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**STANDING COMMITTEE ON URBAN DEVELOPMENT**

**(2014-2015)**

**SIXTEENTH LOK SABHA**

**MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION**

**DEMANDS FOR GRANTS(2015-2016)**

(Action Taken by the Government on the Observations/ Recommendations contained in the Sixth Report (Sixteenth Lok Sabha) of the Standing Committee on Urban Development on Demands for Grants (2015-2016) ) of the Ministry of Housing and Urban Poverty Alleviation)

**EIGHTH REPORT**



**LOK SABHA SECRETARIAT**

**NEW DELHI**

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**Presented to Lok Sabha on 10.08.2015**

**Laid in Rajya Sabha on 10.08.2015**



**LOK SABHA SECRETARIAT**

**NEW DELHI**

August, Shravana, 1937 (Saka)

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### ANNEXURES

- \*I. Minutes not appended with the cyclostyled copy.
- II. Analysis of the Action Taken by the Government on the recommendations contained in the Sixth Report of the Committee (16<sup>th</sup> Lok Sabha)

COMPOSITION OF THE STANDING COMMITTEE ON  
URBAN DEVELOPMENT (2014-2015)

*Shri Pinaki Misra* - *Chairperson*

**MEMBERS**

**LOK SABHA**

2. Shri Rajendra Agrawal
3. Shri Ramesh Bidhuri
4. Shri Ram Charan Bohra
5. Shri Dushyant Chautala
6. Shri Ashok Chavan
7. Shri Dilip Kumar Gandhi
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14. Shri Kesineni Nani
15. Shri K. Parasuraman
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23. Shri Husain Dalwai
24. Shri Anil Desai
25. Shri Parvez Hashmi
26. Shri Mukul Roy
27. Shri Rangasayee Ramakrishna
28. Shri Satish Sharma
29. Shri C.P. Thakur
30. Shri S.Thangavelu
31. Shri Khekiho Zhimomi

## SECRETARIAT

1. **Smt. Abha Singh Yaduvanshi** - **Joint Secretary**
2. **Shri D.S Malha** - **Director**
3. **Smt. J.M. Sinha** - **Additional Director**
4. **Smt. K. Rangamani N.** - **Under Secretary**

## INTRODUCTION

I, the Chairperson of the Standing Committee on Urban Development (2014-2015) having been authorized by the Committee to submit the Report on their behalf, present the Eighth Report (16<sup>th</sup> Lok Sabha) on the action taken by the Government on the Observations/Recommendations contained in the Sixth Report (16<sup>th</sup> Lok Sabha) of the Standing Committee on Urban Development on "Demands for Grants (2015-2016) " of the Ministry of Housing and Urban Poverty Alleviation.

2. The Sixth Report was presented to Lok Sabha and laid on the table of Rajya Sabha on 27<sup>th</sup> April, 2015. Replies of the Government to all the recommendations contained in the Report were received in June, 2015.

3. The Standing Committee on Urban Development considered and adopted this Report at their sitting held on 4<sup>th</sup> August, 2015.

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

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

NEW DELHI;

5 August, 2015

14 Shravana, 1937 (Saka)

PINAKI MISRA

Chairperson,  
Standing Committee on Urban Development

(v)

## CHAPTER I

### REPORT

This Report of the Standing Committee on Urban Development (2014-15) deals with the action taken by the Government on the recommendations contained in their Sixth Report (Sixteenth Lok Sabha) on Demands for Grants (2015-16) of the Ministry of Housing and Urban Poverty Alleviation which was presented to Lok Sabha on 27 April, 2015.

1.2 Action Taken Notes have been received from the Government in respect of all 22 recommendations contained in the Report. These have been categorized as follows:

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

Recommendation serial Nos. 1,2,3,5,6,8,9,10,11,12,13,14,15,16,17,18,19,20,22  
(Total -19)

(Chapter-II)

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

Recommendation serial No. Nil (Total -0)

(Chapter-III)

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

Recommendation serial Nos. 4, 7 and 21 (Total -3)

(Chapter-IV)

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

(Total -Nil)

(Chapter-V)



**1.3 The Committee desire that specific replies to the comments contained in Chapter-I of this Report may be furnished to them at the earliest and in any case, not later than three months of the presentation of this Report.**

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

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

#### **NEED TO ARREST UNDER UTILIZATION OF BUDGETARY ALLOCATION FOR MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION:**

1.5 The Committee had recommended as under:

"The Ministry of Housing and Urban Poverty Alleviation has been entrusted with the implementation of programmes of Urban Housing, Urban Employment and Urban Poverty alleviation. The Committee observe that starting from the year 2010-11 till 2014-15, there has been a huge difference between the projections and allocations at BE stage. The allocations made at BE stage have been reduced at RE stage. The actual expenditure is also less in comparison to the allocation at RE stage. The overall allocation at BE Stage for the year 2014-15 i.e. Rs.6008.62 crore has been reduced to Rs. 3413.44 Crore. The reduction is Rs. 2595.18 crore. The main reasons for such reduction adduced by the Ministry are because of abysmal performance under BSUP and IHSDP components of JNNURM, Rajiv Rinn Yojana, Rajiv Awas Yojana and NULM. So far as JNNURM is concerned the State Governments could not perform well because of cost escalation of the projects. In spite of regular follow up and constant guidance by the Ministry, State Governments took time to take approval of competent authorities for implementation of NULM. Empanelment of Skill Training Provider (STPS) and Certification Agencies required issue of RFP, assessment of technical bids, etc., which are time consuming process. Under RAY during the year 2014-15 few proposals were considered for approval. The scheme of Rajiv Rinn Yojana did not take off due to issues associated with lending to the informal sectors, absence of clear land titles, authenticated income certifications, non-availability of houses at the rates prescribed under the scheme, etc. The BE for the year 2015-16 is Rs. 5634.47 crore both for plan and non-plan. The Committee observe that there has been reduction of Rs. 374.15 crore during the year 2015-16 in comparison to BE of 2014-15.

Keeping in view the wide gaps between the projection and allocation and between the BE and RE during the last five years and consequential impact on major schemes of the Ministry, the Committee in their earlier reports on Demands for Grants have been recommending the Ministry to tone up its machinery for meaningful utilization

of the resources. The Committee observe that the actual demand survey is to be done by the Ministry. They propose to be in touch with those States which have been extremely pro-active in Housing & Urban sector to send the housing action plan and planning to build partnership with either private sector, the ULBs, the development authorities and some public authorities which have land and would try to take a pro-active dynamic approach and then prepare the plan. After that it will release the fund. The Committee are constrained to note that nine months have already been passed since the last budget i.e., 2014-15, the Government has not moved an inch in achieving its objectives in any of its laudable schemes. Therefore, instead of increasing the allocation, the Ministry of Finance has reduced the allocation for Ministry of Housing and Urban Poverty Alleviation. At this pace, the Committee are apprehensive about the implementation of their ambitious schemes like Housing for All by 2022, NULM, Rajiv Rinn Yojna etc. Therefore, they strongly desire the Ministry to undertake advance planning and concrete action so that there is 100% utilization of allocation and the ambitious schemes are translated into reality. The Committee may be apprised of the action taken in this regard."

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

"It is stated that in 2015-16, there is an allocation of Rs.5083 crore for housing schemes. Though the Cabinet has approved the scheme, the scheme is yet to be launched for finalisation of details as directed by the Cabinet. While the Ministry has taken all steps in anticipation of the launch of the mission, there is a possibility that the State and UT Governments who implement the scheme may not be able to forward adequate proposals in accordance with the yet to be issued scheme guidelines in the year. Since, this is a new mission with different guidelines, it will take time to percolate down the guidelines up to the City level. Thereafter, Cities and State Governments would be able to plan and take up projects. By the time projects are taken up by the States for implementation under Housing For All (HFA), considerable period of the financial year would have been completed and making 100 % utilization of funds allocation would be extremely difficult. But it is felt that utilization of funds would improve from next year onwards. Nevertheless, Ministry will make all the efforts to utilize available resources. As advance planning, Ministry will request States/UTs to select cities and prepare the Housing for All action plan."

**1.7 The Committee are appreciative of the fact that the Ministry have taken all steps in anticipation of the launch of the Mission and are in agreement that with different guidelines under the new Mission, 100% utilization of funds may not be possible. The Committee hope that utilization of funds would improve from next year onwards. They, however, desire that the Ministry should impress upon the States/UTs to improve upon the current situation so that the ambitious schemes of the Government are put to reality.**

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

### **RENTAL HOUSING**

1.8 The Committee had recommended as under:

"The Committee observe that Sardar Patel National Mission for Urban Housing envisages creation of sufficient number of rental houses which can be made available to such homeless migrants and destitute. This rental housing is proposed to be primarily of 2 types (a) for families and (b) for single person –dormitory. It is envisaged that a house upto 30 sq. mtr area for families and single room hostels/dormitories be constructed in sufficient numbers to be let out by the Urban Local Bodies or other agencies including Private Sector to people who cannot afford to buy a house initially. The Committee have been informed that this scheme has been approved by the Cabinet and the details are being fine-tuned by a Committee of Ministers. The New Mission will be launched as soon as details are fine tuned. The Committee have been further informed that as part of new Mission, Ministry of Housing & Urban Poverty Alleviation will request Department of Industrial Policy and Promotion (DIPP) to impress industries to make provision for accommodation facilities for their employees through rental housing or Rent to own schemes. Ministry of Labour and State Governments will also be requested to build rental housing stock under their welfare funds. Such stock of housing created by the corporate entities would be rented to new employees who do not have their own houses in the city. Ministry of Corporate Affairs will also be requested to include 'housing for their employees' as one of the activities under the corporate social responsibilities. In the above backdrop, the Committee hope that the Ministry would complete all the formalities at the earliest and implement the same in letter and spirit. The Committee would also wish to reiterate their earlier recommendation given in their 2<sup>nd</sup> Report on Demands for Grants (2014-15) that such houses be rented to the individuals/ families for either ten years or till becoming a house owner whichever is earlier. Necessary provisions may be made in the new Mission accordingly."

