

14

**STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2005-2006)**

FOURTEENTH LOK SABHA

MINISTRY OF URBAN DEVELOPMENT

**DEMANDS FOR GRANTS
(2006-2007)**

FOURTEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

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STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2005-2006)

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MINISTRY OF URBAN DEVELOPMENT

DEMANDS FOR GRANTS
(2006-2007)

Presented to Lok Sabha on 22.5.2006

Laid in Rajya Sabha on 22.5.2006



LOK SABHA SECRETARIAT
NEW DELHI

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COMPOSITION OF THE STANDING COMMITTEE ON
URBAN DEVELOPMENT (2005-2006)

Mohd. Salim — *Chairman*

MEMBERS

Lok Sabha

- *2. Shri Pawan Kumar Bansal
3. Shri Avtar Singh Bhadana
4. Shri Surendra Prakash Goyal
5. Shri Pushp Jain
6. Shri P. Mohan
7. Shri Shripad Yesso Naik
8. Shri Amitava Nandy
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16. Shri Sugrib Singh
17. Shri K. Subbarayan
18. Shri Ravi Prakash Verma
19. Shri Suresh Ganpatrao Wagmare
20. Shri Akhilesh Yadav
21. Shri Baleshwar Yadav

*Ceased to be the member of the Committee consequent upon his becoming Minister
w.e.f. 29.1.2006.

Rajya Sabha

22. Shri Varinder Singh Bajwa
23. Shri Jayantilal Barot
24. Shri Urkhao Gwra Brahma
25. Shri Prasanta Chatterjee
26. Shri B.K. Hariprasad
- **27. Shri Faqir Chand Mullana
28. Shri Laxminarayan Sharma
29. Shri Shahid Siddiqui
30. Smt. Syeda Anwara Taimur
31. Shri Nandi Yellaiah

SECRETARIAT

- | | | |
|-------------------------|---|-----------------------------|
| 1. Shri S.K. Sharma | — | <i>Additional Secretary</i> |
| 2. Shri S. Bal Shekar | — | <i>Joint Secretary</i> |
| 3. Shri K. Chakraborty | — | <i>Director</i> |
| 4. Smt. Neera Singh | — | <i>Under Secretary</i> |
| 5. Shri A.K. Srivastava | — | <i>Assistant Director</i> |

**Ceased to be the member of the Committee consequent upon his retirement from Rajya Sabha *w.e.f.* 2.4.2006.

ABBREVIATIONS

AUWSP	—	Accelerated Urban Water Supply Programme
BE	—	Budget Estimates
CDP	—	City Development Plan
CPWD	—	Central Public Works Department
DDA	—	Delhi Development Authority
DMRC	—	Delhi Metro Rail Corporation Ltd.
DPR	—	Detailed Project Report
DUAC	—	Delhi Urban Arts Commission
EFG	—	Expenditure Finance Committee
GBS	—	Gross Budgetary Support
GPRA	—	General Pool Residential Accommodation
HUDCO	—	Housing and Urban Development Corporation
IDSMT	—	Integrated Development of Small and Medium Towns
IEBR	—	Internal Extra Budget Resources
JBIC	—	Japanese Bank for International Cooperation
JNNURM	—	Jawaharlal Nehru National Urban Renewal Mission
NBCC	—	National Building Construction Corporation
NUIF	—	National Urban Infrastructure Fund
NSSO	—	National Sample Survey Organisation
SHG	—	Self Help Group
UIDSSMT	—	Urban Infrastructure Development Scheme of Small and Medium Towns
ULB	—	Urban Local Bodies
USIS	—	Urban Spatial Information System
UTs	—	Union Territories

INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2005-2006) having been authorised by the Committee to submit the Report on their behalf, present the Fourteenth Report on Demands for Grants (2006-2007) of the Ministry of Urban Development.

2. Demands for Grants have been examined by the Committee under Rule 331E(1)(a) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee took evidence of the representatives of the Ministry of Urban Development on 7th April, 2006.

4. The Committee considered and adopted the Report at their sitting held on 18th May, 2006.

5. The Committee wish to express their thanks to the officials of the Ministry of Urban Development for placing before them the requisite material and their considered views in connection with the examination of the subject.

6. They would also like to place on record their deep sense of appreciation for the invaluable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

NEW DELHI;
19 May, 2006

29 Vaisakha, 1928 (Saka)

MOHD. SALIM,
Chairman,
Standing Committee on Urban
Development.

REPORT

CHAPTER I

Introductory

1.1 The Ministry of Urban Development is entrusted with the responsibility of broad policy formulation and monitoring of programmes in the areas of urban development, urban water supply and sanitation. Although, these matters are essentially State subjects, but the Government of India plays a primary role of co-ordinating and monitoring and it supports these programmes through Centrally Sponsored Schemes. In addition to this, the Ministry is also entrusted with the responsibility of planning and co-ordination of urban transport matters.

1.2 The other set of responsibilities of Ministry of Urban Development pertains to construction and maintenance of Central Government buildings, including residential accommodation, with the exception of those under the Ministry of Defence, Atomic Energy, Railways and Communication. It is also responsible for management of Central Government land/property, most of which is confined to Delhi and some of the metropolitan cities. These functions are discharged through the Central Public Works Department (CPWD) and Land and Development Office (L&DO). Printing & Stationery requirements of all the Central Government Ministries/Departments and stocking and selling of Government publications are also looked after by this Ministry.

1.3 Under its administrative control, the Ministry of Urban Development has four Attached and three Subordinate Offices, two Public Sector Undertaking and five Statutory/Autonomous Bodies.

I. Attached office

- (i) Central Public Works Department;
- (ii) Directorate of Printing;
- (iii) Directorate of Estates; and
- (iv) Land Development office.

II. Subordinate offices

- (i) Town and Country Planning Organization (TCPO);
- (ii) Government of India Stationery Office; and
- (iii) Department of Publication

III. Public Sector Undertakings

- (i) National Building Construction Corporation (NBCC); and
- (ii) Delhi Metro Rail Corporation (DMRC). The DMRC is partly funded by the Government of India (Ministry of Urban Development) and the Government of National Capital Territory of Delhi.

IV. Statutory/Autonomous bodies

- (i) The Delhi Development Authority (DDA);
- (ii) The Delhi Urban Arts Commission (DUAC);
- (iii) The National Capital Regional Planning Board;
- (iv) The National Institute of Urban Affairs; and
- (v) The Rajghat Samadhi Committee.

1.4 The overall BE 2006-07 is Rs. 3448.98 crore (Gross), including both Plan and Non-Plan. Anticipated recoveries during the year 2006-07, itself, will be of the order of Rs. 242.72 crore. Thus, the net budget of this Ministry, both Plan and Non-Plan, works out to Rs. 3206.26 crore. The respective provisions on the Revenue and Capital sides are Rs. 1786.47 crore and Rs. 1419.79 crore. The relevant break-up of Plan and Non-Plan provision is Rs. 1849.78 crore and Rs. 1356.48 crore, respectively.

1.5 The detailed Demands for Grants 2006-2007 of the Ministry were laid in Parliament on 7th April, 2006.

1.6 The Ministry of Urban Development has there three Demands *viz.*:—

- (i) Demand No.99 – Urban Development
- (ii) Demand No. 100 – Public Works, and
- (iii) Demand No.101 - Stationery and Printing

1.7 Demand No. 99 pertains to various Schemes of Urban Development *viz.*:—

- (i) Infrastructure Development of Mega Cities,
- (ii) Integrated Development of Small and Medium Towns (IDSMT) and
- (iii) Accelerated Urban Water Supply Programme (AUWSP)

These schemes have been subsumed in the newly launched scheme *viz.* Jawaharlal Nehru Urban Renewal Mission (JNNURM) which is applicable to cities/urban agglomerations across States in the Country. 63 such cities and urban agglomerations would be covered under (i) JNNURM and (ii) Urban Infrastructure Development of Small and Medium Towns (UIDSSMT), which applies to all cities/towns as per 2001 census, excepting cities/towns covered under JNNURM. Both these schemes have been launched on 3rd December, 2005 for the integrated development of infrastructure services in cities and towns. The duration of these Mission-Mode Programme would be seven years beginning from the year 2005-2006. For the Financial year 2005-2006, an outlay of Rs.5467.17 crore has been earmarked which includes allocation for sub-Mission-I on Urban Infrastructure and Governance and Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT). An amount of Rs.3400 crore has been proposed for sub-Mission-I and UIDSSMT for the year 2006-2007. Since these two newly launched schemes are in the introductory stage; the present Report of the Committee primarily deals with the performance of (i) Mega City Scheme (ii) IDSMT and (iii) AUWSP, which have been subsumed either in JNNURM or UIDSSMT with special reference to these new schemes and the Demands for Grants (2006-2007) of Ministry of Urban Development.

1.8 Besides the above schemes the present Report has also commented upon some other schemes which have not yet started but budgetary allocation have been made for them. These schemes are:—

- i. Pooled Finance Development Scheme,
- ii. Mission Mode on IT
- iii. National Urban Infrastructure Fund
- iv. National Urban Information System, and
- v. Hospital Waste Management

1.9 Demand No. 100 pertains to public works with special reference to CPWD, which is a major construction and maintenance agency of Government of India in respect of both residential and non-residential accommodation. The present Report will examine in brief the issues pertaining to CPWD and its drawbacks in matters of poor repairing, maintenance and work in residential accommodation, and their liaisoning with Urban Local Bodies.

1.10 Demand No. 101 covers Directorate of Stationery and Printing. As some Government of India's Presses have either been closed or transferred to State Government or going to be privatized, the present Report will dwell upon that important issue.

1.11 Besides examining all the three Demands for Grants, the present Report will also examine in brief the issues pertaining to (i) Delhi Metro Rail Corporation which gets budgetary support under Demand No.99, (ii) Directorate of Estates, and (iii) Housing in Delhi with special reference to Urban Arts Commission and DDA.

Review of status of implementation of the previous recommendations of the Committee contained in Seventh Report of the Committee on Demands for Grants (2005-2006) of the Ministry of Urban Development.

1.12 The Seventh Report (14th Lok Sabha) of the Committee on Urban Development on Demands for Grants (2005-2006) of Ministry of Urban Development was presented to Parliament on 25th April, 2005 and the related Action Taken Report *i.e.* Twelfth Report (14th Lok Sabha) was presented to Parliament on 1st December, 2005.

1.13 In pursuance of Direction 73 A of Directions by the Speaker, the Minister of Urban Development made a statement before the House on 21st December, 2005. The Statement depicted the status of implementation of the recommendations of the Committee made in their Seventh Report (14th Lok Sabha) on the Demands for Grants (2005-2006).

1.14 In their Seventh Report, the Committee had made 45 recommendations. Out of these recommendations, 27 recommendations accepted by the Government, are in the process of implementation and 14 recommendations had not been implemented by the Government. 4 recommendations are not being pursued further by the Committee. Few of these issues have been again dealt with in this present Report.

1.15 The Committee are not happy to note the slow progress in the implementation of the recommendations of the Committee made in their previous Reports on Demands for Grants (2005-2006). The Committee desire that the recommendations of the Committee should be taken more seriously by the Ministry of Urban Development and implemented in a time bound manner.

