performance security of Rs.183 crore on M/s Emmar MGF. Out of this, only Rs.90 crore could be realized by the Ministry. The matter regarding recovery of remaining amount is sub-judice. However, the Committee desire that a thorough inquiry, should be conducted in the matter which will ascertain why such a huge contract was awarded to a firm who was not financially sound enough and complicity of DDA officials therein should also be determined. The Committee want the Ministry to fix responsibility on the basis of inquiry and bring the guilty to book. The Committee would like to be apprised of the steps taken in this regard.

#### Reply of the Government

- 4.20 DDA has informed that during 9<sup>th</sup> meeting of the Group of Ministers held on 4.1.2006, DDA was given the mandate for the construction of residential apartments to provide accommodation for approximately 8000 participants during the CWG 2010 at Delhi. Various options for development of the Village were discussed in the 9<sup>th</sup> meeting of Group of Ministers and it was decided to develop the residential apartments on Public Private Participation (PPP) mode.
- 2. The PPP developer was selected through a two-stage transparent open tendering process. Stage 1 (RFQ) consisted of short-listing of qualified developers through inviting Expression of Interest from interested parties. Stage 2 (RFP) consisted of inviting detailed proposal from shortlisted developers.
- 3. 15 bidders had submitted their Expression of Interest (EOIs) in response to above RFQ, out of whom only 11 bidders who fulfilled the pre-qualification criteria were qualified.
- 4. While there were numerous reasons as to why the Project Developer was not able to complete the project in time i.e. upto 31.03.2010, one of the major factor was the recession which happened at the beginning of the year 2009. The Project Developer was not able to generate the finances and it was only due to the help provided to the DDA financially that they were able to start the work anew. Four months from January to April 2009 were lost as no work could be undertaken due to financial constraints of the Project Developer. The work suspended for these four months was reflected in the Project Developer completing the work by September, 2010 that too with some defects still remaining in the residential complex.

#### Capability of the bidder

5. The bidder, Emaar MGF, is a Joint Venture between a world famous global property developer viz. M/s Emaar Properties Public Joint Stock Company (PJSC), UAE and a leading Indian player in real estate in India viz. M/s MGF Development. Both the groups have substantial expertise in real estate development across the globe/ India. Emaar's activities include property investment and development, property management services, education, healthcare, retail and hospitality sectors, as well as investing in financial service providers. A note indicating credentials of M/s Emaar Properties PJSC is placed at **ANNEXURE-I**.

#### Purchase of Flats by DDA

6. DDA's decision to buy 333 apartments at Rs.766.89 crore was taken keeping in view the circumstances which were existing at that period of time i.e. the worldwide recession and the inability of the project developer to sell the apartments from which the finances had to be generated and the fact that the banks were not advancing any loans in the reality sector. The decision of DDA to provide financial assistance to the developer to purchase apartments, helped completion of the project. In the unlikely event of non-completion of the project which actually did not happen, the DDA had the bank guarantee of Rs.300 crore from the developer in addition to valuable assets created on the project site which duly protected the financial interest of the risk taken on by DDA. It may be reiterated that but for this 'out of box solution' to the problem at that point of time, the Games Village could not have been completed. Details regarding utilization of funds given by DDA to the Project Developer for purchasing the flats are placed at **ANNEXURE-II**.

#### **Encashment of Bank Guarantee**

7. As per the Project Development Agreement M/s Emaar MGF Construction Pvt. Ltd. could not meet the 8th and 9th milestone. Therefore, liquidated damages as per the agreement were to be enforced. Total liquated damages (LD) of Rs.106.90 crore have been worked out against the Project Developer (PD) for delayed completion of the project. DDA encashed the performance bank guarantee of Rs.183 crore to adjust this claim. The Hon'ble High Court of Delhi has permitted DDA credit of Rs.90 crore and has stayed the encashment of balance of Rs.93 crore. Thus, Rs.16.90 crore of balance LD could not be encashed due to orders of Hon'ble High Court, on which the case is still pending in the High Court of Delhi. Thus, DDA has acted in the matter but due to the court case could not realise this amount of Rs.16.90 crore.

