32

# STANDING COMMITTEE ON URBAN DEVELOPMENT (2007-2008)

## FOURTEENTH LOK SABHA

#### MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION

# DEMANDS FOR GRANTS 2008-2009

THIRTY SECOND REPORT



LOK SABHA SECRETARIAT NEW DELHI

#### THIRTY-SECOND REPORT

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# **DEMANDS FOR GRANTS** (2008-2009)

Presented to Lok Sabha on 16.04.2008

Laid in Rajya Sabha on 16.04.2008



LOK SABHA SECRETARIAT NEW DELHI

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# COMPOSITION OF THE STANDING COMMITTEE ON URBAN DEVELOPMENT (2007-2008)

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- 30. Shri Varinder Singh Bajwa
- 31. Shri Manohar Joshi

\*Shri Nandi Yellaiah, ceased to be the Member of the Committee consequent upon his retirement from Rajya Sabha w.e.f. 9.4.2008

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4.	Smt. Anita B. Panda	-	Deputy Secretary
5.	Shri S.K. Ganguly	-	Committee Officer
6.	Shri Manish Kumar Thakur	-	Committee Assistant

# **INTRODUCTION**

I, the Chairman of the Standing Committee on Urban Development (2007-08) having been authorized by the Committee to submit the Report on their behalf, present the Thirty-Second Report on Demands for Grants (2008-09) of the Ministry of Housing

and Urban Poverty Alleviation.

2. Demands for Grants of the Ministry of Housing and Urban Poverty Alleviation 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 27<sup>th</sup> March, 2008.

4. The Committee considered and adopted the Report at their sitting held on 11<sup>th</sup>

April, 2008.

5. The Committee wish to express their thanks to the officials of the Ministry of Housing and Urban Poverty Alleviation for placing before them the requisite materials

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; 11 April, 2008 22 Chaitra, 1930 (Saka) MOHD. SALIM, Chairman, Standing Committee on Urban Development.

#### CHAPTER 1

#### **INTRODUCTORY**

The Ministry of Housing & Urban Poverty Alleviation is the apex authority of the Government of India at the national level for formulation of housing policy and programme (except rural housing), review of the implementation of the plan schemes, collection and dissemination of data on housing, building materials/techniques and for adopting general measures for reduction of building costs. In the federal structure of the Indian polity, the matters pertaining to the housing and urban development have been assigned by the Constitution of India to the State Governments, and Government of India plays coordinating and monitoring role and supports various programmes and schemes. In addition, the Ministry is entrusted with implementation of the specific programmes of urban employment and urban poverty alleviation.

- 1.2 The Ministry also plays a nodal role in addressing various issues of housing, urban employment and poverty alleviation by formulating appropriate policies, providing legislative guidance and through sectoral programmes. The National Policy issues are decided by the Ministry which allocates resources to the State Governments through various Centrally sponsored schemes. In addition, the Ministry also supports various external assistance programmes for housing, urban employment and poverty alleviation in the country as a whole.
- 1.3 As per the Annual Report (2007-2008) of the Ministry of Housing & Urban Poverty Alleviation, it has one attached office, two Public Sector Undertakings and three Autonomous Bodies under its administrative control. A brief introduction of these organisations/undertakings is as follows:

#### National Building Organisation (NBO):

- 1.4 National Buildings Organisation (NBO) is an attached office under the Ministry of Housing and Urban Poverty Alleviation (HUPA). It was established in the year 1954 under the then Ministry of Works and Housing with the following objectives:-
- (a) To collect, document, disseminate the information on the latest advances in housing,
- (b) To develop housing/buildings statistics and conduct studies relating to socio-economic, financial and investment aspects of housing.

NBO was restructured in the year 1992 as per the requirements under the prevailing Housing Policy and various socio-economic and statistical functions connected with housing and building activities and also to ensure that the plan/schemes of Ministry are properly monitored. National Buildings Organisation was again restructured in the year 2005.

# Housing and Urban Development Corporation (HUDCO):

1.5 The Housing & Urban Development Corporation Ltd. (HUDCO) was set up as a fully owned Government company in April, 1970 with a view to provide loans and technical support to States and City level agencies and other eligible organizations for various types of housing activities and infrastructure development.

#### Hindustan Prefab Limited (HPL)

1.6 The Hindustan Prefab Limited (HPL) is another Public Sector Undertaking under this Ministry since the year 1955. Presently it has been concentrating on project management services.

### Building Materials and Technology Promotion Council (BMTPC)

1.7 The Building Materials and Technology Promotion Council (BMTPC) undertakes the task of extension, dissemination and application of innovative technologies and low-cost building materials based on industrial and agricultural wastes, developed by research institutions.

It also encourages development of appropriate standards for the new materials and their adoption in the schedule and specifications for various agencies active in the fields of public housing and construction.

#### **NCHF**

1.8 The National Cooperative Housing Federation (NCHF) of India set up in 1969 is a national level organization (registered society) spearheading the cooperative housing movement in India and is supported by Ministry of Housing and Urban Poverty Alleviation as part of the Government's efforts to encourage cooperative housing societies in the country.

#### The Central Government Employees Welfare Housing Organisation (CGEWHO)

1.9 The Central Government Employees Welfare Housing Organisation (CGEWHO) has been set up as a registered society under the aegis of Ministry of Housing & Urban Poverty Alleviation for construction of houses for Central Government employees.

#### Plan Schemes

As per the preliminary material on DFG, the Ministry of Housing & Urban Poverty Alleviation provides support to the following ongoing/new centrally sponsored and other schemes:

- (1) <u>Centrally Sponsored Schemes</u>
- 1. Basic Services for Urban Poor (BSUP) and Integrated Housing and Slum Development Programme (IHSDP) components of JNNURM launched on 3<sup>rd</sup> December, 2005.
- 2. Swarna Jayanti Shahari Rozgar Yojana (SJSRY)
- 3. Integrated Low Cost Sanitation Scheme (ILCS)
- 4. Interest Subsidy Scheme for Housing for Urban Poor (ISSHUP)
- 5. Building Centres Scheme (BCS)
- (2) Other Schemes/projects
- 1. Government of India UNDP project on 'National Strategy for Urban Poor'
- 2. Central Sector Scheme of "Urban Statistics for HR and Assessments (USHA)"
- 3. UN Centre for Human Settlements
- 4. Projects/ schemes for the development of North-Eastern States including Sikkim under 10% lumpsum provision for this purpose.

Review of the status of implementation contained in the Twenty First Report of the Committee on Demands for Grants (2007-2008) of Ministry of Housing and Urban Poverty Alleviation

- 1.10 The Twenty-First Report (Fourteenth Lok Sabha) of Standing Committee on Urban Development on Demands for Grants (2007-08) of Ministry of Housing and Urban Poverty Alleviation was presented to Parliament on 27<sup>th</sup> April, 2007 and related Action Taken Report (Forty-Seventh Report) thereon was presented on 22<sup>nd</sup> November, 2007.
- 1.11 In pursuance of the Direction 73A of direction issued by Hon'ble Speaker, Lok Sabha, the Minister of State (Independent Charge) for Housing and Urban Poverty Alleviation, made a statement under Direction 73 A on 30<sup>th</sup> November, 2007 on the status of implementation of the recommendations contained in the Twenty-First Report of the Committee on Urban Development on Demands for Grants (2007-2008) of the Ministry of Housing and Urban Poverty Alleviation.
- 1.12 Out of the 22 recommendations contained in the Twenty-First Report of the Committee, all have been accepted by the Government. 21 recommendations are under process of implementation and only 1 recommendation is yet to be implemented.
- 1.13 The Committee desire that Government should implement all the recommendations of the Committee and the Committee be apprised about the action taken by the Government in implementation of the four specific recommendations which are yet to be implemented.
- 1.14 The Budget of the Ministry of Housing and Urban Poverty Alleviation (MoHUPA) comprises of one Demand for Grants i.e. Demand No. 56 Housing and Urban Poverty Alleviation. The same has been discussed in the succeeding paragraphs of this Report.

#### **CHAPTER II**

# OVERALL ANALYSIS OF DEMAND FOR GRANTS (2008-2009)

#### 2.1 **Demand No.: 56**

Ministry of Housing and Urban Poverty Alleviation

(Rs. in crore)

	Revenue	Capital	Total
Charged	-	-	-
Voted	8,55,00,00	1,50,00	8,56,50,00

# Statement showing the Budget Allocation for 2008-09 (Plan and Non-Plan) in respect of Ministry of Housing & Urban Poverty Alleviation

(Rs. in Crore)

Demand		Gross			Net		Net			
No. 56	Plan	Non- Plan	Total	Plan	Non- Plan	Total	Revenue	Capital	Total	
	850.00	6.50	856.00	850.00	6.50	856.50	855.00	1.50	856.50	
Total	850.00	6.50	856.00	850.00	6.50	856.50	855.00	1.50	856.50	

# Statement Showing BE and RE 2007-08 and BE 2008-09 indicating percentage variation

**Net Basis** 

(Rs. In crore)

									(115)	m crore)
Demand	BE 2007-20	BE 2007-2008 RE 2007-2008		BE 2008-2009		% Variation over BE 2007-		% Variation over RE 2007-		
							2008 Excess (	(+) Saving(-)	08 & BE 20	08-09 Excess
No. 56									(+) Saving (-)	
	Plan	Non- Plan	Plan	Non- Plan	Plan	Non- Plan	Plan	Non-Plan	Plan	Non-Plan
Revenue	500.00	4.14	500.00	4.14	850.00	5.00	70.00%	20.77%	70.00	20.77%
									%	
Capital	0.00	5.61	0.00	5.61	0.00	1.50		-		(-)
Сарпаі								73.26%		73.26%
TOTAL	500.00	9.75	500.00	9.75	850.00	6.50	70.00%	-	70.00%	(-)
IOIAL								33.33%		33.33%

- 2.2 The Ministry, in a written note, informed the Committee that their overall B.E. for the year 2008-2009 is Rs. 856.50 crore (Gross), including both plan and Non-Plan. The respective provisions on the Revenue and Capital sides are Rs. 855.00 crore and Rs. 1.50 crore respectively. The break-up of Plan and Non-Plan provision is Rs. 850.00 crore and Rs. 6.50 crore, respectively. A brief comparative analysis of BE 2008-2009 *vis-à-vis* 2007-2008 depict that BE 2007-2008 amounted to Rs. 500.00 crore (Plan) and Rs. 9.75 crore (Non-Plan) totalling to Rs. 509.75 crore in 2007-2008. However, the BE 2008-2009 shows an increase of around 70%, totalling Rs. 850 crore in Plan Head and there has been a decrease of (-) 33.33% in Non-Plan head to the tune of Rs. 6.50 crore.
- 2.3 During the evidence of the Ministry of HUPA held on 27<sup>th</sup> February, 2008, the Secretary, Ministry of Housing and Urban Poverty Alleviation (MoHUPA) further elaborated on this point as under:

"The Ministry of Housing and Urban Poverty Alleviation comes under demand No. 56. The overall budgetary estimates of the Ministry for 2008-09 is Rs. 856.80 crores. (both Non-Plan and Plan). There is a decrease of 32.82 per cent in the Non-Plan component. Normally, the Non-Plan increases by 5 per cent. In our case, there is an actual decrease from Rs. 9.75 crore to Rs. 6.50 crore. This non-Plan expenditure caters to administrative and operational expenditure of the Ministry and allied organisations. When we look at the Plan component, it has been risen from Rs. 500 crore at RE in 2007-08 to Rs. 850 crores in the BE for 2008-09, which is an increase of 70 per cent".

2.4 On being asked as to why there has been a steep increase of 70% in allocation of BE (2008-09) (Plan side) as compared to RE (2007-08), (Plan side) the Ministry stated that the reason for increase in BE 2008-09 (plan) vis-à-vis BE 2007-08 (plan) was an enhanced allocation from Rs. 344.00 crore in BE 2007-08 to Rs. 515.00 crore in BE 2008-09 under Swarna Jayanti Shahari Rozgar Yojana which was around 49.70% increase, from Rs. 40.00 crore to Rs. 150.00 crore under ILCS and from Rs. 30.00 crore to Rs. 95.00 crore under ISSHU Scheme.

- 2.5 Elaborating further on the variations in BE 2008-2009 as compared to BE 2007-2008, the Secretary, Ministry of Housing and Urban Poverty Alleviation (MoHUPA) stated during the oral evidence as follows:
  - "...This is one of the highest increases which any Ministry has had at any time between one Annual Plan and another. The increase in allocation is largely for a few schemes of the Ministry. In the Swarna Jayanti Shahari Rozgar Yojana, the scheme relating to promotion of wage and self-employment, it is an increase from Rs. 344 crore during 2007-2008 to Rs. 515 crore for 2008-09. This is a very significant increase of almost 50 per cent. To be precise, it is 49.70 per cent.