CHAPTER II

OVERALL ASSESSMENT OF THE DEMANDS FOR GRANTS OF THE MINISTRY OF URBAN DEVELOPMENT FOR THE YEAR 2006-2007,

2.1 Demand No. 99

Ministry of Urban Development Statement Showing BE and RE 2005-06 and BE 2006-07 indicating % hike										
NET BASIS										
Demand No. 99	BE 2005-06		RE 2005-06		BE 2006-07		% Variation over BE 2005-06 Excess(+) Saving (-)		% Variation over RE 2005-06 & BE 2006-07 Excess(+) Saving (-)	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
Revenue	1288.90	341.37	593.90	341.37	678.42	415.45	-47.36%	21.70%	14.23%	21.70%
Capital	687.10	86.79	1882.10	86.79	1038.14	113.36	51.09%	30.61%	-44.84%	30.61%
Total	1976.00	428.16	2476.00	428.16	1716.56	528.81	-13.13%	23.51%	-30.67%	23.51%

2.2 When asked about the reasons for saving of 44.84% in BE 2006-2007 over BE 2005-2006 in Demand No.99, the Ministry in their written reply stated as under:—

“There is higher allocation under Capital Section in Demand No.99 in BE 2006-2007 as compared to BE 2005-2006. However, decrease in 2006-2007 with respect to RE 2005-2006 is due to additional requirement of DMRC which was provided at RE stage, as under:—

Pass Through Assistance to DMRC	=	Rs.1000.00 crore
Equity to DMRC	=	Rs.137.00 crore
Loan to DMRC for purchase of land	=	Rs. 58.00 crore
Total		1195.00 crore

Bulk of the Pass Through Assistance causes through Supplementary Grants every year.

If we compare allocation at BE stage 2006-2007 *w.r.t.* BE 2005-2006, we have received an additional allocation of Rs.351.04 crore in BE 2006-2007.”

When asked as to why Budget Estimate (2006-2007) is lower than the last year's Revised Estimate, the Secretary in his reply stated as under:—

“Sir, as I mentioned last year also, this little unreasonable increase on the Revised Estimate stage in capital expenditure in Demand No.99 is due to the funds required by DMRC for pass through assistance. In the original Budget Estimate we have not given the amount that was projected, for whatever reasons. But we invariably give it without fail when required by the project. We have given funds in two-three instalments when we go for Revised Estimate or supplementary grants. Similarly for this year, we have received a provision of Rs.424 crore for DMRC. Depending on the progress of the project and the amount that is needed for the pass through assistance, I have been assured and I am reasonably confident that this amount would be given to us when we approach the Ministry of Finance.”

2.3 When asked by the Committee, why allocation to DMRC is increased at RE level by Supplementary Demands for Grants, which can be taken at BE stage itself, the Secretary, at the time of oral evidence had stated as under:—

“Sir, I am afraid every time when we go in for the requirement of funds, we do project it as requested by the project authorities. I personally mentioned this in my discussions with the Planning Commission that the allocations be made right in the very beginning rather than going in for supplementary grants or the Revised Estimate every time. I am told that “since you are getting money without any difficulty what does it matter? I do not have any answer beyond that. We have pleaded them every time.”

2.4 The Secretary further clarified as under:—

“Sir, I may hazard a guess? The DMRC's pass through assistance was not included in the Tenth Five Year Plan overall allocation of Rs.6,800 crore. I guess that is the reason we are getting over and above the Tenth Five Year Plan total figures. If we look at the expenditure incurred so far, as against the total provision of Rs.6,800 crore for the Tenth Five Year Plan, we have already incurred a cumulative expenditure of the order of Rs.8,540 crore as on January, 2006 and we expect that this will go up to a little over Rs.11,000 crore by the time the Tenth Five Year Plan is over. Possibly that is the reason.”

2.5 The Committee (2004-2005) in their Seventh Report on Demands for Grants (2005-2006) and the corresponding Action Taken Report *i.e.* 12th Report, had recommended to allocate sufficient amount at the BE stage, itself.

2.6 The Committee are not in agreement with the point of view of the Government that 'though adequate allocations to DMRC are not made at BE stage, taking recourse to RE for requirement of funds for DMRC is an happy arrangement as they are getting this money without any difficulty'. All the more, the Committee are perplexed to learn that recourse to Supplementary Grants for DMRC is made in a routine manner. The Committee are of the firm view that such routine practice of placing Supplementary Grants instead of advancing an adequate allocation at BE stage, itself, jeopardizes the constitutional obligation of the accountability of the executive to Parliament in financial matters. They therefore, reiterate their earlier recommendation that taking recourse to supplementary grants of substantial amount to DMRC project indicates lack of financial acumen on the part of Government and the DMRC budget allocation should be made at BE stage, itself.

2.7 Demand No. 100

Ministry of Urban Development Statement Showing BE and RE 2005-06 and BE 2006-07 indicating % hike										
NET BASIS										
Demand No. 100	BE 2005-06		RE 2005-06		BE 2006-07		% Variation over BE 2005-06 Excess(+) Saving (-)		% Variation over RE 2005-06 & BE 2006-07 Excess(+) Saving (-)	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
Revenue	6.00	477.32	6.00	477.32	6.00	634.80	0.00%	32.99%	0.00%	32.99%
Capital	98.33	139.65	98.33	139.65	127.22	140.87	29.38%	0.87%	29.38%	0.87%
Total	104.33	616.97	104.33	616.97	133.22	775.67	27.69%	25.72%	27.69%	25.72%

2.8 From the above statement, it is evident that there is substantial increase both in Plan and Non-Plan allocations over the last year. In this regard, the Director General CPWD has submitted during evidence as under:—

“Sir, in the current Budget, there are two or three positive elements. As you are well aware—we have presented it before the Committee

earlier also – our maintenance Budget has almost remained stagnant during the last five years because of which our capacity became very limited in addressing the maintenance and particularly special repairs. Now we are able to convince the Ministry of Finance about our extra needs. Particularly under ‘Housing’ head of 2216, we have been able to get additional funds for both special repairs and regular maintenance. So, we have already made some current programmes for attending to these and good part of it can be covered. This year we will be able to do that. Special repairs are particularly important because we are also planning to do the face lifting of the buildings. The buildings are looking quite old; at many places we want to take up the scheme of face lifting and upgradation for which we requested the Planning Commission as well as the Finance Ministry to give some additional funds under the capital head of account. This time we have been provided with additional funds for both upgradation and for retrofitting. It is because certain buildings, particularly after revision of earthquake code, need some retrofitting. For this, we have received some additional fund. With that additional fund, we will be able to carry out the repairs and then under this head we will be able to do the upgradation and also retrofitting.”

2.9 The Committee are happy to note that a substantial increase has been made under Demand No. 100 for public works. They hope that CPWD would now be able to take up repairing and maintenance of both residential and non-residential buildings, which were hitherto languishing due to financial crunch. As accepted by the Director General, CPWD during evidence, certain buildings need some retrofitting as they have become quite old and require face lifting. The Committee, therefore, expect that CPWD would prioritize the work, do the proper spadework in coordination with other service providing agencies, and carry out the needful so as to utilise the amount judiciously to the satisfaction of occupants of the CPWD constructed/maintained dwelling units and office complexes. The Committee recommend that the maintenance works pending for a long time must be initiated and completed in a time bound manner by involving efficient work contractors and artisans.

2.10 Demand No. 101

Ministry of Urban Development

Statement Showing BE and RE 2005-06 and BE 2006-07 indicating % hike

Demand No. 101

	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
Revenue	—	54.24	—	49.90	—	51.80	—	-4.50%	—	3.81%
Capital	—	0.35	—	0.10	—	0.20	—	-42.86%	—	100.00%
Total	0.00	54.59	0.00	50.00	0.00	52.00		-4.74%		4.00%

2.11 On being asked about the reasons for increasing Capital investment in respect of Demand No. 101, the Ministry in their written reply stated as under:—

“Initially in the BE of 2005-06, Rs.0.35 crore was provided under the head 4058—Capital Outlay of Stationery and Printing (Machinery & Equipment and Motor Vehicles), but some of the proposal for purchase could not be finalized in the year 2005-06. Accordingly RE for 2005-06 was reduced to Rs.0.10 crore. In order to meet the requirement, the BE for the year 2006-07 has been increased to Rs.0.20 crore against the R.E. of Rs.0.10 crore in 2005-2006.”

2.12 As per out-come Budget, Government of India Presses are under modernisation process. For modernization, purchase orders of machines worth Rs.15.00 crore had been placed. Machines worth Rs. 8.50 crore are commissioned/received, and tender of Rs. 5.80 crore is in progress. It has been stated that decision regarding closure of two presses is under consideration of the Government. With regard to Government of India Stationery Office, it has been mentioned in the out-come Budget that Expenditure Reforms Commission had already recommended for closure of Government of India Stationery Office, but the Ministry of Urban Development has not accepted the above recommendation. The matter is being taken up separately with the Ministry of Finance.

2.13 The Committee in their 7th Report on Demands for Grants (2005-2006) of the Ministry of Urban Development had also noted that delay was involved in the procurement of machineries and modernization of printing Presses. In the Action Taken Statement on the Action Taken Report of the Committee *i.e.* 12th Report, (14th Lok Sabha) the Ministry stated as under:—

“It is informed that 6 Desk Top Publishing Systems (DTP) costing Rs. 5.76 lakh were procured on 14.7.2004 for Santragachi Press and 2 DTP costing Rs.1.92 lakh were procured on 8.4.2004 for Temple Street Press. Staff was hesitant to operate it initially as they wanted redeployment and creation of new posts which was kept in abeyance by Ministry of Finance pending review of Cabinet decision dated 16.8.2002. However due to constant persuasion of staff, the machines have now been put in operation.”

2.14 During the course of oral evidence, Secretary, Urban Development had submitted as under:

“Their modernization process is on, but there has been some delay in the procurement of some machinery which we are now expediting. These Presses and Units will continue.”

2.15 The Committee in their 7th Report had also recommended as under:—

“The Committee recommend that earnest efforts are made at the State as well as the Central level to ensure that the modernization of Printing Presses is completed and the workers handling such machineries are adequately trained to efficiently utilize these State of-the-Art machines.”

2.16 The Committee in their Action Taken Statement on 12th Report stated as under:—

“Proposal for filling up of 115 posts by direct recruitment, 578 by redeployment and 464 critical vacant posts for 11 Government of India Presses under modernization have not been approved by Ministry of Finance due to impending review of Cabinet decision of 16.8.2002. Till proposed staff strength of the Presses under modernization is approved, the employees can not be selected for redeployment and training. However, to the extent possible staff are being trained for operating new machines.”

2.17 At this point, the Secretary, Urban Development also agreed that the entire issue regarding modernization of Printing Presses, deployment of staff etc. needs to be resolved. He submitted as under:—

“The entire issue of staff etc. had gone into this controversy of how many presses are going to remain and now many are not going to remain. Now that it has been decided, the staff will need to be re-skilled. They will have to be trained on the new machinery which require new skills. Some new recruitment will also have to be done. Now, the Finance Ministry will sanction the staff that is needed for running new machines. In addition, there will be redeployment and re-skilling.”

2.18 Regarding transfer of Printing Presses to State Government and their privatization, the Secretary submitted:—

“Shimla Press will be converted into a training-cum-production Centre. Gangtok Press will be given over to Government of Sikkim. The Presses at Mysore, Chandigarh and Bhubaneswar will be privatized but not to the detriment of the staff. This will be a part of the process of privatization.”

2.19 Regarding procurement of printing material by different client organizations, the Secretary at the time of oral evidence informed:—

“...Railways was one of the organization which said they did not want them. Sir we have to improve quality and do marketing. It

is not feasible to force a client organization to buy from a particular printing press. They have to improve their quality of work. They can market their products if they give good value for money of the client. I am sure that with upgradation, they should be able to do so. As I said, the whole thing was in limbo for two and a half years because we did not know which direction we were going. Now that in the month of February this decision has been taken, we should be able to do better."

2.20 The Committee note that the process of modernization of Printing Presses, Staff redeployment, their skill development and rehabilitation have been positively dealt with after a long span of time. The Committee are however, concerned to note that due to the lack of skill upgradation, the workers are unable to use new machines on account of which, a huge loss is incurred every year. They therefore, recommend that skill development should be given top most priority so that new machines do not remain idle. They also recommend that all-out-efforts should be made for improvement of quality of printing so as to make them proficient for facing the competitive market and attract client organizations like Railways to accept their printing services.

2.21 As regards the privatization of Printing Presses, the Committee recommend that the original workers employed in the Government Printing Presses must be given salaries allowances and other benefits accrued to them by restoring their services in the event of privatization of these Printing Presses and imparting proper training for safeguarding their interests.

