

**COMMITTEE
ON
GOVERNMENT ASSURANCES
(1995-96)**

TENTH LOK SABHA

TWENTY SEVENTH REPORT

**FUNDS FOR DEVELOPMENT OF REFUGEE
COLONIES IN WEST BENGAL**



(Presented on March 24, 1995)

**LOK SABHA SECRETARIAT
NEW DELHI**

March 22, 1995/Chaitra 1, 1917 (Saka)

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LOK SABHA

C O R R I G E N D A

to the Twenty - Seventh Report of
the Committee on Government Assurances
(1993-96) Tenth Lok Sabha

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Page No.	Para No.	Line	Correction
(vii)	2	1	For 'February 1993' read 'February 4,
3	3(iv) (a)	1	For 'categorios' Read 'categories'
4		27	For 'Committee Assurances' Read 'Committee on Government Assurances'
9	20	1	For 'eciling' read 'ceiling'
1	26	1	For 'sure' Read 'sore'
4	4	5	For 'Rehabilitiation' Read 'Rehabilitation'
4	4	7	For 'Rehabilittation' Read 'Rehabilitation'
4	4	31	For 'assue' Read 'issue'
5	5	33	For 'Sri Lankan' read 'Sri Lanka'
5	5	34	For 'noe' Read 'nore'

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COMPOSITION OF THE COMMITTEE ON GOVERNMENT ASSURANCES* (1993-94)

CHAIRMAN

Shri Basudeb Acharia

MEMBERS

2. Shri Vishveshwar Bhagat
3. Shri Gurcharan Singh Dadhahoor
4. Prof. K. Venkatagiri Gowda
5. Shri P.P. Kaliaperumal
- @6. Major D.D. Khanoria
7. Shri Harpal Panwar
8. Shri Surendra Pal Pathak
9. Shrimati Suryakanta Patil
10. Shri V. Sreenivasa Prasad
11. Shri Nawal Kishore Rai
12. Shri G. Ganga Reddy
13. Shri Yoganand Saraswati
14. Shri Shibu Soren
15. Shri V.S. Vijayaraghavan

SECRETARIAT

1. Shri Murari Lal — *Joint Secretary*
2. Smt. P.K. Sandhu — *Director*
3. Shri Madan Lal — *Assistant Director*

*The Committee was nominated by the Speaker w.e.f. 20 December, 1993 *vide* para 2609 of Lok Sabha Bulletin Part-II, dated 20.12.1993.

@ Nominated to the Committee on 23 December, 1993 *vide* para 2628 of Lok Sabha Bulletin Part-II, dated 23.12.1993.

COMPOSITION OF THE COMMITTEE ON GOVERNMENT ASSURANCES* (1995-96)

CHAIRMAN

Shri Basudeb Acharia

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3. Shri Gurcharan Singh Dadhahoor
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6. Shri Prabhu Dayal Katheria
7. Shri Harpal Panwar
8. Shrimati Suryakanta Patil
9. Shri Shashi Prakash
10. Shri V. Sreenivasa Prasad
11. Shri J. Chokka Rao
12. Shri Ashu Bhuja Prasad Shukla
13. Shri Ummareddy Venkateswarlu
14. Shri V.S. Vijayraghavan
15. Vacant

SECRETARIAT

- | | |
|---------------------|-----------------------------|
| 1. Shri Murari Lal | — <i>Joint Secretary</i> |
| 2. Smt. P.K. Sandhu | — <i>Director</i> |
| 3. Shri Madan Lal | — <i>Assistant Director</i> |

* The Committee was nominated by the Speaker w.e.f. 4 February, 1995 *vide* para 3723 of Lok Sabha Bulletin Part-II, dated 13.2.1995.

INTRODUCTION

I, the Chairman of the Committee on Government Assurances, as authorised by the Committee, do present on their behalf this Twenty-Seventh Report of the Committee on Government Assurances.

2. The Committee (1995-96) were constituted on February 1995.

3. The Committee (1993-94) at their sitting held on September 7, 1994 took the evidence of the representatives of the Ministries of Urban Development and Home Affairs in connection with the non-implementation of the assurance given on July 16, 1992 in reply to Unstarred Question No. 1362 regarding funds for development of refugee colonies in West Bengal. The Committee considered and adopted the Draft Twenty-Seventh Report at their sitting held on March, 22, 1995.

4. The Minutes of the sitting of the Committee held on September 7, 1994 form Part of this Report.

5. The conclusions/observations of the Committee are contained in paras 22 to 28 this Report.

6. The Committee wish to express their thanks to the officials of the Ministries of Urban Development and Home Affairs who appeared before the Committee.

NEW DELHI;

March 22, 1995

Chairman, 1917 (Saka)

BASUDEB ACHARIA,

Chairman,

Committee on Government Assurances.

REPORT

FUNDS FOR DEVELOPMENT OF REFUGEE COLONIES IN WEST BENGAL

On July 16, 1992 the following Unstarred Question No. 1362 given notice of by Shri Chitta Basu, M.P., was addressed to the Minister of Urban Development:—

“(a) whether any memorandum was submitted by the All Party delegation from West Bengal in June last requesting for assistance of Rs. 400 crores for development of the refugee colonies in West Bengal;

(b) if so, the details thereof; and

(c) the action taken thereon?”

2. The then Minister of State in the Ministry of Urban Development (Shri M. Arunachalam) gave the following reply:—

“(a) Yes Sir. On 23rd April, 1992, an All Party delegation led by the Minister Incharge for Refugee, Relief and Rehabilitation, Government of West Bengal, met the Minister for Urban Development and submitted a memorandum.

(b) The delegation requested the Government of India for action on the following:—

(i) Taking up development of colonies for all categories of refugees as a Central sector scheme to cover in total 2.5 lakh plots at a revised estimated cost of Rs. 400 crores.

(ii) Acceptance of the revised ceiling cost per plot as recommended by the Technical Committee.

