

CHAPTER I

REPORT

This Report of the Committee on Urban Development (2008-09) deals with the action taken by the Government on the recommendations contained in their Thirty First Report on the Demands for Grants (2008-09) of the Ministry of Urban Development which was presented to the Lok Sabha on 16 April, 2008.

2. Action taken notes have been received from the Government in respect of all the 16 recommendations which have been categorized as follows:

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

Para Nos. 2.10, 2.15, 2.16, 2.21, 3.14, 3.15, 3.16, 3.17, 3.18, 3.29, 3.30, 3.36, 3.46 and 3.47

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

Para No. Nil

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

Para Nos. 3.28 and 3.42

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

Para No. Nil

3. The Committee desire that the Ministry's response to the comments made by the Committee in Chapter I be furnished to them within three months of the presentation of this Report.

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

High-Powered Expert Committee (HPEC) for estimating the investment requirements for Urban Infrastructure Services

Recommendation (Para No. 2.16)

5. The Committee had noted that despite the slowing down of urbanization at the macro level in India, as suggested by some comparative studies, the pressure on the class I cities, metros and mega cities was still crushing and the long term stakes involved in putting good planning and resources mobilization in place, were quite high. So far no detailed study had been done by the Government to understand as to how the existing gap between the demand and supply of resources could be bridged so that a viable urban infrastructure could be established, developed and sustained. While examining the Demands for Grants of the Ministry of Urban Development year after year, the Committee had gathered an impression that such a study was urgently required to be undertaken by the National Institute of Urban Affairs, an autonomous body within the Ministry, which could guide them on the investments needed to ensure a sustainable delivery of urban services. They, therefore, urged the Ministry to take action on the matter urgently and apprise them of the same in due course.

6. The Ministry in their action taken report have stated as under:

“Government of India has set up a High-Powered Expert Committee (HPEC) under Dr. Isher Judge Ahluwalia, ICRIER (Indian Council for Research on International Economic Relations), with other eminent persons to look into the relevant issues. The terms of reference of the Committee are to establish the conceptual, analytic, contractual and institutional basis for the delivery of urban services to support improvements in productivity, quality of life on an inclusive basis, governance and enviro-socio parameters on a sustainable basis keeping in mind the financial capacity of the country and trends in other emerging markets etc. for estimating the investment requirements for Urban Infrastructure Services. The Committee has already met and shall submit its report to the Government within a period of eighteen months from the date of constitution.

An Inter-Ministerial group under the Secretary, Urban Development alongwith Secretary, Ministry of Housing and Urban Poverty Alleviation, representatives of Planning Commission, Department of Economic Affairs and PMO will interact with the HPEC on quarterly basis.

The Ministry of Urban Development has thus initiated the action and will apprise the Committee about the outcome.”

7. The Committee are glad to note that in line with the spirit of this Committee's recommendation a High-Powered Expert Committee (HPEC) has been set up for estimating the investment requirements for urban infrastructure services. The Committee would like to be informed of the HPEC's composition, the date of its constitution and the frequency of actual interaction with HPEC by the Inter-Ministerial group. The Committee hope that the HPEC would submit its report within the stipulated time. The Committee would like to be kept informed of HPEC's recommendations.

Delay in Submission of DPRs by nine cities under JNNURM

Recommendation (Para No. 3.14)

8. Having noted that DPRs had been received only from 54 out of 63 identified cities under JNNURM, the Committee had desired among other things that the Ministry should impress upon the remaining cities to submit DPRs at the earliest so that the Mission could sustain its desired momentum in its third year. The Committee had also *inter alia* urged the Ministry to identify such cities which have performed very well under JNNURM and recommend the slow performing cities to learn from the models followed by those cities in tackling the problems/differences in implementing various urban reforms. The Ministry of Urban Development have not given any response to these points. The Committee would like to be apprised of the specific steps taken by the Ministry so far in this regard. They would like to know the latest position regarding the number of cities, which are yet to submit DPRs to the Ministry in order to avail of funds under JNNURM.

Allocation of adequate funds for JNNURM

Recommendation (Para No. 3.16)

9. The Committee had noted that for the year 2008-2009, an amount of Rs. 3100.37 crore had been allocated for JNNURM (Urban Infrastructure and Governance) despite a projection of Rs. 4400 crore made by the Ministry. As the allocation of Rs. 3100.37 crore during the year 2008-2009 was not adequate for the Mission, keeping in view the committed liability as well as sanction of new projects during the year 2008-2009, the Committee recommended that the Government should continue in their efforts to get adequate funds allocated for the JNNURM early, to meet the requirements of committed liability and sanction of new projects in the coming years.

10. The Ministry in their action taken reply have stated as under:

“The matter for allocation of adequate funds for JNNURM has already been taken up with the Planning Commission. It has been emphasized that due to small annual allocation of funds against the 7 year provision for the UIG component, the pace of implementation of the approved projects would be adversely affected. At present, 58% of the funds stands committed so far. At this pace of sanction of projects, the Mission period allocation would not be sufficient and there is a need to seriously look at the possibility of enhancing outlay so that the much desired basic infrastructure projects can be taken up and also the needs of cities needing more funds may be met. The Ministry will continue its efforts to get the allocation enhanced.”

11. Though the matter for allocation of adequate funds for JNNURM has reportedly been taken up with the Planning Commission by the Ministry of Urban Development, nothing has been mentioned in the reply as to what was the response from the Planning Commission in the matter. Allocation of adequate funds is a pre-requisite to achieve the goal of reform-driven, fast track and planned development of infrastructure of identified cities. The Committee hope that the Ministry of Urban Development will vigorously pursue the matter with the Planning Commission and ensure that sufficient funds are made available to JNNURM.

Mid-term Appraisal of JNNURM and UIDSSMT

Recommendations (Para Nos. 3.18 and 3.29)

12. The Committee had urged the Ministry to conduct a mid-term appraisal of the JNNURM and UIDSSMT in order to know their impact so far on the improvement of urban infrastructure and existing civic services for the urban dwellers.

13. The Ministry in their action taken reply have stated as under:

“As regards mid term appraisal of the scheme, Ministry of Urban Development have decided to have the mid term appraisal of UIDSSMT also alongwith UIG component of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).”

14. The Committee are happy to note that as desired by them, the Ministry of Urban development have agreed to undertake a mid-term appraisal of JNNURM and UIDSSMT so as to know the impact of these schemes on the improvement of urban infrastructure.

However, it is not clear from the reply as to when this exercise will be undertaken and by whom. The Committee hope that the mid-term appraisal will be conducted soon and the outcome reported to them.

Need for adequate allocation of funds for UIDSSMT

Recommendation (Para No. 3.28)

15. The Committee had noted that allocation for the Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) scheme for the year 2008-09 was Rs. 879.69 crore, whereas, according to the Ministry, the minimum requirement under UIDSSMT during 2008-09 was about Rs. 3000.00 crore. The Committee felt that a shortage of Rs. 2120.00 crore was to staggering and thus, were of the view that the proposed allocation of Rs. 879.69 crore during 2008-09 would be insufficient to meet even the committed liabilities of the previous years. They had also opined that consequently, it would not be possible for the Government to allot funds for further projects which were likely to be put forward this year for sanctioning purposes, thus directly affecting the small and medium towns. The Committee had felt that this would further widen the disparity between small and big towns and defeat the very purpose of the UIDSSMT scheme. They, therefore, had desired that the Government should increase the budgetary allocation for this scheme so that more projects could be taken up and completed in small and medium towns within the stipulated time period of the scheme.