2.22 As admitted by Secretary during oral evidence that there had been a delay in procurement of machineries, the Committee, therefore, expect that the process of modernization be expedited. The Committee also desire that the Ministry of Urban Development must impress upon Union Cabinet to finalise its decision for filling up vacant posts in the Government Printing Presses by direct recruitment or by redeployment of workers from other Government of India Presses and imparting State-of-the-art training so that modernization process in 11 Government Printing Presses is not hampered due to insufficient manpower.

CHAPTER III

SCHEME-WISE ANALYSIS OF DEMANDS FOR GRANTS 2006-2007

3.1 As mentioned in Chapter I, Government of India has launched two schemes, *viz.* (i) Jawaharlal Nehru Urban Renewal Mission (JNNURM) and (ii) Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) subsuming existing Schemes *viz.* (i) Infrastructure Development in mega Cities Integrated Development of Small and Medium Towns (IDSMT) and (iii) Accelerated Urban Water Supply Programme (AUWSP). The objective of both the new schemes is to encourage the City Government to initiate measures that would bring about improvements in the existing service levels in a financially sustainable manner. The mission calls upon States/cities to undertake fiscal, financial and institutional changes that are required to create efficient and equitable urban centre. During the 10th Plan, Planning Commission has provided Rs. 1050.00 crore for the Mega-City Scheme. As the Scheme has since been subsumed under JNNURM, no new projects have been sanctioned in the current year. Hence, funds are released only for completion of on-going projects. Before commenting upon new schemes, it is imperative to dwell upon the performance of all the three schemes *vis-a-vis* JNNURM and UIDSSMT.

(i) Infrastructure Development in Mega Cities

3.2 The Centrally Sponsored Scheme for infrastructural development in mega cities was initiated during 1993-94. The primary objective of the scheme was to undertake infrastructure development projects of city-wide/regional significance covering a wide range of components like water supply and sewerage, roads and bridges, city transport, solid waste management etc. The scheme also envisaged setting up of a Revolving Fund for infrastructure development on sustainable basis with appropriate direct and indirect cost recovery measures by the Mega City Nodal Agencies by the end of the 9th Five Year Plan. The said Revolving Fund was also meant to act as a vehicle for urban sector reforms to promote long term objectives of the 74th Constitution Amendment Act 1992.

3.3 The main features of the Scheme were as follows:

- (a) The Scheme applied to Mumbai, Kolkata, Chennai, Bangalore and Hyderabad.
- (b) The funds under the Scheme were channelised through a specialised institution/nodal agency at the State level.

- (c) The sharing between the Central Government and State Government would be in the ratio of 25% : 25%; the balance 50% has to be met from institutional finance/capital market.
- (d) The projects under the Scheme consisted of a suitable mix/ basket of (A) remunerative, (B) user charge-based and (C) basic services projects.
- (e) The nodal agencies are required to provide project-related finance for urban infrastructure including water supply, sewerage, drainage, sanitation, city transport networks, land development, slum improvement, solid waste management, etc.

3.4 As the Mega City Scheme is an area development scheme, no specific physical and financial targets are fixed for this scheme. However, the projects under the Mega City Scheme, are sanctioned by a Sanctioning Committee constituted at the state level comprising of three members of the State Government and one member each from the Planning Commission and the Ministry of Urban Development.

3.5 Financial and Physical Progress under Mega City Scheme

Centrally Sponsored Scheme for Infrastructure Development in Mega Cities

Physical Progress

(Rupees in crore)

Name of Mega City	No. of Projects approved	Total Project Cost	Number of Project mobilised			Funds released	Institutional Finance	Expenditure incurred	Revolving Fund
	in progress		completed	yet to commence		Central Share		State Share	
Mumbai	64	1757.84	21	42	1	330.0193	273.0366	297.88	314.08
Kolkata	130	1275.61	32	88	10	307.4304	328.7200	186.49	41.62
Chennai	200	2153.42	34	166	0	270.7422	256.5200	671.63	319.26
Hyderabad	224	2067.05	62	109	53	272.3790	257.2143	183.93	21.00
Bangalore	58	1412.32	19	34	5	241.8498	241.7522	206.83	144.28
Total	676	8666.24	168	439	69	1422.4208	1357.2431	1546.76	840.24

Details of institutional finance mobilized

Mumbai	HUDCO-Rs.73.08 crore, MMRDA-Rs.102.57 crore & ICICI - Rs.25.53 crore
Kolkata	HUDCO-Rs.4.99 crore, Non-SLR Bonds-Rs.181.50 crore
Hyderabad	HUDCO-Rs.68.40 crore and Indian Overseas Bank - Rs.30.00 crore
Bangalore	HUDCO-Rs.67.91 crore and KUIDFC Rs.93.92 crore

3.6 The State Level Project Sanctioning Committees have so far approved 676 projects at an estimated cost of Rs. 8666.24 crore. An expenditure of Rs. 4005.36 crore has been incurred on the completed as well as on-going projects. 439 projects have since been completed and 168 are on going projects as given in the Performance Budget. 69 projects are yet to commence. In Demands for Grants (2006-2007), a planned allocation of Rs. 120 crore has been earmarked for this scheme.

3.7 When asked about the fate of the on-going Projects and the 69 projects which are yet to commence under the Mega City Scheme, the Ministry in their written reply submitted as under:—

“As the Mega City Scheme subsumed in Jawaharlal Nehru National Urban Renewal Mission (JNNURM) launched on 3.12.2005, it has been decided that no new proposal will be taken up under the existing mega city scheme during 2005-2006. Only ongoing projects sanctioned upto 31.3.2005 are provided Central assistance to meet out the committed liabilities. The total central share released under the scheme upto 31.3.2006 is Rs.1508.94 crore. There are 171 ongoing projects as on 31.3.2005 for which Rs.311.00 crore are required as balance central share to ensure completion of these projects.”

3.8 When asked by the Committee as to how the Ministry is going to carry out the ongoing projects in the light of the limited financial share of union government, escalation in price, etc. the Secretary replied as under:—

“We have 171 ongoing projects in all the five Mega Cities. We need to provide another Rs. 310 crore. We have written to the States. We have taken their requirement. We need to provide about Rs. 86 crore to Mumbai to Chennai Rs. 110 crore, to Hyderabad Rs. 114 crore. So, totally, we need to provide Rs. 310 crore. In the current year, we have envisaged a provision of Rs. 120 crore. In case there is going to be enough uptake during the course of the year, then, we will certainly ask for augmentation of this particular amount to ensure that the full amount is released. Otherwise, we would be taking it up in the first year of the Eleventh Five Year Plan.”

3.9 When asked about the fate of those projects, which are yet to be commence under the Mega City Scheme the Secretary, replied as under:—

“It has been clarified in the workshops in our interaction with them. Over the above the workshops, I have also met Secretaries of all States and it has been very clearly mentioned to them that projects, which have been approved but the implementation of which has not started, will be covered under JNNURM.”

3.10 The Committee note that all the ongoing projects will be covered under the existing scheme of infrastructure Development of Mega Cities and the new projects, which are yet to be started, will

be covered under JNNURM, among other things. While expressing their concern that only Rs.120 crore has been earmarked against the requirement of Rs. 310 crore, the Committee recommend to enhance the amount at the time of supplementary Demands for Grants in the perspective of physical progress. They therefore, recommend to complete all the 171 on-going projects in the current financial year so that no such on-going projects remain pending during the 11th Five Year Plan. The Committee recommend that concerted efforts must be made to obviate any overlapping of projects in the two schemes *viz.* (i) JNNURM and (ii) Mega City Scheme. The Committee also recommend that adequate budgetary allocation is made for these 171 on-going projects and the State Government persuaded to release timely and adequate share of their funds for the purpose. The Committee would like to be apprised about the latest position in this regard.

(ii) Integrated Development of Small and Medium Towns (IDSMT)

3.11 Since 1979-80, the Centrally Sponsored Scheme of Integrated Development of Small and Medium Towns (IDSMT) is in operation in all States. It aims at the development of selected regional growth centers with infrastructure and service facilities so as to enable such towns to emerge as regional centres of economic growth and employment opportunities and arrest migration to large and metropolitan cities.

3.12 The guidelines for implementing the IDSMT Scheme were last revised in August, 1995. The salient features of the Revised Scheme are:—

- (a) The Scheme will be implemented only in towns with elected local bodies.
- (b) The Scheme has been extended to towns having population upto 5 lakh (earlier limit was 3 lakh).
- (c) Increase in the ceiling limits and change in the nature of budgetary support from soft loan to a grant.
- (d) Reduction in the quantum of institutional finance loan component from 40-70% to 20-40% of the project cost.
- (e) The components for assistance will include works as per City/Town Development/Master Plans, which may have city-wide significance. Some of the components are: strengthening/upgradation of Master Plans roads (including street lighting) and drains, sites and services, markets and development of bus/truck terminals and shopping complexes, tourist amenities, parks, playgrounds, etc.
- (f) At the Central level, monitoring and evaluation of IDSMT projects is carried out by the Town and Country Planning Organisation (TCPO).

3.13 As informed by the Ministry of Urban Development, the proposal for revision of existing IDSMT Scheme guidelines was initiated in the year 2002. It was also anticipated that the existing guidelines of IDSMT would be revised by the middle of the Tenth Plan. However, further action on revision of IDSMT guidelines has been deferred as the existing IDSMT scheme is to be subsumed in the new UIDSSMT scheme.

Revolving Fund

3.14 The Central and State grants will flow to a special Revolving Fund at the municipal level. However, depending on the nature of projects, only 25% of the Central and State Shares could be accounted for as outright grants from the Fund in the case of non-remunerative projects. The remaining 75% of the grants is treated as a corpus to be returned to the Revolving Fund for self-sustaining development of infrastructure.

3.15 The flow back of money to the Fund in the case of category A and B towns (population less than 20,000 and 20,000 to 50,000 respectively) is within a period of 10 years. In case of other categories of towns, it would be 7 years.

3.16 Cost-recovery is required to be built into the projects. As far as projects are concerned, resources must be recovered through suitable mechanisms such as rents, premium/deposits, sale proceeds, user charges, betterment levies, charges/fees for additional city level facilities and services, development charges, property tax hike, etc. and part of these recoveries is credited to the Revolving Fund.

Plan-wise Financial outlays and Physical Progress

(Rs. in Crore)			
Plan Period	Allocation	Central Assistance Released	No. of new towns covered
VI Plan (1980-85)	96.00	63.57	235
VII Plan (1985-90)	88.00	80.02	145
1990-91 & 1991-92	36.00	32.54	137
VIII Plan (1992-97)	155.00	107.80	387
IX Plan (1997-2002)	275.00	236.41	268
Total	650.00	520.34	1172

Year-wise allocation and physical progress during the current plan period

(Rs. in Crore)

Year	B.E.	R.E	Actual	No. of new towns covered
2002-03	105.00	86.43	86.43	168
2003-04	100.00	108.51	108.50	215
2004-05	200.00	199.50	148.00	299
2005-06	100.00	115.00	66.98*	182 (ongoing towns)
Total	505.00	509.94	409.91	682

*upto 31.12.2005

Proposed allocation i.e. BE 2006-07 is Rs.110 Crore for existing sanctioned projects.

3.17 On being asked as to why lesser number of towns were covered under IDSMT during IX Plan as compared to VIIIth Plan in spite of higher allocation and Central Assistance, the Ministry in their written reply stated as under:—

“Guidelines of IDSMT Scheme were revised in August 1995 (i.e. during the 3rd year of the VIII Plan). Higher Central assistance was provided to ongoing project towns in accordance with the new guidelines. Further, during the IX Plan priority was given for completion of on-going projects taken up in the VIII Plan. Hence, this has resulted in coverage of less number of new project towns in the IX Plan.”