To other scheme which had been somewhat in doldrums and we were very eager to refine the scheme and make it more people friendly is ILCS. I am happy to announce that the revised Integrated Low Cost Sanitation Scheme of the Ministry has secured the approval of the Cabinet. Now it is operative. Consequently, the allocation for this has increased from Rs. 40 crore in 2007-08 to Rs. 150 crore in 2008-09, thereby literally more than tripling the allocation for ILCS, which as you know is a very important part of the Common Minimum Programme of this Government. Then, the allocation for MIS on housing data has also increased. I believe that housing statistics and research constitute a vital foundation for developing a super structure of implementation. This allocation has risen from Rs. 7.60 crore in 2007-08 to Rs. 10 crore in 2008-09, thereby recording an increase of 31 per cent. The allocation for Interest Subsidy for Housing the Urban Poor has been increased from Rs. 30 crore in 2007-08, which was a notional allocation, to Rs. 95 crore in 2008-2009..."

- As regards the reasons for decrease in BE 2008-09 (Non-Plan side) vis-à-vis BE 2007-08 (Non-Plan side), the Committee were informed that the decrease BE 2008-09 as compared to BE 2007-08 under non-plan side was due to reduced allocation from Rs. 5.61 crore in BE 2007-08 to Rs. 1.50 crore in BE 2008-09 to Hindustan Prefeb Ltd., for its Voluntary Retirement Scheme
- 2.7 When asked by the Committee to furnish a brief summary of Demands for Grants for the last Five years showing percentage variation and the financial outlays during Annual Plan 2003-2004 to Annual Plan 2008-2009, the Ministry furnished the same which is reproduced in **Appendices-I and II**.

2.8 The Committee specifically desired the Ministry to furnish their total allocations under the entire 10<sup>th</sup> Five Year Plan, year-wise as well as scheme-wise. The Ministry accordingly furnished the details to the Committee, which are reproduced hereunder:-

Total Outlay in the  $10^{th}$  Five Year Plan Year-wise / Project-wise

(Rs. in crore)

		th					(	in crore)		1
SI. No.	Schemes	10 <sup>th</sup> Plan (2002-07) Outlays	BE 2002-03	BE 2003-04	BE 2004-05	BE 2005-06	BE 2006-07	Total Alloc. During 10 <sup>th</sup> Plan	BE 2007-08	BE 2008- 09
1	2	3	4	5	6	7	8	9	10	11
1	VAMBAY	2040.00	218.35	238.50	280.58	249.00	75.01	1061.44	0.00	0.00
2	SJSRY	541.00	98.89	94.50	103.00	160.00	250.00	706.39	344.00	515.00
3	Low Cost Sanitation	200.00	30.00	30.00	30.00	30.00	30.00	150.00	40.00	150.00
	National Scheme of Liberation & Rehabilitation of Scavengers	460.00	80.00			0.00	0.00	140.00	0.00	0.00
5	BMTPC	20.00	4.40	3.00	5.00	4.52	4.30	21.22	7.00	7.00
6	Night Shelter Scheme	30.97	3.00	4.50	4.00	0.00		11.50	0.00	0.00
	Urban Indicators Programme	1.00	0.14	0.20	0.01	0.00		0.35	0.00	
8	Building Centres	3.00	0.00	0.00	0.00	0.00		0.00	1.00	1.00
	HUDCO Equity for Housing	1000.00	180.00					620.60	0.00	
10	NCHF	1.00	0.22	0.20	0.40	0.38	0.36	1.56	0.40	0.40
	Displaced persons in Urban Colonies in West Bengal	8.03	0.00	6.00	0.01	0.00		6.01	0.00	0.00
	Resettlement of Slums in Dharavi and along the road side connecting airport with south Mumbai	0.00	0.00	0.00	75.00	0.00		75.00	0.00	0.00
	UNDP Assistance for National Strategy for Urban Poor	0.00	0.00	0.00	4.00	5.00	9.00	18.00	5.00	5.00
14	Computerization	0.00	0.00	0.00	0.00	1.00		1.00	1.00	1.60
	Urban Development Projects in the North East		0.00					0.01	0.00	
	North East Lumpsum Provision	405.00	44.17	62.50	83.00	50.00	50.00	289.67	50.00	50.00

Interest Subsidy for Housing to Urban Poor TOTAL	0.00 <b>4710.00</b>	659.17	695.00	830.00	499.91	418.67	0.00 <b>3102.75</b>		
Urban Statistics for HR and Assessment Scheme (USHA) JNNURM							0.00		
Employment Assurance & skill formation in Urban Areas							0.00	0.00	0.00

### <u>Increase in BE 2008-09 – Challenges ahead</u>

2.9 From the information furnished to them, the Committee are satisfied to note that the overall BE of Ministry of Housing and Urban Poverty Alleviation (MoHUPA) for 2008-09 has been increased to Rs. 850 crore. During BE 2007-08, the total fund allocation to this Ministry was Rs. 500 crore which implies that an increase to the tune of 70 per cent has been effected this year. This is mainly due to enhanced allocation for the schemes like SJSRY, ILCS & ISHUP. Further, the Committee appreciate that the Ministry could also bring down their Non-Plan expenditure by 33.33%. However, the Committee are aware that the incidence of poverty in urban areas is quite staggering even today. Quite understandably, this translates into a major challenge before the Ministry of HUPA, which is the nodal Ministry for successful implementation of the Housing schemes for the poor as well as various poverty alleviation schemes. They feel that with a stronger financial base this year, the onus is on the Ministry to deliver a matching performance. The Committee, therefore, urge upon the Ministry to aim towards the successful implementation of the schemes so that a difference could be made in the lives of the urban poor.

#### 2.10 Social Auditing of Schemes:

The Committee, further, feel that the Ministry should explore introduction of process of social auditing of its various Schemes in order to assess the success of the

Government's endeavour to provide infrastructure and basic services to the urban poor and demonstrate its social, economic benefits and also limitations, if any. In their view, such an effort would enable the Government to increase accountability as well as enhance democratic practice in the country.

#### **CHAPTER III**

## SCHEME-WISE ANALYSIS URBAN POVERTY ALLEVIATION SCHEMES

# I. SWARNA JAYANTI SHAHARI ROJGAR YOJANA (SJSRY)

3.1 From the Outcome Budget furnished by the Ministry, the Committee were informed that with a view to provide gainful employment to the urban unemployed or underemployed through encouraging the setting up of self-employment ventures or provision of wage employment, the Swarna Jayanti Shahari Rojgar Yojana (SJSRY) was launched on 01.12.1997 after subsuming the earlier three Urban Poverty Alleviation Schemes, namely Urban Basic Services for the Poor (UBSP), Nehru Rojgar Yojana (NRY) and Prime Minister's Integrated Urban Poverty Eradication Programme (PMI UPEP). The material further stated as follows:

SJSRY Scheme is being implemented through State/UT Governments and it is funded on a 75:25 basis between the Centre and the States. Swarna Jayanti Shahari Rojgar Yojana (SJSRY) consists of two major components, namely:-

- (A) The Urban Self Employment Programme (USEP) (including Development of Women and Children in the Urban Areas (DWCUA) as its sub-component)
- **(B)** The Urban Wage Employment Programme (UWEP)

#### 3.2 (A) The Urban Self Employment Programme (USEP)

This Component of SJSRY has three distinct part:-

- (i) Assistance to individual urban poor beneficiaries for setting up gainful self-employment ventures.
- (ii) Assistance to groups of urban poor women for setting up gainful self-employment ventures. This sub-scheme has been titled as "The Scheme for Development of Women and Children in the Urban Areas (DWCUA)".
- (iii) Training of beneficiaries, potential beneficiaries and other persons associated with the urban employment programme for upgradation and acquisition of vocational and entrepreneurial skills.

#### **Development of Women and Children in Urban Areas (DWCUA):**

• DWCUA aims at helping groups of urban poor women in taking up self -employment ventures.

- The group may consist of at least 10 women.
- The ceiling of subsidy under the scheme is Rs. 1.25 lakh or 50% of the cost of the project whichever is less.
- Where the DWCUA group sets itself up as Thrift & Credit Society, in addition to its self employment ventures, it will be eligible for an additional grant of Rs. 25,000 as revolving fund at the rate of Rs. 1,000 maximum per member. The fund is meant for purposes like purchases of raw materials and marketing, infrastructure support, one time expense on child care activity, expenses upto Rs. 500 on travel cost of group members to bank, payment of insurance premium for self/spouse/child by maintaining savings for different periods by a member and any other expense allowed by the State in Group's interest. The revolving fund can be availed by a Group only after one year of its formation.
- Special assistance may be provided for setting up of community seva kendras which
  could be used for multifarious activities such as work places/marketing centres etc. for
  beneficiaries under this programme.

### (B) The Urban Wage Employment Programme (UWEP)

3.3 This component seeks to provide wage employment to prospective beneficiaries living below the poverty line within the jurisdiction of urban local bodies by utilizing their labour for construction of socially and economically useful public assets. Under this component, there are no restrictions on educational qualifications. This programme is implemented only in the urban local bodies having population less than 5 lakh as per the 1991 Census. The material labour ratio for construction works under this component is to be maintained at 60:40. The prevailing minimum wage rate, as notified from time to time for each area, has to be paid to beneficiaries under this component.

#### Financial Allocation under SJSRY

3.4 The Committee were informed that during the 10<sup>th</sup> Plan Period, a sum of Rs. 541.00 crore had been earmarked for the Scheme. When asked so by the Committee, the total outlay in the 10<sup>th</sup> Five Year Plan, year-wise allocation under the Scheme, was furnished as under:-

Total outlay in the 10<sup>th</sup> Five Year Plan, year-wise / project-wise:

Year		Amount
2002-03	-	Rs. 105.00 Crore
2003-04	-	Rs. 105.00 Crore
2004-05	-	Rs. 123.00 Crore
2005-06	-	Rs. 160.00 Crore
2006-07	-	Rs. 250.00 Crore

3.5 As per the Ministry, financial allocations to the States were being made on the basis of incidence or urban poverty as per Planning Commission norms. The physical targets were fixed by the States according to their allocations. It was also informed that during the 10<sup>th</sup> plan period, the actual allocation for SJSRY stood at Rs. 743.00 crore though the 10<sup>th</sup> Plan outlay had been Rs. 541.00 crore, based on the following statement:

Statement showing budget estimates, revised estimates and actual expenditure for the year 2005-2006, 2006-2007 and 2007-2008 and budget estimates for 2008-2009:

(Rs. in Crore)

Year	<b>Budget Estimates</b>	Revised Estimates	Actual Expenditure
2005-2006	160.00	160.00	160.00
2006-2007	250.00	250.00	250.00
2007-2008	344.00	344.00	330.54
2008-2009	515.00	-	-

3.6 When asked to justify a 50% increase in the budgetary allocation to SJSRY this year as compared to last year, the Ministry replied as under:-

"The proposed increase in project cost is based on (a) findings from NSSO 61<sup>st</sup> Round that the number of urban poor in the country has increased by 4 million between 1993-94 and 2004-05, while there is a considerable decrease in the number of the rural poor; (b) as urbanization gets fueled by high economic growth, urban poverty is bound to become one of the most important concerns of public policy; (c) the 11<sup>th</sup> Five Year Plan has adopted

"inclusive growth" as the dominant paradigm of development of the country; and (d) SJSRY is the only urban poverty alleviation scheme addressing the issues of "inclusive urban development" in the country encompassing employment (self-employment and wage employment both), income generation, community support systems to the urban poor to take up self-employment and wage employment in an integrated and holistic manner".

3.7 Further, in a written reply, the Ministry informed the Committee that no funds have been surrendered under SJSRY during the last year. When asked to give details of State-wise utilization of fund allocated under this scheme during 2007-08, alongwith percentage of target achieved, the Ministry furnished the following data:-

C C
6
20
M
12
60
120
11
Z
SALI SONS SONS
AC
S
H
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-
CA
69
AHd
85
ASED & PH
8
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22
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CENTRAL FUR
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#### **Physical/Financial Progress**

- 3.8 The Ministry, in a written reply informed the Committee that earlier i.e during the 9<sup>th</sup> Plan, no State-wise physical targets were prescribed under the Scheme as it was left to be fixed by the State/UTs as per their needs. However, during the 10<sup>th</sup> Plan at the National level, under USEP, total Plan period (5 years) target of 4,00,000 self-employment under USEP/DWCUA was fixed. Similarly, 5,00,000 persons were to be given skill development training annually under USEP (Training) sub-component, during the entire 10<sup>th</sup> Plan period.
- 3.9 The Committee were further informed that during the 10<sup>th</sup> plan period, total Central funds amounting to Rs. 728.28 crore was released to the States/UTs, while the expenditure reported was Rs.700.32 crore (this includes expenditure from Central funds carried out from previous years). Regarding physical achievements, during the years 2002-03, 2003-04, 2004-05, 2005-06 and 2006-07 (cumulative), 5,43,919 micro-enterprises had been set up and 6,51,105 urban poor had been provided skill training against the cumulative corresponding 5 years target of 4,00,000 micro enterprises and 5,00,000 recipients of skill training.

