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**STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2009-2010)**

FIFTEENTH LOK SABHA

MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION

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

SEVENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

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(FIFTEENTH LOK SABHA)

MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION

DEMANDS FOR GRANTS

(2010-2011)

Presented to Lok Sabha on 21 April, 2010

Laid in Rajya Sabha on 21 April, 2010



LOK SABHA SECRETARIAT

NEW DELHI

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CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE.....	(iii)
INTRODUCTION.....	(v)

REPORT

PART-I

CHAPTER I	Introductory.....	1
CHAPTER II	Overall Analysis of Demands for Grants (2010-2011)...	6
CHAPTER III	Scheme-wise Analysis – Urban Employment and Poverty Alleviation and Sanitation Schemes.....	13
	(i) Swarna Jayanti Shahari Rozgar Yojana (SJSRY).....	14
	(ii) Integrated Low Cost Sanitation Scheme (ILCS).....	24
	(iii) National Policy on Urban Street Vendors.....	31
CHAPTER IV	Urban Housing	34
	(i) Jawaharlal Nehru National Urban Renewal Mission (JNNURM).....	37
	(A) Basic Services to the Urban Poor (BSUP).....	39
	(B) Integrated Housing & Slum Development Programme (IHSDP).....	40
	(ii) Rajiv Awas Yojana.....	56
	(iii) Interest Subsidy Schemes for Housing the Urban Poor	58

PART-II

Observations and Recommendations	65
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APPENDICES

I	Minutes of the Ninth Sitting of the Committee held on 01.04.2010.....	76
II	Minutes of the Tenth Sitting of the Committee held on 15.04.2010.....	79

**COMPOSITION OF THE
STANDING COMMITTEE ON URBAN DEVELOPMENT (2009-2010)**

Shri Sharad Yadav - Chairman

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| 3. | Ms. Amita Walia | - | Under Secretary |
| 4. | Shri Priyadarshan | - | Senior Committee Assistant |

INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2009-10) having been authorized by the Committee to submit the Report on their behalf, present the Seventh Report on Demands for Grants (2010-2011) of the Ministry of Housing and Urban Poverty Alleviation.

2. Demands for Grants of the Ministry of Housing and Urban Poverty Alleviation were laid on the Table of the House on 12 March, 2010. The Demands for Grants (2010-2011) of the Ministry have been examined by the Committee under Rule 331E(1)(a) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee took evidence of the representatives of the Ministry of Housing and Urban Poverty Alleviation on 1st April, 2010. The Committee wish to express their thanks to the officials of the Ministry of Housing and Urban Poverty Alleviation for placing before them the requisite material and their considered views in connection with the examination of the subject.

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

5. The Committee considered and adopted the Report at their sitting held on 15th April, 2010.

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

New Delhi;

15 April, 2010
25 Chaitra, 1932 (Saka)

SHARAD YADAV
Chairman
Standing Committee on Urban Development

PART I
CHAPTER I
INTRODUCTORY

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

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

1.3 The Ministry in their Results Framework Document for 2009-2010 has highlighted the *inter-se* priorities and objectives of the Ministry which are as under:

- (a) Provide Basic Services to the Urban Poor and provide integrated housing and development of slums under BSUP and IHSDP under Jawaharlal Nehru National Urban Renewal Missions (JNNURM).
- (b) To facilitate "Affordable Housing in Partnership" under JNNURM for construction of 1 million houses for EWS/LIG/MIG with at least 25% for EWS category.
- (c) To facilitate the construction 3 lakhs EWS/LIG houses in urban areas in the 11th Plan Period through interest subsidy.
- (d) To facilitate generation of employment to the urban poor.
- (e) Conversion of individual dry latrine into pour flush latrine in remaining four States/ UTs (UP, Bihar, Uttarakhand and J & K).
- (f) Improve Governance through Reforms.
- (g) Publication of statistical compendium on slum/housing/urban poverty

1.4 As per the Annual Report (2009-2010) of the Ministry of Housing & Urban Poverty Alleviation, it has one attached office, two Public Sector Undertakings and three Autonomous Bodies under its administrative control. A brief introduction of these organisations/undertakings is as follows:

National Building Organisation (NBO)

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

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

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

Housing and Urban Development Corporation (HUDCO)

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

Hindustan Prefab Limited (HPL)

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

Building Materials and Technology Promotion Council (BMTPC)

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

National Cooperative Housing Federation (NCHF)

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

Central Government Employees Welfare Housing Organisation (CGEWHO)

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

1.11 Schemes and Programmes

The Ministry of Housing and Urban Poverty Alleviation provides support to the following Schemes and Programmes:—

(1) Centrally Sponsored Schemes

(i) Urban Housing;

(a) Jawaharlal Nehru National Urban Renewal Mission launched on 3rd December, 2005 with an objective to provide an objective to provide focused attention to integrated development of urban infrastructure and services in select 65 cities with emphasis on urban poor, slum improvement, community toilets/baths etc. The Mission has two main components viz. Basic Services for Urban Poor (BSUP) and Integrated Housing and Slum Development Programme (IHSDP) and 'Affordable Housing in Partnership' as an additional component.

(b) Interest Subsidy Scheme for Housing for Urban Poor (ISSHUP).

- (c) Plan Scheme of NBO viz. 'Urban Statistics for HR and Assessments (USHA)' aimed at the development and maintenance of national database, MIS and knowledge repository relating to urban poverty, slums, housing, construction and other urbanization related statistics.
- (d) Building Centres Scheme (BCS).
- (e) A new scheme named Rajiv Awas Yojana which aims at promoting a slum-free India in five years based on 'whole city approach'.

(ii) Urban Poverty Alleviation Scheme

Swarana Jayanti Shahari Rozgar Yojana (SJSRY) with an objective to address urban poverty alleviation through gainful self employment or wage to the urban unemployed or underemployed poor with support, skill development and training and empower community to tackle urban issues for their sustainability. This scheme has five main components viz. Urban Self Employment Programme (USEP), Urban Women Self Help Programme (UWSP), Skill Training for Employment Promotion amongst Urban Poor (STEP-UP), Urban Wage Employment Programme (UWEP) and Urban Community Development Network (UCDN).

(iii) Slum improvement/upgradation and Sanitation scheme

Integrated Low Cost Sanitation Scheme (ILCS).

(2) Other Schemes/Projects

- (i) Government of India – UNDP project on 'National Strategy for Urban Poor'.
- (ii) Contribution to UN Centre for Human Settlements now UN-Habitat.

- (iii) Projects/Schemes for the development of North-Eastern States including Sikkim under 10% Lump-Sum Provision earmarked for this purpose.

Review of the status of implementation contained in the Second Report Report of the Committee on Demands for Grants (2009-2010) of Ministry of Housing and Urban Poverty Alleviation.

1.12 The Second Report (Fifteenth Lok Sabha) of Standing Committee on Urban Development on Demands for Grants (2009-2010) of Ministry of Housing and Urban Poverty Alleviation was presented to Parliament on 17th December, 2009. Action taken replies from the Ministry on the recommendations/observations of the Committee in the aforesaid report were received in March, 2010 and report on the same is yet to be presented to the House.

1.13 The Budget of the Ministry of Housing and Urban Poverty Alleviation comprises of one Demand for Grants *i.e.* Demand No.56 - Ministry of Housing and Urban Poverty Alleviation laid in Parliament on 12 March, 2010 and has been discussed in succeeding paragraphs of this Report.

CHAPTER II

OVERALL ANALYSIS OF DEMAND FOR GRANTS (2010-2011)

2.1 The overall Budget Estimate for the year 2010-2011 in respect of Ministry of Housing and Urban Poverty Alleviation under Demand No.56 is Rs.1007.03 crore. Following is the Statement showing Budget Estimate and Revised Estimate 2009-10 and BE 2010-2011 indicating percentage variation is as under:

NET
BASIS

(Rs. in crore)

Demand No.56	BE 2009-10		RE 2009-10		BE 2010-11		% Variation over BE 2009-10 Excess(+) Saving (-)		% Variation over RE 2009-10 & BE 2010-11 Excess(+) Saving (-)	
	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>
Revenue	850.00	7.97	575.00	7.50	1000.00	7.03	17.65%	-11.79%	73.91%	-6.27%
Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00%	0.00%	0.00%
TOTAL	850.00	7.97	575.00	7.50	1000.00	7.03	17.65%	-11.79%	73.91%	-6.27%

2.2 A brief comparative analysis of BE 2009-2010 *vis-à-vis* RE 2009-2010 depict that BE 2009-2010 amounted to Rs.850.00 crore (Plan) and Rs.7.97 crore (Non-Plan) totaling to Rs.857.97 crore. While there has been a decrease of Rs.275 crore i.e. 32.52% in the RE 2009-2010 (Plan-side), there has been a marginal decrease of Rs.47 lakh i.e. 5.89% in the RE 2009-2010 (Non-Plan side) as against BE 2009-10 (Non-Plan side). Thus, the overall decrease in budgetary allocation to this Ministry at the RE Stage for the financial 2009-2010 is huge 32.10% amounting to Rs.275.47 crore.

2.3 However, the comparison between the RE 2009-2010 with BE 2010-2011 shows that there has been a substantial increase of Rs.425 crore i.e. 73.91% in the BE 2010-2011 (Plan-side) from Rs.575.00 crore to Rs.1000.00 crore, and a marginal decrease of Rs.47 lakh i.e. 6.26% in the BE 2010-2011 (Non-Plan side) as against RE 2009-10 (Non-Plan side).

2.4 The Ministry when asked about the reasons for the massive reduction from Rs.850.00 crore in the BE 2009-2010 (Plan) to Rs. 575.00 crore in the RE 2009-10 (Plan), in a written reply, stated that, "as the scheme Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) was in inception stage the allocation of Rs.180.59 crore could not be utilized and the BE 2009-10 was brought down to Rs.5.00 crore at RE stage."

2.5 Further elaborating on the reasons for the reduction at the RE stage, the Secretary, Ministry of Housing and Urban Poverty Alleviation in her oral evidence stated as under:-

"There has been a cut in the allocation at the RE stage in the last two years. During the previous financial year, the cut was primarily due to the fact the there was financial crisis and the financial cut in the allocation at the RE stage was imposed on all Ministries. During this financial year, the cut was due to the fact that the Ministry of Finance had estimated that 60% of the entire expenditure would be done by the month of December which the States could not spend by that time".

2.6 The Committee pointed out that the Government's policy is to monitor the expenditure made by the Ministry in each quarter and accordingly revise the estimates and since the Ministry could not spend the funds allocated to them in the previous quarters, it was revised accordingly. Clarifying on the issue, the Secretary stated:-

“Due to the General Elections, from the month of April, 2009 till July, 2009, the State Governments could not spend the funds allocated to them under various schemes. Thus, it was not practically feasible to show a expenditure of 66% of the funds allocated. Thus it would not be appropriate to infer that we could not spend the funds allocated to us. Despite our submissions that we will be able to spend the money Ministry of Finance imposed the cut at the RE stage.”

2.7 The Committee desired the Ministry to furnish the details of actual expenditure incurred during the year 2009-2010 on various schemes/programmes. The Ministry accordingly furnished the details to the Committee, which are reproduced hereunder:-

Statement showing details of BE 2009-2010, RE 2009-2010 and the actual expenditure under various Plan schemes/ programmes

(Rs. in crore)

Sl. No.	Name of the Scheme/ Programme	BE 2009-2010	RE 2009-2010	Actual 2009-10 (upto 25.3.2010)
1	2	3	4	5
Central Sector Schemes				
1	BMTPC	7.00	7.00	5.50
2	Grants to NCHF	0.40	0.40	0.40
3	UNDP Assistance for National Strategy for Urban Poor	0.01	0.00	0.00
4	Computerization	1.00	0.40	0.26
5	Urban Statistics for HR & Assessment (USHA)	15.00	15.00	12.99
6	Building Centre Scheme	1.00	0.01	0.00
7	Administrative Expenses for JNNURM	20.00	20.00	11.70
8	Lump sum provision for NE Region & Sikkim	50.00	53.50	39.40
9	Interest Subsidy Scheme for Housing the Urban Poor (ISSHUP)	180.59	5.00	0.58
Centrally Sponsored Schemes				
1	SJSRY	515.00	428.69	413.81

2	Integrated Low Cost Sanitation (ILCS)	60.00	45.00	36.92
	Total	850.00	575.00	521.56

2.8 It is evident from the above table that there has been a decrease in the actual expenditure incurred during the year 2009-2010 in comparison to the BE 2009-2010 by 38.64% and even to the RE 2009-2010 by 9.29%. It is also evident that except for the grants made under the NCHF, the expenditure made by the Ministry under any of its schemes could not match the funds allocated to them even at the RE stage.

2.9 On being asked about the reasons for the increase in BE 2010-2011 (Plan-Side) *vis-à-vis* RE 2009-2010 (Plan-Side), the Ministry of Housing and Urban Poverty Alleviation, in a written reply, stated that, "the reasons for increase in BE 2010-2011 (Plan) as compared to RE 2009-2010 (Plan) is due to enhanced allocation from Rs.5.00 crore in RE 2009-2010 to Rs.200.00 crore under Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) which is expected to gain momentum in 2010-2011. There is also an increase from Rs.428.69 crore to Rs.564.60 crore under Swaran Jayanti Shahri Rozgar Yojana (SJSRY) and from Rs.45.00 crore to Rs.71.00 crore under Integrated Low Cost Sanitation (ILCS) scheme. Further an allocation of Rs.60.00 crore from nil has been made in BE 2010-2011 under the newly launched Rajiv Awas Yojana (RAY) in which activities are expected to pick up in 2010-2011."