3.18 In response to a query as to why lesser amount was allocated during the year 2005-2006 under the Scheme though the scheme UIDSSMT in which the Scheme has been subsumed has been launched on 3rd December, 2005, the Ministry in their written reply stated as under:—

“IDSMT scheme has been subsumed in UIDSSMT scheme, which was launched on 3.12.2005. Therefore, budget allocation under IDSMT during the year 2005-06 is provided to meet committed liabilities of ongoing project towns sanctioned up to 31.03.2005. No new project towns have been taken up under the existing

IDSMT scheme after 31.03.2005. Therefore, lesser amount was provided for existing IDSMT scheme in BE 2005-06."

3.19 As per outcome Budget (2006-2007) 275 towns will be assisted as ongoing targets with an amount of Rs. 110 crore. On being asked to whether these 275 projects would be completed in Rs. 110 crore the Ministry in their written reply stated as under:—

"For the year 2005-06, the target was to assist 215 on-going project towns under IDSMT scheme out of which 182 towns were assisted till 31st January, 2006. A demand of Rs. 161 crore was projected for IDSMT scheme for the year 2006-07 to assist 400 ongoing project towns, whereas Rs. 110 crore only has been allocated by Ministry of Finance during 2006-07. On an average Rs. 40 lakh has been released to 290 on-going project towns during 2005-06 till 30th March, 2006. Accordingly, in the same ratio, an allocation of Rs. 110 crore would be required to assist 275 on-going project towns during 2006-07."

3.20 On a query about the number of towns to be covered under UIDSSMT the Committee were informed that the New Scheme will apply to all Cities/towns as per 2001 census excepting cities/towns covered under JNNURM. There are total 5092 towns as per 2001 census, out of which 1854 towns have already been covered as on 31.12.2005 since the inception of scheme *i.e.* from 1979-1980. 275 towns are likely to be covered during 2006-2007. Thus, total 2129 towns are likely to be covered by 31st March, 2007 under IDSMT. The remaining towns *i.e.* 2963 are to be covered under IDSMT component of UIDSSMT in a span of Seven years.

3.21 On being asked as to how the Ministry propose to cover 2963 towns in seven years when only 1854 towns could have been covered in the span of 15 years, the Ministry in their written reply had stated as under:—

"Since inception of the IDSMT Scheme, 1854 project towns as per 1991 Census have been covered till 31st March, 2005. Target for 2006-07 is to assist 275 ongoing project towns only covered till 31st March, 2005. Hence, they cannot be added up in the over all number of towns to be covered under UIDSSMT Scheme. Under the new scheme of UIDSSMT, it is proposed to cover all the towns as per 2001 Census over a period of seven years beginning from 2005-06, excluding cities covered under JNNURM, subject to the allocation of adequate funds and submission of project proposals

by the State Level Nodal Agency as per UIDSSMT guidelines. A budget provision of Rs. 900 crore has been earmarked for the year 2006-07 as Additional Central Assistance under new scheme of UIDSSMT, which is substantially higher than the allocation under existing IDSMT and UIDSSMT Schemes for the year 2005-06.”

3.22 The Committee note that 275 ongoing project towns under IDSMT are to be completed during the year 2006-2007 with the meagre sum of Rs. 110 crore. The Committee are given to understand that on an average, Rs. 40 lakh had been released for 290 on-going projects during 2005-2006 *i.e.* till 30th March, 2006. Therefore, on the same ratio an amount of Rs. 110 crore has been allocated for the 275 on-going projects during the year 2006-2007. In the circumstances, the Committee cannot but express their dissatisfaction over the fact that that in 2005-2006, only Rs. 40 lakh could be released for 290 on-going project towns, which is a very meagre sum. The Committee strongly deprecate the slow pace of work in these 290 projected towns and delay in the releases of funds. The Committee recommend that the 275 project towns in 2006-2007 must be adequately funded for the completion of the on-going projects and extensions of the benefits of UIDSSMT Scheme to these 275 project towns.

3.23 The Committee are of the view that the Government faces ‘Herculean’ task to take up and complete developmental projects in almost of 2963 towns under UIDSSMT in a span of seven years given the slow pace of work in the preceding years. They feel that projected figures have been inflated as the scheme is still to be understood by States and project Reports from many States/towns are yet to be received by the Ministry. They therefore, recommend that in order to achieve the projected figure and to cover all the towns in the stipulated time of seven years, as mentioned in their outcome budget, the Ministry would have to work hard and guide the State Government/towns to prepare their DPRs etc. expeditiously. Nevertheless proper monitoring is absolutely essential to make the scheme UIDSSMT a success.

(iii) Accelerated Urban Water Supply Programme (AUWSP)

3.24 The Centrally-sponsored Accelerated Urban Water Supply Programme (AUWSP) was launched in 1993-94 by Govt. of India to provide Central assistance to State Governments on 50:50 matching basis between Centre and the States for implementation of water supply schemes in small towns numbering 2151 having population less than 20,000 as per 1991 Census.

3.25 The progress made under the Programme is as under:—

Plan Period	No. of Schemes approved	Estimated cost (Rs. in crore)	Central funds released by the Ministry (Rs. in crore)
VIII Plan	223	212.01	68.62
IX Plan	437	623.86	291.95
2002-03	223	312.08	121.95
2003-04	154	249.88	131.56
2004-05	207	424.00	150.00*
2005-06	Nil @	-Nil-	33.11 ** as on 31.12.2005

@ No new schemes are being considered under centrally sponsored AUWSP and the same has been subsumed in Urban Infrastructure Development Scheme for Small & Medium Towns.

* This includes Rs. 4 crore released for rehabilitation/reconstruction of water supply system in Tsunami-affected Port Blair, A&N Islands.

** Committed liabilities for earlier approved schemes under AUWSP.

(Rs. in crore)

	Actual expenditure incurred between 1.4.2005 and 31.12.2005	Projected expenditure between 1.1.2006 and 31.3.2006	Revised Estimates 2005-06	Budget Estimates 2006-07
Accelerated Urban Water Supply Programme (AUWSP)	33.06	11.18	44.24	50.00

3.26 On being asked as to why no new scheme was approved for the time being *i.e.* till the date UIDSSMT was launched as no significant activity could be done under the Scheme for the want of new project, the Ministry in their written reply stated as under:—

“For the Financial Year 2005-06, Planning Commission has approved an outlay of Rs. 95.24 crore as against the total requirement of

Rs. 141.80 crore under AUWSP to meet the committed liability as on 31.3.2005 for the ongoing schemes approved till March, 2005 in various States in view of the fact that the AUWSP was being subsumed in the new scheme of UIDSSMT. No new project under AUWSP was approved during 2005-06. However, 26 projects have been approved under the scheme of UIDSSMT and an amount of Rs. 87.78 crore has been recommended on 30.3.2006 for release to Ministry of Finance as ACA (Additional Central Assistance) to the States of Andhra Pradesh (Rs. 49.23 crore), Rajasthan (Rs. 13.83 crore) and Gujarat (Rs. 24.72 crore)."

3.27 The Committee express their concern over the fact that the Ministry had not started any project under AUWSP during the first eight months of preceding financial year. The Ministry of Urban Development were simply waiting for the new scheme i.e. UIDSSMT to be finalized for which an announcement was already made but the same was actually launched on 3rd December, 2005. They are, therefore, of the view that till the finalisation of UIDSSMT scheme, Ministry of Urban Development should have sanctioned at least a few projects of water supply so that the actual beneficiaries and the public at large did not suffer. The Committee deprecates the lackadaisical manner of the Government in taking up and completing water supply projects, as nothing appears to have been done till 2nd December, 2005. The Committee note that the Government has diverted its focus from giving the much needed infrastructural facilities to the people in the urban areas of the country, while launching new mission mode schemes. The Committee are of the view that the Government should have a problem solving attitude. The government should strive towards achieving real goals with proper liaison with the State level bodies for giving infrastructure facilities to the country's urban population.

(iv) Evaluation of JNNURM and UIDSSMT

3.28 The Secretary, Urban Development during the course of oral evidence informed the Committee that under JNNURM a total of 24 projects in four States covering eight cities were sanctioned while under UIDSSMT a total of 23 projects in three States covering 26 cities were sanctioned, till date. He also informed that expenditure on JNNURM and UIDSSMT by the end of last financial year was Rs. 90 crore and Rs. 87.5 crore respectively.

3.29 He further added that:—

"...When we came out with the JNNURM and UIDSSMT Scheme, there was a lot of skepticism whether the States and the State Government will be able to come up with the kind of city

development plans and projects we had asked for. But the response has been overwhelming. In the last four months we have not only received 21 City Development Plans(CDPs) – and about seven of them are of a very high quality – we have evaluated 11 CDPs in the last four months. The project was launched only on the 3rd of December. So, after organizing almost eight workshops where we went and talked to the city administrations and the State Governments, very good quality CDPs have come and very good project reports. Of course, they need a little more refining but they are coming up.

3.30 During the course of oral evidence, the Committee were informed by the Joint Secretary, Ministry of Urban Development that the States *viz.* Andhra Pradesh, Rajasthan and Gujarat have been initially covered under UIDSSMT as these States had sent their CDPs. West Bengal and Madhya Pradesh had also sent their CDPs, but due to elections, the schemes have not been sanctioned. On being enquired, about the steps being taken by the Ministry of Urban Development to encourage other states to submit their project reports, the Secretary submitted as under:—

“We have written to them. We have held a number of meetings. It is only three months since the schemes were launched. We had held workshops. We have interacted in each city not only with the bureaucracy but also with Mayors and Chairpersons. We requested them to join and a lot of them have come. I think it will take some more time but they are all taking it up. They are all very interested. Maharashtra has sent CDPs in respect of many cities under JNNRUM including Pune, Nagpur and Mumbai. Under UIDSSMT also some projects would come. The first attempt of theirs was to get CDPs and DPRs to be sent in respect of bigger towns, which were included in the JNNURM. But some States were clever enough to also prepare projects for UIDSSMT. That is why we have been able to sanction them.”

3.31 It was also added by Secretary that they had organized workshops in Guwahati, Kolkata, Mumbai, Hyderabad, Jaipur and Lucknow to make the States aware about the schemes.

3.32 Regarding the component of water supply and sanitation, the Secretary informed the Committee as under:—

“We have seen that at least in respect of the CDPs which have been appraised. Secondly, we would like to give at least 35 to 40

percent of the JNNURM Fund for water supply and sanitation sector so that some of the other sectors which are capital-intensive may not take away the large chunk of funds. But, ultimately, it is the cities and the States which have to prepare the project reports. They have to prioritise. We can only force them to do it by not sanctioning projects which are not priority projects. With the preparation of CDP, this sort of a scrutiny has been feasible. We have rejected some projects. I have chaired the Sanctioning Committee. A project came, which was not in accordance with the priority given to the sector in the CDPs and that project had to be turned down. I think we have liberally sanctioned projects which are fresh water supply and sanitation sector.”

3.33 Regarding rain water harvesting, Joint Secretary, Ministry of Urban Development submitted as under:—

“Actually rainwater harvesting is one of the components of JNNURM but rainwater subject itself is under the Ministry of Water Resources, who provides for pilot projects, etc. If cities come up with projects for rainwater harvesting, that can be considered under JNNURM and UIDSSMT. We will not hesitate in this regard.”

3.34 On being asked about coordination with Ministry of Water Resources, the Secretary submitted as under:—

“Obviously, coordination is required and it will be done. We have been taking the Ministry of Water Resources on board. We are doing two-three things as a matter of policy – water recycling, water conservations, which are part of the optional reform agenda, which the State and cities have to implement. Thirdly, we have also sent an advice to the State Governments saying the municipal bye-laws should make it mandatory – recycling and avoidance of wastage of water should be made mandatory.”

3.35 On being asked about the steps to contain unplanned growth and development in cities and towns, the Secretary submitted as under:—

“In so far as the unplanned growth and development is concerned, it is in the early stages and hence, I do not want to make a commitment, I would say that we are drafting a legislation for some sort of a regulatory mechanism to ensure that the consumers are not cheated or they fall prey in the hands of developers and colonizers, when either their property is not duly approved, cleared for development or when the services are not provided. But this is in the drafting stage, which will be a model legislation. They will send it to the State Governments. They might like to suitably adopt, enact and pass them.”

