

FORTIETH REPORT  
STANDING COMMITTEE ON URBAN  
AND RURAL DEVELOPMENT  
(2003)

(THIRTEENTH LOK SABHA)

MINISTRY OF URBAN DEVELOPMENT  
AND POVERTY ALLEVIATION  
(DEPARTMENT OF URBAN EMPLOYMENT  
AND POVERTY ALLEVIATION)

DEMANDS FOR GRANTS  
(2002-2003)

*[Action taken by the Government on the recommendations contained in the  
Thirty-Sixth Report (13th Lok Sabha) on Demands for Grants 2002-2003  
of the Ministry of Urban Development and Poverty Alleviation  
(Department of Urban Employment and Poverty Alleviation)]*

Presented to Lok Sabha on.....  
Laid in Rajya Sabha on ..... 26. 2. 2003



LOK SABHA SECRETARIAT  
NEW DELHI

February, 2003/Magha, 1924 (Saka)

## CONTENTS

	PAGES
COMPOSITION OF THE COMMITTEE .....	(iii)
INTRODUCTION .....	(v)
CHAPTER I Report .....	1
CHAPTER II Recommendations that have been accepted by the Government .....	11
CHAPTER III Recommendations which the Committee do not desire to pursue in view of the Government's replies .....	26
CHAPTER IV Recommendations in respect of which replies of the Government have not been accepted by the Committee .....	28
CHAPTER V Recommendations in respect of which final replies of the Government are still awaited .....	34

### APPENDICES

I. Funds Released under various schemes of the Department .....	35
II. Extracts of the Minutes of the 2nd sitting of the Committee held on 27.01.2003 .....	37
III. Analysis of Action Taken by the Government on the recommendations contained in the Thirty-Sixth Report of the Committee (13th Lok Sabha) .....	40

COMPOSITION OF THE STANDING COMMITTEE ON  
URBAN AND RURAL DEVELOPMENT (2003)

Shri Chandrakant Khaire — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Mani Shankar Aiyar
3. Shri S. Ajaya Kumar
4. Shri Ranen Barman
5. Shri Padmanava Behera
6. Shri Jaswant Singh Bishnoi
7. Shri Haribhai Chaudhary
8. Shri Shriram Chauhan
9. Shri Shamsheer Singh Dullo
10. Shrimati Hema Gamang
11. Shri G. Putta Swamy Gowda
12. Shri Jaiprakash
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14. Shri Basavanagoud Kolar
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17. Prof. Vijay Kumar Malhotra
18. Shri Sadashivrao Dadoba Mandlik
19. Shri Mahendra Singh Pal
20. Shri Chandresh Patel
21. Prof. (Shrimati) A.K. Premajam
22. Shri Nawal Kishore Rai
23. Shri Gutha Sukender Reddy
24. Shri Pyare Lal Sankhwar
25. Shri Maheshwar Singh
26. Shri D.C. Srikantappa
27. Shri V.M. Sudheeran
28. Shri Chinmayanand Swami
29. Shri Ravi Prakash Verma
30. Shri Pradeep Yadav

*Rajya Sabha*

31. Shri S. Agniraj
32. Shrimati Shabana Azmi
33. Shrimati Prema Cariappa
34. Shri N.R. Dasari
35. Shri Ramadhar Kashyap
36. Shrimati Gurcharan Kaur
37. Shri Faqir Chand Mullana
38. Shri A. Vijaya Raghavan
39. Shri Rumandla Ramachandraiah
40. Shri Harish Rawat
41. Shri Man Mohan Samal
42. Shri Rajnath Singh
43. Shri G.K. Vasani
44. Vacant
45. Vacant

SECRETARIAT

- |                        |   |                             |
|------------------------|---|-----------------------------|
| 1. Shri P.D.T. Achary  | — | <i>Additional Secretary</i> |
| 2. Shri K.V. Rao       | — | <i>Joint Secretary</i>      |
| 3. Shri K. Chakraborty | — | <i>Deputy Secretary</i>     |
| 4. Smt. Sudesh Luthra  | — | <i>Under Secretary</i>      |
| 5. Shri N.S. Hooda     | — | <i>Under Secretary</i>      |

## INTRODUCTION

I, the Chairman of the Standing Committee on Urban and Rural Development (2003) having been authorised by the Committee to submit the Report on their behalf, present the Fortieth Report on Action Taken by the Government on the recommendations contained in the Thirty-sixth Report of the Standing Committee on Urban and Rural Development (2002) on Demands for Grants (2002-2003) of the Ministry of Urban Development and Poverty Alleviation (Department of Urban Employment and Poverty Alleviation).

2. The Thirty-sixth Report was presented to Lok Sabha on 24th April, 2002. The replies of the Government to all the recommendations contained in the Report were received on 11th July, 2002.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 27th January, 2003.

4. An analysis of the action taken by the Government on the recommendations contained in the Thirty-sixth Report of the Committee (2002) is given in *Appendix-III*.

NEW DELHI;  
12 February, 2003  

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23 Magha, 1924 (Saka)

CHANDRAKANT KHAIRE,  
Chairman,  
Standing Committee on  
Urban and Rural Development.

## CHAPTER I

### REPORT

This Report of the Committee on Urban and Rural Development (2003) deals with the action taken by the Government on the recommendations contained in their Thirty-sixth Report on Demands for Grants 2002-2003 of the Department of Urban Employment and Poverty Alleviation (Ministry of Urban Development and Poverty Alleviation) which was presented to Lok Sabha on 24th April, 2002.

2. Action taken notes have been received from the Government in respect of all the 25 recommendations which have been categorised as follows:

- (i) Recommendations which have been accepted by the Government

Para No. 2.9, 3.29, 3.30, 3.31, 3.40, 3.41, 3.43, 3.48, 4.8, 4.9, 4.11, 4.12, 4.25, 4.26, 5.4, 6.11, 6.12 and 6.17.

- (ii) Recommendations which the Committee do not desire to pursue in view of Government's replies

Para No. 3.39

- (iii) Recommendations in respect of which replies of the Government have not been accepted by the Committee

Para No. 2.6, 2.7, 2.8, 3.28 and 3.42

- (iv) Recommendations in respect of which final reply of the Government is still awaited

Para No. 4.10

3. The Committee desire that final replies in respect of the recommendation for which only interim reply has been given by the Government should be furnished to the Committee within three months of the presentation of the Report.

4. The Committee will now deal with action taken by the Government on some of these recommendations in the succeeding paragraphs.

**Under utilisation of funds under various schemes  
of the Department**

**Recommendations (Para No. 2.6, 2.7 and 2.8)**

5. The Committee had recommended as under:

“The analysis of the data, of funds allocation of Department of Urban Employment and Poverty Alleviation, indicates a very sorry state of affairs of various schemes/programmes of the Department. During 9th Plan around 30% of the outlay remained unspent. There are huge cuts at RE stage. Further disturbing is the fact that whatever is made available at RE stage could not be utilised fully. The Committee have repeatedly been drawing the attention of the Department towards this sorry state of affairs, yet the position has worsened last year whereby only 20% of the outlay could be spent.

The Committee are disturbed to note the reply of the Department that the under-spending during 2001-2002, is due to the lower requirement under SJSRY. While the detailed scheme-wise analysis has been done in the succeeding paras of the report, as regards the overall position, the Committee find from Appendix II, that the situation is further alarming in other schemes of the Department too. Under Equity to HUDCO, only 30% of outlay could be utilised, whereas under Night Shelter Scheme and North Eastern Areas Scheme 100% of the outlay remained unspent.

The Committee further note that the Department deals with various schemes meant for providing employment and housing to below the poverty line people. The lackadaisical approach of the Department towards such a priority programme is resulting in depriving the urban poor from their benefits for no fault on their part. The Committee strongly recommended that the various issues resulting in such a dismal performance, should be probed urgently and the Committee apprised accordingly. The Committee are also of the considered view that an urgent action is required on the part of the Union Ministry/Department to arrest the trends of lower utilisation of outlay and reduction of allocation at RE stage.”

6. Replies of the Government to recommendations Para Nos. 2.6 to 2.8.

The Government have stated as under:

"The observations of the Hon'ble Committee are based on the level of expenditure incurred on SJSRY and housing schemes till 28th February, 2002. However, some more releases were made in March, 2002 upon fulfillment of necessary requirement and demand for funds and accordingly, the total expenditure upto 31st March, 2002 on these schemes is given at Appendix-I.

It can be seen here that the expenditure during 9th Plan works out to be 97.94% (excluding the expenditure incurred by States out of grants released prior to 9th Plan) of the revised allocations for the 9th Plan and 97.72% during 2001-2002.

As far as Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is concerned, it is submitted that out of total allotment of Rs. 168 crore at BE stage during the year 2001-2002, Rs. 69 crore were transferred to Valmiki Ambedkar Awas Yojana (VAMBAY), a newly launched programme and there was an economy cut of Rs. 53.50 crore as imposed by the M/o Finance. Thus, the budget provision at RE stage remains Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. There was insufficient demand on account of weak response from banks. Further, huge unspent balances were available with States, this hindered further release of Central funds for want of utilization certificates.

In so far as equity to HUDCO is concerned, it may be stated that the release could not be made, as authorized capital of HUDCO at Rs. 1250 crore stood fully subscribed with release of Rs. 47 crore on 11th June, 2001. Cabinet approval for enhancement of authorized capital of HUDCO was received in the first week of March, 2001 and increase in authorized capital from Rs. 1250 crore to Rs. 2500 crore was made on 11th March, 2001. The balance amount of Rs. 108 crore was also released on the same day.

The reasons for budgetary provision of Rs. 4.56 crore under the Night Shelter Scheme remaining unutilized was that HUDCO was having an unspent Central subsidy of Rs. 1.95 crore till

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31st March, 2002 and due to this reason, release of further subsidy was not possible as per Government instruction. The unspent budgetary provision for Night Shelter Scheme of Rs. 4.56 crore was therefore, re-appropriated for VAMBAY where the funds were needed more urgently.

As regards North-Eastern Areas scheme, the budget provision goes into Non-Lapsable Pool of Resources. The entire allocated amount of Rs. 33 crore meant for the benefit of North Eastern Region States and Sikkim during the year 2001-2002 was released against their project proposals.

There was no significant shortfall in utilisation of funds under other Plan/Non-Plan schemes like BMTPC, Building Centres, IYSH, Grants to National Cooperative Housing Federation (NCHF), CGEWHO, contribution to UNCHS etc.

The lack of initiative at the State level and the inability or unwillingness of banks in formulating/implementing appropriate schemes of poverty alleviation and housing is mainly responsible for non/under utilisation of funds. This Ministry keeps on pursuing the matter with the State Governments to gear up their machinery and formulate sufficient number of viable projects for funding under the schemes aimed at poverty alleviation and housing for the poor.

To ensure higher utilisation of funds under Swarna Jayanti Shahari Rozgar Yojana (SJSRY), the proposed modifications in the guidelines of the Scheme is at an advance stage of finalisation. Further, the monitoring mechanism for implementation of this scheme has also been tightened/reviewed.

Similarly, the guidelines of Night Shelter Scheme are under revision with a view to attract more projects."

**7. The Committee are not inclined to accept the replies furnished by the Government pursuant to their recommendations relating to overall performance of the Department of Urban Employment and Poverty Alleviation during 9th Plan specifically during 2001-2002. They are disturbed to note the revised data furnished by the**

Department, the analysis of which is given below:

**Overall allocation and expenditure of the Department of Urban Employment and Poverty Alleviation**

		(Rs. in Crore)
9th Plan Allocation	-	1580
Actual expenditure upto 28th February, 2002	-	1134.83
Expenditure upto 31st March, 2002	-	1389.59

**Allocation and Expenditure under SJSRY**

BE during 2001-02	-	168
Revised Estimates 2001-2002	-	45.50
Actual expenditure upto 28th February, 2002	-	10.65
Actual expenditure upto 28th March 2002	-	39.21

The Committee fail to understand how the Department could utilize major portion of the allocation during one month of the year that is March, 2002. Under SJSRY, the position is quite alarming. The actual expenditure during 2001-2002 upto 28th February, 2002 was around 6% if compared to BE, and around 24% if compared to RE. The expenditure data has swollen to around 90% if compared to RE, as per the revised expenditure data furnished by the Government.

Another case of inflated data furnished by the Department is in case of North-Eastern areas scheme. As per the data furnished earlier, the expenditure was NIL, out of the allocation of Rs. 33 crore, whereas as per the revised data the utilization position has been indicated as 100%.

In view of the comparative data, as furnished by the Department, while the Committee examined the Demands for Grants 2002-2003 and the consequent action taken replies furnished by the Department, they are of the view that the Department is not serious enough towards the implementation of the Centrally Sponsored Schemes meant for the urban poor. The Committee take it very seriously and

while reiterating their earlier recommendation, recommend strongly to probe various issues resulting in such dismal performance of various schemes and desire an urgent remedial action. Besides, they would also like to be apprised of the specific reasons for utilization of major portion of the allocation during the last month of the year, which may ultimately result in serious irregularities in the implementation of different programmes.

### Underutilisation of Funds in SJSRY

#### Recommendation (Para No. 3.28)

8. The Committee recommended as follows:

“The Committee regret to note that almost 50% of what was allocated during 9th Plan remained unspent. The situation is further alarming as the position of utilisation of outlay is less than 50% during 2002-2003. Even after four years since the restructured SJSRY was launched, the Department could utilise only Rs. 237 crore out of Rs. 562 crore of unspent balance under the old UPA Programme. In spite of this sorry state of affairs, the Department feels that the Yojana has gained momentum.”

9. The Government submitted as below:

“The details of funds allocated and expenditure under SJSRY during the 9th Five Year Plan are as under:—

Total funds allocated at BE stage	-	Rs. 807.67 crore
Total funds allocated at RE stage	-	Rs. 531.68 crore
Total expenditure	-	Rs. 513.10 crore
Percentage of expenditure to BE	-	64
Percentage of expenditure to RE	-	97

During the year 2001-2002, out of total allotment of Rs. 168 crore at BE stage, Rs. 69 crore was transferred to Valmiki Ambedkar Awas Yojana (VAMBAY), a newly launched programme and there was an economy cut of Rs. 53.50 crore, as imposed by the Ministry of Finance. Thus, the budget provision at RE stage remains Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. Thus the percentage of expenditure under SJSRY was

86.17. Further, the amount of Rs. 69 crore transferred to VAMBAY has been fully released and therefore, the expenditure under the VAMBAY Scheme was 100%.

Unspent balances amounting to Rs. 269.18 crore of Central share of old UPA programmes were available as on 30th November, 1997 with the State/UTs. Also, Central share of Rs. 499.31 crore was released to the States/UTs under SJSRY from 1st December, 1997 to 31st March, 2002. Thus, out of total Central funds amounting to Rs. 499.31 crore released in the 9th Plan under SJSRY, the States/UTs have reported an expenditure of Rs. 540.16 crore, including Rs. 40.85 crore from the Central funds of old UPA Programmes. Therefore, there is 100% utilisation of funds released under SJSRY during the 9th Five Year Plan. It can be seen there from that the Yojana has gained momentum. However, the State Governments have reported weak response from the Banks, which affected the achievements under the scheme. In this connection, ten meetings were convened at the level of Urban Development Minister and Secretary (UEPA) to monitor the progress of the Scheme."

10. The Committee are not satisfied with the way the Department has tried to justify poor implementation of SJSRY in view of the huge under spending under the programme. They note that major portion of the outlay during 2001-2002 was transferred for another programme VAMBAY. Besides, whatever little allocation *i.e.* Rs. 45.50 crore remained, only Rs. 39.21 crore could be utilized not only that, as explained in the preceding para of the Report, the major portion of the expenditure was utilized during the last month of the financial year 2001-2002. In spite of accepting the shortcomings and taking necessary steps to improve the implementation of the programme, as repeatedly stressed by the Committee, the Department has tried to justify the data by showing transfer of funds or utilization during the last month of the year. The Committee emphasize that the thrust of the Department should be to ensure proper and effective implementation of poverty alleviation schemes instead of chasing the target at the last moment. They disapprove the way the Department has furnished the reply to their recommendation and would like the Department to explain in clear terms indicating the steps that have been taken or are proposed to be taken for the effective implementation of one of the priority programme of the Government *i.e.* SJSRY.

## **Upliftment of people living Below Poverty Line**

### **Recommendation (Para No. 3.42)**

11. The Committee had recommended as below:

“The Committee note that the main objective of SJSRY is to bring BPL persons above the poverty line, but the Department has not bothered to analyse the Yojana in that perspective. The Committee are unhappy to note the reasoning given by the Department to cover up their failure. After five decades of independence, there are still bulk of people below poverty line. If the Department is serious enough in the process of the implementation of the programme, poverty can be diminished considerably by eliminating the BPL, by gradually bringing them to APL status. They are thus not inclined to accept the reasoning given by the Department that SJSRY is a poverty alleviation programme and not a poverty elimination programme. The Committee, therefore, strongly recommend that it should be ensured that the persons assisted under the programme are able to cross the poverty line even by providing the multi doses of assistance and the Department should monitor the data in this regard in line with the set objectives of the Yojana”.