2.10 The total plan allocations for the Tenth Five Year Plan ((2002-2007) was only Rs.3102.75 crore against the approved outlays of Rs.4710 crore for the said period. During Eleventh Plan period (2007-2012), out of the total proposed outlay Rs.9517.35, only Rs.3687 crore was approved. Moreover, during the first three years of Eleventh Plan, only Rs.2200 crore have been provided as budgetary allocations to the Ministry. When asked by the Committee to furnish the details of the allocations made during each of the last three years and scheme-wise allocations for 2010-11 the Ministry furnished the same which are reproduced as under :

Total Outlay in the Eleventh Five Year Plan and Year-wise Allocation

Sl. No.	Schemes	Approved 11th Plan Outlay	Allocation 2007-08	Allocation 2008-09	Allocation 2009-10	Allocation 2010-11
1	2	4	5	6	7	8
1	VAMBAY		0.00	0.00	0.00	0.00
2	SJSRY	1750.00	344.00	515.00	515.00	564.60
3	Low Cost Sanitation	200.00	40.00	150.00	60.00	71.00
4	National Scheme of Liberation & Rehabilitation of Scavengers		0.00	0.00	0.00	0.00
5	BMTPC	36.00	7.00	7.00	7.00	8.00
6	Night Shelter Scheme		0.00	0.00	0.00	0.00
7	Urban Indicators Programme		0.00	0.00	0.00	0.00
8	Building Centres	5.00	1.00	1.00	1.00	5.00
9	HUDCO Equity for Housing		0.00	0.00	0.00	0.00
10	NCHF	3.00	0.40	0.40	0.40	0.40
11	Displaced persons in Urban colonies in West Bengal		0.00	0.00	0.00	0.00
12	Resettlement of Slums in Dharavi and along the road side connecting airport with south Mumbai		0.00	0.00	0.00	0.00
13	UNDP Assistance for National Strategy for Urban Poor	5.00	5.00	5.00	0.01	0.00
14	Computerization	5.00	1.00	1.60	1.00	1.00
15	Urban Development Projects in the North East		0.00	0.00	0.00	0.00
16	North East Lumpsum	200.00	50.00	50.00	50.00	50.00

	Provision					
17	Urban Statistics for HR and Assessment Scheme(USHA)	35.00	7.60	10.00	15.00	20.00
18	JNNURM	70.00	14.00	15.00	20.00	20.00
19	Interest Subsidy for Housing to Urban Poor (ISSHUP)	1378.00	30.00	95.00	180.59	200.00
20	Slum Free City Planning - Rajiv Awas Yojana (RAY)					60.00
	Total	3687.00	500.00	850.00	850.00	1000.00

Statement showing details of actual allocation (RE) made during 2007-2008, 2008-2009 & 2009-2010

(Rs in crore)

Sl. No.	Schemes	Proposed 11th Plan Outlay	Approved 11th Plan Outlay	RE 2007-08	RE 2008-09	RE 2009-10	RE 2007-10 (Total)
1	2	3	4	5	6	7	8
1	SJSRY	4500.00	1750.00	344.00	515.20	428.69	1287.89
2	Low Cost Sanitation	545.16	200.00	40.00	40.03	45.00	125.03
3	BMTPC	55.19	36.00	7.00	7.66	7.00	21.66
4	Building Centres	50.00	5.00	1.00	0.01	0.01	1.02
5	NCHF	2.00	3.00	0.40	0.40	0.40	1.20
6	UNDP Assistance for National Strategy for Urban Poor	20.00	5.00	5.00	1.10	0.00	6.10
7	Computerization	5.00	5.00	1.00	0.60	0.40	2.00
8	North East Lumpsum Provision	10% of total GBS	200.00	50.00	50.00	53.50	153.50
9	Urban Statistics for HR and Assessment Scheme(USHA)	75.00	35.00	7.60	10.00	15.00	32.60
10	Administrative expenses for JNNURM	270.00	70.00	14.00	15.00	20.00	49.00

11	Interest Subsidy for Housing to Urban Poor (ISSHUP)	3995.00	1378.00	30.00	30.00	5.00	65.00
	Total	9517.35	3687.00	500.00	670.00	575.00	1745.00

2.11 The Ministry in the written statement has informed that the actual allocation during the Tenth Plan (2002-2007) was Rs.3102.75 crore while the actual expenditure was Rs.2559.63 crore. It may be seen from the above that the approved outlay for the 11th Plan is Rs.3687.00 crore out of which only 47.32% of the entire outlay for the Eleventh plan period amounting to Rs.1745 crore have been allocated to the Ministry in the last three years. Moreover, every year there has been a massive variations/revision in the approved outlay and the fund allocated at the RE stage. There appears to be major discrepancy between the proposal for allocation of funds by the Ministry, what is actually allocated to them by the Planning Commission and the expenditure made by the Ministry.

2.12 Under the jurisdiction of the Ministry there are three major Schemes viz. SJSRY, ILCS and JNNURM which has two components BSUP and IHSDP to tackle the problem of urban poverty and unemployment. The detailed analysis of the aforesaid Schemes has been made in the subsequent chapters of the Report. The Ministry informed the Committee that the allocation under the aforesaid Schemes during the financial year 2009-2010 was Rs.515 crore for SJSRY Scheme, Rs.60 crore for ILCS Scheme and Rs.2524.65 crore and Rs.1117.58 crore respectively for the BSUP and IHSDP components of the JNNURM during 2009-2010. The allocation for the year 2010-2011 under the above aforesaid Schemes is Rs.564.60 crore for SJSRY Scheme, Rs.71 crore for ILCS Scheme and Rs.2357.60 crore and Rs.1015.43 crore respectively for the BSUP and IHSDP components of the JNNURM during 2010-11.

2.13 The Committee in their Second Report on the Demands for Grants (2009-2010) had observed the allocation under these schemes was not adequate keeping in view India's ever increasing urban population and urban poverty is also remaining high, at over 25% percent. It has been noted that while there has been marginal increase in the allocation for this year under

schemes like the SJSRY and ILCS, the Additional Central Allocation under the BSUP and IHSDP components has actually been reduced.

CHAPTER III

POVERTY ALLEVIATION AND SANITATION SCHEMES

3.1 As per the Planning Commission's estimates, the total urban population in 2004-2005 was 3142.36 lakh and the estimated number of urban poor was Rs.807.96 lakh. The unemployment rate in urban areas, as per the National Sample Survey Organisation (NSSO) 61st round survey, for 2004-05 was 4.5%. Keeping in view the rapid growth of urbanization in India, it appears that the number of urban poor is also expected to be large. Swarna Jayanti Sahahri Rozgar Yojana (SJSRY) is the only poverty alleviation scheme of Government of India totally dedicated to the urban poor addressing the issues of 'inclusive urban development' in the country encompassing community mobilization and support system, employment (both self employment and wage employment), income generation, skill development and capacity building for the urban poor including Self- Help Groups as an integrated and holistic package that is implemented by the Ministry of Housing & Urban Poverty Alleviation.

Table showing the Rate of Poverty & Unemployment in India

Percentage of Population below poverty line	1987-88	1993-94	1999-00	2004-05
Rural	39.1	37.3	27.1	28.3
Urban	38.2	32.4	23.6	25.7
Combined	38.9	36.0	26.1	27.5
Unemployment Rate (Percentage of Unemployment in labour force)				
Rural				
Male	2.8	2.0	2.1	2.1
Female	3.5	1.3	1.5	3.1
Urban				
Male	6.1	5.4	4.8	4.4
Female	8.5	8.3	7.1	9.1

*Below Poverty line for 1999-00 are based on Mixed Recall Period and not strictly comparable with other years which are based on Uniform recall method.

I. SWARNA JAYANTI SHAHARI ROJGAR YOJANA (SJSRY)

3.2 As per Outcome Budget (2009-2010) Swarna Jayanti Sahahri Rozgar Yojana was launched on 01.12.1997 after subsuming the earlier three Urban Poverty Alleviation Schemes, namely Urban Basic Services for the Poor (UBSP), Nehru Rojgar Yojana (NRY) and Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP) for the benefit of urban poor. An independent evaluation of SJSRY was carried out by the Ministry of Housing & Urban Poverty Alleviation in 2006 to assess the impact of the scheme in improving the conditions of the urban poor. Based on the study findings, lessons learnt in implementation and feedback received from State Governments, Urban Local Bodies and other stakeholders, a revision of the Guidelines of the SJSRY scheme has been made with effect from the year 2009-2010.

3.3 The SJSRY consists of following five components:-

- (i) Urban Self Employment Programme (USEP)
- (ii) Urban Women Self-help Programme (UWSP)
- (iii) Skill Training for Employment Promotion amongst Urban Poor (STEP-UP)
- (iv) Urban Wage Employment Programme (UWEP)
- (iv) Urban Community Development Network (UCDN)

3.4 Under Swarna Jayanti Shahari Rozgar Yojana (SJSRY), Rs.706.39 crore was allocated to the Ministry against approved Tenth Plan outlay of Rs.541 crore. During first four years of Eleventh Plan Rs. 1938.60 crore have been allocated as against the outlay of Rs. 1750 crore. When asked about the reasons as to why such huge fluctuations have been there in the initial demand and approved outlay, the Ministry in their written reply stated that "the Five Year Plan allocations for the scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) are made by the

Planning Commission on tentative basis. However, the actual allocation for the scheme is done in the Annual Plan proposals, after discussions between the Officers of the Ministry of Housing & Urban Poverty Alleviation and Planning Commission and also taking into account the expenditure pattern, availability of funds etc. SJSRY being the only urban poverty alleviation programme, major chunk of the Ministry's Plan Budget is allocated for SJSRY and therefore the actual allocations in the Annual Plan has been exceeding the tentative total Plan allocations for the scheme. For the Eleventh Five Year Plan, the Ministry of Housing & Urban Poverty Alleviation had proposed for Rs.10000 crore suggesting the adoption of a Mission mode approach for the urban poverty alleviation. However, Planning Commission allocated only Rs.1750 crore for the Eleventh Plan.”

3.5 As per the Ministry, financial allocations to the States were being made on the basis of incidence or urban poverty as per Planning Commission norms. The physical targets were fixed by the States according to their allocations. Following is the statement showing budget estimates, revised estimates and actual expenditure for the year 2007-2008 and 2008-2009, 2009-2010 and budget estimates for 2010-2011:

(Rs. in Crore)

Year	Budget Estimates	Revised Estimates	Actual Expenditure
2007-2008	344.00	344.00	341.00
2008-2009	515.00	515	545.00
2009-2010	515.00	428.69	364.27*
2010-2011	564.60	--	--

*As on 31.01.2010

3.6 The Ministry, in their written statement while explaining about the reasons for variations in budget estimates, revised estimates and actual expenditure during 2007-2008, 2008-2009, 2009-2010 and BE 2010-2011, informed as under:

“During 2007-2008 the total outlay was Rs.344.00 crores and out of this only Rs.341.00 crore could be utilized. An amount of Rs.3.00 crore from the funds earmarked for the Capacity Building/ Research & Studies component had to be surrendered due to lack of demand. During 2008-2009 the total outlay was Rs.515.00 crore. However, an additional

Rs.30.00 crore were re-appropriated to this scheme from savings of other schemes of this Ministry and thus total Rs.545.00 crore were utilized under SJSRY. During 2009-2010 the B.E was Rs.515.00 crore. However, at the RE stage the allocation has been reduced to Rs. 428.69 crore. The cut was imposed by the Department of Expenditure on the basis of slow pace of expenditure which was slower in the first half of the year due to the preoccupation of the States with the General Elections of Lok Sabha and also because the guidelines were revised and it took them time to understand and reorganize their structures and train the personnel.”

Physical/ Financial Progress

3.7 The Ministry, in their written statement informed that earlier i.e during the 9th Plan, no State-wise physical targets were prescribed under the Scheme as it was left to be fixed by the State/UTs as per their needs. However, during the 10th Plan at the National level, under USEP, total Plan period (5 years) target of 4,00,000 self-employment under USEP/DWCUA was fixed. Similarly, 5,00,000 persons were to be given skill development training annually under USEP (Training) sub-component, during the entire 10th Plan period. During the 10th plan period, total Central funds amounting to Rs.728.28 crore was released to the States/UTs, while the expenditure reported was Rs.700.32 crore (this includes expenditure from Central funds carried out from previous years). Regarding physical achievements, during the years 2002-2003 to 2006-2007 (cumulative), 5,43,919 micro-enterprises had been set up and 6,51,105 urban poor had been provided skill training against the cumulative corresponding 5 years target of 4,00,000 micro enterprises and 5,00,000 recipients of skill training.

Physical achievement under various components of SJSRY against the Annual Targets during 2007-2008 and 2008-2009

Year	Urban Self Employment Programme			
	Beneficiaries Assisted for setting up of micro-enterprises		Persons provided skill training	
	Target	Achievement	Target	Achievement

2007-2008	1,20,000	1,81,050	1,50,000	2,48,264
2008-2009	1,20,000	1,84,736	1,50,000	3,03,418

3.8 Under Revamped Swarna Jayanti Shahari Rozgar Yojana (SJSRY) implemented since 2009-2010, which has 5 components, physical targets and achievement are as under:-

Components	Target	Achievement
No. of beneficiaries assisted for setting up individual micro-enterprises (USEP)	25000	32347
No. of beneficiaries assisted for setting up Group micro-enterprises (UWSP)	25000	14653
No. of beneficiaries assisted through Revolving Fund for T&CS under UWSP	50000	32089
No. of beneficiaries provided skill training (STEP-UP)	200000	91019

3.9 When asked about the reasons for shortfall in the achievement of targets under most of the scheme undertaken under the revamped SJSRY scheme and the steps envisaged by the Ministry for improvement in the implementation of schemes, the Ministry in their written reply stated as under:-

“The scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) has been revamped with effect from this year only. The implementation of the new scheme was somewhat delayed due to the preoccupation of the States/UTs with the General Elections of Lok Sabha and also it took some time in dissemination of the revised Guidelines of SJSRY and sub-Guidelines covering aspects such as skill development, administration and implementation etc. to the local level. Training programmes to make the field level officials under the features of the new scheme also took some time. Under the earlier scheme of SJSRY, funds were too thinly distributed and due to this although more number of beneficiaries were reported by States/UTs as covered, not much impact on urban poverty could be expected. For example, for skills training the amount fixed under the earlier SJSRY scheme was Rs.2600 per trainee. This sum was too meagre to impart any meaningful skill training

to the urban poor enabling access to market employment or productive self-employment. Therefore, under the new guidelines of SJSRY, the unit cost for skill training has been increased to Rs.10,000/-. Similar provisioning has also been done for other components. In view of this and similar factors, large physical targets could not be fixed keeping in view the allocations.”