Solid Waste Management

3.36 The Government has launched a Pilot Project on Solid Waste Management near Airport in few selected cities with an allocation of Rs. 99.35 crore in 10th Plan period 2002-2007. The BE (2006-2007) for this Pilot Project is Rs. 35 crores. However, regarding enhancing the solid waste management projects to other cities/towns in the new Mission Mode Programmes, the Committee enquired about the provisions made for solid waste management in UIDSSMT and JNNURM. In reply, the Secretary submitted as under:—

“Solid waste management has received boost in two ways. Firstly, it is an eligible item under the JNNURM as well as UIDSSMT. We had pleaded very strongly before the Twelfth Finance Commission in which they have accepted devolution of Rs. 5,000 crore for Urban local bodies only for solid waste management, which is a substantial amount which the Twelfth Finance Commission has recommended. This has been approved by the Government and conveyed to the States. So, that should get sufficient funds for solid waste management. In addition, we have also issued guidelines to the States after doing a lot of work in consultation with experts as to what are the possible ways. How to go about organizing the solid waste management whether for energy generation or for composting. We have also taken up with the concerned Ministries that how to make these two viable like compost to be bundled alongwith chemical fertilizers so that the cost are borne, the transportation costs are borne and it becomes commercially viable.”

3.37 The Committee on Urban Development (2005-2006) undertook an on-the-spot study visit to Vermi Composting Yard under the Kolkata Municipal Development Authority (KUDA) at Panihati on 14th January, 2006. During their visit, the Committee lauded the efforts made by KMDA in composting of solid waste into Vermi Compost through biological methods by usage of earth worms enabling the bio-degradable wastes to be transferred into manure.

3.38 The Committee note the new schemes viz. JNNURM and UIDSSMT envisage to take care of water supply and sanitation, solid waste management, infrastructure development of all the cities and towns for their integrated development. While noting that the Ministry would like to give 25 to 40 per cent of JNNURM fund for water supply and sanitation based on the priority fixed under City Development Plan (CDP), the Committee recommend that every care

should be taken to evaluate CDP to ensure that the proposed projects are objective, need based and accordingly prioritized. It is also recommended that time bound evaluations must be made of the CDPs so that proficient projects are sanctioned and launched by State Level Bodies at the earliest possible.

3.39 Regarding rain water harvesting and coordination with Ministry of Water Resources, the Committee hope that Ministry of Urban Development would work in tandem with Ministry of Water Resources for the promotion of rain water harvesting, recharging of water tables and disseminating of technical know-how among individuals and user-groups for achieving the ultimate objective of meeting the water requirement both for drinking and non-drinking purpose and also for avoiding the wastage, pilferage or misuse of water.

3.40 On the question of planned development in urban areas, as assured by Secretary, Ministry of Urban Development during the course of oral evidence that a model legislation would be placed before Parliament the Committee hope that a model legislation would soon be brought to ensure that consumers are not cheated by developers or builders so as to contain the growth of unauthorized, unplanned colonies and housing, which lack all the basic amenities of good living.

3.41 The Committee note with satisfaction that Twelfth Finance Commission has accepted the devolution of Rs. 5000 crore for urban local bodies only for solid waste management. The Committee expect that the much needed priority is given to the solid waste management projects by the States and urban local bodies by releasing of timely and adequate funds for the purpose. The Committee recommend that scientific and technical methodologies must be adopted for disposal of the solid wastes with the help of expert organization of compost development. The Committee also recommend that mass awareness programme should be taken up to generate proper public awareness about the utility of modern compost methods and efforts be made to keep the environment clean and healthy with effective coordination with the Ministry of Environment and Forests. At the same time, the Committee recommend that projects must be taken up to dispose and manage solid plastic and other non-degradable wastes in the cities/towns. The Committee also desire that Vermi Compost Plants should be set up in all the Municipalities and steps taken for effective marketing of the manure produced through Vermi Composting They hope that Government would put all these measures under JNNURM or UIDSSMT so that solid waste management can be fruitfully utilized.

Other Schemes/Programmes

(v) Pooled Finance Development Scheme

3.42 In order to enable the Urban Local Bodies (ULBs)/ municipalities to look for alternative source of funding for their bankable projects/schemes, 'Pooled Finance Development Scheme' was proposed to be set up. The scheme is meant to provide credit enhancement to access market borrowings on a creditworthy basis.

3.43 The main objectives of State Level Pooled Finance Mechanism are as follows:—

- (i) Facilitate any/group of ULBs to access capital market for investment in essential municipal infrastructure.
- (ii) Facilitate development of bankable urban infrastructure projects.
- (iii) Reduce the cost of borrowing with appropriate credit enhancement measures.
- (iv) Facilitate development of Municipal Bond market.

3.44 From 1.4.2005 to 31.12.2005, a tentative allocation of Rs. 400 crore under the 10th Five Year Plan has been made for the Scheme. The scheme has since been cleared by the EFC in its meeting held on 19.12.2005 with certain observations.

3.45 From 1.1.2006 to 31.3.2006, the scheme is in the process of being submitted to the Cabinet Committee on Economic Affairs for consideration/approval.

3.46 As per preliminary material furnished by the Ministry, BE (2005-2006) for the scheme was Rs. 25.00 crore and this could not be utilized as the scheme was yet to be operationalised. There had been an expenditure of Rs. 0.07 crore only.

3.47 On being asked as to why allocation had been made for the year 2005-2006, when the scheme was not finalized, the Ministry in their reply had stated as under:—

"In anticipation of finalization of the scheme, a budget allocation for the scheme has been made. However, the scheme has been appraised by Expenditure Finance Committee on 19.12.2005 and the same will be placed before CCEA for consideration and approval. The scheme is likely to be operationalised during 2006-07."

(vi) Mission Mode on IT

3.48 The Government of India has approved the National Mission Mode Project on e-Governance in Municipalities. The Action Plan for implementation under this Project during 2003-07 also has been approved. e-Governance Action Plan has identified formulation of various projects on e-Governance. Ministry of Urban Development is concerned with preparation and implementation of a Mission Mode Project (MMP) on e-Governance in municipalities.

Broad objective of MMP on e-Governance in Municipalities is the application of electronic means to improve the efficiency and effectiveness in the interaction between local Government and its citizens as well as other interest groups like NGOs, CBOs, RWAs, private sector, etc. It also aims at boosting internal Government operations to support and stimulate good governance.

National Mission Mode Project on e-Governance in Municipalities (NMMP) envisages covering all ULBs in class 1 cities – population having 1 lakh and above (423 in total) over a five year period (2005-2010).

Services to be covered under Mission Mode Project are as follows:—

1. Registration and Issue of Births/Deaths Certificate
2. Payment of Property Tax, Utility Bills and Management of Utilities that come under the ULBs.
 - 2.1 Property Tax
 - 2.2 Water Supply and Other Utilities
3. Grievances and Suggestions
4. Building Approvals
5. Procurement and Monitoring of Projects
 - 5.1 E-procurement
 - 5.1 Project/ward works
6. Health Programs
 - 6.1 Licenses
 - 6.2 Solid Waste Management
7. Accounting System
8. Personnel Information System

Total Year-wise outlay of 10th Plan is given as under:—

Year	(B.E.)	Rs. in Crore (R.E.)
2002-03	00.00	-
2003-04	00.00	-
2004-05	00.00	-
2005-06	25.00	5.00
2006-07	75.00	-
Total: 100.00		

3.49 When asked about the achievements of Plan targets (both physical and financial during the four years of 10th Plan the Ministry in their written reply stated as under:—

“Nil as Mission Mode Project on e-Governance (NMMP) is yet to be finalized and implemented.”

(vii) National Urban Infrastructure Fund

3.50 NUIF is proposed to be set up as a Trust to provide source of funding for bankable projects/schemes pertaining to the Urban Local Bodies (ULBs). The commercial banks are hesitant to lend to ULBs due to apparent lack of capacity of ULBs to meet their debt service obligations on one hand and lack of expertise amongst financial institutions to lend for viable urban infrastructure projects on the other. NUIF will serve as Special Purpose Vehicle which will create necessary comfort level amongst financial institutions with respect to repayments by avoiding direct exposure of commercial banks to ULBs. It shall also help to create necessary capacities in the ULBs to develop bankable projects. Pooled Finance Development Fund Scheme (PFDS) has a significantly different structure. The objective of PFDS is to enable the Urban Local Bodies (ULBs) to raise market funds without any need for State guarantees.

3.51 The process of consultation for setting up of NUIF is presently in advanced stage. It is expected that the structure of NUIF would be finalized during the year 2006-07.

3.52 The Committee express their anguish over the casual way of announcing the Schemes viz. (i) Pooled Finance Development Fund (ii) Mission Mode on IT and (iii) National Urban Infrastructure Fund and accordingly making the budgetary provisions in them without finalizing them. They are of the view that monies get blocked in such schemes, which could have been utilized for other purpose. The Committee therefore, desire that Government to do all

the homework and finalise the schemes before making budgetary allocations. They recommend that the aforesaid schemes must be finalized and implemented without any further delay. The Committee would like to be apprised about the latest position in the matter.

(viii) National Urban Information System

3.53 Standing Committee on Urban Management (SC-U) under the National Natural Resource Management System (NNRMS) programme of the Department of Space, mooted a proposal to develop a holistic National Urban Information System (NUIS) Scheme. Accordingly, a Sub-Committee was constituted which submitted a report on NUIS focusing on spatial database.

3.54 To avoid duplication all the schemes relating to urban information system have been subsumed under the newly framed scheme namely NUIS. NUIS scheme comprises of broadly two major components (a) Urban Spatial Information System (USIS) to meet the spatial (map/images, data/information) requirements of urban planning for routine functions and (b) National Urban Databank and Indicators (NUDBI) to develop town-level urban database to support development of indices through a network of Local Urban Observatories (LUO) under the National Urban Observatory (NUO) programme.

3.55 During 1st phase, 137 towns/cities will be covered under NUIS Scheme at an estimated cost of Rs. 66.28 crore to be shared by the Centre and the State in the ratio of 75:25. Generation of digital maps and GIS database under this Scheme is being outsourced to Survey of India who will undertake the job jointly with National Remote Sensing Agency (NRSA). The Town and Country Planning Organization (TCPO) under the Ministry of Urban Development would be the nodal agency for implementation and review of the Scheme.

3.56 Govt. of India has since approved the Scheme. NUIS Standards Document and Memorandum of Agreement (MOA) between the Ministry of Urban Development and Survey of India are being finalized.

3.57 Total outlay in the 10th Five Year Plan, year wise/projects-wise:

(Rs. in crore)

Year	Urban Mapping Scheme (UMS)*	National Urban Information System
2002-03	5.00	-
2003-04	-	5.00
2004-05	-	5.00
2005-06	-	25.00
2006-07	-	24.00

*During 10th Plan, UMS has been completed in 2004-05, hence no outlay is proposed under UMS from the year 2003-04 onwards.

Under NUIS Scheme, total outlay proposed is Rs. 49.71 crore (Central share).

3.58 Component-wise physical targets for NUIS Scheme under 10th Plan are given below:—

- (i) Provision of computer systems and GIS software to 137 NUIS towns and 35 State Nodal Agencies.
- (ii) Generation of 1:10,000 scale digital base map and GIS databases for 137 towns through Satellite Images.
- (iii) Generation of 1:2000 scale digital base map and GIS databases for 137 towns through aerial photographs.
- (iv) Generation of Utility maps of 1:1000 Scale for water supply and sewerage system for 24 towns.
- (v) Establishment of State NUDBI cell in all 35 State Nodal Agencies.
- (vi) Preparation of National Urban Observatory report for 153 towns. (25 Global sample cities have been selected from India by the UNCHS under the Millennium Development Goals. Of the 25 cities 9 have been included in the NUIS town list and rest 16 Global Sample cities have also been included).
- (vii) Conducting four regional workshops.
- (viii) About 600 personnel would be trained.