Physical achievement under various components of SJSRY against the Annual Targets

Year	Urb	an Self Employ	No of Mandays of work generated under Urban Wage Employment Programme (in lakh)			
	for setti	ries Assisted ing up of 3 enterprises	Persons provided skill training			
	Target	Achievemen	Target Achievem		Target	Achievement**
2005-2006	80,000	98,791	1,00,000	1,42,073	-	43.48
2006-2007	1,20,000	1,36,178	1,50,000	1,67,364		81.55
2007-2008	1,20,000	93,967*	1,50,000 1,43,750*			21.78

<sup>\*</sup> As updated upto 29.2.2008

3.10 When asked as to why only 21.78 lakh Mandays of work were generated under Urban Wage Employment Programme during 2007-08, while the figure for 2006-07 was as high as

<sup>\*\*</sup> No targets are prescribed under Urban Wage Employment Programme (UWEP) component of SJSRY.

81.55 lakh Mandays, the Ministry replied in a written note that the data submitted for the year 2007-2008 is based on the Quarterly Progress Reports received from the States/UTs upto 31<sup>st</sup> December 2007 (i.e. upto III quarter). These numbers will increase once QPRs for March 2008 will be received.

3.11 Providing an updated account of the physical performance under SJSRY in 2007-2008, the Secretary, MoHUPA, during the evidence (held in March, 2008), submitted as under:-

"The target for setting up of micro enterprises was 1,20,000. It has been reported that 95,404 micro enterprises have been set up. In relation to skilled training, we have actually exceeded the target. The target was 1,50,000. We have done 1,52,308".

#### GARIBI HATAO (POVERTY ERADICATION): SWARNA JAYANTI SHAHRI ROZGAR YOJANA PHYSICAL PROGRESS (CUMULATIVE) UNDER USEP COMPONENT OF SJSRY UPDATED AS ON 8.2.2008

No. 1.	Andhra	SC		& Subsid	Y)							
	Andhra	20		144			DWCU			inder USEP (Skill Training)		
	Andhra	14400	ST		en Total	SC	ST	Total		ST		n Total
2	Prodesh	16430	7668	3286	109536	8759	4087	58390	9839	4591	19678	65592
	Arunachal Pradesh	0	465	130	465	0	75	75	0	314	0	314
3.	Assom	1674	712	2511	8370	45	19	225	1793	762	0	8966
4.	Bihar	9246	673	8915	23269	9230	705	19720	1678	135	704	4891
5.	Chhotisgarh	3108	1226	2560	14225	224	154	1486	2780	1413	11349	17769
6.	Goa	57	4	136	480	0	0	30	0	0	0	(
7.	Gujarat	9979	3338	16198	46235	66	4	246	12261	5073	35823	55872
8.	Haryana	6230	0	6376	21490	2381	0	5108	11430	0	26265	33368
9.	Himachal	626	35	565	2062	153	12	416	1971	118	3699	4852
	Pradesh											1002
10.	Jammu & Kashmir	934	292	1519	11748	0	0	304	1817	546	0	19081
11.	Jharkhand	0	0	0	0	. 0	0	0	0	0	0	0
2.	Karnataka	9429	2310	32985	41505	2604	710	15780	20513	5594	0	124326
3.	Kerala	1686	60	15627	21499	1185	11	19119	4559	713	35469	47476
	Madhya Pradesh	19237	4574	24926	112781	3110	611	12232	34096	9690	107523	171815
5.	Maharashtra	19996	6387	23534	79073	20679	6364	64552	66449	23022	105695	228055
6.	Manipur	0	1	3	6	0	0	0	594	530	2190	4390
7.	Meghalaya	212	13810	917	1849	0	0	6	0	0	0	1692
8.	Mizorom	0	160	, 0	160	0	0	0	0	7518	0	7518
9. 1	Nagaland	30	50	30	1286	24	47	1995	90	614	11	814
0. (	Orissa	6801	2081	11441	31948	5095	1387	14350	6370	2794	13182	28056
1. 6	Punjab	4156	0	2482	8566	118	0	220	8079	0	16441	16441
2. F	Rajasthan	12410	1809	11149	57151	0	0	1143	10462	1013	25523	28036
3. 5	Sikkim	70	114	229	479	0	0	- 0	0	0	0	0
4. 1	Tamil Nadu	9623	640	18520	40947	6163	524	31780	13078	1031	31753	55344
5. 1	Tripura	1296	764	1730	5191	500	200	1840	3930	2205	4916	16017
5. L	Uttorakhand	155	7	153	706	6	1	30	15	0	0	154
7. 1	Jttar Pradesh	23422	1495	14902	162773	1904	90	10378	42092	946	35704	184959
3. V	West Bengal	3453	222	10584	24290	310	50	3835	12750	1163	45917	67348
	A & N Islands	0	0	0	80	0	0	0	0	0	0	0,540
). (	Chandigarh	103	0	64	288	16	0	23	2454	1586	3689	4091
	8 N Haveli	0	43	18	67	0	0	0	0	0	0	0
	Daman & Diu	0	0	0	68	0	0	0	0	0	0	0
	Delhi	437	24	298	1201	0	0	83	1078	15	2550	3200
	ondicherry	796	0	1890	3451	0	0	4338	0	0	0	6603
		61596	48964		833245	62572	15051	267704	270178	71386	528081	1207040

3.12 To a query during evidence as to why, among all the States, Jharkhand has made a nil progress under USEP component of SJSRY as on 8.2.2008, the Secretary, MoHUPA submitted as under:-

"In terms of new allocation, we did a lot of hand holding for Jharkhand in both the schemes. We have allocated Rs. 4.80 crore to Jharkhand. Jharkhand was unable to come out with projects initially, but now they have come up with projects and actually the spirit of JNNRUM has also been imbibed".

#### Monitoring/Evaluation of SJSRY

3.13 In a written note to the Committee, the Ministry informed them that the SJSRY was being monitored through National/State/District level Committees, periodical review meetings and quarterly progress reports. Further, the Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) had been evaluated through an independent study in preparation for the 11<sup>th</sup> Five Year Plan. Learning from the findings of the study as well as feedback from other stakeholders, it has been decided to comprehensively revise the existing guidelines of SJSRY.

#### **Modification of Guidelines of SJSRY**

3.14 Concerned with the dismal performance of SJSRY in generating gainful employment for the urban poor, the Committee had been urging the Ministry since the year 2005-2006 for appropriate revision/modification of its guidelines. In this regard, the Committee had, in their 21<sup>st</sup> Report on Demands for Grants (20070-08) recommended that the Ministry should be ready with the modified guidelines before commencement of Eleventh Five Year Plan. When asked if the Ministry had come up with the above mentioned modified guidelines, the Ministry, in a written reply submitted that the revised Guidelines of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) were yet to be approved by the competent authority. It was submitted that the Ministry had prepared the proposals for the modifications in the Guidelines, which had been approved "in principle" by the Planning Commission. Accordingly, Expenditure Finance Committee (EFC) Note was prepared and circulated to all concerned Ministries for their comments. The detailed comments from the concerned Ministries/Planning Commission had since been received and on the basis of these comments, a proposal would be moved shortly by the Ministry for the consideration of the EFC.

#### 3.15 Prudent use of Additional Funds:

The Committee appreciate the fact that the budgetary allocation for SJSRY has been increased from Rs. 344 crore last year to Rs. 515 crore this year, thereby registering an increase of around 50%. They also observe that SJSRY is the only urban poverty alleviation scheme addressing the issues of "inclusive urban development" encompassing both self-employment and wage employment components and income-generation and community support systems to the urban poor. Considering that the proposals for modifications in the Guidelines of SJSRY has been approved "in principle" by the Planning Commission and the said proposals would be moved shortly by the Ministry for consideration of Expenditure Finance Committee (EFC), the Committee desire that the additional funds should be channelised appropriately in sync with the proposed modified Guidelines of the scheme in order to increase the achievement level in the field of creation of more self-help groups, setting up of more micro enterprises and giving a boost to micro finance. Further, the Committee recommend that the additional fund available this year needs to be utilized for generating a better number of Mandays of work under 'Urban Wage Employment Programme', as this particular aspect has not given encouraging results so far.

# 3.16 Physical achievement under various components of SJSRY

About the performance of the USEP component of the Scheme, the Committee have been informed that out of the target of 1,20,000 micro enterprises, a total of 95,404 have been set up till date for year 2007-08. However, the Committee find that the performance on this particular aspect is far lower than in the year 2006-2007, which was 1,36,178. However, the Committee are happy that in regard to skilled training component, the Ministry has actually exceeded the target in 2007-2008, which was 1,52,308 persons as compared to the target of 1,50,000 persons. The Committee would still like to lay stress on

the point that these achievements have not been as holistic as desired in all the States. They note that there has been nil achievement in the fields of setting up of micro-enterprises and skill training to urban poor in States like Arunachal Pradesh, Bihar, Jharkhand, Daman & Diu etc. The Committee feel that the achievement should have been more comprehensive and holistic. Besides, as already stated in the previous recommendation, the Committee are disappointed over the low achievement of the urban wage employment component of SJSRY. They note that only 21.78 lakh Mandays of work were generated during 2007-2008 till 29<sup>th</sup> February, 2008, whereas the figure for 2006-07 was as high as 81.55 lakh. The Committee, thus, are dismayed at the fluctuating progress of this component of SJSRY. They, therefore, recommend the Ministry to earnestly strive to increase its achievement levels in all the components of SJSRY in order to avoid inconsistency in its performance.

#### 3.17 Finalization of Modified Guidelines of SJSRY

In regard to early finalisation of modified guidelines of SJSRY, the Committee had, in their 21<sup>st</sup> Report on Demands for Grants (2007-08), recommended that the Ministry should be ready with the modified Guidelines before the commencement of 11<sup>th</sup> Five-Year-Plan. Now, they have been informed by the Ministry that the said guidelines are yet to be approved by the competent authority i.e. the EFC, though the proposed modifications have received "in principle" approval of the Planning Commission. The Committee are dissatisfied at the failure of the Ministry to finalise the modified guidelines till date, particularly when one year of 11<sup>th</sup> Five Year Plan has also come to an end. They are at a loss to know as to why it took so long. They, however, hope that the revised guidelines would be approved by the EFC soon and the modified guidelines of SJSRY would be implemented without loosing any time further. The Committee further expect that the modified guidelines are flexible and comprehensive enough to cover the needs of the urban

poor and has ample focus on women, SC/ST persons, minorities, disabled people and the slum dwellers. The Committee also feel that in order to make urban poor a dignified and self-sufficient lot, more focus needs to be given to the setting up of micro-enterprises, self-help groups, micro-finance, skill development, vocational training as well as for ensuring an appropriate network to access the markets for selling their products. Moreover, appropriate guidelines must be spelt out to streamline the flow of micro-credit from Banks, so that the flow of credit could be made faster and hassle-free for the urban poor. In a nutshell, the Committee feel that unless the States and banks together perform well, the SJSRY scheme cannot achieve its aim comprehensively.