16. The Ministry in their action taken reply have stated as under:

“Regarding enhancement of allocation, Ministry of Finance and Planning Commission have been requested to enhance the provision for UIDSSMT during 2008-09 and overall allocation for the Mission period substantially to enable us to cover more number of eligible towns/cities and to make the Scheme successful and effective to serve the purpose for which it has been launched. Ministry of Finance, in this regard, has recently stated that the allocation of funds for UIDSSMT Scheme for the Mission has been frozen and has regretted to enhance the allocation.”

17. The Ministry of Finance have reportedly regretted their inability to enhance allocation of funds recommended by the Committee for UIDSSMT Scheme. No reasons have been advanced for freezing the allocation of funds for the scheme. There is a need to accord priority in allocation of funds to develop the urban infrastructure of small and medium towns for improving the living

conditions of the people. The Committee would like to know the status of utilization of funds already allocated for the scheme. In case the funds have been already utilized, the Ministry of Urban Development should impress upon the Ministry of Finance, the need and justification for additional allocation of funds for the scheme during the current year.

Timely Completion of the Pilot Project on Solid Waste Management in the remaining three Airfield Towns

Recommendation (Para No. 3.42)

18. The Committee noted that in order to sanitize the areas around the airfields to control the bird hit menace, which was the biggest contributing factor in air mishaps, 10 selected IAF airfield towns were selected under a pilot project in the year 1989 for providing solid waste management and drainage facilities on priority basis to these towns. It was proposed to take up the scheme for 10 Airfields towns in two phases, namely Phase-I and Phase-II. Six towns under Phase-I and four towns under Phase-II were to be taken up and completed up to 4th year of 10th Plan and 1st year of the 11th Plan respectively. The action in regard to preparation of DPRs by HUDCO was initiated by the Ministry in 2003-04 and funds to the tune of Rs. 99 lakh was released to HUDCO in March, 2004. The Committee were dismayed to note that non-submission of DPRs by HUDCO in time was holding up the implementation of projects and release of funds. Therefore, HUDCO was later on asked to prepare DPRs for only 3 airfield towns namely Tezpur, Gwalior and Pune. The Committee were surprised as to how the Ministry of Urban Development paid 50% of the amount originally agreed, to HUDCO although they could only complete 30% of the project. The Committee felt that the Ministry should have penalized HUDCO for its inability to fulfill its commitment, rather they chose to pay an amount, which HUDCO did not deserve. The Committee further noted that in order to expedite the scheme, in consultation with the Planning Commission, the Ministry had to direct the NBCC and U.P. Jal Nigam to prepare DPRs for the rest of the towns and implement the scheme to meet the target of completion of scheme by the end of 10th Plan. Apart from the time and cost overruns caused mainly by HUDCO's bad performance, what was more concerning to the Committee was the fact that out of 10 airfield towns schemes, only three schemes at Sirsa, Jodhpur and Dundigal are 100% complete and other seven schemes are under different stages of execution. The Committee was particularly disturbed to note that in Tezpur, which is a defence airfield, Pune and Hindon towns, the progress had been quite unsatisfactory. The Committee, therefore, recommended that the Ministry should immediately take up the matter

with the concerned agencies/authorities for these 3 towns and complete all the schemes by June,, 2008 positively. They were of the opinion that apart from causing huge loss to the Government exchequer, the delay in completion of this project was directly linked with saving the lives of the pilots as well as the aircraft, which could not be ignored under any pretext.

19. The Ministry in their action taken reply have stated as below:

“The observation of the Committee has been noted for future compliance.

In the meeting held on 2.9.2004 under the Chairmanship of Joint Secretary (UD) to review the status of decisions taken in the Steering Committee meeting, since the DPRs could not be finalized by August 2004 as agreed by HUDCO, Joint Secretary (UD) cautioned HUDCO that delay in the submission of DPRs by HUDCO was a matter of serious concern and that it was holding up the implementation of the project and release of funds. It was, therefore, decided to get the project executed by a Central Government agency viz. National Building Construction Corporation Ltd. (NBCC).

In order to penalize HUDCO, the Ministry had withdrawn the preparation of DPRs from HUDCO and assigned the task to NBCC. However, HUDCO prepared DPRs for three airfield towns, namely, Tezpur, Gwalior and Pune. As against the amount of Rs. 0.99 crore released to HUDCO, HUDCO has furnished utilization certificate for Rs. 0.90 crore and the balance amount of Rs. 0.09 crore have been refunded to the Ministry.

The delay in the implementation of the Pilot project on Solid Waste Management & Drainage in Hindon, Tezpur and Pune is due to the non-availability of land for treatment and disposal facilities. The ULBs and State Governments are taking a long time to resolve the issues.

Out of 10 selected Airfield towns, projects in six towns, namely, Sirsa, Jodhpur, Adampur, Dundigal, Gwalior and Ambala have been completed. The work in respect of Pune Municipal Corporation is in progress and is expected to be completed by December 2008. For Pune airfield project, Pimpri Chinchwad Municipal Corporation (PCMC) has obtained the forest clearance from the Ministry of Environment and Forests but the PCMC has not yet acquired the land to be handed over to NBCC. This work can be completed in

8 months after handing over of land to NBCC. In regard to the Hindon airfield project, it has been informed by the Principal Secretary, Govt. of UP that another/alternative landfill site is being acquired in Village Dasna for the Solid Waste Management Project at Hindon Airfield Town. Once the land is made available to the Implementing Agency the project can be taken up. In Tezpur, the land related issues are not resolved as yet.

The Ministry of Urban Development is taking up the issues with State Governments of UP, Assam and Maharashtra for resolving the land issues for early completion of projects in these States."

20. It is observed from the reply furnished by the Ministry of Urban Development that four out of ten Solid Waste Management Projects in airfield towns are yet to be completed. These are in Pune, Tezpur, Hindon and Bareilly. The project in Pune is expected to be completed by December, 2008. In Tezpur, the project has not yet taken off due to non-availability of land. With regard to Hindonn Project, it has been stated that the UP Government is now looking for an alternative landfill site. Nothing has been mentioned in the action taken reply about the status of the project in Bareilly. As there has been inordinate delay in implementation of projects at Hindon and Tezpur, the Committee desire that the Ministry of Urban development should take up the issue of acquisition of land with the concerned State Governments at the highest level and ensure that there is no further loss of time in implementation of these projects. As regards the Bareilly project, the Committee would like to be apprised of the present position.