#### Role of officials in monitoring

8. As per the Project Development Agreement, the project developer was to complete the residential facility by March 31, 2010 and hand over to DDA for use as accommodation for athletes during the Commonwealth Games 2010. However the Project Developer was unable to complete the project in stipulated time and there were still many finishing works pending even till September, 2010. DDA being a partner in the project and in the right earnest made all efforts to ensure completion of the project in time including financial assistance. The good faith, assistance and spirit of DDA was not reflected by Project Developer, who continued with his slow work. DDA constantly brought to the notice of Project Developer the delay in completion of work through various notices issued to PD from time to time at all stages in the project. A note indicating monitoring activities done by DDA is placed at **ANNEXURE-III**.

- 9. Regarding the Committee's observation that there should be a thorough enquiry to ascertain why such huge contract was given to a firm which was not financially sound and also to determine complicity of the DDA officials, it may be stated that Government Constituted a High Level Committee (HLC) under the chairmanship of Sh. V.K. Shunglu to look into issues relating to the organizing and conduct of Commonwealth Games-2010. The Committee has since submitted six Reports on various aspects relating to organizing and conduct of the Games. The 2<sup>nd</sup> Report of submitted by the Committee is exclusively relating to Commonwealth Games Village. Ministry of Urban Development/DDA have examined the Report and submitted the response to the findings of the Committee to the Cabinet Secretariat.
- 10. The Cabinet Secretariat has constituted a Group of Ministers (GoM) on 02.8.2011 to look into issues relating to the Reports of the High Level Committee and to consider the views expressed on the findings and recommendations by the concerned Ministries/ Departments. The terms of reference of the Group of Ministers include: (i) to consider the views expressed by the concerned Ministries of the Govt. of India and other agencies on the findings and recommendations contained in the Report of HLC and arrive at a considered view on the various recommendations of the HLC; (ii) to recommend the future course of action on each of the recommendations of the HLC, which would include disciplinary, criminal and civil action against persons/ agencies/ contractors indicated in the Report. MoUD has already submitted its findings to the GoM and the GoM is seized with the issue.
- 4.21 For the comments of the Committee please see paragraph No. 1.25

#### **CHAPTER V**

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

**Recommendation (Serial No.10)** 

#### National Mission on Sustainable Habitat (NMSH)

The National Mission on sustainable Habitat is one of the 8 Missions under the National Action Plan for climate change announced by the Hon'ble Prime Minister in June, 2008, with the tenure upto the 12<sup>th</sup> Plan period i.e. 2017. The Mission document has been prepared by the Ministry of Urban Development on the basis of consultations and discussions with relevant Ministries and other expert organizations. The Prime Minister's Council on Climate Change has approved the document in its meeting held on 18.6.2010.

The Committee are informed that the Scheme will be a Central Sector Scheme to be funded from funds available under the Plan budget of the Ministry. Financial support under the NMSH programme shall be extended to Cities/ States for implementing the complementary actions and capacity buildings measures already identified in the Mission document. The capacity building measures would cater to needs related to increasing energy efficiency in residential and commercial sectors, urban transport, waste water management, solid waste management and adaptation. Financial support shall be extended in conformity with overall amounts indicated for capacity building and demonstration project. The Committee are further informed that it would result in development of Sustainable Habitat Parameters in the field of Energy Efficiency, Urban Transport, Water Supply/ Sewerage, Solid Waste Management, Storm Water Segment and Urban Planning.

The Committee are given to understand the selection of ULBs/cities will depend on the nature of proposals received and their consistency with the mandate under the mission. Thus, the formulation of proposals and their finalization is dependent on various agencies, the Committee find the criteria and process of selection of ULBs/ Cities is quite cumbersome. The Committee recommend that on one hand steps may be taken to simplify the procedure and criteria for selection of ULBs/Cities under the mission while on the other hand awareness may be created about the scheme amongst all the stakeholders through all modes of Information, Education and Communication (IEC) so that the maximum ULBs/ Cities would take benefit of NMSH.