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

"It is brought to the attention of the Committee that Rental housing is not a component of the Housing for All mission as approved by the Competent Authority. In view of the factual position submitted above, it is submitted that it is not possible to make provision for Rental housing in the new mission for Housing for All."

**1.10 During examination of Demands for Grants(2014-15), the Committee had observed that Rental Housing a sub-component was to be included in the proposed new mission of Housing for All by 2022. However, the Committee are shocked to note that now Rental Housing is not a component of the Mission**

**Housing for All by 2022 as approved by the Competent Authority. Therefore, it is not possible to make provision in the new Mission for Housing for All. The Committee understand that it is not possible for all the urban inhabitants to own a house. People migrate from rural areas to urban areas in search of jobs. In many places, the wage labourers working in factories and industries reside in a pathetic conditions. It was the proposed aim of the Government to provide a house upto 30 square metre area for families and single room hostels/dormitories for single persons. Keeping in view the plight of homeless migrants/destitutes in urban areas and the promise of the Government to provide houses to all by 2022, the Ministry was consulting various Ministries and industries to provide housing to their employees as a part of Corporate Social Responsibility(CSR) The Committee strongly feel that the scheme of Rental Housing will complement the Government's efforts for providing housing to all. By not approving this innovative and practical approach to mitigate the housing shortage the Ministry has closed one of the important avenues. While reiterating their earlier recommendations on this issue the Committee strongly recommend the Government to reconsider this issue to include "Rental Housing " as the component of Housing for All.**

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

#### **SLUM REHABILITATION**

1.11 The Committee had recommended as under:

"The Committee observe that as per 2011 census, the total slum population in India is 6.549 crore and the no. of slum households are 1.4 crore. The Committee have noted that the slum areas, get 65.3 per cent of tap water from treated sources and 56.7 per cent drinking water is available within the premises. Electricity facilities are 90.5 per cent. Latrine facility within the premises is 66 percent, flush latrine is 57.7 percent and closed drainage is 36.9 percent. The Ministry feels that further improvements are required with respect to provision of basic sanitary facilities and other infrastructure. Within the available resources, efforts are being made to provide infrastructure in the slum re-development projects. The Committee have been informed that it is the responsibility of the State Government to conduct survey about the numbers of Jhugi Jhopri clusters and the number of JJ clusters rehabilitated. When enquired about the details of development plans submitted by States/UTs/ULBs in respect of housing and

development infrastructure in slums, the Committee were informed that Slum Free Plan of Action is required to be submitted in terms of guidelines for the schemes of the Ministry and as on date 107 FPOAs have been received in the Ministry. The Committee feel that against 6.549 crore slum population as per population 2011 census, only 107 SFPOAs are too meager. The Committee agree with the Ministry that Housing and slum are State subjects, but at the same time wish to impress upon the Ministry that it should take proactive steps and help the State Governments in preparing SFPOAs to encompass the entire slum population in a phased manner. The Committee also wish to insist the fact that the SFPOAs should be comprehensive to include basic facilities like housing, electricity, water supply, sanitation and drainage system.

During examination of Demands for Grants (2014-15), the Committee had observed that slum people are being rehabilitated in the vertical buildings. In these buildings, maintenance is very shoddy. It is very difficult for the inhabitants to bear the cost of maintenance. The Secretary, Ministry of Housing and Urban Poverty Alleviation further informed that Ministry is having consultations with private builders who are assigned the task of building houses for slum dwellers to take care of maintenance mandatorily. The Committee are distressed to note that the responsibility for ensuring maintenance of the houses lies with the beneficiaries and State/ULBs can assist them as per their policy. People living in the slums are shifting to multi-storied building and are losing their livelihood and finding it hard to maintain the buildings. Therefore, it would be unfair to leave the maintenance charge to the beneficiaries. During the study visit of the Committee to Pune and Mumbai, the Committee had observed that slum redevelopment is being done on PPP models. Since the private developers are given the task of redevelopment of slums, the Ministry and the State Governments should insist on them to take charge of maintenance mandatorily instead of leaving it to the beneficiaries.

Another issue related to relocation of slum is that people are being shifted to new buildings but at the same time the slum areas are not being razed as a result the slum dwellers sublet the new houses and come back to the slums. About the action taken in this regard, the Committee have been informed that it is the responsibility of the State Governments to de-notify the slum after its redevelopment. The action to de-notify the slum after its redevelopment by the State government would ensure that problems of subletting of the new houses and returning to the slum by the beneficiary can be avoided. In this regard, the Committee wish to recommend that Ministry should regularly monitor the progress in this regard and ask the State Government to submit the physical status of the vacant land after the slum rehabilitation. This will further help to stop encroachment of government land. It is also felt that sometimes there is strong nexus among mafia groups who are working in tandem with those dwellers with their malafide intentions and help those dwellers for facilitating subletting. Therefore, the Committee desire that the person found guilty of subletting should be debarred and their allotment should be cancelled with immediate effect. The Committee also desire that the Ministry should allot the house in the joint name of husband & wife or in the sole name of the wife so that the male members cannot dispose it off and harass the family member with any malafide intentions. "

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

"The Ministry wish to state that the SFPOAs have been prepared by States with regard to the earlier scheme of the Ministry. The SFPoAs are prepared essentially to determine the extent of housing shortage. In so far as the provision of basic facilities like electricity, water supply, sanitation and drainage are concerned, these come under urban infrastructure and have not been covered under SFPoAs. Out of 228 cities which were preparing SFPoA, 112 have completed the plans and rest are in progress. It is not possible to include additional information at this juncture. Information on electricity, water supply, sanitation & drainage are available as per Census 2011.

It is clarified that in response to Question no. 24 of the List of points on the Demands for Grants (2014-15), the Ministry had stated that the responsibility for ensuring maintenance of the houses built under the scheme of the Ministry is with the beneficiaries and State/ULBs can assist them as per their policy. Insisting on private developers to take over the maintenance of slums redeveloped on PPP basis may make the project unviable to the private developer as Central assistance to the project is fixed. Private developers would not like to continue their association with the project beyond completion and reasonable time of post completion needs. Maintenance of such houses should, therefore, be the responsibility of owners individually or through Associations (RWAs). States have been requested to promote formation of RWA for such work.

In-situ slum redevelopment is the first option suggested to the State Governments under the schemes of the Ministry. There is no vacant land released in such cases. As observed by the Committee, it is the responsibility of the State Government to de-notify the slum after its redevelopment. Ministry always recommends de-notification of slums after redevelopment. Ministry completely supports and accept the recommendation of the Committee that the person found guilty of sub-letting should be debarred and their allotment should be cancelled with immediate effect.

Under the guidelines of the earlier schemes of the Ministry as well as in the proposed new mission on Housing for All, the allotment of the house is proposed in the joint name of the husband and wife or in the sole name of the women head of the family."

**1.13 The Committee note that the Ministry have accepted their recommendation that the person found guilty of sub-letting should be debarred and their allotment should be cancelled with immediate effect. The recommendations for allotting house in the joint name or in the sole name of the women head of the family has been proposed to include in the new Mission on Housing for All.**

**However, the Ministry has not accepted the following recommendations under the head Slum Rehabilitation,**

(i) The Ministry should taken pro-active steps and help the State Governments in preparing SFPOA to encompass the entire slum population in a phased manner and the SFPOAs should be comprehensive to include basic facilities like housing, electricity, water supply, sanitation and drainage system. The Committee are constrained to note that out of 228 cities which were preparing SFCPOA only 112 have completed and rest are in progress. The Committee do not approve the reply of the Ministry for not including additional information on electricity, water supply, sanitation and drainage at this juncture as these are available as per 2011 census. Since 4 years have been passed after declaration of 2011 census, data needs updation for preparation of a realistic slum free plan of action. Therefore, the Committee reiterate their earlier recommendation to complete the 228 SFCPOA at the earliest and make it more comprehensive.

(ii) The Committee further recommended that the Ministry should monitor persistently the denotification of slum after it's development by the State Governments and ask the State Government to furnish physical status of the vacant land. The Committee note that the Ministry's reply has been silent with regard to their recommendation to ask the State Government to furnish physical status of the vacant land after the re-development of slum. While reiterating their earlier recommendation on the subject the Committee desire the Ministry to initiate prompt action in this regard.

### **Recommendation (Serial No.21)**

#### **BMTPC**

1.14 The Committee had recommended as under:

"The Committee note that the National Urban Housing and Habitat Policy 2007 stresses the need for construction of demonstration houses in order to provide thrust to the technology dissemination activities in different regions of the country. Therefore, the Council besides providing technical assistance to large housing projects using cost effective housing technologies, proposes to showcase Innovative, Green and Disaster Resistant Technologies through Demonstration Construction in different region.

Under the proposed new Housing Mission, BMTPC would be working in these areas. Its role would be to enable construction with speed and quality and with due care towards structural, functional and environmental requirements under housing for all. During the year 2014-15 the grants-in aid received from the Ministry was Rs.4.99 crore. The internal revenue generation is Rs. 3.46 crore. The total expenditure is Rs. 7.65 crore. The BE for the year 2015-16 is Rs. 5.00 crore only. The Committee are constrained to note that at present, the activities of the Council have been restricted keeping in view the grants sanctioned and the external cash flow generated during relevant year. Further, the role of BMTPC will be more challenging in view of the Housing for All by 2022.

The present budgetary support and revenue generation by BMTPC is bare minimum to enhance the activities of BMTPC. In this connection, the Committee in their earlier Reports have been recommending to enhance the budgetary support. The Committee are distressed to note that Ministry has not enhanced the budgetary allocation during the current financial year. Therefore, the Committee reiterate their earlier recommendation to strengthen BMTPC by providing sufficient financial support."

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

"During the budgetary demand for 2015-16, the Ministry had proposed budgetary allocation of Rs.11.50 crore for the BMPTC. Government has sanctioned Rs.5.00 crore for the organization for the FY 2015-16."