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

“State-wise allocation of Central funds and actual releases made to the States/UTs during the year 2008-2009, 2009-2010 (as on 19.3.2010) and proposed tentative allocation for the year 2010-2011 is below:-

State-wise Central funds allocated and Released under SJSRY

Sl. No.	State / UT	Central fund Allocation in 2008-2009 (Rs. in Lakhs)	Central funds released during 2008-2009 (Rs. in Lakhs)	Central fund Allocation in 2009-2010 (Rs. in Lakhs)	Central funds released during 2009-2010 (Rs. in Lakhs)	Proposed Central fund Allocation in 2010-2011 (Rs. in Lakhs)
1	Andhra Pradesh	3115.78	4327.22	3390.53	3390.53	3793.30
2	Arunachal Pradesh	222.53	0.00	207.85	103.93	201.79
3	Assam	2956.48	2947.90	2956.05	1478.03	2869.96
4	Bihar	1855.09	1980.98	1790.24	0.00	2002.91
5	Chhattisgarh	1122.37	637.36	1075.14	537.57	1202.86
6	Goa	110.94	0.00	90.56	0.00	101.32
7	Gujarat	1450.38	1548.80	1501.44	1501.44	1679.80

8	Haryana	547.14	1334.27	585.34	585.34	654.87
9	Himachal Pradesh	11.64	12.43	12.15	12.15	13.61
10	Jammu & Kashmir	160.24	0.00	120.93	0.00	135.30
11	Jharkhand	727.93	0.00	728.91	0.00	815.50
12	Karnataka	3648.54	4896.14	3524.71	3524.71	3943.42
13	Kerala	953.22	1017.91	948.13	948.13	1060.76
14	Madhya Pradesh	4722.97	5043.48	4087.96	4087.96	4573.58
15	Maharashtra	8998.10	9608.72	8075.96	8075.96	9035.34
16	Manipur	445.06	445.71	461.88	230.94	448.43
17	Meghalaya	381.48	190.74	369.51	0.00	358.74
18	Mizoram	349.70	350.20	369.51	369.51	358.74
19	Nagaland	286.11	286.53	277.13	277.13	269.06
20	Orissa	1664.03	1776.95	1476.59	1476.59	1652.00
21	Punjab	241.04	120.52	358.93	0.00	401.57
22	Rajasthan	2773.39	1574.91	2623.52	1311.76	2935.17
23	Sikkim	63.58	63.67	46.19	46.19	44.84
24	Tamil Nadu	4012.17	4284.44	3817.38	3817.38	4270.86
25	Tripura	445.06	248.84	461.88	0.00	448.43
26	Uttaranchal	530.71	566.72	488.70	488.70	546.75
27	Uttar Pradesh	6880.05	8846.94	6462.43	6462.43	7230.13
28	West Bengal	1824.27	1948.07	1940.44	1940.44	2170.95
29	A & N Islands	43.55	0.00	37.50	0.00	37.50
30	Chandigarh	58.06	0.00	78.52	0.00	78.52
31	D & N Haveli	25.81	0.00	17.58	17.58	17.58

32	Daman & Diu	22.58	0.00	16.41	0.00	16.41
33	Delhi	92.20	0.00	93.34	0.00	233.36
34	Pondicherry	7.80	7.80	6.66	0.00	16.64
	TOTAL	50750.00	54067.25	48500.00	40684.40	53620.00

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

3.11 A Statement indicating State-wise unspent balance available with the States/UTs under SJSRY, as per the expenditure reported by the States/UTs, is given below:-

State-wise unspent funds available with States/UTs

(Rupees in Lakhs)

SL. NO.	STATES/UTs	TOTAL CENTRAL FUND AVAILABLE	TOTAL EXPENDITURE REPORTED	UNSPENT CENTRAL FUNDS AVAILABLE
1	2	3	4	5
1	Andhra Pradesh	23538.09	21095.15	2442.94
2	Arunachal Pradesh	824.36	720.43	103.93
3	Assam	9424.54	7946.51	1478.03
4	Bihar	7191.62	5225.41	1966.21
5	Chhattisgarh	4157.04	2801.48	1355.56
6	Goa	222.90	186.08	36.82

7	Gujarat	11244.85	7650.76	3594.09
8	Haryana	6075.46	4862.78	1212.68
9	Himachal Pradesh	719.44	703.79	15.65
10	Jammu & Kashmir	1948.23	1923.45	24.78
11	Jharkhand	1556.38	1101.02	455.36
12	Karnataka	21308.15	14861.28	6446.87
13	Kerala	7288.58	6095.97	1192.61
14	Madhya Pradesh	25528.71	19411.91	6116.80
15	Maharashtra	40454.22	31731.51	8722.71
16	Manipur	1743.29	1502.46	240.83
17	Meghalaya	977.95	698.67	279.28
18	Mizoram	3550.10	3015.55	534.55
19	Nagaland	1682.91	1248.99	433.92
20	Orissa	7898.26	5226.14	2672.12
21	Punjab	1775.73	1761.11	14.62
22	Rajasthan	9866.91	6123.36	3743.55
23	Sikkim	611.08	562.50	48.58
24	Tamil Nadu	22711.44	17979.82	4731.62
25	Tripura	2133.43	1724.60	408.83
26	Uttrakhand	2162.89	610.47	1552.42
27	Uttar Pradesh	44058.74	34593.19	9465.55
28	West Bengal	12365.73	11140.12	1225.61
29	A & N Islands	361.49	380.87	-19.38
30	Chandigarh	783.20	413.49	369.71

31	D & N Haveli	386.69	382.21	4.48
32	Daman & Diu	243.28	42.10	201.18
33	Delhi	430.14	232.32	197.82
34	Puducherry	1144.28	1239.42	-95.14
	TOTAL	276370.11	215194.92	61175.19

The Statement referred to above includes the funds released to the States/UTs in the year 2008-2009 and 2009-2010, for which Utilisation Certificates have not become due. The Ministry of Housing & Urban Poverty Alleviation is consistently pursuing with the States/UTs for the implementation of the scheme through review meetings, orientation workshops, training programmes etc. Due to the efforts made by the Ministry, now effective unspent balances available with the States/UTs (for which UCs have become due) has reduced to Rs. 25.66 crore only.”

3.12 When during the evidence it was asked as to why no funds have been released in 2009-10 under SJSRY to the States of Bihar, Goa, J&K, Karnataka, Punjab and Tripura, out of a total overall fund of Rs. 40666.82 Lakh released for the entire country and whether there are no incidences of urban poverty in these States. The Ministry in post-evidence replies explained as under :

“At the beginning of the year, the tentative allocations of central funds under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) to the States/UTs are done in proportion to the incidence of urban poverty in each State/UT as indicated by the Planning Commission and this is conveyed to each States/UT. However the actual releases of funds are made to the States/UTs on the basis of receipt of Utilisation Certificates (UCs) from the States/UTs for the past releases under SJSRY and also releases of matching State shares for the past releases. If any State/UT does not submit the UCs for the past releases and does not contribute the matching State share, as per the criteria, central funds are not released to it. SJSRY Guidelines stipulate that in order to promote better utilization of funds under the Scheme, the idle funds at the Central level, which could not be released to the States/UTs not fulfilling the prescribed criteria, may be diverted to better-performing States/UTs in

the fourth quarter of a financial year, keeping in view their performance and demand for additional funds. Accordingly, no central funds have been released to the States of Goa, Jammu & Kashmir, Jharkhand, Meghalaya, Punjab and Tripura.”

3.13 During the evidence, Secretary, Ministry of Housing and Urban Poverty Alleviation informed that expenditure under SJSRY during 2002-09 varies between 99.13% and 119.42%. But this year due to revamping of the scheme they could not spend as expected, therefore, Planning Commission had reduced the allocation. In this scheme now the emphasis is more on skill development.

3.14 One of the main objectives of the revamped Swarna Jayanti Shahari Rozgar Yojana scheme was to organize the poor and empowering the community through suitable self managed community structures like Neighborhood Groups, Neighborhood Committees, and Community Development Societies. When asked about the amount of funds allocated under the SJSRY scheme for promoting these societies and the number of such committees that are functioning in the country and their experiences the Ministry in their written statement stated as under:-

“As per the indicative allocation suggested to the States/UTs, upto 10% of the scheme allocation can be utilised for the Urban Community Development Network (UCDN) component. As per the data available with the Ministry regarding formation of Community Development Societies (CDS) under SJSRY, since 1.12.1997, total 6473 CDS have been formed in the country. The experiences of these CDSs have not been noteworthy (except a few in some places) as no focused attention was given earlier for the formation of community structures. However, under the revamped SJSRY, a major focus is given to strengthen these community structures, by carving out a separate component of UCDN.

State wise Community Development Societies (CDS) formed under SJSRY, cumulatively, since 1.12.1997

Sl. No.	States/UTs	No. of Community Development Societies (CDS) formed
1	Andhra Pradesh	145

2	Arunachal Pradesh	8
3	Assam	84
4	Bihar	122
5	Chhattisgarh	98
6	Goa	13
7	Gujarat	192
8	Haryana	265
9	Himachal Pradesh	50
10	Jammu & Kashmir	3
11	Jharkhand	0
12	Karnataka	226
13	Kerala	62
14	Madhya Pradesh	512
15	Maharashtra	1551
16	Manipur	42
17	Meghalaya	24
18	Mizoram	24
19	Nagaland	11
20	Orissa	0
21	Punjab	177
22	Rajasthan	225
23	Sikkim	0
24	Tamil Nadu	780
25	Tripura	14

26	Uttrakhand	71
27	Uttar Pradesh	1251
28	West Bengal	305
29	A & N Islands	1
30	Chandigarh	8
31	D & N Haveli	0
32	Daman & Diu	1
33	Delhi	201
34	Puducherry	7
	TOTAL	6473

3.15 It may be seen from the above reply that the experiences of these CDSs were not noteworthy (except a few in some places) as no focused attention was given earlier to the formation of community structures. It is only after the revamping of the SJSRY that stress is being laid on the formation of such societies. Even then it is evident that many States/UTs are yet to initiate any action on the formation of such societies. Even in the large states such as Andhra Pradesh, Bihar, etc. having huge number of urban unemployment have not laid much emphasis on formation of such societies.

II. INTEGRATED LOW COST SANITATION SCHEME (ILCS)

3.16 The Centrally Sponsored scheme Integrated Low Cost Sanitation Scheme has been under implementation through Ministry of Urban Development since 1989-90 till 2003-2004. This scheme was transferred to Ministry of Housing and Urban Poverty Alleviation *w.e.f.* 2004-2005 as regards

budgetary provision, but its implementation has been effected by this Ministry *w.e.f.* 2003-2004 itself. It basically aims at conversion of existing individual dry latrines into low cost water seal pour flush latrines with superstructures and appropriate variations to suit local conditions and construct new latrines where EWS household have no latrines. The basic objective is to liberate the scavengers from the obnoxious practice of carrying head loads of night soil and the scheme is being implemented on a 'All Town' coverage basis. To make the scheme more attractive and implementable, the guidelines of the ILCS Scheme were revised in January, 2008.

Financial allocation

3.17 The details of Budget Allocation and Expenditure incurred during 11th Five Year Plan under ILCS are as under:

(
Rs. In Crore)

Year	B.E	R.E	Actual Expenditure
2007-08	40.00	40.00	70.97
2008-09	150.00	40.03	38.53
2009-10	60.00	45.00	18.03 (upto 31.12.2009)
2010-2011	71.00	--	--

3.18 It may be seen that the BE, RE and the actual expenditure does not show a specific pattern and there are wide variations in the estimates and expenditure. Moreover, except for 2007-2008, the actual expenditure under the ILCS scheme has not matched the actual allocation that had been earmarked for the purpose. When asked about the reasons for such drastic variations in the estimates and expenditure and very low level of expenditure after 2007-2008, the Ministry in their written replies submitted as under:-

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

Hence, out of budget provision of Rs.150.00 crores for the year 2008-09, funds were released after adjusting of the unspent balance available with the States and taking into account an expected reduction in the number of dry latrines (as the States of Assam and Nagaland have reported that there are no dry latrines) an amount of Rs. 40.00 crores was requested in the Revised Estimates of 2008-09. Lesser amount was proposed in the R.E 2008-09 due to non utilization of funds released during 2007-08 which were adjusted in the releases during 2008-2009 and proposals were pending from the States in the DPR as the scheme was revised only in the month of January, 2008.

During the year 2009-10 budget provision of Rs.60.00 crore was reduced to Rs.45.00 crore, due to pending receipt of Detailed Project Reports from State Government.”

3.19 The ILCS scheme was revised to make it more productive and implementable and the target was to convert six lakh existing dry-latrines into two-pit pour flush latrines within the period of three years i.e. 2007-2010. When the Ministry was asked about the overall status of existence of dry latrines in the States/UTs, stated that “presently only four States namely Bihar, Uttar Pradesh, Uttarakhand, and Jammu and Kashmir have reported the existence of dry latrines as follows:

Sl.No.	Name of the State	Number of existing Dry Latrines as reported by States
1.	Bihar	931
2.	Uttar Pradesh	238253
3.	Uttarakhand	1613
4.	Jammu & Kashmir	63927
	Total	304724

3.20 It may be seen that even when out of Rs. 60 crore allocated during Financial Year 2009-2010 only Rs.18 crore could be utilized during the year, the Ministry has asked for an allocation of Rs.71 crore for the Financial year 2010-2011. The Ministry when asked to explain the steps taken by them to ensure that funds could be utilized in a better way and the reasons for the increased allocation under this scheme when many of the states have declared themselves dry-latrine free states replied as under:-

“During the year 2009-10 under the revised guidelines of ILCS the 2nd installment of funds (i.e. 75% of funds) could be released after obtaining the Utilization Certificate and physical progress report. This Ministry, after obtaining the Utilization Certificate and Progress report released an amount of Rs.28.35 crore as 2nd installment to the States of Uttar Pradesh and Uttarakhand and an amount of Rs. 2.15 crore released as 1st installment to the States of Madhya Pradesh, Maharashtra , Uttar Pradesh and Uttarakhand. An amount of Rs.3.14 crore released as NGO share to the State of Uttar Pradesh under the Major Head 3601 meant for State Government. An amount of Rs.0.48 crore released as first installment and an amount of Rs. 2.43 crore released as second installment to the State of Nagaland under the Major Head 2552 meant for North East Area. Thus in total Rs.36.55 crore was released as on 25.03.2010 and Rs.13.68 crore is expected to be released by 31st March, 2010.

Under the revised guidelines of Integrated Low Cost Sanitation Scheme this Ministry has sanctioned central subsidy of Rs.221.42 crores and first installment i.e. 25% has been released to the States of Bihar, Uttar Pradesh, Jammu & Kashmir, West Bengal, Kerala, Nagaland, Manipur, Maharashtra, Madhya Pradesh and Uttarakhand and 2nd installment i.e.75% needs to be released in the financial year 2010-11 for conversion/ construction of 285930 sanitary units. Accordingly, an amount of Rs.71.00 crore is provided in the B.E. 2010-11 to meet the requirement for release of 2nd installment and for proposal from States/ UTs for new construction for EWS households who have no latrine in the urban areas of the country.”

3.21 During the evidence, representative of the Ministry informed that previously States had estimated the existence of 6 lakh dry latrines but afterwards the states surveyed and informed that the figure is less. Again they want to conduct survey because there is huge difference between both the figures.

3.22 The Ministry when asked about the steps taken to improve the situation of defecation in open in various areas of cities/towns due to non-availability of latrines stated as under:

“Under the revised guidelines of Integrated Low Cost Sanitation Scheme 25% of funds are also released to States who come up with the proposal of new construction to EWS households who have no latrine in the urban areas of the country. Funds have been

released to the States of Bihar, Jammu & Kashmir, West Bengal, Kerala, Nagaland, Manipur, Maharashtra and Madhya Pradesh for construction of 36396 new latrines.”

3.23 Further elaborating on the issue of open defecation and the schemes for total sanitation, the Secretary, HUPA during the evidence stated as under:

“There is no total sanitation scheme, our Scheme is for eradication of dry latrines which are bucket-type latrines where manual labour is employed to evacuate and clean the tickle matter. The problem of no latrines and other kind of open defecation etc. is being taken care of under the head of Total Sanitation which is the subject matter of M/o Urban Development..... Our submission would be that if this is the division of work, it is difficult.... As far as sanitation is concerned, since sanitation of urban areas requires a lot of infrastructure development, and infrastructure development is their subject matter, sanitation continues to be part of their business allocation. We have only been given this one scheme of integrated low cost sanitation where the emphasis is on eradication of dry latrines, I suppose that it mainly concerns people who are very poorly deprived.”

