

**STANDING COMMITTEE ON
URBAN DEVELOPMENT
(2011-2012)**

FIFTEENTH LOK SABHA

MINISTRY OF URBAN DEVELOPMENT

**DEMANDS FOR GRANTS
(2012-2013)**



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2012 / Chaitra, 1934(Saka)

EIGHTEENTH REPORT



STANDING COMMITTEE ON URBAN DEVELOPMENT (2011-2012)

(FIFTEENTH LOK SABHA)

MINISTRY OF URBAN DEVELOPMENT

**DEMANDS FOR GRANTS
(2012-2013)**

Presented to Lok Sabha on 25.04.2012

Laid in Rajya Sabha on 25.04.2012



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2012 / Chaitra, 1934(Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON
URBAN DEVELOPMENT (2011-2012)**

Shri Sharad Yadav - Chairman

MEMBERS

LOK SABHA

2. Shri Jai Prakash Agarwal
3. Shri M. Anandan
4. Shri Praveen Singh Aron
5. Shri Pratap Singh Bajwa
6. Shri Ambica Banerjee
7. Smt. J. Helen Davidson
8. Smt. Priya Dutt
9. Shri Eknath M. Gaikwad
10. Shri Bijoy Krishna Handique
11. Shri Gorakh Prasad Jaiswal
12. Shri Kailash Joshi
13. Shri Mohinder Singh K.P.
14. Prof. (Dr.) Ram Shankar Katheria
15. Shri Ramesh Kumar
16. Dr. Kirodi Lal Meena
17. Shri P.C. Mohan
18. Shri Sonawane Pratap Narayanrao
19. Shri Rakesh Sachan
20. Shri Bhupendra Singh
21. Shri Umashankar Singh

RAJYA SABHA

22. Shri P. Bhattacharya
- #23. Shri Parvez Hashmi
24. Shri Avinash Pande
25. Dr. Bhalchandra Munekar
26. Shri Kanwar Deep Singh
27. Shri Khekiho Zhimomi
- &28. Vacant
- &29. Vacant
- \$30 Vacant
- &31. Vacant

Retired from Rajya Sabha on 27.01.2012 and renominated w.e.f. 02.02.2012.

\$ Vacancy caused consequent upon retirement of Shri Shyam Benegal from Rajya Sabha w.e.f 15.02. 2012.

& Vacancy caused consequent upon retirement of Dr. Manohar Joshi, Smt. Hema Malini & Shri Meghraj Jain from Rajya Sabha w.e.f. 02.04.2012.

SECRETARIAT

- | | | | |
|----|---------------------|---|-------------------|
| 1. | Shri T.K. Mukherjee | - | Joint Secretary |
| 2. | Shri R.K. Jain | - | Director |
| 3. | Smt. J.M. Sinha | - | Deputy Secretary |
| 4. | Smt. Madhu Bhutani | - | Executive Officer |

INTRODUCTION

I, the Chairman of the Standing Committee on Urban Development (2011-12) (Fifteenth Lok Sabha) having been authorized by the Committee to submit the Report on their behalf, present the Eighteenth Report on Demands for Grants (2012-13) of the Ministry of Urban Development.

2. The Demands for Grants of the Ministry of Urban Development were laid on the table of the House on 29th March, 2012. Under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, the Standing Committee on Urban Development are required to consider the Demands for Grants of the Ministries under their jurisdiction and make Report on the same to both the Houses of Parliament. Thereafter, the Demands are considered by the House in the light of the Report of the Committee.

3. The Committee took evidence of the representatives of the Ministry of Urban Development on 2nd April, 2012. The Committee wish to express their thanks to the officials of the Ministry of Urban Development for placing before them the requisite material and their considered views in connection with the examination of the Demands for Grants (2012-13).

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

5. The Committee considered and adopted the Report at their sitting held on 19th April, 2012.

6. For facility of reference, the observations/ recommendations of the Committee have been printed in bold letters and placed as Part II of the report.

New Delhi;
19th April, 2012
30 Chaitra 1934(Saka)

SHARAD YADAV,
Chairman,
Standing Committee on
Urban Development

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REPORT
PART-I
CHAPTER – I

Introductory

The Ministry of Urban Development has the responsibility of broad policy formulation and monitoring of programmes in the areas of urban development and urban water supply and sanitation. These are primarily State subjects but the Government of India plays a co-ordinating and monitoring role and also supports these programmes through Central and Centrally Sponsored Schemes. The Ministry addresses various issues of urban sector through policy guidelines, legislative guidance and sectoral programmes.

1.2 Urbanization in India has become an important and irreversible process, and an important determinant of national economic growth and poverty reduction. The process of urbanization is characterized by a most dramatic increase in the number of large cities, although India may be said to be in the midst of transition from a predominantly rural to a quasi urban society.

1.3 As per 2011 census, there are 7935 towns/ cities in the country. Of these, 4041 are statutory and 3894 are census towns. For the census year 2001, the total population was 1028737436 and the urban population was 286119689. For the census year 2011, the total population was 1210193422 and the urban population was 377105760. India has the second largest urban population in the world and there are significant variations among the States. Tamilnadu is the most urbanized State with 43.9 percent of urban population followed by Maharashtra which has 42.4 percent and Gujarat which has 37.4 percent population. It is generally noticed that States with higher level urbanization has higher per capita income.

1.4 At current rate of growth, urban population in India will reach a staggering total of 575 million by 2030 A.D. According to Census 2001, as many as 35 Cities in India had population of

a million plus. Over successive decades, the number of urban areas and towns has increased, as is given in the table below:

Year	Number of Urban Areas/Towns in India over decades
1951	2843
1961	2363
1971	2590
1981	3378
1991	3768
2001	5161
2011	7935

1.5 It is acknowledged that this transition to a quasi- urban society, however, has not been accompanied by a commensurate increase in the supply of basic urban services like water supply, sewerage and drainage network, garbage disposal facilities, citywide roads, public transport, and public safety systems like street lighting and pedestrian pathways. The supply of land and housing has not kept pace with the increase in urban population.

1.6 In recent years, the urban sector in India has undergone a major change following the country's transition towards a market-based economy and the spirit of decentralization embodied in the Constitution (Seventy Fourth) Amendment Act, 1992. The Act came into force on June 1st, 1993. The decade of the 1990s and 2000s had also witnessed important changes in the thinking about cities and their role in economic growth and reduction in poverty. There is a wide acceptance of importance of urban governance, and recognition of challenges of accountability and responsiveness of the local self governments to people, and in this perspective, importance of self-sustainability and creditworthiness of such local governments lies. Therefore, the pricing system of urban services requires major overhauling, as services when tendered indiscriminately to all below cost cannot be sustained.

1.7 Regarding the steps contemplated to overcome these problems, the Ministry in its written reply has stated as under :-

The JNNURM mandates recovery of user charges in terms of recovery of O&M charges with respect to water supply and solid waste. It is mandated 100% recovery in these sectors to be done at the end of Mission period. In UIDSSMT, for North-East and J&K this is mandated to be 50%.

In this regard, 8 Mission cities have reported achievement of 100% recovery of O&M charges in solid waste. These are Hyderabad, Visakhapatnam, Surat, Pune, Greater Mumbai, PCMC, Shillong and Chennai. As far as water user is concerned, 20 cities are reported 80% or more collection of O&M charges which includes Hyderabad, Vijayawada, Visakhapatnam, Surat, Vadodara, Bengaluru, Pune, Nagpur, Nashik, Greater Mumbai, PCMC, Shillong, Madurai, Chennai etc

1.8 The main functions of the Ministry of Urban Development are as under:-

- Formulation of broad policy guidelines in the area of Urban Development, including Urban Transport;
- Legislative support by way of Constitutional amendments, central legislations and model legislations;
- Urban transport schemes, including mass rapid transit system for metros and large cities;
- Institutional finance for urban infrastructure in NCR states through National Capital Region Planning Board;
- Co-ordination of multilateral/ bilateral assistance for projects in urban development;
- Technical assistance through Town and Country Planning Organisation (TCPO), Central Public Health & Environmental Engineering Organisation (CPHEEO) and National Institute of Urban Affairs (NIUA);
- Construction and maintenance of Central Government buildings through Central Public Works Department (CPWD);
- Management of land and built-up properties of Government of India through Land and Development Office (L&DO) and Directorate of Estates (DoE);

- Printing of Government documents and publications through Government Presses, Directorate of Printing;
- Supply of Stationery to indenting Government Offices through Government of India Stationery Office (GISO);
- Administrative Ministry for activities of its Central Public Sector Undertaking (CPSU) viz National Building Construction Corporation Limited and joint venture companies like, Delhi Metro Rail Corporation (DMRC), Bangalore Metro Rail Corporation (BMRC), Chennai Metro Rail Limited (CMRL), Kolkata Metro Rail Corporation (KMRC), Delhi Development Authority (DDA), National Capital Region Planning Board (NCRPB), Delhi Urban Arts Commission (DUAC), National Institute of Urban Affairs (NIUA), etc.
- Implementation of the Flagship programme, Jawaharlal Nehru National Urban Renewal Mission (**JNNURM**). The Sub-mission Urban Infrastructure & Governance (UIG) component is meant for integrated development of infrastructure in 65 select mission cities. Similarly, Sub-mission Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) is directed at non-mission cities to improve infrastructure facilities, help create durable public assets and quality oriented services through enhanced public-private partnership, investments and integrated development of towns & cities in a planned manner by providing reforms linked central assistance.