#### II) INTEGRATED LOW COST SANITATION SCHEME (ILCS)

- 3.18 The Committee note that in order to eliminate the abhorring practice of manual carrying of night soil, the Centrally sponsored scheme for Integrated Low Cost Sanitation was initiated in 1981 by the Ministry of Home Affairs and later implemented through the Ministry of Social Justice and Empowerment. From 1989-90, it was operated by the Ministry of Urban Development and Poverty Alleviation (It is being implemented by Ministry of Urban Employment and Poverty Alleviation since 2003-04). The scheme envisages conversion of dry latrines into low cost twin pit sanitary latrines.
- 3.19 The scheme has been taken up on a 'whole town basis' and is being operated through the Housing and Urban Development Corporation (HUDCO) by providing a mix of subsidy from the Central Government and loan from the HUDCO in a synchronised manner as per the following financing pattern:

Contribution	Category EWS LIG	Subsidy 45% 25%	Loan 50% 60%	Beneficiary 5% 15%
	MIG/ HIG	Nil	75%	25%

#### **Revision of ILCS Scheme**

- 3.20 The Committee were informed that in accordance with the final report of Agricultural Finance Corporation Ltd. (which was entrusted with the evaluation by impact assessment of ILCS scheme), submitted in the month of October, 2007, the existing guidelines of ILCS schemes have been revised with the approval of the Cabinet, in their meeting held on 17.1.2008. The objectives of the scheme are now two fold (a) conversion of six lakh dry latrines into water borne flush toilets in a time bound manner, and (b) construction of new latrines to EWS households who have no latrines in the urban areas.
- 3.21 The Committee were also informed that in order to make the scheme more attractive and implementable, the following improvements in the scheme had been proposed:-

"The scheme will be implemented by the Ministry of Housing & Urban Poverty Alleviation directly with a 75% Central Subsidy, 15% State subsidy and 10% beneficiary share covering all the EWS households in the urban areas and does not entail a loan component. The upper ceiling cost of Rs. 10,000/- is provided for a complete unit of pour flush individual latrine with superstructure (excluding States falling in difficult / hilly areas). For the States falling in the category of difficult and hilly areas, 25% extra cost is provided for each two pit pour flush latrine. 1% of the total central allocation under the scheme in each of the financial year is provided to the Ministry towards Information, Education and Communication (IEC) component. The provision of utilizing NGOs, having adequate experience in the field, for effective implementation is also included. In this manner, an integrated and holistic approach is being adopted by the Ministry to improve the performance of the scheme in the year 2008-09 and thereafter".

#### **Financial allocation**

3.22 The details of Budget Allocation and Expenditure incurred during 10<sup>th</sup> Five Year Plan under ILCS was furnished to the Committee as under:

Year	B.E	R.E	Actual	
			Expenditure	
2002-03	30.00	4.80	4.80	
2003-04	30.00	4.80	4.80	
2004-05	30.00	30.00	20.00	
2005-06	30.00	5.00	2.00	
2006-07	30.00	30.00	30.00	

3.23 According to written material furnished by the Ministry, the Annual Plan 2007-08 (Approved Outlay) for ILCS was Rs. 40 crore and Annual Plan 2007-08 (Anticipated Expenditure) was also Rs. 40 crore. The Ministry, in their written replies further submitted to the Committee as under:-

"The budgetary allocation for the Centrally Sponsored "Integrated Low Cost Sanitation" Scheme for 2008-09 is Rs. 150.00 crore. The guidelines of the Scheme have been revised with the approval of the Cabinet in its meeting held on 17.01.2008. Under the revised guidelines of the ILCS scheme funds will be released directly by this Ministry to the State Govts / Union Territories and not through HUDCO. As per the objective of the scheme, it is intended to release 75% of Central Subsidy to convert six lakh dry latrines into water borne flush toilets in the country from the year 2007-08 to 2009-10 and 25% to construct new toilets to EWS households who have no latrines in the urban areas of the country. The projects for conversion of existing dry toilets into water borne flush toilets under the revised scheme will be implemented in the States (Uttar Pradesh, Bihar, Jammu & Kashmir, Assam and Nagaland) who have reported prevalence of dry latrines".

- 3.24 During the oral evidence, the Secretary, Ministry of Housing and Urban Poverty Alleviation (MoHUPA) further deposed as under:
  - "...I have held review meetings with five major States where dry latrines are reported in number. Those States are Assam, they have 60341; Bihar has 2,00230; Nagaland has 607; Uttar Pradesh has 2,70,911; and Uttranchal has yet to report. As of now, as reported, there are about six lakh dry latrines and within the next two to three years, we will ensure that all the dry latrines are converted. But there is another menace that there are many cities where there are many poor families who have no latrines. Many poor cities have no latrines and we have also kept 25 per cent of the total funds over the Plan period for giving latrines to people who have no latrines...".

#### Funds under ILCS to be utilized for in-situ upgradation of old toilets in slum areas

3.25 The Committee are happy to note that the budgetary allocation for Integrated Low Cost Sanitation (ILCS) scheme for 2008-09 has been increased to Rs. 150 crore from a meagre allocation of Rs. 40 crore during 2007-08. The Committee also appreciate the initiative taken by the Ministry to make the scheme more attractive by revising its guidelines in the current year, which also happens to be the 'International Year of

Sanitation'. They note that as per the revised scheme, the Ministry would be directly releasing the funds to the States/Union Territories instead of HUDCO. Besides, in view of the total absence of latrine units in certain urban slum areas, the Ministry have kept 25% of the total fund over the Plan period for the same. The Committee are, however, concerned about the extremely shabby conditions of old latrines in urban slum areas and feel that the Ministry should also allot funds for 'in-situ' upgradation/repair/maintenance of the same under ILCS. The Committee would like to be kept apprised as to how specifically the enhanced budgetary allocation under ILCS scheme would be spent in actual on all such areas. Besides, the Committee have been assured that the existing 6 lakh dry latrines would be converted into pour flush units under the scheme within 2-3 years. They expect that the target is achieved without further delay.

#### (III) Jawharlal Nehru National Urban Renewal Mission (JNNURM)

3.26 Cities and towns of India constitute the world's second largest urban system in the world. They contribute over 50% of the country's Gross Domestic Product (GDP) and are central to economic growth. For these cities to realize their full potential and become true engines of growth, it is necessary that focused attention be given to the improvement of infrastructure and basic services to the poor therein. For achieving these objectives, a Mission mode approach is essential. Accordingly, the Jawahar Lal Nehru National Urban Renewal Mission (JNNURM) was launched by Hon'ble Prime Minister of India on 3rd December, 2005. The Mission comprises two Sub-Missions – Infrastructure and Governance (UIG) and Basic Services to the Urban Poor Urban (BSUP). These Sub-Missions are being implemented in 63 identified cities of national importance. Provision of infrastructure development in other cities and town are addressed by Urban Infrastructure Development in Small and Medium Towns (UIDSSMT). The Integrated Housing & Slum Development Programme is designed to address the needs of shelter and basic amenities in the non- Mission cities and towns. The duration of the Mission is 7 years beginning from the year 2005-06 till 2011-12.

# (A) BASIC SERVICES TO THE URBAN POOR (BSUP)

- 3.27 The salient features of BSUP are as follows:
- Central Assistance in the form of ACA as full grant.
- 50% percent of the project cost in respect of cities having a population of one million or more to be borne by the Central Government.
- 90% of the project cost to be borne by the Central Government for projects from cities/towns in North Eastern States and Jammu & Kashmir.
- 80% of the project cost to be borne by the Central Government for projects from the remaining cities/towns.
- A minimum of 12% beneficiary contribution for houses; for SC/ST/BC/OBC/PH and other weaker sections, 10% beneficiary contribution.
- Access to Central assistance predicated upon the State/Urban Local Bodies/ Parastatals agreeing to implementation of reforms.
- Reforms to ensure improvement in urban governance.
- Cities to prepare City Development Plans and Detailed Project Reports so as to seek

#### Additional Central Assistance.

• Central Sanctioning & Monitoring Committee to consider approval of projects and project financing pattern.

#### **Funding Pattern of BSUP**

3.28 The Central share will be released as Additional Central Assistance (in the form of grant). The financing of the projects will be as under:

Category of cities	Grant Central Share	State/ULB/ Parastatal share, Including Beneficiary contribution
Cities with 4 million plus population as per 2001census	50%	50%
Cities with million plus but less than 4 million population as per 2001 census	50%	50%
Cities/towns in North Eastern States and Jammu & Kashmir	90%	10%
Other Cities	80%	20%

3.29 A City Development Plan is required before a city can access Mission funds. The State Governments and the Urban Local Bodies (ULBs)/Parastatals are required to execute a Memorandum of Agreement (MoA) with Government of India indicating their commitment to

implement the identified reforms. Signing of this tripartite MoA is a necessary condition to access Central assistance.

3.30 When asked to explain the basic services covered under the BSUP scheme, the Ministry, in their written reply, submitted as under:-

"BSUP addresses housing for the urban poor and basic amenities in an integrated manner. There is no separate allocation between housing and basic services and within basic services between services like water supply, drainage, solid waste management, roads, street lighting, community facilities, etc. The overall allocation for Basic Services to the Urban Poor (BSUP) for 2008-09 is Rs.1880.35 crore".

3.31 Further, the Ministry also informed the Committee that as per the Quarterly Progress Report ending 31.12.07, a total of 12540 houses have been completed and work is in progress for construction of 1, 79, 719 houses.

The Ministry also furnished the following overall level of performance under BSUP:

1.	Total No. of Identified Cities	63
2.	No. of CDPs Received	63
3.	No. of CDPs Appraised	63
4.	No. of MOAs signed	62*
5.	No. of BSUP Projects (DPRs) Received	340
6.	No. of BSUP Projects Appraised	337
7.	No. of BSUP Projects under Appraisal	3
8.	No. of Projects Approved	274
9.	No. of States/UTs for which Projects Approved	30
10.	No. of Cities for which Projects Approved	61

<sup>\*(</sup>MoA not signed for Jamshedpur in Jharkhand – election to ULB sub judice)

# (B) <u>INTEGRATED HOUSING & SLUM DEVELOPMENT (IHSDP)</u>

3.32 As per the Outcome Budget of the Ministry, for cites/towns not covered under BSUP, Integrated Housing & Slum Development (IHSDP) has also been launched on 3.12.2005 while the ongoing Valmiki Ambedkar Awas Yojana (VAMBAY) and the discontinued National Slum Development Scheme (NSDP) were subsumed in this scheme. The key objectives of IIHSDP is

to strive for holistic slum development, with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure facilities to the slum dwellers of the identified urban areas. The salient features of IHSDP are:

- Central Assistance in the form of ACA as full grant.
- 80% percent of the project cost borne by the Central Government, in general.
- 90% of the project cost borne by the Central Government for projects from cities/towns in special category States, including North- Eastern region.
- A minimum of 12% beneficiary contribution for houses; for SC/ST/BC/OBC/PH and other weaker sections, 10% beneficiary contribution.
- Access of Central assistance predicated upon the State/Urban Local Bodies/ Parastatals agreeing to implementation of reforms.
- Reforms to ensure improvement in urban governance.
- Cities/towns to prepare Detailed Project Reports in order to seek Central Assistance.

#### **Funding Pattern**

- 3.33 The sharing of funds would be in the ratio of 80:20 between Central Government and State Government/ULB/Parastatals. For special category States, the funding pattern between Centre and States will be in the ratio of 90:10. The Central share will be released as Additional Central Assistance (grant). As in the case of BSUP, signing of a tripartite MoA is a necessary condition to access Central Assistance.
- 3.34 The Ministry, in a written communication, informed the Committee that there was a tremendous demand from small and medium towns for Central Assistance under IHSDP. Also, the Current Year's allocation of Rs.490 crore was insufficient to meet the demands. Hence an amount of Rs.300 crore was re-appropriated from BSUP. The Ministry informed that the allocation for 2008-09 BE was Rs. 613.84 crore for IHSDP scheme.