(iii) Reimbursement of expenditure of Rs. 2.32 crores to the State Government incurred in excess of the assistance granted by the Government of India for the development of refugee colonies in West Bengal during Phase-I and II.

(c) The matter is under examination by the Government.”

3. Reply to part (c) of the question was treated as an assurance by the Committee which was to be fulfilled within three months of the date of the reply i.e. by October 15, 1992.

4. The Ministry of Urban Development have laid on the Table a statement (*vide* 55 No. IV/85) on 26.2.1993 in part fulfilment of the assurance which reads as below:—

“The delegation from West Bengal requested the Government of India for action on the following:

1. Development of colonies for all categories of refugees to cover 2.5 lakh plots at a revised estimated cost of Rs. 400 crores.
2. Revision of ceiling cost as recommended by the Technical Committee.
3. Reimbursement of expenditure incurred in excess of the Central assistance released.

The request of the delegation has been examined by Government. In order to process the proposal further for decision on investments required, further details and particulars are needed. Government of West Bengal have been requested to furnish necessary particulars. The reply has not been received from the State Government inspite of repeated expeditors. The matter is, however, further being pursued with them.”

5. On May 7, 1993, the Ministry of Urban Development approached the Committee on Government Assurances through the Ministry of Parliamentary Affairs *vide* their U.O. Note No. IV/UD (4) USQ-1362-LS/92 dated May 7, 1993 for dropping the assurance on the grounds indicated below:

- (i) In 1975, the Department of Rehabilitation in the Government of India had set up a Working Group to study the residual problems pertaining to rehabilitation of refugees who migrated to West Bengal from erstwhile East Pakistan. The Working Group recommended the development of 1.70 lakh plots in 1008 colonies (consisting of 612 urban colonies and 396 rural colonies) at a cost of Rs. 52.34 crores. This was further scaled down by a Committee of Secretaries and in December, 1976, the Cabinet approved the development of 1,03,157 urban plots in 612 colonies at a cost of Rs. 23.85 crores. The ceiling cost of development per plot was Rs. 2500 in Calcutta Metropolitan Development and Rs. 1700 for areas outside the CMDA.
- (ii) Under Phase I and II of the programme, it was envisaged to develop a cumulative 41,825 plots at a cost of Rs. 9.68 crores. The balance 61,332, were to be covered under phase III of the programme. Funds to cover phase I and II of the programme have already been released to the State Government. The Central Assistance is given in the form of reimbursement grants to the State Governments.

- (iii) During implementation of Phase II of the programme the State Government requested for enhancement of the ceiling cost due to cost escalation. The Ministry of Home Affairs appointed a Technical Committee in December, 1986 to go into this issue. The Committee had recommended a uniform amount of Rs. 11,931 for development of each plot. The State Government has accepted the recommendation but the Government of India is yet to give its concurrence because this involves the approval of the Cabinet. The development of plots during Phase III onwards is dependent on a decision of this issue.
- (iv) On 23rd April, 1992, a delegation of 14 members comprising Ministers of Government of West Bengal, MLAs and officials led by Shri Prasanta Kumar Sur, Minister in Charge, Refugee Relief and Rehabilitation Department, Government of West Bengal, met the Minister of Urban Development, Government of India. The delegation submitted a memorandum which *inter-alia* raised the following important issues:—
 - (a) Taking up the development of colonies for all categories of refugees as a Central Sector Scheme to cover 2.5 lakh plots at a revised estimated cost of Rs. 400 crores;
 - (b) Acceptance of the revised ceiling cost per plot as recommended by the Technical Committee.
 - (c) Reimbursement to the extent of Rs. 2.32 crores to the State Government incurred in excess of reimbursement assistance granted by the Government of India for the development of refugee colonies in West Bengal during Phase I and Phase II.
- (v) The matter was taken up with the Planning Commission with regard to reimbursement to additional expenditure incurred by the State Government. The Planning Commission have not, however, agreed for release of funds as "Plan". This Ministry had taken a decision to transfer this item of work to the Ministry of Home Affairs since this is a rehabilitation work and the Department of Rehabilitation is still functioning under the Ministry of Home Affairs. But the Ministry of Home Affairs have not agreed to take over the work and provide for funds for development of the remaining plots.
- (vi) Since Cabinet, in December, 1976, had approved the development of 1.03 lakh urban plots out of 1.70 lakh plots and also had approved the cost of development of plots both in CMDA and outside CMDA. Before taking up further action on the above request of the delegation and also the issue of reimbursement of additional expenditure incurred, approval of the Cabinet would be necessary.

- (vii) The Ministry of Urban Development, however, submitted a note to the Committee of Secretaries in July, 1992 for seeking orders on various important issues raised by the delegation and also the request made by the State Government. The Cabinet Secretariat had suggested that the financial implications be worked out in consultation with the Planning Commission and the Ministry of Finance. The matter has accordingly been taken up with the Ministry of Finance and the Planning Commission. The Planning Commission has reiterated that the scheme should be classified as 'non-plan' item.

It will be observed from the background of the above mentioned case that the issues raised by the Delegation from West Bengal and also the issues concerning the development of displaced colonies in West Bengal require the consideration and approval by the Committee of Secretaries and also the Cabinet. In addition a view has also to be taken as to the Ministry (whether Ministry of Urban Development or Ministry of Home Affairs) who will be dealing with the Phase III onwards of the Programme; whether funds both for reimbursement of the additional expenditure already incurred by the State Government and for future phases of the programme will be provided as a 'plan' or 'non-plan' scheme; and whether the revised cost of development per plot of Rs. 11,931 recommended by the Technical Committee appointed by the Ministry of Home Affairs in December, 1986 will need reconsideration and review due to general price rise between 1986 and 1993.

In view of the position explained above, it will be appreciated that the part of the reply treated as assurance is not capable of being fulfilled in the near future... It is, therefore, requested that the Committee Assurances of Lok Sabha may kindly be moved to consider the facts mentioned above and to drop the assurance from the list of pending assurances.