CHAPTER II

RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 2.10)

Proper Utilization of Budgetary Allocation

The Committee note that the Budget Estimate (2008-09) of the Ministry of Urban Development is Rs. 4128.75 crore (Both Plan & Non-Plan). As per the Ministry's submission, the same would be sufficient just to sustain the ongoing schemes of the Ministry during the year 2008-2009. The Committee also takes note of the submission made by the Secretary, Urban Development before them,, during the course of Oral Evidence, that measures have been initiated to strengthen the monitoring of implementation of various schemes to ensure proper utilization of funds released by it and timely completion of projects. However, the Committee are dismayed to note that the Ministry has surrendered substantial funds from 2002-2003 to 2006-2007 under its three demands, the largest being Demand No. 100 ((UD), which amounts to Rs. 1185.38 crore. The justification tendered by the Ministry to the surrender of funds as non-receipt of approvals and sanctions does not seem tenable, as the Ministry is surrendering the funds year after year, which can be prevented if the estimation projection is submitted in a time bound manner and vigorously pursued thereafter. The Committee feels that this merely depicts lack of financial accountability and responsibility on the part of the Ministry. Thus, they desire that the Ministry should make sincere efforts for efficient utilization of funds and ensure effective implementation of schemes through strict monitoring and coordination between various implementing agencies so as to avoid the practice of surrendering funds, after seeking higher allocation at Supplementary or Revised Estimate Stage.

Reply of the Government

The observation of the Committee has been noted for future compliance.

For proper utilization of funds Ministry has issued instructions to all concerned divisions vide letter dated 6th/15th May 2008 to project their Budget Estimates/Revised Estimates and supplementary demand

only after careful examination of the pace of expenditure of the scheme/project for which it is obtained and ensure that the funds will be utilized for the purpose it is sought within the stipulated time limit. While projecting the Budget Estimates/Revised Estimates and Supplementary Grant precaution should be taken that funds are sought only when it is absolutely necessary and will be utilized in the limited time period.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Recommendation (Para No. 2.15)

Adequate Allocation for Urban Development

The Committee note that with the rise in the share of urban population, improving the urban infrastructure covering basic services like water supply, sewage, solid waste management and urban transport have assumed greater significance. The Municipal institutions responsible for providing these civic services are facing acute shortage of capacity and resources. As per the documents received from the Ministry on their Demands for Grants, the Committee note that the net Budgetary Estimates 2008-2009 is Rs. 4128.75 crore consisting of Rs. 2553.75 crore under Plan head and Rs. 1575.00 crore under Non-Plan head. Besides, a sum of Rs. 3100.37 crore has been provided as Additional Central Assistance for JNNURM projects, which is reflected in the Demands for Grants of the Ministry of Finance. However, the Committee has been informed that the Planning Commission has already estimated the funds required for urban development during 11th Plan period as Rs. 1,29,237 crore, which would mean Rs. 25847 crore (approximately) for each year. In fact, the Ministry has already planned to approach the concerned Ministry to get additional resources. The Committee thus after that the investments required to meet the needs of urban infrastructure are grossly inadequate and have consistently lagged behind the required levels. It is distressing to note that the expenditure incurred on urban development by the Central Government is generally hovering between 0.49% to 0.78% out of their total expenditure from 2000-01 to 2006-07. The Committee are, therefore, convinced that the growth in urbanization, which includes a three fold increase in the number of million plus cities in the last 10 years, has not been accompanied by a corresponding investment for improving the urban infrastructure and civic services. Thus, there is a need to allocate adequate funds for improving urban infrastructure and civic services keeping in view the growth of economy of the country, as the cities are important determinants of national economic growth. At the same time, the onus lies on the Ministry of Urban

Development to utilize the allocated funds in an efficient and prudent manner. The Committee, therefore, recommend that the Ministry should constantly strive to follow the best practices in utilizing the allotted funds so as to improve the living conditions in urban areas through improved service delivery, financial sustainability of ULBs and better urban governance.

Reply of the Government

The observation of the Committee has been noted for future compliance.

Efforts are being made to obtain adequate allocation of funds for Jawaharlal Nehru National Urban Renewal Mission (JNNURM). The matter for adequate allocation of funds has already been taken up with the Planning Commission, so that there is adequate allocation of funds to improve the living conditions in urban areas through improved service delivery, financial sustainability of ULBs and better urban governance. This Ministry is making efforts for enhanced availability of the funds for urban areas.

As regards utilization of funds, constant monitoring is being done in the review meetings to ensure timely and efficient utilization of funds.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Recommendation (Para No. 2.16)

Detailed study required to assess the demand-supply situation for urban infrastructure

The Committee note that despite the slowing down of urbanization at the macro level in India, as suggested by some comparative studies, the pressure on the class I cities, metros and mega cities was still crushing and the long term stakes involved in putting good planning and resources mobilization in place, are quite high. The Committee are also aware that so far no detailed study had been done by the Government to understand as to how the existing gap between the demand and supply of resources could be bridged so that a viable urban infrastructure could be established, developed and sustained. While examining the Demands for Grants of the Ministry of Urban Development year after year, the Committee has gathered an impression that such a study is urgently required to be undertaken by the National Institute of Urban Affairs, an autonomous body within the Ministry, which can guide them on the investments needed to ensure a

sustainable delivery of urban services. They, therefore, urged the Ministry to take action on the matter urgently and apprise them of the same in due course.

Reply of the Government

Government of India has set up a High-Powered Expert Committee (HPEC) under Dr. Isher Judge Ahluwalia, ICRIER (Indian Council for Research on International Economic Relations), with other eminent persons to look into the relevant issues. The terms of reference of the Committee are to establish the conceptual, analytic, contractual and institutional basis for the delivery of urban services to support improvements in productivity, quality of life on an inclusive basis, governance and enviro-socio parameters on a sustainable basis keeping in mind the financial capacity of the country and trends in other emerging markets etc. for estimating the investment requirements for Urban Infrastructure Services. The Committee has already met and shall submit its report to the Government within a period of eighteen months from the date of constitution.

2. An Inter-Ministerial group under the Secretary, Urban Development alongwith Secretary, Ministry of Housing and Urban Poverty Alleviation, representatives of Planning Commission, Department of Economic Affairs and PMO will interact with the HPEC on quarterly basis.

3. The Ministry of Urban Development has thus initiated the action and will apprise the Committee about the outcome.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Comments of the Committee

[Please see Para No. 7 of Chapter-I of the Report]

Recommendation (Para No. 2.21)

PPP in Urban Infrastructure Development

The Committee are of the view that urbanization has undergone a major change following the country's transition towards a market based economy. The urban infrastructure deficit requires a large amount of investment. However, the Government find it difficult, if not impossible, to mobilize the requisite investment. The Committee, therefore, feel that while constantly increasing the Government's investment in the urban infrastructure in the current scenario, there is

also a need to create a conducive environment for Public-Private-Partnership with adequate regulatory mechanism. As per the Ministry, under the JNNURM, possibilities are being explored to get projects on solid waste management under the PPP mode. Also, the High Speed Express Link from New Delhi Railway Station to IGI Airport and its extension to Dwarka Sector-21 has been approved by the Government for implementation of DMRC project on Public-Private-Partnership basis. The Committee feel that in addition, the Ministry may advise the Mission cities to explore projects on water supply and recycling, reuse of waste water, transport, etc. also under PPP structure. They further feel that some of the private institutions may have developed requisite expertise in these areas, which can prove to be very useful for the Mission projects. The Committee expect the Ministry to explore such areas and utilize the PPP concept in the best possible manner.

