

CHAPTER I

REPORT

This Report of the Standing Committee on Urban Development (2007-2008) deals with the action taken by the Government on the recommendations contained in their Thirty Second Report (Fourteenth Lok Sabha) on “Demands for Grants” (2008-2009) of the Ministry of Housing and Urban Poverty Alleviation, which was presented to the Lok Sabha on 16th April, 2008

2. The Report contained 13 recommendations. Action taken notes in respect of all the recommendations have been received from the Government. These have been categorised as follows:

- (i) Recommendations which have been accepted by the Government:
Para Nos. 2.9, 2.10, 3.15, 3.17, 3.25, 3.42, 4.23, 4.24, 4.25, 4.27
(Total-10)
(Chapter-II)
- (ii) Recommendations which the Committee do not desire to pursue in view of Government's replies:
Nil
(Total-Nil)
(Chapter-III)
- (iii) Recommendations in respect of which replies of the Government have not been accepted by the Committee:
Para Nos. 3.16, 4.22, 4.26
(Total-3)
(Chapter-IV)
- (iv) Recommendations in respect of which final replies of the Government are still awaited:
Nil
(Total-Nil)
(Chapter-V)

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.

I. Poor implementation of Swarna Jayanti Shahari Rozgar Yojana (SJSRY)

Recommendation (Para No. 3.16)

5. The Committee had shown their concern over the fluctuating progress of the components of SJSRY namely the Urban Self Employment Programme (USEP), the Urban Wage Employment Programme (USWP) and skill training. While appreciating the progress of the skill training component in the year 2007-2008, which exceeded the target, they were dissatisfied with the progress of USEP and UWP components of SJSRY during 2007-2008. Further, they noted that the achievements under SJSRY were not as holistic as desired, in all the States, which was evident from the fact that there had 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 had thus desired a holistic progress of SJSRY, and had recommended the Ministry to strive to increase its achievement levels in all the components of SJSRY in order to avoid inconsistency in its performance.

6. In their Action taken reply, the Government have stated as follows:

"The updated achievements, *as on 31.3.2008*, against the targets for 2007-2008, under SJSRY are as under:—

	Target	Achievement
1	2	3
Number of urban poor assisted to set-up individual/group micro-enterprises	1,20,000	1,30,804

1	2	3
Number of Urban poor imparted skill training	1,50,000	1,92,066
Number of Mandays of work generated under Urban Wage Employment Programme (UWEP)	—	31.84 Lakh

Ministry of Housing & Urban Poverty Alleviation is striving hard to impress upon the States/UTs, to effectively implement the Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY). Various review Meetings, State level orientation workshops of the field level Officers/functionaries have also been organized in the States. It is expected that the revised Guidelines of SJSRY will also play a role of catalyst in expediting the progress of the Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY)."

7. The Committee regret to note that under SJSRY, though the number of urban poor assisted to set up individual/group micro enterprises as well as the number of urban poor imparted skill training have exceeded the targets during 2007-2008, the number of Mandays of work generated under Urban Wage Employment Programme (UWEP) has registered a steep decline during 2007-08. Despite substantial increase in fund allocation for the scheme, the number of Mandays of work generated during 2007-08 was just 31.84 lakh Mandays as against 81.55 lakh Mandays during 2006-07. The Government have not given any reasons for such a dismal performance during 2007-08. Further, the Committee had pointed out that the States like Arunachal Pradesh, Bihar, Jharkhand, Daman & Diu etc. had not achieved any progress in setting up of micro enterprises and in imparting skill training to urban poor under SJSRY during 2007-08. The Government's reply is silent as to the reasons for non-implementation of the scheme in these States. It is not clear as to what specific steps were taken by the Ministry of Housing and Urban Poverty Alleviation to ensure

implementation of the scheme in these States. The Committee expect the Ministry to take up the matter vigorously with the concerned State Governments and ensure implementation of the scheme. The Committee would await the specific steps taken by the Government in this regard.

