

**22**

**STANDING COMMITTEE ON  
URBAN DEVELOPMENT  
(2012-2013)**

**FIFTEENTH LOK SABHA**

**MINISTRY OF HOUSING AND URBAN  
POVERTY ALLEVIATION**

**DEMANDS FOR GRANTS  
(2012-2013)**

*[Action Taken by the Government on the Recommendations contained in the  
Nineteenth Report (Fifteenth Lok Sabha) of the Standing Committee on  
Urban Development on Demands for Grants (2012-2013) of the  
Ministry of Housing and Urban Poverty Alleviation]*

**TWENTY-SECOND REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*December, 2012/Agrahayana, 1934 (Saka)*

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URBAN DEVELOPMENT  
(2012-2013)

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Ministry of Housing and Urban Poverty Alleviation]*

*Presented to Lok Sabha on 05.12.2012*

*Laid in Rajya Sabha on 05.12.2012*



LOK SABHA SECRETARIAT  
NEW DELHI

*December, 2012/Agrahayana, 1934 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON  
URBAN DEVELOPMENT (2012-2013)

Shri Sharad Yadav — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Praveen Singh Aron
3. Shri Jayawant Gangaram Awale
4. Shri Ambica Banerjee
5. Shri Biren Singh Engti
6. Shri Anant Gangaram Geete
7. Smt. Kaisar Jahan
8. Shri Kailash Joshi
9. Shri Bapi Raju Kanumuru
10. Shri Mohinder Singh Kaypee
11. Shri Ramesh Kumar
12. Shri Yadav Anjan Kumar M.
13. Shri P.C. Mohan
14. Dr. Sanjeev Ganesh Naik
15. Shri Sonawane Pratap Narayanrao
16. Dr (Prof.) Prasanna Kumar Patasani
17. Dr. Ramshankar
18. Shri Ratansingh
19. Vacant
20. Vacant
21. Vacant

*Rajya Sabha*

22. Shri Shashi Bhusan Behera
23. Shri Anil Desai
24. Shri Md. Nadimul Haque
25. Shri Parvez Hashmi

26. Shri Faggan Singh Kulaste
27. Shri Avinash Pande
28. Shri Ajay Sancheti
29. Shri Amar Singh
30. Shri Khekiho Zhimomi
31. Vacant

SECRETARIAT

- |                    |   |                            |
|--------------------|---|----------------------------|
| 1. Shri R.K. Jain  | — | <i>Joint Secretary</i>     |
| 2. Shri D.S. Malha | — | <i>Director</i>            |
| 3. Smt. J.M. Sinha | — | <i>Deputy Secretary</i>    |
| 4. Shri Raj Kumar  | — | <i>Executive Assistant</i> |

## INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2012-2013) having been authorized by the Committee to submit the Report on their behalf, present this Twenty Second Report (15th Lok Sabha) on the action taken by the Government on the recommendations contained in the Nineteenth Report (15th Lok Sabha) of the Standing Committee on Urban Development on the Demands for Grants (2012-2013) of the Ministry of Housing and Urban Poverty Alleviation.

2. The Nineteenth Report was presented to Lok Sabha on 25th April, 2012. Replies of the Government to all the recommendations contained in the Report were received in July, 2012.

3. The Standing Committee on Urban Development considered and adopted this Report at their sitting held on 06th November, 2012.

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

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

NEW DELHI;  
30 November, 2012  

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9 Agrahayana, 1934 (Saka)

SHARAD YADAV,  
Chairman,  
Standing Committee on  
Urban Development.

## CHAPTER I

### REPORT

This Report of the Standing Committee on Urban Development (2012-2013) deals with the action taken by the Government on the recommendations contained in their Nineteenth Report (Fifteenth Lok Sabha) on Demands for Grants (2012-13) of the Ministry of Housing and Urban Poverty Alleviation which was presented to Lok Sabha on 25 April, 2012.