Reply of the Government

Central Sanctioning & Monitoring Committee (CSMC) of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) emphasizes the need to implement projects on Public-Private-Partnership (PPP) basis. For SWM (Solid Waste Management) projects, PPP is at least one of the components-collection, transportation and disposal of waste in emphasized.

So far, PPP initiatives in BRT systems are limited in financing of rolling stock and provision of bus stands, FOBs (Foot Overbridges) etc. Land is an important resource which needs to be leveraged to part finance the urban transport projects. This can be done on PPP model. Indore (Madhya Pradesh) has taken a lead for successful running of city bus service on PPP model. Other cities like Pune (Maharashtra) and Hyderabad (Andhra Pradesh) have also taken initiatives in this area. Mumbai Metro project is being executed on PPP model. Further, in principle approval has been conveyed for execution of Hyderabad Metro projects on PPP model as well. States have also been advised vide letter dated 12.2.2007 to run city services as per PPP model. The advice of the Committee is noted for exploring possibilities of PPP further in urban development projects under this Ministry.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Recommendation (Para No. 3.14)

Strengthening Capacity Building of ULBs

The Committee note that the Jawaharlal Nehru National Urban renewal Mission (JNNURM) was launched on 3rd December, 2005 with

the goal of achieving reforms driven, fast track and planned development of identified 63 cities. Significant progress has reportedly been made since the launch of the Mission. As on 31st December, 2007, nearly 50% of the seven year ACA commitment under its sub-Mission on Urban Infrastructure and Governance (UIG) has already been made. According to the Ministry, nearly one fifth of the targeted milestones under JNNURM reforms have been achieved. The Committee further note that of the 63 Mission cities, the DPRs have been received from 54 cities so far. The Committee desire that the Ministry should impress upon the remaining cities to submit DPRs at the earliest so that Mission could sustain its desired momentum in its third year. Although there is still some time left to assess the overall impact of the Mission, the Committee desire that there is a need to strengthen the capacity building of ULBs belonging to the slow performing cities through experience/knowledge sharing on urban reforms and city governance. In this connection, the Committee desire the Ministry to identify cities which have performed very well under JNNURM so far and recommend the slow performing cities to learn from the models followed by those cities in tackling the problems/difficulties in implementing various urban reforms. In a similar spirit, organizations in the Ministry like the Central Public Health and Environmental Engineering Organization (CPHEEO) can extend their expertise in diverse fields like water supply, solid waste management, etc., to help them prepare their DPRs. Such efforts would go a long way in making the Mission cities more liable, economically productive, efficient, equitable and responsive.

Reply of the Government

Government has taken initiative by launching Peer Experience and Reflective Learning (PEARL) programme to foster cross learning among JNNURM cities in various sectors of urban reforms and city governance which has emerge das a potential area for capacity building. The Mission Directorate has also initiated networking among JNNURM cities for Peer Experience and Reflective Learning (PEARL), for cross learning and knowledge sharing. Following actions have been taken in this direction.

(i) Development and dissemination of Toolkits

Toolkits have been envisaged as an important facilitatory tool for implementing the programme of the Mission. A number of toolkits have been formulated and disseminated among the ULBs, State Governments, financial institutions etc. as follows:

1. Preparation of DPRs
2. Heritage

3. Community Participation Fund (CPF)
4. Reimbursement of cost of preparation of CDPs and DPRs
5. Appointment of Independent Review and Monitoring Agencies for projects.
6. Programme Management Units (PMUs)
7. Project Implementation Units (PIUs)
8. Pooled Finance Development Fund (PFDF)

These toolkits facilitate the States/ULBs in submission of projects and other proposals under the Mission programme.

(ii) Rapid Training Programme (RTP)

Rapid Training Programme (RTP), prioritizing slow performing cities, that have lagged behind in accessing JNNURM funds, on three prioritized modules has been rolled out in Sept., 2007. Training on Governance and Reforms, Supervision/Preparation of Detailed Project Reports (DPRs) and Project Management and Implementation are being imparted by identified training institutes and delivered at city level in the first phase. The RTP training is being delivered through the following six agencies:

- (i) Yeshwantrao Chavan Academy of Development Administration (YASHADA), Pune.
- (ii) Centre for Good Governance (CGG), Hyderabad.
- (iii) Administrative Staff College of India (ASCI), Hyderabad.
- (iv) Uttaranchal Academy of Administration (UAA), Nainital.
- (v) Centre for Environment Planning and Technology (CEPST), Ahmedabad.
- (vi) Regional Centre for Urban and Environmental Studies (RCUES), Lucknow.

So far, 73 Rapid training Programmes (RTP) have been organized across the country where elected representatives of ULBs and officials have been imparted training.

(iii) Programme Management Unit (PMU)

To strengthen the capacity of SLNA to effectively coordinate implementation of projects and reforms under Jawaharlal Nehru

National Urban Renewal Mission (JNNURM), Ministry of Urban Development has proposed to support a Programme Management Unit (PMU) at SLNA. A typical PMU shall comprise a team of professionals recruited from the open market on contractual basis. These professionals are Program Manager, Public Works and Public Health engineer, Project Management and Procurement Specialist, MIS expert etc.

So far, 11 PPMUs have been approved for the following States:

1. Madhya Pradesh
2. Orissa
3. Kerala
4. Karnataka
5. Uttar Pradesh
6. Bihar
7. Punjab
8. Gujarat
9. Rajasthan
10. West Bengal
11. Jharkhand

(iv) Project Implementation Unit (PIU)

MoUD is committed to extend financial and technical support to establish Project Implementation Unit (PIUs) at ULBs to enhance their capability to effectively implement projects and reforms under JNNURM.

The Central Sanctioning and Monitoring Committee (CSMC) has approved recruitment of professionals in each urban local body covered under the Mission. The PIU is meant to be an operation unit, supplementing and enhancing the existing skill mix of the ULBs, rather than a supervisory body. It is expected to work in tandem with the existing staff with focus on strengthening implementation of projects and reforms Mission. A PIU is envisaged to consist of professionals recruited from the open market based on fixed term contract.

So far, 26 IPU have been approved for the following ULBs:

1. Bhopal
2. Indore
3. Jabalpur
4. Ujjain

5. Lucknow
6. Agra
7. Allahabad
8. Kanpur
9. Mathura
10. Meerut
11. Varanasi
12. Jaipur
13. Bodhgaya
14. Ajmer
15. Mysore
16. Kochi
17. Thiruvananthapuram
18. Howrah
19. Chandernagar (Kolkata)
20. Asansol
21. Durgapur (Asansol)
22. Rajkot
23. Ludhiana
24. Vijayawada
25. Kolkata
26. Patna

An indicative list of the qualified Consultants for preparation of DPRs is already available at the website of JNNURM. Also under RTP, training is being imparted to officials on Project preparation and implementation. In the letters sent to the States it has *inter-alia* been emphasized that cities should expedite the submission of DPRs.