II. Delay in modification of Guidelines of SJSRY

Recommendation (Para No. 3.17)

8. The Committee had shown their dissatisfaction at the failure of the Ministry to finalize the modified guidelines even in the first year of the Five Year Plan despite their recommendation in their 21st Report on Demands for Grants for the year 2007-2008 to finalise it before the commencement of the Plan. As per the Ministry, the modified guidelines were awaiting approval of the EFC. The Committee had desired that the said guideline should give emphasis to micro-enterprises, self-help groups, micro-finance, skill development, vocational training, market-accessibility and swift micro-credit flow with special focus on women, SC/ST population, minorities, disabled and slum dwellers, so that the SJSRY could achieve its aim comprehensively.

9. In their Action Taken reply, the Government have stated as under:

“The proposal for Modification in the Guidelines of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) has since been cleared by EFC and it will be moved to the competent authority *i.e.* Union Cabinet, shortly for its approval. The suggestions of Hon’ble Committee have been given due consideration while preparing the proposals for modifications in the Guidelines of Swarna Jayanti Shahari Rozgar Yojana (SJSRY).”

10. The Committee fail to understand the reasons for inordinate delay in modifying the guidelines governing implementation of SJSRY, the performance of which left much to be desired.

The Committee had been urging revision of the guidelines since 2005-06. The Committee stress that there should be no further loss of time in this regard. The Committee would like to be apprised of the modifications effected in the guidelines. They further urge the Ministry of Housing and Urban Poverty Alleviation to implement the revised scheme expeditiously and ensure that the targets of its various components are achieved without fail in all the States.

III. In-situ upgradation of old toilets in slum areas

Recommendation (Para No. 3.25)

11. The Committee had *inter-alia*, expressed concern about the extremely shabby conditions of old latrines in urban slum areas and had felt that the Ministry should allot funds for in-situ upgradation/repair/maintenance of the same under the Integrated Low Cost Sanitation Scheme (ILCS). Besides, as the budgetary allocation for ILCS for the year 2008-09 had reportedly been increased to Rs. 150 crore from Rs. 40 crore earlier, they had desired to be kept apprised of the actual expenditure of the enhanced budgetary allocation under ILCS on all such areas. The Committee had also expected that the target to convert the existing six lakh dry latrines into pour flush units under the scheme would be achieved strictly within 2-3 years.

12. In their Action Taken reply, the Government have stated as under:

“During the current Financial Year, an amount of Rs. 150.00 crore is provided in the Budget Estimates for implementing the Revised Guidelines of the Centrally Sponsored “Integrated Low Cost Sanitation (ILCS) scheme. Out of the Rs. 150.00 crore, Rs. 1.50 crore *i.e.* 1% is retained to be utilized for MIS, Monitoring System, Capacity Building and Information, Education, and Communication (IEC) components as per the revised guidelines of the scheme. Out of the remaining funds, 75% will be used for

conversion of dry latrines into twin pit pour flush latrines and 25% will be for construction of new toilets to EWS households, who have no latrines in the urban areas of the country. The primary emphasis will be to complete conversion of around six lakh dry latrines reported by the States of Assam, Bihar, J&K, Nagaland and Uttar Pradesh by 31st March 2010 and funds will be utilized with respect to the number of dry latrines prevalent in these areas. The proportionate State-wise allocation with regard to construction of new toilets to EWS households will be worked on the basis of households having no latrines as per RGI's census 2001. Under the revised guidelines, there is a provision for involving NGOs having adequate experience in this field, who will be funded to the maximum to the extent of 15% over and above the total project cost to be borne by the Centre and States, based on the ratio of 5:1 at different stages of implementation. Looking after operation and maintenance of the converted units will be one of the tasks entrusted to them. However, there is no separate provision for 'in-situ' up gradation/repair/ maintenance of old toilets for slum areas under the ILCS scheme"

13. Having noticed that old latrines in urban slum areas remained in shabby condition due to neglect, the Committee had recommended that there should be allotment of funds for in-situ upgradation/repair/maintenance of the same under the Integrated Low Cost Sanitation Scheme. The Government have stated in their reply that there is no separate provision for in situ up-gradation/repair/maintenance of old toilets for slum areas under the ILCS. Frankly, the Committee did not expect such a response from the Government which is in disregard to the spirit of the recommendation. Needless to point out that old toilets which are in dilapidated condition can be repaired with minimal cost. The Committee, therefore, urge the Government to find ways and means to revive these toilets and also involve beneficiaries/Self-Help Groups/NGOs in their operation and maintenance.