1.2 Action Taken Notes have been received from the Government in respect of all 8 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, 7, 8

(Total-05)  
(Chapter-II)

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

Recommendation No. 0

(Total-Nil)  
(Chapter-III)

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

Recommendation Nos. 3, 4, 6

(Total-03)  
(Chapter-IV)

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

Recommendation No. 0

(Total-Nil)  
(Chapter-V)



1.3 The Committee desire that specific replies to the comments contained in Chapter-I of this Report 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)

#### Concurrent Evaluation of SJSRY

1.5 The Committee had recommended as under:—

“The Committee during examination of Demands for Grants (2011-12) observed that the concurrent evaluation of SJSRY which is being done only in one State from each region, had recommended that this should be extended across the whole country. However, the action taken reply also did not reflect any positive response on the issue.

This year when the Committee asked a follow up question about the concurrent evaluation of SJSRY, the Ministry in their written reply submitted that the concurrent evaluation process is in progress in 5 selected States. The improvements/shortcoming in implementation of the scheme will be assessed once the final report of the study is available. The Committee are dismayed to note that such an important recommendation of the Committee has not been adhered to by the Ministry.

While the Ministry is getting ready to launch National Urban Livelihood Mission (NULM), the Committee fail to understand what had restricted the Ministry from extending this “concurrent evaluation to the whole country”. The Committee are of the strong view that the ambit of concurrent evaluation of SJSRY should be extended to all other States and Union Territories, then only, the improvements/shortcomings in implementation of scheme can be assessed in real sense. This will help in implementing NULM in a better way. Also while conducting concurrent evaluation of the SJSRY Scheme, the Ministry should collect statistics about the number of beneficiaries that have been assisted for setting up of individual micro enterprises/group enterprises after training and got employment during the last three years.”

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

“A concurrent evaluation of Swarna Jayanti Shahari Rozgar Yojana scheme is currently being conducted by independent agencies in selected 5 States namely, Karnataka, Uttar Pradesh, Rajasthan, West Bengal and Haryana. As the Ministry has proposed to upscale the existing Swarna Jayanti Shahari Rozgar Yojana into National Urban Livelihood Mission (NULM) in the 12th Five Year Plan, the scope of concurrent valuation would be extended to other states after studying the results of the current exercise, if required. Alternatively, a full scale evaluation of the scheme will be undertaken.”

1.7 The Committee are distressed to note that one of their very important recommendations to extend the ambit of concurrent evaluation of SJSRY to all States and Union Territories has not been implemented by the Ministry. They are given to understand that the concurrent evaluation is being conducted by independent agencies in selected 5 States. Even after up scaling the SJSRY to NULM, in the 12th Plan, the scope of Concurrent Evaluation would be extended to other States after studying the results of the current exercise if required.

The Committee cannot understand the reasons as to why the Ministry is not taking their recommendation seriously. They are of the view that only sample implementation of their recommendation in 5 States will not serve any useful purpose. The efficacy of the scheme could be ascertained if it is evaluated on the national level. Hence, the Committee deplore this callous attitude of the Ministry towards their recommendation and reiterate the recommendation of extending the “concurrent evaluation to the whole country” and collecting the statistics about the number of beneficiaries assisted through SJSRY scheme in setting up of individual micro enterprises/group enterprises and gaining employment during the last three years.

#### **Recommendation (Serial No. 4)**

##### **National Urban Livelihood Mission (NULM)**

1.8 The Committee had recommended as under:—

“The Committee are given to understand that the current SJSRY, which has so far been the only programme which is run in the country for assisting the urban unemployed youth in getting gainful

employment, will now be covered under National Urban Livelihood Mission on the pattern of National Rural Livelihood Mission (NRLM).

The Committee have been informed that under NULM, in every municipality, irrespective of the size of the municipality, a small programme management unit will be set up with some financial support from the Central Government. The Committee note that unlike SJSRY, efforts are being made to provide that training providers will ensure employment guarantee for around 72-80 per cent of the people they are training which will be verifiable after six months.

The Committee are apprehensive about the future of those trainees, in case their services are discontinued by the training providers after the stipulated period of 6 months. Considering the above facts the Committee recommend that at the stage of selection of training provider its capacity to induct at least 80 to 90 per cent of trainees per year for next five years should be ensured. Also, for those trainees who will be employed by the service provider, the verification should be done after every six months, for two consecutive years."