**1.16 In their earlier recommendations, the Committee had desired to enhance the budgetary support to strengthen BMTPC so that it can perform the challenging jobs in view of the Housing for All by 2022. The Committee are constrained to observe that during the year 2015-16, against the proposed allocation of 11.50crore, the Government has sanctioned only Rs. 5.00 crore. With this meagre allocation this organisation cannot perform the gigantic role assigned to it. The Ministry's reply has also remained silent about its efforts to impress upon the Ministry of Finance to enhance the allocation at RE stage. Therefore, the Committee once again emphasize upon the Ministry to pursue with the Ministry of Finance for higher allocations for BMTPC at RE stage or for providing supplementary grants. The Committee may be kept abreast of the steps taken by the Ministry of Housing & Urban Poverty Alleviation and the response of the Ministry of Finance in the matter.**



## CHAPTER II

### RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### Recommendation (Serial No.1)

#### **NEED TO ARREST UNDER UTILIZATION OF BUDGETARY ALLOCATION FOR MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION:**

2.1 The Ministry of Housing and Urban Poverty Alleviation has been entrusted with the implementation of programmes of Urban Housing, Urban Employment and Urban Poverty alleviation. The Committee observe that starting from the year 2010-11 till 2014-15, there has been a huge difference between the projections and allocations at BE stage. The allocations made at BE stage have been reduced at RE stage. The actual expenditure is also less in comparison to the allocation at RE stage. The overall allocation at BE Stage for the year 2014-15 i.e. Rs.6008.62 crore has been reduced to Rs. 3413.44 Crore. The reduction is Rs. 2595.18 crore. The main reasons for such reduction adduced by the Ministry are because of abysmal performance under BSUP and IHSDP components of JNNURM, Rajiv Rinn Yojana, Rajiv Awas Yojana and NULM. So far as JNNURM is concerned the State Governments could not perform well because of cost escalation of the projects. In spite of regular follow up and constant guidance by the Ministry, State Governments took time to take approval of competent authorities for implementation of NULM. Empanelment of Skill Training Provider (STPS) and Certification Agencies required issue of RFP, assessment of technical bids, etc., which are time consuming process. Under RAY during the year 2014-15 few proposals were considered for approval. The scheme of Rajiv Rinn Yojana did not take off due to issues associated with lending to the informal sectors, absence of clear land titles, authenticated income certifications, non-availability of houses at the rates prescribed under the scheme, etc. The BE for the year 2015-16 is Rs. 5634.47 crore both for plan and non-plan. The Committee observe that there has been reduction of Rs. 374.15 crore during the year 2015-16 in comparison to BE of 2014-15.

Keeping in view the wide gaps between the projection and allocation and between the BE and RE during the last five years and consequential impact on major schemes of the Ministry, the Committee in their earlier reports on Demands for Grants have been recommending the Ministry to tone up its machinery for meaningful utilization of the resources. The Committee observe that the actual demand survey is to be done by the Ministry. They propose to be in touch with those States which have been extremely pro-active in Housing & Urban sector to send the housing action plan and planning to build partnership with either private sector, the ULBs, the development authorities and some public authorities which have land and would try to take a pro-active dynamic approach and then prepare the plan. After that it will release the fund. The Committee are constrained to note that nine months have already been passed since the last budget i.e., 2014-15, the Government has not moved an inch in achieving its objectives in any of its laudable schemes. Therefore, instead of increasing the allocation, the Ministry of Finance has reduced the allocation for Ministry of Housing and Urban Poverty Alleviation. At this pace, the Committee are apprehensive about the implementation of their ambitious schemes like Housing for All by 2022, NULM, Rajiv Rinn Yojna etc. Therefore, they strongly desire the Ministry to undertake advance planning and concrete action so that there is 100% utilization of allocation and the ambitious schemes are translated into reality. The Committee may be apprised of the action taken in this regard.

### **Reply of the Government**

2.2 It is stated that in 2015-16, there is an allocation of Rs.5083 crore for housing schemes. Though the Cabinet has approved the scheme, the scheme is yet to be launched for finalisation of details as directed by the Cabinet. While the Ministry has taken all steps in anticipation of the launch of the mission, there is a possibility that the State and UT Governments who implement the scheme may not be able to forward adequate proposals in accordance with the yet to be issued scheme guidelines in the year. Since, this is a new mission with different guidelines, it will take time to percolate down the guidelines up to the City level. Thereafter, Cities and State Governments would be able to plan and take up projects. By the time projects are taken up by the States for implementation under HFA, considerable period of the financial year would

have been completed making 100 % utilization of funds allocated extremely difficult. But it is felt that utilization of funds would improve from next year onwards. Nevertheless, Ministry will make all the efforts to utilize available resources. As advance planning, Ministry will request States/UTs to select cities and prepare the Housing for All action plan.

2.3 For comments please see paragraph no. 1.7 of Chapter-I

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

#### **URBAN HOUSING**

2.4 The Committee observe that Housing stock required in the next 16 years is 60 million. The required additional annual housing is 3.4 million, while the current annual supply is 2.4 million. Thus the annual deficit in housing stock creation is 1 million. The Ministry of Housing and Urban Poverty Alleviation is dealing with urban housing through various scheme, viz. Rajiv Awas Yojana/ Sardar Patel Urban Housing Mission Housing for All by 2022, Affordable Housing, JNNURM and Rajiv Rinn Yojana/GHAR. The proposed Umbrella scheme of "Housing to All by 2022" in 7 years will replace all the schemes being implemented in the 12<sup>th</sup> five year Plan to address various aspects of Housing for the Urban poor and will be implemented from the year 2015-16. During the year 2015-16, Rs. 4000 crore have been allocated for this scheme. The Ministry has informed that the new mission has been approved by the Cabinet and the details of the scheme are being fine tuned. The Committee are informed that housing requirement is expected to be two crore by 2022. Slum population (1.4 crore in 2011) expected to go upto 1.8 crore in 2021. Non slum Urban poor are expected to grow upto 0.2 crore. The actual demand would depend on the survey. Two crore houses require Rs. 12 lakh crore at the rate of Rs. 6 lakh per house. Resources required are substantial in terms of land, finances and other capabilities. Therefore it is imperative to mobilize all stakeholders viz. State Governments, ULBs, Banks, HFCs, Private Sector, industry, civil society etc. In this connection, if land is to be used as a resource, there is a need to remove supply side constraint through policy intervention and to use innovative/sustainable technology and material in construction. The proposed options for Housing for All are Slum Redevelopment, Affordable Housing through Credit Linked

Subsidy, Affordable Housing in partnership and subsidy for beneficiary led individual house construction/ enhancement. Beneficiary can take advantage under one component only.

As per the scheme large sums of funds would be placed at the disposal of State Governments with a free hand to design and implement their own schemes suited to their population. The experience so far in implementing the old scheme by the States has not been upto the mark which has resulted in huge underutilization without benefitting the target groups. In this background, the Committee recommend that (i) the Ministry should strive hard to finalise the details of the new scheme 'Housing for All ' at the earliest, share the details of the scheme with the State Governments and provide necessary funds to them at the earliest i.e. by July 2015, (ii) the Ministry should indicate to the State Governments to design and finalise their schemes well in advance of the release of funds so that the schemes take of immediately, (3) the States should be asked to put in place the requisite dedicated technical experts to implement the scheme efficiently in a time bound manner.

### **Reply of the Government**

2.5 Ministry is in the process of launching of the Mission with the approval of competent authority. The recommendation of the Committee is noted. Details of the schemes will be shared with States as soon as possible on finalization of the scheme. States would be requested to expedite the planning and project formulation at their end.

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

#### **RAJIV AWAS YOJANA**

2.6 The Ministry has been implementing Rajiv Awas Yojana (RAY) since 2011. The preparatory phase of RAY was from 2011 to September 2013. RAY is a reform and demand driven scheme for attaining slum-free States which depends upon the level of aspiration of the states concerned, willingness to align property rights to slum dweller, undertake reforms for the urban development, etc. The preparatory phase of RAY envisaged preparation of Slum Free City Plan of Action wherein each city was required to undertake data collection of all slums irrespective of land tenure, entry of data into

MIS Mapping, GIS-MIS integration. The Committee are perturbed to note that against the slum population of 6.549 crore as per 2011 census till date (Slum Free City Plan of Action) SFPOAs have been completed in 107 Cities out of 228 cities. In the remaining cities work is under progress.

The implementation phase of RAY started from September 2013. Financial support has been extended to States/UTs/Urban Local Bodies and Central Government agencies for providing housing and improvement of basic civic infrastructure and social amenities in slums. The Committee note that against the budgetary allocation of Rs.6024 crore from 2012-13 to 2014-15, the allocation at RE stage is only Rs. 2650 crore. The actual utilization is Rs. 1815.55 crore. The Committee further note that against the 12<sup>th</sup> Plan target for construction of 10 lakhs dwelling units only 2501 units have been constructed. The reasons for such low physical and financial achievements as submitted by the Ministry are (i) The guidelines to the State Governments were issued September 2013 as a result States submitted the projects after the issue of the guidelines (ii) The Election Code of Conduct came into force w.e.f., March, 2014 and a new Government was sworn in May, 2014. Since, the focus of the new Government was on a new Mission on providing Housing for All, there has been a slowdown in taking up new projects under RAY The BE for the year 2015-16 for RAY has been kept at nill as the liabilities are proposed to be released under the proposed 'Housing for All by 2022'. The Committee are informed that Housing for all by 2022 Mission has been approved by the Cabinet and the details of the scheme are being fine tuned by a Committee of Ministers as per the decision of Cabinet. New Mission will be launched as soon as details are fine tuned.

The Committee note that the Ministry has not indicated any time frame for the same. Further, in view of the proposed inter-project flexibility being given to the states for efficient use of funds and decide on the approval and implementation mechanism, the Committee desire that some monitoring mechanism should be put in place to enforce proper implementation of the projects.

The Committee are given to understand that in the proposed new mission, the provision for lump sum release of funds will be made instead of project wise release and State level instead of Central Govt. level within overall budget available to States.

Further cost escalation with regard to projects has to be borne by the States for which States have been advised to take up only such projects for which encumbrance free land is available. The Committee feel that Centre hardly has any power left with it except for monitoring process. Since the funds are to be released from the Centre, the Committee desire that some inbuilt monitoring mechanism should be set up by them to ensure meaningful utilization of its funding. The Committee also desire the Ministry to ensure that the incomplete projects under RAY and the financial liabilities thereof are subsumed in the new Mission.