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

5.2 The details of action proposed to be taken under the NMSH are as follows:-

- (i) Formulation and implementation of National Sustainable Habitat Standards.
- (ii) Implementation of pilot projects and demonstration projects in water and sanitation sector, energy efficiency sector, environmentally sustainable roads.
- (iii) Capacity building measures.

The Committee has observed that the criteria for the process of selection of cities are cumbersome. The meeting of the Expenditure Finance Commission (EFC) for implementation of the mission is yet to be held. Sanction of proposals can be taken up only after EFC and cabinet approval. However, the observations of the Committee have been taken into account in the draft EFC as well as in the guidelines.

NEW DELHI <u>22 March 2012</u> 02 Chaitra, (1934) SHARAD YADAV Chairman, Standing Committee on Urban Development

#### <u>Credentials of M/s Emmar Properties PJSC and Credentials of M/s MGF developments</u>

#### I. Credentials of M/s Emaar Properties PJSC

M/s Emaar Properties PJSC (Emaar), a Dubai-based Public Joint Stock Company listed on the Dubai Financial Market, is a global property developer and provider of premier lifestyles. Established in 1997 with an initial paid-up capital of AED 1 bn, Emaar Properties is currently the Persian Gulf region's largest land and real estate developer. With over 60 companies, Emaar's activities include property investment and development, property management services, education, healthcare, retail and hospitality sectors, as well as investing in financial service providers. In 2007 the government of Dubai through the Investment Corporation of Dubai took a 32% equity stake in Emaar by exchanging land for 28 billion AED worth of stock.

Some of the projects developed by Emaar are:

- a) World's tallest tower- Burj Khalifa
- b) Dubai's largest Mall- the Dubai Mall
- c) The 500-acre mega-project, Downtown Dubai
- d) Dubai Marina a luxurious waterfront project
- e) Arabian Ranches a multi-billion premier desert-themed residential development
- f) Cairo Heights in Egypt
- g) Boulder Hills, a leisure and residential community in Hyderabad, India
- h) Multiple resort projects in Morocco, including Amelkis II & III and Bahia Bay, residential golfing communities:
- i) Eighth Gate project in Damascus, the city's first master planned community;
- i) Lakeside in Istanbul.

M/s Emaar Properties PJSC was the lead member of the Company during RFQ stage and possessed the pre-qualification (technical qualification and financial strength parameters) laid down in the bid document.

#### II. Credentials of M/s MGF developments

MGF Developments is a leading player in the field of retail real estate and property development in India, and has brought in international standards in commercial complexes and shopping malls. MGF has over the last 10 years established itself as one of the key players in retail real estate development in Northern India. It is one of the largest shopping mall developers in the National Capital Region, with almost 3 million sq.ft. of developed retail space.

Some of MGF Developments' landmark projects include

- The Metropolitan, the Plaza and the City Square Mall in Gurgaon in 2003.
- The Metropoliton Mall Saket
- MGF megacity Saket
- City Square Rajauri Garden
- The Metropoliton Mall Jaipur
- Metropolis Gurgaon
- Megacity North Campus

It is evident from the above facts that both the major partners in the bidder's company had substantial expertise in real estate development not only in India but also globally.