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

"Skill Training for the urban poor under the existing Swarna Jayanti Shahari Rozgar Yojana/proposed NULM is meant for facilitating both self employment and wage employment opportunities for the urban poor. It has been experienced that in small towns due to lack of market based job opportunities, urban poor are primarily engaged in informal sector through self employment. Prospective employers/job opportunities with private sector are not available in all town/cities. Hence, in smaller towns, skill trained urban poor may opt for self employment due to lack of availability of wage employment.

Under the proposed NULM, efforts will be made to link training to placement in remunerative jobs/enterprises. Selection of marketable trades, competent skill training providers and certification that have national/State recognition are the keys to the success of a skills training programme, as the same will ensure absorption of the trained persons into the local industry. Hence, for the purpose of skills training with placement in remunerative jobs, States will be suggested to select skills training agencies through a transparent selection process for conduct of proper training and at least 70% placement in remunerative jobs."

1.10 The Committee are aware that in smaller towns, skilled urban poor may opt for self-employment due to lack of availability of wage employment. The Committee strongly feel that the beneficiaries who opt for self-employment need protection and hence be followed up for quite some time by a dedicated team of officials so as to ensure the smooth functioning of their ventures.

Moreover, as regards wage employment of beneficiaries under NULM, the Committee are of the view that instead of suggesting at least 70% placement in remunerative jobs by skill training agencies under NULM, the Ministry may consider to make this provision mandatory.

The Ministry's silence on the issue of verification of trainees for two consecutive years after being employed by the training provider surprises the Committee. While reiterating their earlier recommendation, the Committee want to be informed in this regard periodically.

#### Recommendation (Serial No. 6)

##### Rajiv Awas Yojana (RAY)

1.11 The Committee had recommended as under:—

“Rajiv Awas Yojana is aimed at making India slum free based on Slum free State and Slum free City Plans. RAY envisages creating a slum free India by encouraging States to assign property rights to slum dwellers. However, the Committee find that there is no allocation for RAY under current financial year.

This is reflecting upon the callous attitude of Central Government towards implementation of various schemes and policies. Since, RAY is not a normal Housing Scheme, rather, it is the reflection of Governments' vision for improving urban growth through making slum free States and cities and giving property rights and through RAY Central Government is attempting to bring back to life the two housing schemes namely, Affordable Housing Scheme and Interest Subsidy Scheme of Housing for the Urban Poor (ISHUP) that have not performed well till date. The Committee therefore want that adequate care should be taken by the Ministry to ensure that RAY does not face the same problems which earlier schemes *viz.* ISHUP and IHSDP experienced. The Committee further desire that before finalization of RAY the Government should consult the various stakeholders to make it practicable.”

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

“The Rajiv AwasYojana (RAY) is of the nature of Additional Central Assistance (ACA). This year for RAY Rs. 1533.50 crore ACA has been allocated under the Demand No. 35 of Ministry of Finance and Demand No. 56 of the Ministry of Home Affairs. Under the Demand No. 57 of the Ministry of Housing & Urban Poverty Alleviation Rs. 30.00 crore has been allocated for Rajiv Awas Yojana (RAY), out of which Rs. 27.58 crore is apportioned for Capacity Building and Preparatory Activities.

The strategy for implementation of RAY is based on the learning’s from JNNURM (BSUP) and IHSDP. RAY proposes flexibility to the States and ULBs to plan their pace of implementation and models for arranging land, resources, housing, and partnerships. A ‘whole city’, ‘all slums’ approach has been adopted, in keeping with the goal of slum free cities under RAY.”

**1.13 From the action taken replies, the Committee observe that funds have been allocated to RAY under different demands. Under three Ministries Rs. 1533.50 crore has been allocated under Demand No. 35 of the Ministry of Finance and Demand No. 56 of the M/o Home Affairs. Under Demand No. 57 of the Ministry of Housing and Urban Poverty Alleviation Rs. 30.00 crore has been allocated. The Committee understand that the RAY is based on the learning from JNNURM (BSUP) and IHSDP which were under the administrative control of the Ministry of HUPA which will be implementing the schemes under RAY. The Committee fail to understand the rationale behind allocation of funds under different Demands and different Ministries.**

**The Committee are of the view that such multiplicity of agencies may hamper the proper implementation and monitoring of the scheme. Hence such multiplicity should be avoided in future allocations for RAY and other schemes being implemented by Ministry of Housing & Urban Poverty Alleviation.**