1.9 The Ministry has proposed to address these objectives through suitably reorienting its policies and programs which include JNNURM having the major components of Urban Infrastructure and Governance, UIG, UIDSSMT, funding for city buses, capacity building etc. The North-East Region Urban Development Programme, NERUDP, investments in metro rail projects, scheme for development of official and residential complexes by the CPWD, the programmes of NCR Planning Board, schemes for capacity building under JNNURM, urban transport sector and overall urban development. The guidelines for these schemes and programmes are being revised and would be finalized soon after the size and contours of the 12th Five Year Plan are notified by the Planning Commission. The Ministry is also giving greater attention to its attached and subordinate offices which include besides CPWD, the TCPO, Town

and Country Planning Organization, the Departments the Directorates of Printing, Publication and Stationery and the Central Public Health and Environmental Engineering Organization. This Ministry is also the administrative Ministry for many metro rail companies where the Government is investing in the equity. Even otherwise this Ministry is the administrative Ministry for Metro Rail Projects.

1.10 The Ministry addresses various issues of urban sector by formulating broad policy guidelines, legislative guidance and monitoring Centrally sponsored schemes and programmes. The other set of responsibilities of Ministry of Urban Development pertains to construction and maintenance of Central Government Buildings, including residential accommodation, with the exception of those under the Ministry of Defence, Atomic Energy, Railways and Communications. It is also responsible for management of Central Government land/property, most of which is confined to Delhi and some of the metropolitan cities. These functions are discharged through the Central Public Works Department (CPWD) and Land and Development Office (L & DO). Printing and stationery requirements of all the Central Government Ministries/Departments and stocking and selling of Government publications are also looked after by this Ministry.

Review of the status of implementation contained in the Fourteenth Report of the Committee on Demands for Grants(2011-12) of the Ministry of Urban Development.

1.11 Besides examination of Three Demands for Grants pertaining to Ministry of Urban Development, the present Report will examine in brief issues pertaining to Review of status of implementation of the previous recommendations of the Committee contained in the 14th Report (15th Lok Sabha) of the Committee on Demands for Grants (2011-12) of the Ministry of Urban Development.

1.12 The Fourteenth Report (15th Lok Sabha) of the Standing Committee on Urban Development on ‘Demands for Grants (2011-12) of Ministry of Urban Development’ was presented to Parliament on 5th August, 2011 and the Seventeenth Report on Action Taken by the Government on the recommendations contained in the Fourteenth Report of the Committee was presented to Parliament on 28th March, 2012.

1.13 In their Fourteenth Report, the Committee made 14 recommendations. Out of these recommendations 6 recommendations have been accepted by the Government and are at various stages of implementation. Replies of the Government on 7 recommendations have not been accepted by the Committee and are yet to be implemented by the Government. In regard to one recommendation final reply of the Government are still awaited.

1.14 In pursuance of Direction 73A of Directions by the Speaker, the Minister of Urban Development is yet to make a statement in the Parliament regarding status of implementation of the recommendations made by the Committee in their Fourteenth Report (15th Lok Sabha) on Demands for Grants (2011-12)

CHAPTER-II

Overall and Demand-wise Analysis of the Demands for Grants of the Ministry of Urban Development for the year 2012-13

The detailed Demands for Grants 2012-13 of the Ministry of Urban Development were laid in the Parliament on 29th March, 2012. There are three Demands for Grants pertaining to the Ministry of Urban Development. These are as follows:-

- (i) Demand No. 101- Urban Development
- (ii) Demand No.102- Public Works
- (iii) Demand No.103- Stationery and Printing

2.2 Demand No.101- UD pertains to various Schemes of Urban Development Viz.:-

- (i) Urban Transport Planning
- (ii) All Metro Rail Projects
- (iii) National Capital Region Planning Board(NCRPB)
- (iv) Research and Capacity Building in Urban Sector
- (v) Urban Infrastructure Development in Satellite/Counter Magnet Cities
- (vi) Administrative Expenses for JNNURM
- (vii) National Urban Information System(NUIS)
- (viii) Pooled Finance Development Fund
- (ix) North Eastern Region Urban Development Programme (NERUDP)
- (x) North Eastern Region
- (xi) General Pool Residential Accommodation

2.3 Demand No.102 pertains to Public Works with special reference to CPWD, which is a major construction and maintenance agency of Government of India in respect of both residential(Demand No. 101-UD) and non-residential accommodation.

2.4 Demand No. 103 relates to Directorate of Stationery and Printing.

2.5 The overall Budget allocation for the year 2012-13 is Rs. 9906.26 crore for Ministry of Urban Development. After anticipated recoveries of Rs.223.27 crore the net BE 2012-13 is Rs. 9685.99 crore. The Plan Expenditure is Rs. 7012.12 crore and non-plan expenditure is Rs.2673.87 crore.

2.6 The net Budgetary allocation under three Demands are as follows:-

- I. Demand No. 101- UD - Rs. 7729.38 crore (Plan and Non-plan)
- II. Demand No. 102- P&W - Rs. 1854.27 crore(Plan and Non-plan)
- III. Demand No. 103 –S&P - Rs. 102.34 crore

2.7 Scheme wise Budgetary allocation during the year 2012-2013 under Ministry of Urban Development is as follows:

Rs. in crore

Sl. No.	Schemes	Allocation
1.	Secretariat-General Service	42.85
2.	Town and Country Planning Organisation	6.64
3.	National Capital Region Planning Board	64.61
4.	Other Urban Development Scheme	234.60
5.	JNNURM	88.00
6.	Directorate of Estate	50.02
7.	Governmental Residential Buildings	510.61
8.	Subordinate Debt. to Delhi Metro Rail Corporation and other metropolitan cities rail projects	603.00
9.	Investment in Public Enterprises	3164.57
10.	Pass through assistance-externally aided projects	2030.00
11.	Grants to Delhi Metro Rail Corporation	100.00
12.	Provision for projects/schemes for the benefit of North Eastern Region and Sikkim	160.00

2.8 The projection made by the Ministry for the three Demands during the Eleventh Plan period is as under:

Demand No.	2007-08	2008-09	2009-10	2010-11	2011-12
101	5422.71*	6829.10*	13076.06*	11743.18*	12595.81*
102	1107.16	1177.07	1565.24	1557.87	1958.18
103	65.00	103.57	216.34	163.34	131.68

* The Plan projection for both Demand no. 101 and 102

2.9 Demand-wise Budget Estimate (BE) and Revised Estimate (RE) 2011-12 (Plan) & (Non-Plan) and actual expenditure are as under:-

(Rs.in crore)

Demand No.& Name	B.E. 2011-12			R.E.2011-12			Actual Expenditure 2011-12 (Upto December,2011)		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
<u>Demand No. 101- Department of Urban Development</u>									
(a) Revenue	623.13	647.85	1270.98	436.42	707.70	1144.12	244.29	514.98	759.27
(b) Capital	5445.63	138.62	5584.25	5591.54	138.60	5730.14	4081.78	85.42	4167.20
	6068.76	786.47	6855.23	6027.96	846.30	6874.26	4326.07	600.40	4926.47
<u>Demand No. 102-Public Works</u>									
(a) Revenue	12.00	1093.21	1105.21	12.00	1201.88	1213.88	7.63	950.50	958.13
(b) Capital	198.99	284.80	483.79	156.49	308.80	465.29	86.31	207.03	293.34
	210.99	1378.01	1589.00	168.49	1510.68	1679.17	93.94	1157.53	1251.47
<u>Demand No. 103-Stationery& Printing</u>									
(a) Revenue	0.00	97.10	97.10	0.00	92.62	92.62	0.00	73.17	73.17
(b) Capital	0.00	0.13	0.13	0.00	3.68	3.68	0.00	0.00	0.00
	0.00	97.23	97.23	0.00	96.30	96.30	0.00	73.17	73.17

Under Demand No. 101, Department of Urban Development the above table indicates that the total BE during the year 2011-12 was Rs. 6855.23 crore and the RE was Rs. 6874.26 crore. The actual expenditure upto December 2011 is Rs. 4,926.47 crore. The Government will spent the remaining of Rs. 1947.79 crore during the remaining three months of the financial year.