6. The Committee at their sitting held on July 17, 1993 considered the above request of the Ministry of Urban Development. The Committee took the following decision :—

"Not convinced with the reasons advanced by the Ministry of Urban Development for dropping of the assurance and the Committee decided to hear the views of the representatives of the Ministry of Urban Development and Home Affairs before taking a final decision on the subject matter."

7. The Ministry of Urban Development and the Ministry of Home Affairs were simultaneously informed to appear before the Committee on Government Assurances to tender their views on the subject matter and they were also informed to furnish a brief note to the Committee for non-implementation of the assurance.

8. On September 2, 1994, the Ministry of Home Affairs furnished a note

stating therein that the subject matter pertained to the Ministry of Urban Development. The Ministry of Home Affairs *inter-alia* submitted as under:

“..... In 1975, the Department of Rehabilitation had set up a Working Group consisting of representatives of Central and State Governments to study certain problems relating to development works required for colonies set up for refugees who migrated to West Bengal. The Report of the Working Group was examined by a Committee of Secretaries (COS) which scaled down the cost of Development from Rs. 52.32 crores as recommended by the Working Group to Rs. 23.85 crores. The cost of development per plot was fixed at Rs. 2500/- per plot for CMD area and Rs. 1700/- per plot in colonies outside CMD area. The Cabinet meeting held in December, 1976 approved the development of Displaced persons colonies with an outlay of Rs. 23.85 crores and decided that the Ministry of Urban Development (MUD) should implement the Scheme. The total number of plots in 612 colonies in the urban areas was 1,03,157. Out of these, 59,132 have been developed by the State Government in Phase I and Phase II as against 41,825 approved.

For the remaining plots to be taken up in Phase III which now number 44,025, Ministry of Urban Development had prepared a draft note for the approval of the Cabinet in August, 1988 for the execution of the development schemes at an estimated cost of Rs. 25.06 crores which among other, provided for raising the ceiling cost of development to Rs. 11,931/- per plot. The Ministry of Home Affairs gave its comments on this note. It appears that this note was not put up before Cabinet for approval as no Cabinet decision on this is available.

On several occasions in the past, this Ministry has expressed its inability to accept this programme (development of displaced persons colonies in West Bengal) for reasons as follows:—

- (a) This Ministry is concerned only with ‘Rehabilitation’ and not ‘development’. Once displaced persons are rehabilitated, they are deemed to have merged with the main-stream and any further assistance to them has to come from normal development programme. The programme under reference is urban development programme and the concern of Ministry of Urban Development.
- (b) Ministry of Urban Development have already completed Phase-I and Phase-II of the programme under which 59,132 plots have already been developed since 1977 (following Cabinet decision of 1976 that Ministry of Urban Development would handle these programmes). The remaining plots (44,025) to be developed in Phase-III, should continue to be the responsibility of Ministry of Urban Development.

- (c) Ministry of Home Affairs does not have either adequate staff or technical expertise to implement the programme of this magnitude. The strength of the Rehabilitation Division of the Ministry of Home Affairs has been drastically curtailed and another proposal to wind up many of its sections is under consideration. Therefore, Ministry of Home Affairs is not in a position to implement the programme.
- (d) As far as the Technical Committee is concerned, it recommended in 1987 an average development cost of Rs. 11,931/- per plot. We informed Ministry of Urban Development that this recommendation may be accepted by them. Subsequently, in 1994 Committee of Secretaries decided that Ministry of Urban Development should accept this recommendation with suitable escalation factor. After that Ministry of Home Affairs has no involvement in the matter.

Finally in January 1994, Ministry of Urban Development prepared a note for the Committee of Secretaries to decide, *inter-alia* as to which Ministry should be needed agency for this programme. The Committee of Secretaries considered this note in the meeting held on 8.3.1994 and decided, *inter alia*, that:

- (a) The Ministry of Urban Development should act as a nodal agency to deal with the residual problems pertaining to the Displaced Persons Colonies in West Bengal; and
- (b) The revised cost of Rs. 11,931/- per plot for development of the remaining plots in Phase-III as recommended by the Technical Committee set up by the Government of West Bengal may be further revised upwards suitably taking into account the escalation in cost that have occurred between 1987 (when the Technical Committee gave its recommendation) and 1994. The Committee of Secretaries decided that the Ministry of Urban Development may in consultation with CPWD work out a simple escalation factor in calculating the revised unit cost and seek Cabinet approval for the revised cost...."

9. The Ministry of Urban Development have also furnished two Notes to the Committee mentioning therein that a Note for Committee of Secretaries was submitted in July, 1992 seeking the orders on the relevant issues such as the Ministry which should coordinate the implementation of the programme, the provision of funds for development of plots, revision of ceiling cost, etc. The Cabinet Secretariat returned the note advising that the financial implications be worked out in consultation with the Planning Commission and the Ministry of Finance. Accordingly, the Planning Commission, the Ministry of Finance and the Ministry of Home Affairs were consulted and their views together with the comments of this Ministry thereon were incorporated in the Note for Committee of Secretaries.

10. The Committee was further informed that no budget provision was

made in the Ministry of Urban Development either in the plan side or non-plan side for the scheme of basic infrastructure facilities in displaced persons colonies. Consequently, the reimbursement of Rs. 2,32 crores spent by the State Government in excess of the Central assistance released had also not taken place. A Note for the Committee of Secretaries was submitted on January 1, 1994 raising the various issues and seeking the orders of the Committee thereon. The decisions taken in the meeting of Committee of Secretaries held on March 8, 1994 were discussed in consultation with the Ministry of Finance, Planning Commission and the Ministry of Home Affairs. As the Finance Ministry and Planning Commission expressed their inability to provide extra funds and the Ministry of Home Affairs had no comments to offer, the matter had again been submitted for decision of the Committee of Secretaries.