#### Funds given by DDA to Project Developer

As per agreement signed with the Project Developer for purchase of 333 apartments installments for release of money was fixed as under:-

a)	1st installment on signing of Agreement	Rs.2,00,00,00,000/-
b)	2 <sup>nd</sup> installment on or before the 15 <sup>th</sup> June 2009	Rs.1,50,00,00,000/-
c)	3 <sup>rd</sup> installment on or before the 31 <sup>st</sup> July 2009	Rs.1,50,00,00,000/-
d)	3 <sup>rd</sup> installment on or before the 30 <sup>th</sup> September 2009	Rs.1,50,00,00,000/-
e)	4th installment on or before the 13th November 2009	Rs.1,16,89,25,000/-

Total Rs.7,66,89,25,000/-

This was with the proviso that DDA would release the money after certifying the progress of work by an independent Chartered Engineer and utilization of finance by a Financial Consultant. In this regard DDA appointed Shri Majumdar, ex-D.DG of CPWD as an independent engineer and M/s K. N. Goyal & Co. as Financial Consultant. On the basis of the rates received from the independent chartered engineer and the financial consultant the funds were released by DDA to M/s Emaar MGF Constn. Pvt. Ltd. as under:-

a)	6.5.2009, approval of V.C., DDA dt.5.5.09	Rs.200.00 crore
	through A.O.(Cash)H	
b)	8.7.2009, approval of V.C., DDA dated 6.7.09	Rs.100.00 crore
	through C.A.U.(CWG)	
c)	1.9.2009, approval of V.C., DDA dated 27.8.09	Rs. 50.00 crore
	through A.O.(Cash)H	
d)	19.11.2009, approval of V.C., DDA dated	Rs. 50.00 crore
	13.11.09 through A.O.(Cash)H	
e)	1.1.2010, approval of Hon'ble L.G. dated	Rs.100.00 crore
	31.12.2009 through A.O.(Cash)H	
f)	26.3.2010, approval of High Powered Committee	Rs.228.89 crore
-	through A.O.(Cash)H	

**Total Funds Released** 

Rs.728.89 crore

Balance amount yet to be released amounting to

Rs. 38.00 crore

Before the release of above funds due diligence as stated above was got done by DDA to see that the installments given were being utilized for the project only. The utilization certificate in this regard given by M/s K. N. Goyal & Co. and the physical progress as per the reports submitted by the independent engineer Shri Majumdar.

Due diligence was done by DDA regarding appointment of an independent engineer and a financial consultant to verify the utilization of the money spent and the progress on the ground has enabled the Residential Complex to be completed in time and appreciated by all concerned.

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#### NOTE INDICATING MONITORING ACTIVITIES TAKEN UP BY DDA

#### (I) Status Note on Supervision and Delay in Construction

Despite constant monitoring and facilitation of the project by DDA, the Project Developer was unable to complete the work by 31.3.2010. There were number of reasons for delay in timely completion of the Project due to the unforeseen constraints which were faced by the Project Developer as well as by DDA and these were:-

- 1. Initially the preliminary brief of the Village was given by the Event Knowledge Services (EKS) only on 23.1.2007. The EKS was a consultant appointed by O.C. in consultation with the CWG Federation. The Environment Impact Assessment (EIA) clearance was obtained from the Ministry of Environment & Forests on 14.12.06. The DUAC conceptual approval of the layout plan was received in May 2007 and DUAC approval for the residential component was received on 2.1.2008.
- 2. Part of the land i.e. 31.54 acres of Govt. of UP land required for the Games Village was initially not made available. It was only on 4.4.2007 that Govt. of U.P. agreed to hand over the land to DDA on cost basis.
- 3. There is also a rail corridor adjacent to the CWG Village site. An inspection was held by Commonwealth Games Federation and due to the noise pollution from the rail corridor, O.C. advised DDA to shift the site of the residential accommodation from vicinity of the railway line to the present one behind Akshardham Temple. This led to the change in land use to be processed before construction could be taken up at the new site. Change in land use was finally issued by MOUD on 18.08.2006.
- 4. Due to the change in the residential location, the Akshardham Temple authorities raised issue of height of the residential buildings to be constructed. Therefore, changes in design of the apartments were also taken up and it consumed a lot of time.
- 5. The Games Village complex is situated near the Yamuna river. Some environmental activists agitated that the construction should not be allowed on this site. They filed a PIL in the Hon'ble Delhi High Court. The matter was agitated by DDA before the Hon'ble Court. Though the Hon'ble Delhi High Court did not give a stay on construction of the apartments by the Project Developer but stated in their orders that any construction being undertaken would be at the risk and cost of DDA and the Project Developer depending on the final outcome of the case in the Hon'ble Delhi High Court. DDA however, appealed before the Hon'ble Supreme Court and after DDA's sustained efforts, the Hon'ble Supreme Court stayed vide orders dated 30.07.2009 the orders of the Hon'ble Delhi High Court and allowed DDA/ Project Developer to continue with the work.
- 6. There was worldwide economic recession in the beginning of year 2009. The repercussion on the Real Estate industry was the maximum. Moreover, due to Delhi High Court's orders of 'construction at their peril', the existing buyers stopped paying their installments. There was total reluctance by the purchasers to make the payment and scale down of purchase of flats by the new buyers affecting the PD's financial resources. It was at this moment of time that the Project Developer showed his inability to finance the project further as there was a cash flow crunch due to which he was not able to pay to the sub-contractors and hence the labour force working at the Games Village site was reduced from