The Committee in their earlier reports have been recommending for the early completion of the preparatory activities in respect of Preparation of Slum Free City Plan of Action. They wish to reiterate their earlier recommendation to complete the same without any further delay.

### **Reply of the Government**

2.7 It is submitted that proposal for subsuming in the new scheme, liabilities of RAY projects which have started on the ground, has been approved by the competent authority. Liabilities would be met as per the decision of the competent authority. Ministry will be monitoring and reviewing the scheme through inter-ministerial committee headed by Secretary, various review meetings and through utilization certificates.

Ministry has been pursuing States to complete preparation of Slum Free City Plan of Action and in year 2014-15, 72 SFCPoAs have been completed. In addition to this, 36 SFCPoAs have been completed till 31.3.2014. RAY has come to an end and therefore no more SFCPoAs are to be formulated. Data so collected however would be used by States to prepare HFAPoA under new Mission.

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

#### **AFFORDABLE HOUSING PARTNERSHIP(AHP)SCHEME**

2.8 The Government has approved the scheme of Affordable Housing in Partnership as part of Rajiv Awas Yojana on 3 September 2013 to increase affordable housing

stock. As part of preventive strategy, AHP was dovetailed as RAY is being replaced by Housing for All by 2022 which is under formulation. The Committee observe from information provided by the Ministry that a total of 18 projects of 3 States (5 cities) have been sanctioned under the Affordable Housing in Partnership Scheme with a Central assistance of Rs. 112.53 Cr. for construction of 25407 Affordable dwelling units. Rs. 44.19 Cr have been released till date. Out of 25407 dwelling units, during the years 2010-11 to 2014-15 only 4968 dwelling units have been completed. The Ministry has stated that under the Affordable Housing in Partnership (AHP) Scheme, 22 projects of 3 States (Karnataka, Rajasthan & Gujarat) have been sanctioned for construction of 25,407 DUs. The 1<sup>st</sup> Installment of Rs.44.19 crore has been released for this purpose. The implementation and execution of the projects is entirely the responsibility of the State Government and its implementing agencies. It is pertinent to mention here that these are all multi-storied buildings and after DPR approval grounding of projects involve floating of tenders to clearing the land, etc. These are time consuming process and as such cannot be completed in one year or so. The Ministry would persuade State Governments and their agencies to expedite the process of implementation of these projects in a time-bound manner.

The Committee are however anxious about completion of the remaining dwelling units before the start of the proposed new Mission on Housing. The Committee being not satisfied with the progress under AHP, had earlier recommended that construction of all the remaining houses be completed within one year, so that no spill-over of AHP is carried forward in the new Mission on Housing. The Committee would like to reiterate their earlier recommendation in this regard and desire the Ministry to expedite the necessary process in this regard.

### **Reply of the Government**

2.9 Recommendation of Committee has been noted and Ministry will make efforts for the same.

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

### **JNNURM**

2.10 The JNNURM was launched on 3<sup>rd</sup> December, 2005. The duration of the Mission was seven years from 2005-06 to 31.3.2012 and was extended upto 31.3.2015 only for completion of projects sanctioned upto 31.3.2012. During the 12<sup>th</sup> plan, against the allocation of Rs.8126.61 crore, the expenditure had been only 4281.76 crore. In percentage term it was only 52.69 percent. Against the approved dwelling units of 122278 dwelling units, 883771 dwelling units have been constructed. The shortfall is 343907 dwelling units. The main reasons for shortfall in both physical and financial achievement adduced by the Ministry are cost escalation, reluctance of slum dwellers to shift to in situ development of projects and availability of unencumbered land. The Committee's recommendation to provide financial assistance to States to facilitate them to meet cost escalation has not been accepted by the Planning Commission. The Committee are perturbed to note from the reply that successful implementation of the projects is the sole responsibility of the State Government/ULBs. Shortfalls are a direct consequence of the institutional weakness of the State agency entrusted with the work. The Committee conclude that the main objectives of the JNNURM i.e. up-gradation of Urban infrastructure and strengthening of urban local bodies has failed miserably.

The Committee further observe that JNNURM has come to an end w.e.f. 31 March 2015. The Government of India will not provide any fund to the projects where the DPR has been approved but the State Government has not initiated the project and have not availed the first installment. The Committee agree with the Ministry in this regard. Now the Ministry is preparing the guidelines for Housing for All Mission and it is planning to subsume the remaining projects in the new Scheme. The matter is under inter-Ministerial consultation. In this backdrop, the Committee desire the Ministry to finalise the guidelines at the earliest as precious time has already been lost to achieve the target for Housing for All. They further desire to subsume the incomplete projects of JNNURM in which some action has already been taken on ground in the new mission i.e. Housing for All, so that the huge allocations, time and other resources already spent do not go waste.



## **Reply of the Government**

2.11 The Ministry proposes to release the guidelines immediately upon the launch of the mission. It is, also brought to the attention of the Committee that subsequent to the submissions made before the Committee, the competent authority has taken a decision to further extend the period of JNNURM for a further period of two years beyond 31.03.2015, that is, upto 31.03.2017 only for completing those projects that had been sanctioned upto 31.03.2012.

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

#### **SLUM REHABILITATION**

2.12 The Committee observe that as per 2011 census, the total slum population in India is 6.549 crore and the no. of slum households are 1.4 crore. The Committee have noted that the slum areas, get 65.3 per cent of tap water from treated sources and 56.7 per cent drinking water is available within the premises. Electricity facilities are 90.5 per cent. Latrine facility within the premises is 66 percent, flush latrine is 57.7 percent and closed drainage is 36.9 percent. The Ministry feels that further improvements are required with respect to provision of basic sanitary facilities and other infrastructure. Within the available resources, efforts are being made to provide infrastructure in the slum re-development projects. The Committee have been informed that it is the responsibility of the State Government to conduct survey about the numbers of Jhugi Jhopri clusters and the number of JJ clusters rehabilitated. When enquired about the details of development plans submitted by States/UTs/ULBs in respect of housing and development infrastructure in slums, the Committee were informed that Slum Free Plan of Action is required to be submitted in terms of guidelines for the schemes of the Ministry and as on date 107 FPOAs have been received in the Ministry. The Committee feel that against 6.549 crore slum population as per population 2011 census, only 107 SFPOAs are too meager. The Committee agree with the Ministry that Housing and slum are State subjects, but at the same time wish to impress upon the Ministry that it should take proactive steps and help the State Governments in preparing SFPOAs to encompass the entire slum population in a phased manner. The Committee also wish to

insist the fact that the SFPOAs should be comprehensive to include basic facilities like housing, electricity, water supply, sanitation and drainage system.

During examination of Demands for Grants (2014-15), the Committee had observed that slum people are being rehabilitated in the vertical buildings. In these buildings, maintenance is very shoddy. It is very difficult for the inhabitants to bear the cost of maintenance. The Secretary, Ministry of Housing and Urban Poverty Alleviation further informed that Ministry is having consultations with private builders who are assigned the task of building houses for slum dwellers to take care of maintenance mandatorily. The Committee are distressed to note that the responsibility for ensuring maintenance of the houses lies with the beneficiaries and State/ULBs can assist them as per their policy. People living in the slums are shifting to multi-storied building and are losing their livelihood and finding it hard to maintain the buildings. Therefore, it would be unfair to leave the maintenance charge to the beneficiaries. During the study visit of the Committee to Pune and Mumbai, the Committee had observed that slum redevelopment is being done on PPP models. Since the private developers are given the task of redevelopment of slums, the Ministry and the State Governments should insist on them to take charge of maintenance mandatorily instead of leaving it to the beneficiaries.

Another issue related to relocation of slum is that people are being shifted to new buildings but at the same time the slum areas are not being razed as a result the slum dwellers sublet the new houses and come back to the slums. About the action taken in this regard, the Committee have been informed that it is the responsibility of the State Governments to de-notify the slum after its redevelopment. The action to de-notify the slum after its redevelopment by the State government would ensure that problems of subletting of the new houses and returning to the slum by the beneficiary can be avoided. In this regard, the Committee wish to recommend that Ministry should regularly monitor the progress in this regard and ask the State Government to submit the physical status of the vacant land after the slum rehabilitation. This will further help to stop encroachment of government land. It is also felt that sometimes there is strong nexus among mafia groups who are working in tandem with those dwellers with their malafide

intentions and help those dwellers for facilitating subletting. Therefore, the Committee desire that the person found guilty of subletting should be debarred and their allotment should be cancelled with immediate effect. The Committee also desire that the Ministry should allot the house in the joint name of husband & wife or in the sole name of the wife so that the male members cannot dispose it off and harass the family member with any malafide intentions.

### **Reply of the Government**

2.13 The Ministry wish to state that the SFCPOAs have been prepared by States with regard to the earlier scheme of the Ministry. The SFCPoAs are prepared essentially to determine the extent of housing shortage. In so far as the provision of basic facilities like electricity, water supply, sanitation and drainage are concerned, these come under urban infrastructure and have not been covered under SFCPoAs. Out of 228 cities which were preparing SFCPoA, 112 have completed the plans and rest are in progress. It is not possible to include additional information at this juncture. Information on electricity, water supply, sanitation & drainage are available as per Census 2011.

It is clarified that in response to Question no. 24 of the List of points on the Demands for Grants (2014-15), the Ministry had stated that the responsibility for ensuring maintenance of the houses built under the scheme of the Ministry is with the beneficiaries and State/ULBs can assist them as per their policy. Insisting on private developers to take over the maintenance of slums redeveloped on PPP basis may make the project unviable to the private developer as Central assistance to the project is fixed. Private developers would not like to continue their association with the project beyond completion and reasonable time of post completion needs. Maintenance of such houses should, therefore, be the responsibility of owners individually or through Associations (RWAs). States have been requested to promote formation of RWA for such work.

In-situ slum redevelopment is the first option suggested to the State Governments under the schemes of the Ministry. There is no vacant land released in such cases. As observed by the Committee, it is the responsibility of the State

Government to de-notify the slum after its redevelopment. Ministry always recommends de-notification of slums after redevelopment. Ministry completely supports and accept the recommendation of the Committee that the person found guilty of sub-letting should be debarred and their allotment should be cancelled with immediate effect.