Under Demand No. 102-PW, the above table indicates that the total BE during the year 2011-12 for public work was Rs. 1589.00 crore and the RE was Rs. 1679.17 crore. The Ministry could spent Rs.1251.47 core upto December, 2011. The remaining of Rs.427.70 crore will be spent by the Government during the remaining three months of the financial year.

Under Demand No.103, stationery and printing, the above table indicates that the total budget at BE stage during the year 2011-12 was Rs. 97.23 crore and at RE stage it was Rs. 96.30 crore. The actual expenditure till December, 2011 is Rs. 73.17 crore.

2.10 The BE and RE 2011-12 and BE 2012-13 indicating percentage variations on the all the three demands are as under:

Demand No.101 Deptt. of UD	BE 2011-12		RE 2011-12		BE 2012-13		% variation over BE 2011-12 &BE 2012-13		% variation over BE 2011-12 &BE 2012-13	
	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>
Revenue	623.13	647.85	436.42	707.70	570.93	789.27	-8.38%	21.83%	30.82%	11.53%
Capital	5445.63	138.62	5591.54	138.60	6212.32	156.86	14.08%	13.16%	11.10%	13.17%
TOTAL	6068.76	786.47	6027.96	846.30	6783.25	946.13	11.77%	20.30%	12.53%	11.80%

Statement showing BE, RE 2011-2012 and BE 2012-13 indicating % variation

Demand No.102 Public Works	BE 2011-12		RE 2011-12		BE 2012-13		% variation over BE 2011-12 &BE 2012-13		% variation over BE 2011-12 &BE 2012-13	
	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>
Revenue	12.00	1093.21	12.00	1201.88	12.50	1299.35	4.17%	18.86%	4.17%	8.11%
Capital	198.99	284.80	156.49	308.80	216.37	326.05	8.73%	14.48%	38.26%	5.59%
TOTAL	210.99	1378.01	168.49	1510.68	228.87	1625.40	8.47%	17.95%	35.84%	7.59%

Demand No.103 Stationery Printing	BE 2011-12		RE 2011-12		BE 2012-13		% variation over BE 2011-12 &BE 2012-13		% variation over BE 2011-12 &BE 2012-13	
	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Plan</i>	<i>Non-Plan</i>
Revenue	0.00	97.10	0.00	92.62	0.00	102.24	0.00%	5.29%	0.00%	10.39%
Capital	0.00	0.13	0.00	3.68	0.00	0.10	0.00%	--- 23.08%	0.00%	- 97.28%
TOTAL	0.00	97.23	0.00	96.30	0.00	102.34	0.00%	5.26%	0.00%	6.27%

2.11 Against Rs.6027.96 crore Plan allocation and Rs.846.30 crore non-plan at the RE stage during the year 2011-12, the Ministry has allocated Rs.6783.25 crore for plan and Rs. 946.13 crore for non-plan for the Department of Urban Development during the year 2012-13. This makes 11.77 per cent in plan and 20.30 per cent in non-plan. As per budgetary exercise non-plan expenditure is totally current expenditure and large component of which will be spent towards meeting the salaries and allowances and other routine expenditure. Keeping in view the plight of urban conditions in India the increase of 11.77 % is very nominal, taking into account the rate of inflation between 2011-12 and 2012-13 between 8 or 9 per cent. The increase of allocation is not more than 5 per cent.

2.12 Important Events and Policy Decisions of the Ministry of Urban Development during 2011-12 is as under:

1. The Government will be launching the next phase of JNNURM – II with an outlay of 0.25 percentage of GDP, amounting to nearly Rs. 1.75 lakh crore during the 12th Plan period. JNNURM-II will have an enhanced focus on the Class I towns and medium towns.
2. Phase III of Delhi Metro for 103.5. Km has also been approved at a total cost of Rs. 35,242 cr. which is targeted for completion by 2016. The Metro extension to Faridabad has also been sanctioned which is targeted for completion by March 2014.
3. Government has approved unique Jaipur Metro project stage-1 with 100% financing from State Government and its agencies.
4. In order to further encourage use of public transport, the Hon'ble Union Urban Development Minister has launched the brand name, logo and design of the Common Mobility Card on 6th December, 2011 across all operations of all modes including parking across all Indian cities.
5. The Government of India had approved the implementation of the Bangalore Metro Rail Project of 42.3 km length by Bangalore Metro Rail Corporation Ltd. (BMRCL). The project commenced on 20 January 2007 and is targeted for completion by 31st March 2013. First leg of 7 Km. has been commissioned on 20th October, 2011.
6. The Government of India had approved implementation of the east-west metro corridor of 14.67 km length in Kolkata by Kolkata Metro Rail Corporation Ltd (KMRCL). The project is targeted for completion by 31st January, 2015.
7. The Government of India had also approved the implementation of the Chennai Metro Rail Project of 46.5 km length by Chennai Metro Rail Ltd. (CMRL). The project is targeted for completion by 31st March 2015.
8. In addition, metro rail projects have been taken up on PPP basis in Mumbai for Versova-Andheri-Ghatkopar (11.07 km), Charkop to Mankhurd via Bandra (31.87 KM) and Hyderabad Metro (71.16 KM) with viability gap funding (VGF) support from the Government of India.

9. Hyderabad Metro Rail project, the largest Public Private Partnership Project was facilitated by MoUD leading to successful award of concession agreements to M/s Larson & Toubro.

2.13 The performance of the main implementing agencies of each of the centrally sponsored programme of the Ministry of Urban Development and the adequacy of funds for implementing the programme and corrective action taken as furnished by the Ministry is as under :-

As far as UIDSSMT of JNNURM is concerned, the allocation is Rs. 11400 crore which is very less for covering small and medium towns. There is a strong case for increase in allocation for urban sector to provide basic services in towns and cities which has been brought in various reports of High Powered Expert Committee (HPEC) and the working group of the Planning Commission. The former has estimated Rs. 39.2 lakh crore for the next 20 year (exclusively of Rs. 19 lakh crore for O&M). This is expected to be taken care of in the next Phase of JNNURM.

2.14 Regarding the inadequacy of budgetary allocation during the current term the Secretary Urban Development during oral evidence has stated that

"We had asked for more allocation but we have been given less. We will pursue this at the RE stage. We are not going to sit quietly because the High Power Committee has assessed the requirement for Rs.50,00,000 crore. Before that we had undertaken a study by Maekenzie who has also recommended for the requirement of more or less Rs. 50, 00000 crore. Out of this the requirement for JNNURM is Rs. 8,870 crore, which has been proposed in the Parliament. This is very less. We are seeking to increase it. We are thinking of initiating alternate course of action like Public Private Parternership. In the coming six months our line of action will be clear. Side by side we will try to increase the allocation at RE stage."

2.15 On being asked by the Committee about the additional allocation sought by the Ministry of Urban Development at RE stage, the Ministry in their written reply submitted as under :-

"Yes, Sir. The Ministry had sought additional allocation of Rs. 803.54 crore at RE stage over and above the Plan allocation to meet the additional demand under Equity, PTA and Sub. Debt for different metro rail projects. No additional fund was provided by the Ministry of Finance."