12. The Government has stated as under:

“Recommendations of the Hon’ble Committee have been noted for necessary action.”

13. The Committee in their earlier recommendation had stressed that the persons assisted under SJSRY should be able to cross the poverty line and requested the Department to monitor the data in this regard in line with the said objectives of the Yojana. Pursuant to their earlier recommendation, the Government have simply stated that they have noted the recommendation for necessary action. The Committee are not satisfied with the reply. They want the categorical reply indicating the steps initiated in this regard by the Department.

## Survey regarding Slum Population in the Country

### Recommendation (Para No. 4.10)

14. The Committee recommended as under:

"The Committee further noted that the Registrar General of India has made a survey about the slum population in the country in census 2001 according to which the total slum population in cities having more than 50,000 population is 4.06 crore. The Committee would like to be apprised of the city-wise details in this regard. Besides, they would like the similar survey in respect of other cities, having less than 50,000 population, is also carried out and the Committee apprised accordingly."

15. The Government stated as under:

"The observations of the Committee have been noted and action taken thereon will be indicated in due course."

16. The Committee in their earlier recommendation had requested:

- (i) to be apprised of the city-wise details of slum population in the country in census 2001 in the cities having a population of more than 50,000 as per the survey made by the Registrar General of India.
- (ii) They desired for a similar survey in respect of other cities having less than 50,000 population.

The Government in their action taken reply have submitted that they would indicate the action taken in this regard in due course.

The Committee desire that they should be intimated about the action taken in respect of (i) to (ii) above within 6 months of the presentation of the Report.

### Implementation of Draft Slum Policy

#### Recommendation (Para No. 4.12)

17. The Committee earlier recommended as under:

"The Committee note that the Government have come up with a comprehensive and integrated three pronged strategy to solve the problems of slums during the 10th Five Year Plan. While the

Committee appreciate such move, it is emphasised that the programme should be realistic, practical and result oriented and does not remain confined to papers only. The Committee would like to be apprised about further details in this regard. The Committee also note that the Draft Slum Policy is under finalisation with the Department. They hope that it is finalised expeditiously."

18. The Government have stated as below:

"The observation of the Committee has been noted. Efforts are made to finalise the Slum Policy expeditiously."

19. The Committee desire that the Draft Slum Policy should be finalised without any further delay taking into account the views of the all States/UTs, concerned Ministries, Planning Commission and NGOs etc.

## CHAPTER II

### RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

#### Recommendation (Para No. 2.9)

The Committee are disturbed to note the comparative position of spending under plan and non-plan heads. Whereas 20% of outlay under plan head could be utilised during 2001-2002, the position of spending under non-plan head was 50%. They feel that the spending under the non-plan head should be commensurate with the spending under the plan head and the spending on establishment etc., should result in proper implementation of programmes/schemes of the Department.

#### Reply of the Government

Expenditure under plan schemes is linked to proper utilisation of grants released during earlier years, progress of sanctioned schemes and performance of the grantee institution with regard to parameters of scheme. However expenditure under non-plan is usually made towards meeting committed liabilities, establishment expenditure including salaries of staff, Government of India contributions to UNCHS, loans to HUDCO, CGEWHO under CGEIS and contingent expenditure etc. which has to be met for continuous monitoring of the plan schemes and their review from time to time. The direction of the Hon'ble Committee for proper monitoring of the schemes in the Ministry has been noted for strict compliance.

Regarding SJSRY scheme, out of total allotment of Rs. 168 crore at BE stage during the year 2001-2002, Rs. 69 crore were transferred to Valmiki Abmedkar Awas Yojana (VAMBAY), a newly launched programme and, further, there was an economy cut of Rs. 53.50 crore imposed by the M/o Finance. Thus, the budget provision at RE stage was Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. Thus the percentage of expenditure was 86.17.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]



**Recommendation (Para No. 3.29)**

The Committee find that as per the urbanisation scenario, presented before the Committee, the decadal growth rate of population (1991-2001) in urban areas was 31.25% whereas in rural areas it was 17.9%. They also note that SJSRY is only employment programme meant for urban poor. In spite of big challenges before the Government, nothing concrete has been done. The erstwhile programme Nehru Rozgar Yojana was not working well and was restructured during the 9th Plan as SJSRY. Now again the programme is not working well and at one stage it was decided to transfer to State Governments. But finally now the Yojana is again being restructured. Banks are non-cooperative and finally it has been decided to manage without Banks.

**Reply of the Government**

At one stage, Planning Commission was considering to transfer the scheme to the State Governments but it was finally decided to continue it as centrally sponsored scheme during the 10th Five Year Plan. The banks play a leading role in the implementation of the Yojana by providing loan to the beneficiaries. Therefore, it is neither proposed nor decided by the Ministry to manage the scheme without banks. Further, as mentioned in reply for the Para 3.28 above, the implementation of SJSRY is not unsatisfactory within the limitations.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

**Recommendation (Para No. 3.30)**

In the scenario as depicted above, the Committee have no option but to conclude that there has been dismal failure of the Government in implementing the only employment programme meant for urban poor. It is gathered that the Union Government seems helpless, the State Government are not enthusiastic, and Banks have their own reservations due to unviable projects, guarantee problems and increase in debt. The Committee deplore the casual attitude of the Government in handling the various issues and planning for such an ambitious programme. They find that the position of a similar programme SGSY, in rural areas is not so bad. During the field visits to different parts of the country in the rural areas, the Committee have found that the

group approach is working well in many States. Certain groups formed under SGSY are doing extremely well and the Commercial Banks are enthusiastic and keen in advancing loans to such groups. They strongly recommend that instead of doing away with Banks in the restructured programme of SJSRY, the Department should take the corrective steps to plug the various lacunae noticed in the implementation of the Yojana. Besides, they should also motivate State Governments, Urban Local Bodies and Banks to come forward in this regard. Once the implementation of the programme is improved and viable projects are set up, the willingness of Banks automatically follows.

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

As explained in replies to Paras 3.28 and 3.29 above, the performance of the Yojana cannot be termed as failure. Further, there is no proposal with the Ministry to implement the Yojana without the Banks. The monitoring mechanism for the implementation of the scheme has also been tightened/reviewed to get better results. In fact, consultation with Banks is being increased at State/Central level and the modifications of the SJSRY guidelines have also been proposed.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

#### **Recommendation (Para No. 3.31)**

The Committee hope that the SJSRY is restructured expeditiously and all the loopholes in the implementation of SJSRY are plugged in the restructured programme. They also emphasise that the various recommendations made by the Committee in their earlier reports on the subject should also be taken into consideration while revising SJSRY.

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

Recommendations of the Hon'ble Committee have been noted for necessary action.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

**Recommendation (Para No. 3.40)**

Even after four years, when restructured SJSRY was launched, house-to-house survey is yet to be completed. The situation in Bihar is worst. The Committee in their 24th Report (13th Lok Sabha) had requested the Department to take the desired steps to encourage the States, complete this survey, where the performance of the Yojana is worst, particularly in Bihar. The Committee would like to be apprised of the steps taken by the Department in this regard.

**Reply of the Government**

The matter has been pursued vigorously with the Government of Bihar through correspondence at various levels in the Ministry namely, Deputy Secretary, Joint Secretary and Secretary. So far, the State have been reminded 18 times from January 2001 onwards in this regard.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

**Recommendation (Para No. 3.41)**

While analysing the State/UT-wise data of the beneficiaries assisted under SJSRY, the Committee find that in some of the States like Andhra Pradesh, Karnataka, Kerala, Madhya Pradesh and Orissa, the number of beneficiaries assisted is quite good. The Committee would like that the States who are not performing well should be apprised of the success stories of the other States so as to motivate them to implement the Yojana more vigorously.

**Reply of the Government**

Recommendation of the Hon'ble Committee has been noted for necessary action.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

**Recommendation (Para No. 3.43)**

The Committee find that one of the component of SJSRY is Infrastructure, Education and Communication and Community

structure, whose objective is to have a coordinated and uniform level of training across the country for training of trainer, elected representatives, functionaries of Urban Local Bodies and field functionaries, etc. In spite of that, Urban Local Bodies are facing the problem of having specialised officers/staff to conduct house-to-house survey. The Committee would like to be apprised of the details of the outlay earmarked, spent and the number of persons assisted under IEC since SJSRY is in existence. They strongly recommend that more stress should be given on training, as it is the necessary prerequisite for the successful implementation of any programme.

### **Reply of the Government**

As per Swarna Jayanti Shahari Rozgar Yojana (SJSRY) Guidelines, the States may utilise upto 2% of the allocation for activities under IEC Component. An amount of Rs. 49,931.16 lakhs has been released to the States as Central Share under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) from 1.12.1997 to 31.3.2002. Out of which, the States have reported an expenditure of Rs. 1,060.43 lakhs (2.12%) under IEC Component from the inception of the Scheme till 31.3.2002. A total of 2,64,269 persons have been trained in all India basis under IEC Component as on 31.3.2002. Government have noted the Committee's recommendation with regard to more stress on the training sub-component.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 3.48)**

While noting that the revision of SJSRY guideline is at an advance stage of finalisation, the Committee request the Department to have close coordination and consultation with the States, Urban Local Bodies, and all involved in the implementation of the Yojana. Besides, the findings of IIPA's concurrent evaluations and the recommendations made by this Committee in their respective reports should also to be taken into consideration while revising SJSRY guidelines. Proper homework should be done before revising the guidelines so that the revised programme is realistic, workable and does not meet the fate of erstwhile NRY.

### Reply of the Government

Recommendation of the Hon'ble Committee has been noted for guidance and necessary action please.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### Recommendation (Para No. 4.8)

The Committee for the last three years repeatedly been highlighting in their respective reports about the lack of coordinated approach by the Government with regard to complex arrangement of implementation, funding and monitoring of NSDP by different Ministries/Departments. In spite of that, there has not been any marked improvement in their approach. The Committee are concerned and would like the Government to ponder over it. The Committee also fail to understand how the Department of Urban Employment and Poverty Alleviation could be expected to monitor a programme over whose finances they have virtually no control. The Committee feel that their recommendation in this regard has not been taken seriously and the Government has failed to act on it. While such casual approach of the Government towards such a serious issue cannot be taken lightly, the Committee would like the Government to reply categorically over their failure on the ameliorative action contemplated for future in this regard.

### Reply of the Government

The issue with regard to the complex arrangement in the implementation of NSDP was taken up with the Planning Commission as recently as April 2002 as also in the past but they have not agreed to change the existing system of funding, monitoring and implementation. However, the Committee's observations and concern in the matter will once again be brought to the notice of the Planning Commission and the Finance Ministry.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

**Recommendation (Para No. 4.9)**

The Committee are concerned to find that around 40% of the outlay earmarked under NSDP during 9th Plan remained unspent. They are equally disturbed to note the lowering of allocation under NSDP since 2000-2001, as compared to previous years. While appreciating the fact that Planning Commission has allocated Rs. 5,000 crore for NSDP during 10th Plan, the Committee impress upon the Department to prepare an action plan in consultation with State Governments and Urban Local Bodies so that the scarce resources are meaningfully utilised.

**Reply of the Government**

Committee's observations have been noted for future guidance. Even though the issue of slum upgradation falls under the purview of State list, the same will be taken up with the State Govts. so that the scarce resources are meaningfully utilised.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

**Recommendation (Para No. 4.11)**

The Committee find that during Ninth Plan, total funds released were to the tune of Rs. 966.71 crore and 3.13 crore of people were benefited by the programme. By going through the above data, the Committee find that per capita benefit during 5 years comes to Rs. 300 per person. They fail to understand how far the meagre allocation of Rs. 300 per person could have helped the urban slum dwellers to improve their living conditions. In view of this, the Committee strongly recommend to analyse the impact of the programme by conducting an independent survey and apprise the Committee accordingly. They also desire that instead of spreading the resources so thinly, the thrust should be to cover the selected cities/towns, within the allocation provided and ensure the qualitative improvement in the living condition of slum dwellers of that area.

**Reply of the Government**

Under the National Slum Development Programme (NSDP), funds given as Additional Central Assistance whereas the States are provided

funds under the State Plan also. Funds to the State Govts. are also provided under various other schemes viz. EIUS, UD, IDSMT, DFID, GTZ etc. and it would be observed that all these funds are meant for people below the poverty line who also constitute the slum dwellers.

Observations of the Committee on the allocation of funds to a few selected cities/towns for qualitative improvement of the living conditions of slum dwellers has been noted that the matter will be taken up with the Planning Commission and the State Govts.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

#### **Recommendation (Para No. 4.12)**

The Committee note that the Government have come up with a comprehensive and integrated three pronged strategy to solve the problems of the slums during the 10th Five Year Plan. While the Committee appreciate such move, it is emphasised that the programme should be realistic, practical and result oriented and does not remain confined to papers only. The Committee would like to be apprised about further details in this regard. The Committee also note that the Draft Slum Policy is under finalisation with the Department. They hope that it is finalised expeditiously.

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

The observation of the Committee has been noted. Efforts are made to finalise the Slum Policy expeditiously.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

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

(Please see Para No 19 of Chapter I of the Report)

#### **Recommendation (Para No. 4.25)**

The Committee find that a laudable initiative has been taken by the Government by launching a new scheme Valmiki Ambedkar Awas

Yojana (VAMBAY) whose main objective is to provide shelter or upgrade the existing shelter for BPL population in urban slums. The Yojana strives for the slumless cities with a healthy and enabling urban environment. One of the laudable objective of the programme is to give security of land tenure to each of the slum dweller. The Committee hope that State Governments have been consulted before launching of the scheme and they do not have any difficulty in providing 50% of their matching share. They also hope that sufficient homework has been done in consultation with State Governments, Urban Local Bodies and all concerned so as to ensure that the ambitious programme does not meet the fate of other urban development schemes/programmes.

### **Reply of the Government**

The guidelines for Valmiki Ambedkar Awas Yojana (VAMBAY) stipulate that the central subsidy of 50% of the cost of the project will be released by HUDCO only after the state nodal agency deposits the share of the State/UT in a designated VAMBAY Account. There has been overwhelming response for the scheme immediately after launching. This Ministry has released Rs. 73.56 crores during the year 2001-2002 as subsidy to 16 State Governments/Union Territories. It was not possible to meet the entire demand for subsidy during the year 2001-2002 as there was limited allocation based on savings under other Heads of Accounts and the release of funds was restricted to the funds available. Judging from the response from the State Governments/Union Territories, more demand for subsidy for new projects in all the States for rehabilitation of slum dwellers below poverty line and EWS categories are likely to emerge.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 4.26)**

The Committee note that the Government have come up with a comprehensive and integrated three pronged strategy to solve the problem of slums in the country viz. providing basic infrastructural facilities through National Slum Development Programmes (NSDP), providing housing and sanitation through VAMBAY and providing employing through SJSRY. The Committee recommend that all the three schemes should be converged so as to have a noticeable impact on the lives of the slum dwellers.



### Reply of the Government

The funds for National Slum Development Programme (NSDP) are released to the State Governments by Ministry of Finance and are primarily meant for basic infrastructure development in slums like drainage, sewerage, footpaths, lighting, water supply etc., whereas the funds under VAMBAY released from the budget allocations of the Department of Urban Employment & Poverty Alleviation are meant for construction/upgradation of houses for slum dwellers who are below poverty line/EWS. As regards SJSRY, the objective behind the scheme is to help the people below poverty line by providing them wage employment for community structures and community assets as well as creation of opportunities for self-employment through micro-enterprises. In view of this, a three-pronged strategy has been formulated for the benefit of the urban poor with the concept of convergence approach kept in mind and each of these schemes compliment each other to have a noticeable impact on the lives of the slum dwellers.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### Recommendation (Para No. 5.4)

The Committee find that the scheme seeks to provide night shelter and sanitation facilities to footpath dwellers at a per cost of Rs. 5,000. They also note that the scheme is presently against under review. Further the Committee find that during 2001-2002, the position of Central subsidy and loan advanced by HUDCO has been indicated as nil. The Committee would like to be apprised of the details of the various areas of the scheme, which are under review, by the Department. They would also like the Department to see the adequacy of the outlay and cover this issue under the revised guidelines.

### Reply of the Government

The scheme has been reviewed by the Government. Following changes are proposed to be incorporated in the guidelines:—

- The 'pay and use toilets' component is to be delinked from the Night Shelter scheme and is to be merged with Nirmal Bharat Abhiyan of Valmiki Ambedkar Awas Yojana (VAMBAY).