3.24 The Secretary, Ministry of Housing and Urban Poverty Alleviation during the course of oral evidence informed the Committee that the issue of defecation in open is under jurisdiction of Ministry of Urban Development. When asked to explain that when the scheme of ILCS is with the Ministry of HUPA which includes construction of new latrines as well, why the issue of open defecation can not taken up by the Ministry of HUPA itself to which she replied as under:-

“It is stated that in response to the very serious problem of sanitation in urban areas, the Ministry of Urban Development has steered and declared a policy for total sanitation namely National Urban Sanitation Policy. The vision of this Policy is “All Indian cities and towns become totally sanitized, healthy and liveable and ensure and sustain good public health and environmental outcomes for all their citizens with a special focus on hygienic and affordable sanitation facilities for the urban poor and women.”

As regards this Ministry, the problem is being addressed under two schemes. Firstly, under the revised guidelines of Integrated Low Cost Sanitation Scheme, 75% of funds are provided for conversion of dry latrines into twin pit pour flush latrines and 25% funds are for construction of new latrines for EWS households who have no latrines in the

urban areas of the country. Priority is given to conversion of all existing dry latrines in the urban areas of the country. Secondly, under JNNURM (BSUP and IHSDP) which aims to provide shelter with tenurial security and basic civic amenities to all slums, insistence is being given to providing individual water-sealed toilets and proper sanitation condition to each household in all slums covered under the Scheme.

As per RGI 2001 census, the total number of urban households who have no latrines in urban areas of the country is 14,110,936 as per the State-wise details given below:-

Statement : Number of households using latrine in urban areas- India/States and Union territories : Census 2001

State Code	India/State/Union Territory [®]	Total number of households	Type of latrine within the house			
			Pit latrine	Water closet	Other latrine [*]	No latrine
1	2	3	4	5	6	7
00	INDIA	53,692,376	7,840,189	24,761,392	6,979,859	14,110,936
01	JAMMU & KASHMIR	390,411	78,751	103,602	156,815	51,243
02	HIMACHAL PRADESH	143,113	17,166	71,153	22,197	32,597
03	PUNJAB	1,489,694	305,813	692,949	290,145	200,787
04	CHANDIGARH [®]	180,576	1,849	127,789	14,950	35,988
05	UTTARANCHAL	390,164	104,258	159,255	75,478	51,173
06	HARYANA	1,075,179	284,714	333,201	249,377	207,887
07	DELHI [®]	2,384,621	362,087	1,129,239	393,275	500,020
08	RAJASTHAN	2,185,591	397,910	886,868	378,726	522,087
09	UTTAR PRADESH	5,170,527	934,442	1,653,335	1,549,079	1,033,671
10	BIHAR	1,322,583	150,391	574,602	196,767	400,823
11	SIKKIM	13,015	251	11,322	373	1,069
12	ARUNACHAL PRADESH	48,114	15,434	13,499	12,903	6,278
13	NAGALAND	66,716	27,000	13,255	22,539	3,922
14	MANIPUR	101,302	67,834	20,815	7,904	4,749
15	MIZORAM	81,604	44,477	28,170	7,353	1,604
16	TRIPURA	122,343	54,806	52,763	11,051	3,723
17	MEGHALAYA	90,568	30,005	39,435	13,505	7,623
18	ASSAM	715,185	188,702	421,092	66,741	38,650
19	WEST BENGAL	4,554,045	1,042,595	2,513,682	307,646	690,122
20	JHARKHAND	1,060,178	78,521	437,172	191,197	353,288
21	ORISSA	1,087,248	103,055	468,113	77,767	438,313
22	CHHATTISGARH	789,440	40,676	306,495	68,034	374,235
23	MADHYA PRADESH	2,794,858	332,437	1,148,702	412,089	901,630
24	GUJARAT	3,758,028	366,410	2,334,150	326,408	731,060
25	DAMAN & DIU [®]	12,251	419	7,418	179	4,235
26	DADRA & NAGAR HAVELI [®]	11,190	388	8,010	241	2,551
27	MAHARASHTRA	8,069,526	571,036	3,580,166	535,330	3,382,994
28	ANDHRA PRADESH	4,173,639	630,179	1,960,525	667,807	915,128
29	KARNATAKA	3,556,960	736,283	1,595,616	343,868	881,193
30	GOA	138,461	25,948	53,831	16,080	42,602
31	LAKSHADWEEP [®]	3,889	30	2,729	499	631
32	KERALA	1,652,656	183,557	1,235,462	101,728	131,909
33	TAMIL NADU	5,898,836	658,193	2,682,181	454,527	2,103,935
34	PONDICHERRY [®]	136,456	2,994	81,057	4,692	47,713
35	ANDAMAN & NICOBAR ISLANDS [®]	23,409	1,578	13,739	2,589	5,503

* Other Latrine: During the actual Houselisting Operations the data were collected on service latrines also. Service-latrines are dry type of latrines from where human excreta is removed by scavengers. But in a few areas due to some conceptual problems at enumerator's/ respondent's level some other type to latrines, which do not fall under the typical definition of service latrines, were also found to have been included in this type. Therefore, the data for this type are shown as 'Other latrine'. Thus, this category includes service latrines; latrines serviced by animals such as pigs, etc. and all latrines other than the pit and the water closet types of latrine.

3.25 The statement showing the State-wise figures of actually completed units and in-progress units separately along with the figures of new latrines constructed under the scheme for EWS beneficiaries having no latrines after the revision of the scheme till date is as under:

Number of units sanctioned, completed and in progress

Sl. No.	Name of the State	Total Sanctioned units		Units completed	Units in progress
		conversion	construction		
1.	Bihar	3545	8586	1986	1993
2.	Kerala	0	1675	0	169
3.	Nagaland	499	4981	920	0
4.	Uttar Pradesh	238253	0	72365	165888
5.	Maharashtra	0	4452	994	70
6.	Uttarakhand	1613	0	414	0
7.	West Bengal	0	6798	-	-
8.	Manipur	0	7117	-	-
9.	Madhya Pradesh	0	2514	-	-
10.	Jammu & Kashmir	5624	273	-	-
	Total	249534	36396	76679	168120

The States of Jammu & Kashmir, West Bengal, Manipur and Madhya Pradesh have not reported progress of sanctioned units.”

3.26 The Ministry when asked about the action taken against the Offenders in States/UTs which did not abide by the Employment of Manual Scavengers and construction of Dry Latrines (Prohibition) Act, 1993 stated that “As per information available only the Government of Uttar Pradesh has reported that under this Act, 32314 prosecutions have been filed in the Judicial Magistrate’s Court in various Local Bodies since 10th April 2002 to 10th March, 2010 and fine has been imposed on 5206 cases. No other State/ UTs has reported action taken/ prosecution against the offenders.”

3.27 On further being enquired as to when this act has been in existence since 1993, why only around thirty two thousand cases could filed till date and local bodies who are responsible for

eradication of manual scavenging have not been prosecuted for the breach of their duty, the Ministry explained as under :-

“Under the Act the State Governments appoints Executive Authorities for properly carrying out various provisions of the Act. As the administration of the urban local bodies comes under the purview of the State Government, any penal action against the urban local bodies is vested with the State Government. Except Uttar Pradesh, no other State/ UTs have reported action taken/ prosecution against the offenders.”

III. NATIONAL POLICY ON URBAN STREET VENDORS

3.28 Ministry of Housing & Urban Poverty Alleviation has recently comprehensively revised the National Policy on Urban Street Vendors (2004), taking into account the views of States/UTs and other stake holders. The revised National Policy on Urban Street Vendors, 2009 aims at fostering a congenial environment for the urban street vendors to carry out their activities without harassment from any quarter and provides mechanism of regulation of such activities to avoid congestion on sidewalks and to ensure free flow of traffic on roads. It aims at ensuring that urban street vendors find due recognition at national, state and local levels for their contribution and is conceived as part of the national initiative for alleviation of poverty in cities and towns. The revised Policy underscores the need for a legislative framework to enable street vendors to pursue a honest living without harassment from any quarter. Accordingly, a Model Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bill, 2009 has also been drafted.

3.29 During the oral evidence Secretary, M/o HUPA deposed as under :-

“For street vendors, the emphasis is on identifying the street vendors and registering them to find zones which are going to be hawking zones and street vendors zones and to be able to provide conditions whereby they can work without being exploited or harassed. A Model Bill has been circulated, so that this may have legislative backing.”

3.30 The Ministry have drafted a Model Bill on Street Vending: ‘The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bill, 2009’ for regulating the Street Vending activities. Salient features of the bill are as follows:

- (i) It would be obligatory for the appropriate Government to constitute a Town Vending Committee in each local authority. Ward Vending Committees may be constituted, if so needed.
- (ii) Office space and employees to the TVC would be provided by the local authority.
- (iii) There would be a fixed tenure of three years for the non-official members of the TVC. The appropriate Government may terminate their nomination earlier.
- (iv) The TVC would be responsible for identifying spaces for 'Restriction Free Vending Zone', 'Restricted Vending Zone', or 'No-vending Zone', assessing holding capacity of particular areas for vending, granting registration and issuing Identity card to vendors, monitoring vending activities etc.
- (v) Every street vendor would be required to get registered with the TVC on prescribed fee. A person would be entitled for registration for one vending spot only. Registration would be renewed periodically.
- (vi) The Local Authority would frame necessary bye-laws for street vending apart from supervising and monitoring activities of the TVC. They would provide civic amenities in the vending zones. Fees/levies to be charged from street vendors would be fixed by the Local Authority in consultation with the TVC.
- (v) It would be the responsibility of the Planning Authority to earmark adequate space for vending zones in the master plan/development plan, zonal plan, etc.
- (vi) Appropriate penalties, ranging from Rs. two hundred to Rs. five hundred, would be imposed on the vendors by the TVC for offences relating to violation of the terms and conditions of vending.

3.31 It appears that Street vending in urban areas of India is largely unorganised and there is not much data available about the number of such vendors that exist on date. There has been no

census/data collection work undertaken by the Ministry/States so far in this regard. When asked about this and whether it would be appropriate for the Ministry to enact a Bill without any actual data in this regard stated as under:-

“No census has been conducted by the Government of India for enumerating street vendors. Street vending being a state subject, State Governments take stock of street vendors in their respective states and action to cover street vendors under the various schemes of the State Government. As per National Policy on Urban Street Vendors 2009, the States/Urban Local Bodies are to undertake survey/photo-census of street vendors. The respective States are to design and implement programmes for the benefit of the street vendors.”

3.32 Since, there has been no legislation on the policy so as to make the National Policy on Urban Street Vendors, 2009 legally binding, when asked by what time does the Ministry plan to bring out any legislation/scheme specifically dedicated to street vendors in urban areas, the Ministry replied as under:-

“Street vending being a State subject, Government of India has no mandate to legislate on the subject. However, with a view to assist State Governments in bringing out their State legislation, Model Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bill, 2009 has been prepared and circulated to all States/UTs for taking a cue while legislating on the subject. All urban poor including street vendors are eligible for coverage under the existing schemes of this Ministry i.e. Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and Swarna Jayanti Shahari Rojgar Yojana (SJSRY). There is no proposal under consideration of this Ministry for any specific scheme for the street vendors.

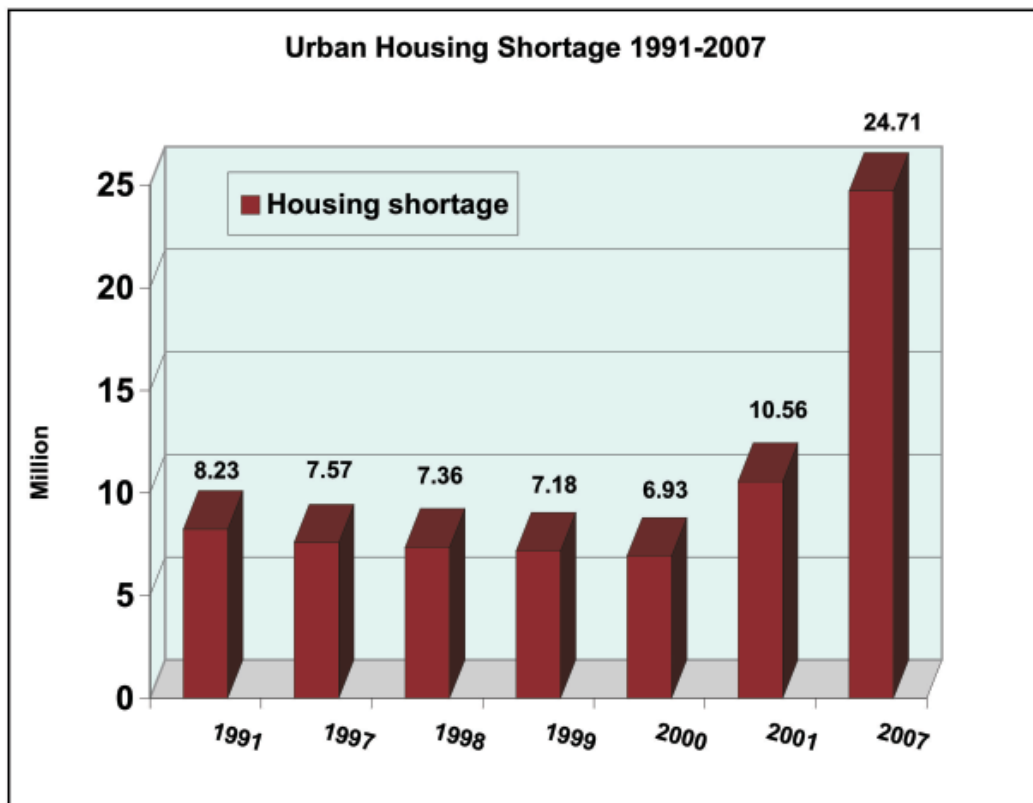
States have been requested to take steps for convergence in the delivery of various programmes for the benefit of street vendors such as, Swarn Jayanti Shahari Rojgar Yojana, Jawaharlal Nehru National Urban Renewal Mission, Prime Minister's Employment Generation Programme, Aam Admi Beema Yojana, Rashtriya Swasthya Beema Yojana, Skill Development Initiative, etc.”

CHAPTER IV

URBAN HOUSING SCHEMES

4.1 The Ministry of Housing and Urban Poverty Alleviation is the apex authority of Government of India at the national level for formulation of housing policy and programme, review of the implementation of the plan scheme, collection and dissemination of data on housing, building materials/techniques and for adopting general measures for reduction of building costs. It also has a nodal responsibility for national housing policy. As per the recommendations of the Working Group on Housing for the 11th Plan, the total shortage of dwelling units at the end of 10th Plan period was 24.71 million. The total shortage during the Plan period (2007-2012) including the backlog is likely to be 26.53 million.