2.16 When the Committee desired to know the steps being taken by the Ministry of Urban Development to get more allocation from Ministry of Finance and Planning Commission in this regard, the Ministry in their written reply stated as under :-

Ministry has been taking up the matter of higher allocation at different fora. Secretary (UD) had written to Member-Secretary, Planning Commission in this regard in 2011-12. This was followed up by another D.O. letter from the Hon'ble Urban Development Minister to Hon'ble Finance Minister for suitable enhancement of the plan outlay of the Ministry so that urban development efforts across the country could further be accelerated. For the year 2012-13 also, Secretary (UD) has written to Member Secretary, Planning Commission seeking enhancement in the Plan outlay of the Ministry. Hon'ble UDM has also written to Deputy Chairman, Planning Commission for providing adequate funds.

Chapter III

Schemewise/Projectwise Analysis of Demands for Grants (2012-2013)

The Ministry of Urban Development is implementing a number of Central and Centrally sponsored schemes for assisting the States in meeting the challenges of rapid urbanization. The details of Centrally Sponsored Schemes and Central Sector Schemes are as follows :

CENTRALLY SPONSORED SCHEMES

- i) National Urban Information System (NUIS); and
- ii) Pooled Finance Development Fund (PFDF).

CENTRAL SECTOR SCHEMES

- i) Research and Capacity Building in Urban and Regional Planning;
- ii) National Capital Region Planning Board;
- iii) Urban Transport including Equity, Pass Through Assistance(PTA) of JBIC loan for all Metro Rail Corporation under Ministry of Urban Development;
- iv) Urban Transport Planning and Capacity Building in Urban Transport;
- v) General Pool Office Accommodation;
- vi) General Pool Residential Accommodation;
- vii) CPWD Training Institute;
- viii) Modernisation / Computerisation of CPWD;
- ix) Lumpsum Provision for projects/ schemes for the benefit of the N.E. Region & Sikkim;
- x) Global Environment Facility;
- xi) U.I. Development of Satellite Cities/ Counter Magnet Cities
- xii) North Eastern Region Urban Development Project-Externally aided project
- xiii) Equity for National Capital Region Transport Corporation(NCRTTC)
- xiv) Capacity Building for Urban Transport –Assistance from World Bank
- xv) Capacity Building for Urban Development –Assistance from World Bank
- xvi) Administrative Expenses for JNNURM
- xvii) National Mission on Sustainable Habitat
- xviii) Scheme for promoting innovative research & development of indigenous technology and Pilot Project including Immediate Public Transport (IPT) & Non- Motorized Transport (NMT).
- xix) Scheme for support to mainstreaming service level benchmarking

One scheme is the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) A demand driven programme and a flagship scheme for State Sector.

A JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION (JNNURM)

3.2 The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was launched in 2005-06 to encourage cities to initiate steps to bring about improvement in the existing civic service levels in a sustainable manner. The main components under Urban Infrastructure & Governance (UIG) and Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) include Water Supply (including desalination plants), sanitation, sewerage and solid waste management, roads, development of heritage areas, preservation of water bodies, etc. A provision of Rs. 66,000/- Crore has been made as Additional Central Assistance for JNNURM for a period of 07 years beginning from 2005-06 to 2012-2013. During the period, the mission seeks to ensure sustainable development of select cities.

3.3 The Mission Strategy is as follows:-

- i) Planned urban perspective frameworks for a period of 20-25 years (with 5 yearly updates) indicating policies, programmes and strategies of meeting fund requirements would be prepared by every identified city. This perspective plan would be followed by preparation of Development Plans integrating land use with services, urban transport and environment management for every five year plan period.
- ii) Cities/Urban Agglomerations/ Parastatals will be required to prepare Detailed Project Reports for undertaking projects under identified areas.
- iii) Private Sector Participation in development, management and financing of Urban Infrastructure would be clearly delineated.
- iv) Funds for the identified cities would be released to the designated State Nodal Agency, which in turn would leverage, to the extent feasible, additional resources from the financial institutions/ private sector/ capital market.
- v) Funds from Central and State Government will flow directly to the nodal agency designated by the State, as grant. The nodal agency will disburse central assistance to ULBs or Para-statal agencies as the case may be, as soft loan or grant-cum-loan or grant.
- vi) A revolving fund will be created to meet the operation and maintenance costs of the assets created under the Mission.

(i) Urban Infrastructure and Governance (UIG)

3.4 The main thrust of the sub-mission on Urban Infrastructure and Governance is on major infrastructure projects relating to water supply including sanitation, sewerage, solid waste management, road network, urban transport and redevelopment of inner (old) city areas with a view to upgrading infrastructure therein, shifting industrial/commercial establishments to conforming areas etc.

The inadmissible components are projects pertaining to the following:-

- (i) Power.
- (ii) Telecom
- (iii) Health
- (iv) Education
- (v) Wage employment programme & staff component

Funds have been allocated under Mission to States/UTs as per the population criteria. The criteria for allocation for Urban Infrastructure & Governance (UIG) Component is based on Urban population of Mission cities. The funds would be released in four instalments. The first installment shall be released on signing of MOA and approval of City Development Plans (CDPs) /Detailed Project Reports (DPRs). The balance will be released in subsequent instalments dependent upon achievement of reform/milestones and progress of projects. Planning Commission has allocated Rs.31,500 crore for the whole mission period i.e. 2005-2012 for all components of JNNURM and Rs. 31,500 crore (including additional allocation of Rs. 6000 crore in February, 2009) for UIG component of JNNURM for the Mission period.

3.5 A statement showing the total outlay proposed, allocated and actually released for schemes/programmes under UIG component of JNNURM during 10th and 11th Plan are as under:-

Year	Outlay proposed	Outlay allocated	Actual Release
2005-06	850.00	500.00	90.12
2006-07	7000.00	2500.00	1261.77
2007-08	4200.00	2541.08	2517.95
2008-09	4400.00	4455.37	4544.47
2009-10	5000.00	3921.97	3927.52
2010-11	6500.00	3577.92	1930.46
2011-12	6600.00	4235.00	3074.68
			(As on 29.02.12)
2012-13	6300.00		

3.6 Further a statement showing the physical and financial achievements under UIG component of JNNURM during 10th and 11th Plan are as under:-

(Rs. in crore)

S. No.	Year	Physical Achievement	Financial Achievement		Percentage of achievement
		Total projects approved	Allocation provided	Total ACA Released	
1	2005-06	23	500.00	90.12	
2	2006-07	181	2500.00	1261.77	
3	2007-08	117	2541.08	2517.95	
4	2008-09	130	4455.37	4544.47	
5	2009-10	65	3921.97	3927.52	
6	2010-11	16	3577.92	1930.46	
7	2011-12	16 (as on 29-02-12)	4235.00	3074.68 (as on 29-02-2012)	
Total		548			

3.7 Regarding inclusion of 28 cities with population of 5 lakh and above under the UIG component of JNNURM, Planning Commission had assured that due to constraints of resources inclusion of more cities may be taken only in the 12th Five Year Plan. When the Committee desired to know the views of the Ministry in this regard, the Ministry in their written reply submitted as under :-

Keeping in view the fact that the present phase of the Mission is going to be over by 31.03.2012, the Ministry agrees with the views of Planning Commission. Inclusion of more cities can be considered in the next phase of the JNNURM to be launched in 12th plan, the strategy of which is yet to be finalized.

3.8 When the Committee desired to know the physical and financial targets fixed by the Government and achievement in each scheme and projects covered under UIG component of JNNURM, the Ministry in their written reply stated as follows :-

The total allocation under UIG Sub-Mission of JNNURM is Rs.31500 crore for its seven years duration i.e. 2005-2012. Out of this total allocation, Rs.30786.26 crore has so far been committed for 555 projects and for buses sanctioned under 2nd Economic Stimulus Package sanctioned for various states under UIG Sub-Mission of JNNURM.

The programme is currently in its 7th year of operation. JNNURM has attempted to trigger investments in the urban infrastructure sector and undertake reforms to sustain these investments. Notwithstanding the implementation challenges, it is and will continue

to be a primary source of financing urban infrastructure. On completion of the projects, it is expected that there will be improvement in the delivery in urban services. Financially self-sustaining agencies for urban governance and service delivery will be established. Local governance will be conducted in a transparent and accountable manner.

Out of the total 555 sanctioned UIG projects, 127 projects have physically been completed. Till 21st March, 2012, 423 projects are reported in various stages of implementation.