- Accordingly the scope of the Night Shelter Scheme would be limited to the construction of composite night shelters with toilets and baths for shelterless. The dormitories/halls, which would be constructed, would provide sleeping space to the footpath dwellers/shelterless during night and working space for other social purpose during daytime.
- The per capita ceiling cost of Night Shelter would be fixed at Rs. 20,000/- with 50% Central subsidy as against the present cost of Rs. 5,000/- per capita with 20% Central subsidy. Balance cost will be met by the implementing agencies out of their resources or loan from HUDCO/other agencies.
- It is proposed to include public sector undertakings engaged in construction work, as project implementing agencies along with local bodies, CBOs and NGOs.
- The State Governments would be required to provide land or site/existing building for renovation. In case land needs to be acquired, HUDCO would provide loan for land acquisition also.
- The concept of having a separate project account for each of the projects under the Night Shelter Scheme is being introduced. The Central subsidy would be released only after verification of opening of a separate project account and credit of State/agency's share therein as also availability of land/site/infrastructure with the implementing agency.

The outlay of Rs. 5 crores for the Night Shelters along, during 2002-2003 would be sufficient considering that the current year is the first year of the revised scheme. The response of various States to the modified scheme would be known by the end of the current year and the financial requirement for next year onwards would be worked out in accordance with the acceptability of the revised scheme.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

### Recommendations (Para No. 6.11)

The Committee have noted that thought housing is basically a State level activity, it is the responsibility of the Union Government for formulation of the broad policy framework for Housing scheme, particularly for economically weaker sections of the society. Government's policy on National Housing and Habitat formulated in 1998, envisages 2 million houses per year in urban areas with emphasis on EWS and LIG & SC/STs sections of the population. To improve upon the urban housing, the Government has announced fiscal incentives under Income Tax Act and Customs & Excise duties, legal reforms such as repealing of ULCA, greater interaction through National Housing Bank and other Housing Finance institutions in private sector, Cooperative sector. The Committee have also observed that the policy framework of the Government is good, but implementation is not satisfactory. As has been admitted by the Government that to cover the shortage of housing in the country as a whole, they require a sum of Rs. 1,29,000 crore, whereas all the institutions put together along with Banks, account for a sum of Rs. 52,000 crore. So the finance available are only 48% of the total Housing requirement. They, therefore, recommend that target should be fixed to commensurate with the means available to the Government and the accountability should be fixed for fixing inflated targets.

### Reply of the Government

The projection of requirement of Rs. 1,21,371 crore for housing was an estimation to cover the housing shortage in the country as in 1997 as well as incremental need for housing over a five year period. Also the targets were fixed under 2 million housing programme, in consultation with States/UTs, in accordance with the requirements in their area. The availability of funds from formal sector was assessed at Rs. 52000 crore during a five year period beginning 1997 as a rough estimate. The actual flow of funds from banking sector and housing finance institutions for housing, has however been higher as would be seen from the statement below:—

#### *Disbursement in Urban Housing: Public Sector Banks data*

		(Rs. in crore)
	Units	Amount
1999-2000	91797	3235.98
2000-2001	148656	4665.97
2001-2002*	102519	4305.40

\*till December, 2001

*Disbursement in Urban Housing: Housing Finance Companies data*

(Rs. in crore)

	Units	Amount
1999-2000	229032	5264.58
2000-2001	275380	6329.94
2001-2002*	249803	7764.04

\*till December, 2001

It may be thus be observed that the annual flow of funds from public sector banks and HFIs, regulated by National Housing Bank, is of the order of over Rs. 10000 crores. If the investment made by LIC/GIC, plan allocations of State Governments and other formal sources are added, the gap between requirement and availability of funds would be narrowed down. As such no responsibility can be fixed in the matter since it is not the matter of fixing inflated targets but to strive to achieve what is actually required.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

**Recommendation (Para No. 6.12)**

Keeping in view the enormous shortage of 167.6 lakh dwelling units in urban areas and the requirement of Rs. 1,21,371 crore for investment in housing sector, the Committee desire that Government should encourage more private investment and should also consider creating a real estate mutual funds or investment trust in order to meet the challenge of providing housing for all. The Committee would appreciate if the Government could provide cost effective and environment friendly technology for building of these houses so that more housing units could be built up with the funds available with the Government.

**Reply of the Government**

The Government is giving its attention to involve private sector in the housing and infrastructure development in the country. A Task

Force has been set up in the Ministry, with Secretary (UEPA) as its Chairman and representatives from important Ministries/Departments like Railways, Defence, Civil Aviation, Posts & Telegraphs, Finance, Planning Commission, Rural Development as well as from DDA, HUDCO, FICCI, CII, ASSOCHAM etc. as its members. The Task Force has been constituted for initiating necessary action with the aim of developing policy to address the issues regarding public-private partnership and utilizing land as a resource for boosting the construction of houses, particularly for EWS. The issue of creating real estate mutual fund or investment trust is not being taken up for the present due to unfavourable market conditions. However, the Government has since allowed 100% Foreign Direct Investment (FDI) for integrated township development including housing, commercial premises, hotels, resorts, city and regional level urban infrastructure facilities such as roads, bridges, mass rapid transit systems and manufacture of building materials. For the propagation of cost effective and environment friendly technology in building constructions, a National Network of Building Centres programmes is being implemented by this Ministry through HUDCO. These Building Centres are an effective tool in the extension of low cost technologies and providing training to local artisans on various cost-effective technologies and construction trades. Building Materials & Technology Promotion Council (BMTPC), an autonomous body under this Ministry is also involved in propagation of low cost housing technologies. These are widely disseminated.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

#### **Recommendation (Para No. 6.17)**

The Committee note that HUDCO is the only Development Finance Institution which earmarks substantial portion of its loaning operation for weaker sections. 55% of HUDCO's housing loans are meant for EWS/LIG Housing and loans for EWS programmes are given at comparatively lower interest rates of 10%, which is below the cost of resources raised by it. The Committee are of the considered opinion that in order to fulfil the social mandate of HUDCO in implementing major housing programmes especially the Two Million Housing programme, equity support to HUDCO is essential and it should be increased to the requisite level of the HUDCO's in commensurate with

its programme for the weaker sections of the Society. The Committee reiterate their recommendation made in their earlier report (24th Report 13th Lok Sabha) that Government should explore the possibility of issuing tax free bonds etc. to mop up funds for HUDCO to finance the housing programmes especially the two Million Housing programme majority of which will be for EWS/LIG housing being implemented by HUDCO.

### Reply of the Government

Regarding issuing of more Tax-free Bonds to mop up funds for HUDCO, Ministry of Finance in reply to request of this Ministry have conveyed that keeping in view a commitment given to Joint Parliamentary Committee, the Government is committed to phasing out of Tax-free bonds gradually and thus enhancement in the quota of tax-free bonds for HUDCO is not feasible. However, for the financial year 2001-2002, an allocation of Rs. 80.00 crores was made by Ministry of Finance towards of Tax-free Bonds by HUDCO. The issue was opened by HUDCO in December 2001. The response to the issue was overwhelming and an amount of Rs. 120 crores was raised. However, Rs. 80.00 crores was retained by HUDCO as per the following details:—

Amount	Tenure	Rate of Interest
Rs. 40.00 crores	5 years	8.40% payable annually
Rs. 40.00 crores	10 years	9.00% payable annually

The direction of the Hon'ble Committee for enhancing HUDCO's equity for housing has been noted. Accordingly, a budget provision of Rs. 180 crores has been made as Equity to HUDCO for Housing during 2002-2003 as against 155 crores during 2001-2002. The authorized capital of HUDCO has also been increased from Rs. 1250 crores to Rs. 2500 crores.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### CHAPTER III

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

##### Recommendation (Para No. 3.39)

The Committee find that as per the latest position with regard to house to house survey indicated in the written note submitted by the Department, the survey in 217 towns is yet to completed. They further note that the Department while presenting data in respect of Demands for Grants 2001-2002, had given the said data as 216. Besides, in the latest replies, it has been mentioned that in Bihar, out of 133 towns, the survey has been done in only 16 towns, whereas last year, it was sated that out of 170 towns, the survey was completed in 12 towns (refer Para 2.32 of 24th Report (13th Lok Sabha)). The Committee deplore the way the Department is furnishing the data without verifying the actual position in the field. They would like the Department to explain the above mentioned anomalies. Besides, as the Committee observe that they depending upon the information furnished by the Department in analyzing the Demands for Grants and making their conclusions/recommendations, they urge that utmost care should be taken to verify the accuracy of the data being furnished to them, in future, to enable the Committee to arrive at the right conclusion.

##### Reply of the Government

The number of house-to-house survey conducted in a State has a direct bearing on the number of towns in that particular State. A few State have reported an increase/decrease in the number of towns due to revival of Municipal Councils, creation of new towns, de-notification etc. As reported by the State Governments, the number of towns covered under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) as on 31.3.2001 was 3624 whereas the number increased to 3722 as on 31.3.2002. House-to-house survey has been conducted in 3407 and 3509 towns respectively during the above-mentioned period. The number of towns where house-to-house survey is yet to be conducted during

this period is 217 and 208 respectively. Therefore, it may be seen that the number of town where house-to-house survey is due, could vary from time to time.

The number of towns covered under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) in Bihar, as reported by the State Government, was 170 prior to the bifurcation of the State. After the division of the State, the number of towns in the State of Bihar has been reduced to 123 (and not 133 which seems to be a typographical error). So far, survey has been conducted in 20 towns in the State.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]



## CHAPTER IV

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

#### Recommendation (Para No. 2.6)

The analysis of the data, as given in the preceding para of this report, indicates a very sorry state of affairs of various schemes/programmes of the Department. During the 9th Plan around 30% of the outlay remained unspent. There are huge cuts at RE stage. Further disturbing is the fact that whatever is made available at RE stage could not be utilised fully. The Committee have repeatedly been drawing the attention of the Department towards this sorry state of affairs, yet the position has worsened last year whereby only 20% of the outlay could be spent.

#### Reply of the Government

The observations of the Hon'ble Committee are based on the level of expenditure incurred on SJSRY and housing schemes till 28.2.2002. However, some more releases were made in March 2002 upon fulfilment of necessary requirements and demand for funds and accordingly, the total expenditure upto 31 March 2002 on these schemes is given at ANNEXURE-I on the following page.

It can be seen here that the expenditure during 9th Plan works out to be 97.94% (excluding the expenditure incurred by States out of grants released prior to 9th Plan) of the revised allocations for the 9th Plan and 97.72% during 2001-2002.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

#### Comments of the Committee

(Please see Para No. 7 of Chapter I of the Report)

### Recommendation (Para No. 2.7)

The Committee are further disturbed to note the reply of the Department that the under spending during 2001-2002, is due to the lower requirement under SJSRY. While the detailed scheme-wise analysis has been done in the succeeding paras of the report, as regards the overall position, the Committee find from Appendix-II, the situation is further alarming in other schemes of the Department too. Under Equity to HUDCO, only 30% of outlay could be utilised, whereas under Night Shelter Scheme and North Eastern areas Scheme 100% of the outlay remained unspent.

### Reply of the Government

As far as Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is concerned, it is submitted that out of total allotment of Rs. 168 crore at BE stage during the year 2001-2002, Rs. 69 crore were transferred to Valmiki Ambedkar Awas Yojana (VAMBAY), a newly launched programme and there was an economy cut of Rs. 53.50 crore as imposed by the M/o Finance. Thus, the budget provision at RE stage remains Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. There was insufficient demand on account of weak response from banks. Further, huge unspent balances were available with States; this hindered further release of Central funds for want of utilisation certificates.

In so far as equity to HUDCO is concerned, it may be stated that the released could not be made, as authorised capital of HUDCO at Rs. 1250 crore stood fully subscribed with release of Rs. 47 crore on 11.6.2001. Cabinet approval for enhancement of authorised capital of HUDCO was received in the first week of March, 2001 and increase in authorised capital from Rs. 1250 crore to Rs. 2500 crore was made on 11.3.2001. The balance amount of Rs. 108 crore was also released on the same day.

The reason for budgetary provision of Rs. 4.56 crore under the Night Shelter Scheme remaining unutilized was that HUDCO was having an unspent Central subsidy of Rs. 1.95 crore till 31st March 2002 and due to this reason, release of further subsidy was not possible as per Government instructions. The unspent budgetary provision for Night Shelter Scheme of Rs. 4.56 crore was therefore reappropriated for VAMBAY where the funds were needed more urgently.

As regards North Eastern Areas scheme the budget provision goes into Non-Lapsable Pool of Resources. The entire allocated amount of Rs. 33 crore meant for the benefit of North Eastern Region States & Sikkim during the year 2001-2002 was released against their project proposals.

There was no significant shortfall in utilisation of funds under other Plan/Non Plan schemes like BMTPC, Building Centres, IYSH, Grants to National Cooperative Housing Federation (NCHF), CGEWHO, contribution to UNCHS etc.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### Comments of the Committee

(Please see Para No. 7 of Chapter I of the Report)

### Recommendations (Para No. 2.8)

The Committee note that the Department deals with various schemes meant for providing employment and housing to below the poverty line people. The lackadaisical approach of the Department towards such a priority programme is resulting in depriving the urban poor from their benefits for no fault on their part. The Committee strongly recommend that the various issues resulting in such a dismal performance should be probed urgently and the Committee apprised accordingly. The Committee are also of considered view that an urgent action is required on the part of the Union Ministry/Department to arrest the trends of lower utilisation of outlay and reduction of allocation at RE stage.

### Reply of the Government

The lack of initiative at the State level and the inability or unwillingness of banks in formulating/implementing appropriate schemes of poverty alleviation and housing is mainly responsible for non/under utilisation of funds. This Ministry keeps on pursuing the matter with the State Governments to gear up their machinery and formulate sufficient number of viable projects for funding under the schemes aimed at poverty alleviation and housing for the poor.

To ensure higher utilisation of funds under Swarna Jayanti Shahari Rozgar Yojana (SJSRY), the proposed modifications in the Guidelines of the Scheme is at an advance stage of finalisation. Further, the monitoring mechanism for implementation of this scheme has also been tightened/reviewed.

Similarly, the guidelines of Night Shelter scheme are under revision with a view to attract more projects.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### Comments of the Committee

(Please see Para No. 7 of Chapter I of the Report)

### Recommendation (Para No. 3.28)

The Committee regret to note that almost 50% of what was allocated during 9th Plan remained unspent. The situation is further alarming as the position of utilisation of outlay is less than 50% during 2002-2003. Even after four years since the restructured SJSRY was launched, the Department could utilise only Rs. 237 crore out of Rs. 562 crore of unspent balance under the old UPA programme. In spite of this sorry state of affairs, the Department feels that the Yojana has gained momentum.

### Reply of the Government

The details of funds allocated and expenditure under SJSRY during the 9th Five Year Plan are as under:

Total funds allocated at BE stage	-	Rs. 807.67 crore
Total funds allocated at BE stage	-	Rs. 531.68 crore
Total expenditure	-	Rs. 513.10 crore
Percentage of expenditure to BE	-	64%
Percentage of expenditure to RE	-	97%

During the year 2001-2002, out of total allotment of Rs. 168 crore at BE stage, Rs. 69 crore were transferred to Valmiki Ambedkar Awas

Yojana (VAMBAY), a newly launched programme and there was an economy cut of Rs. 53.50 crore as imposed by the M/o Finance. Thus, the budget provision at RE stage remains Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. Thus the percentage of expenditure under SJSRY was 86.17. Further, the amount of Rs. 69 crore transferred to VAMBAY has been fully released and therefore, the expenditure under the VAMBAY scheme was 100%.

Unspent balances amounting to Rs. 269.18 crore of Central share of old UPA programmes were available as on 30.11.1997 with the States/UTs. Also, Central share of Rs. 499.31 crore was released to the States/UTs under SJSRY from 01.12.1997 to 31.03.2002. Thus, out of total Central funds amounting to Rs. 499.31 crore released in the 9th Plan under SJSRY, the States/UTs have reported an expenditure of Rs. 540.16 crore, including Rs. 40.85 crore from the Central funds of old UPA programmes. Therefore, there is 100% utilisation of funds released under SJSRY during the 9th Five Year Plan. It can be seen there from that the Yojana has gained momentum. However, the State Governments have reported weak response from the Banks, which affected the achievements under the scheme. In this connection, ten meetings were convened at the level of Urban Development Minister and Secretary (UEPA) to monitor the progress of the scheme.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

#### Comments of the Committee

(Please see Para No 10 of Chapter I of the Report)

#### Recommendation (Para No. 3.42)

The Committee further note that the main objective of SJSRY is to bring BPL persons above the poverty line, but the Department had not bothered to analyse the Yojana in that perspective. The Committee unhappy to note the reasoning given by the Government to cover up their failure. After five decades of independence, there are still bulk of people below poverty line. If the Department is serious enough in the process of the implementation of the programme, poverty can be diminished considerably by eliminating the BPL, by gradually bringing them to APL status. They are thus not inclined to accept the reasoning

given by the Department that SJSRY is a poverty alleviation programme and not a poverty elimination programme. The Committee, therefore, strongly recommended that it should be ensured that the persons assisted under the programme are able to cross the poverty line even by providing the multi doses of assistance and Department should monitor the data in this regard in line with the set objectives of the Yojana.