Graphical representation of Urban Housing Shortage



Budgetary Allocation

4.2 As per the detailed Demands for Grants (2010-2011) of the Ministry of Housing and Urban Poverty Alleviation (MoHUPA), an amount of Rs.236.54 crore has been provided for 2010-11 in regard to Housing (Major Head 2216). The amount under this head was Rs.207.97 crore during 2009-10. The Ministry when asked about the reasons for a marginal increase of 13.74% this year, in comparison to 72.29% increase during the previous fiscal year in a written note, replied as under:-

“An allocation of Rs. 95 crore was available under BE 2008-09. Post approval by the Cabinet Committee on Economic Affairs (CCEA) on 26.12.2008, an enhanced allocation of Rs. 180.59 crore was made during 2009-10 (*an increase of almost 90%*). This has further been enhanced to Rs. 200 crore under BE 2010-11 (*an increase of almost 10%*).

The Scheme of Strengthening the National Network of Nirman Kendras/Nirmithi Kendras (Building Centres) is now proposed to be revamped and introduced in a new form. Hence, the scheme could not be finalized during 2009-10 (*BE provision of Rs. 1 crore*). The Ministry expects to finalize the revamped scheme in 2010-11 and hence, higher allocation of Rs. 5.00 crore has been sought under BE 2010-11.”

4.3 The Ministry when asked as to how does it plan to utilize this enhanced fund under this head, replied as under:

“FY 2009-10 was effectively the first year of ISSHUP and the Ministry expects better response during the year 2010-11 and hence, higher allocation has been sought.

In the case of Scheme of Strengthening the National Network of Nirman Kendras/Nirmithi Kendras (Building Centres), the Ministry expects to finalize the revamped scheme in 2010-11 and hence, higher allocation of Rs. 5.00 crore has been sought under BE 2010-11.”

4.4 The RE and the Actual expenditure for the financial year as provided by the Ministry is as under:

**RE and actual expenditure incurred during 2009-10
for different Schemes/ Programmes under Major Head- 2216 i.e. Housing**

(Rs in Crore)

S. No	Scheme/ Programme	RE 2009-2010 Plan +Non-Plan	Actual Expenditure 2009-2010 (upto 25.3.2010)
1.	National Co-operative Housing Federation (NCHF)	0.40	0.40
2.	Interest Subsidy Scheme for Housing Urban Poor (ISSHUP)	5.00	0.58
3.	Building Centre Scheme	0.01	00
4.	National Building Organisation (NBO)	2.57	2.06
5.	Urban Statistics for HR & Assessments Scheme (USHA)	15.00	12.99
6.	Building Material & Technology Promotion Council (BMTPC)	7.00	5.50
7.	United Nations Commission for Human Settlement (UNCHS)	0.40	0.40
8.	Commonwealth Local Government Forum (CLGF)	0.06	0.06
9.	Central Government Employees Welfare Housing Organisation (CGEWHO)	0.10	0.10

4.5 It is evident from above that the Ministry were not able spend the funds allocated to them after the cut was made at the RE stage. The Committee are skeptical over the ability of the Ministry to spend the allocated funds which are very huge as compared to the RE 2009-2010. Moreover the enhance allocation is marked to be spent on ISHUP scheme under which the spending of the Ministry has been very dismal.

Physical Progress

4.6 During the year 2009-2010, 66,884 dwelling units were constructed for EWS/LIG upto October, 2009 against the annual target of 1,59,707 for the entire year and 93,138 for the period upto October, 2009 which is just 41% achievement. The details of the same is as follows:

EWS/LIG HOUSES IN URBAN AREAS : HOUSES CONSTRUCTED

Sl. No.	States/UT	Target 2009-10	Target April 2009 to October, 2009	Achievement April, 2009 to October, 2009	Percent Achievement April, 2009 to October, 2009
1.	Andhra Pradesh	90,000	52,500	24,438	47
2.	Arunachal Pradesh	100	58	41	71
3.	Assam	293	168	0	0
4.	Chhatisgarh	10,000	5,833	0	0
5.	Delhi	6,896	4,022	0	0
6.	Goa	130	75	0	0
7.	Gujarat	10,000	5,833	28,992	497
8.	Haryana	701	408	424	104
9.	Karnataka	10,000	5,831	2,255	39
10.	Kerala	2,200	1,281	647	51
11.	Maharashtra	14,033	8,183	2,794	34
12.	Mizoram	1,512	882	0	0
13.	Orissa	208	121	34	28
14.	Puducherry	233	133	24	18
15.	Rajasthan	2,288	1,330	1,022	77
16.	Sikkim	25	14	18	129
17.	Tamil Nadu	10,000	5,833	6,195	106
18.	Tripura	456	266	0	0
19.	West Bengal	632	367	0	0
	Grand total	1,59,707	93,138	66,884	72

Very Good: (90% or above of targets) : Gujarat, Haryana , Sikkim , Tamil Nadu

Poor: (Below 80% of targets) : Andhra Pradesh, Arunachal Pradesh, Assam, Chhatisgarh, Delhi, Goa, Karnataka, Kerala, Maharashtra, Mizoram, Orissa, Puducherry, Rajasthan, Tripura, West Bengal.

JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION

4.7 Cities and towns of India constitute the world's second largest urban system. It is estimated that they contribute over 60% of the country's Gross Domestic Product (GDP). They are central to India's economic growth. For these cities to realize their full potential and become true engines of growth, it is necessary that focused attention be given to the improvement of infrastructure and basic services therein. For achieving this objective, a Mission mode approach is essential. Accordingly, Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was launched on 3rd December, 2005. The duration of the Mission is 7 years, beginning from the year 2005-06.

4.8 The Mission comprises two Sub-Missions – one for Basic Services to the Urban Poor (BSUP) and the other for Urban Infrastructure and Governance (UIG). BSUP is being implemented in select 65 cities. The duration of the Mission is 7 years (2005-2012). Smaller cities/towns are covered under Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) and Integrated Housing and Slum Development Programme (IHSDP). Ministry of HUPA is the nodal Ministry for BSUP and IHSDP whereas the Ministry of Urban Development is the nodal Ministry for Sub-Mission on UIG and UIDSSMT. The Sub-Mission on Basic Services to the Urban Poor (BSUP) under Jawaharlal Nehru National Urban Renewal Mission and the Integrated Housing and Slum Development Programme under JNNURM were launched for the integrated development of housing and basic services to slum dwellers. Central assistance under BSUP and IHSDP is provided to States for implementation of the projects approved by the Central Sanctioning & Monitoring Committee (for BSUP) and Central Sanctioning Committee (for IHSDP). Central share in the form of Additional Central Assistance is released from Ministry of Finance (to States) and Ministry of Home Affairs (to Union Territories).

4.9 As part of the policy initiatives under JNNURM, a new scheme titled “Affordable Housing in Partnership” has been launched as part of the BSUP. Also a scheme titled “Rajiv Awas Yojana” is proposed to be launched.

4.10 The Ministry in their written note has clarified that JNNURM is a demand-driven programme that not just responds to the investment needs of the cities, but also supports transformation processes for deepening and strengthening the institutional capacities to make our cities economically productive, socially just and environmentally sustainable. While sanctioning these projects, highest priority has been accorded to sectors that directly touch the lives of the common man and the urban poor, viz. housing, water supply, sanitation and storm water drainage.

COMPONENTS OF JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION

A BASIC SERVICES TO THE URBAN POOR (BSUP)

4.11 The salient features of BSUP are as follows:

- Central Assistance in the form of ACA as full grant.(applicable to 65 cities)
- 50% of the project cost in respect of cities having a population of one million or more to be borne by the Central Government.

- 90% of the project cost to be borne by the Central Government for projects from cities/towns in North Eastern States and Jammu & Kashmir.

- 80% of the project cost to be borne by the Central Government for projects from the remaining cities/towns.

- A minimum of 12% beneficiary contribution for houses; for SC/ST/BC/OBC/PH and other weaker sections, 10% beneficiary contribution.

- Access to Central assistance predicated upon the State/Urban Local Bodies/ Parastatals agreeing to implementation of reforms.

- Reforms to ensure improvement in urban governance.
- Cities to prepare City Development Plans and Detailed Project Reports so as to seek Additional Central Assistance.
- Central Sanctioning & Monitoring Committee to consider approval of projects and project financing pattern.

Funding Pattern of BSUP

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

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

4.13 During 2009-2010 Rs.2524.65 crore have been granted as ACA under this scheme in the budget of Ministry of Finance (in respect of States) and Ministry of Home Affairs (in respect of Union territories) and during 2010-11 it is 2357.60 crore.

B. INTEGRATED HOUSING & SLUM DEVELOPMENT (IHSDP)

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

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

Funding Pattern of IHSDP

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

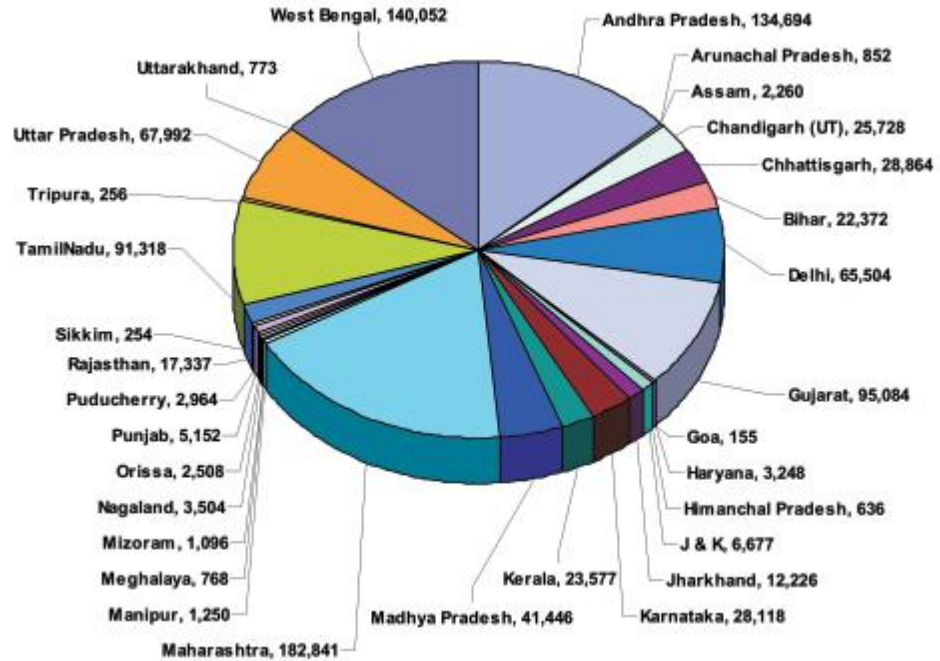
Financial/ Physical Progress under JNNURM

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

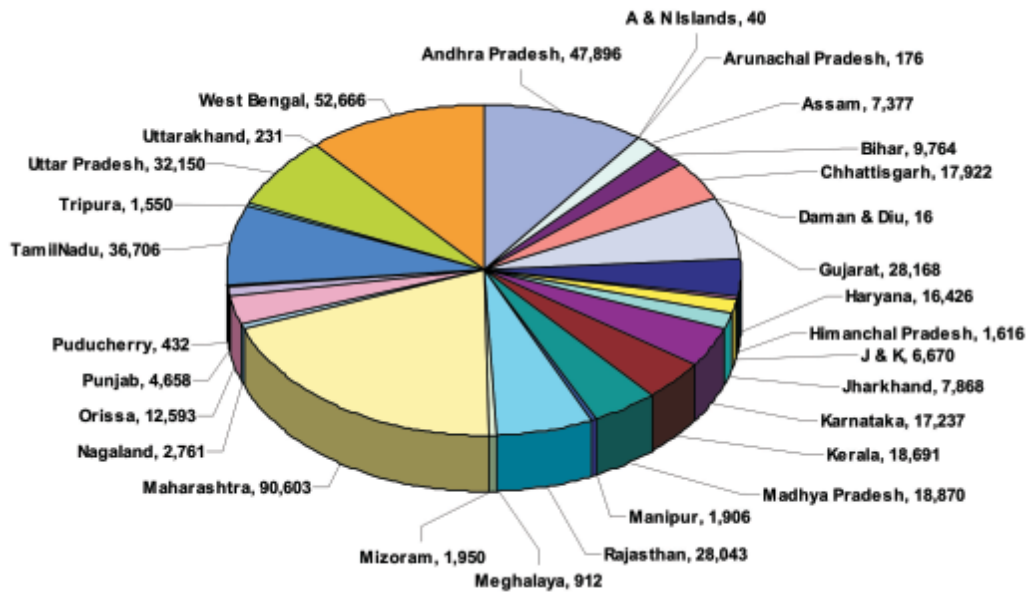
As on 31.12.2009

	7 Year Allocation		Commitment & Release (Rs. in Crores)	
		BSUP	IHSDP	Total
7-Year Allocation		16356.35	6828.31	23184.66
ACA Commitment made		13207.43	5894.95	19102.38
% Commitment		80.74%	86.33%	82.33%
ACA Released (total)		4293.07	3028.57	7321.64
% Release (Release vs Commitment)		32.50%	51.37%	38.28%
No of projects approved		467	856	1323
Total project cost approved		26150.14	8587.31	34737.45
No of States/UTs covered		31	30	61
No of Cities/Towns covered		63	753	816
No of DUs approved		1009506	465898	1475404
No. of DUs in Progress		310870	128552	439422
No. of DUs completed		144079	52702	196781

Pie-Chart showing State-wise details of Dwelling Units approved under BSUP is given below as on 31.12.2009



A Pie-Chart showing State-wise details of Dwelling Units approved under IHSDP is given below as on 31.12.2009



4.17 The Ministry in their written statement have informed the Committee that “the allocation for BSUP and IHSDP components, fixed at the launch of the JNNURM was Rs.18,100 crore for the period from 2005-06 to 2011-12. The Ministry of Housing & Urban Poverty Alleviation subsequently had demanded for increasing the allocation to Rs.30,000 crore. The Planning Commission has revised the allocation for JNNURM as a whole (for UIG, UIDSSMT components implemented by Ministry of Urban Development and BSUP, IHSDP components implemented by Ministry of Housing & Urban Poverty Alleviation) in the year 2009-10. Accordingly, the revised Mission-period allocation for BSUP and IHSDP is Rs.23,184.66 crore. The Mission period physical target is construction of 1.5 million housing units under BSUP and IHSDP.”