3.9 On being asked about the reasons for slow physical progress, the Ministry in its written reply has stated :

“The States are in various stages of implementation of sanctioned projects. The reasons as intimated by the State Government for slow progress of the projects are due to various constraints being experienced in implementation of projects such as utility shifting, delay in receipt of permission/clearances from various authorities, lack of capacity of ULBs, land acquisition issues, high tender premium, cost escalation, lack of response to tender and re-tender, etc. In addition, as JNNURM is a reform linked scheme of Central Assistance, the progress of the projects is also affected due to non-submission of Utilization Certificates by the States on account of non-achievement of reforms as per committed timelines. Keeping in view the fact that many of the projects are likely to spill over beyond the present Mission period i.e 31.03.2012, the Ministry is proposing for further extension of Mission period for 2 years for completion of projects and reforms by the States/ULBs.”

3.10 The Committee have observed that most of the projects of JNNURM are either under progress or physically completed. On being enquired about the steps taken by the Ministry of Urban Development to complete the ongoing projects/schemes of JNNURM in the extended period of 12th Five Year Plan and who would bear the cost escalation of these projects, the Ministry in their written reply submitted as under :-

The implementation of the projects is being done by the State Government/Urban Local Bodies (ULBs) in accordance with rules and procedures. Capacity building measures such as supporting Programme Management Units (PMU) at the state level and Project Implementation Units (PIUs) at the ULB level, Independent Review and Monitoring Agency (IRMA) at the state level, etc is proposed to be continued with a view to facilitate achievement of targets by the Mission Directorate. The progress of the projects is being assessed through State Level Steering Committee (SLSC), State Level Nodal Agency (SLNA) and IRMA for the State. The progress of the implementation of the approved projects is also being assessed/ constantly monitored by Government of India. The Govt. of India is responsible for the amount which has been committed for the project as per the guidelines. The state has to bear any cost escalation of the project over and above that.

3.11 The Committee were informed by the Ministry that the tenure of JNNURM have been ended on 31st March, 2012. When asked about the status of those projects which are being undertaken by the State Governments and whether any appraisal of the ongoing projects have been conducted by the State Governments/Central Governments to find out the problem areas, the Ministry in their written reply submitted as under :-

Out of the total 555 sanctioned UIG projects, 127 projects have physically been completed and five projects sanctioned for GNCTD is being considered for dropping on the request of the State Government. Till 21st March, 2012, 423 projects are reported in various stages of implementation.

The state/ ULBs will not be allowed to extend the period of implementation of ongoing projects approved under UIG of JNNURM beyond March, 2014.

Appraisal of JNNURM was conducted by M/s Grant Thornton which has inter-alia stated that JNNURM has been instrumental in rejuvenating the urban space in the country. Post independence, JNNURM has been the country's first national flagship programme of this nature and size for the urban sector. The projects under JNNURM are implemented by States through Urban Local Bodies (ULBs) and Parastatals. Constraints experienced in implementation of projects relate to utility shifting, delay in receipt of permission from various authorities (Railways, Forests, Post & Telegraph), lack of capacity, land acquisition, contractual issues etc. With respect to implementation of reforms the challenges are with respect to their complexity and difficulty and capacity of local bodies to accomplish them

(ii) Urban Infrastructure Development Scheme For Small And Medium Towns (UIDSSMT)

3.12 Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) was launched in December, 2005 for improving the overall Urban Infrastructure in all Cities/ Towns as per the 2001 census excluding 63 (now 65) mission cities covered under JNNURM. The Scheme proposes to cover areas like water supply, sewerage, storm water drains, solid waste management, construction/ Up-gradation of roads, parking on PPP mode, prevention and rehabilitation of soil erosion in case of special category state and preservation of water bodies.

3.13 A statement showing the details of Budget Estimates, Revised Estimates and Actual Expenditure from the year 2005-06 to 2011-12 and Budget Estimates for 2012-13 under the scheme is as follows:-

(Rs. in crore)

S. No.	Year	Budget Estimate	Revised Estimate	Actual release
1	2005-06	90.00	90.00	87.47
2	2006-07	900.00	900.00	1248.97
3	2007-08	704.00	1204.00	1204.00
4	2008-09	879.69	3279.69	3280.26
5	2009-10	3257.43	494.15	298.82
6	2010-11	3100.00	1508.71	1223.44
7	2011-12	3140.00	2308.11	886.90
8.	2012-13	**2100.00		
		14171.00	9784.66	8229.86

*** Upto 15.2.2012*

** During 2012-13, requirement of Rs. 2100 crore has been projected for release of second installment in the ongoing projects. The utilization of which is dependent upon submission of the requisite UCs and completion of reforms as per committed timelines

3.14 The physical and financial achievements under UIDSSMT scheme from the year 2005-06 to 2011-12 as tabulated by the Ministry are as follows :-

(Rs. in Crore)

S. No.	Year	Physical Achievement					Financial Achievement	
		Total Towns		Total Projects			Allocation provided	Total ACA Released
		App. By SLSC	Rel.	App. By SLSC	Rel.			
					1 st	2 nd		
1	2005-06	26	26	27	26	0	90.00	87.47
2	2006-07	333	243	431	305	0	900.00	1248.97
3	2007-08	210	81	304	97	8	1204.00	1204.00
4	2008-09	248	281	258	319	156	3279.69	3280.26
5	2009-10	11	5	11	6	41	494.15	298.81
6	2010-11	2	5	3	11	114	1508.71	1223.44
7	2011-12	35	20	38	24	104	2308.11	886.90
Total		865	661	1072	788	423	9784.66	8229.85

*** upto 15.2.2012*

3.15 Regarding the physical progress as reported by the State Governments under this scheme, the Committee have been informed as under :-

1. 142 projects in 10 States (21 in Andhra Pradesh, 8 in Gujarat, 2 in Himachal Pradesh, 3 in Karnataka, 6 in Madhya Pradesh, 1 in Maharashtra, 8 in Rajasthan, 1 in Maharashtra and 86 in Tamil Nadu, 4 in Uttar Pradesh and 3 in West Bengal) have been physically completed.
2. Out of 142 completed projects, 78 are Water supply, 9 are Storm Water drain and 52 are of Roads and 1 each of Solid Waste Management/Urban Renewal/Heritage and Prevention of Soil Erosion.
3. 645 projects are at various stages of implementation.
4. 553 UCs amounting of Rs.3644.19 crore have been received from 26 States. Out of which Rs.2337.26 crore has been released as 2nd instalment for 375 projects.
5. Out of total 787 projects approved so far 108 projects at a project cost of Rs.2620.00 crore have been approved for towns having minority population concentration. The percentage of project cost for minority concentration towns against total project cost works out of Rs. 20.27%.

3.16 Regarding the adequate funding for implementing the various schemes/Programmes under UIDSSMT, the Committee have been informed that :-

“As far as UIDSSMT of JNNURM is concerned, the allocation is Rs. 11400 crore which is very less for covering small and medium towns. There is a strong case for increase in allocation for urban sector to provide basic services in towns and cities which has been brought in various reports of High Powered Expert Committee (HPEC) and the working group of the Planning Commission. The former has estimated Rs. 39.2 lakh crore for the next 20 year (exclusively of Rs. 19 lakh crore for O&M). This is expected to be taken care of in the next Phase of JNNURM.”

3.17 When the Committee asked about the improvements after undertaking a periodic review of UIDSSMT by the Central Sanctioning and Monitoring Committee(CSMC) review meeting, the Ministry in their written reply stated as under :-

After such reviews, the Ministry of Urban Development could able to impress the States to start the non-starter projects and also to furnish the Utilization Certificates alongwith completion of Urban Section reforms for release of 2nd installment so as to complete the ongoing projects in time.

3.18 On being enquired about proposals for second instalment and amount proposed for this, the Ministry in a written reply stated as under :-

Till date, 458 projects have been recommended for release of 2nd installment of Rs. 2958.43 crore which has been released to the respective States by Ministry of Finance/ Ministry of Home Affairs.

3.19 When the Committee desired to know the status of Utilization Certificate received from the states and steps being taken by the Ministry to expedite the receipt of remaining Utilization Certificates, the Ministry in a written reply submitted as under :

As on 01.04.2011, 374 UCs were due for release of 2nd installment of which 133 UCs have been received and remaining 241 UCs are yet to be received from the States.

Apart from continuous monitoring of the ongoing projects and reforms implementation through Quarterly Progress Reports (QPRs) the concerned States are being requested for submission of Utilization Certificates.