The Ministry is thus making a sincere effort in bringing the mission cities on board and facilitating the States/ULB's in preparation of DPR's.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Comments of the Committee

[Please see Para No. 8 of Chapter-I of the Report]

Recommendation (Para No. 3.15))

Need to enhance capacity of Municipal bodies by providing appropriate staff training

From the Annual Report of the Ministry, the Committee note that they support research and training activities for the municipal employees through 3 Regional Centres in Mumbai, Hyderabad and Lucknow and also at the Indian Institute of Public Administration (IIPA), New Delhi, wherein training courses on topics relating to local self-Government, low cost sanitation, etc. are organized. The Committee expect the Ministry to encourage the State Governments, particularly those belonging to the less developed category, to make optimal use of the existing training facilities. They are of the opinion that the municipal employees all over the country should have a systematic training to acquire the right attitude, skill and knowledge to deliver public service in a citizen-friendly manner and hope that the training programmes organized by the Ministry are aimed for the same. Only then the benefits of a Mission like JNNURM can reach the deprived sections of society.

Reply of the Government

The three Regional Centres for Urban and Environmental Studies (RCUESs) at Mumbai, Hyderabad and Lucknow, as well as the Centre for Urban Studies (CUS) of Indian Institute of Public Administration (IIPA), New Delhi conduct training programmes on various subjects relating to Local Self-Government and urban development for the municipal employees. In addition, the CPHEEO which is the technical wing of the Ministry sponsors a number of training courses under the Ministry's Public Health Engineering (PHE) Training Programme through academic institutions like IITs, Engineering Colleges, Public Health Engineering Departments (like Water Boards) and local urban water utilities for the benefit of field engineers in urban water supply and sanitation sector. Circulars have already been issued for nominations from various State Departments including ULBs for the year 2008-09 also. The details of the institutes and training schedule are available in the CPHEEO's website www.cpheeo.nic.in. In addition, the Ministry is in the process of formulating appropriate schemes for capacity building and strengthening of urban local bodies.

The States are being advised to make optimal use of the existing training facilities provided by these Regional Centres for getting the municipal employees properly trained to acquire right attitude, skill and knowledge for delivering public service in a citizen-friendly manner. Simultaneously, the Regional Centres are also asked to

coordinate with the concerned States to hold training programmes for the municipal employees.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Recommendation (Para No. 3.16)

Allocation of Adequate Funds for JNNURM

The Committee note that for the year 2008-2009 an amount of Rs. 3100.37 crore has been allocated for JNNURM (Urban Infrastructure and Governance) despite a projection of Rs. 4400 crore made by the Ministry. The Committee further note from the submission made by the Ministry that the allocation of Rs. 3100.37 crore during the year 2008-2009 would not be adequate for the Mission, keeping in view the committed liability as well as sanction of new projects during the year 2008-2009. The Committee recommend that the Government should continue in their efforts to get adequate funds allocated for the JNNURM early, to meet the requirements of committed liability and sanction of new projects in the coming years, so that the goal of achieving reform driven, fast track and planned development of identified cities could be achieved without any time overruns.

Reply of the Government

The matter for allocation of adequate funds for JNNURM has already been taken up with the Planning Commission. It has been emphasized that due to small annual allocation of funds against the 7 year provision for the UIG component, the pace of implementation of the approved projects would be adversely affected. At present, 58% of the funds stands committed so far. At this pace of sanction of projects, the Mission period allocation would not be sufficient and there is a need to seriously look at the possibility of enhancing outlay so that the much desired basic infrastructure projects can be taken up and also the needs of Cities needing more funds may be met. The Ministry will continue its efforts to get the allocation enhanced.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Comments of the Committee

[Please see Para No. 11 of Chapter-I of the Report]

Recommendation (Para No. 3.17)

Enhancement of Credit Worthiness of ULBs

The Committee note that one of the factors for the ULBs not availing funds under JNNURM is their limited financial base. The

JNNURM, being a demand driven scheme, experiences variations in achievement of targets due to limited involvement of ULBs, which are stakeholders in projects under JNNURM. The Committee have been informed that the JNNURM has undertaken an exercise for the assessment of finances and credit worthiness of the ULBs, through a process of Credit Rating and that 42 ULBs in the Mission cities have been assigned draft ratings. The Committee feel that since a key strategy for sustaining the Mission is to diversify the funding sources, given the substantial investment requirement and limited financial base of ULBs, the Government, while sanctioning the projects, should make efforts to explore the feasibility of Public-Private-Partnership in the areas wherever it is feasible. They are of the opinion that the Mission cities, being metros and large cities, would be considered commercially attractive by the private sector and thus it is possible to find takers for the proposed projects under JNNURM in the private sector.

Reply of the Government

A key strategy for sustaining the Mission is to diversify the funding sources, given the substantial investment requirement and limited financial base of the ULBs. Encouraging Public Private Partnership, institutional financing and financial leveraging by cities for projects taken up under JNNURM are critical elements of the overall Mission Design.

JNNURM has undertaken an exercise for assessment of finances and credit worthiness of the Mission ULBs, through a process of Credit Rating. This is intended to trigger the process of leveraging debt for JNNURM projects and to provide a platform for the ULBs and financial institutions to engage on issues related to project financing. Presently, 44 ULBs in the Mission cities have been assigned draft ratings.

The Mission is also facilitating the dissemination of the ratings through Regional Conferences on Financial Leveraging for Urban Infrastructure Investments, to be attended by the ULBs, Banks and Financial Institutions. The Conference for the Southern region was organized in Bangalore in March, 2008 and for Western Region in June, 2008. As an outcome of the conference, the ULBs have committed to explore options for project structure for financial leveraging which will be helpful in designing PPP projects.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Recommendation (Para No. 3.18)

Mid-term appraisal of JNNURM

The Committee note that under JNNURM, the Ministry has initiated a system of monthly review, apart from quarterly progress and monitoring by independent agencies. Regional reviews and supervision by senior officers in the Ministry is also being undertaken. The Committee feel that the ultimate aim of an urban renewal programme like the JNNURM is to ensure that its benefits percolate down to the most under-privileged sections of the urban society. They, therefore, urge the Ministry to conduct a mid-term appraisal of the JNNURM so as to know its impact so far on the improvement of urban infrastructure and existing civic services for the urban dwellers.

Reply of the Government

The Ministry has decided to initiate the process for conduct of the mid term appraisal of the JNNURM so as to know its impact so far, on the improvement of urban infrastructure and existing civic services for the urban dwellers.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Comments of the Committee

[Please see Para No. 14 of Chapter-I of the Report]

Recommendation (Para No. 3.29)

Mid-term appraisal of UIDSSMT

The Committee note from the figures furnished by the Ministry that out of 4313 towns/urban areas as per Census 2001, only 342 towns/urban areas have been sanctioned 421 projects under the UIDSSMT scheme. The Committee has also been informed that some States have already reached the allocation limit and thus no further projects could be taken up by them. As the scheme is already into third year of its time period, the Committee feel that the scheme should be evaluated in order to assess its performance so far, as well as to suggest improvements. In this regard, the Committee learn that no third party evaluation of the UIDSSMT Scheme has been undertaken so far although, monthly review of the progress of the scheme is undertaken at the level of Secretary (UD). The Committee feel that the time is just right for the Government to conduct a mid-term appraisal/ study of the scheme from a competent independent agency. They,

therefore, urge the Government to take suitable action on the matter. At the same time, the Committee agree that the challenge of improving the current state of urban infrastructure in all the small and medium towns is gigantic and cannot be met with the existing budgetary support, and thus reiterate their earlier recommendation urging the Government to take a re-look at the funds allocation for the purpose in due course of time.