4.18 The Ministry in their written note have informed that “since the inception of JNNURM in December, 2005 and upto 31.12.2009 a total of 1323 projects have been approved under BSUP and IHSDP. Out of the total BE of Rs.3642.23 crore for BSUP and IHSDP together, Rs.1841.09 crore has been approved for release as on 31.12.2009. During the same period Central assistance to the tune of Rs.7532.06 crore has been released to the States and Union Territories. On completion of these projects 14,75,404 dwelling units would be constructed. As on 31.12.2009 1,96,781 houses have been completed and 4,39,422 dwelling units are in progress.

4.19 The Budget allocation proposed for 2010-11 from the Budget of Department of Expenditure and Ministry of Home Affairs is Rs.6605.87 crore (Rs.5041.03 crore under BSUP and Rs.1564.84

crore under IHSDP). Under 1% JNNURM Fund in the budget of Ministry of HUPA for the purpose of administrative expenditure (which include appraisal of Detailed Project Reports, capacity building activities, devising and operating management software, organizing workshops and seminars, etc) the estimated expenditure during 2010-2011 is Rs.20 crore.”

4.20 Statement showing budget estimates, revised estimates (ACA in the Budget of Department of Expenditure and Ministry of Home Affairs) and actual expenditure for the year 2007-08, 2008-09 and 2009-2010 and budget estimates for 2010-2011 is as under :

(Rs. in crore)

Year	BSUP			IHSDP		
	BE	RE	Actual expenditure	BE	RE	Actual expenditure
2006-07	1000.00	761.00	901.78	500.00	362.00	492.62
2007-08	1501.00	1195.05	1192.80	490.00	789.96	792.24
2008-09	1880.35	1813.38	1582.92	613.84	1113.84	1296.20
2009-10	2524.65	1344.36	922.05	1117.58	786.74	613.19
2010-11	2357.60	--	--	1015.43	--	--

4.21 The actual expenditure during 2009-2010 under the BSUP is Rs.922.05 crore and Rs.613.19 crore under the IHSDP so far against the BE of Rs.2524.65 crore and Rs.1117.58 crore under each. When the Ministry was asked to explain the reasons for dismal performance in utilization of funds stated as under:

“The Ministry of Housing & Urban Poverty Alleviation has recommended for release of the entire RE under BSUP, IHSDP and RAY to the Finance Ministry/ Ministry of Home Affairs. As on 18.3.2010 the Ministry has approved an amount of Rs. 715.58 crore for release over and above the RE of Rs. 2191.10 Crore under BSUP and IHSDP. The pace of release has picked up in last 3 months.

More than 80% of the ACA allocated under BSUP, IHSDP and RAY stand committed to the States. Therefore, there is limited scope for any new projects to be sanctioned under the schemes. The focus will mainly be on second and subsequent installments for the projects sanctioned under the two schemes. The ACA balance availability is mainly for the States of Punjab, Delhi, Jharkhand, Rajasthan, Goa and Bihar who have not fully availed of their 7 year allocation as on date as they have not submitted adequate number of DPRs following JNNURM guidelines for sanction by the Ministry.

Regular monitoring is done by the officers of the Ministry in various review meetings at State, regional and national level. A Central Monitoring Agency has also been appointed and the officers of the Agency regularly visit States for inspection of project with regard to quality and other aspects. The Ministry has been focusing on the lagging States like Punjab, Delhi, Bihar, Rajasthan, Goa and Jharkhand for commitment of the balance ACA available against their Mission period allocations.”

4.22 The duration of the JNNURM is 7 years from 2005-2012. The Ministry when asked as to how they plan to utilize the funds allocated to them under the BSUP when even after 4 years of commencement of the mission, only Rs.7000 crore have been allocated till date against the total allocation of Rs.16356.35 crore, replied as under:

“Against the Mission period ACA allocation of Rs.16356.35 crore under BSUP, as on 18.3.2010 Rs.13460.06 crore has been committed. Cumulative ACA released to States/UTs as on 18.3.2010 is Rs.4646.64 crore. While 82.29% ACA has been committed, release during the 6th year (2010-11) and 7th year (2011-12) of the Mission will depend on progress of projects approved from inception, submission of utilisation certificates for ACA released earlier and implementation of reforms. While sanction of new projects may cease by the year 2010-11, release of subsequent instalments of ACA for the projects sanctioned would spill over the 7-year Mission period for which fund need to be made available.”

4.23 The Ministry when asked to furnish the state-wise details of houses constructed under the BSUP and IHSDP so far, submitted as under:

BSUP Report As on 26.03.2010

Sl. No.	States/UTs	No of Projects approved	Dwelling Units Sanctioned	Dwelling Units Completed	Dwelling Units in Progress
1	Andhra Pradesh	36	134694	54698	76623
2	Assam	2	2260	0	2132
3	Aranuchal Pradesh	2	852	0	88
4	Andaman & Nicobar	0	0	0	0
5	Bihar	18	22372	0	320
6	Chandigarh (UT)	2	25728	512	10656
7	Chattisgarh	6	30000	0	5210
8	Daman And Diu	0	0	0	0
9	Dadar Nagar Haveli	0	0	0	0
10	Delhi (NCT)	15	65504	7900	5760
11	Goa	1	155	0	0
12	Gujarat	19	106044	35278	49310
13	Haryana	2	3248	1232	2016
14	Himachal Pradesh	2	636	0	0
15	Jharkhand	11	12226	0	0
16	Jammu and Kashmir	5	6677	0	804
17	Kerala	7	23577	4566	5314
18	Karnataka	18	28118	4165	14773
19	Lakshdeep	0	0	0	0
20	Maharashtra	60	182841	13692	77515
21	Madhya Pradesh	22	41446	3125	10832
22	Manipur	1	1250	0	0
23	Meghalaya	3	768	0	348
24	Mizoram	4	1096	0	408
25	Nagaland	1	3504	0	1632
26	Orissa	6	2508	37	752
27	Puducherry	3	2964	0	224
28	Punjab	2	5152	0	4112
29	Rajasthan	2	17337	115	715
30	Sikkim	3	254	0	35
31	TamilNadu	51	91318	7660	39706
32	Tripura	1	256	256	0

33	Uttar Pradesh	67	67992	7172	25313
34	Uttranchal	12	1799	0	231
35	West Bengal	91	140113	25417	26324
Grand Total		475	1022689	165825	361153

IHSDP Report As on 26.03.2010

Sl. No	State	No of Projects approved	Dwelling Units Sanctioned	Dwelling Units Completed	Dwelling Units in Progress
1	Andhra Pradesh	77	47896	18060	29836
2	Assam	16	8678	459	534
3	Aranuchal Pradesh	1	176	0	0
4	Andaman & Nicobar	2	40	0	0
5	Bihar	16	9764	0	2687
6	Chandigarh(UT)	0	0	0	0
7	Chattisgarh	18	17922	0	5946
8	Daman And Diu	1	16	0	0
9	Dadar Nagar Haveli	2	144	0	0
10	Delhi (NCT)	0	0	0	0
11	Goa	0	0	0	0
12	Gujarat	38	28168	822	4315
13	Haryana	18	16426	3760	2527
14	Himachal Pradesh	6	1616	0	0
15	Jharkhand	7	7868	0	0
16	Jammu and Kashmir	37	6670	0	1339
17	Kerala	53	26280	5892	2985
18	Karnataka	34	17237	4126	7479
19	Lakshdeep	0	0	0	0
20	Maharashtra	102	90072	4332	18509
21	Madhya Pradesh	44	20739	24	1329
22	Manipur	4	1906	0	1071
23	Meghalaya	3	912	0	48
24	Mizoram	8	1950	0	1950
25	Nagaland	2	2761	0	912
26	Orissa	32	13049	501	4465
27	Puducherry	1	432	0	36
28	Punjab	3	4658	0	0

29	Rajasthan	39	29072	2380	1738
30	Sikkim	1	39	0	0
31	TamilNadu	84	37585	6699	24322
32	Tripura	5	3115	245	316
33	Uttar Pradesh	143	37425	2540	12708
34	Uttranchal	19	4884	2	19
35	West Bengal	120	60171	17318	12063
Grand Total		936	497671	67160	137134

4.24 The Ministry when asked to provide State-wise targets and achievement for the number of dwelling units to be constructed under BSUP and IHSDP during last two years and the reasons for the variations, if any, in the performance of various States.

The State-wise achievements for the number of dwelling units constructed in last two years is given as under :-

BSUP Combined Report 2008-2009 & 2009-2010									
Sl. No.	States	BSUP Dwelling Units Sanctioned and Progress in 2008-2009				BSUP Dwelling Units Sanctioned and Progress in 2009-2010			
		DU Sanctioned	DU in progress	DU Completed	Total progress	DU Sanctioned	DU in progress	DU Completed	Total progress
1	Andhra Pradesh	40699	65486	10168	75654	0	55667	44530	100197
2	Assam	1028	1104	0	1104	0	1028	0	1028
3	Aranuchal Pradesh	752	100	0	100	0	0	0	0
4	Andaman & Nicobar	0	0	0	0	0	0	0	0
5	Bihar	7776	560	0	560	0	0	0	0

6	Chandigarh(UT)	0	11168	0	11168	0	0	512	512
7	Chattisgarh	888	5336	0	5336	1136	0	0	0
8	Daman And Diu	0	0	0	0	0	0	0	0
9	Dadar Nagar Haveli	0	0	0	0	0	0	0	0
10	Delhi (NCT)	8000	2912	7900	10812	0	2848	0	2848
11	Goa	0	0	0	0	0	0	0	0
12	Gujarat	7580	51396	7757	59153	10960	0	27521	27521
13	Haryana	0	2605	226	2831	0	0	1006	1006
14	Himachal Pradesh	0	0	0	0	0	0	0	0
15	Jharkhand	5008	0	0	0	0	0	0	0
16	Jammu and Kashmir	1469	0	0	0	0	804	0	804
17	Kerala	1369	3967	489	4456	0	5424	4077	9501
18	Karnataka	6272	11601	117	11718	0	7220	4048	11268
19	Lakshdeep	0	0	0	0	0	0	0	0
20	Maharashtra	32506	42969	4339	47308	14323	43899	9353	53252
21	Madhya Pradesh	8157	2790	1676	4466	0	9491	1449	10940
22	Manipur	1250	0	0	0	0	0	0	0
23	Meghalaya	168	76	0	76	0	272	0	272
24	Mizoram	688	408	0	408	0	0	0	0
25	Nagaland	0	1872	0	1872	0	0	0	0
26	Orissa	192	0	0	0	0	789	37	826
27	Puducherry	0	0	0	0	1660	224	0	224
28	Punjab	0	1360	0	1360	0	2752	0	2752
29	Rajasthan	0	912	0	912	0	0	115	115
30	Sikkim	202	0	0	0	0	35	0	35
31	TamilNadu	571	125	238	1495	0	3241	5274	3768

		1	69	6	5		1		5
32	Tripura	0	256	0	256	0	0	256	256
33	Uttar Pradesh	462 40	264 86	127 2	2775 8	0	0	5900	5900
34	Uttanchal	249	0	0	0	1026	231	0	231
35	West Bengal	248 72	840 9	522 8	1363 7	0	3810 4	20189	5829 3
Grand Total		201 076	254 342	415 58	2959 00	29105	2011 99	124267	3254 66

IHSDP Combined Report 2008-2009 & 2009-2010									
Sl.No.	States	IHSDP Dwelling Units Sanctioned and Progress in 2008-2009				IHSDP Dwelling Units Sanctioned and Progress in 2009-2010			
		DU Sanct- ioned	DU in prog- ress	DU Com- p- leted	Total progre- ss	DU Sanctio- ned	DU in progre- ss	DU Comple- ted	Total progre- ss
1	Andhra Pradesh	18639	23793	5464	29257	0	18639	12596	31235
2	Assam	1984	164	116	280	1301	713	343	1056
3	Aranuchal Pradesh	176	0	0	0	0	0	0	0
4	Andaman & Nicobar	0	0	0	0	0	0	0	0
5	Bihar	3264	2066	166	2232	0	621	0	621
6	Chandigarh (UT)	0	0	0	0	0	0	0	0
7	Chattisgarh	3076	4287	0	4287	0	1659	0	1659
8	Daman And Diu	0	0	0	0	0	0	0	0
9	Dadar Nagar Haveli	0	0	0	0	144	0	0	0
10	Delhi (NCT)	0	0	0	0	0	0	0	0
11	Goa	0	0	0	0	0	0	0	0
12	Gujarat	6108	728	0	728	3655	4409	822	5231
13	Haryana	1785	2771	794	3565	0	0	2966	2966

14	Himachal Pradesh	800	0	0	0	0	0	0	0
15	Jharkhand	6576	0	0	0	0	0	0	0
16	Jammu and Kashmir	3408	0	0	0	608	1339	0	1339
17	Kerala	5800	2778	2545	5323	7621	3554	3347	6901
18	Karnataka	4184	2489	0	2489	0	9116	4126	13242
19	Lakshdeep	0	0	0	0	0	0	0	0
20	Maharashtra	58828	14528	1262	15790	1488	7051	3070	10121
21	Madhya Pradesh	1708	458	24	482	1869	871	0	871
22	Manipur	663	0	0	0	140	1071	0	1071
23	Meghalaya	456	228	0	228	0	0	0	0
24	Mizoram	1450	500	0	500	0	1450	0	1450
25	Nagaland	0	360	0	360	265	552	0	552
26	Orissa	7709	0	0	0	456	4966	501	5467
27	Puducherry	0	0	0	0	0	36	0	36
28	Punjab	720	0	0	0	0	0	0	0
29	Rajasthan	3214	2718	413	3131	3215	0	1967	1967
30	Sikkim	0	0	0	0	39	0	0	0
31	TamilNadu	15500	8031	2657	10688	2322	20333	4042	24375
32	Tripura	1150	16	0	16	1565	545	245	790
33	Uttar Pradesh	29733	953	1080	2033	5456	13215	1460	14675
34	Uttranchal	0	0	0	0	4653	21	2	23
35	West Bengal	19706	4094	1908	6002	7580	23379	15410	38789
	Grand Total	196637	70962	16429	87391	42377	113540	50897	164437

The variation in the dwelling units sanctioned is directly linked to the ACA allocation and ACA commitment for the State. The physical progress varies from State to State. The reasons for variation are:

- Time of sanction of the projects depending on when DPRs were sent by the State Governments and when they were approved.
- Lack of capacity at the State and City level to implement these Projects;
- Availability of the funds as State/ULB share and land with State and Urban Local Bodies;
- Time-consuming consultation process with community/beneficiaries Contractors not responding to tenders in respect of housing projects.”

4.25 During the evidence Secretary, HUPA submitted that some States like Punjab, Goa, Himachal Pradesh and Jharkhand are difficult States where no dwelling units have come up. On the issue of Punjab she further deposed as under:-

“Punjab is a difficult State, as far as we are concerned. Punjab, in terms of policy, has not accepted the approach and the scheme. Punjab has not said it in writing but in our discussions with their officers they raised a point that the land is extremely expensive in the urban areas as well as in the rural areas abutting the urban areas. They have said: ‘We are not in a position to accommodate migrants.’ The other problem that they say: ‘Our urban areas are very poor and we cannot raise the State’s share to match the Central releases because our Municipalities are not rich enough.’ We have gone to them personally. We have written to them at every level. Even the Prime Minister, on the basis of our request, has written to the Chief Minister of Punjab but he response of Punjab is very disappointing.”