9000 approx. to barely 800 within a span of three months. Hence various options for timely completion of project were considered. Finally it was decided to exercise the option of purchase of apartments from the Project Developer at an agreed price. This would also ensure additional safety to DDA as DDA would acquire the right to enforce performance also as buyer of the apartments. A valuation committee was constituted by DDA for determining the price at which the flats should be purchased from Project Developer. Accordingly, it was decided to purchase 333 apartments from the Developer at a cost of Rs.767 crore.

- 7. As per the Project Development Agreement, the project developer was to complete the residential facility by March 31, 2010 and hand over to DDA for use as accommodation for athletes during the Commonwealth Games 2010. However the Project Developer was unable to complete the project in stipulated time and there were still many finishing works pending even till September, 2010. DDA being a partner in the project and in the right earnest made all efforts to ensure completion of the project in time including financial assistance. The good faith, assistance and spirit of DDA was not reflected by Project Developer, who continued with his slow work. DDA constantly brought to the notice of Project Developer the delay in completion of work through various notices issued to PD from time to time at all stages in the project.
- 8. Meanwhile, the Project Developer had achieved milestone 7 in time. This included all civil and electrical works except all development works including landscaping and completion of the project in terms of Project Development Agreement. But thereafter the progress of the work slowed down. It was observed by DDA, that due to the ongoing dispute between Project Developer and his sub-contractor the work on site had slowed down considerably. However despite repeated requests by DDA and to resolve the matter and complete the project on time, the dispute continued.
- 9. Since there were many other works such as furnishing of towers, dry run etc to be done after taking over of the residential complex and hence DDA was left with no other option but to take over the residential facility with defects which was more in the shape of operational deficiencies, augment the resources of Project Developer and even take over some works on behalf of Project Developer. At the time of taking over the flats from Project Developer, it was found that the towers had many operational deficiencies. Even glasses were not fixed in many living rooms, windows and balcony railings. The deficiency list was provided to Project Developer for rectification.
- 10. It was decided in the meeting of committee of secretaries held on 17<sup>th</sup> Feb. 2009 that furnishing of rooms in Games Village will be the responsibility of ITDC. It was only from June onwards that ITDC started placing the furniture in the apartments. DDA started taking over the towers from the Project Developer from 21.6.2010 (with defects as already mentioned above) in order to facilitate ITDC to place the furniture in the apartments. It was on 06.8.2010 that the last 6 towers were handed over by DDA to ITDC for furnishing, though simultaneously the rectification work also continued by the Project Developer to make-up for the lost time/ delays.
- 11. Though the initial handover of towers to OC started on 24.07.10 and 9 towers were handed over to them by 31.07.10, keys of the flats were handed over to OC on 6<sup>th</sup> August (Tower 1-9), on 19<sup>th</sup> August (Tower 10-17) and 30<sup>th</sup> August (Tower 18-34). Inadequate staff available with OC could not control the work undertaken by multiple agencies and their labour working in various towers like OC's own overlays work, technology, security, communication, housekeeping, apart from the labour of Project Developer and ITDC.
- 12. In addition, from August, 2010 onwards the monsoon in Delhi till September were unprecedented which not only led to water logging in the residential and other areas of the Games Village but also severely hindered completion, rectification and cleaning works.