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

Recommendations of the Hon'ble Committee have been noted for necessary action.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

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

(Please see Para No 13 of Chapter I of the Report)

## CHAPTER V

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

#### Recommendation (Para No. 4.10)

The Committee further note that the Registrar General of India has made a survey about the slum population in the country in census 2001 according to which the total slum population in cities having more than 50,000 population in 4.06 crore. The Committee would like to be apprised of the city-wise details in this regard. Besides, they would like that similar survey in respect of other cities, having less than 50,000 population, is also carried out and the Committee apprised accordingly.

#### Reply of the Government

The observations of the Committee have been noted and action taken thereon will be indicated in due course.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

#### Comments of the Committee

(Please see Para No. 19 of Chapter I of the Report)

NEW DELHI;  
12 February, 2003  
23 Magha, 1924 (Saka)

CHANDRAKANT KHAIRE,  
Chairman,  
Standing Committee on  
Urban and Rural Development.

## APPENDIX I

(Vide Para No. 6 Chapter I of the Report)

### FUNDS RELEASED UNDER VARIOUS SCHEMES OF THE DEPARTMENT

Sl. No.	Name of the Scheme	9th Plan Rs. in crores			2001-2002 Rs. in crores		
		Original Allocation	Revised allocations (through annual plans)	Actual Expenditure	Budget Estimate	Revised Estimate	Actual Expenditure (upto 31.3.2002)
1	2	3	4	5	6	7	7
<b>UPA Schemes</b>							
1.	SJSRY	1009.00	531.68	513.10	168.00	45.50	39.21
2.	NRY	—	—	31.20#	—	—	—
3.	Urban Basic Services for the Poor	—	—	8.47#	—	—	—
4.	PM's integrated UPA Schemes	—	—	31.90#	—	—	—
5.	VAMBAY	—	69.00	73.56*	—	69.00	69.00*
6.	NE Area Development	—	38.00	33.00	38.00	33.00	33.00
7.	Infrastructure facilities for DP colonies in West Bengal	25.00	35.90	34.57	6.30	6.30	6.30
<b>Housing Schemes</b>							
1.	Equity to HUDCO for Housing	500.00	605.00	605.00	155.00	155.00	155.00
2.	Housing Census/survey —MIS	5.00	2.80	0.89	0.30	0.30	0.30



1	2	3	4	5	6	7	7
3.	Building Centres	7.00	15.00	15.00	3.00	3.00	3.00
4.	Night Shelter	1.00	10.96	6.60	4.56	4.56	4.56 **
5.	BMPTC	25.00	25.80	25.80	4.00	4.00	4.00
6.	Grants to National Cooperative Housing Federation (NCHF)	1.00	1.00	1.00	0.20	0.20	0.20
7.	Urban Indicator programme	5.00	0.64	0.50	0.32	0.32	0.22
8.	Loan to HPL for VRS	—	10.00	9.00	—	3.50	2.50
Total		1578.00	1345.78	1389.59	379.68	324.68	317.29

\* Additional Rs. 4.56 crores from Night Shelter Scheme

\*\* Spent for VAMBAY

# Includes expenditure incurred by States out of grants released prior to 9th Plan.

## APPENDIX II

### COMMITTEE ON URBAN AND RURAL DEVELOPMENT (2003)

#### EXTRACTS OF THE MINUTES OF THE SECOND SITTING OF THE COMMITTEE HELD ON MONDAY, THE 27TH JANUARY, 2003

The Committee sat from 1200 hrs. to 1315 hrs. in Room No. 62,  
Parliament House, New Delhi.

#### PRESENT

Shri Chandrakant Khaire—*Chairman*

#### MEMBERS

*Lok Sabha*

2. Shri Ranen Barman
3. Shri Padamanava Behera
4. Shri Jaswant Singh Bishnoi
5. Shri Shriram Chauhan
6. Shri Shamsher Singh Dullo
7. Shrimati Hema Gamang
8. Shri G. Putta Swamy Gowda
9. Shri Jaiprakash
10. Shri Hassan Khan
11. Shri Basavanagoud Kolur ,
12. Shri Shrichand Kriplani
13. Shri Sadashivrao Dadoba Mandlik
14. Shri Mahendra Singh Pal
15. Prof. (Shrimati) A.K. Premajam
16. Shri Pyare Lal Sankhwar
17. Shri Maheshwar Singh
18. Shri D.C. Srikantappa
19. Shri Chinmayanand Swami
20. Shri Ravi Prakash Verma

*Rajya Sabha*

21. Shrimati Shabana Azmi
22. Shrimati Prema Cariappa
23. Shri Ramadhar Kashyap
24. Shrimati Gurcharan Kaur
25. Shri Faqir Chand Mullana
26. Shri A. Vijaya Raghavan
27. Shri Man Mohan Samal
28. Shri G.K. Vasan

## SECRETARIAT

1. Shri K. Chakraborty — *Deputy Secretary*
2. Smt. Sudesh Luthra — *Under Secretary*
3. Shri N.S. Hooda — *Under Secretary*

2. The Chairman at the outset, welcomed the members to the sitting of the Committee.

- |       |    |    |    |    |
|-------|----|----|----|----|
| (i)   | ** | ** | ** | ** |
| (ii)  | ** | ** | ** | ** |
| (iii) | ** | ** | ** | ** |
| 3.    | ** | ** | ** | ** |

4. The Committee then took up for consideration Memorandum No. 4 regarding draft Action Taken Report on action taken by the Government on the recommendations contained in the 36th Report (13th Lok Sabha) on Demands for Grants (2002-2003) of the Department of Urban Employment and Poverty Alleviation (Ministry of Urban Development and Poverty Alleviation). The Committee deliberated on various recommendations made in the Report. They observed that as per Para 17 of the Report, the draft Slum Policy was under finalisation with the Department of Urban Employment and Poverty Alleviation. They desired that they should be apprised about the details of the draft Slum Policy after obtaining the same from the Ministry. The members were informed that Draft Policy is generally not made public. However the Ministry will be contacted for this purpose and the matter will be examined thereafter. The draft Report was thereafter adopted with slight modification.

5. The Committee then authorised the Chairman to finalise the said draft action taken reports on the basis of factual verification from the concerned Ministry/Department and to present the same to Parliament.

6.           \*\*                               \*\*                               \*\*                               \*\*

*The Committee then adjourned.*

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\*\*Portions of the minutes not related to the subject have been kept separately.

### APPENDIX III

(Vide Para 4 of the Introduction)

#### ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE THIRTY-SIXTH REPORT OF THE STANDING COMMITTEE ON URBAN AND RURAL DEVELOPMENT (13TH LOK SABHA)

I.	Total number of recommendations	25
II.	Recommendations that have been accepted by the Government Para Nos. 2.9, 3.29, 3.30, 3.31, 3.40, 3.41, 3.43, 3.48, 4.8, 4.9, 4.11, 4.12, 4.25, 4.26, 5.4, 6.11, 6.12 and 6.17.	18
	Percentage to the Total recommendations	(72%)
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies. Para No. 3.39	1
	Percentage to the Total recommendations	(4%)
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee. Para Nos. 2.6, 2.7, 2.8, 3.28 and 3.42	5
	Percentage to the Total recommendations	(20%)
V.	Recommendations in respect of which final replies of the Government are still awaited. Para No. 4.10	1
	Percentage to the Total recommendations	(4%)

**COMMITTEE ON UBRAN AND RURAL DEVELOPMENT**  
**(2003)**

**Corrigenda to the 40<sup>th</sup> Report (13<sup>th</sup> Lok Sabha)**

<b><u>Page</u></b>	<b><u>Para</u></b>	<b><u>Line</u></b>	<b><u>For</u></b>	<b><u>Read</u></b>
8	11	5	December	Department
8	11	15	he	the
17	-	13	thought he	though the
34	-	20	Para No. 19	Para No.16

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THIRTY-NINTH REPORT  
STANDING COMMITTEE ON URBAN  
AND RURAL DEVELOPMENT  
(2003)

(THIRTEENTH LOK SABHA)

MINISTRY OF RURAL DEVELOPMENT  
(DEPARTMENT OF DRINKING WATER SUPPLY)

DEMANDS FOR GRANTS  
(2002-2003)

*[Action taken by the Government on the recommendations contained in the  
Thirty-Second Report of the Standing Committee on Urban and Rural  
Development (Thirteenth Lok Sabha)]*

Presented to Lok Sabha on 26.02.2003  
Laid in Rajya Sabha on 26.02.2003



LOK SABHA SECRETARIAT  
NEW DELHI

February, 2003/Magha, 1924 (Saka)

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**COMMITTEE ON URBAN AND RURAL DEVELOPMENT**  
**(2003)**

**Corrigenda to the 39<sup>th</sup> Report (13<sup>th</sup> Lok Sabha)**

<b><u>Page</u></b>	<b><u>Para No.</u></b>	<b><u>Line</u></b>	<b><u>For</u></b>	<b><u>Read</u></b>
9	18	1 from top	Committee	Government
9	19	19 from below	development	developmental
14	30	3 from top	recommend	recommended
19	45	1 from top	<del>add two</del> <i>after</i>	last
19	45	2 from top	<del>add of</del> <i>after</i>	Department
24	-	5 from top	lapsable	lapseable
28	-	15 from top	laudeable	laudable
33	-	10 from below	Chairman	Chairmanship
33	-	8 from below	flow	slow
35	-	13 from top	<del>delete</del> and <i>after</i>	work
35	-	14 from top	viable	visible
40	-	16 from below	non-lapsable	non-lapseable
50	-	15 from below	Committee	Chairman



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COMPOSITION OF THE STANDING COMMITTEE ON  
URBAN AND RURAL DEVELOPMENT (2003)

Shri Chandrakant Khaire — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Mani Shankar Aiyar
3. Shri S. Ajaya Kumar
4. Shri Ranen Barman
5. Shri Padamanava Behera
6. Shri Jaswant Singh Bishnoi
7. Shri Haribhai Chaudhary
8. Shri Shriram Chauhan
9. Shri Shamsher Singh Dullo
10. Shrimati Hema Gamang
11. Shri G. Putta Swamy Gowda
12. Shri Jaiprakash
13. Shri Hassan Khan
14. Shri Basavanagoud Kolur
15. Shri Shrichand Kriplani
16. Shri Savshibhai Makwana
17. Prof. Vijay Kumar Malhotra
18. Shri Sadashivrao Dadoba Mandlik
19. Shri Mahendra Singh Pal
20. Shri Chandresh Patel
21. Prof. (Shrimati) A.K. Premajam
22. Shri Nawal Kishore Rai
23. Shri Gutha Sukender Reddy
24. Shri Pyare Lal Sankhwar
25. Shri Maheshwar Singh
26. Shri D.C. Srikantappa
27. Shri V.M. Sudheeran
28. Shri Chinmayanand Swami
29. Shri Ravi Prakash Verma
30. Shri Pradeep Yadav

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(iv)

*Rajya Sabha*

31. Shri S. Agniraj
32. Shrimati Shabana Azmi
33. Shrimati Prema Cariappa
34. Shri N.R. Dasari
35. Shri Ramadhar Kashyap
36. Shrimati Gurcharan Kaur
37. Shri Faqir Chand Mullana
38. Shri A. Vijaya Raghavan
39. Shri Rumandla Ramachandraiah
40. Shri Harish Rawat
41. Shri Man Mohan Samal
42. Shri Rajnath Singh
43. Shri G.K. Vasani
44. Vacant
45. Vacant

SECRETARIAT

1. Shri P.D.T. Achary — *Additional Secretary*
2. Shri K.V. Rao — *Joint Secretary*
3. Shri K. Chakraborty — *Deputy Secretary*
4. Smt. Sudesh Luthra — *Under Secretary*
5. Shri N.S. Hooda — *Under Secretary*

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## INTRODUCTION

1. The Chairman of the Standing Committee on Urban and Rural Development (2003) having been authorised by the Committee to submit the Report on their behalf, present the Thirty-Ninth Report on Action Taken by the Government on the recommendations contained in the Thirty-Second Report of the Standing Committee on Urban and Rural Development (2002) on Demands for Grants (2002-2003) of the Ministry of Rural Development (Department of Drinking Water Supply).

2. The Thirty-Second Report was presented to Lok Sabha on 24th April, 2002. The replies of the Government to all the recommendations contained in the Report were received on 23rd August, 2002.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 27th January, 2003.

4. An analysis of the action taken by the Government on the recommendations contained in the Thirty-Second Report of the Committee (2002) is given in Appendix-II.

NEW DELHI;  
17 February, 2003  
28 Magha, 1924 (Saka)

CHANDRAKANT KHAIRE,  
*Chairman,*  
*Standing Committee on*  
*Urban and Rural Development.*

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## CHAPTER I

### REPORT

This Report of the Committee on Urban and Rural Development (2003) deals with the action taken by the Government on the recommendations contained in their Thirty-Second Report on Demands for Grants (2002-2003) of the Department of Drinking Water Supply (Ministry of Rural Development) which was presented to Lok Sabha on 24th April, 2002.

2. Action taken notes were received from the Government in respect of all the 28 recommendations which have been categorised as follows:

(i) Recommendations which have been accepted by the Government

Para Nos.: 2.16, 2.17, 2.18, 2.29, 2.35, 2.49, 2.77, 2.78, 2.81, 2.83, 2.84, 2.85, 2.86, 2.91, 2.102 and 3.16

(ii) Recommendations which the Committee do not desire to pursue in view of the Government's replies:

NIL

(iii) Recommendations in respect of which replies of the Government have not been accepted by the Committee:

Para Nos.: 2.23, 2.48, 2.58, 2.80, 2.82, 2.96 and 2.110.

(iv) Recommendations in respect of which final replies of the Government are still awaited:

Para Nos.: 2.19, 2.59, 2.60, 2.79 and 2.103.

3. The Committee require that final replies in respect of the recommendations for which only interim replies have been given by the Government should be furnished to the Committee within three months of the presentation of the Report.

4. The Committee will now deal with action taken by the Government on some of these recommendations in the succeeding paragraphs.

**A. Analysis of financial progress under ARWSP****Recommendation (Para No. 2.16)**

5. The Committee recommended as below:

“After going through the information as submitted by the Department and as given in the preceding paragraphs, the Committee find that there are certain disturbing features with regard to the implementation of one of the top most priority programmes of the Government i.e. to provide potable drinking water to the rural population. The various shortcomings as noticed by the Committee are as below:

- (i) The Department is not getting the adequate allocation. The availability of funds is less than one-third of the estimated requirement in the Comprehensive Action Plan. In view of the inadequate allocation, the Committee express their doubt about the fulfilment of the set targets in the National Agenda for Governance of coverage of all rural habitations by 2004.
- (ii) Not only there is inadequate allocation to the Department, but what is provided at BE stage is reduced at RE stage.
- (iii) Whatever allocation is provided, it is not being meaningfully utilised. There is huge underspending as regards the releases of funds by the Centre to State Governments. Besides, the position is alarming when the States’ physical and financial progress is analysed.
- (iv) There are huge underspending with the State Governments.”

6. The Government in their Action Taken Reply have stated:

“In spite of not getting adequate funds, this Department is making all out efforts to achieve the targets set by National Agenda for Governance. Due to financial constraints, the coverage of Not Covered (NC) and Partially Covered (PC) habitations as identified by the State Governments in 1999 are taken up for coverage during 2002-2003 and 2003-2004. The Fully Covered (FC) & PC habitations slipped will be taken up during 2004-2005 to 2006-2007 (last three years of 10th Plan). Funds from External Support Agencies are also being accessed for the States. World Bank funding has been

arranged for Kerala and Karnataka Governments. The NC and PC habitations, if any, remaining to be covered at the end of March, 2004 will be covered during 2004-2005. There was an underspending of Rs. 31.90 crore during 2001-2002 out of which an amount of Rs. 31.31 crore has been placed in the Non-lapseable Central Pool of resources for North Eastern States and Sikkim. Only Rs. 58.16 lakh was surrendered. The underspending is much less in comparison to the previous year (2000-2001). Further, States have been apprised of the concern of the Committee relating to the underspending, allocation not being meaningfully utilised and poor physical and financial progress.