## CHAPTER II

### OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

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

#### **Lesser Allocation of Funds by Planning Commission and Underutilization of Funds by the Ministry**

The Committee observe that housing shortages at the beginning of 11th Plan was 24.71 million household. This is likely to go up to 26.53 million by the end of 11th Plan period 2011-12. Urban poverty in India remain high at over 25 per cent. The incidence of decline of urban poverty has not accelerated with GDP growth. Hence, as the urban population in the country growing, so is the urban poverty. Thus, the task of housing the poor and alleviation of poverty is a challenging task. Against this backdrop, the Committee note that during the entire 11th Plan the allocation at BE is far less than the projections made by the Ministry and at the RE stage, it has been further reduced. The proposed 12th Plan outlay is Rs. 27628.00 crore. Against that the allocation for 2012-13 is Rs. 1155 crore. The percentage allocation for the current year against the total 12th Plan is 4.18 per cent. Planning Commission will be allocating the remaining 95.82 percentage during the remaining four years.

The percentage variation over BE 2011-12 and 2012-13 is only 5% and the percentage variation over RE 2011-12 and BE 2012-13 is only 5.26 per cent. Further the percentage of Ministry's budget allocation against the total Central Government's budget has been decreasing.

The Committee further observe that during the 12th Five Year Plan, the Ministry would be starting three new schemes namely, National Urban Livelihood Mission (NULM), Scheme for Urban Homeless and Street Vendors Scheme. In comparison to BE of 2011-12 the BE for all the major schemes of the Ministry reveals that except for SJSRY, the allocation for the remaining schemes has been lessened or remained the same.

Taking into account the task, functions and nobility of the work which is devolving on the Ministry of Housing and Urban Poverty Alleviation in a big way and keeping in view the financial allocations

made, the Committee express its regret and strongly recommend to Planning Commission that this kind of allocation should not be practiced in case of allocations for Ministry of Housing and Urban Poverty Alleviation. They want that the allocations projected for the 12th Plan period may be evenly placed at the disposal of the Ministry so that projects are commissioned in the beginning of the Plan period and do not remain in waiting till the end of the Plan. Otherwise, the lofty objectives which the Ministry is supposed to fulfil will be derailed.

The Committee further observe that it is not only the lesser allocation of fund by the Planning Commission and Finance Ministry, which is resulting in poor performance of various schemes of the Ministry, the underutilization of allocated funds have also added to the problem. The underutilization of funds during past five years is conspicuous. The Committee can easily draw the inference that while on the one hand the Ministry of Housing and Urban Poverty Alleviation has demanded the larger allocation of funds for successful implementation of various schemes, their actual performance shows that they have not been able to completely utilize the amount allocated to them. Thus, the onus also lies on the Ministry to utilize the funds fully and that too in time to avoid reduction in allocation.

The Committee, therefore, strongly recommend that the Ministry should pursue with the Planning Commission and Ministry of Finance for better funding in the coming financial years and utilization of the allocated amount. The Committee further recommend that no financial cut should be imposed on the Ministry at the RE stage. While recommending higher allocation, the Committee would like the Ministry to strive for better implementation which would justify their demand for an increased allocation for various programmes being implemented by them.

### **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 12th Five Year Plan have been noted. As regards budgetary allocation, the Ministry had projected a requirement of Rs. 2835.48 crore for the Annual Plan 2012-13 to Planning Commission. The Planning Commission has allocated Gross Budgetary Support of Rs. 1155 crore for the Annual Plan 2012-13.

As regards, enhancement of adequate budgetary allocation to the Ministry, the matter will be taken up with the Planning Commission and Ministry of Finance at revised estimate/supplementary stage. The Ministry will also bring to the notice of Planning Commission and Ministry of Finance of the views expressed by the Hon'ble Committee.



It is further submitted that most of the schemes of the Ministry are demand driven and utilization of the allocated budget depends upon the ability of the State to submit requisite proposals for release of funds with Utilization Certificates and required Matching State Share. Ministry has been consistently persuing with States/UTs through Review meeting with State Secretaries, fields visit, monitoring of progress reports, capacity building workshops etc.