11. The Committee took oral evidence of the representatives of the Ministries of Urban Development as also of Home Affairs on September 7, 1994 in connection with non-implementation of the assurance given on July 16, 1992 in reply to Unstarred Question No. 1362 regarding funds for development of refugees colonies in West Bengal.

12. The Committee enquired about the reasons for taking one year to make a request to the Committee for dropping of the assurance. The Secretary, Ministry of Urban Development stated as follows:—

"..... In that particular year, in June, 1992 the question was put up and the memorandum by the Hon'ble MPs was given to the Minister. In that connection, we went to the Ministry of Finance as well as the Planning Commission to give us money so that we can pass it on to the State Government for the development of services and to develop the infrastructure for the displaced persons. Both the Ministry of Finance and Planning Commission declined our request and we just did not have any money nor do we have it till now and in this process during 1992-93 and 1993-94 we were under correspondence. We were in the process of getting money and hoping that some allocation would come to us so that we can pass it on to the West Bengal Government. That is the reason why we took almost a year in this consultation. We are still pursuing it with these two Ministries. We had not only doing that, but we had also put it up before the Committee of Secretaries on two occasions. We had gone to the Committee of Secretaries saying that a particular revised investment per plot will be approved. That was based on an earlier cost of investment and then they gave the direction that we should come with the latest cost index. On the 12th August, 1994 we had again submitted another note to the Committee of Secretaries saying that the present cost has gone up from Rs. 11,900/- to Rs. 17,777/- and that we should be given that amount so that we can pass it on to the State Government"

13. When the Committee pointed out that the rehabilitation work was the responsibility of the Ministry of Home Affairs and why that Ministry was shirking from the responsibility, the Secretary, Ministry of Home Affairs, clarified as follows:—

“There is not dispute. The matter is quite clear because I must bring it to your kind notice that earlier there was a Ministry of Supply and Rehabilitation. It was never part of the Ministry of Home Affairs. But in the course of time, so many changes took place. It was then wound up and this particular subject of rehabilitation or the development has been assigned by the Cabinet in 1976 by a Cabinet decision, to the Ministry of Urban Development. Thereafter, the funds were made available to the Ministry of Urban Development.

The works were to be completed in three phases and the first two phases were completed by them.

So, all along right from 1976 the work was being carried out by the Ministry of Urban Development.

I would be able to throw some light because before Dr. J.P. Singh took over as the Secretary, Urban Development, I was the Urban Development Secretary, since the question of funds came, we approached the Ministry of Finance and the Planning Commission. Nobody gave us the funds. So, I went to the Committee of Secretaries and the note was actually prepared by me. But weak attempt was made asking them to please find out as to who is dealing with this subject. I told that if we have to deal with it, we may be given the funds. Then, the Committee of Secretaries decided that this is to be done by them. The expenditure was borne by them for two phases.

There is another point. In 1985, when the Ministries were reconstituted, again rehabilitation became a part of the Ministry of Home Affairs. But that had more to do with the Sri Lankan refugees. In this particular case, what is involved is much more than relief. It is more a question of developmental work like laying of roads, giving houses and providing them electricity etc. These works, basically, fall within the purview of the Ministry of Urban Development if it is an urban area and the Ministry of Rural Development if it is a rural area. So, this has been considered a number of times and a conscious decision has been taken. After the decision has been taken, they have again gone back asking for funds. In fact, in April itself they even prepared a Draft Cabinet Note on that basis.”

14. When the Committee pointed out that the issue had been kept hanging for a long time and desired to know why it was not being sorted out, the Secretary, Ministry of Urban Development stated that at that point of time, the Committee of Secretaries had given the dispensation that it should be looked after by the Ministry of Urban Development.

15. The Committee enquired about the reasons for not allocating the funds when the Ministry of Finance had already entrusted the work to the Ministry of Urban Development. The Secretary, Urban Development, informed that the Ministry of Finance suggested to the Urban Development Ministry to make it a plan scheme.

16. When the Committee enquired why the Ministry of Urban Development had not asked for budgetary allocation for this scheme before the finalisation of its annual plan, the Secretary, Ministry of Urban Development, submitted that they had been asking for two years. The Home Secretary also explained:—

“This is the problem, Sir. My previous experience shows that because it comes in fits and starts this demand was not projected. It is neither his mistake nor mine, it is in the system. The demand was not projected at the right time.”

17. To a query as to why the demand was not projected when the assurance was given in 1992, the representative of the Ministry of Urban Development explained:—

“When the first two phases were completed, we did take up the matter during the annual plan budget preparation, that funds should be provided under this particular thing. But at that particular time, cost escalation details relating to Phase-III had not been worked out. The Planning Commission said that they cannot include this at that moment unless we decide whether Phase-III would be taken up at all or not. They had not even provided a line entry under the budget-head for this purpose. That was the stand taken by them.”

18. To another query of the Committee as to when the matter for releasing additional expenditure amounting to Rs. 2.33 crores already incurred by the State Government was taken up with the Ministry of Finance, the representative submitted:—

“The representation itself contained taking up of Phase-III as well as refunding the additional expenditure of Rs. 2.33 crores which the State Government has incurred. These two points were taken into consideration while we approached the Planning Commission for providing funds under the Head ‘Ministry of Urban Development’. Since the Planning Commission did not agree for provision of funds, both the matters namely, taking up Phase-III of the Project and the refund of Rs. 2.33 crores which was spent by the State Government in excess of the funds of Rs. 9.68 crores which the Central Government had already released, could not be acted upon and the money could not be given. The total amount spent was Rs. 12.01 crores. That was the amount which was spent by the State Government.”