The status of State-wise habitation coverage alongwith implementation of Rural Water Supply Schemes as a whole is being reviewed at the level of Secretary, Department of Drinking Water Supply. The State Governments have been requested, during the review, to concentrate more on coverage of NC and PC habitations during the period upto March, 2004. To accelerate the coverage, the weightage for Not Covered and Partially Covered habitations in the inter-State criteria for allocation of funds under Accelerated Rural Water Supply Programme has recently been increased from 10% to 15% to become effective from 2002-2003."

7. While noting the measures being planned by the Government for optimum utilisation of available funds towards dealing with Not Covered and Partially Covered habitations, the Committee would like the Government to ensure that these Action Plans do not end up in cold storage. Instead, these planned programmes of action for extending drinking water supply facilities to NC and PC rural habitations during the Tenth Five Year Plan period should be carried to its logical conclusion.

Further, the Committee feel, though increasing inter-State criteria for allocation of funds under ARWSP from 10% to 15% is definitely a step in the right direction, merely requesting State Governments to concentrate on coverage of habitations with increased allocation will not serve the purpose. Monitoring by the Union should be strengthened further and where the States default, the Union Government should step in to ensure the maximum utilisation of funds for the purpose for which the same had been allotted. A

proper strategy of persuasion and compulsion on the part of the Central Government while dealing with the State Governments might be useful in this regard.

B. Survey regarding coverage of habitations

Recommendation (Para No. 2.19)

8. The following recommendation was made by the Committee:

"The Committee find that with regard to chasing of numbers in respect of coverage of habitations, the actual ground reality is something different. They have repeatedly been stressing on the Government to find out the ground reality in this regard by conducting survey by independent agencies. Besides, they have also been recommending to have some inbuilt mechanism for such a survey after a fixed period of time. They find that the Government have agreed to their recommendation and steps are being undertaken in this regard. Besides, the Department has also agreed for such a survey after a period of five years. They hope that such a survey will be started very soon and the Committee be apprised of the details from time to time. They would also like that the position of slippage of FC category to NC and PC categories and PC to NC category is also taken care of during the said survey and the data when collected, furnished to the Committee."

9. The Government in their reply have stated:

"The survey as suggested by the Committee is being carried out. Agency to carry out the survey has been identified. The Committee will be apprised of the progress and results of the survey."

10. The Committee are pleased to note that the survey as suggested by them regarding coverage of habitations with potable water supply facilities is being carried out by the Government. However, the Committee would like to be apprised of the results of the said survey and to be informed about the agency bestowed with the responsibility to carry out the same. They would like that a copy of the Report of the survey, when completed, may be supplied to them. Further, in this context, they would like to stress that utmost importance should be given to the conducting of the survey so that there is no mismatch between Government's statistics and actual ground reality.

C. Provision of drinking water to schools: dismal scenario

**Recommendation (Para No. 2.23)**

11. The following was the suggestion of the Committee:

"The Committee have been recommending repeatedly to provide drinking water to each and every school within a stipulated period of time. It is really a matter of concern that after more than five decades of independence and of the planned development in the country, most of our schools are yet to be provided the facility of drinking water, which is the basic necessity of life. The Department's claim to cover all the habitations by 2002-2003 by providing drinking water seems unrealistic when the overall position of coverage of schools is analysed. Even if the Government's data is believed, about 44% of the schools could only be provided drinking water so far. They also find that the data as given by the Department may be only of Government schools. When the data regarding other schools i.e. private and public is included, the situation may further be alarming. While the school coverage was taken into consideration under ARWSP since 1999-2002, the performance is very dismal as could be seen from the data indicated above. In view of this scenario, the Committee strongly recommend to give top priority to coverage of schools and all the schools should be provided drinking water within the minimum possible time."

12. The Government in their reply have stated:

- (1) "State Government have been apprised of the concern about slow pace of coverage of schools and they have been requested to ensure that the remaining Primary and Upper Primary Schools in the country are covered during 10th Five Year Plan. The States have been requested to give due weightage to coverage of schools during State-wise reviews undertaken by Secretary, Department of Drinking Water Supply.
- (2) With the assistance of School Water and Sanitation Towards Health & Hygiene (SWASTHH), school water supply facilities are also being attended to in some focussed States (Karnataka, Tamil Nadu and Jharkhand)."



13. The Committee feel that merely apprising the States of the concern of the Committee will not yield concrete result. They want to know about the specific steps being taken by the Government to provide drinking water to all schools.

Notwithstanding the fact that provision of drinking water to rural habitations, including schools, falls within the ambit of the State Governments, the Committee feel that it is the obligation of Central Government to ensure time bound implementation of developmental schemes, particularly when they invest huge amount year after year in these schemes for the benefit of the poor masses. There should be a structured mechanism for monitoring, along with periodic interaction between the Central and State Governments to take stock of the functioning of these various schemes, particularly when school children are the beneficiaries.

**D. Sector Reforms Pilot Projects: lacunae in implementation**

**Recommendation (Para No. 2.48)**

14. The Committee noted as below:

"The Committee are concerned to note the dismal performance of Sector Reform pilot projects as could be seen from the data given by the Department. They are further disturbed to note the reply furnished by the Department whereby on the one hand, it has been stated that they are reasonably satisfied with the implementation of Sector Reform Projects, on the other hand, it has been submitted that whether the process of implementation of these projects is satisfactory or not in these districts, is yet to be confirmed. They fail to understand how the Department could be contended with such a slow progress of the pilot districts. This needs to be explained properly."

15. The Government in their reply have stated:

- (1) "A review of implementation of Sector Reform Projects was undertaken by Minister of Rural Development during the National Conference on Sector Reform Projects held on 28th June, 2002 at New Delhi. Latest progress of these projects

in physical and financial terms as on 1st August, 2002 is as follows:

(i)	Projects sanctioned	67 Project Districts in 26 States
(ii)	Projects Funds released	Rs. 572.83 crore to 65 projects
(iii)	Expenditure incurred	Rs. 135.30 crore
(iv)	Community participation through part contribution for capital investment	Rs. 28.11 crore
(v)	Number of contributors	15.87 lakh
(vi)	Number of Village Water and Sanitation Committees constituted	16156
(vii)	Number of water schemes taken up	24238
(viii)	Number of schemes completed	7276
(ix)	Number of schemes taken over by Community	5536

- (2) The above information reveals that some projects are doing well, some are late starters and few are still non-starters. In case of non-starter projects, the State Government and Project Authorities have been advised to pick up performance, otherwise termination of the projects will be considered. Minister of Rural Development has also written letters to few States (Karnataka, Assam, Gujarat and Bihar).

16. The Committee are not satisfied with the reply furnished by the Government regarding the implementation and performance of Sector Reform Projects. The Government had earlier stated that the total sanctioned cost for 63 projects was Rs. 1900.45 crore (refer Para No. 2.40 of the 32nd Report (13th Lok Sabha). As per the latest figures furnished by the Government in their Action Taken Notes, as on 1st August, 2002, for 67 projects, only Rs. 572.83 crore was released out of which only Rs. 135.30 crore was spent. The Committee would like to be apprised of the reasons for such slackened pace of implementation of the projects.

Further, the Committee would like to point out that termination of non-starter projects is not the only solution for addressing the problem of improper implementation. Termination is the last resort

which kills the project and results in wastage of capital invested so far and the rural masses become the sufferers. It is quite disconcerting to note that with the huge Government machinery, both at the Central and State levels, and financial resources, technical know-how and expertise at their disposal, Government are unable to comprehend the reasons for failure of such projects. The Committee regret that the Government have not tried to find out why a project is a non-starter. Simply asking the State Governments to improve their performance is not enough. The Committee are of the view that rather than terminating the non-performing projects, an in-depth analysis should be undertaken to find out the deficiencies in the planning, and design of implementation of these pilot projects and thereafter concrete steps should be taken to transform the so called late-starter and non-starter projects into smooth running ones, benefiting the larger populace.

**E. Drinking water supply schemes in the North East: worrying state-of-affairs**

**Recommendation (Para No. 2.58)**

17. The Committee recommended as below:

"The Committee find that the outlay earmarked for North-Eastern States could not be utilized fully during the year 2000-2001. Rs. 61.82 crore had to be surrendered in the non-lapseable pool of resources of such States. Similar is the position of underspending during the year 2001-2002 as could be seen from the preceding paras. The Committee are unhappy to find that when asked for the reasons for under utilisation of outlay, routine reply is coming from the Department. It seems that the Department never tried to analyse the particular problems faced by the respective States in implementation of the programme. Another disturbing fact is the strategy of the Government, Central as well as States, to chase the figures regarding coverage of habitations. There is variation between availability and accessibility of drinking water. They find that this is a serious matter and need to be probed urgently. They urge the Government to take into consideration this aspect in the recent survey being undertaken in various States."

18. The Committee in their reply have stated:

"Concern of the Committee about the dismal performance of programme in North-Eastern States is taken note of. These States have been apprised of the concern of the Committee. This aspect will be taken into consideration in the survey being undertaken."

19. The Committee note with displeasure that the Government have not given any specific reply about the mechanism that can be used to deal with the grim situation in North Eastern States regarding implementation and functioning of ARWSP. The Committee had earlier pointed out that reasons forwarded by the Government for under performance, variation between availability and accessibility of drinking water sources, etc. show lack of thorough analysis of the situation [refer Para No. 2.58 of the 32nd Report (13th Lok Sabha)]. Most of the North Eastern States are unable to generate resources to make any valuable contribution towards the running of State Sector Schemes let alone the Central Sector ones. Even the funds disbursed by the Central Government are not utilised properly thus rendering most of the developmental schemes defunct. In this scenario, the Committee feel that the Central Government should play a greater role to see that the people of these States are not deprived of their basic needs and they get full benefit of the development schemes that are being planned for these States. The Central Government cannot abdicate their responsibility by merely sanctioning funds and leaving everything to the State Governments. Proper analysis of the problems faced by the States in the implementation of the programme, and guidance at the Central level is imperative. The Committee, however, feel that despite their recommendation this aspect has not been addressed seriously.

Moreover, the Committee would like to be apprised of the present position/status of the survey regarding availability and accessibility of drinking water in rural habitations which was proposed to be undertaken in the North Eastern States, as per the reply of the Government.

#### F. Coverage of schools in the North Eastern States

##### Recommendation (Para No. 2.59)

20. The Committee recommended as below:

"The Committee are disturbed to note the position of availability of drinking water in various schools in North-East as acknowledged by the Secretary. Very few schools could be provided with the

facility of drinking water. They strongly recommend that topmost priority be given to schools in the Centrally Sponsored Programme of drinking water. They also urge the Government to verify the data of availability of drinking water in various schools including private and public schools of North-East and apprise the Committee accordingly."

21. The Government in their reply have stated:

- (1) "This concern of the Committee about the non-availability of drinking water in schools in North Eastern States has been noted. These States have been apprised of the same. They have been requested to furnish data relating to availability of drinking water in various private and public schools in North East.
- (2) During the review of rural water supply schemes for NE States taken by Secretary (DWS), Government of India on 19th June, 2002, this subject was also discussed.
- (3) After such consultations, the following target has been fixed for coverage of Primary and Upper Primary schools in North Eastern States."

Sl. No.	States	No. of Primary & Upper Primary Schools to be covered during 2002-03
1.	Arunachal Pradesh	11
2.	Assam	1200
3.	Manipur	440
4.	Meghalaya	70
5.	Mizoram	100
6.	Nagaland	50
7.	Sikkim	50
8.	Tripura	200
	<b>Total</b>	<b>2121</b>

22. While noting the efforts being made by the Government to improve the appalling situation of coverage of schools with drinking water supply in the North Eastern States, the Committee would like to be apprised of the data regarding coverage and accessibility of drinking water supply in various private and public schools in the North Eastern States. The Committee would also like to point out that the Secretary (Department of Drinking Water Supply), had conceded while giving evidence that during 2000-01, only 327 schools were covered. The data for 2001-02 was not available (refer para no. 2.57 of the 32nd Report (13th Lok Sabha)). But as per the Government's Action Taken Reply, for 2002-03, a target of 2121 schools has been fixed to be covered with drinking water facilities. Taking stock of the present scenario, the target seems impracticable. Keeping this in view, the Committee would like to suggest that rather than chasing numbers, which ultimately ends up in failure, a thorough analysis of the ground reality should be made along with the performance level of the State Government for the last few years, so that a logical and achievable target is set for the ensuing year.

G. Central-State share of funds in ARWSP-MNP for disadvantaged and North Eastern States.

Recommendation (Para No. 2.60)

23. The Committee recommended as below:

"The Committee note that the Department has forwarded a proposal to the Planning Commission to change the funding pattern in case of States of North East, from 75:25 to 95:10. Similarly it has been stated by the Secretary that the same funding pattern *i.e.* 90:10 should be adopted for similarly situated and disadvantaged States in other parts of the country. The Committee during their on the spot study-visit to Jammu and Kashmir were also requested for higher allocation under different schemes keeping in view the peculiar situation of that State. The Committee recommend to the Government to pursue the matter with the Planning Commission. The Committee find that the concept of higher allocation to such States has already been agreed to in principle by the Department. They would like that a proposal in this regard should be forwarded to the Planning Commission for their consideration, at the earliest."

24. The Government in their reply have stated:

“Department of Drinking Water Supply will recommend to the Planning Commission to extend the benefit of 90:10 funding ratio for disadvantaged States in other parts of the country also.”

25. While noting the reply of the Government that they would recommend to the Planning Commission to extend the benefit of 90:10 funding ratio for disadvantaged States, thus increasing Central share of funds, the Committee is eager to know about the actual steps taken in this regard. They would also like to be apprised of the latest position, whether the said proposal has been forwarded yet and if so, the decision of the Planning Commission on this matter. Moreover, the Committee find from the Ministry's earlier statement that their proposal to change funding pattern from 75:25 to 90:10 in the North Eastern States demanding a higher percentage of share from the Central Government was already lying with the Planning Commission (refer para no. 2.57 of the 32nd Report (13th Lok Sabha)). The Committee would like to be informed, whether the Planning Commission has agreed to the said proposal and if yes, since when the same is going to be implemented.

#### H. Utilisation of sea-water

##### Recommendation (Para No. 2.78)

26. The Committee observed as below:

“The Committee observe that future of India, so far water resources are concerned, lies rooted in sea. India has a huge coastal belt and sea water should be exploited for drinking and other purposes. The plea that it is not cost-effective, used as a deterrent not to explore further, does not hold any ground for future. The Government have to explore even if it is costly initially. We have to learn from countries which have resorted to desalination and take a leaf from their experience. If found necessary, experts should be called from those States to assist us. How long the country will tolerate drought and water famine. The country has to rise to the occasion and gear up resources and plunge. A concerted effort to overcome the inertia is necessary and the Committee expect that the Government would take earnest steps in this respect without further delay.”

27. The Government in their reply have stated:

- (1) "The importance of effectively exploiting sea water as a source of drinking water and for other domestic purposes have been duly recognized. Due thrust is being given in R&D, experimentation, information gathering and dissemination for enhancing the performance planning, designing, implementation and O&M in the sea-water based water supply system.
- (2) Government of India have been motivating and supporting State Government towards effective utilisation of sea water as source. Tamil Nadu Government have already implemented few water supply schemes based on sea water. At present Tamil Nadu Government is going for more plants based on BOOT principle."

28. The Committee are pleased to note the initiatives taken by the Government for effective utilisation of sea water. But at the same time, the Committee would like to be apprised of the specificities of the programme/scheme rather than the generalized information that the Government have provided. Further, the Committee would also like to know, besides Tamil Nadu, which other States have implemented such schemes or are planning to do so. As per the Committee's earlier suggestion that help in the form of technical know-how and expertise should be sought from countries, which have successfully resorted to desalination [refer para no. 278 of the 32nd Report (13th Lok Sabha)], they would like to know whether the Government have given any consideration to the said proposal and the details thereto.

I. Making water resources sustainable

Recommendation (Para No. 279)

29. The Committee recommended as below:

"The Committee find that the problem of sustainability of water resources is being tackled by different Central Ministries like Rural Development, Agriculture, Water Resources. They recommend that the Department of Drinking Water Supply should coordinate with these Ministries and take desired initiatives in this regard and apprise the Committee accordingly."



30. The Government in their reply have stated:

"Steps are being taken to coordinate the activities of these Ministries as recommend by the Committee. Actions taken will be reported to the Committee."

31. The Committee observe that their recommendation on evolving proper mechanism to coordinate the functions of various Ministries dealing with the problem of sustainability of water resources has been considered by the Government. However, the Committee would like to have information regarding concrete action taken so far by the Government in this direction.