The views of the Hon'ble Committee to impress upon Planning Commission & Ministry of Finance to allocate adequate funds to the Ministry for effective implementation of the Schemes have been noted and will be taken up at RE/Supplementary stage depending upon the trend of pace of expenditure.

However, a DO letter dated 24th July, 2012 has been written to Secretary, Planning Commission, conveying the concerns of the Hon'ble Committee with the request to allocate adequate funds for the coming Financial Years.

#### **Recommendation (Serial No. 2)**

#### **Swarna Jayanti Shahari Rojgar Yojana (SJSRY) Compilation and Maintenance of data on Gainful Employment by NBO**

2.3 The basic objective of SJSRY is urban poverty alleviation through gainful employment to the urban unemployed or underemployed poor by encouraging them to set up self-employment ventures (individual or group), to support their sustainability to undertake wage employment.

In the year 2011-12 a total 3,63,794 beneficiaries have been assisted by providing training to them. The achievement of SJSRY in terms of both physical and financial appears to be very impressive. But, when the Committee asked during the course of oral evidence about the number of trainees that have been gainfully employed after the training, the Secretary, Ministry of Housing and Urban Poverty Alleviation accepted that no such data is being maintained under SJSRY. The Committee strongly feel that without data, it would be difficult to monitor the programme and do necessary modifications to bring forth improvements in its implementation.

The Committee are of the view that National Building Organisation (NBO), an attached office of the Ministry of Housing and Urban Poverty Alleviation, that has been functioning as an apex organisation



in the country for collection, tabulation and dissemination, of statistical information on housing and building construction activities, can be assigned the job of maintaining statistics of generation of employment, number of gainfully employed trainees and fund utilized for such employment generation.

The Committee also desire that a mandatory provision be made in the NULM for maintaining record of the information of employment generated by the Ministry of Housing and Urban Poverty Alleviation to make their effort fruitful.

### **Reply of the Government**

2.4 The recommendation of the Hon'ble Committee regarding assigning the job of maintaining statistics of generation of employment, number of gainfully employed trainees and fund utilized for such employment generation under SJSRY to NBO and making provision in the National Urban Livelihood Mission (NULM) for maintaining record of the information of employment generated have been noted.

### **Recommendation (Serial No. 5)**

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

2.5 The Committee are happy to note that the definition of sanitation worker has been expanded to include the sanitation workers conducting sewer cleaning and pit cleaning activities also. The Committee observe that a new survey is to be conducted to know the current status of 'Manual Scavenging practice' in India. The Committee recommend that those organizations that have raised the objections to the earlier survey should also be consulted during the course of proposed new survey. Also, every effort should be made by the Central Government to ensure the collection of authentic data. The Committee also desire that the Ministry of housing and Urban Poverty Alleviation should implement the mandate of completing the balance work, which is remaining on the basis of earlier survey within this financial year only.

### **Reply of the Government**

2.6 This Ministry has sanctioned projects for conversion of all reported 2,51,963 dry latrines into twin pit pour flush latrines in the State of Bihar, Uttar Pradesh, Uttarakhand, Jammu and Kashmir, Nagaland and Tripura and construction of 1,55,937 new sanitary toilets in the State of Bihar, Chhattisgarh, Jammu & Kashmir, Jharkhand,

Kerala, Odisha, Madhya Pradesh, Maharashtra, Manipur, Nagaland, Rajasthan, Tripura and West Bengal. The States which have earlier reported dry latrines in existence have now confirmed that there are no dry latrines remaining in their States. The States have not so far approached Government of India with new demand for conversion of dry latrines. Revised scheme of ILCS, 2,51,963 units pertaining to conversion of dry latrines into sanitary ones has been completed. Out of 1,55,937 toilets sanctioned to EWS beneficiaries who have no toilets, the progress has been slow and near-about 1,49,000 units are states to be in progress. It is anticipated that during the current financial year, the balance work would be executed and majority of the task completed.