IV. Housing Shortage

Recommendation (Para No. 4.22)

14. In connection with urban housing shortage, the Committee had noted a huge backlog of 24.71 million at the end of the Tenth Five Year Plan. They had also expressed their dissatisfaction at a mere 15% achievement in the construction of dwelling units during the first half of Financial Year 2007-08. In this backdrop, the Committee had desired prudent and judicious utilization of the enhanced budgetary allocation to the housing sector in order to considerably reduce the huge backlog. They had also advised a prompt, albeit a cautious, engagement with private partners in this field.

15. In their Action Taken reply, the Government have stated as under:

“The National Urban Housing and Habitat Policy, 2007 (NUHHP-2007) aims at forging strong partnership between the Public Private and Co-operative sector for accelerated growth in housing sector and sustainable development of Habitat. The National Urban Housing and Habitat Policy, 2007 promotes observance of the National Building Code (NBC) 2005 as part of regulatory framework and this is expected to improve and ensure quality in respect of all projects being executed by public agencies including Public Private Partnership projects.”

16. The Committee are not satisfied with the reply of the Government as it fails to address the concerns expressed by them at the slow progress of construction of dwelling units during the first half of the year 2007-08. The reply merely states certain features of the National Urban Housing & Habitat Policy, 2007 (NUHHP 2007). The Committee would like to be informed of the actual achievement during 2007-08 and the reasons for shortfall, if any, during the year. Further, the Committee would like to know the details regarding the funding pattern of the newly proposed

Interest Subsidy Scheme for Housing the Urban Poor (ISSHUP), and the mechanism to ensure the quality aspect of construction in public-private partnership projects.

V. Need for Pro-active Policy on Vertical Development of Slums

Recommendation (Para No. 4.26)

17. In view of the rapidly shrinking urban land space, the Committee had urged the Government to go for vertical development of slum areas in big cities. They had further recommended 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. They had desired that the Ministry should issue an advisory to the States urging the cities covered under Basic Services to the Urban Poor (BSUP) and Integrated Housing & Slum Development Programme (IHSDP) also to explore vertical construction of EWS houses, wherever feasible.

18. In their Action Taken reply, the Government have stated as under:

“The National Urban Housing and Habitat Policy-2007 provides for review of Floor Area Ratio (FAR) in line with international practices for allowing more efficient use of scarce urban land by construction of high rise buildings. However, it is for the State Govts. and ULBs to adopt this in the respective Mater Plans.

Under the Basic Services to the Urban Poor (BSUP) and Integrated Housing & Slum Development Programme (IHSDP) Projects considering the acute scarcity of land, wherever feasible, new construction of housing units in multi-storey structures (G+3) are encouraged. In some locations building designs with more than G+3 storeys have also been approved under BSUP. Some such structures also have ramps to make them disabled friendly.”

19. The Committee had desired the Ministry of Housing and Urban Poverty Alleviation to issue an advisory to the States urging them to explore vertical construction of EWS houses under Basic Services to the Urban Poor (BSUP) and Integrated Housing and Slum Development Programme (IHSDP). The Ministry of Housing and Urban Poverty Alleviation are, however, indifferent to the suggestion and have held that it is for the State Governments to adopt this in their Master Plans. The Committee do not expect the Ministry to be apathetic in such matters. There is need for pro-active approach in addressing the housing problems in urban areas. The Committee, therefore, reiterate their earlier recommendation that possibilities of vertical slum development alongwith provision for suitable basic amenities should be urgently pursued, encouraged and realized, particularly in large cities facing acute space constraints. The Committee would like to be apprised of the specific steps taken in this regard.