4.26 Representative of Ministry of HUPA, during the oral evidence informed the Committee about the Mid term appraisal of JNNURM by Planning Commission and stating the reason for poor performance of the States, she submitted :-

“In the mid-term appraisal conducted by Planning Commission the issue of difficulties of the State has been raised. States like Punjab and Goa do not like the policy at all. But rest of states, by and large, the whole problem is that neither the administrative machinery of State is so capable nor the municipalities are capable to execute the scheme”.

4.27 The Ministry when asked to specify as to how many States have addressed the problem of shortage of land for housing the urban poor replied as under:-

“Land is a state subject and the availability of the land for the projects for housing the poor has to be ensured by the State Government concerned before Detailed Project Reports (DPR) are submitted to CSMC/CSC for sanction. Therefore, any DPR which is sanctioned ensures availability of land for the project.

As regards making available land for the urban poor in general, one of the key pro poor reforms envisages the reservation of 20-25% of developed land for EWS/LIG by the States. The Ministry is advocating and pursuing this reform vigorously and as on date 17 States (43 cities) have issued policy directives for reservation of land for urban poor.

Gujarat reserves 10% of land under every Town Planning Scheme for Socially and Economically Weaker Sections. Andhra Pradesh has issued Government order for reservation of land for EWS and LIG. Some States have taken similar initiatives. States like Madhya Pradesh and Chhattisgarh have provided for creation of Shelter Fund through contribution from developers not providing land for the EWS and LIG categories.”

4.28 When asked to specify the details of the unspent balances left with State Governments in respect of Projects under BSUP & IHSDP, the Ministry submitted as under:

BSUP : State wise details of unspent balance as on 25.03.2010

(in crore)

Sl. No.	Name of State	Total ACA Released	Total UC Submitted	Unspent Balance
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1	Andhra Pradesh	747.04	472.68	274.36
2	Arunachal pradesh	11.83	0.84	10.99
3	Assam	36.54	24.40	12.14
4	Bihar	78.19	0.00	78.19
5	Chattisgarh	161.85	78.05	83.80
6	Chandigarh	188.94	99.03	89.91
7	Delhi	173.50	0.00	173.50
8	Goa	1.15	0.00	1.15
9	Gujarat	498.24	329.25	168.99
10	Haryana	23.38	15.59	7.79
11	Himachal Pradesh	4.57	0.00	4.57
12	J and K	33.61	0.00	33.61
13	Jharkhand	44.70	0.00	44.70
14	Karnataka	163.27	62.50	100.77
15	Kerala	70.18	24.85	45.33
16	Madhya Pradesh	137.09	54.34	82.75
17	Maharashtra	1142.20	405.26	736.94
18	Manipur	10.98	0.00	10.98
19	Meghalaya	16.03	5.94	10.09
20	Mizoram	20.03	0.00	20.03
21	Nagaland	52.80	26.40	26.40
22	Orissa	13.54	0.00	13.54
23	Punjab	17.36	8.32	9.04

24	Puducherry	20.80	1.06	19.74
25	Rajasthan	42.30	0.00	42.30
26	Sikkim	7.26	1.40	5.87
27	Tripura	13.96	6.98	6.98
28	Tamil Nadu	397.50	185.26	212.24
29	Uttar Pradesh	355.02	158.71	196.31
30	Uttrakhand	7.00	0.00	7.00
31	West Bengal	557.74	192.38	365.36
TOTAL		5048.61	2153.25	2895.36

IHSDP : State wise details of unspent balance as on 25.03.2010

(in crore)

Sl. No.	Name of State	Total ACA Released	Total UC Submitted	Unspent Balance
1	Andhra Pradesh	499.50	117.22	382.28
2	Arunachal pradesh	0.00	0.00	0.00
3	Assam	35.11	0.00	35.11
4	Andaman and Nicobar	5.53	0.00	5.53
5	Bihar	61.99	0.00	61.99
6	Chattisgarh	101.54	28.19	73.35
7	Chandigarh	0.00	0.00	0.00
8	Delhi	0.00	0.00	0.00
9	Dadar And Nagar	0.23	0.00	0.23

10	Daman Diu	0.29	0.00	0.29
11	Goa	0.00	0.00	0.00
12	Gujarat	119.35	0.00	119.35
13	Haryana	104.85	0.00	104.85
14	Himachal Pradesh	18.54	0.00	18.54
15	J and K	39.54	0.00	39.54
16	Jharkhand	41.12	0.00	41.12
17	Karnataka	111.34	7.96	103.38
18	Kerala	93.32	26.75	66.57
19	Madhya Pradesh	101.24	4.76	96.48
20	Maharashtra	590.00	24.30	565.70
21	Manipur	10.66	0.00	10.66
22	Meghalaya	11.21	0.00	11.21
23	Mizoram	14.89	0.00	14.89
24	Nagaland	29.92	22.07	7.85
25	Orissa	88.18	0.00	88.18
26	Punjab	16.31	0.00	16.31
27	Puducherry	2.74	0.00	2.74
28	Rajasthan	190.69	23.78	166.91
29	Sikkim	8.96	0.00	8.96
30	Tripura	15.14	3.17	11.97
31	Tamil Nadu	231.25	106.23	125.01
32	Uttar Pradesh	286.04	39.30	246.73

33	Uttrakhand	19.02	0.00	19.02
34	West Bengal	460.99	137.86	323.13
TOTAL		3309.46	541.59	2767.87

4.29 It is surprising to find that there are States which have not submitted utilization certificates for the budget allotted to them for the scheme. Some States like Delhi, Arunachal Pradesh, Bihar, Goa, Himachal Pradesh, J&K, Jharkhand, Mizoram and Uttarkhand have not utilized the funds released to them and it is more surprising that a State like Delhi has not submitted even a single utilization certificate for the fund of Rs. 173.50 crore released to them. When asked about the action proposed for such cases the Ministry in post-evidence replies stated as under :

“Submission of Utilization Certificates is directly related to the physical progress on ground and financial utilization of more than 70% of funds released. The States like Delhi, Arunachal Pradesh, Bihar, Goa, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Mizoram and Uttrakhand have shown very little physical progress on ground. Since, the projects are not yet taken off in a large way in these States, the funds utilization by these States is poor. Ministry is continuously pursuing with these States to start the projects implementation on a fast track and come up with the UCs for claiming the subsequent installments. DO letters at various levels to the State Governments have been sent and Regional/State reviews held regularly at senior levels.”

4.30 During the evidence Members raised the issue of rise in cost due to construction of two room dwelling units rather than one room unit as before. Secretary , HUPA clarified as under :-

”when it was decided that there should be two rooms, the thinking that was put behind it was not only of the Ministry, it was done in consultation with the wide body of people working in the urban areas. But I will put it before Minister.”

4.31 As a part of policy initiatives under JNNURM, a new scheme entitled, ‘**Affordable Housing in Partnership**’ was launched as a part of the BSUP during 2009-2010. When the Ministry was asked to furnish the progress of the scheme submitted as under:-

“The Government has also launched a new Scheme of Affordable Housing in Partnership (AHP) – as part of BSUP – with an outlay of Rs. 5,000 crores for construction of one million houses for EWS/LIG /MIG with at least 25% for EWS category. The AHP aims at partnership between various agencies/Government/parastatals/Urban Local Bodies/developers for realizing the goal of affordable housing for all.

The subsidy under AHP is given at Rs.50,000 per Dwelling Unit for all affordable housing dwelling units in the project or 25% of the infrastructure cost which ever is lower.

Detailed Guidelines have been issued in this regard. As projects are not forthcoming, the Ministry proposes to modify the guidelines in consultation with Planning Commission and Department of Expenditure to release subsidy under AHP on BSUP pattern and at Rs. 50,000 per house for all the affordable housing units in the projects.”

II. RAJIV AWAS YOJANA

4.32 As regards the status of the newly introduced Rajiv Awas Yojana (RAY) scheme, the Ministry informed as under:

“An expert committee has been constituted to make suggestions regarding the formulation of the proposed Rajiv Awas Yojana. The Committee will critically examine the draft RAY scheme prepared by Ministry of HUPA and make suggestions regarding the strategy, financial pattern and other features of RAY.

The Ministry has provided funding support to States/UTs for the conduct of slum and slum household surveys. The surveys are in progress in some states. Others are in the process of starting the same. When surveys are completed, the details will be available.”

4.33 The Ministry when asked to provide the details of the financial allocation and expenditure under the Rajiv Awas Yojana replied as under:

The allocation under Rajiv Awas Yojana for the year 2010-11 is as follows:-

BE 2010-11 (Rs. In crore)			
	Min. of Finance	MHA	Total
Rajiv Awas Yojana	1200.00	10.20	1210.20

4.34 The Ministry has approved the Scheme for preparatory activities for planning slum-free cities under RAY with an outlay of Rs.120 crore. For the year 2009-10, the Ministry has approved release of Rs.60 crore to 20 States (recommendation for releasing ACA has been sent to Department of Expenditure). Together with preparatory activities and the releases towards actual implementation of the programme, the allocated budget is expected to be utilised in the next year.

4.35 On the issue of assigning property rights to slum dwellers by States, Ministry in their post evidence replies informed as under :-

“The Scheme of Rajiv Awas Yojana (RAY) is in formulation stage. Several consultations have been held with the States/experts to discuss the parameters of the Schemes including assignment of property rights to the slum dwellers.

A national group comprising of select State Secretaries, legal and town planning experts has been formed under the chairpersonship of Secretary (HUPA) to guide the process of formulating the legislative framework for according property rights to the urban poor/slum dwellers.

Another sub-committee chaired by Additional Secretary & Mission Director (JNNURM) has been formed for formulating the law based on state experiences and relevant state laws. The sub-committee is going into the details of the following laws to include the best practices - Maharashtra Slum Areas Act, 1971; Slum Areas Act, 1956; Gujarat Town Planning & Urban Development Act, 1976; Madhya Pradesh Nagariya Kshetro Ke Bhoomihin Vyakti Act, 1984; Sarva Hitay Garib Awas Malikana Haq Yojana, Uttar Pradesh. Based on the suggestions/comments received from the Committee members a draft model law/legal framework will be prepared and circulated to States for

consideration in connection with amendments to their existing laws or enactment of new law.

States like Andhra Pradesh and Gujarat are in the process of drafting state model frameworks based on the initial draft framework circulated by the Ministry.”

III. Interest Subsidy Scheme for Housing the Urban Poor (ISHUP)

4.36 During the 11th Plan a new scheme, namely Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) which encourages poor sections to avail of home loans from the primary lending institutions (PLIs) i.e. Bank/ Housing Finance companies have been formulated. The scheme provides home loan with Central Government Subsidy to EWS/ LIG persons for acquisition of houses as also for construction of house. Loan repayment period would be permissible generally ranging from 15-20 years. The subsidy will be 5% p.a. on interest charged on the admissible loan up to Rs. 1 lakh for construction or acquisition of a new house. The size of the housing being 25 sq. meters in the case of EWS & 40 sq. meters in the case of LIG. The income ceiling of upto Rs. 3300 for EWS and Rs. 3301-7300 for LIG as presently applicable under the Scheme have been revised to upto Rs. 5000 and Rs. 5501-10000, respectively. Other salient features of the scheme are:

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

4.37 The Ministry in their written note had informed that an allocation of Rs.1378 crores has been made for the 11th Plan. The total number of borrowers to be supported under the Scheme in its pilot stage is proposed to be 3.10 Lakhs over the remaining period of 11th Plan with tentative annual targets as follows:

Year	Targeted number of borrowers (nos. in lakh)	Proposed Allocation (Rs. in crore)	
2008-09	0.36	Net present value (NPV)	125.37
2009-10	0.83		285.42
2010-11	0.93		320.01
2011-12	0.98		336.20
Total	3.10	Total NPV	1067.00
		IEC & A&OE*	33.00
		Total	1100.00

*IEC – Information, Education and Communication, A&OE – Administration and Other Expenses

4.38 Statement showing budget estimates, revised estimates and actual expenditure for the year 2007-2008, and 2008-2009 and budget estimates for 2009-2010:

Rs. in Crore

	2007-08	2008-09	2009-10	2010-11
Budget Estimates	30.00	95.00	180.59	200.00
Revised Estimates	30.00	30.00	5.00	--
Actual Expenditure	Nil	--	0.52	--

4.39 It has been observed that this scheme applies to the 11th plan period with an outlay of Rs.1100.00 crore. The actual expenditure during 2007-2008 and 2008-2009 was nil and in 2009-2010 it was only Rs.52 lakh whereas the budgetary allocation for 2009-10 is just Rs.200 crore. When asked as to whether the Ministry will be able to achieve the desired target and utilize the balance funds in remaining two years time, Ministry replied as under:

“The scheme was approved by the CCEA on 26.12.2008. However, as the guidelines of the scheme were firmed up in February, 2009, the scheme was effectively in place in 2009-10.

Anticipating from the initial and encouraging response to the scheme, an allocation of Rs. 180.59 crore was made.

ISSHUP is a demand driven loan based scheme aimed at facilitating institutional loans to EWS & LIG beneficiaries and is essentially linked to ability of States in creation of additional housing stock by the States. FY 2009-10 being effectively the first year of scheme, the response from States has been slow and only Andhra Pradesh has been able to take advantage of scheme and dove-tail it with a state scheme i.e. INDIRAMA. As a result the Ministry was constrained to surrender funds. The Ministry expects better response during the year 2010-11 and hence, higher allocation has been sought.”

4.40 During the evidence explaining about the ISHUP, Secretary, M/o HUPA submitted as under :-

“This is the interest subsidy scheme which we got sanctioned in 2008; implementation began in 2009. In this scheme for people who have their plot of land or want to buy their plot of land and belong to the EWS, economically weaker section or the lower income group, loans up to Rs. One lakh for a duration of 15 years are being encouraged by giving an interest subsidy of five per cent. That interest subsidy is so calculated that the money is capitalized and the end result is that he pays the normal rate of interest on a lower loan. It mitigates the risk for the bank and it also provides a lower interest capital cost for construction for poor people for their housing.

In this, the banks are supposed to be implementing the scheme. But we find that the banks are not really interested, even though the loan is mitigated because the size of the loan is small and the service cost to the bank is high. So, we have been trying over the last year to be able to involve the municipalities in the scheme so that the municipalities get the people together for whom land is available and they put the paper work together and give it to the bank.”