The fresh survey of manual scavengers thus covering remaining dry latrines being undertaken by the Ministry of Social Justice has not yet begun. However Census of India 2011 has brought out that nearly 2,08,000 toilets in urban areas still exist wherein night soil is removed by the humans. Considering this revelation, the Government of India is taking a call whether Ministry of HUPA should continue with Integrated Low Cost Sanitation (ILCS) scheme during the 12th Plan period or a comprehensive sanitation programme for urban areas including mechanical cleaning of sewers and septic tanks and conversion of individual dry latrines, if any, among the EWS households should be taken up by Ministry of UD as the subject of sanitation falls within the allocation of business pertaining to that Ministry.

#### **Recommendation (Serial No. 7)**

##### **Affordable Housing Scheme**

2.7 Affordable Housing Scheme is an important programme of the Ministry. The Committee observed that though this programme was supposed to bring in investment in the sector, it has not taken off well. Under this scheme, the private sector developer is given a financial support of Rs. 50,000 per house or 25 per cent of the infrastructure cost whichever is less. The Committee are of the view that incentives under this programme are too meagre to attract private builders.

With regard to implementation of this scheme by States, the Committee have come to know about the success achieved by Rajasthan Government. The success of Rajasthan Government is attributed to providing a lot of other facilities like some Floor Area Ratio (FAR) facilities, Floor Space Index (FSI) facilities, Transferable Development Right (TDR) facilities, rebate in the local taxes, etc., to private builders, so that it is attractive for them.

The Committee recommend that affordable housing programme should be modified on the pattern of Rajasthan to a certain extent. However, The Committee further feel that the concept of affordable housing which requires support of the Government both for private developer and the beneficiaries who are generally very poor, is required to be redefined including financial parameters so as to make it successful.

### **Reply of the Government**

2.8 Housing is a State subject. The creation of affordable housing by the private sector is dependent on a number of factors like availability of cheap developed land, fast-track approval systems, flexible planning norms and other incentives like extra FAR, rebate on stamp duty etc. The role of the Central Government is to create a facilitative enabling policy environment and also advocate with the States to do the same. On its part, the National Housing & Habitat Policy-2007 has sought to do so. As regards Affordable Housing in Partnership Scheme, the action to be taken at the State Level in the form of incentives etc. has been advocated in the scheme guidelines. The financial parameters of the scheme are being redefined in consultation with all the stakeholders to make it more attractive for the private sector, where in the recommendation of the Standing Committee will also be factored in.

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

#### **Issue of Subsidy Financial Help under various schemes of the Ministry Like ISHUP, IHSDP etc.**

2.9 Under ISHUP 5% of interest subvention to a loan upto Rs. 1 lakh is provided to the beneficiary with Central Government subsidy for acquisition of houses as also for construction or acquisition of new house to EWS/LIG persons. The size of the housing being 25 square meters in the case of EWS and 40 square meters in case of LIG.

The Committee, keeping the present scenario in mind, are of the opinion that a financial help of Rs. 1 lakh is very less, as in most of the cities and towns the cost of Housing has gone up. Thus, the Committee recommend that under ISHUP the loan amount should be raised from 3 lakhs to Rs. 5 lakhs with subsidy of 5 per cent on interest charged on loan depending on the type of the city.

### **Reply of the Government**

2.10 The scheme was implemented as on pilot basis in 11th Five Year Plan. The Ministry is now proposing to launch the scheme in its revised form to be implemented in the 12th Five Year Plan. The scheme is being revisited and reconceived keeping in mind all the pitfalls encountered while implementing the new scheme and recommendations of the Standing Committee.

**CHAPTER III**

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

-Nil-

## CHAPTER IV

### OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND REQUIRE REITERATION

#### **Recommendation (Serial No. 3)**

##### **Concurrent Evaluation of SJSRY**

The Committee during examination of Demands for Grants (2011-12) observed that the concurrent evaluation of SJSRY which is being done only in one State from each region, had recommend that this should be extended across the whole country. However, the action taken reply also did not reflect any positive response on the issue.

This year when the Committee asked a follow up question about the concurrent evaluation of SJSRY, the Ministry in their written reply submitted that the concurrent evaluation process is in progress in 5 selected States. The improvements/shortcoming in implementation of the scheme will be assessed once the final report of the study is available. The Committee are dismayed to note that such an important recommendation of the Committee has not been adhered to by the Ministry.