Under the guidelines of the earlier schemes of the Ministry as well as in the proposed new mission on Housing for All, the allotment of the house is proposed in the joint name of the husband and wife or in the sole name of the women head of the family.

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

#### **RAJIV RINN YOJANA**

2.14 The Committee observe that the Ministry has been implementing the scheme to channelize institutional credit to the poorer segments of the urban areas and to address the housing shortage RRY has been formulated by modifying the Interest Subsidy Scheme for Housing the Urban Poor(IHSDP) piloted in the 11<sup>th</sup> Plan period with enhanced scope and coverage. The overall target for the 12<sup>th</sup> Plan period is 1 million dwelling units across the country including slum and non-slum dwellers. Since 2011-12 till 2014-15, against the BE of Rs. 808.78 crore, the RE is Rs. 164.74 crore only. The actual release is only Rs. 60.23 crore. The BE for 2015-16 is Rs. 450.00 crore. The Committee are perturbed to note that RRY did not take off due to issues associated with lending to the informal sectors e.g. high risk perception with respect to the beneficiaries; banking procedures calling for mortgageable titles to land, approved plans, authenticated income certificates, stringent know- your- customer's norms, etc. Further, the mode of reimbursements to the Banks and financial institutions was also complicated.

The Committee have been informed that the Government is in the process of launching the new Housing mission namely Housing for All. It is felt that it would be appropriate to make the interest subsidy scheme namely Credit Linked Subsidy Scheme (CLSS) a sub component of the Housing Mission for better implementation. From the experience of earlier schemes like ISHUP and RRY, it is proposed to release upfront interest subsidy which would make the scheme more attractive to the financial

institutions. It is also proposed to include more financial institutions like cooperative banks, housing financial institutions, micro financial institutions, etc. in the gambit of the scheme to make it more successful. In the new interest subsidy scheme, it is proposed to do away with income certification procedure by self-certification, which will be beneficial for people in the unorganized sector. In the proposed CLSS, Interest subvention is proposed to be increased from Rs.5 lakh (provision under RRY) as well as to provide for additional loans at unsubsidized rates. Similarly, the maximum cost of the dwelling units has been proposed to be increased from Rs.8 lakh as provided under RRY.

In view of the above, the Committee desire that the CLSS subcomponent of the Housing Mission be finalized and implemented at the earliest. The Committee also desire that all the stakeholders like State Governments, ULBs, Financial institutions and beneficiaries should be encouraged to take advantage of the scheme in a big way.

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

2.15 In this connection, it is informed that the Credit Linked Subsidy Scheme (CLSS) is one of the components of the “Housing for All by 2022” Mission. Ministry is in the process of launching of the mission with the approval of competent authority.

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

#### **TECHNICAL ASSISTANCE FROM DEPARTMENT FOR INTERNATIONAL DEVELOPMENT FOR SUPPORT TO NATIONAL POLICIES FOR URBAN POVERTY REDUCTION (SNPUPR)**

2.16 The Committee observe that SNPUPR, a joint initiative of the Ministry of Housing and Urban Poverty Alleviation and UK Government had commenced in July 2010 with a budget of £ 14.5 million to assist National Programme being implemented to benefit the urban poor by providing technical support. The Committee are distressed to note that during the period 2010-11 to 2014-15, the BE allocation was Rs. 59.08 Crore, the RE allocation was Rs. 27.17 Crore, while the actual expenditure was just Rs. 14.41 Crore. There is nil allocation during the year 2015-16 as the proposed allocation of Rs. 19.67

crore was not agreed to by the Ministry of Finance. The less expenditure during the year 2010-11 was because of late selection of cities, delay in the commencement of PMU and Challenge Fund. lukewarm responses of ULBs as well as delays in finalizing the concept and operational manual. On a query of the Committee about the advance planning for meaningful implementation of the scheme, the Ministry has assured that while planning for Housing for All by 2022, steps would be taken to incorporate lessons learnt from earlier schemes to consider stake holders' recommendations and to plan adequately so that implementation is ensured in a seamless fashion. It is however noted at the same time, that the states/UTs being the implementing agencies, proactiveness and dynamism of States is essential to put the plans and guidelines of Government of India into action. Therefore, the Committee wish to impress upon the Ministry to take concerted steps to finalize the new mission at the earliest and take proactive role for meaningful implementation of the schemes.

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

2.17 Ministry is in the process of launching of the Mission with the approval of competent authority.

#### **Recommendation (Serial No.10)**

#### **Study on impact of investment in the Housing Sector on GDP and employment in the Indian Economy**

2.18 The Committee observe that a study to understand the impact of investment in housing and construction on both employment and income has been carried out by the Ministry through the National Council for Applied Economic Research (NCAER). The Report has been submitted to the Ministry on 25<sup>th</sup> February, 2014. Based on the recommendations of the Report, the Ministry has requested the Ministry of Finance for inclusion of "affordable housing" in the harmonized master list of infrastructure sub-sections as housing contributes significantly to the GDP. The response of the Ministry of Finance is still awaited. Therefore, the Committee desire the Ministry to pursue this matter with the Finance Ministry at the highest level. The Committee further observe that skill development and enhancing employment has been included as focus areas under NULM Scheme of this Ministry. The Committee also note that 99.41% of the jobs

in housing sector are informal jobs. The Committee in their 2<sup>nd</sup> Report had desired that the Ministry of HUPA should strive to provide skill development training on housing sector to the urban unemployed youth through NULM to enable them to avail of the job opportunities being provided in the housing sector thereby facilitating in alleviating the urban poverty. When asked about the progress made in this regard the Committee are given to understand that State Urban Livelihood Mission(SULM) are required to identify the trades for training under ESTP as per local demand of the various agencies. The Committee are not in agreement with the plea of the Government in this regard. They desire that the Centre should identify the trade and bring out detailed information of various States including construction sector in which training can be provided by SULMS which would subsequently help in providing job opportunities.

### **Reply of the Government**

2.19 The Ministry will identify the trades and give detailed information to the States. The Ministry is already holding consultations with Construction Skill Development Council of India (CSDCI)/Sector Skill Council for Construction Sector, National Buildings Construction Corporation Ltd. (NBCC), Central Public Works Department (CPWD), Building Materials and Technology Promotion Council (BMTPC), Housing & Urban Development Corporation Ltd. (HUDCO) and other organisations/ agencies in construction/ housing sector for increasing skill development.

### **Recommendation (Serial No.11)**

#### **Foreign Direct Investment (FDI)**

2.20 The Committee observe that the Government of India has permitted Foreign Direct Investment (FDI) through automation route in construction and development sector. The FDI covers development of townships, housing, built-up infrastructure and construction-development related projects. The Ministry has stated that Department of Industrial Promotion and Policy (DIPP) under Ministry of Industry & Commerce, issues guidelines in regard to Foreign Direct Investment (FDI). DIPP also publishes various data on sector-wise FDI inflows in their Fact sheets regularly. Statement on Sector-Wise FDI Equity Inflows from April 2000 to December 2014 shows that inflows in Construction

Development: Townships, Housing, Built-Up Infrastructure and Construction-Development Projects are 112,821.03 crore and it is 10.06% of total inflows. The Ministry of Housing & Urban Poverty Alleviation, on its part, has not undertaken any survey to assess the impact on FDI inflows into housing sector.

The Committee were apprised that the data on sector wise FDI inflows in the fact sheet, released by DIPP, is not sufficient to analyze the real impact on the housing sector.

The Committee are dismayed to note that even after knowing this fact no survey has been undertaken by the Ministry to assess the impact on FDI inflows into housing sector and especially with reference to urban poor. Keeping in view the fact that the 96 per cent of shortage in India are related to the EWS and LIG segment, the Committee are of the view that there is an urgent need to conduct such study so that the real impact of FDI in housing especially with reference to housing for urban poor can be assessed.

In this regard, they are of the view that if the data by DIPP is not sufficient to analyze the real impact on housing sector, the Ministry should request the DIPP to collect the data exclusively on FDI in housing sector, so that the impact assessment can be done.

### **Reply of the Government**

2.21 The data published by the Department of Industrial Policy & Promotion (DIPP), shows total inflow for Construction development, townships, housing, built-up infrastructure etc. It doesn't separately indicates the inflows to housing sector. Ministry of HUPA has, therefore, requested the DIPP to collect FDI inflow for housing sector projects separately so that impact assessment can be done.

### **Recommendation (Serial No.12)**

#### **REAL ESTATE AND REGULATORY AUTHORITY (RERA) BILL**

2.22 The Real Estate (Regulation and Development) Bill, 2013 was introduced in the Parliament by Government on 14<sup>th</sup> August, 2013 after wide consultations with all the



stakeholders. The Bill was referred to the Standing Committee on Urban Development for examination and report. The Committee after having wide consultations with all the stakeholders had given an objective report to the Parliament on 17<sup>th</sup> February, 2014.

The Committee had earlier recommended that reintroduction of the Bill in the Parliament should be expedited because real estate sector is highly unregulated and the common man is being harassed by the builders and their associations. The Committee have been apprised by the Ministry that a Cabinet Note has been resubmitted after incorporating amendments. In this regard stakeholders and the Attorney General have been consulted. During oral deposition, the Secretary Ministry of HUPA has apprised the Committee that the Ministry has adopted a policy structure which includes Real Estate and Regulatory Authority Bill to ensure good governance, greater flow of FDI in Housing Sector and thereby facilitating to increase the supply of Housing. The Committee hope that the Ministry would push through this proposal and get it passed in the current budget Session of the Parliament which would go a long way in giving relief to the common people who are being continually harassed at the hands of unscrupulous builders' lobby and increase the supply of Housing to the urban population.

### **Reply of the Government**

2.23 The Official Amendments to the Real Estate (Regulation and Development) Bill, 2013, based on Standing Committee recommendations and stakeholders suggestions, was approved by the Union Cabinet on 7th April, 2015. The Real Estate Bill, 2013 along with the approved Official Amendments were listed for business of the Rajya Sabha for consideration and passing in the current budget session 2015. However, the Bill along with the proposed amendments have been sent to a Select Committee of the Rajya Sabha for examination with instructions to submit the report to the Rajya Sabha by the last day of the first week of the next session.