CHAPTER II

RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Paragraph No. 2.9)

Increase in BE 2008-09 – Challenges ahead

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 crores. 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 of 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.

Reply of the Government

All necessary steps are being taken to ensure successful implementation of JNNURM. In this respect, the National Steering

group under JNNURM in its 4th Meeting held on 31.03.2008 has also discussed this issue and decided that this should be taken up with Planning Commission. The Ministry has taken up various measures to facilitate State Government in setting up technical support structure for successful implementation of JNNURM. These include setting up of

- Programme Management Unit at State level
- Project Implementation Unit at city level
- Third Party Inspection & Monitoring.

A web enabled project tracking system is also under implementation to track progress of projects and reforms under JNNURM.

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt.(HUPA) date 2nd July, 2008]

Recommendation (Paragraph No. 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.

Reply of the Government

The Central Sanctioning and Monitoring Committee and Central Sanctioning Committee in the Ministry of HUPA has requested the State Governments to take necessary action for constituting beneficiary committees which would supervise construction at various levels-

foundation, basement, lintel, roof, completion, occupation, etc. and undertake social audit of the projects after completion. In this regard Secretary (HUPA) has addressed to States to initiate action.

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt.(HUPA) date 2nd July, 2008

Recommendation (Paragraph No. 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 system 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 funds 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.

Reply of the Government

The considered views of Hon’ble Committee have been noted. The proposal for Modification in the Guidelines of SJSRY has since been

cleared by EFC and it will be moved to the competent authority *i.e.* Union Cabinet, shortly for its approval. The revised Guidelines will come into effect, after the approval of the Cabinet, in this year itself.

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt.(HUPA) date 2nd July, 2008

Recommendation (Paragraph No. 3.17)

Finalization of Modified Guidelines of SJSRY

In regard to early finalization of modified guidelines of SJSRY, the Committee had, in their 21st Report on Demands for Grants (2007-08), recommended that the Ministry should be ready with the modified Guidelines before the commencement of 11th 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 finalize the modified guidelines till date, particularly when one year of 11th 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.

Reply of the Government

The proposal for Modification in the Guidelines of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) has since been cleared by EFC and it will be moved to the competent authority *i.e.* Union Cabinet, shortly for its approval. The suggestions of Hon'ble Committee have been given due consideration while preparing the proposals for modifications in the Guidelines of Swarna Jayanti Shahari Rozgar Yojana (SJSRY).

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt. (HUPA) date 2nd July, 2008]

Comments of the Committee

(Please See Paragraph No. 10 of Chapter-I of the Report)

Recommendation (Paragraph No. 3.25)

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

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.

Reply of the Government

During the current financial year an amount of Rs.150.00 crore is provided in the Budget Estimates for implementing the Revised Guidelines of the Centrally Sponsored “Integrated Low Cost Sanitation (ILCS) Scheme”. Out of the Rs.150.00 crore, Rs.1.50 crore *i.e.* 1% is retained to be utilized for MIS, Monitoring System, Capacity Building and Information, Education, and Communication (IEC) components as per the revised guidelines of the scheme. Out of the remaining funds 75% will be used for conversion of dry latrines into twin pit pour flush latrines and 25% will be for construction of new toilets to EWS households who have no latrines in the urban areas of the country. The primary emphasis will be to complete conversion of around six lakh dry latrines reported by the States of Assam, Bihar, J&K, Nagaland and Uttar Pradesh by 31st March 2010 and funds will be utilized with respect to the number of dry latrines prevalent in these areas. The proportionate state-wise allocation with regard to construction of new toilets to EWS house holds will be worked on the basis of households having no latrines as per RGIs census 2001. Under the revised guidelines there is a provision for involving NGOs adequate experience in this field who will be funded to the maximum to the extent of 15% over and above the total project cost to be borne by the Centre and States based on the ratio of 5:1 at different stages of implementation. Looking after operation and maintenance of the converted units will be one of the tasks entrusted to them. However, there is no separate

provision for 'in-situ' up gradation/repair/maintenance of old toilets for slum areas under the ILCs scheme.