4.41 The Ministry when asked about the current status of the ISSHUP as out of the total 3.11 lakh targeted borrowers under this scheme, how many borrowers have received benefits from this

till date, stated that “Government of Andhra Pradesh has assigned a target of 2.36 lakh beneficiaries district-wise and bank-wise. AP State Housing Corporation Ltd. (APSHCL), the State level nodal agency has already identified and sanctioned 43,711 applications in convergence with a State Government Housing Scheme i.e. INDIRAMMA, with loan amount involving 51.17 crore. Claims of subsidy for the loans sanctioned and disbursed are being received and the Ministry has already released subsidy of Rs.0.83 crore during 2009-10 through National Housing Bank (NHB) to the claimant banks.”

4.42 It is apparent that more than 66% of the entire targeted borrowers are from one state i.e. Andhra Pradesh. The rest of the states have very few takers of the scheme and it seems that very little have been done by the states to popularize this initiative.

4.43 When asked whether the Ministry expect to make ISSHUP successful with the support of only one State the Ministry in post replies stated as under :-

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

4.44 It is apparent from some of the clauses identified under Rajiv Awas Yojana that they are similar to ISHUP. When the Ministry was asked about the impact of the introduction of Rajiv Awas Yojana on ISHUP replied that “the proposed Rajiv Awas Yojana (RAY) over period seeks to subsume the scheme. However, details of RAY in this regard are yet to be worked out.”

4.45 When asked to explain as to why do the Ministry propose such schemes, which takes 4 years to take off and then to be merged in any other scheme as ISSHUP is supposed to be subsumed in newly introduced Rajiv Awas Yojana, the Ministry submitted as under :

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

Social Audit and Monitoring of Schemes

4.46 The Committee in the Second Report on Demand for Grants (2009-2010) had recommended that possibility of involving the elected representatives of the people in the Parliament/State Assemblies in social auditing and monitoring of schemes like BSUP, IHSDP and SJSRY and setting up of a Vigilance Committee under the Chairmanship of the local Member of Parliament to look into the progress of various ongoing schemes supported by the Ministry should be explored. When asked to specify the action taken by them in this regard, the Ministry in written reply informed as under:-

“As far as State level is concerned, under the Guidelines of Basic Services to the Urban Poor (BSUP), Members of Parliament, Members of Legislative Assembly and Mayors/Chairpersons of Cities are members of the Steering Committee. The Ministry is in the process of considering similar guidelines for IHSDP component of JNNURM. As regards City/Town level is concerned, projects under BSUP and IHSDP components of

JNNURM are not implemented in all cities/towns. While BSUP is applicable to 65 cities, IHSDP projects are implemented in select cities and towns for which projects are approved based on submission of detailed project reports (DPRs). Further, BSUP and IHSDP are not implemented in all districts of the country. Thus, any district level review arrangement may not be meaningful. The Ministry has taken up with the National Steering Group under JNNURM regarding the issue of guideline for the involvement of Members of Parliament under whose constituencies the respective cities and towns fall in the implementation of JNNURM at the city level. As regards the involvement of Hon'ble Members in Social Audit is concerned, guidelines/manuals on Social Audit Version 1 has been prepared recently. The Ministry has addressed States to conduct social audit in a transparent manner following the Manuals/Toolkits involving public representatives, NGOs, CBOs and the community.”

4.47 When further asked to explain as how the issue of inclusion of elected representatives in the monitoring of BSUP and IHSDP schemes becomes meaningless just because these schemes are restricted to some select cities only and not implemented throughout the country, the Ministry replied as under:

“It is clarified that the valuable suggestion of the Committee was considered by the Ministry and it was informed that the Ministry had taken up with National Steering Group for issue of guidelines for involvement of Hon'ble Members in review and monitoring of JNNURM. What the Ministry had informed that as in all districts JNNURM is not implemented, district review universally was not meaningful and perhaps city level review was more appropriate. In fact, the guidelines by Ministry of Urban Development have since been issued duly involving Hon'ble Members in city level reviews. As regards social audit is concerned, the Ministry has written to the State Governments for involving Hon'ble Members already.”

PART II

OBSERVATIONS AND RECOMMENDATIONS

1. Underutilization of funds

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

From this, the Committee can easily draw the inference that the delivery mechanism of the Ministry is not proper and needs an urgent attention. What is more distressing to note is that while on the one hand the Ministry of Housing and Urban Poverty Alleviation has demanded the larger allocation of funds for successful implementation of various schemes, their actual performance shows that they have not been able to utilize the amount allocated to them completely. The Committee need to emphasize that this trend of under utilization of funds results in cut at the Revised Estimate stage. That is why year after year plan allocations get reduced at RE stage which is evident from the fact that in 2008-2009, the allocation was reduced from Rs.850 crore to Rs.670 crore and in 2009-2010 from Rs.850 crore to Rs.575 crore. If the Ministry fails to spend even 60% of the entire funds allocated to them till the month of December, it can not escape the cut at the RE stage. Moreover, under-utilisation of funds results in the reduced allocation of funds in successive years. Thus, the onus lies on the Ministry to utilize the funds fully and that too in time to avoid reduction in allocation which ultimately reflect on the performance of schemes.

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

2. Poor implementation of SJSRY

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

Moreover, the Committee find that performance in some of the States like Jammu & Kashmir, Jharkhand, Punjab, Meghalaya etc. is utterly dismal and no Central Funds have

been released to them as they could not spend the funds in time and furnish the utilization certificates for their past release. Further, the state-wise expenditure reported by the States show that Rs.61175.19 lakh of Central fund are still lying unspent with the States. The Committee feel that this non-utilisation of fund affects the overall performance of the scheme. The Committee, therefore, urge the Ministry to take remedial measures so as to ensure that the funds allocated to the states are optimally utilized within the stipulated time frame.

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

3. Integrated Low Cost Sanitation Scheme

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

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

4. Problem related to lack of proper latrines and open defecation

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

The Committee observe that the Ministry of HUPA only takes care of dry latrines and under its scheme of Integrated Low Cost Sanitation Scheme (ILCS) Rs. 71 crore have been allocated for conversion of dry latrines into two-pit pour flush latrines. During the evidence, Secretary, HUPA clarified that problem of no latrines and other kind of open defecation does not come under Ministry of Housing and Urban Poverty Alleviation but the same comes under Ministry of Urban Development under the head 'total sanitation'. The Committee find that the biggest problem in urban sanitation is open defecation by the urban poor and the revised ILCS scheme does not address this problem. The Committee, therefore, feel that the issue of open defecation should also come under the jurisdiction of Ministry of HUPA instead of Ministry of Urban Development so as to address the problem in a better perspective.

5. BSUP and IHSDP

Under Jawaharlal Nehru National Urban Renewal Mission (JNNURM), the Ministry of Housing and Urban Poverty Alleviation has been entrusted with the nodal responsibility for an integrated slum development in the 65 Mission cities under the component Basic

Services to the Urban Poor (BSUP) and for providing shelter and basic amenities in other non-Mission cities under the Integrated Housing and Slum Development Programme (IHSDP). The key objectives of these programmes are to strive for holistic development, with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure facilities.

The submissions made by the Ministry suggest that of the total Additional Central Assistance (ACA) of Rs.16356.35 crore under the BSUP, about 82.29% have already been committed to be released to the States/UTs. However, the cumulative ACA released to the States/UTs till mid March, 2010 was Rs.4646.64 crore only. Non-utilisation of funds is also evident from the fact that the number of dwelling units completed and those under construction till date is very low. Under BSUP and IHSDP, against the Mission period target of construction of 1.5 million housing units, sanctions for only 1022689 dwelling units have been obtained out of which, till date, only 165825 units have been completed and 361153 units are still under construction. Under IHSDP only 67160 units have been constructed and 137134 units are under construction against sanctioned 497671 dwelling units. The progress of the scheme is extremely dismal especially in the States like Punjab, Delhi, Jharkhand, Rajasthan, Goa and Bihar as these states have not yet availed the balance of ACA available with them. The basic reason attributed for the non release of the committed ACA to them is that they have failed to submit adequate number of Detailed Project Reports, according to the JNNURM guidelines. The Committee are extremely concerned about the under-utilization of funds and delayed submission of the Detailed Project Reports and express their serious doubts about the number of projects which would actually take off and would be completed in time given the slow pace of the progress made by these States.

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

6. Lack of Finance and Land for Housing

With rapidly rising rural urban migration and economic growth, it is estimated that by 2030, the urban population will increase considerably. Given the trend, the Committee

apprehend that with the high level of urbanization comes matching low level of poverty accompanied by acute shortage of houses for the urban poor. As per deposition of the Ministry, there are few constraints that are adversely affecting the Government's efforts to construct affordable houses. One of them is lack of adequate resources with urban local bodies and another is availability of land.

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

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

In regard to availability of land, the Committee recommend that the States should be asked to make it compulsory in their State expansion plans to specify 5-10% land for EWS houses. The Committee further feel that the State Governments should try to go in for high rise buildings thereby accommodating more dwelling units.

7. Promoting Public-Private Partnership to address the urban housing shortage problem

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

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

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

The Committee appreciate the launch of the new initiative entitled, 'Affordable Housing in Partnership' by the Ministry under which Rs.50,000 or 25% of the infrastructure cost would be given as subsidy for construction of each EWS dwelling unit. The Committee urge the Ministry to issue necessary guidelines so as to ensure enhanced participation by the Urban local bodies and developers in realizing the goal of affordable housing for all.

8. RAJIV AWAS YOJANA

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

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

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

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

9. Interest Subsidy Scheme for Housing the Poor

The 'Interest Subsidy Scheme for Housing the Poor' (ISHUP) to provide 5% subsidy on interest charged on loan upto one lakh was introduced in Eleventh Five Year Plan with

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

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

10. Monitoring of Schemes

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

The Committee are of the firm view that involvement of the Members of Parliament is very essential in monitoring of these scheme, as they can keep a tight vigil on the quality of houses so constructed under JNNURM and keep a watch over the funds being spent under SJSRY etc. Moreover, Members can create awareness among their constituents about the contents and benefits of various schemes, as well as expedite the construction process and

submission of utilization certificates by States which would further ensure timely funding in future. The Committee, therefore, reiterate their earlier recommendation and urge the Ministry to take up this mater on priority basis and set up a Vigilance Committee on the lines of rural development schemes for monitoring and social auditing of the schemes of Ministry of Housing and Urban Poverty Alleviation.

New Delhi

15 April, 2010
25 Chaitra, 1932 (Saka)

SHARAD YADAV,
Chairman,
Standing Committee on Urban Development

APPENDIX – I

COMMITTEE ON URBAN DEVELOPMENT(2009-2010) MINUTES OF THE NINTH SITTING OF THE COMMITTEE HELD ON THURSDAY, 1st APRIL, 2010

The Committee sat from 1500 hrs. to 1730 hrs. in Room '53', Parliament House, New Delhi.

PRESENT

Shri Sharad Yadav - Chairman

MEMBERS **LOK SABHA**

2. Shri J.P. Agarwal
3. Shri Praveen Singh Aron
4. Shri Gajanan D. Babar
5. Shri Partap Singh Bajwa
6. Shri Ambica Banerjee
7. Shri Eknath M. Gaikwad
8. Shri Sakti Mohan Malik
9. Shri Mohinder Singh Kaypee
10. Shri Ramesh Kumar
11. Shri Radhe Mohan Singh
12. Dr. (Prof.) Ramshankar
13. Dr. Kirit Premjibhai Solanki
14. Shri Adagooru H. Vishwanath

RAJYA SABHA

15. Shri Surendra Motilal Patel
16. Shri Amir Alam Khan
17. Shri Varinder Singh Bajwa
18. Shri Gireesh Kumar Sanghi

SECRETARIAT

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

WITNESSES

Sl.No.	Name	Designation
1.	Smt. Kiran Dhingra	Secretary, Housing & Urban Poverty Alleviation
2.	Dr. P.K. Mohanty	Addl. Secretary & Mission Director (JNNURM)
3.	Shri S.K. Singh	Joint Secretary (H)
4.	Smt. Sudha Krishnan	JS & FA
5.	Shri J.P.S. Chawla	C.C.A.
6.	Shri D.P.S. Negi	Director (NBO)
7.	Shri K.L. Dhingra	CMD, HUDCO (in the rank of Addl. Secretary)
8.	Shri Jaiveer Srivastava	CMD, HPL (in the rank of Addl. Secretary)
9.	Col. Sunil Kumar	CEO, CGEWHO (in the rank of Addl. Secretary)
10.	Shri Sailesh Aggarwal	Executive Director BMPTC

2. At the outset, the Chairman welcomed the members and representatives of the Ministry of Housing and Urban Poverty Alleviation to the sitting of the Committee. The Chairman then requested the Secretary, Ministry of Housing and Urban Poverty Alleviation to give a brief presentation on the Demands for Grants of the Ministry for the year 2010-11. He also drew the attention of the representatives of the Ministry to the provisions of direction 55(1) of 'Directions by the Speaker'.

3. The Secretary, Ministry of Housing and Urban Poverty Alleviation, thereafter briefly explained the overall Budgetary position with regard to various central sector schemes and programmes of the Ministry for the year 2010-11 and highlighted their targets and achievements as well as reasons for shortfall, wherever applicable. The Committee then discussed in detail various issues related to the examination of the 'Demands for Grants' of the Ministry. The representatives of the Ministry clarified to the queries raised by the members.

4. A verbatim record of the proceedings was kept.

The Committee then adjourned.

APPENDIX – II

STANDING COMMITTEE ON URBAN DEVELOPMENT (2009-2010)

MINUTES OF THE TENTH SITTING OF THE COMMITTEE HELD ON THURSDAY, 15th APRIL, 2010

The Committee sat from 1500 hrs. to 1600 hrs. in Committee Room 'E', Parliament House Annex, New Delhi.

PRESENT

Shri Sharad Yadav - Chairman

MEMBERS

LOK SABHA

2. Shri Praveen Singh Aron
3. Shri Partap Singh Bajwa
4. Shri Mohinder Singh Kaypee
5. Shri Ramesh Kumar
6. Shri Gajanan D. Babar
7. Shri Radhe Mohan Singh
8. Shri Sonawane Pratap Narayanrao
9. Shri Kadir Rana
10. Dr. Kirit Premjibhai Solanki

RAJYA SABHA

11. Shri Parvez Hashmi
12. Shri Gireesh Kumar Sanghi

SECRETARIAT

- | | | |
|------------------------|---|---------------------|
| 1. Shri T.K. Mukherjee | - | Joint Secretary |
| 2. Shri K.D. Muley | - | Director |
| 3. Smt. Anita B. Panda | - | Additional Director |
| 4. Ms. Amita Walia | - | Under Secretary |

2. At the outset, the Chairman welcomed the members to the sitting of the Committee. The Committee then took up for consideration the draft Reports on Demand for Grants (2010-2011) of the Ministry of Urban Development and the Ministry of Housing and Urban Poverty Alleviation. the Committee adopted the draft Reports without any changes:

3. The Committee then authorized the Chairman to present the Reports to Lok Sabha.

The Committee then adjourned.

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