19. On a query of the Committee as to why the Planning Commission was not sanctioning the amount the Committee was informed that the

point was whether the additional plan allocation should be given or not and whether it should be regarded as a plan scheme or not. Further the Government of West Bengal had developed 59,132 plots as against 41,825 plots. As a result of this discrepancy the Planning Commission had been saying that since they had gone ahead and developed more plots and an additional expenditure incurred without the Budget Provision, the same could not be provided under their Budget. It has also been stated that the Ministry also could not go with the Revised Estimates as it was not provided for in the original Budget.

20. When the Committee enquired about raising the ceiling limit, the Secretary, Ministry of Urban Development, submitted:—

“The CPWD Technical Committee have gone into that and they have recommended a new ceiling which is about Rs. 17,777 per plot. The Ministry has accepted it and we are going to the Committee of Secretaries with that. It was an excess expenditure. At that time they did not provide it in the Budget. Now we are going to the Committee of Secretaries for sorting out these issues as to whether we should continue with this and whether it should be regarded as a non-plan activity or a plan activity.”

21. When the Committee expressed their views that necessary sanction of funds for the implementation of Phase-III Programme should be obtained in due course, the representative finally replied as follows:—

“I would like to assure you that we will do everything in our powers. I am prepared to do all that to sort out with the concerned Ministries. I have already told my people that we shall go to the Cabinet. State Governments keeps on shouting at us. We keep on saying and we keep on going to other people and it becomes very difficult. So, we will be going to Cabinet, if need be. Otherwise, we hope that we should be able to get funds.”

22. The Committee take notice of the fact that in 1976 the Cabinet decided to develop 1,03,157 plots in 612 colonies in West Bengal at a cost of Rs. 23.85 crores to rehabilitate the displaced persons migrated to West Bengal from erstwhile East Pakistan (Bangladesh). The work of the development of these colonies was to be executed by the Ministry of Urban Development in three phases. The proposal for Phase-I and Phase-II was for 41,825 plots at a cost of Rs. 9.68 crores. The remaining 61,332 plots were to be developed under Phase-III of the Programme.

23. During Phase-I and Phase-II programme, 59,132 plots had been developed by the West Bengal Government as against 41,825 plots. Thus the West Bengal Government had incurred an additional expenditure of Rs. 2.33 crores. In 1988 the State Government of West Bengal submitted a request to the Ministry of Urban Development for the reimbursement of Rs. 2.33 crores of expenditure already incurred by them and to enhance the ceiling cost as recommended by the Technical Committee to

Rs. 11,931/- per plot for the development of remaining plots in Phase III Programme.

24. The Ministry of Urban Development could not get the approval of the Cabinet on both the issues. Resultantly the issue of rehabilitation of these displaced persons/refugees from erstwhile East Pakistan remained pending.

25. The Committee do not understand the logic for not placing the simple facts before the Cabinet for its formal approval. The inactiveness on the part of the Ministry of Urban Development has not only kept the approved plan pending but also a large number of displaced persons/refugees without proper shelter. The Committee deprecate the tardiness on the part of the Ministry of Urban Development and desire that the responsibility be fixed for not taking a proper course of action and keeping the programme pending in the files.

26. The Committee are also sure about the manner in which the Ministry of Urban Development have tried to shift their responsibility to the Ministry of Home Affairs on one or the other pretext and deprecate their lackadaisical approach to such an issue of public importance. The Committee do not appreciate the arguments put forward by the Ministry of Urban Development for dropping of the assurance.

27. The Committee also take a serious note of the fact that no provision was made in the Budget for the scheme by the Ministry of Urban Development either in the plan or non-plan side, even though an assurance was given on the floor of the House as far back as in 1992. Consequently, the reimbursement of Rs. 2.33 crores spent by the State Government in excess of the Central assistance released also could not take place. The contention of the Ministry that the Planning Commission did not agree to release the funds as 'plan' but only 'non-plan' item is therefore not very convincing. The Committee desire that all concerted efforts should now be made to get the expenditure of Rs. 2.33 crores reimbursed to the Government of West Bengal immediately by making suitable provision in the Budget.

28. The Committee also note that average development cost of Rs. 11,931/- per plot as recommended by the Technical Committee set up by Government of West Bengal has further been revised to Rs. 17,777/- by the CPWD Technical Committee after taking into account the escalation factor over a period of time. This revised cost has also been accepted by the Ministry but is yet to be finally approved by the Committee of Secretaries. After having taken into account the very fact that already sufficient precious time has been wasted, the Committee urge that all urgent steps should be taken by the Ministry of Urban Development towards expeditious implementation of the Phase III programme. Detailed financial implications should be worked out forthwith after taking into consideration the revised unit cost. The very issue whether the Scheme is to be considered under the 'plan' or 'non-plan' expenditure should also be sorted out immediately by the

Committee of Secretaries and by placing the matter before the Cabinet for final decision. They also desire that the Ministry of Urban Development should also monitor the scheme closely and effectively so that delays in its implementation does not result into further escalation in cost by any means.

NEW DELHI;
March 22, 1995

Chairtra 1, 1917 (Saka)

BASUDEB ACHARIA,
Chairman,
Committee on Government Assurances.

APPENDIX I

(Vide Para 5 of the Introduction)

MINUTES

Twelfth Sitting

MINUTES OF THE COMMITTEE ON GOVERNMENT ASSURANCES HELD ON WEDNESDAY, SEPTEMBER 7, 1994 IN COMMITTEE ROOM NO. '50', PARLIAMENT HOUSE, NEW DELHI

The Committee met on Wednesday, September, 7, 1994 from 15.00 hours to 16.00 hours.