With a view to expedite the early submission of UCs, the following efforts were also made:

- (a) Regional Review Meetings in Kolkata, West Bengal, Bhopal, Madhya Pradesh, Hyderabad, Andhra Pradesh, Agra, Uttar Pradesh Chandigarh during September & October, 2011 were taken by Secretary (UD) with the concerned States and the States were requested to review the ongoing projects and expedite the project and reforms implementation and submit the requisite utilization certificates so as to enable Ministry of UD to process for release of 2nd installment.
- (b) State-wise Review at JS (Mission) and Director (UIDSSMT) level were taken in the month of November, 2011 and States were advised to submit the requisite Utilization Certificates along with the reforms achievement as per committed time-lines.

3.20 The Committee have been further informed that due to resource constraints, towns of uncovered districts may be taken up in the 12th Five Year Plan and the modalities of next phase of the scheme are under consideration on Planning Commission.

3.21 When asked about the views regarding implementation of Centrally sponsored schemes through Urban Local Bodies(ULBs), the Ministry in their written reply stated as under :-

“It has been one of the learning of the JNNURM that while the large local bodies (which are million plus cities) have funds, functions and functionaries to implement the schemes whereas the smaller local bodies including Class-I cities do not have administrative, technical or financial capacity to implement schemes. For the present, the capacities of the local bodies are very limited. Hence, State guidance and intervention for the present seems necessary.”

3.22 It has been brought to the notice of the Committee that :-

“Grant Thornton India was appointed as mid-term appraisal agency for JNNURM. The appraisal focused on both UIG cities and UIDSSMT towns. A sample of 41 cities of 30 States under UIG and 25 towns of 18 States under UIDSSMT were chosen for visits and detailed study for the appraisal. The key findings and recommendations are :

- JNNURM should be an incentivized programme. Financial thresholds need to be decided and adhered to in terms of the central assistance under JNNURM being given as a soft loan or a grant.
- A single Mission Directorate for both the Ministries should be contemplated.
- Agencies like Central Public Health and Environmental Engineering Organisation(CPHEEO) and Building Material and Technology Promotion Council(BMTPC) are understaffed and need strengthening to provide technical assistance during the Mission period.
- Systems and procedures laid out right from the preparation of City Development Plan (CDP), Detailed Project Report(DPR), appraisal of CDP and DPR, sanction of projects, review and monitoring of the project implementation are well defined and recorded in the tool kits for JNNURM on various aspects and the guidelines to the states.
- Only few cities have taken steps to revise the CDP. In many states there has been minimum involvement of the ULBs in preparation of CDP and DPR due to lack of in-house capacity.
- Most of the DPRs are not backed by the Initial Environmental Studies (IES) and Social Impact Assessment (SIA). Consultations with the stakeholders was limited and mostly restricted to the line departments and parastatal agencies.
- Majority of the states do not have either procurement policy or procurement manuals. A national level procurement manual should be made which should be followed for all kinds of procurement for JNNURM projects.
- The approval process for projects should be divided into two stages: the in-principle approval stage and the final approval stage against the current process of giving the final approval to the proposed projects in one go. MoUD may not approve such projects where land acquisition is involved unless the states confirm the same.
- The preparatory period for preparation of reforms primers spilled over into the Mission period with many of the primers being added later. Since no fund is earmarked for implementation of the 23 reforms, many ULBs have been struggling to fund the implementation of several reforms.
- Property tax structure should be revised to either area based method or capital value based method.
- Pooled financing mechanism, urban development funds and leveraging needs to be encouraged.
- Capacity building should be considered to be monitored by an agency similar to appraising and monitoring agencies for reforms and projects as most of the ULBs do not have the mechanisms and the requisite skills to carry out project preparation.

- Formation of municipal and professional cadre at the state level is necessary. Stability of tenure for the key staff should be ensured.
- The states may also consider formulating a state level PPP policy for PPP projects being undertaken in the state. Creation of data centres for the state should be taken up with immediate effect.”

B. Urban Infrastructure Development Scheme for Satellite Towns around seven mega cities.

3.23 Ministry of Urban Development is implementing a pilot Scheme for Urban Infrastructure Development in Satellite Towns around seven Mega Cities. The objectives of this scheme are as under:-

- To develop urban infrastructure facilities such as drinking water, sewerage and solid waste management etc at satellite towns around the seven mega-cities and to channelize their future growth so as to reduce pressure on the mega cities;
- To implement reforms such as E-Governance, property tax, double entry accounting, creation of barrier free environment, structural safety norms in compliance with the National Building Code, water and energy audit of water and wastewater utilities and implementation of service level benchmarks;
- Strengthening implementation of reforms such as levy of reasonable user charges, earmarking of budgets for basic services and at least 10-15% of housing sites for the urban poor, formulation of bye-laws to incorporate provisions for disaster management, water harvesting and reuse and recycle of waste water and implementation of Public Private Partnership (PPP) projects.

3.24 The following projects have been sanctioned under this scheme

(Rs in lakh):

S. N.	Project Name	Approved cost
1	Integrated Solid Waste Management for Vasai Virar	3172.64
2	Municipal Solid Waste Management Scheme for Sonapat Town	2496.00
3	Augmentation of Water Supply by Ranney Well, Sonapat	6958.00
4	Under Ground Drainage Scheme, Vikarabad	6474
5	Water Supply Improvement Scheme, Vikarabad	7009
6	Pilkhuwa Sewerage Scheme	3687.51
7	Municipal Solid Waste Management Scheme for Pilkhuwa Town	897.7
8	Re-organization of water supply for Pilkhuwa Town	2167.55
9	Sewerage System of Sanand Nagarpalika	5848.68
10	Solid Waste Management Scheme for Sanand Nagarpalika	213.62
11	Water Supply System of Sanand Nagarpalika	3320.86

3.25 A statement showing the details of Budget Estimates, Revised Estimates and Actual Expenditure incurred under this scheme during the year 2009-10 to 2010-11 and 2011-12 are as follows :-

(Rs. in crore)

YEAR	BE	RE	Actual Expenditure
2009-10	50.00	5.00	5.00
2010-11	200	70	69.99
2011-12	135	70	59.28(till date) *

*Proposals for Rs. 10.72 crore in process

3.26 On being enquired about the completion of the scheme upto the end of 11th Five Year Plan and city-wise targets and achievements till February, 2012, the Ministry in their written reply submitted as under :-

Total 15 projects of worth Rs. 47203.58 lakh have been sanctioned for Vasai-virar, Sonepat, Vikarabad, Sanand, Pilkhuwa & Sripermbudur. The city wise target and achievement is as under:

(Rs. in lakh)

S. No.	city	Project Name	Committed amount	Released as till date
1	Vasai-Virar	Integrated Solid Waste Management for Vasai Virar	2538.12	634.53
		Underground Sewerage Scheme for Vasai-Virar Sub Region STP-2	5298.10	1324.52
2	Sonipat	Municipal Solid Waste Management Scheme for Sonepat Town	1996.80	499.20
		Augmentation of Water Supply by Ranney Well	5566.4	1391.6
3	Vikarabad	Under Ground Drainage Scheme	5179	1295.00
		Water Supply Improvement Scheme	5607	1402.00
5	Pilkhuwa	Pilkhuwa Sewerage Scheme	2950.01	1475
		Municipal Solid Waste Management Scheme for Pilkhuwa Town	718.16	179.54
		Re-organization of water supply for Pilkhuwa	1734.04	1322.7
7	Sanand	Sewerage System of Sanand Town	4678.94	1169.73
		Solid Waste Management Scheme for Sanand Nagarpalika	170.9	41.72
		Water Supply System of Sanand Town	2656.69	664.17
8	Sriperum-bebur	Comprehensive Water Supply Scheme for Sriperumbudur	3256.80	814.20
		Under Ground sewerage Scheme, Sripermbudur	4497.6	1124.40
		Integrated Solid Waste Management Plan, Sripermbudur	355.02	88.75
		Grand Total	47203.58	13427.06

3.27 When the Committee desired to know the response of the Ministry of Finance and Planning Commission regarding extension of the scheme in the Twelve Five Year Plan and what monitoring mechanism at States and City levels, the Ministry in their written reply submitted as under :-

The Ministry has sought an outlay of Rs. 2000 crore in the next plan from the Planning Commission. The Planning Commission has sought merger of the scheme in JNNURM, however, no final decision has been taken. The States have appointed a State Level Nodal Agency (SLNA) for monitoring the project and at city level the ULB's monitor the scheme. S M C reviews the progress periodically.