While the Ministry is getting ready to launch National Urban Livelihood Mission (NULM), the Committee fail to understand what had restricted the Ministry from extending this “concurrent evaluation to the whole country”. The Committee are of the strong view that the ambit of concurrent evaluation of SJSRY should be extended to all other States and Union Territories, then only, the improvements/shortcomings in implementation of scheme can be assessed in real sense. This will help in implementing NULM in a better way. Also while conducting concurrent evaluation of the SJSRY Scheme, the Ministry should collect statistics about the number of beneficiaries that have been assisted for setting up of individual micro enterprises/group enterprises after training and got employment during the last three years.

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

4.2 A concurrent evaluation of Swarna Jayanti Shahari Rozgar Yojana scheme is currently being conducted by independent agencies in selected 5 States namely, Karnataka, Uttar Pradesh, Rajasthan,

West Bengal and Haryana. As the Ministry has proposed to upscale the existing Swarna Jayanti Shahari Rozgar Yojana into National Urban Livelihoods Mission (NULM) in the 12th Five Year Plan, the scope of concurrent valuation would be extended to other States after studying the results of the current exercise, if required. Alternatively, a full scale evaluation of the scheme will be undertaken.

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

4.3 For comments of the Committee please *see* paragraph No. 1.7 of Chapter-I of the Report.

#### **Recommendation (Serial No. 4)**

##### **National Urban Livelihood Mission (NULM)**

4.4 The Committee are given to understand that the current SJSRY, which has so far been the only programme which is run in the country for assisting the urban unemployed youth in getting gainful employment, will now be covered under National Urban Livelihood Mission on the pattern of National Rural Livelihood Mission (NRLM).

The Committee have been informed that under NULM, in every municipality, irrespective of the size of the municipality, a small programme management unit will be set up with some financial support from the Central Government. The Committee note that unlike SJSRY, efforts are being made to provide that training providers will ensure employment guarantee for around 72-80 per cent of the people they are training which will be verifiable after six months.

The Committee are apprehensive about the future of those trainees, in case their services are discontinued by the training providers after the stipulated period of 6 months. Considering the above facts the Committee recommend that at the stage of selection of training provider its capacity to induct at least 80 to 90 per cent of trainees per year for next five years should be ensured. Also, for those trainees who will be employed by the service provider, the verification should be done after every six months, for two consecutive years.

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

4.5 Skill Training for the urban poor under the existing Swarna Jayanti Shahari Rozgar Yojana/proposed NULM is meant for facilitating both self employment and wage employment opportunities for the urban poor. It has been experienced that in small towns due to lack

of market based job opportunities, urban poor are primarily engaged in informal sector through self employment. Prospective employers/ job opportunities with private sector are not available in all towns/ cities. Hence, in smaller towns, skill trained urban poor may opt for self employment due to lack of availability of wage employment.

Under the proposed NULM, efforts will be made to link training to placement in remunerative jobs/enterprises. Selection of marketable trades, competent skill training providers and certification that have national/State recognition are the keys to the success of a skills training programme, as the same will ensure absorption of the trained persons into the local industry. Hence, for the purpose of skills training with placement in remunerative jobs, States will be suggested to select skills training agencies through a transparent selection process for conduct of proper training and at least 70% placement in remunerative jobs.

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

4.6 For comments of the Committee please see paragraph No. 1.10 of Chapter-I of the Report.

#### **Recommendation (Serial No. 6)**

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

4.7 Rajiv Awas Yojana is aimed at making India slum free based on Slum free State and Slum free City Plans. RAY envisages creating a slum free India by encouraging States to assign property rights to slum dwellers. However, the Committee find that there is no allocation for RAY under current financial year.

This is reflecting upon the callous attitude of Central Government towards implementation of various schemes and policies. Since, RAY is not a normal Housing Scheme, rather, it is the reflection of Governments' vision for improving urban growth through making slum free States and cities and giving property rights and through RAY Central Government is attempting to bring back to life the two housing schemes namely, Affordable Housing Scheme and Interest Subsidy Scheme of Housing for the Urban Poor (ISHUP) that have not performed well till date. The Committee therefore want that adequate care should be taken by the Ministry to ensure that RAY does not face the same problems which earlier schemes viz. ISHUP and IHSDP experienced. The Committee further desire that before finalization of RAY the Government should consult the various stakeholders to make it practicable.