### **Recommendation (Serial No.13)**

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

2.24 CGEWHO, is a welfare organization under the Ministry of Housing and Poverty alleviation for construction of dwelling units exclusively for the Central Government Employees on No-profit – no loss basis.

The Committee are constrained to note that the Governing Council CGEWHO as well as Ministry of HUPA has decided not to proceed further turnkey projects since there is no government land allotment. CGEWHO could not fulfil the earlier commitments at 6 stations for which demand survey was conducted in 2009 and no demand survey has been conducted after that.

Pertaining to the poor performance of CGEWHO, the Committee have been apprised that the projects taken up by CGEWHO could not progress as planned due to financial constraints, delay in obtaining approvals from various statutory authorities including (Environmental Impact Assessment) EIA and shortage of manpower and materials at various stations. CGEWHO had taken up various measures and completed 7 projects during 2012- 2014. CGEWHO is also putting up all its efforts to complete two projects at Greater NOIDA and Sahebzada Ajit Singh Nagar, Mohali where planning permission, EIA clearances, etc., are under process.

With regard to taking up new projects in various States, Governing Council, CGEWHO had decided not to take up turnkey projects. Letters have been written to Chief Secretaries of Maharashtra, Rajasthan, Uttrakhand, Bihar, Kerala, Chhattisgarh, Andhra Pradesh as well as Administrator, of Chandigarh for allotment of suitable land at different locations. However, no response for allotment of land has yet been received.

While appreciating the initiatives taken by the Government in this regard the Committee desire that the allotment of encumbrance free land for CGEWHO should be taken up with all the States throughout the country simultaneously and also issue necessary instructions in this regard at the earliest.

The Committee strongly feel that these steps will help in augmenting availability of land either through further acquisition or removal of encroachment of the Government land. This would accomplish its goal of "Housing for All by 2022."

### **Reply of the Government**

2.25 As suggested, CGEWHO will request concerned land authorities for allotment of land to CGEWHO to take up more projects. Suggestions of the Committee have been noted to make all efforts to complete the projects in a time bound manner.

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

#### **NATIONAL SCHEME FOR SUPPORT TO STREET VENDORS**

2.26 The Committee note that the 'Street Vendors Protection of Livelihood and Regulation of Street Vending Act', has come into effect in May, 2015. As per the provision of the Act, it is statutory responsibility of the States and UTs to notify rule and scheme to implement the Act. The Minister for Housing and Urban Poverty alleviation had requested all the States to take immediate action for implementation of the Street Vendors Act in their States. Besides, the Ministry has discussed this matter in all video conference meetings with the States and field visits, workshops held in the States. So far 19 States/UTs have furnished their information. Out of 35 States /UTs except for Andhra Pradesh, Chhatisgarh, J&K, Karnataka, Madhya Pradesh, Tamil Nadu, Maharashtra, Telengana vendors survey has been started in few cities. The position with regard to other cities is distressing.

As per the Operational Guidelines of Support to Urban Street Vendors (SUSV), financial support will be provided to the ULBs for conducting of survey for identification and enlisting of street vendors. The ULB may also choose to complete the survey in a phased manner, covering one area (ward/ zone/ specified part of city) at a time. In this case, the area identified should be sufficiently large to accommodate mobility of vendors within the area. As per Monthly Progress Reports (MPRs) received from the States/ UTs, at present 182 cities of 11 States have completed the survey. The Ministry has awarded the work of drafting Model Rules, Scheme and Bye-laws to All India Institute of

Local Self Government (AII LSG), Mumbai so that Model Rules, Scheme and Bye-laws are available to help the States.

Keeping in view the vulnerability of this section of society to harassment, the Committee desire that the concerned States/UT Governments should be impressed upon the urgency to be attached to this important legislation.

### **Reply of the Government**

2.27 Noted. States/UTs are being impressed upon in all interactions through Video Conferences, meetings, field visits etc. to expedite the notification of Rules and Scheme under the National Street Vendors' Act 2014. The Ministry will further follow up with the States/UTs Governments as per advice of the Committee.

### **Recommendation (Serial No.15)**

#### **BUDGETARY ALLOCATION FOR NATIONAL URBAN LIVELIHOOD MISSION (NULM)**

2.28 The Committee observe that the Ministry of Housing and Urban Poverty Alleviation has launched National Urban Renewal Mission (NULM) in the 12<sup>th</sup> Five Year Plan w.e.f., 24<sup>th</sup> September 2013 by replacing the existing Swarna Jayanti Shahari Rozgar Yojana (SJSRY).

Against the total allocation of 3604.00 crore at BE from 2011-12 to 2014-15, the allocation at RE is 3015.49 crore and the actual expenditure is 2868.98 crore. Pertaining to such low financial and physical achievement, the Committee are apprised that NULM was launched in September 2013 to replace SJSRY. As a result many new features were added to NULM guidelines to ensure that the benefits of the scheme reach the urban poor more effectively. Consequently States took time to take approval of competent authorities for implementation of NULM as per new guidelines. Empanelment of resources organizations skill training provided and Certification Agencies (C.A.s) required issue of Request for Proposals(RFPs) and assessment of technical bids etc., are the time consuming process.

In view of the above, the Committee desire the Ministry to impress upon the State Governments to complete all the procedural formalities in a prescribed time-frame and achieve the physical and financial target without any further delay.

### **Reply of the Government**

2.29 Noted. The States/UTs are being advised regularly through Video Conferences, letters, meetings, field visits etc. to ensure that empanelment of Resource Organisations, Skill Training Providers and Certification Agencies etc. is done timely so that the targeted physical and financial progress can be achieved under NULM.

### **Recommendation (Serial No.16)**

#### **Governing Council of NULM**

2.30 As per the NULM mission document, NULM will have a Governing Council(GC) chaired by the Minister of Housing and Urban Poverty Alleviation which will be the policy making body setting overall vision and providing direction to the mission, consistent with national objectives. However, the Executive Committee (EC) under the Chairmanship of Secretary, Housing and Urban Poverty Alleviation, Government of India will oversee the activities of the mission and monitor progress. For reviewing the activities of the mission an executive Committee meeting was held on 29 December, 2014. Meeting of the Governing Council at the central level would also be convened shortly.

With regard to status of meetings of the Governing Councils, the Ministry stated that at the National Level, 3 State Ministers and 3 Representatives from Civil Society /Industry Associations/Livelihood Experts are to be nominated. After the completion of nominations, the meeting of GC will be fixed. At the State Level, Governing Councils have been constituted in 12 states. Other States have been asked to form GC's at the earliest.

The Committee are finding it hard to understand, that with this tardy pace, how the Ministry will monitor the progress of NULM in an effective way. The Committee also

note that there is a shortfall in achievement of physical and financial progress of NULM. In view of the above, the Committee wish to emphasise that the Ministry should impress upon the State Governments to complete all the formalities to constitute GCs in all the States and convene the meetings at regular interval. The Committee also desire that the findings/outcome thereof should be taken seriously in making further improvement in the implementation of NULM.

### **Reply of the Government**

2.31 States will be further impressed upon to constitute the Governing Councils (GCs) and convene meeting at the earliest.

The meeting of the national level GC is scheduled to be held in June 2015.

### **Recommendation (Serial No.17)**

#### **Skill Training and Placement (EST&P) under NULM**

2.32 One of the important components under NULM is Employment through Skill Training & Placement (EST&P). Under this the objective is to target the urban poor who are occupationally vulnerable for employment through Skills Training & Placement and provide training to the urban poor as per the skill demand from the market so that they can set up self employment venture or secure salaried employment. In this regard the Committee have been informed that National Skill Development Corporation (NSDC) has conducted district-wise Skill Gap Analysis (SGA) for all the States. The analysis was being used by some States, while other States have initiated the process of having skill gap analyzed through other agencies. The Committee are of the view that since this is an important component of NULM, the Ministry should ensure that all the State Governments complete the SGA and regularly update the same as per the changing scenario of job requirements.

The Committee are perturbed to note that despite their repeated recommendations to amend the EST&P guidelines to enhance the period of tracking to include all the successful candidates, the Ministry has not initiated any steps. In its reply, the Ministry has stated that tracking period by STP has been kept for a period of

six months with the anticipation that after 6 months the candidates will become self-reliant. However, the Committee are of the view that under prevailing circumstances of getting into job or availing a loan for starting one's own business, majority of the trained candidates cannot become self-reliant within such a short period of six months. Therefore, the Committee once again recommend the Ministry to enhance the tracking period and to track all the successful candidates.

### **Reply of the Government**

2.33 The recommendation of the Committee is accepted. The Hon'ble Minister, M/o HUPA has approved the modification of the EST&P guidelines to increase the period of tracking of successful candidates from six months to one year.

### **Recommendation (Serial No.18)**

#### **Skill Development and Enhancing Employment in Construction Sector (including Housing Sector).**

2.34 The Committee in their 2<sup>nd</sup> Report (16<sup>th</sup> Lok Sabha) had observed that the Housing sector is the fourth largest employment generating sector in the country and contributes significantly to the GDP. The Committee are appreciative of the fact that skill development and enhancing employment, which is one of the components of NULM, has been included as the focus area under the NULM Scheme of the Ministry of Housing and Urban Poverty Alleviation. As proposed by the Ministry, the Committee desire that, if needed, specific percentage of funds be allocated to this field. The Committee are given to understand that the budgetary support under NULM has been enhanced substantially so as to provide more support to States for urban poverty alleviation.

The Committee were given to understand that third party certification acceptable to the industry has also been introduced. In order to provide better credit availability to micro-enterprises, a task force, with lead bank manager as one of the members, for short-listing of applications has been introduced which is likely to reduce the rejection rate by the banks and other financial institutions. The Committee on the basis of above observation and keeping in view the fact that need of Urban Housing is immense in our

country, had strongly recommended that special emphasis be laid on skill development and employment enhancement in construction sector (including the housing sector), under NULM to fully tap the potential of young work force available in the country and apprised them the steps taken by the Ministry in this regard.