[Ministry of Housing and Urban Poverty Alleviation O.M.
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Comments of the Committee

(Please See Paragraph No. 13 of Chapter-I of the Report)

Recommendation (Paragraph No. 3.42)

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

funds 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.

Reply of the Government

The Ministry of HUPA has taken up the issue of releasing fund based on demand from States and UTs and also enhancement of allocation for BSUP and IHSDP with the National Steering Group under JNNURM. The National Steering Group in its meeting held on 31st March, 2008 has also agreed to the suggestion of release of fund in accordance with the demands from States/UTs within 7 year allocations under JNNURM as well as with the demand for enhanced allocation. The Ministry of HUPA has further taken up the matter with both Planning Commission and Ministry of Finance for enhanced allocation as well as dispensing with Annual State-wise allocation within the Mission period allocations framework.

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt. (HUPA) date 2nd July, 2008]

Recommendation (Paragraph No. 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.

Reply of the Government

The Two Million Housing Programme was launched in 1998-99 as a loan based scheme by assigning targets for financing dwelling units. It envisaged facilitating construction of 20 lakh additional units every year (7 lakh dwelling units in urban areas and 13 lakh dwelling units in rural areas).

Of the seven lakh dwelling units for urban areas, four lakh dwelling units were to be financed by Housing and Urban Development Corporation Ltd. (HUDCO); two lakh dwelling units were to be financed through Housing Finance Institutions (HFIs) and Public Sector Banks; and one lakh houses were to be constructed through auspices of National Cooperative Housing Federation.

During last 10 years of its implementation against the assigned target of 70 lakh urban dwelling units, more than 77 lakh dwelling units have been facilitated under the scheme.

The shortfall in annual targets during last few years have primarily been due to non-submission of schemes for financing by

HUDCO by the State Government agencies who are now keen on implementing schemes involving Central assistance (*viz.*, BSUP and IHSDP). The Ministry has set up a High Powered Committee under the chairmanship of Shri Ashok Jha, retired Finance Secretary, Government of India, to rejuvenate HUDCO with a view to strengthen its financial position and expansion of activities for better service to poor and weaker sections of the Society. The Ministry will take appropriate measures for implementation of the recommendations once available.

The Ministry has been pursuing greater participation by the cooperative sector through National Cooperative Housing Federation (NCHF), the apex body for various State level cooperative housing federations. The Ministry has requested various States for allotment of 30% of land acquired to housing cooperative functioning in the State at concessional rate and on priority basis so that they could undertake housing programme at large scale. In addition, State Governments have also been requested to exempt members of housing cooperative from payment of stamp duty and registration fee.

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Recommendation (Paragraph No. 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 recommended 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.

Reply of the Government

All the State Governments/UT's have already been advised to formulate State Urban Housing and Habitat Policy and Action Plan. A High Level Monitoring Committee as envisaged under National Urban Housing and Habitat Policy-2007 is being set up under the Chairmanship of Hon'ble Minister of State (Independent Charge) of Housing & Urban Poverty Alleviation for periodic review and implementation of the Policy.

[Ministry of Housing and Urban Poverty Alleviation O.M.
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Recommendation (Paragraph No. 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 organizations/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.

Reply of the Government

Inputs

HUDCO as part of its appraisal process has tried to incorporate designs based on local needs through the help of Planners, Architects, Engineers and Community Development Offices based on the geographical location, detailed socio-economic survey and housing typology prevalent in the Regions. A series of measures have been initiated to sensitize the State level Nodal Agency/Local Bodies for incorporating the efficient design developed by professionals of HUDCO.

[Ministry of Housing and Urban Poverty Alleviation O.M.
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Recommendation (Paragraph No. 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.