#### Financial/Physical Progress

3.35 As per the Outcome Budget 2008-09, following is the status of Additional Central
Assistant released to States under IHSDP and utilization certificates received:-

(Rs.in Crore)

			Year 2005-06			Year 2006-07		(upto 3	Year 2007-08 1st December 2		Rs.in Crore)  Cumulative  Total
Sl No.	Name of State	Fund released by Deptt. of Exp.	Amount for which UCs received	Unspent balance	Fund released by Deptt. of Exp.	Amount for which UCs received	Unspent balance	Fund released by Deptt. of Exp.	Amount for which UCs received	Unspent balance	Total Unspent balance
1	2	3	4	5	6	7	8	9	10	11	12
1	Andhra Pradesh	0	0	0	83.33	0	83.33	63.68	0	63.68	147.01
2	Arunachal Pradesh	0	0	0	0	0	0	0	0	0	0
3	Assam	0	0	0	5.09	0	5.09	5.2	0	5.2	10.29
4	Bihar	0	0	0	8.96	0	8.96	15.42	0	15.42	24.38
5	Chattisgarh	0	0	0	31.27	0	31.27	29.74	0	29.74	61.01
6	Goa	0	0	0	0	0	0	0	0	0	0
7	Gujarat	0	0	0	18	0	18	23.39	0	23.39	41.39
8	Haryana	0	0	0	49.62	0	49.62	41.87	0	41.87	91.49
9	Himachal Pradesh	0	0	0	0	0	0	0	0	0	0
10	Jammu and Kashmir	0	0	0	0	0	0	7.87	0	7.87	7.87
11	Jharkhand	0	0	0	0	0	0	0	0	0	0
12	Karnataka	0	0	0	14.93	0	14.93	14.97	0	14.97	29.9
13	Kerala	0	0	0	21.46	0	21.46	18.19	0	18.19	39.65
14	Madhya Pradesh	0	0	0	45.78	0	45.78	25.38	0	25.38	71.16
15	Maharashtra	0	0	0	55.79	0	55.79	45.31	0	45.31	101.1
16	Manipur	0	0	0	0	0	0	0	0	0	0
17	Meghalaya	0	0	0	0	0	0	0	0	0	0
18	Mizoram	0	0	0	0	0	0	0	0	0	0
19	Nagaland	0	0	0	9.63	0	9.63	12.44	0	12.44	22.07
20	Orissa	0	0	0	0	0	0	0	0	0	0
21	Punjab	0	0	0	0	0	0	3.58	0	3.58	3.58
22	Rajasthan	0	0	0	39.26	0	39.26	38.43	0	38.43	77.69
23	Sikkim	0	0	0	0	0	0	0	0	0	0
24	Tamil Nadu	0	0	0	43.37	0	43.37	31.91	0	31.91	75.28
25	Tripura	0	0	0	0	0	0	0.92	0	0.92	0.92
26	Uttar Pradesh	0	0	0	11.05	0	11.05	0	0	0	11.05
27	Uttaranchal	0	0	0	0	0	0	0	0	0	0
28	West Bengal	0	0	0	55.08	0	55.08	29.82	0	29.82	84.9
29	Delhi	0	0	0	0	0	0	0	0	0	0
30	Pondicherry	0	0	0	0	0	0	0	0	0	0
31	A&N Islands	0	0	0	0	0	0	0	0	0	0
32	Chandigarh	0	0	0	0	0	0	0	0	0	0
33	D&N Haveli	0	0	0	0	0	0	0	0	0	0
34	Lakhshadweep	0	0	0	0	0	0	0	0	0	0
35	Daman & Diu	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	492.62	0	492.62	408.12	0	408.12	900.74

IHSDP= Integrated Housing and Slum Development Programme

3.36 As per written reply of the Ministry, the overall performance of IHSDP is as indicated below:-

- 1. No. of Projects Approved 422
- 2. No. of States/UTs for which Projects Approved 29
- 3. No. of Towns for which Projects Approved 396

It was further informed that the States of Arunachal Pradesh, Goa, Manipur, Meghalaya, Sikkim and the Union Territory of Lakshadweep were not able to utilize their allocation. Projects had been approved on 24.3.2008 for the UTs of Andaman & Nicobar Islands, Puducherry, Dadra & Nagar Haveli and Daman & Diu.

3.37 Asked to state as to how many houses were actually constructed under IHSDP so far, the Ministry in their written reply furnished the following statistics:

"A total of 2,59,227 houses have been approved (2,39,085 new houses and 20,142 upgradation) as on 24.3.2008. As per the Quarterly Progress Report ending 31<sup>st</sup> December, 2007, a total of 14374 houses have been completed and work is in progress for construction of 68462 houses. In short, construction work relating to 72,836 housing units has been completed/is underway by the end of third quarter of current financial year. The report for the period ending 31<sup>st</sup> March will be available by end of April, 2008"

- 3.38 When the Committee desired to be apprised about the steps taken/proposed to be taken for improvement in the implementation of both BSUP and IHSDP projects, the Ministry, in their written communication, submitted as under:
- 1. Conducted 59 capacity building/handholding programmes across the country covering all states and a large number of Urban Local Bodies in project development, design and management; more than 7000 State/parastatals/local body officials trained.
- 2. National Programme on Capacity Building for Urban Poverty Alleviation launched to adopt a comprehensive approach and support to States/UTs/Resource Centre for institutional and human resource capacity building in the urban sector.
- 3. A Network of Resource Centres established to organize capacity building/training programmes in States/ULBs in a structured manner to promote effective implementation of JNNURM and other urban poverty alleviation programmes.
- 4. Support extended to States Level Nodal Agencies to establish Program Management Unit (PMU) at State level and Project Implementation Units/Agencies at

- ULB level to accelerate implementation of projects and reforms, enhance the quality of physical works and improve efficiency in service delivery.
- 5. Steps taken to introduce Third Party monitoring and review of the projects sanctioned under the JNNURM through appointment of independent agencies.
- 6. Mayors' Forum, City Managers' Forum, Researchers' Colloquium established to support effective implementation of JNNURM and other programmes through information, education and communication (IEC) activities.
- 7. Community Development Network support guidelines issued to promote community participation and enable funding of innovative community-led development initiatives.
- 8. Steps taken to ensure convergence between JNNURM and programmes of other Ministries such as HRD, Health and Education.
- 9. Urban Statistics for HR and Assessments scheme launched to create/strengthen database and MIS on urban poverty, slums, housing and related statistics.
- 10. A National Core Group on Urban Poverty constituted to guide policy formulation and strengthening institutional framework for provision of shelter and basic amenities to the poor.
- 11. Programme and Policy Support for Urban Poverty Alleviation and Livelihoods project launched with external assistance to support policy units at national, state and ULB levels.
- 12. National Urban Housing & Habitat Policy 2007 adopted to provide an overarching framework for housing the poor and other sections.

### Strengthening, Implementation And Monitoring

3.39 In regard to the system of monitoring and control over the performance of each scheme, the Ministry informed the Committee as follows:

"Implementation of the projects is monitored through quarterly reports, field visits as well as review of performance in various meetings including the meetings taken at the highest level. While first installment of Central assistance for approved projects is released on signing of Memorandum of Agreement, second and subsequent release of Central Assistance is based on assessment of progress of implementation on the ground and progress of reforms. A Management Information System has been developed".

- 3.40 As per the Annual Report of the Ministry following BSUP and IHSDP guidelines are aimed at ensuring an effective implementation of the projects under the two schemes:
- Emphasis is accorded on good quality Detailed Project Reports (DPRs) prepared by the States. Special attention is being given on those states, which are yet to send DPRs. Two additional agencies, viz Indian Institute of Technology (IIT), Delhi and Roorkee have been empanelled for appraisal of project reports, in addition to HUDCO & BMTPC.

- It has been decided that a team of three experts be placed at the State Level Nodal Agency (in Programme Management Unit) to deal with BSUP and IHSDP projects and reforms. These experts include
- o Project Specialist in the field of Housing and Slum Development;
- o Specialist in Social Development and
- o Specialist in Community Mobilization and MIS. These experts will closely work with other experts who will focus on the infrastructure side, supported by MoUD.
- Three experts will be placed at Urban Local Body (ULB) Level (in the Programme Implementation Unit/Agency). These experts include
- o Project Coordinator for Housing & Slum Development;
- o Social Development Officer
- o Livelihood Development Specialist Again, these experts will closely work with the other experts who focus on infrastructure side, supported by MoUD.
- 3.41 Highlighting the progress made by Andhra Pradesh in regard to implementation of JNNURM, the Secretary, MoHUPA, during evidence informed the Committee as follows:

"I will just give you the performance of Andhra Pradesh. I am delighted to say that Andhra Pradesh is one of the States which has got the highest allocation. The total allocation for AP is Rs. 868.46 crore for seven-year period. You will be happy to know that projects worth Rs. 846.92 crore already stands approved. So, Andhra Pradesh is galloping and they have sent a very large number of projects. So, only ACA of Rs. 21.54 crore is left. In other words, what they were supposed to do in the sixth year, they have done it in the third year, and we have sanctioned large funds".

### He added:

"I must compliment Andhra Pradesh for their internal *Indiramma* Scheme. There was a very strong demand from them that we should provide infrastructure support under that Scheme, while they build houses. We felt that that if they were constructing good houses under *Indiramma* Scheme, why not we also give infrastructure support. So, a large number of projects have also been sanctioned. So, I would like all other States to take a leaf out of the book of Andhra Pradesh, which has done exceedingly well".

Suggestions for Allotment of Funds to States under BSUP and IHSDP components of JNNURM

The Committee note that under JNNURM, the Ministry of Housing and Urban Poverty Alleviation (MoHUPA) has been the nodal Ministry for slum development in the 63 Mission cities under BSUP and for providing shelter and basic amenities in other non-Mission cities under the IHSDP. They further note that these programmes focus on improving the living conditions of the urban poor, especially those residing in slums and low-income settlements. The Committee are aware that there is a tremendous demand for approval of slum development projects from small and medium towns and the present allocation of fund is insufficient, which has led to re-appropriation of funds from BSUP to IHSDP in the year 2007-2008 in order to accommodate the demand. Against this backdrop, the Committee were informed by the Ministry that they had proposed allocation of Rs.4000 crore under BSUP and Rs.2000 crore under IHSDP for the year 2008-09. It has been justified by the Ministry on the basis of insufficiency of funds for NER States, Hill States, small UTs especially the Island UTs. However, the Committee find that the allocation made is only Rs. 1880.35 crore under BSUP and Rs.613.84 crore under IHSDP which would be grossly insufficient for the purpose. In this connection, a suggestion has been received by the Committee stating that since the programme is demand-based, year-wise restriction on release of fund to States based on the year-wise allocation by Planning Commission may be dispensed with. Instead, an indicative allocation may be made within the overall BE/RE since all the States/UTs have been given 7-Year allocation. The Committee are in agreement with the suggestion and urge the Ministry to initiate suitable action on the same. Further, the Committee find an urgent need for additional allocation under BSUP and IHSDP to take up infrastructure development in slums. The Committee thus, urge the Ministry to approach the disbursing Ministry as well as the Planning Commission on these lines and apprise them of the outcome in due course.

### **CHAPTER IV**

### **URBAN HOUSING**

4.1 The Ministry of Urban Employment & Poverty Alleviation is the apex authority of Government of India at the national level for formulation of housing policy and programme, review of the implementation of the plan scheme, collection and dissemination of date on housing, building materials/techniques and for adopting general measures for reduction of building costs. It also has a nodal responsibility for national housing policy.

### **Budgetary Allocation**

- 4.2 As per on the detailed Demands for Grants (2008-09) of the Ministry of Housing and Urban Poverty Alleviation (MoHUPA), an amount of Rs. 120.71 crore has been provided for 2008-09 in regard to Housing (Head 2216) as against a sum of Rs. 52.89 crore during 2007-08. When asked by the Committee to justify a 128.23% increase in the allocation, the Ministry, in a written note, replied as under:-
- "According to an estimate made by a Technical Committee at the end of the 10th Five Year Plan, the urban housing shortage is 24.7 million. Under JNNURM, this Ministry is targeting construction/upgradation of about 1.5 million dwelling units. Apart from this, the Ministry intends to launch Interest Subsidy Scheme for the Urban Poor (ISHUP) to meet the shortage in housing.
- (i) The increase in allocation during the current fiscal year is due to enhanced allocation of Rs.95 Crore under ISHUP from BE-2007-08 of Rs.30 Crore. In addition the allocation for MIS of Housing Data, Research and Survey (Urban Statistic for HR and Assessment -USHA) has also been raised from 7.6 Crore in 2007-08 to 10 Crore in 2008-09.
- (ii) Draft EFC Memo for the Interest Subsidy Scheme for Housing the Urban Poor (ISSHUP) was circulated on 19th October, 2007 and has received 'in-principle' approval of the Planning Commission. The suggestions made by the Project Appraisal and Management Division of Planning Commission were received on 12th March, 2008. The revised scheme as well as memorandum for the Expenditure Finance Committee (EFC) will be referred to the Ministry of Finance shortly. All efforts will be made to expedite and seek final approval of the scheme. Early approval by the competent authority will facilitate achievement of target"

## A <u>Urban Housing Shortage</u>

4.3 According to Annual Report 2007-08 of the Ministry, as per the recommendations of the Working Group on Housing for the 11<sup>th</sup> Plan, the total shortage of dwelling units at the end of 10<sup>th</sup> Plan period was 24.71 million. The total shortage during the Plan period (2007-2012) including the backlog was likely to be 26.53 million. Out of 24.71 million, 10.6 million shortage was perceived in the urban areas.

# **Physical Progress**

4.4 As per the Annual Report 2007-08, during the year 2007-08, 11332 dwelling units were constructed for EWS/LIG upto October, 2007against the annual target of 133956 (Details are placed at Appendix-III)

So a mere 15 % achievement was registered during the first half of Financial Year of 2007-08.