J. Operation and maintenance of water treatment plants

**Recommendation (Para No. 2.80)**

32. The following was the recommendation of the Committee:

"The Committee in their 21st Report, [13th Lok Sabha (refer 2.93 (vi))] had stressed for giving more attention to purification of sea water for drinking purposes and other uses. They had also recommended to conduct an in depth research to make the technology cheaper in consultation with Council for Scientific and Industrial Research (CSIR). While going through the replies furnished by the Government, the Committee note that adequate work has not been done in this regard. Even when only 150 projects were sanctioned, out of that only 51% are functioning. The Committee strongly recommend to pay more attention in this regard specifically when the ground water sources are drying up."

33. The Government in their reply have stated:

"Government of India have been paying increased attention for conducting in-depth research in consultation with CSIR laboratories. An issue based workshop for "Removal of Brackishness" was held in CSIR Laboratory, Bhavangar. The recommendation of the workshop is under active consideration of Rajiv Gandhi National Drinking Water Mission."

34. While noting the reply of the Government that they have been taking initiative in consultation with CSIR to address the problem of purification of sea water, the Committee find that no satisfactory reply was given regarding the poor performance of the

ensuing projects. Of the total 194 approved desalination plants, 150 have been established, out of which 77 are functional (refer para no. 2.63 of the 32nd Report (13th Lok Sabha)). The Committee expect specific reply regarding the steps taken to activate all the established projects. They would also like to be apprised of the present status of the remaining approved projects, which have not yet been established.

Finally, the Committee would like to reiterate that for tackling the problem of contamination of drinking water as a part of the sub-Mission projects, focus should be on development of cost effective technology rather than investing heavily in capital intensive ones, which in turn should be followed up with proper operation and maintenance with the help of experienced staff.

#### K. Provision of mobile water testing laboratories

##### Recommendation (Para No. 2.82)

35. The Committee recommended as below:

"As regards the quality of drinking water, the Committee find that sufficient attention is not being paid in this regard. They are constrained to find the huge number of water treatment plants going defunct. They urge the Government to find out the reasons for the water treatment plants going defunct. They also recommend that further emphasis should be given for having a mobile water testing laboratory in each district in the country."

36. The Government in their reply have stated:

- (i) "The concern of the Committee was brought to the notice of the State Government during the review.
- (ii) 22 mobile water quality testing laboratories are functioning now in the States. Steps are being taken to set up more such laboratories."

37. The Committee observe that water treatment plants are installed out of ARWSP funds released by the Central Government to the States as part of sub-mission activities for providing safe drinking water to affected rural habitations. Therefore, the Committee feel that merely making the State Governments aware of the concern of the Committee regarding large number of plants going defunct is

not going to help. They reiterate that thorough analysis should be made to find out the reasons responsible for this and the Committee be apprised of the steps taken by the Government to ensure proper implementation of all these programmes, especially when 20% of ARWSP funds is spent on such sub-mission projects.

Further, the Committee find while they had suggested for having a mobile water testing lab in each district of the country, as per Government figures in the Action Taken Notes, there are only 22 such labs which reflects a very dismal scenario. The Committee would like to reiterate their earlier recommendation regarding provision of mobile water testing labs in each district of the country.

**L. Devolution of implementation of drinking water supply scheme to Panchayats**

**Recommendation (Para No. 2.96)**

38. The Committee observed as below:

“Since the implementation of Part IX of the Constitution is responsibility of the Union Government they should ensure that the schemes relating to drinking water are entrusted to Panchayats. If there is any legal hurdle in the implementation, the Government should put forward suitable proposal. They are also unable to comprehend the rationale of transferring O&M to Panchayats without taking the desired steps for their capacity building. The Committee, therefore, reiterate their earlier recommendation to revise the guidelines and entrust the total responsibility of execution and implementation of ARWSP to Panchayats.”

39. The Government in their reply have stated:

“Discretion to entrust the implementation of the Programme to Panchayati Raj Institutions (PRIs) lies with the State Government as the water supply schemes are implemented by the State. Implementation of Sector Reform Project has been entrusted to PRIs, wherever the PRIs are strong enough to bear this burden. In Uttar Pradesh, Tamil Nadu and Kerala the O&M of the drinking water sources and systems have been entrusted to PRIs. Revision of guidelines as recommended by the Committee will also be considered, in consultation with the State Governments.”

40. As per article 243G (Part IX) of the Constitution, it is imperative on the part of State Governments to devolve the functions enlisted in the Eleventh Schedule to the Panchayati Raj Institutions, which *inter-alia* includes implementation of schemes relating to drinking water and maintenance of community assets. The responsibility of implementing Part IX of the Constitution rests with the Central Government and therefore, the Government's reply that discretion to entrust implementation of water supply schemes to PRIs lies with the State Governments is not clear.

Further, while taking note of the fact that implementation of Sector Reform Projects has been entrusted to PRIs, wherever they are strong enough to bear the burden, the Committee want detailed information regarding the present status of devolution in this respect in different States. The Committee also find that the Government have not responded to the issue regarding capacity building of Panchayati Raj functionaries, who will have the onus of O&M of these projects, once they are devolved to PRIs.

#### M. Restructuring of Rajiv Gandhi National Drinking Water Mission

##### Recommendation (Para No. 2.103)

41. The following was the observation of the Committee:

"The Committee find that the Department of Drinking Water Supply is facing the problem of shortage of staff and infrastructure which according to them is hampering in the effective monitoring of the scheme. They also note that the Cabinet approval has already been obtained for restructuring of the mission within the existing Budget provision. They, therefore, recommend that necessary steps should be taken to implement the above decision expeditiously. While recommending for adequate staff and infrastructure for better operation of the Department, the Committee also emphasise that the optimum utilisation of the existing resources should be ensured."

42. The Government in their reply have stated:

"The matter is being pursued with the Ministry of Finance."

43. While noting the reply of the Government that they are pursuing the matter regarding revamping the RGNDWM with the Finance Ministry, the Committee would like to be apprised of the latest position in this regard.

**N. Multiplicity of drinking water supply programmes; the case of PMGY-RDW**

**Recommendation (Para No. 2.110)**

44. The Committee recommended as below:

"The Committee are constrained to note that though everybody acknowledges the importance of water in living beings' lives, no effort is being made by the implementing agencies to ensure its supply, as could be seen from the utilisation of funds and also from the physical achievements reported by the Government. It hardly need to be emphasized that the shortage of funds is not the main reason for many problems being faced by the people, rather the improper management and non-utilisation of available resources are the main reasons for our failure. The Committee, therefore, urge the Government to impress upon the implementing agencies to ensure full and proper utilisation of scarce resources, particularly when it affects the poorest of the poor, who are compelled to live in this condition even after lapse of 50 years of planned development. If the State Governments/Union Territories do not rise to the occasion, the Government should review these schemes and devise some ways and means which could move out the implementing agencies from their slumber.

The Committee are also unhappy of the manner in which the Government instead of improving existing schemes and consolidating their gains, if any, go on launching new schemes which again suffer for want of proper infrastructure as admitted by the Government in their written note."

45. The Government in their reply have stated:

"PMGY was launched in 2000-01 with the objective of achieving sustainable human development in the rural areas of the country. Drinking Water Supply forms one of the six components of this programme. In order to complement the resources of the State Governments, Planning Commission has been providing Additional Central Assistance (ACA) for this programme. The implementation

of Water Supply Component during the last years was as per the guidelines formulated by the Department Water Supply. However, these guidelines were kept as simple as possible, to make them complementary to the existing ARWSP. Therefore, PMGY in fact increased the resources position of the States for the programme of Drinking Water Supply.

During the current year, PMGY is being managed by the Planning Commission directly. As per the Guidelines circulated by the Planning Commission for implementation of the programme, States have been given full freedom and flexibility to decide their own allocations of funds among the six components of the programme as well as to decide the manner of implementation of the sectoral programmes either through the existing State Sector Schemes, Centrally Sponsored Schemes or new Schemes depending on their own plan priorities and strategies to achieve the objective that may be laid down for the various components of PMGY."

46. The Committee are not satisfied with the reply of the Government regarding the various facets of the programme of PMGY-RDW. To start with, the Government have stated that the role of PMGY is mainly to complement the existing ARWSP and to enhance resource position of the States for the programme of drinking water supply. The Committee are of the view that if more funds are needed, they can be sanctioned under a single head, particularly when the aims and objectives of all the programmes are the same. Further, the Committee observe that the Government in their reply, have sidetracked the issue regarding failure of implementing agencies in the utilisation of funds and physical achievement. In addition to targeting shortage of funds as the main reason for this dismal scenario, what need to be addressed, are mis-management and non-utilisation of available resources.

The Committee, therefore, reiterate their earlier recommendation that Government should review the existing schemes for the provision of drinking water and take steps to enhance the efficacy of the implementing agencies, rather than dissipating the money and energy, in launching new schemes periodically, which ultimately suffer the same fate as the earlier ones.

O. Poor condition of school sanitation

Recommendation (Para No. 3.16)

47. The Committee recommended as below:

“Though the Committee have repeatedly been recommending that the Central Rural Sanitation Programme be given more importance and adequate outlay should be provided for the purpose, the following facts speak otherwise:

- (i) The targets fixed during 10th Plan to cover 50% of the population in rural areas were reduced to 25%;
- (ii) The outlay provided during 2002-2003 i.e. the first year of 10th Plan is nearly 1/5th of the proposed outlay;
- (iii) During the period 1986 to 1999, the construction of toilets showed an increasing trend whereas from 2000 onwards the number of toilets constructed is showing a downward trend.
- (iv) Only around 9% of the schools could be provided with lavatory facilities and out of that only one half of the schools could be provided separate toilets for girls;

While the Committee would strongly recommend to the Government to persuade Planning Commission/Ministry of Finance for adequate outlay for the programme, at the same time they would urge the Department to find out ways and means so that whatever resources are allocated for the programme are properly and fully utilised for the proper utilisation of scarce resources.

School sanitation is a hygienic aspect of the national health of the younger generation. However, the attention given to it has not been to the optimum level. It is disheartening to note that the Government is playing with statistics only, whereas on the ground, very negligible work has been done. A school without a toilet and washing facilities is unthinkable and below any civilised norms of the society. The Government have to think deeply and work hard practically with visible results. Much on paper has been done. It is high time that they should come forward with result-oriented action and visible progress to ensure good health for the younger generation.”

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48. The Government in their reply have stated:

- (i) "The Working Group for the 10th Plan recommended a provision of Rs. 3663 crore for covering all the districts of the country under the Total Sanitation Campaign. However, the outlay approved by the Planning Commission is Rs. 955 crore. Hence, the coverage will get reduced.
- (ii) During 2002-2003, the Ministry has submitted an Annual Plan to the tune of Rs. 475 crore. However, the funds provided by the Planning Commission is RS. 165 crore only, which is about 35% of the proposed outlay.
- (iii) The Total Sanitation Campaign has been introduced w.e.f. 1st April, 1999. TSC is a process project involving social mobilisation, IEC and demand generation and is to be implemented over a period of 4 to 5 years. The first phase of implementation of the Total Sanitation Campaign by the States and District Implementing Agencies takes more time. As such number of toilets constructed is less. However, as per the latest progress reports received from the States the number of household latrines setup during 2001-02 is 7,42,943.
- (iv) The Sixth All India Education Survey was conducted in 1993. As per the Survey the coverage was 9%. This coverage has increased but slowly. Under the TSC, which was introduced in 1999, 1,67,966 toilets have been sanctioned for Schools in 185 TSC districts. As per the latest reports received from the State Governments 14,058 toilets for Schools have been established."

49. While noting the reply of the Government, the Committee are unable to appreciate their response enlisted at (iv) above. The Committee are concerned at the slow pace of coverage of schools with proper sanitation facilities and would like the Government to expedite the process of extending the benefits of these developmental schemes, so that the future generation of the country are not deprived of the basic amenities of life. Moreover, in view of the Government's Action Taken Reply stating the number of toilets constructed/ sanctioned in schools, the Committee would like to reiterate that any survey regarding coverage should be done with due care, so that there is no hiatus between actual ground reality and figures quoted by the Government on paper.

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**CHAPTER II**  
**RECOMMENDATIONS THAT HAVE BEEN ACCEPTED**  
**BY THE GOVERNMENT**

**Recommendation (Para No. 2.16)**

After going through the information as submitted by the Department and as given in the preceding paragraphs, the Committee find that there are certain disturbing features with regard to the implementation of the one of the top most priority programmes of the Government i.e. to provide potable drinking water to the rural population. The various shortcomings as noticed by the Government are as below:

- (i) The Department is not getting the adequate allocation. The availability of funds is less than one-third of the estimated requirement in the Comprehensive Action Plan. In view of the inadequate allocation, the Committee express their doubt about the fulfillment of the set targets in the National Agenda for Governance of coverage of all rural habitations by 2004.
- (ii) Not only there is inadequate allocation to the Department, but what is provided at BE stage is reduced at RE stage.
- (iii) Whatever allocation is provided it is not being meaningfully utilised. There is huge underspending as regards the releases of funds by the Centre to State Governments. Besides, the position is alarming when the States' physical and financial progress is analysed.
- (iv) There are huge underspending with the State Governments.

**Reply of the Government**

In spite of not getting adequate funds, this Department is making all out efforts to achieve the targets set by National Agenda for Governance. Due to financial constraints, the coverage of Not Covered (NC) and Partially Covered (PC) habitations as identified by the State Governments in 1999 are taken up for coverage during 2002-2003 and

2003-2004. The Fully Covered (FC) & PC habitations slipped will be taken up during 2004-2005 to 2006-2007 (last three years of 10th Plan). Funds from External Support Agencies are also being accessed for the States. World Bank funding has been arranged for Kerala and Karnataka Governments. The NC and PC habitations, if any, remaining to be covered at the end of March, 2004 will be covered during 2004-2005. There was an underspending of Rs. 31.90 crore during 2001-2002 out of which an amount of Rs. 31.31 crore has been placed in the Non-lapseable Central Pool of resources for North Eastern States and Sikkim. Only Rs. 58.16 lakh was surrendered. The underspending is much less in comparison to the previous year (2000-2001). Further States have been apprised of the concern of the Committee relating to the underspending, allocation not being meaningfully utilised and poor physical and financial progress.

The status of Statewise habitation coverage alongwith implementation of Rural Water Supply Schemes as a whole is being reviewed at the level of Secretary, Department of Drinking Water Supply. The State Governments have been requested, during the review, to concentrate more on coverage of NC and PC habitations during the period upto march, 2004. To accelerate the coverage, the weightage for Not Covered and Partially Covered habitations in the inter-State criteria for allocation of funds under Accelerated Rural Water Supply Programme has recently been increased from 10% to 15% to become effective from 2002-2003.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

#### Comments of the Committee

(Please see Para No. 7 of Chapter I of the Report)

#### Recommendation (Para No. 2.17)

The Committee feel that under-utilisation of resources is the main reason for getting the lesser allocation from Planning Commission/ Ministry of Finance. Besides, they find that the Department is not serious in the reasons for the dismal performance of such an important programme. Whenever asked about the reasons for slippage of targets, routine reply stating that NC and PC habitations are located in difficult

terrain etc. is furnished. The Committee have been receiving this type of reply for the last two or three years. This shows the casual approach of the Government. Further, they are unhappy to note the reply of the Government that underspending is due to surrendering of Rs. 61.82 crores to non-lapsable pool of resources for North-East. After going through the data, the Committee find that Rs. 61.82 crore was surrendered to the said-lapseable pool of resources whereas the total underspending during 2000-2001 was Rs. 63.43 crore. The Committee would like to be apprised about the steps taken by the Department for proper implementation of programme in the North-East. Besides, the Committee find that the targets set during each of the year are somehow unrealistic. The Department has set the targets to cover 17,497 NC habitations, whereas they could cover 6,655 and 1,627 NC habitations during 2000-2001 and 2001-2002 respectively.

#### Reply of the Government

- (1) The underspending is only Rs. 31.90 crore in 2001-02 as against Rs. 63.43 crore in 2000-2001. An amount of Rs. 31.31 crore has been placed in the non-lapseable pool of resources for NE States and Sikkim during 2001-2002 compared to Rs. 61.82 crore in 2000-2001. This reduction has been achieved due to periodic monitoring of ARWSP implementation for NE States and Sikkim. Further, Rs. 161 lakhs were surrendered in schemes during 2000-2001 whereas in 2001-2002 an amount of Rs. 58.16 lakh was surrendered which is much less than the previous year (2000-2001).
- (2) The targets for coverage of NC and PC habitations are fixed in consultation with the State Governments. State Governments have been apprised of the concern of the Committee.
- (3) Special attention is being given to the implementation of the programme in North-Eastern States. Secretary, Department of Drinking Water Supply reviewed with the officials of the North Eastern States on 19th June, 2002 at Kolkata where they have also been apprised of the areas of concern expressed by the Committee. The need for accelerating coverage, addressing various problems of sustainability and quality and the requirement of proper utilisation of funds was also discussed during the review.

