

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

STARRED QUESTION NO:121

ANSWERED ON:04.03.2015

UTILISATION OF FUNDS FOR URBAN DEVELOPMENT

Deka Shri Ramen;Singh Shri Ravneet

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) the funds allocated and utilized for the urban development schemes during the last three years and the current year, year-wise and scheme-wise;
- (b) whether large sum of allocations made to States for urban development remained unspent and if so, the details thereof along with the reasons therefor, State and scheme/project-wise;
- (c) Whether any mechanism has been put in place to monitor the utilization of funds allocated to States and if so, the details thereof along with the steps taken/proposed to be taken to strengthen the mechanism; and
- (d) the steps taken to make urban local bodies more efficient and empowered to pitch for funds and its utilization?

Answer

THE MINISTER OF URBAN DEVELOPMENT (SHRI M. VENKAIAH NAIDU)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION NO 121 FOR 04.03.2015 REGARDING "UTILISATION OF FUNDS FOR URBAN DEVELOPMENT.

(a) & (b): The details of funds allocated and utilized for the following Urban Development Schemes during the last three years & current year, is given in Annexure-I:-

(i) Under Jawaharlal Nehru National Urban Renewal Mission (JnNURM).

(ii) Urban Infrastructure Development in Satellite towns around seven Mega Cities (UIDSST) scheme, 10% Lump sum scheme and NERUDP Scheme.

(iii) Swachh Bharat Mission.

(iv) Metro Rail projects.

The National Heritage City Development and Augmentation Yojana (HRIDAY), was officially launched on 21st January, 2015. An outlay of Rs. 200 crore has been earmarked under HRIDAY for the current financial year out of which Rs. 87 lakh has been released till 28.02.2015.

During the period 2011-12 to 2013-14, under the aforesaid Schemes, projects are funded as per the respective scheme guidelines in the form of Additional Central Assistant (ACA) and remaining funds are arranged by the States and Urban Local Bodies (ULBs)/Parastatals. Subsequent installment of ACA is released for projects subject to utilization of grants and other conditionalities like achievement of reforms according to the timelines agreed to by the States and ULBs for JnNURM. Hence, question of large amount being unspent does not arise. The reasons for delay in projects during this period are mainly due to capacity constraints of implementing agencies, issues related to land acquisition, problems of contract management at ULB level.

During the current financial year, for the new schemes on 100 Smart Cities & New Urban Development Mission, extensive consultations with State Governments and various stakeholders were done. The Schemes are in final stages of design and will be launched soon.

(c): Under each different scheme, guidelines have put in place a number of mechanisms to monitor the utilization of funds to States such as :-

(i) Regular review and Monitoring at the level of Ministry and State Government by various committees constituted under the specific scheme.

(II) Third party review and monitoring.

(III) Quarterly progress reports submitted by implementing agencies.

(IV) Utilization certificates and reports by competent authorities at state level.

(d): Regular capacity building programme of the Ministry are aimed towards making ULB's efficient and empowered. JnNURM was a reform linked programme undertaken by the Government of India. Most of the reforms were aimed to make ULB's more efficient and to empower them for better fund utilization. There were 23 reforms identified for implementation, both at State and ULB level, the details of reforms and achievement are at Annexure-II & III.