### **Reply of the Government**

4.8 The Rajiv Awas Yojana (RAY) is of the nature of Additional Central Assistance (ACA). This year for RAY Rs. 1533.50 crore ACA has been allocated under the Demand No. 35 of Ministry of Finance and Demand No. 56 of the Ministry of Home Affairs. Under the Demand No. 57 of the Ministry of Housing & Urban Poverty Alleviation Rs. 30.00 crore has been allocated for Rajiv Awas Yojana (RAY), out of which Rs. 27.58 crore is apportioned for Capacity Building & Preparatory Activities.

The strategy for implementation of RAY is based on the learning's from JNNURM (BSUP) and IHSDP. RAY proposes flexibility to the States and ULBs to plan their pace of implementation and models for arranging land, resources, housing, and partnerships. A 'whole city', 'all slums' approach has been adopted, in keeping with the goal of slum free cities under RAY.

### **Comments of the Committee**

4.9 For comments of the Committee please *see* paragraph No. 1.13 of Chapter-I of the Report.



**CHAPTER V**

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

-Nil-

NEW DELHI;  
30 November, 2012  

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9 Agrahayana, 1934 (Saka)

SHARAD YADAV,  
Chairman,  
Standing Committee on  
Urban Development.

ANNEXURE I

MINUTES OF THE SECOND SITTING OF THE STANDING  
COMMITTEE ON URBAN DEVELOPMENT (2012-2013)

The Committee sat on Tuesday, the 6th November, 2012 from 1100 hrs. to 1430 hrs. in Room No. 074, Parliament Library Building, New Delhi.

PRESENT

Shri Sharad Yadav — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Ambica Banerjee
3. Shri Kailash Joshi
4. Shri Mohinder Singh Kaypee
5. Shri Ramesh Kumar
6. Dr. Sanjeev Ganesh Naik
7. Shri Ratan Singh

*Rajya Sabha*

8. Shri Anil Desai
9. Shri Parvez Hashmi
10. Shri Faggan Singh Kulaste
11. Shri Avinash Pande
12. Shri Ajay Sancheti

SECRETARIAT

1. Shri D.S. Malha — *Director*
2. Smt. J.M. Sinha — *Deputy Secretary*
3. Smt. K. Rangamani N. — *Under Secretary*

**Part I**

**(1100 hrs. to 1130 hrs.)**

2. At the outset, the Hon'ble Chairman welcomed all the Members to the Second sitting of the Committee. The Committee then took up for consideration the draft Report on (i) Action taken by the

Government on the observations/recommendations contained in the 18th Report (Fifteenth Lok Sabha) of the Committee on Demands for Grants (2012-13) of the Ministry of Urban Development, (ii) Action taken by the Government on the observations/recommendations contained in the 19th Report (Fifteenth Lok Sabha) of the Committee on Demands for Grants (2012-13) of the Ministry of Housing and Urban Poverty Alleviation. After deliberations, the Committee adopted the reports without any modification.

3. The Committee also authorized the Chairman to finalise the above mentioned Reports and to present these to both the Houses of Parliament.

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

5. \*\*\*\*                      \*\*\*\*                      \*\*\*\*                      \*\*\*\*                      \*\*\*\*

A verbatim record of the proceedings of the Sitting has been kept.

*The Committee then adjourned.*

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\*\*\*\*This portion does not relate to the Report.

*ANNEXURE II*  
[Vide para 4 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON  
THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN  
THE NINETEENTH REPORT OF THE STANDING COMMITTEE  
ON URBAN DEVELOP

MENT (FIFTEENTH LOK SABHA)

I. Total number of recommendations	8
II. Recommendations/Observations which have been accepted by the Government:	5
Recommendation Nos. 1, 2, 5, 7 and 8	
Percentage to total recommendations	(62.5%)
III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies:	0
Recommendation No. Nil	
Percentage to total recommendations	(0%)
IV. Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:	3
Recommendation Nos. 3, 4 and 6	
Percentage to total recommendations	(37.5%)
V. Recommendations/Observations in respect of which final replies of the Government are still awaited:	0
Recommendation No. 0	
Percentage to total recommendations	(0%)