Reply of the Government

The Government has decided to set up a High Powered Committee under the chairmanship of Shri Ashok Jha, retired Finance Secretary, Government of India, to rejuvenate HUDCO with a view to strengthen its financial position and expansion of activities for better service to poor and weaker sections of the Society.

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt. (HUPA) date 2nd 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 (Paragraph No. 3.16)

Physical achievement under various components of SJSRY

About the performance of the USEP components 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 points 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 29th February, 2008 whereas the figure for 2006-2007 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.

Reply of the Government

The updated achievements, *as on 31.3.2008*, against the targets for 2007-2008, under SJSRY are as under:—

	Target	Achievement
Number of urban poor assisted to set-up individual/group micro-enterprises	1,20,000	1,30,804
Number of Urban poor imparted skill training	1,50,000	1,92,066
Number of Mandays of work generated under Urban Wage Employment Programme (UWEP)	—	31.84 Lakh

Ministry of Housing & Urban Poverty Alleviation is striving hard to impress upon the States/UTs, to effectively implement the Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY). Various review Meetings, State level orientation workshops of the field level Officers/ functionaries have also been organized in the States. It is expected that the revised Guidelines of SJSRY will also play a role of catalyst in expediting the progress of the Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY).

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt.(HUPA) date 2nd July, 2008]

Comments of the Committee

(Please *see* paragraph No. 7 of Chapter-I of the Report)

Recommendation (Paragraph No. 4.22)

Housing Shortage

The Committee note that 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 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 1st half of the Financial Year 2007-08. The Committee feel that the situation is very alarming, as housing constitutes as 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.

Reply of the Government

The National Urban Housing and Habitat Policy, 2007 (NUHHP-2007) aims at forging strong partnership between the Public, Private and Co-operative sector for accelerated growth in housing sector and sustainable development of Habitat. The National Urban Housing and Habitat Policy, 2007 promotes observance of the National Building Code (NBC) 2005 as part of regulatory framework and this is expected to improve and ensure quality in respect of all projects being executed by public agencies including Public-Private Partnership projects.

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt.(HUPA) date 2nd July, 2008]

Comments of the Committee

(Please *see* paragraph No. 16 of Chapter-I of the Report)

Recommendation (Paragraph No. 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.

Reply of the Government

The National Urban Housing and Habitat Policy—2007 provides for review of Floor Area Ratio (FAR) in line with international practices for allowing more efficient use of scarce urban land by construction of high rise buildings. However, it is for the State Governments and ULBs to adopt this in the respective Master Plans.

Under the Basic Services to the Urban Poor (BSUP) and Integrated Housing & Slum Development Programme (IHSDP) Projects considering the acute scarcity of land, wherever feasible, new construction of housing units in multi-storey structures (G+3) are

encouraged. In some locations building designs with more than G+3 storeys have also been approved under BSUP. Some such structures also have ramps to make them disabled friendly.

[Ministry of Housing and Urban Poverty Alleviation O.M.
No. H-11013/1/2008-Bt.(HUPA) date 2nd July, 2008]

Comments of the Committee

(Please *see* paragraph No. 19 of Chapter-I of the Report)

CHAPTER V

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

-Nil-

NEW DELHI;
4 September, 2008
13 Bhadrapada, 1930 (Saka)

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

APPENDIX I

STANDING COMMITTEE ON URBAN DEVELOPMENT (2008-09)

MINUTES OF THE SECOND SITTING OF THE COMMITTEE HELD ON TUESDAY, THE 2nd SEPTEMBER, 2008

The Committee sat from 1500 hrs. to 1630 hrs. in Room No. '139',
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 Kailash Joshi
7. Shri Sajjan Kumar
8. Shri A.K. Moorthy
9. Shri D. Vittal Rao
10. Shri Sudhangshu Seal
11. Kunwar Devendra Singh Yadav
12. Shri Suresh Ganpatrao Wagmare