The Committee notes that State Urban Livelihood Missions (SULMs) are required to identify the trades for training under EST&P as per local demand of the various industries. The SULMs shall be requested to focus on the construction sector.

As various schemes of the Ministry are lagging behind because of lack of capacity building of ULBs and fund constraints, by simply leaving it to SULMs, will further delay the task. Therefore the Committee strongly feels that Central Ministry should take the onus of identifying the trades for the training under EST&P as per local demands and help the SULMs in this regard by bringing out detailed information of various trades including construction sector in which training can be provided by SULMs.

### **Reply of the Government**

2.35 The Ministry will identify the trades and give detailed information to the States. The Ministry is already holding consultations with Construction Skill Development Council of India (CSDCI)/ Sector Skill Council for Construction Sector, National Buildings Construction Corporation Ltd. (NBCC), Central Public Works Department (CPWD), Building Materials and Technology Promotion Council (BMTPC), Housing & Urban Development Corporation Ltd. (HUDCO) and other organisations/ agencies in construction/ housing sector for increasing skill development.

### **Recommendation (Serial No.19)**

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

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



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

The Committee observe that during the year 2014-15, the budgetary allocation was slashed from Rs. 50.00 crore to 40.00 crore while the actual expenditure was Rs. 30.92 crore upto 31 January 2015. The Committee have been informed that the following reasons are attributed for less allocation at RE and less actual expenditure:

“(i) The budgetary allocation under NULM was slashed for the FY 2014-15 from Rs 1003 crore to Rs 733 crore, as a consequence of which the allocation to 10% Lumpsum Scheme to NE States for the year was proportionally reduced.

(ii) The DPRs submitted by the States were found wanting in many details and lot of modifications are required to be done after first appraisal. This delays sanction of new projects.

(iii) It has been instructed by Ministry of Finance that for executing agencies other than State Governments, no funds shall be released if UC is pending in any of the Projects. For projects being executed by NBCC, this has become a constraint in release of funds. This has further led to lower utilisation of funds.”

The Committee further observe from the reply of the Ministry that the projects of the North-Eastern States are demand driven and as such no targets are fixed. In order to have a meaningful utilization of the budget and to motivate the State Governments for improving the living conditions of people in North-Eastern States, the Committee desire the Ministry to strive hard to bring in awareness among the target groups through audio visual medium and advertisements. It could also consider re-modelling the financing pattern if that is an impediment and also identify different local needs falling within the scheme.

### **Reply of the Government**

2.37 It is informed that infrastructure projects are proposed by the ULBs/Governments who are well aware about the Scheme/guidelines. Suggestions of the State Governments will be invited on how to improve the 10% lump sum scheme further.

### **Recommendation (Serial No.20)**

#### **HINDUSTAN PREFAB LIMITED (HPL)**

2.38 Hindustan Prefab Limited an ISO 9001:2008 is a scheduled 'C' Central Public Sector Enterprise under administrative control of Ministry of Housing & Urban Poverty Alleviation. It is engaged in the execution of projects on Turnkey basis, i.e. from concept to completion on Project Management Consultancy. HPL is currently providing Project Management Consultancy (PMC) for construction of projects in 15 States awarded to it through various State Governments and its agencies.

HPL has signed an MoU with Construction Industry Development Council (CIDC) to promote the adoption of prefabricated and pre-engineered technologies for achieving fast track construction especially for the attainment of the goal of providing 'Housing for all by 2022'.

The Committee are happy to note HPL is currently engaged as a Project Management Consultant (PMC) for undertaking projects using both conventional and prefab technologies. The decision to use the technologies rests with the clients. HPL on its part has been advocating adoption of prefab technologies in the respective projects. In the current year, HPL has taken up works of construction of schools toilets under "Swachh Bharat Abhiyaan", where the construction is being undertaken using prefab technologies. Under the scheme, HPL is executing the works on behalf of major PSUs like Power Grid Corporation of India Limited (PGCIL), Power Finance Corporation (PFC), Northern Coalfields Limited (NCL), MSTC Limited, etc wherein nearly 15,000 toilets are being taken up.

Further, HPL has also been advocating rapid construction technologies using prefab options. In the current year, HPL is executing various construction projects for

NIT Jote, in Arunachal Pradesh by using pre-engineered building (PEB) concept costing about Rs.65 crore. HPL has been taking up with its clients and stakeholders for extensive use of prefab technologies and is hopeful of getting major prefab works in the coming year.

Towards promoting HPL technology the Committee are happy to note that, HPL in coordination with the BMTPC is planning to set up an Integrated Prefab Technology Park at HPL Campus, New Delhi for displaying technologies and materials and also disseminating information on emerging construction technology, disaster resistance, sustainable building materials for cost effective and faster construction primarily focusing on prefab. This could act as a technology hub and incubation centre for prefab technologies. Further HPL would also take all supportive actions in close association with Building Materials and Technology Promotion Council (BMTPC) an autonomous organization under the Ministry for development of low cost technology in Housing. Efforts will be made to bring necessary changes in schedule of rates by consulting with the Government construction agencies. Towards promoting the prefab would be taking up of the activities such as organizing seminars and exhibitions which is also one of the parameters in the MOU to be signed with the Ministry of HUPA for the year 2015-16.

The Committee hope these steps would definitely promote the HPL technology in a right direction to minimize time and cost overrun. However, the Committee are constrained to note that still the cost of prefab technologies are significantly higher when compared to the conventional technologies since their demand is still very low, and only with increased volumes the cost will come down in the long run.

The Committee therefore wish to reiterate their earlier recommendation that the Ministry of HUPA should take concerted efforts and strive vigorously to change the mind set of all concerned engaged with construction agencies and complete all the projects without cost and time overrun by adopting Prefab technologies. For this the Committee desire the Ministry to bring necessary changes in schedule rates of the Govt. agencies and strive vigorously to popularize these technologies through seminars, video conferencing and advertisements.

## **Reply of the Government**

2.39 The Committee's recommendation about creating awareness about Prefab technology and inclusion of rate in SOR has been noted.

### **Recommendation (Serial No.22)**

#### **HUDCO**

2.40 The Committee are given to understand that under Corporate Social Responsibility (CSR) activities HUDCO has undertaken initiative to provide community toilet and have sanctioned CSR assistance worth Rs. 237.72 lakh out of which CSR assistance of only 128.63 lakh has been disbursed to the implementing agencies and further instalments would be released after receipt of Utilization Certificates for the CSR assistance already released. In this regard, the Committee desire that HUDCO should vigorously pursue such projects where the physical targets are not achieved, which would go a long way under the Government of India's Swachh Bharat Abhiyan and also towards ending open defecation.

In respect of Night Shelters under HUDCO CSR activities, out of the sanctioned CSR assistance of Rs.1782.18 lakh, CSR assistance of Rs.540.86 lakh has been disbursed for due installments and further instalments shall be released after receipt of utilization certificate for the CSR assistance already disbursed and physical progress report from the concerned agencies. However, in few proposals, agencies concerned could not achieve required physical/financial progress and submit the utilization certificate for the CSR assistance released due to delay in obtaining required approvals, finalization of tenders etc. resulting in delay in implementation of the proposals and consequent release of subsequent instalments of the CSR assistance.

Out of the 55 Night Shelters sanctioned in 16 states, 14 night shelters have been completed, works for 16 night shelters are in different stages of execution and construction work for 25 night shelters is yet to be taken up.

The Committee desire that HUDCO should take proactive measures in this regard to monitor the projects for their timely implementation and release the sanctioned CSR assistance on time.

## **Reply of the Government**

2.41 HUDCO Regional Offices are being requested to pursue with the concerned agencies on priority for implementation of the proposals of Community Toilets and Night Shelters in a time bound manner and release of CSR assistance in a timely manner.

### **CHAPTER III**

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

**Nil**

## CHAPTER IV

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

#### Recommendation (Serial No.4)

#### RENTAL HOUSING

4.1 The Committee observe that Sardar Patel National Mission for Urban Housing envisages creation of sufficient number of rental houses which can be made available to such homeless migrants and destitute. This rental housing is proposed to be primarily of 2 types (a) for families and (b) for single person –dormitory. It is envisaged that a house upto 30 sq. mtr area for families and single room hostels/dormitories be constructed in sufficient numbers to be let out by the Urban Local Bodies or other agencies including Private Sector to people who cannot afford to buy a house initially. The Committee have been informed that this scheme has been approved by the Cabinet and the details are being fine-tuned by a Committee of Ministers. The New Mission will be launched as soon as details are fine tuned. The Committee have been further informed that as part of new Mission, Ministry of Housing & Urban Poverty Alleviation will request Department of Industrial Policy and Promotion (DIPP) to impress industries to make provision for accommodation facilities for their employees through rental housing or Rent to own schemes. Ministry of Labour and State Governments will also be requested to build rental housing stock under their welfare funds. Such stock of housing created by the corporate entities would be rented to new employees who do not have their own houses in the city. Ministry of Corporate Affairs will also be requested to include 'housing for their employees' as one of the activities under the corporate social responsibilities. In the above backdrop, the Committee hope that the Ministry would complete all the formalities at the earliest and implement the same in letter and spirit. The Committee would also wish to reiterate their earlier recommendation given in their 2<sup>nd</sup> Report on Demands for Grants (2014-15) that such houses be rented to the individuals/ families for either ten years or till becoming a house owner whichever is earlier. Necessary provisions may be made in the new Mission accordingly.

## **Reply of the Government**

4.2 It is brought to the attention of the Committee that Rental housing is not a component of the Housing for All mission as approved by the Competent Authority. In view of the factual position submitted above, it is submitted that it is not possible to make provision for Rental housing in the new mission for Housing for All.

( For comments please see paragraph 1.10 of Chapter-I.)