Reply of the Government

As regards mid term appraisal of the scheme, Ministry of Urban Development have decided to have the mid term appraisal of UIDSSMT also alongwith UIG component of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Comments of the Committee

[Please see Para No. 14 of Chapter-I of the Report]

Recommendation (Para No. 3.30)

Alternative Suggestions on the implementation of infrastructure projects

From the submission made by the Ministry, the Committee note that most of the small and medium towns are facing problems in getting good contractors for implementation of infrastructure projects, particularly on water supply and sewerage, which is causing cost escalation and delay in completion of projects. The Committee desire that since the Ministry has identified the problem, they should issue an advisory to all the State Governments on this matter, which are in a better position to give suitable alternative suggestions to their municipal bodies on the implementation of infrastructure projects so that cost escalation and delay in completion of projects could be avoided to the best possible extent.

Reply of the Government

Advisory in form of a letter to the State Government/SLNA is being issued to take suitable measures so that problems being faced by the ULBs in getting good contractors for implementation of projects under UIDSSMT could be sorted out.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Recommendation (Para No. 3.36)

Need to encourage States to set-up State Pooled Finance Entities under Pooled Finance Development Fund Scheme (PFDF)

The Committee note that Pooled Finance Development Fund Scheme was launched in November, 2006 to provide credit enhancement to urban local bodies (ULBs) to access market borrowings based on their credit worthiness through State level Pooled Finance mechanism. The Committee further note that the Planning Commission has provided Rs. 400.00 crore for the Scheme during the 10th Plan. As the scheme was launched at the fag end of the last year of 10th Plan, no expenditure could be incurred during the 10th Plan. Now, an allocation of Rs. 2500.00 crore has been proposed for 11th Plan and the budget provision of Rs. 20.00 crore has been made for the year 2008-2009 to implement the Scheme. The Committee express their dissatisfaction over the fact that despite being aware of the fund crunch felt by the ULBs all over the country, the Ministry took a long time for launching such a scheme. Besides, the Committee feel that the Ministry in all probability has launched the scheme without requisite homework with the result that though it was launched in November, 2006, till date only one State *i.e.* Tamil Nadu has come forward to avail its benefits. The Committee were informed during evidence that the interest rate situation changed after the scheme was launched, which has affected its wide acceptance. The Committee also find the Ministry to be skeptical about the scheme showing immediate success. Nonetheless, they desire that the Ministry should take concrete steps now to encourage the States to implement/operationalize the PFDF Scheme in their respective States to facilitate the Urban Local Bodies to access capital and financial markets for investment in critical municipal infrastructure by providing credit enhancement grants to State Pooled Finance Entities (SPFEs), which is extremely crucial for the development of the urban areas in the country.

Reply of the Government

Initially, all the State/UT Governments were requested on 23.10.2006 and 14.12.2006 to take necessary preparatory action for operationalisation of the scheme in accordance with the Scheme guidelines. To sensitize the State Governments/Stakeholders for implementation of the scheme in a time-bound manner, a National Workshop was organized in Chennai on 20th November 2006 when the scheme was formally launched. One regional Workshop on PFDF was held at Kolkata on 21.2.2007 and second such Regional Workshop was held at Shillong on 5.4.2007. The matter has been pursued at the Chief Secretary and Chief Minister level on 23.1.2007 and 8.3.2007

respectively to expedite setting up of SPFEs in the States/UTs. So far, the States of Andhra Pradesh, Karnataka, Nagaland, Orissa, Rajasthan, Tamil Nadu, Kerala, Assam and Madhya Pradesh have set up their "State Pooled Finance Entity" for implementation of the scheme in their States in accordance with the Guidelines of the Scheme. The State of Goa and U.T. of Andaman & Nicobar have intimated that setting up of a SPFE in the State is not feasible. State Governments have been requested on 24.9.2007 that, if necessary, consultancy services of Tamil Nadu Urban Development Fund, Chennai, Karnataka Urban Infrastructure Development and Finance Corporation, Bangalore who have already gained sufficient experience in this field or any other financial institutions may be obtained for this purpose. Ministry is in the process of dissemination of PFDF toolkit to State Governments and ULBs. A National Workshop on need to encourage states to set-up State Pooled Finance Entities under Pooled Finance Development Fund Scheme is also on the anvil. The Ministry of Urban Development has taken concrete steps to encourage the States/UTs to take advantage of this scheme.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Recommendation (Para No. 3.46)

Preservation of Printing equipment of heritage value at GOI Production-cum-Training Centre, Shimla

The Committee note that the process of modernization of 12 Government of India Presses is likely to be completed this year. The Government has also decided to convert the Government of India Press, Shimla into Production-cum-Training Centre. In this regard, the Committee recall that this Government of India Press, was established way back in the year 1872, and thus, has printing equipment of heritage value. The Committee, therefore, feel that in order to preserve the history of printing craftsmanship as well as provide an opportunity to the trainees to compare the antique printing technologies with the modern ones, such old equipment in Shimla Press could prove to be very handy and useful for training purpose. Consequently, they desire that some chosen pieces of old printing equipment in Shimla Press are identified, preserved, maintained and utilized appropriately for the benefit of the trainees, who undergo the final training in the Production-cum-Training Centre, Shimla.

Reply of the Government

Necessary instructions have already been issued to Govt. of India Press, Shimla not to dismantle the old printing equipment and

machinery of heritage value in order to preserve the history of printing craftsmanship as well as provide an opportunity and benefit to the trainees to compare the old printing technology with the modern technology at the time of the final training in the "Production-cum-Training Centre" Shimla.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Recommendation (Para No. 3.47)

Requirement of suitable market Strategy for optimum utilization of GoI Presses

In so far as other Government of India Presses are concerned, the Committee observe that these Presses can be utilized in a very effective manner, provided they get sufficient printing orders in hand. They feel that the Directorate of Printing (DoP) in the Ministry need to extend help to these units in the marketing field for procurement of orders. The Committee, therefore, recommend that the Ministry should direct the DoP to plan and execute an aggressive marketing strategy taking into account the capacity of the Government of India Presses so that those are utilized optimally instead of ending up as loss-making units. At the same time, the Committee would urge the DoP to take effective steps to recover the outstanding printing charges from the different defaulting Government Indenters.

Reply of the Government

In order to obtain the maximum printing jobs for Govt. of India Presses and to ensure a self sufficient sustainable and financially viable status for the same, efforts are being made at various level of Directorate of Printing and Ministry of Urban Development through continuous liasoning with various Central Ministries/Departments, State Governments, Educational Institutions, Banks, Universities, Autonomous Bodies and PSUs.

Though presently there is no market expertise in the Presses, even then some selected officers available in Govt. of India Presses are being deputed to survey market and obtain suitable printing jobs for Govt. of India Presses for execution.

The Directorate of Printing has taken various steps to recover the outstanding printing charges from the different defaulting Government Indenters. These steps include: (a) holding meetings at Joint Secretary level, Director level and Field level; (b) identification of the major

bottlenecks relating to the difficulties being faced in location of the particular Indenters/Departments especially those which had already ceased to exist in the same form due to merger/relocation etc. over a period of time, non-availability of original records and non-availability of budget provision etc.; (c) sustained efforts to pursue the matter through D.O. reminders; (d) sending special recovery teams to the Indenting Departments and (e) monitoring of the recovery through fortnightly returns.