PRESENT

Shri Basudeb Acharia — *Chairman*

MEMBERS

2. Shri P. P. Kaliaperumal
3. Major D.D. Khanoria
4. Shri Surendra Pal Pathak
5. Shrimati Suryakanta Patil
6. Shri Nawal Kishore Rai
7. Shri Yoganand Saraswati
8. Shri V.S. Vijayaraghavan

SECRETARIAT

Shri Murari Lal	— <i>Joint Secretary</i>
Shri Joginder Singh	— <i>Director</i>
Shri Madan Lal	— <i>Assistant Director</i>

MINISTRY OF URBAN DEVELOPMENT

1. Dr. J.P. Singh — *Secretary*
2. Shri K.S. Sripathi — *Joint Secretary*
3. Dr. P.K. Mohanty — *Director (UD)*

MINISTRY OF HOME AFFAIRS

1. Shri K. Padmanabhaiah — *Home Secretary*
2. Dr. S.D. Trivedi — *Special Secretary*
3. Shri S. Datta — *Joint Secretary*

2. The Committee took oral evidence of the representatives of the Ministries of Urban Development and Home Affairs in connection with

non-implementation of the assurance given on July 16, 1992 in reply to Unstarred Question No. 1362 regarding funds for development of refugees colonies in West Bengal.

3. At the outset, the Chairman welcomed the representatives of both the Ministries and drew their attention to the provision of Direction 58 of the Directions issued by the Speaker, Lok Sabha under the Rules of Procedure and Conduct of Business in Lok Sabha and clarified to them that their evidence was likely to be treated as public and was liable to be published unless the witnesses specifically desired that all or any part of the evidence given by them was to be treated as confidential. It was further explained to the witnesses that even though the evidence was desired to be confidential, such evidence was liable to be made available to the Members of Parliament

4. Thereafter, the Committee enquired about the reasons for taking one year to make a request to the Committee for dropping of the assurance. The Secretary, Ministry of Urban Development stated as follows:—

“This particular scheme has been in operation for a long time. It was being looked after by the Ministry of Relief and Rehabilitation. At that time it was taken up by that Ministry. After that Ministry was abolished, the Rehabilitation Division was sent to the Home Ministry. Then the question of looking after this scheme came to the Urban Development Ministry. In that particular year, in June, 1992, the question was put up and the memorandum by the Hon. MPs was given to the Minister. In that connection, we went to the Ministry of Finance as well as the Planning Commission to give us money so that we can pass it on to the State Government for the development of Services and to develop the infrastructure for the displaced persons. Both the Ministry of Finance and Planning Commission declined our request and we just did not have any money nor do we have it till now and in this process during 1992-93 and 1993-94 we were under correspondence. We were in the process of getting money and hoping that some allocation would come to us so that we can pass it on to the West Bengal Government. That is the reason why we took almost a year in this consultation. We are still pursuing it with these two Ministries. We had not only doing that, but we had also put it up before the Committee of Secretaries on two occasions. We had gone to the Committee of Secretaries saying that a particular revised investment per plot will be approved. That was based on an earlier cost of investment and then they gave the direction that we should come with latest cost index. On the 12th August, 1994 we have again submitted another note to the Committee of Secretaries saying that the present cost has gone up from Rs. 11,900/- to Rs. 17,777/- and that we should be given that amount of money so that we can pass it on to the State Government. Now, the issue whether the Ministry should really continue with this funding process. That means, the

work is being done by the State Government. It is the question of release of funds to the State Government for displaced persons' colonies and we at that time in the Ministry thought it should be handled by Home Ministry because it is a question of release of funds through the Ministry of Home Affairs. Anyway, no decision had, so far been taken and that is where the matter lies now".

5. The Committee when pointed out the rehabilitation work was the responsibility of the Ministry of Home Affairs and why that Ministry was shirking from the responsibility, the Secretary, Ministry of Home Affairs clarified as follows:—

"There is no dispute. The matter is quite clear because I must bring it to your kind notice that earlier there was a Ministry of Supply and Rehabilitation. It was never part of the Ministry of Home Affairs. But in the course of time, so many changes took place. It was then wound up and this particular subject of rehabilitation or the development has been assigned by the Cabinet in 1976 by a Cabinet decision, to the Ministry of Urban Development. Thereafter, the funds were made available to the Ministry of Urban Development.

The works were to be completed in three phases and the first two phases were completed by them. For revised cost a technical Committee was constituted by the Ministry of Urban Development. There were three people in that Committee. There was a representative from the Central Public Works Department, another representative from the State Public Works Department and the third representative was from the Calcutta Metropolitan Development Authority. So, all along right from 1976 the work was being carried out by the Ministry of Urban Development.

I would be able to throw some light because before Dr. J. P. Singh took over as the Secretary, Urban Development, I was the Urban Development Secretary. Since the question of funds came, we approached the Ministry of Finance and the Planning Commission. Nobody gave us the funds. So, I went to the Committee of Secretaries and the note was actually prepared by me. But weak attempt was made asking them to please find out as to who is dealing with this subject. I told that if we have to deal with it, we may be given the funds. Then, the Committee of Secretaries decided that this is to be done by them. The expenditure was borne by them for two phases.

There is another point. In 1985, when the Ministries were reconstituted, again rehabilitation became a part of the Ministry of Home Affairs. But that had more to do with the Sri Lankan refugees. In this particular case, what is involved is much more than relief. It is more a question of developmental work like laying of roads, giving houses and providing them electricity etc. These works, basically, fall within the purview of the Ministry of Urban Development if it is an urban area and the Ministry of Rural Development if it is a rural area. So, this has been considered a number of times and a conscious decision has been taken. After the decision has been

taken, they have again gone back asking for funds. In fact, in April itself they even prepared a Draft Cabinet Note on that basis."

6. When pointed out that in the dropping request received from the Ministry of Urban Development the Committee had been informed that the Planning Commission had not agreed to release the funds as planned and the Ministry had also taken a decision to transfer this item of work to the Ministry of Home Affairs, the Secretary, Ministry of Urban Development explained to the Committee as follows:—

"You are very right. We were taking the position in the Ministry as the Home Secretary stated that it is only a question of release of funds and it is not the question of CPWD going to the spot and constructing the roads and other infrastructure. This work will be done by the State Government and the money has, so far, been released to the State Government. It was a question of whether it should be really funded by us. As a matter of fact, it is the third phase which is much more costlier in the sense that so far we have given about Rs. 9.68 crore. In the third phase, it is about Rs. 70 or Rs. 80 crore.