3.59 BE, RE and Actual Expenditure during the 10th Plan:—

(Rs. in crore)			
Year	Budget Estimated (Rs. In crore)	Revised Estimate (Rs. In crore)	Actual Expenditure (Rs. In crore)
2003-04	5.00	5.00	0.65*
2004-05	5.00	5.00	-
2005-06	100.68	25.00	-
2006-07	24.00	-	-

* Diverted and utilized for Urban Mapping Scheme.

3.60 On being asked about the coverage of towns during the years 2005-2006, the Ministry in their written reply stated as under:—

“The NUIS Scheme has been launched only in the month of March, 2006, and as such no town has been physically covered under the Scheme during the year 2005-06. However, the 1st instalment of Central share in respect of 137 towns for carrying out the jobs of mapping and generation of GIS database has been released to Survey of India, the National Mapping Agency, and the State shares are being released by the respective States.”

3.61 While appreciating the aims and objectives of NUIS, the Committee express their concern over the non-utilisation of 2nd and 3rd instalments of the Budgetary allocations under the scheme which are to the tune of Rs. 5.00 crore and Rs. 25.00 crore, respectively, as per Revised Estimates. The Committee are of the firm view that the budget allocations could have been fruitfully utilized, had the work relating to the mapping and generation of GIS database been completed by Survey of India and the National Mapping Agency in time. They, therefore, recommend to impress upon the Survey of India and National Mapping Agency to expedite work so that the fund allocated under NUIS does not remain unutilized for want of GIS database and maps. Since Town and Country Planning Organisation (TCPO) is the nodal agency for implementing and review of this scheme, the Committee recommend that TCPO to take concrete measures to develop proper urban database in all the 137 towns in a specific time frame. The Committee feel that proper database and maps are the prerequisites for carrying out the systematic and holistic development of urban areas. Hence it should be given top priority. They hope that during the current financial year, the allocation made under the scheme will be utilized.

(ix) Hospital Waste Management

3.62 An allocation to the tune of Rs. 1 crore has been made for Hospital Waste Management in the year 2006-2007, but no expenditure has been shown in respect of the preceding year out of last years allocation of Rs. 1 crore.

3.63 Further as per the reply furnished to USQ No.1906 in Rajya Sabha, an assistance to the tune of Rs. 1.5 crore is limited per State for setting up Bio-medical Waste unit.

3.64 When asked to clarify the above statements and explain how the Union Government would assist State Government and how the

same could be done with a meagre allocation of Rs. 1 crore, the Ministry in their reply stated as under:—

1. The scheme for providing financial assistance to selected Government Hospitals is only a **Pilot/Demonstration Project for creating demonstration effect only for implementation of Bio-Medical Waste (Management & Handling) Rules, 1998 by all health care establishments in the States.**
2. Assistance is limited to Rs. 1.50 crore maximum per State, however, State has the option to choose one or more equipment from the list under the scheme to cover more than one hospital.
3. The scheme has been transferred to this Ministry by the Planning Commission in the year 2005-06 with meager allocation of Rs. 1.0 crore, which is less than the eligibility of Rs. 1.50 crore per State.
4. Files have been transferred to this Ministry by the Ministry of Health & Family Welfare only on 24th October, 2005. States were requested by this Ministry to forward the proposals to this Ministry.
5. Since, viable proposals were not received from State Governments the funds have been surrendered by the Ministry on 31.03.2006.

3.65 The Committee fail to understand as to why the Scheme of Hospital Waste Management had been transferred from Ministry of Health and Family Welfare to Ministry of Urban Development and that too with a very meagre amount of Rs. 1.00 crore. On the other hand, the Committee are perturbed to note that funds have been surrendered by the Ministry of Urban Development as no viable proposals under Hospital Waste Management were received from State Governments. The Committee take a serious note of the non-implementation of the Hospital Waste Management Schemes. Had concerted and effective efforts been made by the Ministry to persuade the State Governments to come forward with technically viable Hospital Waste Management Scheme, this scheme would have definitely been taken up/made functional. The Committee, therefore, recommend that effective measures are taken to launch Hospital Waste Management Projects in States/Uts without any further delay.

CHAPTER IV

PUBLIC WORKS

(i) CPWD

4.1 The Central Public Works Department (CPWD) is the principal agency of Government of India for creation and maintenance of all Central Government assets excluding those belonging to Railways, Defence, Communication, Atomic Energy, Airports and All India Radio. CPWD was created in July 1854 when it was decided to set up a central agency for execution of 'Public Works'. The Ajmer Provincial Division was the first to be created and it executed many works including famine relief. However, CPWD in its present form was evolved in 1930. The organization, thus, has completed 150 years of its service to the nation in the year 2004-05.

4.2 CPWD handles a wide range of projects like housing and office complexes, hospitals, workshops and factories, hostels and hotels, food-grains storage structures, roads, national highways, bridges and flyovers, airports, computer centres, environmental and other utility services. It also executes border fencing, flood lighting and road projects in difficult terrain and under hostile conditions along the Indo-Pak and Indo-Bangladesh border. The organisation is capable of rendering comprehensive services in the field of planning, designing, construction and maintenance management, for all civil engineering projects with quality assurance and accountability.

Housing Problem in Delhi

4.3 As per outcome budget, there is a target of 2377 residential units including units already under construction and to be started during 2006-2007. It has also been mentioned that target dates are between March 2007 to March 2008 for which timely clearance from ULBs and Urban Arts Commission would be mandatory.

4.4 The Delhi Urban Art Commission is a Central Government Statutory body, which is financed entirely by way of grants-in-aid received from the Central Government (Ministry of Urban Development). The entire outlay of DUAC is non-plan in nature. The grants are used for mainly administrative expenditure related to the Commission. The broad functions of the organization include giving advice on the proposals received through the local bodies and taking up macro level proposals on a *suo-motto* basis for the aesthetic development of Delhi in terms of its mandate.

4.5 On being asked as to what steps are proposed to be taken to ensure the timely clearance from DUAC and ULBs, the Ministry in their written reply stated as under:—

“Out of 2377 units, 212 units are targeted to be completed during 2006-07 and 2165 units are targeted to be taken up during 2006-07 and to be completed beyond 2006-07. Out of these 2165 units, 1902 units are located in New Delhi.

The break up of these units is as under:—

Rouse Avenue (Pocket 6)	244 Units
Dev Nagar	1226 Units
Aliganj	300 Units
Vasant Vihar	132 Units

Continuous efforts are being made to obtain approval and clearance of plans from Urban Arts Commission other bodies in Delhi.”

4.6 GPRA works in Delhi in Perspective Plan:

Location	Qtrs. to be constructed	Estimated cost (Rs. in crore)	Status of A/A & E/S	Comments
1	2	3	4	5
Dev Nagar	450 Type-II (90+360)	18.29	Issued in Nov.'02	Work sanctioned.
	400 Type-III	50.93	Issued in Feb.'05	Work sanctioned.
	180 Type-IV	25.41	Issued in Feb.'05	Work sanctioned.
	APT hostel, 196 qrs.	10.35	Issued in Apr.'03	Work sanctioned.
	400 Type-III	to be taken up in 05-06	—	Estimate awaited. Shall be taken up in 11th Five Year Plan.
Aliganj	300 Type-II	21.39	Issued in Dec.'05	<i>In lieu</i> of 345 Type-II qtrs. sanctioned earlier for Rs. 12.93 crore during May, 2003.

1	2	3	4	5
	608 Type-IV	—	—	These qtrs. can be taken up only after shifting of allottees from existing qtrs. to newly constructed 300 type-II qtrs.
	96 Type-V	27.97	Under Process	Estimate under scrutiny.
Vasant Vihar	108 Type-V & 24 Type-VI	43.33	Revised Preliminary Estimate submitted	RPE under process.
Rouse Avenue	140 Type-V & 104 Type-VI	80.56	Issued in May'05	Work sanctioned.
	340 Type-IV		Under Process	Estimate under process.
	340 Type-IV & 240 Type-V		—	To be taken up later.

Note: All the sanctioned works not started as approval from local bodies on LOP and drawings awaited.

From the above statement, the following inference can be drawn:-

- (i) Administrative Approval (A/A) and Estimate Sanction (E/S) issued in November, 2002/2003 but the work could not be started till now even after sanction of work due to pending approval from local bodies in respect of 450 Type II quarters and APT hostel in Dev Nagar.
- (ii) Revised Preliminary Estimate (RPE) is under Process in respect of 108 Type V and 24 Type VI quarters in Vasant Vihar.
- (iii) Issue regarding 340 Type IV and 240 Type V at Rouse Avenue would be taken up later.

4.7 On being asked to clarify the above issue, the Ministry in their reply stated as under:—

“The reasons for delay in getting approval/clearance from local bodies and Urban Arts Commission in respect of Dev Nagar was due to substantial time taken by Urban Arts Commission and local bodies inspite of continued persuasion.”

4.8 The Ministry further stated that the Revised preliminary estimate in respect of Vasant Vihar area will be finalized only after approval of drawings by Urban Arts Commission and local bodies since the EFC has observed that proposals are to be placed for sanction only after approval of conceptual plans by local bodies. Out of total of 820 quarters to be constructed in Rouse Avenue as per Perspective Plan, the work of 244 (Pocket 6) quarters has already been sanctioned. For the work of 340 quarters, (Pocket 6), Ministry of Finance *vide* their letter dated 1.3.06 have desired to explore the possibility of getting the work done through PPP/Boot operations. In this regard, a Committee has been constituted to examine the matter. Balance, 580 quarters are to be taken up at later stage in pocket 9. Continuous efforts are being made to obtain the approval of Plans from Urban Arts Commission and local bodies.

4.9 The Committee note that Delhi Urban Art Commission is the body which is responsible for awarding its advice on proposals received through the local bodies, and also taking up of macro level proposals on a *suo-motto* basis for aesthetic development of Delhi. They also note that there is acute shortage of GPRA in Delhi and CPWD is engaged in the construction of 2377 units by March, 2008. While appreciating the move of the Government for establishing such a body, the Committee recommend that various projects of CPWD and Housing including Cooperative Group Housing should be cleared by DUAC on top priority basis without taking undue time. The Committee also recommend that local bodies in Delhi *viz.* NDMC, MCD and DDA should also clear the pending maintenance and infrastructural projects under CPWD and other Group Housing Societies at the earliest and provide them with all the basic amenities like water, electricity, drainage etc. in a time bound manner so that such housing units do not remain unoccupied due to the lack of such amenities. Ministry of Urban Development should take up this matter at the highest level with all the concerned agencies so as to avoid unnecessary dilly dallying at bureaucratic level.

Coordination with Urban Local Bodies

4.10 CPWD liaison with various urban local bodies while executing or maintaining their projects especially in case of residential accommodations. The Committee in their earlier Reports (Second Report and Seventh Report of 14th Lok Sabha) had recommended for appointing a nodal officer for liaising the work of CPWD in Delhi with NDMC/MCD and DJB.

4.11 When asked whether nodal officers have been appointed by CPWD or NDMC/MCD for liaisoning, the Government in their reply stated as under:—

“Instructions have been issued by Ministry of Urban Development to local bodies, *i.e.* New Delhi Municipal Corporation, Municipal Corporation of Delhi, Delhi Jal Board in March’06 to nominate Nodal Officers who shall be responsible for the defined geographical areas and shall coordinate with the CPWD officers for maintenance works in and around Government colonies maintained by CPWD. The local bodies are to appoint Nodal Officers.

MCD does not execute any civic service in the Colonies maintained by CPWD. However, if the services are transferred to MCD by CPWD in respect of Govt. colonies, the civic services *i.e.* roads, SW drains, solid waste management are executed by MCD. In the area around these colonies, if falls within the jurisdiction of MCD, the civic services, are maintained by the concerned officials in satisfactory condition, supervised by seniors also.”