C. Urban Transport Planning Scheme

3.28 Under the Scheme of Urban Transport Planning, Ministry of Urban Development provides, , grant assistance to the extent of 80% (limited to 50% in the case of DPR) of the cost of various studies in the area of Urban Transport which includes studies to develop comprehensive traffic and transportation plans, undertaking feasibility studies/ DPRs for individual urban transport projects, etc.

The objectives of the schemes are:

- (i) Promotion of -
 - Comprehensive Traffic and Transportation Studies,
 - Integrated land use and transport planning in all the cities,
 - Public transportation, NMT and inter modal integration
 - Intelligent transport Systems, Traffic Information Centres etc.
 - Research in urban transport.
- (ii) Preparation of
 - Comprehensive mobility plan,
 - Detailed Project Reports etc, and
- (iii) Launching awareness campaign in line with National Urban Transport Policy, 2006.
- (iv) Clean Development Mechanism (CDM) measures.
- (v) Pilot studies in some cities by Govt of India as envisaged in NUTP, 2006

3.29 On being enquired about the continuation of the existing scheme of Urban Transport Planning and Capacity Building in Urban Transport during the 12th Five Year Plan with additional allocation and scope, the Ministry in their written reply submitted as under :-

The Planning Commission has agreed to continuation of the existing Scheme of Urban Transport Planning and Capacity Building in Urban Transport in the 12th Five Year Plan.

3.30 The Ministry of Urban Development have furnished a statement detailing the total 11th Five Year Plan allocation, BE, RE and actual expenditure under this scheme which is as follows:-

(Rs. in Crore)

Year	Budget Estimates (Plan)	Revised Estimates (Plan)	Actual Expenditure (Plan)
2007-2008	48.00	16.00	3.76
2008-2009	16.00	8.00	3.09
2009-2010	12.00	16.00	15.88
2010-2011	22.50	28.50	22.65
2011-2012	27.00	4.40	*18.32
	Total 125.50	Total 72.90	Total 63.70
2012-2013	19.25	---	---

* (upto 24.03.2012)

3.31 When the Committee desired to know the actual output of the Urban Transport Planning Scheme during the year 2011-12, the Ministry in their Written Reply stated as under :-

The scheme is basically to enhance knowledge base and skill for urban transport Planning, integration of land use and transport at State/ UT/ ULB Level. During the year 2011-12, thirteen proposals containing proposal for preparation for Comprehensive Mobility Plans for 4 cities, Traffic and Transportation study for 5 cities and DPRs for 4 cities have been taken up so far under the scheme. In addition to above, financial support has been provided for 10 ongoing/ existing proposals of Traffic and Transportation study / CMP/ DPR etc. so far.

D. Delhi Mass Rapid Transit System (DMRTS)

3.32 The Government of India(GOI) approved the investment proposals for phase-I and phase-II of the Delhi Mass Rapid Transit System (DMRTS) and both projects have been successfully completed and commissioned.

3.33 It has been brought to the notice of the Committee that the Ministry allocates the funds to programme implementing divisions out of the outlay provided by the Planning Commission/

Ministry of Finance keeping in view the progress and trend of expenditure during the last financial year of the ongoing projects/ schemes. Metro Rail projects are among the priority projects which are allocated the major portion of the budget provision.

3.34 Delhi MRTS Projects Phase-III

The Government of India has approved the Delhi MRTS Phase-III for 103.05 km. at a cost of Rs. 35,242 crore (inclusive of central taxes but with waiver/ reimbursement of States taxes) as per the following financing plan:-

Funding source	Amount (` In crore)	%
Equity by GoI and GNCTD (10.636 % each)	7497.00	21.27
Interest-free subordinate debt for Land and Central Taxes by GoI and GNCTD (7.235% each)	5100.00	14.47
Sub-Total (GoI & GNCTD)	12597.00	35.74
Grant by DDA	1500.00	4.26
Property Development by DMRC	1586.00	4.50
Japan International Cooperation Agency (JICA) Loan @1.4%	14097.00	40.00
Loan from IIFCL and or such other Financial Institutions	5462.00	15.50
Total	35242.00	100.00

The following corridors are covered under Delhi MRTS Phase-III:-

S. No.	Route name	Underground (km)	Elevated/ At Grade (km)	Total (km)	No. of stations
1	Mukundpur to Yamuna Vihar	14.386	41.311	55.697	35
2	Janakpuri West to Kalindikunj	17.288	16.206	33.494	22
3	Central Secretariat to Kashmere Gate	9.370	0.000	9.37	7
4	Jahangirpuri to Badli Corridor	0.000	4.489	4.489	3
Total		41.044	62.006	103.050	67

3.35 The selection of corridors has been primarily based not only on the traffic potential of these corridors alone, but also on the consideration of additional induced ridership that will be generated by these corridors on the existing Phase-I & II corridors, thus maximizing the coverage/presence provided by the Metro network as a whole.

3.36 The estimated ridership (in lakhs) on the total network after implementation of Phase III is as follows :-

Year	2016	2021	2026	2031
Phase I	5.89	6.96	8.15	9.49
Phase II	15.05	18.36	21.46	24.72
Phase III	18.56	23.00	27.19	31.41
Total	39.50	48.32	56.80	65.62

3.37 The works of Phase III projects have been initiated. The tendering process has been started. Three civil contracts have already been awarded. The agencies for detailed design of civil works are also in place. The tender documents of contracts other than civil works are also in various stage of preparation. The physical work of central Secretariat-Mandi House section has been commenced. The overall progress of the project is 1.75%. The tendering process of civil contracts for Faridabad Extension is also in progress.

3.38 DMRC intends to open the above corridors in stretches and whole project will be scheduled to be completed by March 2016. The implementation schedule is as below:

Corridor no.	Corridor	Proposed opening
L-7	Mukundpur –Yamuna Vihar	March,2016
L-8	Janak Puri – Kalindikunj	February, 2016
L-6 Extn.	Central Secretariat –Kashmere Gate	December, 2015
L-2 Extn.	Jahangirpuri – Badli	December, 2014

Extension of Delhi Metro to YMCA Chowk, Faridabad

3.39 Extension of Delhi Metro to YMCA Chowk, Faridabad of length 13.875 km. (fully elevated and having 9 Metro Station) has been sanctioned by GoI at an estimated completion cost of Rs. 2533 crore (including Central taxes). The project is targeted for completion by September, 2014.

3.40 Financing plan:-

S. No.	Particulars of Items	Amount (Rs. in crore)	Funding Agency
1	Cost of land	85	To be provided by GoH free of cost
2	Cost of the network including Central and State taxes	2048	<ul style="list-style-type: none"> Grant of Rs.1678 crore excluding taxes to be shared by GoH and GoI in 80:20 ratio, i.e. Rs.1342.40 crore by GoH and Rs.335.60crore by GoI. Subordinate debt of Rs.261 crore on account of Central taxes to be shared by GoH and GoI in 20:80 ratio, i.e. Rs.52.20 crore by GoH and Rs.208.80 crore by GoI. Rs.109 crore of State taxes to be exempted or reimbursed by GoH.
3	Cost of rolling stock	Rs. 400 crore	To be borne by DMRC from its internal resources.
	Total Cost	Rs. 2533 crore	

On the operation front, DMRC created a new ridership record on 12th August, 2011 when more than 20 lakh people travelled by the Delhi Metro.

3.41 The salient features of this line are given below:-

- (a) Length : 13.875 km, fully elevated
(b) Stations : 9 nos.
(c) Target date of completion : September, 2014

Physical targets and their achievements so far for Delhi MRTS Phase - III upto February, 2012 are given below:

S. No.	Task Name	Length (km)	Starting Date	Target for completion	Present physical Progress
1.	Faridabad Extension	13.875	13.09.11	September, 2014	3.00%
2.	Jhangirpuri- Badli	4.489	16.09.11	December, 2014	4.00%
3.	Central Secretariate- Kashmiri Gate	9.370	02.05.11	December, 2015	6.00%
4.	Janakpuri west – KalindiKunj	33.494	23.09.11	February, 2016	2.50%
5.	Mukundpur – Yamuna Vihar	55.697	23.09.11	March,2016	2.50%

Over all progress of Phase-III achieved so far is 4.50 % upto February, 2012.