- 4.5 However, during the oral evidence, the Secretary (MoHUPA) submitted the following before the Committee:
  - "...An issue has been raised in terms of our target at the end of 2008-2009. We had set a mid-term target where three lakhs have been completed and two lakhs are to be under progress".
- B. <u>Two Million Housing Programme</u> ( 2 MHP)
- 4.6 As per the Annual Report 2007-08 Ministry of Housing and Urban Poverty Alleviation (MoHUPA)

In accordance with the National Housing & Habitat Pulicy 1998 which focuses on Housing for All as a priority area, with particular stress on the needs of the Economically Weaker sections and Low Income Group categories, the Two Million Housing Programme was launched during 1998-99. This is a loan based scheme, which envisages facilitating construction of 20 lakh additional units every year (7lakh DUs-in Urban areas; 13 lakh DUs in Rural areas). HUDCO is to meet the target of 4 lakh dwelling units in Urban areas and 6 lakh dwelling units in Rural areas annually. The target of 2 lakh

dwelling units in Urban areas is to be met by Housing Finance Institutions [HFIs] recognized by the National Housing Bank & Public Sector Banks and the balance 1 lakh dwelling units in Urban areas by the Co-operative Sector.

The physical and financial progress of the 2 MHP since its inception [1998-1999] till 2005-06/2006-07 /2007-08 in Urban areas is as under. The progress made by HUDCO in the Rural areas under this programme is also as under:

I. HUDCO (year-wise target, number of DUs & loan sanctioned)

YEAR	ANNUAL TARGET (DUs)	No. of Dwelling Units	Amount Sanctioned [Rs. in crore]	ANNUAL TARGET (DUs)	No. of Dwelling Units	Amount Sanctioned (Rs. in crore)
		URBAN			RURAL	,
1998-99	400000	430399	1193.35	600000	634638	697.42
1999-00	400000	460218	1159.11	600000	654050	933.89
2000-01	400000	470881	578.87	600000	732131	643.33
2001-02	400000	401078	450.48	600000	333113	494.39
2002-03	400000	459969	2792.91	600000	413078	431.48
2003-04	400000	427455	685.77	600000	542428	
2004-05	400000	254885	1055.52	600000	864857	590.91
2005-06	400000	184597	749.28	600000	7600	2002.50
2006-07	400000	60970	1500.32	600000		48.00
2007-08*	400000	19406	686.82	600000	80000	140.00
lotal	4000000	3169858	10852.43	6000000	4261895	5981.92
as on 31.1	2.2007			5555000	4201093	3981.92

II. HFIs and Public Sector Banks (year-wise target, number of DUs & loan sanctioned)

YEAR	ANNUAL TARGET (DUs)	No. of Dwelling	Amount Sanctioned Rs.in crore)	No. of Dwelling	Amount Sanctioned Rs.in crore)	No. of Dwelling	Amount Sanctioned (Rs.in crore)
			IFIs	Public	Sector Bank		Total
1998-99	200000	153932	5032.69	39739	1090.36	193671	6123.05
1999-00	200000	135035	3583.64	91460	2055.75	226495	5639.39
2000-01	200000	171496	4587.3	162240	4284.36	333736	8871.66
2001-02	200000	262991	7420.89	195624	5449.23	458615	12870.12
2002-03	200000	259772	7433.21	377319	11715.5	637091	19148.71
2003-04	200000	291955	11548.78	329376	10942.57	621331	22491.35
2004-05	200000	235250	13585.24	199425	7431.74	434675	21016.98
2005-06	200000	223038	18043.23	94039	4085.77	317077	22129.00
2006-07	200000	187267	18376.91	36439	1883.64	223706	
2007-08*	200000	87895	9347.90	8636	843.49	96531	20260.55
Total	2000000	2008631	98959.79	1534297	49782.41	3542928	10191.39
as on Septe	ember, 2007				17702.41	3342928	148742.20

4.7 During the course of the evidence, the Committee observed that out of 7 lakh dwelling units, 4 lakh were to be constructed by HUDCO. However only 19406 could be constructed by HUDCO during the year 2007-08. Besides, out of the 7 lakh dwelling units, 2 lakh units were to be constructed by HFIs and Public Sector Banks. However, only 96531 dwelling units could be constructed by them during the year 2007-08. The Committee further observed that out of 7 lakh dwelling units, 1 lakh unit were to be constructed by the cooperative sector. However, only 52121 dwelling units could be constructed by the cooperative sector during the year 2006-07. The representatives of the Ministry responded to the concern expressed by the Committee as follows:

"It is a part of the scheme in the name of two million housing programme, under which in the urban sector we were to construct seven lakh houses and in the rural sector 13 lakh houses every year. There was no financial support from any Government scheme. The statistics is collected by the financial institutions. We have bifurcated that and four lakh will be financed by HUDCO, two lakh by housing financial institutions and one lakh by cooperatives. ... As far as the figures of the financial institutions are concerned, there has been a little shortfall in the last one or two years. But in the previous year, they have done good work. The new housing scheme for the urban houses envisage that HUDCO will revisit their works by providing the interest subsidy to the extent of five per cent. This will be implemented through HUDCO and National Housing Bank".

# C. <u>Interest Subsidy Scheme for Housing the Urban Poor (ISHUP)</u>

4.8 As per Annual Report 2007-08, a new scheme is proposed to provide an interest subsidy of 5% per annum only to commercial lenders for lending to the EWS (monthly family income ranging between Rs.3301-7300) and LIG (Rs. 3301/- to Rs. 7300/- per month) segments of the urban areas. Interest subsidy is expected to leverage market funds to flow into housing for poor. The proposed outlay for the 11th Plan (2007-2012) is Rs. 1100.00 crore, which is likely to benefit 4 lakh house-holds. An allocation of Rs. 95 crore

has been proposed under Annual Plan 2008- 09. In the Budget for financial year 2007-08, a provision of Rs.30.00 crore had been made for this scheme.

4.9 When asked about the current status of the approval of this scheme, the Ministry, in a written note, replied as under:-

"Draft EFC Memo for the Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) was circulated on 19th October, 2007 and has received 'in-principle' approval of the Planning Commission. The suggestions made by the Project Appraisal and Management Division of Planning Commission were received on 12th March, 2008. The revised scheme as well as memorandum for the Expenditure Finance Committee (EFC) will be referred to the Ministry of Finance shortly. All efforts will be made to expedite and seek final approval of the scheme. Early approval by the competent authority will facilitate achievement of target. EFC Memo was circulated on 19.10.2007 and comments from various Ministries were received as under:

Ministry of Rural Development	23.11.07
Department of Financial Services, Ministry of	05.12.07
Finance.	
Department of Expenditure	19.12.07
Planning Commission (HUD)	24.12.07
Ministry of Urban Development	17.01.08
Planning Commission (PAMD)	12.03.08

The observations / suggestions made by the Project Appraisal and Management Division of Planning Commission were received on 12th March, 2008. The revised scheme as well as memorandum for the Expenditure Finance Committee (EFC) will be referred to the Ministry of Finance shortly. After approval of EFC,

the scheme will be submitted for consideration of the Cabinet Committee on Economic Affairs (CCEA)".

## **Monitoring / Implementation**

4.10 The Ministry, in a written reply, informed the Committee as under:

"The scheme is proposed to be implemented through Housing and Urban Development Corporation Ltd. (HUDCO) and National Housing Bank (NHB). NHB and HUDCO will be the Nodal Agencies (NAs) for disbursement of the subsidy and monitoring the progress. Management Information System (MIS) will be developed by the Ministry to monitor the scheme at three levels, viz. District, State and Central level".

# D. <u>National Urban Housing and Habitat Policy, 2007</u>

4.11 According to Annual Report 2007-08, the need for a National Housing and Habitat Policy emerges from the growing requirements of shelter and related infrastructure in the country. These requirements are growing due to the rapid pace of urbanization, increased migration from rural to Urban centres in Search of livelihood, mis-match between demand and supply of sites & services and dwelling units at affordable cost and the inability of new and poor urban settlers to access formal land markets in urban areas due to the high cost and their lower income. Hence, it had been decided to review National Housing and Habitat Policy, 1998 and revise the same with the intention to promote sustainable development of habitat in the country and to ensure equitable supply of land, shelter and services at affordable prices to all sections in urban areas.

As per the recommendations of the Working Group on Housing for the 11th Plan, the total shortage of dwelling units at the end of 10th Plan period was 24.71 million. The total shortage during the Plan period (2007-2012) including the backlog is likely to be 26.53 million. The new National Urban Housing & Habitat Policy, 2007 (NUHHP-2007) has been finalized in consultation with all concerned and laid in the Parliament on 07.12.2007. The new Policy is specifically aimed to provide urban housing and other basic infrastructure particularly to economically weaker sections / the low income group and also other sections of the society at affordable cost.

The salient points of NUHHP are given as under:

- Focus of the Policy is on Affordable Urban Housing for All with special emphasis on the urban poor.
- Role of Housing and provision of basic services to the urban poor has been integrated into the objectives of the Jawaharlal Nehru Urban Renewal Mission (JNNURM).
- Special emphasis has been laid on Scheduled Castes/ Tribes / Background Classes / Minorities, empowerment of Women within the ambit of the urban poor.
- The Policy focuses on a symbiotic development of rural and urban areas in line with the objectives of the 74th Constitution Amendment Act.
- Within the goal of "Affordable Housing for All," emphasis has been laid on urban planning, increase supply of land, use of spatial incentives like additional Floor Area Ratio (FAR), Transferable Development Rights, etc., increased flow of funds, healthy environment, effective solid waste management and use of renewal sources of energy.
- Encouraging Integrated townships and Special Economic Zones

10-15% of land in every new public/private housing projects or 20-25% FAR,
 whichever

is greater to be reserved for EWS/LIG Housing through appropriate spatial incentives.

- Private Sector to be permitted land assembly within the purview of Master Plans.

  Action Plans for urban slum dwellers and special package for cooperative housing, labour housing and employees housing is to be prepared.
- States to be advised to develop 10 years perspective plan for housing of EWS/LIG.
- Policy gives primacy to provision of shelter to urban poor at their present location or near their work place.
- Approach will be In-situ slum rehabilitation. Relocation will be considered only in specific cases.
- Micro finance institutions to be promoted at state level to expedite flow of finances to urban poor.
- Model municipal laws to be prepared by the Central Government.
- Detailed city maps to be prepared based on GIS, aerial survey and ground verification.
- Use of proven cost effective technology and building materials to be encouraged.
- Development of mass rapid transit system at sub-regional level envisaged.
- Green cover for cities to be encouraged for balanced ecological development.
- All States to be encouraged to develop a "Habitat Infrastructure Action Plan" for all cities with a population of over one lakh.

### 4.12 Action Plan Envisaged Under NUHHP, 2007 States as under:

• Encouragement and support to be provided to State Governments by the Central Government for preparation of State Urban Housing and Habitat Policy and Action Plan.

- State/UT Action plans to focus on accelerated flow of funds.
- State / UT level policy to provide road map to institutional, legal and financial incentives.
- State / UT plans to indicate concrete steps for encouraging a participatory approach.
- Periodic review of implementation of Policy and Action Plan at State level to be carried out.
- Preparation of 15-20 years perspective plans in the form of City Development Plans (CDPs) based on spatial planning at the city level.
- Setting up of High Level Monitoring Committee for periodic review and implementation of the Policy and for making amendments, modifications wherever considered necessary.
- 4.13 Elaborating the NUHHP during the oral evidence, The Secretary, Ministry of Housing and Urban Poverty Alleviation (MoHUPA) stated as under:
  - "...For many years this policy was on the anvil. This has now been approved by the Government. It provides a very important place to development of EWS and LIG housing. Under this scheme, even private developers must provide a certain percentage of the FAR around 15 to 20 per cent for the EWS sector".

### E. Quality Housing/Designing

4.14 During the course of evidence, the Committee showed their concern regarding the quality of housing and desired to know whether designing of houses, especially toilets, appropriately catered to the local customs, preferences, community considerations etc.

They observed that homogeneous designing pattern throughout the country would defy the purpose of serving local needs and community considerations.

- 4.15 To the above mentioned concern of the Committee, the Secretary, Ministry of Housing and Urban Poverty Alleviation, (MoHUPA) responded as under:
  - "...The Basic principle of this designing is versatility. We have also looked at it from a human right angle. We have said that housing for the poor does not mean poor quality housing. It does not mean a single room. It actually means two rooms and it actually means two rooms and kitchen, toilet and bathroom. We have looked at finer things in terms of making the houses vector-free by having a *jaali* on doors and windows, which makes them slightly more expensive. That means, neither mosquitoes nor flies can get into the rooms. Our study on urban health shows that a lot of illness is because of the fact the houses are not vector-free.