As a result of these efforts, there is considerable improvement in the recovery of outstanding printing charges in comparison to the previous years performance as can be seen in the table given below:

**Status of the Recovery of outstanding printing
charges for the last four years**

(Rs. in crore)

Year				
2004-05	2005-06	2006-07	2007-08	2008-09 (For April, 2008)
90.96	91.30	106.34	118.92	18.76

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

CHAPTER III

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

—Nil—

CHAPTER IV

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

Recommendation (Para No. 3.28)

Adequate allocation for UIDSSMT

The Committee are of the opinion that by their sheer demographic dimensions, economic significance as well as vast magnitude of problems, the million plus cities in our country tower over the small and medium towns and thus grab attention of the policy makers in getting major chunk of the fund allocation. This, in turn, has resulted in disparities in the urban infrastructure in the large cities and the small & medium towns. Nonetheless, the Committee feel that the small and medium towns have very important role to play in attracting and accommodating migrant population from their surrounding rural areas and thus, maintaining a balance in the urban growth. In this regard the Committee note that the Urban Infrastructure Development Scheme for Small & Medium towns (UIDSSMT) was launched in December, 2005 for improving the overall urban infrastructure covering all cities/towns as per 2001 Census, excluding 63 mission cities covered under JNNURM. The Scheme proposes to cover areas like water supply, sewerage, storm water drains, solid waste management, construction upgradation of roads, parking on PPP mode, prevention & rehabilitation of soil erosion in case of Special Category States and preservation of water bodies. The Committee also note that allocation for the scheme for the year 2008-09 is Rs. 879.69 crore, whereas, according to the Ministry, the minimum requirement under UIDSSMT during 2008-09 is about Rs. 3000.00 crore. The Committee feel that a shortage of Rs. 2120.00 crore is too staggering and thus, are of the view that the proposed allocation of Rs. 879.69 crore during 2008-09 would be insufficient to meet even the committed liabilities of the previous years. Consequently, it would not be possible for the Government to allot funds for further projects which are likely to be put forward this year for sanctioning purposes, thus directly affecting the small and medium towns. The Committee feel that this would further widen the disparity between small & big towns and defeat the very purpose of the UIDSSMT scheme. They, therefore, feel that the Government should increase the budgetary allocation for this scheme so that more projects could be taken up and completed in small and medium towns within the stipulated time period of the scheme.

Reply of the Government

Regarding enhancement of allocation, Ministry of Finance and Planning Commission have been requested to enhance the provision for UIDSSMT during 2008-09 and overall allocation for the Mission period substantially to enable us to cover more number of eligible towns/cities and to make the Scheme successful and effective to serve the purpose for which it has been launched. Ministry of Finance, in this regard, has recently stated that the allocation of funds for UIDSSMT Scheme for the Mission has been frozen and has regretted to enhance the allocation.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Comments of the Committee

[Please see Para No. 17 of Chapter-I of the Report]

Recommendation (Para No. 3.42)

Unsatisfactory progress of the Pilot Project on Solid Waste Management in 10 Airfield Towns

The Committee note that in order to sanitize the areas around the airfields to control the bird hit menace, which is the biggest contributing factor in air mishaps, 10 selected IAF airfield towns were selected under a pilot project in the year 1989 for providing solid waste management and drainage facilities on priority basis to these towns. It was proposed to take up the scheme for 10 Airfields towns in two phases, namely Phase-I and Phase-II. Six towns under Phase-I and four towns under Phase-II were to be taken up and completed up to 4th year of 10th Plan and 1st year of the 11th Plan respectively. The action in regard to preparation of DPRs by HUDCO was initiated by the Ministry in 2003-04 and funds to the tune of Rs. 99 lakh was released to HUDCO in March, 2004. The Committee are dismayed to note that non-submission of DPRs by HUDCO in time was holding up the implementation of projects and release of funds. Therefore, HUDCO was later on asked to prepare DPRs for only 3 airfield towns namely Tezpur, Gwalior and Pune. The Committee feels disappointed noting the fact that despite being an ISO certified company, HUDCO's performance in this project was not satisfactory at all. Moreover, they are surprised as to how the Ministry of Urban Development paid 50% of the amount originally agreed, to HUDCO although they could only complete 30% of the project. The Committee feels that the Ministry should had penalized HUDCO for its inability to fulfill its commitment,

rather they chose to pay an amount, which HUDCO did not deserve. The Committee feels that the Ministry should not be lenient towards unprofessional attitude shown by agencies, once they agree to implement a project. The Committee further notes that in order to expedite the scheme, in consultation with the Planning Commission, the Ministry had to direct the NBCC and U.P. Jal Nigam to prepare DPRs for the rest of the towns and implement the scheme to meet the target of completion of scheme by the end of 10th Plan. The Committee has also been informed that the total cost of the scheme now is Rs. 13067.97 lakh. Apart from the time and cost overruns caused mainly by HUDCOs bad performance, what is more concerning to the Committee is the fact that out of 10 airfield towns schemes, only three schemes at Sirsa, Jodhpur and Dundigal are 100% complete and other seven schemes are under different stages of execution. The Committee is particularly disturbed to note that in Tezpur, which is a defence airfield, Pune and Hindon towns, the progress has been quite unsatisfactory. The Committee, therefore, recommended that the Ministry should immediately take up the matter with the concerned agencies/authorities for these 3 towns and complete all the schemes by June, 2008 positively. They are of the opinion that apart from causing huge loss to the Government exchequer, the delay in completion of this project is directly linked with saving the lives of the pilots as well as the aircraft, which can not be ignored under any pretext.

Reply of the Government

The observation of the Committee has been noted for future compliance.

In the meeting held on 2.9.2004 under the Chairmanship of Joint Secretary (UD) to review the status of decisions taken in the Steering Committee meeting, since the DPRs could not be finalized by August 2004 as agreed by HUDCO, Joint Secretary (UD) cautioned HUDCO that delay in the submission of DPRs by HUDCO was a matter of serious concern and that it was holding up the implementation of the project and release of funds. It was, therefore, decided to get the project executed by a Central Government agency *viz.* National Building Construction Corporation Ltd. (NBCC).

In order to penalize HUDCO, the Ministry had withdrawn the preparation of DPRs from HUDCO and assigned the task to NBCC. However, HUDCO prepared DPRs for three airfield towns, namely, Tezpur, Gwalior and Pune. As against the amount of Rs. 0.99 crore released to HUDCO, HUDCO has furnished utilization certificate for Rs. 0.90 crore and the balance amount of Rs. 0.09 crore have been refunded to the Ministry.

The delay in the implementation of the Pilot project on Solid Waste Management & Drainage in Hindon, Tezpur and Pune is due to the non-availability of land for treatment and disposal facilities. The ULBs and State Governments are taking a long time to resolve the issues.

