

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3575
ANSWERED ON:25.08.2006
WATER SUBSIDY
Lagadapati Shri Rajagopal

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether according to the policy paper submitted by the Ministry at the operation and maintenance of Water Supplied System meeting in Bangalore in September, 2005, envisages water subsidies would be provided only to urban poor;
- (b) if so, the details thereof; and
- (c) the manner in which the Government proposes to meet the operations and maintenance in the light of the low revenue that it is getting from water charges?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI AJAY MAKEN)

(a)&(b): This Ministry has not furnished any policy paper in the Manual on Operation & Maintenance of Water Supply Systems meeting at Bangalore in September, 2005. A two day workshop was organized by this Ministry at Bangalore in September, 2005 for sensitizing Chief Engineers, Municipal Commissioners and other officials in regard to various aspects of Operation & Maintenance of Water Supply Systems brought out in the said Manual.

(c): The two programmes, namely, Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) envisage a set of mandatory reforms in which one of the reforms is as under:-

‘Levy of reasonable user charges by ULBs/Parastatals with the objective that full cost of operation and maintenance or recurring cost is collected within next seven years. However, cities/towns in North East and other special category States may recover at least 50% of operation and maintenance charges initially. These cities/towns should graduate to full O&M cost recovery in a phased manner.’

By fulfilling the aforesaid reforms, the ULBs would be able to access the Central funds provided under the Programme.