There were two things, one was the number of plots and the other was the cost escalation. Now, we said that we should be given money in the Budget and we will release it immediately. There is no trouble about that. But the Ministry of Finance says that there is no Budget head for this particular purpose in this Ministry and the Planning Commission says that it is not a plan scheme. So the fact is that we have again gone back to the Committee of Secretaries saying that you kindly give the dispensation as to which particular Ministry should do it. If we have to deal with this matter then we should be provided with funds. Now we have thought of even going to the Cabinet again."

7. The Committee when pointed out that the issue had been hanging for a long time and desired to know why it was not being sorted out by them. The Secretary, Ministry of Urban Development stated that at that point of time, the Committee of Secretaries had given the dispensation that it should be looked after by the Ministry of Urban Development. He further explained as follows:—

"I am not at all averse to handling this issue as we do not have to do any thing... Initially this work was under the Ministry of Works and Housing and whatever funds would be made available to various Ministries for construction of sites and services would get reflected into CPWD Budget heads. Then we used to release the funds to the CPWD because they will do the work otherwise funds will be passed on to the State Governments. As of today there is no budget head for such a particular activity under the Ministry of Urban Development. The Committee of Secretaries went on saying that you have to deal with this issue as you were dealing it for the last 10 years. All right we will do it. There is no trouble about that. But we go to

the Ministry of Finance or the Planning Commission for getting money for this, they do not give any money for this."

8. The Committee enquired about the reasons for not allocating the funds when the Ministry of Finance had already entrusted the work to the Ministry of Urban Development. The Secretary, Urban Development, informed that the Ministry of Finance suggested to the Urban Development to make it a plan scheme.

9. The Committee further enquired about the year when the Government of India decided to develop 1,03,157 plots for the refugees... To its, the Secretary, Urban Development gave the following facts:—

"There was a Committee sometimes in 1976 which gave this recommendation and it was a decision of Cabinet to develop 1,03,157 plots. It was decided that for those persons who have migrated from East Pakistan there should be some kind of colonies made. It was also decided that there will be 1008 colonies at cost of Rs. 52.34 crores, the unit cost being Rs. 4,560. There were about 120 colonies, 24,196 plots. The unit cost of development per plot was Rs. 1700/-. Now after that in phase one from 1976 to 1982 about 12,000 plots were to be developed at a cost of Rs. 2.68 crores. In the second phase there were about 29,825 plots against a cost of Rs. 7 crores. Later on we found that in phase three the balance of plots which were 61,332 had to be at a unit cost developed of Rs. 11,931. Ultimately it was found that the unit cost is Rs. 17,777 and we found that its total cost is going to be Rs. 78.25 crores plus Rs. 2.33 crores which we have not been able to pay in that Phase-II. Now that is the present position. We need about Rs. 80 crores which we should be spending over a period of time."

10. The Committee desired that the Ministry of Home Affairs and the Ministry of Urban Development both should jointly undertake this work. In reply, the Ministry of Home Affairs clarified their stand on this issue by stating as follows:—

"As far as my views are concerned, I am quite clear in my mind. If one department cannot do it and if you add another department to it, you would be only complicating the matters. There should be only one boss. It should be either him or me. There are considered opinions, decision taken at the Cabinet level, at the level of Committee of Secretaries where everybody was there. Let me also mention that this was not an old decision. This was a very recent decision taken on 8th March, 1994, just four months ago. The Committee of Secretaries is presided over by the Cabinet Secretary, and the Finance Secretary, Member Secretary of Planning Commission the Urban Development Secretary, the Home Secretary, The Rural Development Secretary, Secretary (Economic Affairs) are all members of it. As Shri Singh had mentioned it is a question of

getting the funds. So, merely saying that somebody else should takeover does not solve the problem. I will read out the last paragraph of the decision' taken by the Committee of Secretaries.

"The requirement of funds for development of the remaining plot of the originally approved 103157 number may be met from within in the Budget allocation of the Ministry of Urban Development on the Plan side. The question of additionality of outlays required for the purpose may be settled in consultation with the Planning Commission and the Ministry of Finance."

It has been clearly spelt out. What needs to be done is immediately to do that. Not only that, in fact, it says:

"The costs may be suitably revised upwards taking into account the escalation in costs that have occurred between 1987 to 1994. The Ministry of Urban Development may in consultation with the CPWD work out a simple escalation factor for calculating the revised unit cost and seek the Cabinet's approval for the revised cost. Within a month, they have prepared the note but still it has not yet been approved. Till 1990 they have spent the money. I can not really understand as to why there is no budget."

11. The Committee enquired if the Ministry of Urban Development had asked for budgetary allocation for this scheme before the finalisation of its annual plan. The Secretary, Ministry of Urban Development submitted that they had been asking for two years.

The Home Secretary further explained as follows:—

"This is the problem, Sir. My previous experience shows that because it comes in fits and starts this demand was not projected. It is neither his mistake nor mine; it is in the system. The demands were not projected at the right time.

12. The Secretary, Ministry of Urban Development further projected their view on it as given below:—

"When the first two phases were completed, we did not take up the matter, during the annual plan budget preparation, that funds should be provided under this particular thing. But at that particular time, phase-III cost escalation details had not been worked out. The Planning Commission said that they can not include this at that moment unless we decide whether phase-III would be taken up at all or not. They had not even provided a line entry under the budget head for this purpose. That was the stand taken by them."

13. The Committee further desired to know when the proposal to develop the displaced persons colonies was mooted and when the fund was released. To it, the Secretary, Urban Development replied as follows:—

“It was in March 1975 that the Department of Rehabilitation constituted a working Group to examine the issue of provision of infrastructural facilities in the displaced persons colonies and that Group submitted its report in March 1976. Thereafter the Cabinet decision was taken. It must have been just after that, but I would not be able to give you the exact date right now .. the funds were released by the Ministry of Urban Development. It was called Ministry of Works and Housing at that time.”