- 13. To control the situation, with the intervention of Hon'ble LG office, OC staff was supplemented with retired Junior Commissioned Officers (JCOs) to manage the keys on behalf of OC. Security agencies were deployed by DDA to control the thefts and unwarranted movement of labour. To expedite the rectification work, 60 nos. of Assistant Engineers/Junior Engineers/Mates along with 3 Executive Engineers were deployed till 23rd September 2010. Further about 30 Engineers i.e. Ees, Aes & Jes were also engaged by the Chief Engineer (NZ), DDA for helping 3 colonels deputed by Defence for the completion of unfinished work, removal of defects and faults in towers.
- 14. Housekeeping staff of OC was also found inadequate to undertake the work of cleaning of the apartments and other areas. To salvage the situation, DDA and the office of Hon'ble LG again supplemented the efforts of OC to clean up the area by employing professional agencies. In addition, 1363 nos. of Beldars/Safai Karamcharis along with supervisory staff were also engaged for surface leveling, cleaning of the area and cleaning of basement in the residential zone. In addition 35 Tractor Trolleys, 12 JCBs were employed till September 2010 and for 8 days water sucker machines were also used for de-watering from the surface as well as from the basement. These efforts were further supplemented by Delhi Govt., MCD, NDMC, MES for cleaning, rectification and housekeeping of the towers to make the stay comfortable for the athletes. During the games also, skilled labour i.e. electricians, plumbers, carpenters and sewermen from MES, PWD, DDA and CPWD were deployed apart from the labour of Project developer on the towers under the overall supervision of senior officers of DDA and Delhi Govt. who were nominated as in charge of towers.
- 15. The coordinated efforts of the entire govt. machinery made the Games Village as one of the best Games Village in the history of Commonwealth Games. It was widely appreciated by the athletes, games officials and the guests.

Meanwhile, action has been initiated against the Project Developer under the provisions of the Project Development Agreement for non completion of the project in time. Liquidated damages were levied and the performance security of Rs.183 Crores was invoked out of which Rs.90 Crores have been encashed as the Project Developer approached the Hon'ble Delhi High Court and obtained interim order. The matter is subjudice at present. A Technical & Quality Audit Committee was constituted by DDA to ascertain structural and qualitative deficiencies in the execution of the entire project. The report has been submitted and remedial measures are being undertaken accordingly.

#### Role of DDA in Monitoring the construction of the Commonwealth Games Village

The main role of the DDA was to monitor the project and to oversee its timely completion. Since the project was stipulated to be completed by March 2010, starting September 2007, very strict timelines were given and DDA made all efforts to ensure timely completion of the project. The project was monitored regularly at all levels during the entire duration of the contract. Following are the details of the monitoring mechanism for the Project:

#### i. Monitoring arrangement as per Project Development Agreement

**Monitoring committee:** As per clause 5 of PDA, a monitoring committee consisting of 1 representative each from DDA, Project Developer and a third independent member jointly elected by the two members (a retired DG (W) of CPWD) was responsible to monitor the progress of the residential project on a monthly basis. Accordingly, the committee was constituted on January 30, 2008. The Monitoring committee met every month to review the progress of the project, resolve any issues, facilitate work on the project and record completion of milestones.

The monitoring committee was also responsible for certifying the completion of Project Milestones. To ensure proper monitoring and timely completion of this time bound project, the project was broken down into 9 discrete milestones. The same was stipulated in the Project Development Agreement as at Schedule III.

35 meetings of Monitoring Committee were held during which the Committee constantly reviewed the project progress, resolved various issues raised by Project Developer, DDA & certified completion of 7 milestones.