4.12 Director General, CPWD at the time of oral evidence submitted as under:—

“I fully agree that without a proper plan when maintenance works are done at individual requests or individual officers taking decisions at different points of time, then there is a possibility of this kind of a thing happening. NDMC does the work and we break or we do and NDMC breaks it. Sometimes this may happen. I have mentioned, sir, that we have prepared a list of works which are required to be done, made the total estimates for that, prioritize it. In most cases we are trying to consult the RWAs and others for prioritizing the things. We are having an annual programme and we will execute all the maintenance works according to that annual programme so that we are able to get the value for money, whatever money we spend that give us the satisfaction of getting a good job done.”

4.13 The Committee gather that despite the recommendations made by them in their 2nd and 7th Report (14th Lok Sabha), and pursuant to the Ministry of Urban Development instruction to NDMC, DJB and MCD to nominate ‘Nodal Officers’ to liaise with CPWD area-wise, such, ‘Nodal Officers’ are still to be nominated by the aforesaid local bodies. The Committee are concerned as to how without proper liaison with ULBs and CPWD, the basic amenities

could be effectively provided to Government colonies. They therefore, reiterate their earlier recommendations and direct the Government to inform the Committee about the action taken in the matter. The Committee also recommend that one liaison officer of CPWD in each area should be appointed with a view to coordinate various civil, electrical, horticultural works within CPWD complexes and also to liase with NDMC/MCD, and the RWAs wherever necessary. Here, it would be pertinent on the part of CPWD to display the names of such officials on the display boards of all the Enquiry Offices maintained by CPWD and NDMC/MCD. The Committee may be apprised about the action taken in this regard.

(ii) Directorate of Estate

4.14 The Directorate of Estates, an attached office of the Ministry of Urban Development, is responsible for allotment of office and residential accommodation in the General Pool, allotment of shops/markets in some Central Government colonies and management of Government Hostels, Vigyan Bhavan and Mavalankar Auditorium in New Delhi. It also manages Government Estates in Mumbai, Kolkata, Chennai, Nagpur, Shimla, Chandigarh, Faridabad and Ghaziabad. Regional Offices at Mumbai, Kolkata, Chennai, Shimla, Chandigarh, Ghaziabad, Faridabad and Nagpur are under the administrative control of Directorate of Estates. At present, allotment of General Pool residential accommodation at these stations is done manually. However, it has been decided to computerize activities like preparation of waiting lists, allotment of accommodation, rent recovery, cancellation, litigation work and eviction of unauthorised occupants.

4.15 As per Annual Report of the Ministry there are surplus availability of General Pool Residential Accommodation in some of the cities *viz.* (i) Faridabad, (ii) Ghaziabad, (iii) Indore, (iv) Cochin, (v) Kanpur, (vi) Jaipur, (vii) Varanasi, and (viii) Agra.

4.16 Demand, Availability and shortage of General Pool Residential Accommodation in Faridabad and Ghaziabad as on 28.02.2006 is as under:

City	Demand	Availability	Shortage/Surplus
Faridabad	1511	1850	(+) 339
Ghaziabad	650	820	(+)170

4.17 From the Annual Report (Page 116) it is also evident that there are shortage of office accommodation (GPOA) in some of the cities indicating Delhi and Indore.

4.18 On being asked whether it will be possible for the Government to accommodate some General Pool Offices in Indore in vacant residential accommodations, or accommodate some of the offices of Delhi in vacant residential accommodation in Ghaziabad or Faridabad, the Government in their reply stated as under:—

“Only 57 quarters of various types as on 31.12.2005 were vacant at Indore and the position relating to demand and availability of General Pool Residential Accommodation undergoes change on month to month basis. Further as per provisions of SR 317-B-21 under the Allotment of Government Residences (General Pool in Delhi) Rules, 1963 residential accommodation cannot be utilized for any purposes other than that for which it is meant.”

4.19 The Committee note that while there is shortage of GPRA in most of the cities, a substantial number of residential units in some of the cities are lying vacant. They also note that there is a shortage of General Pool Office Accommodation (GPOA) in Delhi and Indore. While noting that as per rules, GPRA cannot be utilized for GPOA, the Committee feel that it should not be a water-tight compartment and rules should be flexible enough to convert GPRA to GPOA and *vice-versa*, as per demand and availability. The Committee, therefore, recommend that suitable procedural amendments be made to fruitfully utilize vacant premises and provide accommodation to Government servants on demand.

NEW DELHI;
19 May, 2006
29 Vaisakha, 1928 (Saka)

MOHD. SALIM,
Chairman,
Standing Committee on Urban
Development.

APPENDIX I

COMMITTEE ON URBAN DEVELOPMENT (2005-2006)

MINUTES OF THE NINTH SITTING OF THE COMMITTEE HELD ON FRIDAY, THE 7TH APRIL, 2006

The Committee sat from 1100 hrs. to 1330 hrs. in Committee Room 'B' Parliament House Annexe, New Delhi.

PRESENT

Shri Mohd. Salim — *Chairman*

MEMBERS

Lok Sabha

2. Shri Surendra Prakash Goyal
3. Shri Shripad Yesso Naik
4. Shri Amitava Nandy
5. Shri Mahendra Prasad Nishad
6. Shri Devidas Anandrao Pingale
7. Shri Sajjan Kumar
8. Shri Sudhangshu Seal
9. Shri Sugrib Singh
10. Shri K. Subbarayan
11. Shri Ravi Prakash Verma
12. Shri Suresh Ganpatrao Wagmare
13. Shri Baleshwar Yadav

Rajya Sabha

14. Shri B.K. Hariprasad
15. Shri Nandi Yellaiah
16. Shri Laxminarayan Sharma
17. Shri Prasanta Chatterjee

SECRETARIAT

- | | | |
|-------------------------|---|-----------------------------|
| 1. Shri S.K. Sharma | — | <i>Additional Secretary</i> |
| 2. Shri S. Balshekar | — | <i>Joint Secretary</i> |
| 3. Shri K. Chakraborty | — | <i>Director</i> |
| 4. Smt. Neera Singh | — | <i>Under Secretary</i> |
| 5. Shri A.K. Srivastava | — | <i>Assistant Director</i> |

List of Witnesses

- | | | |
|-----------------------------|---|--|
| 1. Shri Anil Baijal | — | Secretary, Ministry of Urban Development |
| 2. Shri M. Rajamani | — | Joint Secretary, Ministry of Urban Development |
| 3. Shrimati Neena Garg | — | Joint Secretary and Financial Advisor, Ministry of Urban Development |
| 4. Shri U.S. Pant | — | Chief Controller of Accounts (CCA) Ministry of Urban Development |
| 5. Shri S.M. Acharya | — | Additional Secretary, Urban Development |
| 6. Shri P.K. Pradhan | — | Joint Secretary (D&L), M/o Urban Development |
| 7. Shri O.P. Aggarwal | — | OSD (MRTS), M/o Urban Development |
| 8. Shri B. Mazumdar | — | Director General (Works), CPWD |
| 9. Shri C.B.K. Rao | — | Director (P&P), DMRC |
| 10. Shri Dinesh Rai | — | Vice Chairman, DDA |
| 11. Shri Arup Roy Choudhury | — | CMD, NBCC |
| 12. Shri H.S. Anand | — | Member Secretary, National Capital Region Planning Board (NCRPB) |
| 13. Shri B.S. Gill | — | Financial Advisor, MCD |
| 14. Shrimati Sindhushree | — | Chairperson, NDMC |
| 15. Shri Vijay Dev | — | Director of Estates-I, M/o Urban Development |

- | | | |
|------------------------------|---|---|
| 16. Shrimati Sujaya Krishnan | — | Director of Estates-II, M/o Urban Development |
| 17. Shri B.B. Singh | — | Director of Printing, M/o Urban Development |
| 18. Shri K.T. Gurumukhi | — | Chief Planner, Town and Country Planning Organisation |

2. At the outset, the Chairman welcomed the members and the representatives of the Ministry of Urban Development to the sitting of the Committee. The Chairman, then asked the representatives of the Ministry of Urban Development to brief the Committee about the various features of Demand for Grants (2006-2007). He also drew the attention of the representatives of the Ministry of the provisions of direction 55(1) of the Directions by the Speaker.

3. The Secretary, Urban Development then briefly outlined the overall position with regard to the budget allocations and expenditures of the Ministry for the year 2006-07 and also explained the major schemes of the Ministry of Urban Development. The Committee then discussed in detail the various issues related to the examination of the 'Demands for Grants (2006-2007)' of the Ministry. The representatives of the Ministry clarified to the queries raised by the members.

4. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

APPENDIX II

COMMITTEE ON URBAN DEVELOPMENT (2005-2006)

MINUTES OF THE ELEVENTH SITTING OF THE COMMITTEE HELD ON THURSDAY, THE 18TH MAY, 2006

The Committee sat from 1430 hrs. to 1545 hrs. in Committee Room 'E' Parliament House Annexe, New Delhi.

PRESENT

Shri Prasanta Chatterjee — *In chair*

MEMBERS

Lok Sabha

2. Shri P. Mohan
3. Shri Shripad Yesso Naik
4. Shri L. Rajgopal
5. Shri Sudhangshu Seal
6. Shri K. Subbarayan
7. Shri Ravi Prakash Verma

Rajya Sabha

8. Shri Laxminarayan Sharma
9. Smt. Syeda Anwara Taimur
10. Shri Jayantilal Barot

SECRETARIAT

- | | | |
|-------------------------|---|---------------------------|
| 1. Shri S. Balshekar | — | <i>Joint Secretary</i> |
| 2. Shri K. Chakraborty | — | <i>Director</i> |
| 3. Smt. Neera Singh | — | <i>Under Secretary</i> |
| 4. Shri A.K. Srivastava | — | <i>Assistant Director</i> |

2. As the Hon'ble Chairman was absent from the sitting of the Committee due to exigency of Parliamentary work in his Constituency, the Committee under rule 258(3) of Rules of Procedure and Conduct

of Business in Lok Sabha, chose Shri Prasanta Chatterjee, MP to act as Chairman for this sitting of the Committee.

3. The Committee first took up for consideration the draft Report on Demands for Grants (2006-2007) of the Ministry of Urban Development. After some deliberations, the Committee adopted the draft Report with slight modification. The Committee then took up for consideration the draft Report on Demands for Grants (2006-2007) of the Ministry of Urban Employment and Poverty Alleviation. The Committee adopted the draft report with slight modifications.

4. The Committee then authorized the Chairman to finalize both the Reports on the basis of factual verification from the concerned Ministries and present the same to the Houses of Parliament.

The Committee then adjourned.