14. The Committee enquired why the funds was not released by the Ministry of Supply and Rehabilitation. To it, the Home Secretary replied as follows:—

“In 1975, when this proposal was being considered, it was a question of rehabilitation. After the partition, 41.17 lakh persons migrated from former East Pakistan of which 31 lakh people settled in West Bengal. Again in 1964-71, another 11 lakh new migrants came over to India. These old and new migrants were all rehabilitated. The question was how to improve the condition of those colonies and how to provide more infrastructure by giving water and electricity. The only agency that was available was the Ministry of Urban Development which is the right one. It is a town planning activity. The funds would be released for them. That is how the Urban Development Ministry came into the picture.”

15. The Committee enquired when the matter was taken up with the Ministry of Finance for releasing 2.33 crores additional expenditure already incurred by the State Government. The representative submitted as follows:—

“The representation itself contained taking up of phase III as well as refunding the additional expenditure of Rs. 2.33 crores which the State Government has incurred. These two points were taken into consideration while we approached the Planning Commission for providing funds under the head Ministry of Urban Development. Since the Planning Commission did not agree for provision of funds, both the matters namely, taking up phase III of the project and the refunds of Rs. 2.33 crores which was spent by the State Government in excess of the money which the Central Government had already released, could not be acted upon and the money could not be given. The total amount spent was Rs. 12.01 crores. That was the amount which was spent by the State Government.”

16. The Committee was also furnished the basic facts that the West Bengal Government proposed 2.5 lakhs plots. The Cabinet took a decision in 1976 to develop 1,03,157 plots. In phase I and II 59, 132 plots were developed. The remaining plots were to be developed in the phase III. The grant released by the Central Government was Rs. 9.68 crores for 41825 plots whereas the State Government had developed more plots and incurred much more amount. This was the discrepancy. The Planning Commission said that since they had gone ahead and developed more and additional expenditure had been incurred without the budget provision, it could not be provided under their Budget. The Planning Commission could not go with the revised estimates because that was not provided for in the original Budget.

17. The Committee enquired about raising the ceiling limit. The Secretary, Urban Development, submitted as below:—

“The CPWD Technical Committee have gone into that and they have recommended a new ceiling which is about 17,777. The Ministry has accepted it and we are going to the Committee of Secretaries with that. It was an excess expenditure. At that time they did not provide it in the Budget. Now we are going to the Committee of Secretaries for sorting out these issues as to whether we should continue with this and whether it should be regarded as a non-plan activity or a plan activity.”

18. The Committee enquired about the sanction of funds for the Phase III programme. The witness finally gave the following reply:—

“I would like to ensure you that we will do everything in our powers. I am prepared to do all that to sort out with the concerned Ministries. I have already told my people that we shall go to the Cabinet. State Governments keeps on shouting at us. We keep on saying and we keep on going to other people and it becomes very difficult. So, we will be going to Cabinet, if need be. Otherwise, we hope that we should be able to get funds.”

19. The Committee then adjourned.

MINUTES

Third Sitting

MINUTES OF THE SITTING OF THE COMMITTEE ON GOVERNMENT ASSURANCES HELD ON WEDNESDAY, MARCH 22, 1995 IN COMMITTEE ROOM NO. 'B', PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee met on Wednesday, March 22, 1995 from 15.00 hours to 16.00 hours.

PRESENT

Shri Basudeb Acharia—CHAIRMAN

MEMBERS

2. Shri Gurcharan Singh Dadhahoor
3. Shri Santosh Kumar Gangwar
4. Shri Prabhu Dayal Katheria
5. Shri J. Chokka Rao

SECRETARIAT

1. Shri Murari Lal — *Joint Secretary*
2. Shri Madan Lal — *Assistant Director*

2. The Committee considered the draft Twenty Seventh Report of the Committee on Government Assurances and adopted the same. The Committee authorised the Chairman to present the Report of the Committee during the current Budget Session.

3. The Committee, thereafter, took up for consideration Memorandum No. 110 containing a batch of 59 pending assurances of the Eighth Lok Sabha pertaining to the Department of Atomic Energy, Ministries of Defence, Environment & Forests, Finance, Health and Family Welfare, Home Affairs, Human Resource Development, Labour, Railways, Steel, Surface Transport, Urban Development and Welfare. After reviewing all the 59 assurances, the Committee decided to take oral evidence of the Ministries of Finance and Urban Development.

4. The Committee also took stock of the remaining 27 assurances of the Eighth Lok Sabha. The Committee was informed that implementation Reports in respect of 16 assurances had already been laid on the Table of the House by the Ministry of Parliamentary Affairs. 11 assurances were,

however, still pending. The Committee decided to review the second batch of 11 pending assurances later on.

5. The Committee was also informed that the Secretary of the Ministry of Labour and the Secretary, Ministry of Urban Development appeared before the Chairman of the Committee on March 13 and March 20, 1995 respectively in respect of non-implementation of the following two pending assurances:—

(i) an assurance given on December 9, 1994 in reply to USQ No. 576 regarding Child Labour (Prohibition & Regulation) Act, 1986; and

(ii) an assurance given on December 7, 1994 in reply to USQ No. 24 regarding allotment of plots to the weavers of Sawan Park, Delhi.

6. The Committee was apprised by the Chairman that the Secretary, Ministry of Labour, assured the Chairman that a Bill regarding Child Labour (Prohibition & Regulation) Act, 1986 would be introduced during the current Budget Session of Parliament.

7. The Chairman also informed that the Secretary the Ministry of Urban Development and the Vice Chairman, Delhi Development Authority had stated that alternate plots would be allotted to the weavers of Sawan Park latest by the end of June, 1995.

8. The Committee then adjourned.