#### ii. Further monitoring by DDA

- a) Stadia Committee: Apart from monitoring committee, stadia committees were constituted vide office order no F.1[22]/PC/CWG/08/827 dated 24-12-2008 by DDA to facilitate coordination and address any issues between external and site agencies like PD, other agencies, contractors, OC, Police, DJB, BSES, MCD, PWD, Telecom, MTNL, TCIL & other regulatory bodies. Stadia committee for residential project reviewed the project every 3 weeks initially and later weekly till August 2010 and afterwards daily reviews were held to make the village fully functional. These committees were chaired by Principal Commissioner (CWG).
- b) Site coordination committee: Site Coordination committee was constituted by DDA to address any coordination issues amongst different agencies employed by DDA on site. The coordination committee met every week and reviewed the project. However the site coordination committee was later integrated into the stadia committee as games drew near and close coordination between internal and external agencies was required as the project was progressing fast. Since then, stadia committee started meeting every week.
- c) High Powered Committee: With a view to ensure speedy solution to all issues related to Commonwealth Games project and to recommend policy decisions to expedite the progress, a High Powered Committee under the chairmanship of Finance Member, DDA was constituted by DDA on 25.01.06 and revised on 23.11.07. High Powered committee meetings were held regularly to facilitate any complex issues arising of the project. Some of the complex recommendations made by High Powered Committee include extension of milestones 1& 2 and later 3 & 4, rejection of request for extension of milestones 5 & 6, recommendation for financial assistance to PD etc.
- d) Progress review by Vice Chairman, DDA: Apart from monitoring by various committees, Vice Chairman DDA also conducted periodic reviews to address any issue and facilitate any decision at higher levels. During the later stages of the project, VC, DDA conducted daily reviews to expedite work on the Games Village and make it fully functional.

#### iii. Regular progress review by Higher Authorities

Apart from the regular progress monitoring, the progress of the report was constantly reviewed by –

- Hon'ble LG
- Committee of Secretaries chaired by Cabinet Secretary
- Secretary, Ministry of Urban Development
- Secretary, Ministry of Youth Affairs and Sports

#### iv. Following reports were submitted by DDA to higher authorities

- Monthly report.
- Tata Consultancy Services (TCS) report: Initially monthly and later weekly was sent to Ministry of Sports directly with a copy to all stakeholders.
- Weekly reports

The monitoring mechanism for the project ensured regular progress & quality monitoring and facilitation of project work at all levels by addressing issues faced during the execution of the project. The strict monitoring continued throughout the execution of the contract. During the last quarter before the games, close monitoring was taken on a daily basis. For the residential component, the progress was even monitored on a real-time basis in each tower by DDA. For this purpose, DDA deployed its team of engineers, men and machine under the overall supervision of senior officers of DDA.

#### **Delay in Project Completion:**

PD failed to complete the project in time. There were certain unfinished works and pre-completion defects.

- Operational deficiencies in flats: The flats handed over by PD had certain defects in them, which were to be rectified before the games in order to make the flats livable. DDA had to intervene and supplement PD's work to rectify the defects.
- Furnishing by ITDC:- ITDC was entrusted with the responsibility of furnishing of apartments. However there were delays in arrival of furniture, issues about quality of furniture and issues about dirty conditions of the flats left by ITDC workers.
- Multiple agencies on site and inter dependencies: There were several agencies working on site and there were delays due to late entry of certain agencies like OC overlays, Communication, Technology, Dining Facility etc.
- **Unprecedented rains:** Year 2010 experienced incessant rains which significantly hampered the project completion work, particularly in the final stages.

#### DDA's efforts

The efforts made by DDA to ensure that the residential facility is completed on time.