Then, we have looked at providing space for storage by making shelves. We have also put a loft in the kitchen or over the toilet so as to provide more storage space. We have also insisted for providing *varanda* or balcony. And also we ensure that the design should be such that from the bed room and also the living room, one can have an access to toilet at night, without going through the other room. We have many architects working on many designs. We are happy to present the CD containing innovative designs".

# F. Case for Vertical Development of Slums

4.16 During the course of the oral evidence, the Committee pointed to the lack of land space for construction of houses in city areas. What has aggravated this alarming situation is the horizontal development of slums. The Committee, therefore, asked the

Ministry to explore vertical development of slum areas. The Secretary, MoHUPA, welcomed this suggestion and informed the Committee that the Ministry has worked at length with the city of Chennai and it has sanctioned ground plus seven-story units. He further submitted as under:

"We have also sat for hours with two-three architects to develop ramps. We are providing one lift, one staircase and one ramp. Earlier, the ramps were not collapsible. Then, after two months of sitting with architects, we have collapsed that ramp and that has become a model design. The Slum Board of Tamil Nadu has taken two projects. Now, other cities are coming forward. Obviously, Maharashtra has picked up some projects of high rise. We normally say that this should be done in the larger cities. As per master plan city norms, they must observe the density norms of their own master plan, which they themselves have developed. But we are certainly going high rise in the bigger metropolitan cities".

# G. Housing and Urban Development Corporation Limited (HUDCO)

4.17 As per the Outcome Budget, Housing & Urban Development Corporation Ltd. (HUDCO) was incorporated as a fully owned Government Company under the Companies Act, 1956 with the main objectives of financing Housing and Urban development projects in the country, to finance Building Material Industries and setting up of new townships. In order to achieve these objectives, HUDCO finances a variety of housing and urban development projects formulated by the State Housing Boards, Development Authorities, Improvement Trusts, Co-operative Housing Societies etc. HUDCO was awarded 'mini-ratna' status in the year 2004, thus the Government of India withdrew equity support to the company.

### **HUDCO'S OPERATION DURING 2007-08**

4.18 From the Annual Report, the Committee gathered that HUDCO achieved sanctions of Rs.4514 Crore during April-December, 2007 providing assistance for construction of a 0.19 Lakh dwelling units, over 184 sanitation units, and 82 urban infrastructure projects throughout the country. The loan released during the year amounted to Rs.2056 Crore. Cumulatively till December 2007, HUDCO had sanctioned 15921 schemes involving a total project cost of Rs.239854 Crore (excluding HUDCO Niwas) with loan component of Rs. 77223 Crore out of which an amount of Rs.58857 Crore had been released. HUDCO's assistance helped in the construction of 141.29 Lakh residential units and about 67.08 Lakh sanitation units and in undertaking 1391 urban infrastructure schemes in over 1841 towns and thousands of villages. During the year 2007-08, the MoU target of Rs.12219 Crore for sanction for housing and infrastructure projects, and Rs.5000 Crore of releases as part of its normal operations as well as the Housing Programme launched during 1998- 99 had been setup by HUDCO.

### **Issues Confronting HUDCO**

- 4.19 When the Committee pointed out lapses on the part of HUDCO causing a huge backlog in urban housing, the CMD, HUDCO furnished the following issues:
- \* Weak financials and consequent Credit Rating (AA)
- \* Higher cost of borrowing as compared to peers
- \* Higher lending rates as compared to competitors
- \* Restrictive norms of the regulator (NHB)
- \* Withdrawal of all the support earlier extended by Government of India like Equity, 54 EC, Income Tax exemption, Interest Subsidy etc.

- \* Present interest rates structure for EWS housing is lower than the borrowing cost of HUDCO
- \* Even the facilities available to other FI s not available with HUDCO; like 54 EC (REC, NHAI), Letter of Comfort to NCR Planning Board, Power Bond (PFC, REC); RIDF (NABARD)
- \* More reliance on the outside borrowing and consequently increasing Debt Equity Ratio (5.3:1)
- \* Higher level of Non Performing Assets.
- \* Asset Liability Mismatch.
- \* Skill Mismatch: Current Manpower Skill Mismatch (almost 50% of total HUDCO staff is Non Executive, which is a paradox to HUDCO being a professional service provider).
- \* Shrinking Business opportunities with Government sector:
  - -Increasing role of Private Sector;
  - -Availability of alternate source of funding (Multilaterial Agencies, larger funds under JNNURM etc.)
- 4.20 Elaborating on the above points during the evidence, the CMD, HUDCO submitted as under:

"Up to 1995, it was only an institution providing long-term loans for the purpose of housing and core urban infrastructure projects also. After the financial sector reforms, commercial banks and other institutions have entered this arena in a very big way. As you have very rightly observed, the cost of funds for the commercial banks is cheaper as compared to the cost of funds for HUDCO. The cost of funds for a commercial bank is in the range of five to five-and-a-half per cent, while the incremental cost of funds for HUDCO in today's scenario, when the Government has stopped the equity or any other support to HUDCO, is in the range of 8.5 per cent. Now, the commercial banks have started in a very aggressive way financing

individuals for the acquisition of dwelling units. So is the case with the housing finance companies. A lot of housing finance companies have entered the arena during last 10-12 years; The commercial banks have got a large network of branches also. HUDCO wants to be more aggressive. But any institution which is supposed to be doing the social lending – HUDCO is expected to do the social funding – needs to be supported by the Government in one way or the other. All the exemptions, waivers which were available to HUDCO in the earlier years have been withdrawn and equity support has also been stopped to us for the last two to three years. Out of the total funding requirement in the next year, we will be borrowing money to the extent of 92 per cent from the market and 8 per cent will be coming from the internal accruals. In case we borrow at the rate of 8.5 per cent and give loans to the weaker sections of society at the rate of 7 per cent to seven-and-a-half per cent, it will not be possible unless we are seen by the Government the way it was looking at us in the earlier years.

Now, because of the withdrawal of the support, the rating agencies have come to the conclusion that the sovereign support to HUDCO has been withdrawn. They have been lowering the rating of the debt instruments of HUDCO also. Today, the debt equity level of HUDCO is more than 5:1. We have a mini Navaratna status. But basic requirement is the money. You know that NABARD, SIDBI and National Housing Bank have been supported by the Government in this Budget. All these social lending institutions have been supported. Probably, the Government looks at these institutions in a different way: and HUDCO also may be given the similar treatment to play its social role".

4.21 Extending support to the cause of HUDCO, the Secretary, Ministry of Housing and Urban Poverty Alleviation (MoHUPA), submitted during oral evidence as under:

"In order to being down the cost of funds, we are trying to assist HUDCO in terms of 54 - EC bonds. That is one of the major sources. We have written to the Finance Ministry about this. We also want them to be eligible for loans from low cost housing window of the World Bank. That is another proposal. They have borrowed earlier many times at higher rate from some institutions like SBI, etc. We have also recommended to the Finance Ministry about this. These are the vital initiatives that the Ministry is proposing to take to assist them. When you have mini Navaratna status, it means that you have come of age implying that you do not provide equity support which was earlier available. Many of the institutions like NABARD are refinance institutions. Therefore, they are looked at differently. HUDCO is a non-banking finance institution. It is not a refinance institution. The Ministry of Finance assesses different entities differently. But, at the same time, we have utilized them on the consultancy side. If they were to strengthen schemes like HUDCO Niwas Scheme, they can help build a lot of houses and also resort to cross-subsidisation like the HDFC does as a lender. They can also develop project management consultancy. So, there are various ways of taking action with the HUDCO".

### **4.22** Housing Shortage

The Committee note that as per the recommendations of the working group on Housing for the 11<sup>th</sup> Plan, the total shortage of dwelling units at the end of 10<sup>th</sup> Plan is 24.71 million. During the Plan period (2007-2012) the shortage including the backlog is likely to be 26.53 million units. They further note that out of the 24.71 million backlog, 10.6 million units are in the urban areas. In this regard, the Committee are dissatisfied to note that a mere 15% achievement was registered in construction of dwelling units during the 1<sup>st</sup> half of the Financial Year 2007-08. The Committee feel that the situation is very alarming, as housing constitutes a basic human need and shelter is the basic human right of the urban poor. At this point, the Committee, welcome a 128.23% increase in current year's budgetary allocation to this sector. The Committee expect that the enhanced allocation will be prudently and judiciously utilized in funding all the ongoing schemes as well as the newly proposed scheme of Interest Subsidy Scheme for Housing the Urban Poor (ISSHUP) in order to considerably reduce the huge backlog. The Committee, further desire that ample scope should be created for public private partnership in the housing

sector. However, the partnership with the private sector needs to be handled with caution so that the quality of houses is not compromised upon.

# **4.23** Unsatisfactory Progress of 2 Million Housing Programme

The Committee note that under the 2 Million Housing Programme, out of the annual target of 20 lakh dwelling units, 7 lakh are to be constructed in urban areas. However, they are dismayed to learn that in the recent years, there has been an astronomical gap between the target fixed and the achievement. To cite an example, out of the target of 4 lakh dwelling units to be constructed by HUDCO during the last Fiscal Year (2007-2008), a mere 19406 dwelling units could be constructed by it during the year 2007-08. Further, out of the target of 2 lakh dwelling units to be constructed by the HFIs and Public Sector Banks, only 96531 could be constructed during the year 2007-08. The Committee cannot but feel deep anguish at the under performance of all the agencies responsible for implementing this scheme. They, therefore urge the Ministry to seek explanation from these agencies as well as the State Governments for missing the targets by such a huge margin. They further feel that the Ministry must coordinate and vigorously pursue with them and simultaneously enhance financial support to adequately meet the targets of this scheme.

### 4.24. National Urban Housing and Habitat Policy, 2007 (NUHHP-2007)

The Committee appreciate that the New National Urban Housing and Habitat Policy, 2007 (NUHHP-2007) has been finalized in consultation with all concerned and laid in the Parliament on 07.12.2007. The Committee also note that the focus of the policy is on affordable urban housing for all with special emphasis on SC/ST/OBC/Minorities and Women. In addition, they feel that besides earnestly endeavouring for meeting this primary goal, special emphasis needs to be given to the provision of shelter to urban poor at their present location or near their work place, in-situ slum rehabilitation, promotion of micro finance institutions as well as the use of remote-sensing for preparing detailed city maps, aerial survey and ground verification. The Committee are also of the view that the Ministry must

sincerely follow, in a time-bound manner, the Action Plan envisaged under NUHHP, 2007 and facilitate the preparation of State Urban Housing and Habitat Policy and Action Plan at the earliest. The Committee also recommend the expeditious setting up of the High Level Monitoring Committee, as envisaged under NUHHP, 2007 for periodic review and implementation of the policy and for making amendments and modifications, wherever considered necessary.

### 4.25 Quality Housing/Designing

The Committee appreciate the view of the Ministry that Housing for the urban poor does not mean poor housing. The Committee desire that the Ministry, while maintaining the quality of house construction, should design houses, specially toilets, taking into consideration the local customs, preferences, community consideration and aesthetics, while ensuring the use of latest techniques and ideas in the field of building designs. The Committee acknowledge the initiatives of the Ministry towards preparing several innovative designs of houses on CDs. The Committee desire that HUDCO, BMTPC and all other organisations/ architects having expertise in the field of designing houses for the poor must be further involved in this process and after their consultation, appropriate region and community-wise designs should be approved.

## 4.26 Vertical Development of Slums

With rapid pace of urbanization, land space in cities has been constantly shrinking. What has aggravated this alarming situation is the horizontal development of slums devoid of basic facilities/amenities, open spaces, proper roads, etc. The Committee, therefore, urge the Ministry to go in for vertical development of slum areas. While acknowledging the Ministry's support towards this end to the city of Chennai, they desire that this should be taken up in those big cities, where the land is scarce, by making it a general policy measure. The Committee recommend that vertical slum development alongwith provision of suitable basic amenities should be incorporated in the National Urban Housing and Habitat Policy in due course of time. In the meantime, they desire the Ministry to issue an advisory to the

States urging the cities covered under BSUP, IHSDP also to explore vertical construction of EWS houses, wherever feasible, so that the existing pressure on habitable land in the urban areas could be eased.