APPENDIX III

STATEMENT OF OBSERVATIONS/RECOMMENDATIONS

Sl.No.	Para	Recommendations/Observations
1	2	3
1.	2.6	The Committee are not in agreement with the point of view of the Government that 'though adequate allocations to DMRC are not made at BE stage, taking recourse to RE for requirement of funds for DMRC is an happy arrangement as they are getting this money without any difficulty'. All the more, the Committee are perplexed to learn that recourse to Supplementary Grants for DMRC is made in a routine manner. The Committee are of the firm view that such routine practice of placing Supplementary Grants instead of advancing an adequate allocation at BE stage, itself, jeopardizes the constitutional obligation of the accountability of the executive to Parliament in financial matters. They therefore, reiterate their earlier recommendation that taking recourse to supplementary grants of substantial amount to DMRC project indicates lack of financial acumen on the part of Government and the DMRC budget allocation should be made at BE stage, itself.
2.	2.9	The Committee are happy to note that a substantial increase has been made under Demand No.100 for public works. They hope that CPWD would now be able to take up repairing and maintenance of both residential and non-residential buildings, which were hitherto languishing due to financial crunch. As accepted by the Director General, CPWD

1	2	3
		<p>during evidence, certain buildings need some retrofitting as they have become quite old and require face lifting. The Committee, therefore, expect that CPWD would prioritize the work, do the proper spadework in coordination with other service providing agencies, and carry out the needful so as to utilise the amount judiciously to the satisfaction of occupants of the CPWD constructed/ maintained dwelling units and office complexes. The Committee recommend that the maintenance works pending for a long time must be initiated and completed in a time bound manner by involving efficient work contractors and artisans.</p>
3.	2.20	<p>The Committee note that the process of modernization of Printing Presses, Staff redeployment, their skill development and rehabilitation have been positively dealt with after a long span of time. The Committee are however, concerned to note that due to the lack of skill upgradation, the workers are unable to use new machines on account of which, a huge loss is incurred every year. They therefore, recommend that skill development should be given top most priority so that new machines do not remain idle. They also recommend that all-out-efforts should be made for improvement of quality of printing so as to make them proficient for facing the competitive market and attract client organizations like Railways to accept their printing services.</p>
4.	2.21	<p>As regards the privatization of Printing Presses, the Committee recommend that the original workers employed in the Government Printing Presses must be given salaries allowances and other benefits accrued to them by restoring</p>

1	2	3
		their services in the event of privatization of these Printing Press and imparting proper training for safeguarding their interests.
5.	2.22	As admitted by Secretary during oral evidence that there had been a delay in procurement of machineries, the Committee, therefore, expect that the process of modernization be expedited. The Committee also desire that the Ministry of Urban Development must impress upon Union Cabinet to finalise its decision for filling up vacant posts in the Government Printing Presses by direct recruitment or by redeployment of workers from other Government of India Presses and imparting State-of-the-art training so that modernization process in 11 Government Printing Presses is not hampered due to insufficient manpower.
6.	3.10	The Committee note that all the ongoing projects will be covered under the existing scheme of infrastructure Development of Mega Cities and the new projects, which are yet to be started, will be covered under JNNURM, among other things. While expressing their concern that only Rs.120 crore has been earmarked against the requirement of Rs.310 crore, the Committee recommend to enhance the amount at the time of supplementary Demands for Grants in the perspective of physical progress. They therefore, recommend to complete all the 171 on-going projects in the current financial year so that no such on-going projects remain pending during the 11th Five Year Plan. The Committee recommend that concerted efforts must be made to obviate any overlapping of projects in the two schemes viz. (i) JNNURM and (ii) Mega City Scheme.

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		<p>The Committee also recommend that adequate budgetary allocation is made for these 171 on-going projects and the State Government persuaded to release timely and adequate share of their funds for the purpose. The Committee would like to be apprised about the latest position in this regard.</p>
7.	3.22	<p>The Committee note that 275 ongoing project towns under IDSMT are to be completed during the year 2006-2007 with the meagre sum of Rs. 110 crore. The Committee are given to understand that on an average, Rs. 40 lakh had been released for 290 on-going projects during 2005-2006 <i>i.e.</i> till 30th March, 2006. Therefore, on the same ratio an amount of Rs. 110 crore has been allocated for the 275 on-going projects during the year 2006-2007. In the circumstances, the Committee cannot but express their dissatisfaction over the fact that that in 2005-2006, only Rs. 40 lakh could be released for 290 on-going project towns, which is a very meagre sum. The Committee strongly deprecate the slow pace of work in these 290 projected towns and delay in the releases of funds. The Committee recommend that the 275 project towns in 2006-2007 must be adequately funded for the completion of the on-going projects and extensions of the benefits of UIDSSMT Scheme to these 275 project towns.</p>
8.	3.23	<p>The Committee are of the view that the Government faces 'Herculean' task to take up and complete developmental projects in almost of 2963 towns under UIDSSMT in a span of seven years given the slow pace of work in the preceding years. They feel that projected figures have been inflated as the scheme is still to be understood by States and project</p>

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		<p>Reports from many States/towns are yet to be received by the Ministry. They therefore, recommend that in order to achieve the projected figure and to cover all the towns in the stipulated time of seven years, as mentioned in their outcome budget, the Ministry would have to work hard and guide the State Government/towns to prepare their DPRs etc. expeditiously. Nevertheless proper monitoring is absolutely essential to make the scheme UIDSSMT a success.</p>
9.	3.27	<p>The Committee express their concern over the fact that the Ministry had not started any project under AUWSP during the first eight months of preceding financial year. The Ministry of Urban Development were simply waiting for the new scheme i.e. UIDSSMT to be finalized for which an announcement was already made but the same was actually launched on 3rd December, 2005. They are, therefore, of the view that till the finalisation of UIDSSMT scheme, Ministry of Urban Development should have sanctioned at least a few projects of water supply so that the actual beneficiaries and the public at large did not suffer. The Committee deprecates the lackadaisical manner of the Government in taking up and completing water supply projects, as nothing appears to have been done till 2nd December, 2005. The Committee note that the Government has diverted its focus from giving the much needed infrastructural facilities to the people in the urban areas of the country, while launching new mission mode schemes. The Committee are of the view that the Government should have a problem solving attitude. The Government should strive towards achieving real goals with proper liaison</p>

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		with the State level bodies for giving infrastructure facilities to the country's urban population.
10.	3.38	The Committee note the new schemes <i>viz.</i> JNNURM and UIDSSMT envisage to take care of water supply and sanitation, solid waste management, infrastructure development of all the cities and towns for their integrated development. While noting that the Ministry would like to give 25 to 40 per cent of JNNURM fund for water supply and sanitation based on the priority fixed under City Development Plan (CDP), the Committee recommend that every care should be taken to evaluate CDP to ensure that the proposed projects are objective, need based and accordingly prioritized. It is also recommended that time-bound evaluations must be made of the CDPs so that proficient projects are sanctioned and launched by State level Bodies at the earliest possible.
11.	3.39	Regarding rainwater harvesting and coordination with Ministry of Water Resources, the Committee hope that Ministry of Urban Development would work in tandem with Ministry of Water Resources for the promotion of rain water harvesting, recharging of water tables and disseminating of technical know-how among individuals and user-groups for achieving the ultimate objective of meeting the water requirement both for drinking and non-drinking purpose and also for avoiding the wastage, pilferage or misuse of water.
12.	3.40	On the question of planned development in urban areas, as assured by Secretary, Ministry of Urban Development during the course of oral evidence that a model legislation would be placed before

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		<p>Parliament, the Committee hope that a model legislation would soon be brought to ensure that consumers are not cheated by developers or builders so as to contain the growth of unauthorized, unplanned colonies and housing, which lack all the basic amenities of good living.</p>
13.	3.41	<p>The Committee note with satisfaction that Twelfth Finance Commission has accepted the devolution of Rs. 5000 crore for urban local bodies only for solid waste management. The Committee expect that the much needed priority is given to the solid waste management projects by the States and urban local bodies by releasing of timely and adequate funds for the purpose. The Committee recommend that scientific and technical methodologies must be adopted for disposal of the solid wastes with the help of expert organization of compost development. The Committee also recommend that mass awareness programme should be taken up to generate proper public awareness about the utility of modern compost methods and efforts be made to keep the environment clean and healthy with effective coordination with the Ministry of Environment and Forests. At the same time, the Committee recommend that projects must be taken up to dispose and manage solid plastic and other non-degradable wastes in the cities/towns. The Committee also desire that Vermi Compost Plants should be set up in all the Municipalities and steps taken for effective marketing of the manure produced through Vermi Composting. They hope that Government would put all these measures under JNNURM or</p>

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		UIDSSMT so that solid waste management can be fruitfully utilized.
14.	3.52	The Committee express their anguish over the casual way of announcing the Schemes <i>viz.</i> (i) Pooled Financed Development Fund, (ii) Mission Mode on IT, and (iii) National Urban Infrastructure Fund and accordingly making the budgetary provisions in them without finalizing them. They are of the view that monies get blocked in such schemes, which could have been utilized for other purpose. The Committee therefore, desire that Government to do all the homework and finalise the schemes before making budgetary allocations. They recommend that the aforesaid schemes must be finalized and implemented without any further delay. The Committee would like to be apprised about the latest position in the matter.
15.	3.61	While appreciating the aims and objectives of NUIS, the Committee express their concern over the non-utilisation of 2nd and 3rd instalments of the Budgetary allocations under the scheme which are to the tune of Rs. 5.00 crore and Rs. 25.00 crore, respectively, as per Revised Estimates. The Committee are of the firm view that the budget allocations could have been fruitfully utilized, had the work relating to the mapping and generation of GIS data base been completed by Survey of India and the National Mapping Agency in time. They, therefore, recommend to impress upon the Survey of India and National Mapping Agency to expedite work so that the fund allocated under NUIS does not remain unutilized for want of GIS

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		<p>database and maps. Since Town and Country Planning Organisation (TCPO) is the nodal agency for implementing and review of this scheme, the Committee recommend that TCPO to take concrete measures to develop proper urban database in all the 137 towns in a specific time frame. The Committee feel that proper database and maps are the prerequisites for carrying out the systematic and holistic development of urban areas. Hence it should be given top priority. They hope that during the current financial year, the allocation made under the scheme will be utilized.</p>
16.	3.65	<p>The Committee fail to understand as to why the Scheme of Hospital Waste Management had been transferred from Ministry of Health and Family Welfare to Ministry of Urban Development and that too with a very meagre amount of Rs. 1.00 crore. On the other hand, the Committee are perturbed to note that funds have been surrendered by the Ministry of Urban Development as no viable proposals under Hospital Waste Management were received from State Governments. The Committee take a serious note of the non-implementation of the Hospital Waste Management schemes. Had concerted and effective efforts been made by the Ministry to persuade the State Governments to come forward with technically viable hospital waste management scheme, this scheme would have definitely been taken up/ made functional. The Committee, therefore, recommend that effective measures are taken to launch Hospital Waste Management Projects in States/ UTs without any further delay.</p>

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17.	4.9	<p>The Committee note that Delhi Urban Art Commission is the body which is responsible for awarding its advice on proposals received through the local bodies, and also taking up of macro level proposals on a <i>suo-motto</i> basis for aesthetic development of Delhi. They also note that there is acute shortage of GPRA in Delhi and CPWD is engaged in the construction of 2377 units by March, 2008. While appreciating the move of the Government for establishing such a body, the Committee recommend that various projects of CPWD and Housing including cooperative Group Housing should be cleared by DUAC on top priority basis without taking undue time. The Committee also recommend that local bodies in Delhi <i>viz.</i> NDMC, MCD and DDA should also clear the pending maintenance and infrastructural projects under CPWD and other Group Housing Societies at the earliest and provide them with all the basic amenities like water, electricity, drainage etc. in a time-bound manner so that such housing units do not remain unoccupied due to the lack of such amenities. Ministry of Urban Development should take up this matter at the highest level with all the concerned agencies so as to avoid unnecessary dilly dallying at bureaucratic level.</p>
18.	4.13	<p>The Committee gather that despite the recommendations made by them in their 2nd and 7th Reports (14th Lok Sabha), and pursuant to the Ministry of Urban Development instruction to NDMC, DJB and MCD to nominate 'Nodal Officers' to liaise with CPWD area-wise, such, 'Nodal Officers' are still to be nominated</p>

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		<p>by the aforesaid local bodies. The Committee are concerned as to how without proper liaison with ULBs and CPWD, the basic amenities could be effectively provided to Government colonies. They therefore, reiterate their earlier recommendations and direct the Government to inform the Committee about the action taken in the matter. The Committee also recommend that one liaison officer of CPWD in each area should be appointed with a view to coordinate various civil, electrical, horticultural works within CPWD complexes and also to liase with NDMC/ MCD, and the RWAs wherever necessary. Here, it would be pertinent on the part of CPWD to display the names of such officials on the display boards of all the Enquiry Offices maintained by CPWD and NDMC/MCD. The Committee may be apprised about the action taken in this regard.</p>
19.	4.19	<p>The Committee note that while there is shortage of GPRA in most of the cities, a substantial number of residential units in some of the cities are lying vacant. They also note that there is a shortage of General Pool Office Accommodation (GPOA) in Delhi and Indore. While noting that as per rules, GPRA cannot be utilized for GPOA, the Committee feel that it should not be a water-tight compartment and rules should be flexible enough to convert GPRA to GPOA and vice-versa, as per demand and availability. The Committee, therefore, recommend that suitable procedural amendments be made to fruitfully utilize vacant premises and provide accommodation to Government servants on demand.</p>