- I. Partner's role: DDA has played a partner's role in the PPP project and supporting PD at all steps including providing financial assistance, facilitating the project at various steps, undertaking works such as landscaping, site leveling, dewatering of basements on behalf of PD etc. DDA's crucial support ensured that the project was brought to a livable standard in time for the Games.
- II. **Constant coordination and facilitation** between various agencies such as OC, ITDC, Police, Delhi Jal Board, BSES, DTC, transport, MCD, TCIL, ECIL, MTNL, Broadcasting, overlays etc through weekly and daily meetings

DDA played a proactive role in expediting the project by coordinating with BSES and DJB for supply of electricity & water and other statutory clearances, with fire department etc to expedite licenses for lifts and fire safety clearances etc.

- III. **Constant monitoring and reporting**: As detailed above, the project was constantly monitored and reported by DDA. The constant monitoring and reporting by DDA helped expedite the project completion and facilitated project progress at all steps.
- IV. **Human Resource augmentation:** Human Resource Augmentation by DDA includes the following:
  - Deployment of Security agencies
  - Deployment of engineers, men and machinery to expedite the defects rectification & completion of unfinished works in towers
  - Along with Delhi Govt., MCD, NDMC, MES supplemented OC's housekeeping staff
  - During the games, deployed skilled labour i.e. electricians, plumbers, carpenters and sewermen from MES, PWD, DDA and CPWD under the overall supervision of senior officers of DDA and Delhi Govt. who were nominated as incharge of towers.

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#### **STANDING COMMITTEE ON URBAN DEVELOPMENT (2011-2012)**

# MINUTES OF THE FOURTH SITTING OF THE COMMITTEE HELD ON THURSDAY, 22<sup>nd</sup> MARCH, 2012

The Committee sat from 1500 hrs. to 1645 hrs. in Main Committee Room Parliament House Annexe, New Delhi.

#### **PRESENT**

Shri Sharad Yadav - Chairman

#### **MEMBERS**

#### LOK SABHA

- 2. Praveen Singh Aron
- 3. Smt. J. Helen Davidson
- 4. Smt. Priya Dutt
- 5. Prof. (Dr.) Ram Shankar Katheria
- 6. Dr. Kirodi Lal Meena
- 7. Shri Bhupendra Singh
- 8. Shri Umashankar Singh

#### **RAJYA SABHA**

- 9. Shri P. Bhattacharya
- 10. Shri Parvez Hashmi
- 11. Shri Avinash Pande
- 12. Dr. Bhalchandra Mungekar

#### **SECRETARIAT**

1. Shri T.K. Mukherjee - Joint Secretary

2. Shri R.K. Jain - Director

Smt. J.M. Sinha
 Smt. K. Rangamani N.
 Deputy Secretary
 Under Secretary

2. At the outset, the Hon'ble Chairman welcomed all the Members o	f the
Committee. The Committee then took up for consideration the draft Report on a	ection
taken by the Government on the observations/recommendations contained in	n the
14th Report (Fifteenth Lok Sabha) of the Committee on Demands for Grants (2	2011-
12) of the Ministry of Urban Development. After detailed deliberations	, the
Committee adopted the report with slight modifications. The Committee,	then
authorized the Chairman to present the Report to the Houses of Parliament.	

3. \*\*\* \*\*\* \*\*\*

4. \*\*\* \*\*\* \*\*\*

The Committee then adjourned.

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<sup>\*\*\*</sup>Matters not related to this Report.

### [Vide para 4 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE FOURTEENTH REPORT OF THE STANDING COMMITTEE ON URBANDEVELOPLMENT (FIFTEENTH LOK SABHA)

I.	Total number of recommendations	14
II.	Recommendations/Observations which have been accepted by the Government:	6
	Recommendation Nos.1,2,5,6,11,13	
	Percentage to total recommendations	(42.85%)
III.	Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies:	- Nil -
	Percentage to total recommendations	( 0%)
IV.	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:	7
	Recommendation No. 3,4,7,8,9,12,14	
	Percentage to total recommendations	(50%)
V.	Recommendations/Observations in respect of which final replies of the Government are still awaited:	1
	Recommendation No. 10	
	Percentage to total recommendations	(0.07%)