### **4.27 HUDCO**

The Committee note that after being awarded the 'mini-ratna' status to HUDCO, the financial support of Government of India in the form of exemptions is no more available to it thereby making loans of HUDCO non-competitive. Keeping in view the changes in the economic scenario, the Committee are aware that the HUDCO is already in the process of exploring alternative thrust areas to enhance their earning like developing themselves as project management consultants and strengthening their HUDCO Niwas Scheme in a big-way. However, in view of the resource crunch to meet the needs of housing for the poor, the Committee feel that HUDCO should continue to play a major role in this area. Therefore, the Committee recommend that MoHUPA should earnestly seek the help of Ministry of Finance so as to make HUDCO eligible for low cost funds as well as to ensure that the facilities extended to HUDCO, before it was awarded a mini ratna status, are continued.

## Appendix-I

STATEMENT SHOWING SUMMARY OF DEMANDS FOR THE YEARS 2003-04-2004-05 & 2004-05-2005-06 & 2005-06-2006-07 & 2006-07-2007-08 AND 2007-08-2008-09 - % INCREASE / DECREASE DEMAND No. 56- MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION

Rs. in crore

REVENUE SECTION	Major Head	Plan + N	on-Plan	% increase	Plan + I	Non-Plan	% increase	Plan + No	n-Plan	% increase	Plan + 1	Non-Plan	% increase	Plan + N		% increas e
		2003-04	2004-05		2004-05	2005-06		2005-06	2006-07		2006- 07	2007-08		2007-08	2008- 09	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Secretariat	2052	1.55	1.65	6.45%	1.65	3.87	134.55%	3.87	3.86	-0.26%	3.86	4.25	10.10%	4.25	5.29	24.47%
Water Supply & Sanitation	2215		50.00		50.00	30.00	-40.00%	30.00	30.00	0.00%	30.00	40.00	33.33%	40.00	1.50	96.25%
Housing	2216	252.95	300.37	18.75%	300.37	263.35	-12.32%	263.35	93.10	-64.65%	93.10	52.89	-43.19%	52.89	120.71	128.23
Urban Development	2217	0.00	75.00		75.00	0.10	-99.87%	0.10		-100.00%		14.00		14.00	15.00	7.14%
Other General Economic Services Swarna Jayanti Shahari Rozgar Yojana	3475	6.29	6.29	0.00%	6.29	6.29	0.00%	6.29	6.29	0.00%	6.29	8.00	27.19%	8.00	8.00	0.00%
Grants in aid to State Government	3601	91.40	93.91	2.75%	93.91	150.90	60.69%	150.90	240.90	59.64%	240.90	334.00	38.65%	334.00	636.00	90.42%
Grants-in-aid to Uts	3602	1.91	1.91	0.00%	1.91	1.91	0.00%	1.91	1.91	0.00%	1.91	1.00	-47.64%	1.00	3.50	250.00
North Eastern Areas	2552	1.00	1.00	0.00%	1.00	50.00	4900.00%	50.00	50.00	0.00%	50.00	50.00	0.00%	50.00	65.00	30.00%
Total		355.10	530.13	49.29%	530.13	506.42	-4.47%	506.42	426.06	-15.87%	426.06	504.14	18.33%	504.14	855.00	69.60%
CAPITAL SECTION									l			1				
Capital Outlay on Housing	4216	215.60	225.00	4.36%	225.00	0.00	-100.00%	0.00	0.00		0.00	0.00		0.00	0.00	
North Eastern Areas	4552	61.50	82.00	33.33%	82.00	0.00	-100.00%	0.00	0.00		0.00	0.00		0.00	0.00	
Investment in PSUs	6216	9.79	4.55	-53.52%	4.55	5.61	23.30%	5.61	5.61	0.00%	5.61	5.61	0.00%	5.61	1.50	73.26
Total		286.89	311.55	8.60%	311.55	5.61	-98.20%	5.61	5.61	0.00%	5.61	5.61	0.00%	5.61	1.50	73.26
Grand Total		641.99	841.68	31.10%	841.68	512.03	-39.17%	512.03	431.67	-15.69%	431.67	509.75	18.09%	509.75	856.50	68.02 %

# **Appendix-II**Total Outlay in the 10<sup>th</sup> & 11<sup>th</sup> Five Year Plan and Year-wise Allocation

(Rs. in crore)

S	Schemes	10th Plan (2002-07) Outlays						
N o			Alocation 2002-03	Alocation 2003-04	Alocation 2004-05	Alocation 2005-06	Alocation 2006-07	Proposed for 11th Plan
1	2	3	4	5	6	7	8	9
1	VAMBAY	2040.00	218.35	238.50	280.58	249.00	75.01	0.00
2	SJSRY	541.00	98.89	94.50	103.00	160.00	250.00	4500.00
3	Low Cost Sanitation	200.00	30.00	30.00	30.00	30.00	30.00	545.16
4	National Scheme of Liberation & Rehabilitation of Scavengers	460.00	80.00	40.00	20.00	0.00	0.00	0.00
5	вмтрс	20.00	4.40	3.00	5.00	4.52	4.30	55.19
6	Night Shelter Scheme	30.97	3.00	4.50	4.00	0.00		0.00
7	Urban Indicators Programme	1.00	0.14	0.20	0.01	0.00		0.00
8	Building Centres	3.00	0.00	0.00	0.00	0.00		50.00
9	HUDCO Equity for Housing	1000.00	180.00	215.60	225.00	0.00		0.00
10	NCHF	1.00	0.22	0.20	0.40	0.38	0.36	2.00
11	Displaced persons in Urban Colonies in West Bengal	8.03	0.00	6.00	0.01	0.00		0.00
12	Resettlement of Slums in Dharavi and along the road side connecting airport with south Mumbai	0.00	0.00	0.00	75.00	0.00		0.00
13	UNDP Assistance for National Strategy for Urban Poor	0.00	0.00	0.00	4.00	5.00	9.00	20.00
14	Computerization	0.00	0.00	0.00	0.00	1.00		5.00
15	Urban Development Projects in the North East		0.00	0.00	0.00	0.01		0.00
16	North East Lumpsum Provision	405.00	44.17	62.50	83.00	50.00	50.00	10% of allocation
17	Employment Assurance & skill formation in Urban Areas							0.00
18	Urban Statistics for HR and Assessment Scheme (USHA)							75.00
19	JNNURM							270.00
20	Interest Subsidy for Housing to Urban Poor	0.00						3995.00
	TOTAL	4710.00	659.17	695.00	830.00	499.91	418.67	9517.35

# **Appendix-III**

# TARGETS AND ACHIEVEMENTS FOR THE POINT SUB KE LIYE AWAS IN URBAN AREAS (HOUSING FOR ALL) FOR THE YEAR (2007-2008)

# EWS/LIG HOUSES IN URBAN AREAS HOUSE CONSTRUCTED (UNIT: NUMBER)

S. No.	Name of States/UTs	Target 2007-	Achievement	Percent
		2008	April, 2007 – Oct.	Achievement
			2007	April, 2007 – Oct,
				2007
1.	Arunachal Pradesh	3277	0	0
2.	Chhatisgarh	11500	1795	27
3.	Chandigarh	5449	0	0
4.	Delhi	26486	5050	33
5.	Gujarat	500	500	174
6.	Haryana	1340	42	5
7.	Himachal Pradesh	252	0	0
8.	Madhya Pradesh	6474	507	13
9.	Maharashtra	52616	0	0
10.	Punjab	7500	0	0
11.	Rajasthan	2030	404	34
12.	Sikkim	4	0	0
13.	Tamilnadu	6000	1020	29
14.	Tripura	5400	0	0
15.	Uttar Pradesh	4700	1790	65
16.	West Bengal	348	224	110
17.	Lakshdeep	80	0	0
18.	Total	133956	11332	15

## Appendix-IV STANDING COMMITTEE ON URBAN DEVELOPMENT (2007-2008)

# MINUTES OF THE ELEVENTH SITTING OF THE COMMITTEE HELD ON THURSDAY, THE 27<sup>th</sup> MARCH, 2008

The Committee sat from 1100 hrs. to 1315 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

### **PRESENT**

# Mohd. Salim - Chairman

# MEMBERS LOK SABHA

- 2. Smt. Botcha Jhansi Lakshmi
- 3. Shri Surendra Prakash Goyal
- 4. Shri Anant Gudhe
- 5. Shri Pushp Jain
- 6. Shri Sajjan Kumar
- 7. Shri Shripad Yesso Naik
- 8. Shri Sudhangshu Seal
- 9. Shri Suresh Ganpatrao Wagmare

### **RAJYA SABHA**

- 10. Shri Surendra Moti Lal Patel
- 11. Shri Krishan Lal Balmiki
- 12. Shri Penumalli Madhu
- 13. Shri Mukul Roy
- 14. Shri Varinder Singh Bajwa

### **SECRETARIAT**

Shri R.K. Saxena
 Smt. Anita B. Panda
 Shri Harchain
 Director (S&U)
 Deputy Secretary
 Deputy Secretary-II

# REPRESENTATIVES OF THE MINISTRY OF HOUSING AND URBAN POVERTY ALLEVIATION

1.	Dr. H.S. Anand	Secretary (HUPA)
2.	Shri S.K. Singh	Joint Secretary (H)
3.	Dr. R.K. Vats	Joint Secretary & FA

4. Shri J.P.S Chawla Chief Controller of Accounts

5. Shri Mukul Chaturvedi Director (UPA)

6. Shri Pankaj Joshi Director (Housing)

7. Smt. Sharada P. Meshram Director (A&AA)

8. Shri K.L. Dhingra CMD, HUDCO

9. Shri Jai Veer Srivastava CMD, HPL

10. Dr. M.L. Khurana MD, NCHF

11. Shri J.K. Prasad Chief, BMTPC

- 2. At the outset, the Chairman welcomed the Members and the representatives of the Ministry of Housing and Urban Poverty Alleviation to the sitting of the Committee. The Chairman then asked the Secretary, Ministry of Housing and Urban Poverty Alleviation to brief the Committee about the salient features of the Demands for Grants of the Ministry for the year 2008-2009. He also drew the attention of the representatives to the provisions of direction 55(1) of the 'Directions by the Speaker'.
- 3. The Secretary, Ministry of Housing and Urban Poverty Alleviation then briefed the Committee about the overall budgetary allocation of the Ministry of Housing and Urban Poverty Alleviation for the year 2008-2009 and also explained the major schemes of the Ministry of Housing and Urban Poverty Alleviation. The Committee deliberated on various issues related to examination of the Demands for Grants (2008-2009) of the Ministry of Housing and Urban Poverty Alleviation. The representatives of the Ministry clarified the queries raised by the Members on Demands for Grants.
- 4. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

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## Appendix-V STANDING COMMITTEE ON URBAN DEVELOPMENT (2007-2008)

# MINUTES OF THE THIRTEENTH SITTING OF THE COMMITTEE HELD ON FRIDAY, THE 11<sup>th</sup> APRIL, 2008

The Committee sat from 1100 hrs. 1215 hrs. in Room No '53', Parliament House, New Delhi.

### **PRESENT**

### Mohd. Salim - Chairman

# MEMBERS LOK SABHA

- 2. Shri Sharanjit Singh Dhillon
- 3. Shri Surendra Prakash Goyal
- 4. Shri Anant Gudhe
- 5. Shri Pushp Jain
- 6. Shri Kailash Joshi
- 7. Shri Shripad Yesso Naik
- 8. Shri Sudhangshu Seal
- 9. Kunwar Sarv Raj Singh
- 10. Shri Jagdish Tytler
- 11. Kunwar Devendra Singh Yadav
- 12. Shri Suresh Ganpatrao Wagmare

### RAJYA SABHA

- 13. Shri Surendra Moti Lal Patel
- 14. Shri Krishan Lal Balmiki
- 15. Shri Penumalli Madhu
- 16. Shri Varinder Singh Bajwa

### **SECRETARIAT**

1. Shri S.K. Sharma - Additional Secretary

2. Shri R.K. Saxena - Director

3. Smt. Anita B. Panda
4. Shri Harchain
Deputy Secretary
Deputy Secretary-II

2. At the outset, Hon'ble Chairman welcomed the Members to the sitting of the Committee. The Committee then took up for consideration the draft Report on Demands for Grants (2008-

2009) of the Ministry of Housing and Urban Poverty Alleviation. After some deliberations, the Committee adopted the draft Report with slight modifications.

- 3. The Committee then authorized the Chairman to finalize the Report on the basis of factual verification from the Ministry of Housing and Urban Poverty Alleviation and present the same to the Parliament.
- 4. The Committee, thereafter, discussed their future course of programme. The Committee also decided to undertake an on-the-spot study visit to some of the cities of Northern India or North-Eastern India in the last week of May or First week of June, 2008 to inspect the implementation of various ongoing schemes of the Ministry of Urban Development and Ministry of Housing and Urban Poverty Alleviation.

The Committee then adjourned.

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