- (4) During 2001-2002, 3161 Not Covered habitations have been covered as per the latest information received from the State Governments.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Recommendation (Para No. 2.18)**

Keeping in view the above mentioned scenario, the Committee strongly recommend for adequate allocation under the most important programme of rural areas i.e. ARWSP. While recommending for higher outlay, the Committee stress that the Government should take necessary corrective steps to ensure cent per cent utilisation of scarce resources. Besides, the various points as mentioned above need to be addressed by the Department seriously and the Committee apprised about the action taken accordingly.

**Reply of the Government**

- (i) Planning Commission has been apprised of the recommendations of the Committee. Further, the former and present Ministers of Rural Development have written letter to the Deputy Chairman, Planning Commission for stepping up allocation for Rural Water Supply sector during the current plan period. Government will take necessary corrective steps to ensure cent per cent utilisation of scarce resources.
- (ii) Government is undertaking State-specific reviews at Secretary Level to bring home the point that the water supply schemes in rural areas need to be addressed by States through proper planning and implementation. State Governments are also advised well in advance the steps to be taken for avoiding heavy closing and opening balance.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

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**Recommendation (Para No. 2.29)**

The Committee find that the projections of 10th Plan in respect of proposed target under drinking water supply programme are three times of what was allocated during 9th Plan. In view of the overall resource crunch, the Committee have their doubts about getting the adequate allocation from the Government funding. The actual allocation during the first year of 10th Plan is an example in this regard. The Government have provided nearly one-third of what was projected during 2002-2003. If similar trend is followed, the Department would be getting more or less the same of what they got during 9th Plan. In view of this position there is doubt in achieving the laudable targets set during 10th Plan. The Committee, therefore, urge the Government to persuade the Planning Commission/Ministry of Finance to accept the urgency of providing adequate outlay for this sector. Besides, they also find that as stated by the Secretary during the course of oral evidence some efforts are being made to get the funds from various international agencies like World Bank. The Committee would like that more efforts should be made in this regard so as to enable the Government to get more and more funding from international agencies to enable them to achieve the set targets.

**Reply of the Government**

- (1) Planning Commission and Ministry of Finance have been apprised of the concerns expressed by the Committee. Minister of Rural Development has requested Prime Minister and Finance Minister to provide adequate outlay to the Rural Water Supply sector.
- (2) Efforts are also being made to tap external resources. Two State projects (Maharashtra and Tamil Nadu) are under active consideration of the World Bank.
- (3) Bilateral donor agencies like Danish, Dutch and German Governments have also been approached for State specific projects.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Recommendation (Para No. 2.35)**

The Committee find that the various issues with regard to providing drinking water to rural masses were discussed in detail in the recent Conference of State Ministers in charge of rural drinking water supply and various valuable recommendations were made in this regard. They note that one of the recommendations was to revise the norms which were fixed years back during 1972-73. The Committee also feel that a new thinking should be given to revise the said norms. However, keeping in view the existing scenario, as given in the preceding para of the Report, they appreciate the inadequacy of resources available for tackling this problem. Hence, while recommending for revision of the said norms, the Committee would like that first priority is accorded to cover all rural habitations within the existing norms. Besides, they would also like that the various recommendations made by the said Conference are taken into consideration by the Government and the Committee apprised about the steps taken in this regard.

At the Conference of State Ministers in October, 2001 it was recommended that 5% of the total ARWSP funds be specifically earmarked for meeting contingencies arising out of natural calamities in the rural water supply sector. The Government had promised to consider the above recommendation. The Committee would like to be apprised about the action taken in pursuance of the aforesaid recommendation and whether funds that remained unutilised up to November were ploughed back into the normal programme thereafter as per provision.

**Reply of the Government**

- (1) As regards revision of norms it has since been decided that in the States where all NC and PC habitations have been covered, the norms can be relaxed to provide 55 lpcd, with sources within a distance of 0.5 Km in plains and 50 Meter elevation in hilly areas provided community contributes at least 10% of the capital cost needed and will shoulder full operation and maintenance responsibilities.
- (2) Government has already decided to earmark 5% of ARWSP funds specifically for meeting contingencies arising out of natural calamities in the rural water supply sector and the

funds remaining unutilised upto February will be ploughed back into the normal programme and provided to better performing States.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Recommendation (Para No. 2.49)**

The Committee find that the Secretary during the course of oral evidence has acknowledged that to make these pilot projects successful, there is a need to change the mind set of the people. They also find that to make the people participatory in sharing the cost of these projects, they have to be convinced. Sectoral Reforms which seeks to build up concepts in the participative direction is a technical term which needs proper understanding, maturity and correct handling by the implementing agencies. While the Government's initiative is laudeable, they should see the practical aspects also and whether it really hits the target. As such much home work is required on the part of the Government with necessary guidelines for Ministry and *modus operandi* of operations. The Committee would like to be apprised of the efforts made by the Department in this regard.

**Reply of the Government**

The Committee agrees with the views of the Committee, since the meeting of the Standing Committee, following actions have been taken:—

- (i) Scoping exercise to assess the capacity developing requirements of key stakeholders involved in the implementation of the Sector Reforms and Total Sanitation Campaign (SR/TSC) projects have been taken up in Nellore, Ganjam, Sehore and Mehsana project districts. One more round of pilot scoping in 2 project districts (Alwar and Sirmour) will be taken up and with the experience gained, Capacity Development (CD) through scoping will be scaled up to all SR/TSC districts.
- (ii) A National Conference of all the SR Projects was held on 28.06.2002 to assess the status of implementation and to explore ways and means to ensure a steady progress of the reform process.

- (iii) A series of sensitisation and monitoring workshops are scheduled to be held in the States.
- (iv) Under 'D' component (National Component) of Kerala Rural Water Supply and Environment Sanitation Project, action has been initiated to position a consulting firm for taking up specific activities for Sector Reforms Projects.
- (v) Officers from the Mission for the SRP and TSC Project States have been earmarked as Area Officers.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

#### **Recommendation (Para No. 2.77)**

The Committee observe that ensuring sustainability of drinking water sources is the major challenge that has to be faced by the country in the coming years. They find that due to uncontrolled extraction of ground water in various parts of the country, water table has reached a precarious situation as acknowledged by the Secretary during the course of oral evidence. They also note that the various Centrally sponsored schemes of the Centre depend totally on ground water. They, therefore, recommend that as suggested by the Department, multi-pronged strategy has to be adopted to tackle the water problem. More stress needs to be given to alternate sources of water like, maintaining traditional sources of water and rain water harvesting, etc. While noting that some of the States have done excellent work in this regard, specifically Mizoram, which has done pioneering work, the Committee urge the Government to make the other States aware of the success stories of these States and motivate them to forward in this regard.

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

Government of India has been continuing the efforts of motivating the States for utilising more and more traditional sources of water and rainwater harvesting. Various booklets, IEC materials, etc. are being prepared for the purpose. GOI also sponsored a Regional Workshop at Alzawl during April 2002 on Rainwater Harvesting for dissemination of information among various North-Eastern States. A hand book on rain water harvesting has been issued by this Department.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]



**Recommendation (Para No. 2.78)**

The Committee observe that future of India, so far water resources are concerned, lies rooted in sea. India has a huge coastal belt and sea water should be exploited for drinking and other purposes. The plea that is not cost-effective, used a deterrent not to explore further, does not hold any ground for future. The Government have to explore even if it is costly initially. We have to learn from countries which have resorted to desalination and take a leaf from their experience. If found necessary experts should be called from those States to assist us. How long the country will tolerate drought and water famine. The country has to rise to occasion and gear up resources and plunge. A concerted effort to overcome the inertia is necessary and the Committee expect that the Government would take earnest steps in this respect without further delay.

**Reply of the Government**

- (1) The importance of effectively exploiting sea water as a source of drinking water and for other domestic purposes have been duly recognized. Due thrust is being given in R&D, experimentation, information gathering and dissemination for enhancing the performance planning, designing, implementation and O&M in the sea-water based water supply system.
- (2) Government of India have been motivating and supporting State Government towards effective utilisation of sea-water as source. Tamil Nadu Government have already implemented few water supply schemes based on sea-water. At present Tamil Nadu Government is going for more plants based on BOOT principle.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Comments of the Committee**

(Please see Para No. 28 of Chapter 1 of the Report)

**Recommendation (Para No. 2.81)**

While recommending for various issues that need to be addressed to ensure the sustainability of water resources, the Committee find that the strategy of the Government should be according to the condition of a particular area in a State. In coastal areas there is need to give emphasis on desalination projects. Similarly in plains emphasis has to be given on recharge of water and use of traditional sources of water like ponds, etc. In hilly areas more attention has to be paid to collection of water in rock cavities, etc. Likewise they urge that the problem has to be tackled according to site and location specific solution.

**Reply of the Government**

The recommendation has been conveyed to all States and UTs for necessary action.

[Department of Drinking Water Supply Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Recommendation (Para No. 2.83)**

While going through the data furnished by the Department with regard to the expenditure made during 8th and 9th Plan on Sub-Mission programmes to tackle quality problem, the Committee conclude that much emphasis is not being given in this regard. They also find that 10th Plan Working Group has recommended for Rs. 10,000 crore exclusively to deal with quality problem in drinking water. Keeping in view the lesser expenditure during 8th and 9th Plan, the Committee strongly recommend to the Government to pay more attention to the quality problem during 10th Plan and ensure that adequate allocation is provided in each year of 10th Plan for the said purpose.

**Reply of the Government**

- (i) Weightage for water quality has been increased from 5% to 10% recently in the inter-state allocation criteria for ARWSP funds. This will provide additional funds to the States having water quality problem.

- (ii) The State Governments have been fully delegated with powers to undertake schemes for mitigating water quality problems.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Recommendation (Para No. 2.84)**

The Committee note that in Rajasthan, to tackle the quality problem on a temporary basis, domestic water filters have been provided under ARWSP. They would like that the similar approach should be adopted in other States where the problem of contamination of water is acute.

**Reply of the Government**

The recommendation has been conveyed to all States and UTs for necessary action.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Recommendation (Para No. 2.85)**

The Committee are concerned to note that there is no research institute or nodal laboratory dealing exclusively with water quality R&D. They also note that the Government have proposed to set up a Centre for Excellence for arsenic in Kolkata. They strongly recommend to the Government to pay more attention to water quality R&D and set-up research institutes and laboratories exclusively for this purpose. Besides, sufficient outlay should be provided during 10th Plan for this purpose.

**Reply of the Government**

The recommendation is noted for further action.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Recommendation (Para No. 2.86)**

The Committee find that the major pollutant of drinking water is fluoride. To tackle this problem they feel that the adequate steps have

not been taken by the Government. They, therefore, would like to recommend that the Government should set-up a fluorosis control cell at the Central level comprising of officials of both Rural and Urban Ministry and other concerned Ministries like Health, Water Resources.

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

Government of India have been considering to set up Fluoride Mitigation Centre at National/Regional level. All India Institute of Hygiene and Public Health, Kolkata has submitted the Project Report for the purpose which is under examination.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

#### **Recommendation (Para No. 2.91)**

The Committee note that the success of the various reform initiatives started by the Department as addressed separately in the Report depends specifically on the capacity building of rural beneficiaries. Herein lies the importance of HRD Programme. Although the initiative has been taken by the Department in this regard, the physical and financial position is not satisfactory in respective States/UTs. They, therefore, recommend that more stress be given on training of beneficiaries, during the coming years.

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

National Human Resource Development Programme (NHRDP) was launched with its primary focus on capacity building, especially of rural beneficiaries to promote community participation and professions. Recently, a review of HRD Programme activities under the Chairman of the Joint Secretary (TM) has been held on 3-6-2002. In view of the flow progress, now the Ministry has under taken a step to integrate IEC, HRD and Sector Reform activities particularly software component so that resources available with the HRD Cell can be utilised optimally and effectively. To execute this, existing guidelines relating to NHRD Programme is under revision to accommodate the above approach appropriately and to expedite the Sector Reform process.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

### Recommendation (Para No. 2.102)

While noting the system of monitoring of rural drinking water supply programme, the Committee feel that the existing monitoring mechanism of the Department has to be revamped. The Committee would like to recommend that the Department should think of devising a mechanism of having periodic meetings of concerned Union Ministers along with Central officials with concerned State Ministers and officials. They should also think of inviting MPs/MLAs of the State at the said meetings.

### Reply of the Government

Recommendation of the Committee about revamping of the existing monitoring mechanism and the suggestion in this regard have been noted. Next Conference of the State Ministers will be held in the 4th quarter of 2002.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

### Recommendation (Para No. 3.16)

Though the Committee have repeatedly been recommending that the Central Rural Sanitation Programme be given more importance and adequate outlay should be provided for the purpose, the following facts speak otherwise:

- (i) The targets fixed during 10th Plan to cover 50% of the population in rural areas were reduced to 25%;
- (ii) The outlay provided during 2002-2003 i.e. the first year of 10th Plan is nearly 1/5th of the proposed outlay;
- (iii) During the period 1986 to 1999, the construction of toilets showed an increasing trend whereas from 2000 onwards the number of toilets constructed is showing a downward trend;
- (iv) Only around 9% of the schools could be provided with lavatory facilities and out of that only one half of the schools could be provided separate toilets for girls;

While the Committee would strongly recommend to the Government to persuade Planning Commission/Ministry of Finance for adequate outlay for the Programme, at the same time they would urge the Department to find out ways and means so that whatever resources are allocated for the Programme are properly and fully utilised for the proper utilisation of scarce resources.

School Sanitation is a hygienic aspect of the national health of the younger generation. However, the attention given to it has not been to the optimum level. It is disheartening to note that the Government is playing with statistics only, whereas on the ground, very negligible work has been done. A school without a toilet and washing facilities is unthinkable and below any civilised norms of the society. The Government have to think deeply and work hard practically with the viable results. Much in paper has been done. It is high time that they should come forward with result oriented action and visible progress to ensure good health for the younger generation.

#### Reply of the Government

- (i) The Working Group for the 10th Plan recommended a provision of Rs. 3663 crore for covering all the districts of the country under the Total Sanitation Campaign. However, the outlay approved by the Planning Commission is Rs. 955 crore. Hence, the coverage will get reduced.
- (ii) During 2002-2003 the Ministry has submitted an Annual Plan to the tune of Rs. 475 crore. However, the funds provided by the Planning Commission is Rs. 165 crore only, which is about 35% of the proposed outlay.
- (iii) The Total Sanitation Campaign has been introduced w.e.f. 1-4-1999. TSC is a process project involving social mobilisation, IEC and demand generation and is to be implemented over a period of 4 to 5 years. The first phase of implementation of the Total Sanitation Campaign by the States and District implementing Agencies takes more time. As such number of toilets constructed is less. However, as per the latest progress reports received from the States the number of household latrines set up during 2001-02 is 7,42,943.

- (iv) The Sixth All India Education Survey was conducted in 1993. As per the Survey the coverage was 9%. This coverage has increased but slowly. Under the TSC, which was introduced in 1999, 1,67,966 toilets have been sanctioned for Schools in 185 TSC districts. As per the latest reports received from the State Governments 14,058 toilets for Schools have been established.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Comments of the Committee**

(Please see Para No. 49 of Chapter I of the Report)

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**CHAPTER III**  
**RECOMMENDATIONS WHICH THE COMMITTEE DO NOT**  
**DESIRE TO PURSUE IN VIEW OF THE**  
**GOVERNMENT'S REPLIES**

**-NIL-**



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## CHAPTER IV

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

#### **Recommendation (Para No. 2.23)**

The Committee have been recommending repeatedly to provide drinking water to each and every school within a stipulated period of time. It is really a matter of concern that after more than five decades of independence and of the plan development in the country, most of our schools are yet to be provided the facility of drinking water, which is the basic necessity of life. The Department's claim to cover all the habitations by 2002-2003 by providing drinking water seems unrealistic when the overall position of coverage of schools is analysed. Even if the Government's data is believed, about 44% of the schools could only be provided drinking water so far. They also find that the data as given by the Department may be only of Government schools. When the data regarding other schools i.e. private and public is included, the situation may further be alarming. While the school coverage was taken into consideration under ARWSP since 1999-2002, the performance is very dismal as could be from the data indicated above. In view of this scenario, the Committee strongly recommend to give top priority to coverage of schools and all the schools should be provided drinking water within the minimum possible time.