Out of 10 selected Airfield Towns, projects in six towns, namely, Sirsa, Jodhpur, Adampur, Dundigal, Gwalior and Ambala have been completed. The work in respect of Pune Municipal Corporation is in progress and is expected to be completed by December 2008. For Pune airfield project, Pimpri Chinchwad Municipal Corporation (PCMC) has obtained the forest clearance from the Ministry of Environment & Forests but the PCMC has not yet acquired the land to be handed over to NBCC. This work can be completed in 8 months after handing over of land to NBCC. In regard to the Hindon airfield project, it has been informed by the Principal Secretary, Govt. of UP that another/ alternative landfill site is being acquired in Village Dasna for the Solid Waste Management project at Hindon Airfield Town. Once the land is made available to the Implementing Agency the project can be taken up. In Tezpur, the land related issues are not resolved as yet.

The Ministry of Urban Development is taking up the issues with State Governments of UP, Assam and Maharashtra for resolving the land issues for early completion of projects in these States.

[Ministry of Urban Development, O.M. No. H-11013/2/2008-Bt.(UD),
Date 11th July, 2008]

Comments of the Committee

[Please see Para No. 20 of Chapter-I of the Report]

CHAPTER V

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

—Nil—

NEW DELHI;
19 September, 2008

28 Bhadrapada, 1930 (Saka)

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

APPENDIX I

STANDING COMMITTEE ON URBAN DEVELOPMENT (2008-2009)

MINUTES OF THE THIRD SITTING OF THE COMMITTEE HELD
ON TUESDAY, THE 16TH SEPTEMBER, 2008

The Committee sat from 1500 hrs. to 1600 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Mohd. Salim — *Chairman*

MEMBERS

Lok Sabha

2. Smt. Botcha Jhansi Lakshmi
3. Shri Sharanjit Singh Dhillon
4. Shri Surendra Prakash Goyal
5. Shri Anant Gudhe
6. Shri Sajjan Kumar
7. Shri Shripad Yesso Naik
8. Shri Sudhangshu Seal
9. Shri Jagdish Tytler
10. Kunwar Devendra Singh Yadav

Rajya Sabha

11. Shri B.K. Hariprasad
12. Shri Krishan Lal Balmiki
13. Shri Brij Bhushan Tiwari

SECRETARIAT

1. Shri T.K. Mukherjee — *Director*
2. Smt. Anita B. Panda — *Deputy Secretary*
3. Shri Harchain — *Deputy Secretary-II*

2. At the outset, Hon'ble Chairman welcomed the Members to the sitting of the Committee. * * * * *

3. The Committee then took up for consideration draft report on Action Taken by the Government on the recommendations contained in their Thirty First Report (14th Lok Sabha) on Demands for Grants (2008-2009) of the Ministry of Urban Development and adopted the same without any modifications.

4. The Committee then authorized the Chairman to finalize both the reports in the light of the additions suggested and consequential changes, if any, arising out of factual verification of the reports by the Ministry, and present the reports to the Parliament.

The Committee then adjourned.

*Matter not related with the report.

APPENDIX II

[Vide Para 4 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE THIRTY FIRST REPORT OF THE STANDING COMMITTEE ON URBAN DEVELOPMENT (FOURTEENTH LOK SABHA)

I.	Total number of recommendations	16
II.	Recommendations which have been accepted by the Government: Para Nos. 2.10, 2.15, 2.16, 2.21, 3.14, 3.15, 3.16, 3.17, 3.18, 3.29, 3.30, 3.36, 3.46 and 3.47	14
	Percentage of total recommendations	(87.5%)
III.	Recommendations which the Committee do not desire to pursue in view of the Government's Replies:	Nil
	Para No. Nil	Nil
	Percentage to total recommendations	(0%)
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee:	
	Para Nos. 3.28 and 3.42	2
	Percentage to total recommendations	(12.5%)
V.	Recommendations in respect of which final Replies of the Government are still awaited:	Nil
	Nil	
	Percentage to total recommendations	(0%)

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THIRTY-THIRD REPORT
STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2008-2009)

(FOURTEENTH LOK SABHA)

MINISTRY OF URBAN DEVELOPMENT

DEMANDS FOR GRANTS
(2008-2009)

*[Action Taken by the Government on the Recommendations contained
in the Thirty-First Report of the Standing Committee on
Urban Development (14th Lok Sabha)]*

Presented to Lok Sabha on

Laid in Rajya Sabha on



LOK SABHA SECRETARIAT
NEW DELHI

September, 2008/Bhadrapada, 1930 (Saka)

C.U.D. No. 36

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COMPOSITION OF THE STANDING COMMITTEE ON
URBAN DEVELOPMENT (2008-2009)

Mohd. Salim — *Chairman*

MEMBERS

Lok Sabha

2. Shri Avtar Singh Bhadana
3. Smt. Botcha Jhansi Lakshmi
4. Shri Sharanjit Singh Dhillon
5. Shri Surendra Prakash Goyal
6. Shri Anant Gudhe
7. Shri Pusp Jain
8. Shri Kailash Joshi
9. Shri Sajjan Kumar
10. Prof. Vijay Kumar Malhotra
11. Shri Babu Lal Marandi
12. Shri A.K. Moorthy
13. Shri Shripad Yesso Naik
14. Shri L. Rajagopal
15. Shri D. Vittal Rao
16. Shri Sudhangshu Seal
17. Kunwar Sarv Raj Singh
18. Shri Jagdish Tytler
19. Kunwar Devendra Singh Yadav
20. Shri Rajesh Ranjan *alias* Pappu Yadav
21. Shri Suresh Ganpatrao Wagmare

Rajya Sabha

22. Dr. Prabha Thakur
23. Smt. Syeda Anwara Taimur
24. Shri B.K. Hariprasad
25. Shri Surendra Moti Lal Patel
26. Shri Krishan Lal Balmiki
27. Shri Brij Bhushan Tiwari
28. Shri Penumalli Madhu
29. Shri Varinder Singh Bajwa
30. Shri Manohar Joshi
31. Shri Mukul Roy

SECRETARIAT

1. Shri A. Louis Martin — *Joint Secretary*
2. Smt. Anita B. Panda — *Deputy Secretary*
3. Shri Kulmohan Singh Arora — *Committee Officer*

INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2008-09), having been authorized by the Committee to submit the Report on their behalf, present the Thirty-Third Report on the Action Taken by the Government on the recommendations contained in the Thirty-First Report (14th Lok Sabha) of the Standing Committee on Urban Development on 'Demands for Grants (2008-09)' of the Ministry of Urban Development.

2. The Thirty First Report of the Standing Committee on Urban Development was presented to Lok Sabha on 16th April, 2008. Replies of the Government to all the recommendations contained in the Report were received on 15th July, 2008.

3. The Committee considered and adopted the Report at their sitting held on 16th September, 2008.

4. An analysis of the Action taken by the Government on the recommendations contained in the Thirty-First Report of the Committee is given at Appendix II.

NEW DELHI;
19 September, 2008

28 Bhadrapada, 1930 (Saka)

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

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**STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2008-2009)**

FOURTEENTH LOK SABHA

MINISTRY OF URBAN DEVELOPMENT

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

*[Action Taken by the Government on the Recommendations contained
in the Thirty-First Report of the Standing Committee on
Urban Development (14th Lok Sabha)]*

THIRTY-THIRD REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**