Rajya Sabha

13. Smt. Syeda Anwara Taimur
14. Shri B.K. Hariprasad
15. Shri Surendra Moti Lal Patel
16. Shri Krishan Lal Balmiki
17. Shri Brij Bhushan Tiwari

18. Shri Penumalli Madhu
19. Shri Varinder Singh Bajwa

SECRETARIAT

- | | | |
|-------------------------|---|----------------------------|
| 1. Shri A. Louis Martin | — | <i>Joint Secretary</i> |
| 2. Shri T.K. Mukherjee | — | <i>Director</i> |
| 3. Smt. Anita B. Panda | — | <i>Deputy Secretary</i> |
| 4. Shri Harchain | — | <i>Deputy Secretary-II</i> |

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. The Committee took up for consideration the draft report on Action Taken by the Government on the recommendations contained in their Thirty Second Report (14th Lok Sabha) on Demands for Grants (2008-2009) of the Ministry of Housing and Urban Poverty Alleviation and adopted the same with slight modification. The Committee then authorized the Chairman to finalise the report and present the same to the Parliament.

The Committee then adjourned.

***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 SECOND
REPORT OF THE STANDING COMMITTEE ON URBAN
DEVELOPMENT (FOURTEENTH LOK SABHA)**

	Total	% of Total
I. Total number of recommendations	13	
II. Recommendations which have been accepted by the Government: Para Nos. 2.9, 2.10, 3.15, 3.17, 3.25, 3.42, 4.23, 4.24, 4.25, 4.27	10	76.92%
III. Recommendations which the Committee do not desire to pursue in view of Government's replies: Para Nos. 3.16, 4.22 & 4.26	3	23.076%
IV. Recommendations in respect of which replies of the Government have not been accepted by the Committee: Para No. NIL	0	(0%)
V. Recommendations in respect of which final replies of the Government are still awaited: Para No. NIL	0	(0%)

THIRTY FOURTH REPORT
STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2008-09)

(FOURTEENTH LOK SABHA)

MINISTRY OF HOUSING AND URBAN
POVERTY ALLEVIATION

DEMANDS FOR GRANTS (2008-2009)

*[Action Taken by the Government on the Recommendations contained
in the Thirty Second Report of the Standing Committee on
Urban Development (Fourteenth Lok Sabha)]*

Presented to Lok Sabha on.....

Presented in Rajya Sabha on.....



LOK SABHA SECRETARIAT
NEW DELHI

September, 2008/Bhadrapada, 1930 (Saka)

C.U.D. No. 37

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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 Pushp 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

(iv)

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 | — | <i>Joint Secretary</i> |
| 2. Shri T.K. Mukherjee | — | <i>Director</i> |
| 3. Smt. Anita B. Panda | — | <i>Deputy Secretary</i> |

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-Fourth Report on the action taken by the Government on the recommendations contained in the Thirty-Second Report (14th Lok Sabha) of the Standing Committee on Urban Development on Demands for Grants (2008-09) of the Ministry of Housing and Urban Poverty Alleviation.

2. The Thirty-Second Report was presented to Lok Sabha on 16th April, 2008. The replies of the Government to 13 recommendations contained in the Report were received on 8th July, 2008.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 2nd September, 2008.

4. An analysis of the action taken by the Government on the recommendations contained in the Thirty Second Report (Fourteenth Lok Sabha) of the Committee is given in Appendix-II.

NEW DELHI;
4th September, 2008

13 Bhadrapada, 1930 (Saka)

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

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**STANDING COMMITTEE
ON URBAN DEVELOPMENT
(2008-09)**

FOURTEENTH LOK SABHA

**MINISTRY OF HOUSING AND
URBAN POVERTY ALLEVIATION**

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

*[Action Taken by the Government on the Recommendations contained
in the Thirty Second Report of the Standing Committee on
Urban Development (Fourteenth Lok Sabha)]*

THIRTY FOURTH REPORT



Lok Sabha

**LOK SABHA SECRETARIAT
NEW DELHI**

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