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

- (1) State Governments have been apprised of the concern about slow pace of coverage of schools and they have been requested to ensure that the remaining Primary and Upper Primary Schools in the country are covered during 10th Five Year Plan. The States have been requested to give due weightage to coverage of schools during State-wise reviews undertaken by Secretary, Department of Drinking Water Supply.

- (2) With the assistance of School Water and Sanitation Towards Health & Hygiene (SWASTHH), school water supply facilities are also being attended to in some focussed states (Karnataka, Tamil Nadu and Jharkhand).

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

#### Comments of the Committee

(Please see Para No. 13 of Chapter I of the Report)

#### Recommendation (Para No. 2.48)

The Committee are concerned to note that the dismal performance of Sector Reform pilot projects as could be seen from the data given by the Department. They are further disturbed to note the reply furnished by the Department whereby on the one hand, it has been stated that they are reasonably satisfied with the implementation of Sector Reform Projects, on the other hand, it has been submitted that whether the process of implementation of these projects is satisfactory or not in these districts, is yet to be confirmed. They fail to understand how the Department could be contended with such a slow progress of the pilot districts. This needs to be explained properly.

#### Reply of the Government

- (1) A review of implementation of Sector Reform Projects was undertaken by Minister of Rural Development during the National Conference on Sector Reform Projects held on 28.6.2002 at New Delhi. Latest progress of these projects in physical and financial terms as on 1.8.2002 is as follows:

(i) Project sanctioned	67 Project Districts in 26 States
(ii) Projects Funds released	Rs. 572.83 crore to 65 projects
(iii) Expenditure incurred	Rs. 135.30 crore
(iv) Community participation through part contribution for capital investment	Rs. 28.11 crore
(v) Number of contributors	15.87 lakh
(vi) Number of Village Water and Sanitation Committees constituted	16156

(vii) Number of water schemes taken up	24238
(viii) Number of schemes completed	7276
(ix) Number of schemes taken over by Community	5536

- (2) The above information reveals that some projects are doing well, some are late starters and few are still non-starters. In case of non-starter projects, the State Government and Project Authorities have been advised to pick up performance, otherwise termination of the projects will be considered. Minister of Rural Development has also written letters to few states (Karnataka, Assam, Gujarat and Bihar).

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

#### Comments of the Committee

(Please see Para No. 16 of Chapter I of the Report)

#### Recommendation (Para No. 2.58)

The Committee find that the outlay earmarked for North-Eastern States could not be utilized fully during the year 2000-2001 Rs. 61.82 crore had to be surrendered in the non-lapsable pool of resources of such States. Similar is the position of underspending during the year 2001-2002 as could be seen from the preceding paras. The Committee are unhappy to find that when asked for the reasons for under utilisation of outlay, routine reply is coming from the Department. It seems that the Department never tried to analyse the particular problems faced by the respective States in implementation of the programme. Another disturbing fact is the strategy of the Government, Central as well as States, to chase the figures regarding coverage of habitations. There is variation between availability and accessibility of drinking water. They find that this is a serious matter and need to be probed urgently. They urge the Government to take into consideration this aspect in the recent survey being undertaken in various States.

#### Reply of the Government

Concern of the Committee about the dismal performance of programme in North-Eastern States is taken note of. These States have

been apprised of the concern of the Committee. This aspect will be taken into consideration in the survey being undertaken.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

#### Comments of the Committee

(Please see Para No. 19 of Chapter I of the Report)

#### Recommendation (Para No. 2.80)

The Committee in their 21st Report [13th Lok Sabha (refer 2.93(vi))] had stressed for giving more attention to purification of sea water for drinking purposes and other uses. They had also recommended to conduct an in depth research to make the technology cheaper in consultation with Council for Scientific and Industrial Research (CSIR). While going through the replies furnished by the Government, the Committee note that adequate work has not been done in this regard. Even when only 150 projects were sanctioned out of that only 51% are functioning. The Committee strongly recommend to pay more attention in this regard specifically when the ground water sources are drying up.

#### Reply of the Government

Government of India have been paying increased attention for conducting in-depth research in consultation with CSIR laboratories. An issue based workshop for "Removal of Brackishness" was held in CSIR Laboratory, Bhavanagar. The recommendation of the workshop is under active consideration of Rajiv Gandhi National Drinking Water Mission.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

#### Comments of the Committee

(Please see Para No. 34 of Chapter I of the Report)

**Recommendation (Para No. 2.82)**

As regards the quality of drinking water, the Committee find that sufficient attention is not being paid in this regard. They are constrained to find the huge number of water treatment plants going defunct. They urge the Government to find out the reasons for the water treatment plants going defunct. They also recommend that further emphasis should be given for having a mobile water testing laboratory in each district in the country.

**Reply of the Government**

- (i) the concern of the Committee was brought to the notice of the State Governments during the review.
- (ii) 22 mobile water quality testing laboratories are functioning now in the states. Steps are being taken to set up more such laboratories.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III dated 20th August, 2002]

**Comments of the Committee**

(Please see Para No. 37 of Chapter I of the Report)

**Recommendation (Para No. 2.96)**

Since the implementation of Part IX of the Constitution is responsibility of the Union Government they should ensure that the schemes relating to drinking water are entrusted to Panchayats. If there is any legal hurdle in the implementation, the Government should put forward suitable proposal. They are also unable to comprehend the rationale of transferring O&M to Panchayats without taking the desired steps for their capacity building. The Committee, therefore, reiterate their recommendations to revise the guidelines and entrust the total responsibility of execution and implementation of ARWSP to Panchayats.

**Reply of the Government**

Discretion to entrust the implementation of the Programme to Panchayati Raj Institutions (PRIs) lies with the State Government as the water supply schemes are implemented by the State.

Implementation of Sector Reform project has been entrusted to PRIs, wherever, the PRIs are strong enough to bear this burden. In Uttar Pradesh, Tamil Nadu and Kerala the Operation and Maintenance of the drinking water sources and systems have been entrusted to PRIs. Revision of guidelines as recommended by the committee will also be considered, in consultation with the State Governments.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III, dated 20th August, 2002]

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

(Please see Para No. 40 of Chapter I of the Report)

#### **Recommendation (Para No. 2.110)**

The Committee are constrained to note that though everybody acknowledges the importance of water in living beings' lives, no effort is being made by the implementing agencies to ensure its supply, as could be seen from the utilisation of funds and also from the physical achievements reported by the Government. It hardly needs to be emphasized that the shortage of funds is not the main reason for many problems being faced by the people, rather the improper management and non-utilisation of available resources are the main reasons for our failure. The Committee, therefore, urge the Government to impress upon the implementing agencies to ensure full and proper utilisation of scarce resources, particularly when it affects the poorest of poor, who are compelled to live in this condition even after lapse of 50 years of planned development. If the State Governments/UTs do not rise to the occasion, the Government should review these schemes and devise some ways and means which could move out the implementing agencies from their slumber.

The Committee are also unhappy of the manner in which the Government instead of improving of existing schemes and consolidating their gains, if any, go on launching new schemes which again suffer for want of proper infrastructure as admitted by the Government in their written note.

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

"PMGY was launched in 2000-01 with the objective of achieving sustainable human development in the rural areas of the country.

Drinking Water Supply forms one of the six components of this programme. In order to complement the resources of the State Governments, Planning Commission has been providing Additional Central Assistance (ACA) for this programme. The implementation of Water Supply Component during the last two years was as per the guidelines formulated by the Department of Drinking Water Supply. However, these guidelines were kept as simple as possible, to make them complementary to the existing ARWSP. Therefore, PMGY in fact increased the resource position of the States for the programme of Drinking Water Supply.

During the current year, PMGY is being managed by the Planning Commission directly. As per the Guidelines circulated by the Planning Commission for implementation of the programme, States have been given full freedom and flexibility to decide their own allocations of funds among the six components of the programme as well as to decide the manner of implementation of the sectoral programmes either through the existing State Sector Schemes, Centrally Sponsored Schemes or new Schemes depending on their own plan priorities and strategies to achieve the objectives that may be laid down for the various components of PMGY."

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III, dated 20th August, 2002]

#### Comments of the Committee

(Please see Para No. 46 of Chapter I of the Report)

## CHAPTER V

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

#### **Recommendation (Para No. 2.19)**

What has been stated above with regard to chasing of numbers in respect of coverage of habitations, the Committee find that the actual ground reality in respect of coverage of habitations is something different. They have repeatedly been stressing on the Government to find out the ground reality in this regard by conducting survey by independent agencies. Besides, they have also been recommending to have some inbuilt mechanism for such a survey after a fixed period of time. They find that the Government have agreed to their recommendation and steps are being undertaken in this regard. Besides, the Department has also agreed for such a survey after a period of five years. They hope that such a survey will be started very soon and the Committee be apprised of the details from time to time. They would also like that the position of slippage of FCs category to NC and PC categories and PC to NC category is also taken care of during the said survey and data when collected, furnished to the Committee.

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

The survey as suggested by the Committee is being carried out. Agency to carry out the survey has been identified. The Committee will be apprised of the progress and results of the survey.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III, dated 20th August, 2002]

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

(Please see Para No. 10 of Chapter I of the Report)

#### **Recommendation (Para No. 2.59)**

The Committee are disturbed to note the position of availability of drinking water in various schools in North-East as acknowledged by



the Secretary. Very few schools could be provided with the facility of drinking water. They strongly recommend that topmost priority be given to schools in the Centrally Sponsored Programme of drinking water. They also urge the Government to verify the data of availability of drinking water in various schools including private and public schools of North-East and apprise the Committee accordingly.

#### Reply of the Government

- (1) This concern of the Committee about the non-availability of drinking water in schools in North Eastern States has been noted. These States have been apprised of the same. They have been requested to furnish data relating to availability of drinking water in various private and public schools in North East.
- (2) During the review of rural water supply schemes for NE States taken by Secretary (DWS), Government of India on 19th June, 2002, this subject was also discussed.
- (3) After such consultations, the following target has been fixed for coverage of Primary and Upper Primary Schools in North Eastern States.

Sl. No.	States	No. of Primary & Upper Primary Schools to be covered during 2002-03
1.	Arunachal Pradesh	11
2.	Assam	1200
3.	Manipur	440
4.	Meghalaya	70
5.	Mizoram	100
6.	Nagaland	50
7.	Sikkim	50
8.	Tripura	200
Total		2121

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III, dated 20th August, 2002]

**Comments of the Committee**

(Please see Para No. 22 of Chapter I of the Report)

**Recommendation (Para No. 2.60)**

The Committee note that the Department has forwarded a proposal to the Planning Commission to change the funding pattern in case of States of North East, from 75:25 to 90:10. Similarly, it has been stated by the Secretary that the same funding pattern i.e. 90:10 should be adopted for similarly situated and disadvantaged States in other parts of the country. The Committee during their on the spot study visit to Jammu & Kashmir were also requested for higher allocation under different schemes keeping in view the peculiar situation of that State. The Committee recommend to the Government to pursue the matter with the Planning Commission. The Committee find that the concept of higher allocation to such States has already been agreed to in principle by the Department. They would like that a proposal in this regard should be forwarded to the Planning Commission for their consideration, at the earliest.

**Reply of the Government**

Department of Drinking Water Supply will recommend to the Planning Commission to extend the benefit of 90:10 funding ratio for disadvantaged States in other parts of the country also.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III, dated 20th August, 2002]

**Comments of the Committee**

(Please see Para No. 25 of Chapter I of the Report)

**Recommendation (Para No. 2.79)**

The Committee find that the problem of sustainability of water resources is being tackled by different Central Ministries like Rural Development, Agriculture, Water Resources. They recommend that the Department of Drinking Water Supply should coordinate with these Ministries and take desired initiatives in this regard and apprise the Committee accordingly.

### Reply of the Government

Steps are being taken to coordinate the activities of these Ministries as recommended by the committee. Actions taken will be reported to the committee.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III, dated 20th August, 2002]

### Comments of the Committee

(Please see Para No. 31 of Chapter I of the Report)

### Recommendation (Para No. 2.103)

The Committee find that the Department of Drinking Water is facing the problem of shortage of staff and infrastructure which according to them is hampering in the effective monitoring of the scheme. They also note that the Cabinet approval has already been obtained for restructuring of the mission within the existing Budget provision. They, therefore, recommend that necessary steps should be taken to implement the above decision expeditiously. While recommending for adequate staff and infrastructure for better operation of the Department, the Committee also emphasise that the optimum utilisation of the existing resources should be ensured.

### Reply of the Government

The matter is being pursued with the Ministry of Finance.

[Department of Drinking Water Supply, Ministry of Rural Development  
O.M. No. H-11011/1/2002-TM III, dated 20th August, 2002]

### Comments of the Committee

(Please see Para No. 43 of Chapter I of the Report)

NEW DELHI;  
17 February, 2003  
28 Magha, 1924 (Saka)

CHANDRAKANT KHAIRE,  
Chairman,  
Standing Committee on  
Urban and Rural Development.

## APPENDIX I

### COMMITTEE ON URBAN AND RURAL DEVELOPMENT (2003)

#### EXTRACTS OF THE MINUTES OF THE SECOND SITTING OF THE COMMITTEE HELD ON MONDAY, THE 27TH JANUARY, 2003

The Committee sat from 1200 hrs. to 1315 hrs. in Room No. 62,  
Parliament House, New Delhi.

#### PRESENT

Shri Chandrakant Khaire—*Chairman*

#### MEMBERS

#### *Lok Sabha*

2. Shri Ranen Barman
3. Shri Padamanava Behera
4. Shri Jaswant Singh Bishnoi
5. Shri Shriram Chauhan
6. Shri Shamsher Singh Dullo
7. Shrimati Hema Gamang
8. Shri G. Putta Swamy Gowda
9. Shri Jaiprakash
10. Shri Hassan Khan
11. Shri Basavanagoud Kolar
12. Shri Shrichand Kriplani
13. Shri Sadashivrao Dadoba Mandlik
14. Shri Mahendra Singh Pal
15. Prof. (Shrimati) A.K. Premajam
16. Shri Pyare Lal Sankhwar
17. Shri Maheshwar Singh
18. Shri D.C. Srikantappa
19. Shri Chinmayanand Swami
20. Shri Ravi Prakash Verma

*Rajya Sabha*

21. Shrimati Shabana Azmi
22. Shrimati Prema Cariappa
23. Shri Ramadhar Kashyap
24. Shrimati Gurcharan Kaur
25. Shri Faqir Chand Mullana
26. Shri A. Vijaya Raghavan
27. Shri Man Mohan Samal
28. Shri G.K. Vasani

## SECRETARIAT

1. Shri K. Chakraborty — *Deputy Secretary*
2. Smt. Sudesh Luthra — *Under Secretary*
3. Shri N.S. Hooda — *Under Secretary*

2. The Committee at the outset, welcomed the members to the sitting of the Committee.

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3. The Committee then took up for consideration Memorandum No. 3 regarding draft Action Taken Report on action taken by the Government on the recommendations contained in the 32nd Report (13th Lok Sabha) on Demands for Grants (2002-2003) of the Department of Drinking Water Supply (Ministry of Rural Development). After consideration, the Committee adopted the Report with a slight modification.

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5. The Committee then authorised the Chairman to finalise the said draft action taken report on the basis of factual verification from the concerned Ministry/Department and to present the same to Parliament.

6. Thereafter, the Chairman, informed the members about the Study Tours. He said that the State Government of Maharashtra had intimated

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\*\*\*Relevant portions of the minutes not related to the subject have been kept separately.

that due to Assembly Elections in Aurangabad and Jalna Districts, the model code of conduct was in operation in these two Districts. As such, the visit to Aurangabad would not be possible at this stage. The Committee then decided that Study visit to Aurangabad scheduled to be undertaken from 4th to 6th February, 2003 might be postponed for the time-being and the same could be arranged sometime after the Budget Session of Parliament.

*The Committee then adjourned.*

## APPENDIX II

### ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE 32ND REPORT OF THE STANDING COMMITTEE ON URBAN AND RURAL DEVELOPMENT (THIRTEENTH LOK SABHA)

I.	Total number of recommendations	28
II.	Recommendations that have been accepted by the Government: Para Nos.: 2.16, 2.17, 2.18, 2.29, 2.35, 2.49, 2.77, 2.78, 2.81, 2.83, 2.84, 2.85, 2.86, 2.91, 2.102 and 3.16	16
	Percentage to the total recommendations	57.14
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies:	NIL
	Percentage to the total recommendations	—
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee: Para Nos.: 2.23, 2.48, 2.58, 2.80, 2.82, 2.96 and 2.110.	7
	Percentage to the total recommendations	25
V.	Recommendations in respect of which final replies of the Government are still awaited: Para Nos.: 2.19, 2.59, 2.60, 2.79 and 2.103.	5
	Percentage to the total recommendations	17.86