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

### **SLUM REHABILITATION**

4.3 The Committee had recommended as under:

"The Committee observe that as per 2011 census, the total slum population in India is 6.549 crore and the no. of slum households are 1.4 crore. The Committee have noted that the slum areas, get 65.3 per cent of tap water from treated sources and 56.7 per cent drinking water is available within the premises. Electricity facilities are 90.5 per cent. Latrine facility within the premises is 66 percent, flush latrine is 57.7 percent and closed drainage is 36.9 percent. The Ministry feels that further improvements are required with respect to provision of basic sanitary facilities and other infrastructure. Within the available resources, efforts are being made to provide infrastructure in the slum re-development projects. The Committee have been informed that it is the responsibility of the State Government to conduct survey about the numbers of Jhugi Jhopri clusters and the number of JJ clusters rehabilitated. When enquired about the details of development plans submitted by States/UTs/ULBs in respect of housing and development infrastructure in slums, the Committee were informed that Slum Free Plan of Action is required to be submitted in terms of guidelines for the schemes of the Ministry and as on date 107 FPOAs have been received in the Ministry. The Committee feel that against 6.549 crore slum population as per population 2011 census, only 107 SFPOAs are too meager. The Committee agree with the Ministry that Housing and slum are State subjects, but at the same time wish to impress upon the Ministry that it should take proactive steps and help the State Governments in preparing SFPOAs to encompass the entire slum population in a phased manner. The Committee also wish to insist the fact that the SFPOAs should be comprehensive to include basic facilities like housing, electricity, water supply, sanitation and drainage system.

During examination of Demands for Grants (2014-15), the Committee had observed that slum people are being rehabilitated in the vertical buildings. In these buildings, maintenance is very shoddy. It is very difficult for the inhabitants to bear the cost of maintenance. The Secretary, Ministry of Housing and Urban Poverty Alleviation further informed that Ministry is having consultations with private builders who are



assigned the task of building houses for slum dwellers to take care of maintenance mandatorily. The Committee are distressed to note that the responsibility for ensuring maintenance of the houses lies with the beneficiaries and State/ULBs can assist them as per their policy. People living in the slums are shifting to multi-storied building and are losing their livelihood and finding it hard to maintain the buildings. Therefore, it would be unfair to leave the maintenance charge to the beneficiaries. During the study visit of the Committee to Pune and Mumbai, the Committee had observed that slum redevelopment is being done on PPP models. Since the private developers are given the task of redevelopment of slums, the Ministry and the State Governments should insist on them to take charge of maintenance mandatorily instead of leaving it to the beneficiaries.

Another issue related to relocation of slum is that people are being shifted to new buildings but at the same time the slum areas are not being razed as a result the slum dwellers sublet the new houses and come back to the slums. About the action taken in this regard, the Committee have been informed that it is the responsibility of the State Governments to de-notify the slum after its redevelopment. The action to de-notify the slum after its redevelopment by the State government would ensure that problems of subletting of the new houses and returning to the slum by the beneficiary can be avoided. In this regard, the Committee wish to recommend that Ministry should regularly monitor the progress in this regard and ask the State Government to submit the physical status of the vacant land after the slum rehabilitation. This will further help to stop encroachment of government land. It is also felt that sometimes there is strong nexus among mafia groups who are working in tandem with those dwellers with their malafide intentions and help those dwellers for facilitating subletting. Therefore, the Committee desire that the person found guilty of subletting should be debarred and their allotment should be cancelled with immediate effect. The Committee also desire that the Ministry should allot the house in the joint name of husband & wife or in the sole name of the wife so that the male members cannot dispose it off and harass the family member with any malafide intentions. "

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

4.4 The Ministry wish to state that the SFCPOAs have been prepared by States with regard to the earlier scheme of the Ministry. The SFCPoAs are prepared essentially to determine the extent of housing shortage. In so far as the provision of basic facilities like electricity, water supply, sanitation and drainage are concerned, these come under urban infrastructure and have not been covered under SFCPoAs. Out of 228 cities which were preparing SFCPoA, 112 have completed the plans and rest are in progress. It is not possible to include additional information at this juncture. Information on electricity, water supply, sanitation & drainage are available as per Census 2011.

It is clarified that in response to Question no. 24 of the List of points on the Demands for Grants (2014-15), the Ministry had stated that the responsibility for ensuring maintenance of the houses built under the scheme of the Ministry is with the beneficiaries and State/ULBs can assist them as per their policy. Insisting on private developers to take over the maintenance of slums redeveloped on PPP basis may

make the project unviable to the private developer as Central assistance to the project is fixed. Private developers would not like to continue their association with the project beyond completion and reasonable time of post completion needs. Maintenance of such houses should, therefore, be the responsibility of owners individually or through Associations (RWAs). States have been requested to promote formation of RWA for such work.

In-situ slum redevelopment is the first option suggested to the State Governments under the schemes of the Ministry. There is no vacant land released in such cases. As observed by the Committee, it is the responsibility of the State Government to de-notify the slum after its redevelopment. Ministry always recommends de-notification of slums after redevelopment. Ministry completely supports and accept the recommendation of the Committee that the person found guilty of sub-letting should be debarred and their allotment should be cancelled with immediate effect.

Under the guidelines of the earlier schemes of the Ministry as well as in the proposed new mission on Housing for All, the allotment of the house is proposed in the joint name of the husband and wife or in the sole name of the women head of the family.

(For comments please see paragraph 1.13 of Chapter-I.)

### **Recommendation (Serial No.21)**

#### **BMTPC**

4.5 The Committee note that the National Urban Housing and Habitat Policy 2007 stresses the need for construction of demonstration houses in order to provide thrust to the technology dissemination activities in different regions of the country. Therefore, the Council besides providing technical assistance to large housing projects using cost effective housing technologies, proposes to showcase Innovative, Green and Disaster Resistant Technologies through Demonstration Construction in different region.

Under the proposed new Housing Mission, BMTPC would be working in these areas. Its role would be to enable construction with speed and quality and with due care towards structural, functional and environmental requirements under housing for all. During the year 2014-15 the grants-in aid received from the Ministry was Rs.4.99 crore. The internal revenue generation is Rs. 3.46 crore. The total expenditure is Rs. 7.65 crore. The BE for the year 2015-16 is Rs. 5.00 crore only. The Committee are constrained to note that at present, the activities of the Council have been restricted keeping in view the grants sanctioned and the external cash flow generated during

relevant year. Further, the role of BMTPC will be more challenging in view of the Housing for All by 2022.

The present budgetary support and revenue generation by BMTPC is bare minimum to enhance the activities of BMTPC. In this connection, the Committee in their earlier Reports have been recommending to enhance the budgetary support. The Committee are distressed to note that Ministry has not enhanced the budgetary allocation during the current financial year. Therefore, the Committee reiterate their earlier recommendation to strengthen BMTPC by providing sufficient financial support.

### **Reply of the Government**

4.6 During the budgetary demand for 2015-16, the Ministry had proposed budgetary allocation of Rs.11.50 crore for the BMPTC. Government has sanctioned Rs.5.00 crore for the organization for the FY 2015-16.

(For comments please see paragraph 1.16 of Chapter-I.)

## **CHAPTER V**

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

**Nil**

**NEW DELHI;**

**, 2015**

**, 1936 (Saka)**

**PINAKI MISRA**

**Chairperson,  
Standing Committee on Urban Development**



**STANDING COMMITTEE ON URBAN DEVELOPMENT (2014-2015)**

**MINUTES OF THE FIFTEENTH SITTING OF THE COMMITTEE HELD ON  
TUESDAY, 4<sup>th</sup> AUGUST, 2015**

The Committee sat on Tuesday, the 4<sup>th</sup> August, 2015 from 1600 hrs. to 1800 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

**PRESENT**

***Shri Pinaki Misra* - Chairperson**

**MEMBERS**

**LOK SABHA**

2. Shri Rajendra Agrawal
3. Shri Ramesh Bidhuri
4. Shri Ram Charan Bohra
5. Shri Dushyant Chautala
6. Shri Ashok Chavan
7. Shri Dilip Kumar Gandhi
8. Shri Maheish Girri
9. Shri R.Gopalakrishnan
10. Smt. Meenakashi Lekhi
11. Shri K. Parasuraman
12. Shri Rahul Ramesh Shewale
13. Shri Parvesh Sahib Singh Verma
14. Shri Dharam Vira Gandhi

**RAJYA SABHA**

15. Shri Husain Dalwai
16. Shri Anil Desai
17. Shri Mukul Roy
18. Shri Rangasayee Ramakrishna
19. Shri S.Thangavelu

SECRETARIAT

1. Smt. Abha Singh Yaduvanshi - Joint Secretary
2. Shri D.S. Malha - Director
3. Smt. J.M. Sinha - Additional Director
4. Smt. K. Rangamani N. - Under Secretary

2. At the outset, the Hon'ble Chairperson welcomed the Members to the fifteenth sitting of the Committee. The Chairperson made a obituary reference to the sad demise of Dr. A.P.J. Abdul Kalam, former President of India. The Members then stood in silence, to express their heart felt condolences and peace of the departed soul.

The Committee thereafter took up for consideration the draft report on Action taken by the Government on the observations/Recommendations contained in the Sixth Report (Sixteenth Lok Sabha) on Demands for Grants (2014-2015) pertaining to the Ministry of Housing and Urban Poverty Alleviation. After deliberations, the Committee adopted the report without any change and authorized the Chairperson to present the same to both the Houses of the Parliament.

3. \*\*\*\*\*
4. \*\*\*\*\*
5. \*\*\*\*\*

The witnesses then withdrew

A verbatim record of the proceeding has been kept.

The Committee then adjourned.

\*\*\*\*\* These portions of the Minutes do not relate to the Report.

[Vide para 4 of the Introduction]

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

<b>I.</b>	<b>Total number of recommendations</b>	<b>22</b>
<b>II.</b>	<b>Recommendations/Observations which have been accepted by the Government:</b>	<b>19</b>
	<b>Recommendation Nos.</b>	
	<b>Percentage to total recommendations</b>	<b>(86.3%)</b>
<b>III.</b>	<b>Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies:</b>	
	<b>Recommendation Nos.</b>	
	<b>Percentage to total recommendations</b>	<b>(0 %)</b>
<b>IV.</b>	<b>Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:</b>	<b>3</b>
	<b>Recommendation No.</b>	
	<b>Percentage to total recommendations</b>	<b>(13.6%)</b>
<b>V.</b>	<b>Recommendations/Observations in respect of which final replies of the Government are still awaited:</b>	
		<b>-Nil-</b>
	<b>Percentage to total recommendations</b>	<b>(0%)</b>