3.42 On being enquired about the provision for providing feeder buses to all the existing metro stations as well as new metro stations under phase –III of DMRTS, the Ministry replied as under:-

DMRC is in the process of acquiring more buses to provide connectivity to new Metro Stations. In Phase - III also, this effort will continue.

3.43 Further, Secretary, Ministry of Urban Development during the oral evidence deposited before the Committee that

“the entire feeder service load cannot be loaded on the Delhi Metro Corporation. For this issue, cooperation of Delhi Government and Delhi Transport Corporation is needed. Feeder service is being operated by DTC also. DMRC are committing that 300 buses will ply on roads for the next six months. It will, however, effectively become as a city bus service. Therefore, this has to be handled by the Delhi Transport Corporation(DTC). DMRC will also chip in.”

3.44 Further, on cleanliness in Metros and frequent glitches occurred in metros resulting heavy rush and inconvenience being faced by daily commuters, the MD, DMRC during the evidence stated that :-

“they will see this issue in a specific way. As far as glitches are concerned, there are daily 2800 trips of metro and occasionally the system becomes fail. Where there is signal problem manual methods are followed and due to this metro speed should be restricted. But the system is so complicated that new problems have to be faced frequently and have to be managed timely. We are trying our best how we can tackle these situations in future.”

3.45 Further, the Ministry in their supplementary written reply have stated as follows :-

“Delhi Metro Rail Corporation (DMRC) has reported that there have been no major technical snags during last six months. Only 0.06% trip kilometer has been cancelled over scheduled trip kilometers. It is DMRC’s constant endeavour to provide punctual, reliable, safe and comfortable commuting to all the patrons with DMRC maintaining punctuality of more than 99.89% during October, 2011 to March, 2012. To ensure sustained efficiency in operations, DMRC analyses all failures and takes corrective actions.”

3.46 When the Committee desired to know the Planning of DMRC in regard to increasing of metro coaches from six to eight, the MD, DMRC during the evidence deposited before the Committee stated that :-

“it was estimated in the Phase I and Phase II of DMRTS that as the traffic increased, the capacity of metro system will also be increased. It was decided that coaches will be

increased from four to six and then six to eight. Accordingly capacity and frequency of trains should also be increased. Another thing is that the average journey was estimated 7 to 8 kilometers as per DTC buses but in metro the average journey is 15 to 16 kilometer. Today daily 20 lakh passengers are travelling by metro. That is the reason that the issue of increasing the metro coaches from six to eight will now be considered before the year 2013. The next lot of coaches is expected to come from June, 2012. Then metro will contain eight coaches.”

3.47 On being enquired about the steps taken by DMRC for providing feeder services in other metro cities, the Secretary, Ministry of Urban Development deposed before the Committee that :-

“under the JNNURM Scheme, Central Government is now also involved in city bus service alongwith the State Governments. We will inform the remaining States that they will also link feeder bus service with metro and then operate it. These feeder busses are plying in Gujarat. In Bengaluru, there is Bengaluru Metropolitan Transport Corporation(BMTC) which has good coordination with Bengaluru Metro Rail Corporation. Similarly, in Kolkata, there are East-West corridors which are under construction stage. The project is expected to be completed by 2014-15.

E. CENTRAL PUBLIC WORKS DEPARTMENT (CPWD)

3.48 Central Public Works Department is the premier agency of the Government of India for creation and maintenance of Central Government assets excluding those belonging to Railways, Defence, Communications, Atomic Energy, Airports and All India Radio. At present CPWD is executing projects for over 155 Departments/PSUs/Autonomous Bodies under 21 Ministries of Government of India e.g. Ministry of Home Affairs, Defence, External Affairs, Human Resource Development, Tourism and Culture, Health & Family Welfare, Agriculture etc. It is also executing works in Afghanistan and China for the Ministry of External Affairs.

3.49 The Committee have been informed that there are encroachment by Jhuggi/Jhopri dwellers in the Government residential colonies. When asked about the actions being made by the Government to this regard. The Ministry in their written reply stated as under :-

The encroachment on CPWD land are got surveyed by the local civic authorities according to the nature of encroachment. Money is deposited by CPWD with the local authority for the removal/ rehabilitation as the case may be.

Local civic body undertakes detailed survey in respect of these jhuggis/ dwellers for their eligibility regarding resettlement/ rehabilitation. After receipt of the bill from the local body, money is deposited by the CPWD for onward action for removal of encroachment from Govt. land.

In cases, where jhuggis dwellers are found to be ineligible, they are removed by CPWD with the help of police force

3.50 On being enquired about the cases of encroachment in public places in the metropolitan cities during the last 2 years and steps taken to vacate the encroachment places, the Ministry in their supplementary Replies stated as under :-

The Ministry has obtained the information from the major agencies concerned, namely, the DDA, NDMC, MCD and CPWD, which is as under :-

A. Response from DDA:

- 1 Removal of encroachment on land is an ongoing process. Efforts are made constantly to remove the old as well as upcoming encroachments including those by organizing demolition programmes. Encroachments can be broadly categorized to include those by Un-authorized colonies; Slum & JJ clusters; Religious structures;
2. There is litigation in most of cases and stays have been granted by the courts, necessary action for vacation of the stay is taken so that the encroachments could be removed. Steps taken by DDA in this regard include:
 - (I) Transfer to user department, User initiation of the process of demolition by requesting the land management department to assist.
 - (II) Creation of a specialized department *i.e.* Land management exclusively for taking care of acquisition of land and prevention of encroachment. Six zones of 1m (1pb) have been established to protect land from encroachment in their zones.
 - (III) Watch & ward has been strengthened. Security guards are deployed to protect the reclaimed land.
 - (IV) Round the clock control room has been established to receive complaints/ information from the general public regarding encroachment of DDA land or unauthorized constructions.
 - (V) The beat system has been introduced whereby officials are given specific charge of an area.
 - (VI) The system is working effectively.

(VII) Thus, DDA did make efforts to remove the unauthorized occupants. In fact, DDA has taken all steps to ensure that encroachments are removed.

(VIII) Warning sign boards are fixed and barbed wire fencing is done on the reclaimed land as early as possible to prevent further re-encroachment.

(IX) The government land got vacated from illegal encroachments during 2010-11 to 2011-12 is as under:

Year	Demolition programmes carried out	Structures removed	Land reclaimed (in acres)
2010-11	180	2741	41.860
2011-12	302	3123	43.84
Total	482	5864	85.7

3.51 When asked about the number of cases of encroachment where the request for deployment of force was received, the Ministry of Urban Development in supplementary replies stated as under :

“As per guidelines, the request for deployment of Task Force is received by the area SDM. Information thus relates to the Government of NCT of Delhi.”

3.52 When the Committee desired to know the criteria for putting up any work under major/minor category by the CPWD service centres and time taken to attend the complaints, the Ministry in their written reply stated as under :-

Criteria for putting any work under major / minor category by the Service Centres is that the maintenance jobs which require major intervention in the form of labour, material and special skills which cannot be arranged within 24 hours are categorized as major maintenance complaints and the same are got done through contractors.

- For all category of minor works – Upto 24 hours
- For all category of major works – Upto 15 days *
- However actual time to attend a complaint varies as per availability of contract/ funds.

The time taken to attend the complaints of different nature and type depends upon nature of work to be carried out and generally it may take from 15 to 60 days depending upon the availability of agency as well as funds. The complaints of major nature are compiled together and agencies are fixed.

F. Urban Water Supply and Sanitation

3.53 Water supply and sanitation are important basic needs affecting the quality of life and productive efficiency of the people. The State Governments/Union Territories and urban local bodies are responsible for providing these services through planning, design, implementation, operation and maintenance. The Ministry of Urban Development is responsible for formulation of broad policies and programmes and assists State Governments/UTs in providing technical assistance in water supply and sanitation sector.

3.54 When the Committee desired to know the physical and financial target and achievement on centralized water supply systems of urban areas, the Ministry in their written reply has stated as under :-

JNNURM launched on 03-12-2005 is a demand-driven programme and as such no target has been fixed. Further, water supply is one of the admissible component eligible for grant of ACA under UIG Sub-Mission of JNNURM. So far 157 projects on water supply sector has been approved for the various Mission cities with the approved cost of Rs.2047863.92 lakh with ACA commitment of Rs.1007313.34 lakh. So far 37 projects on water supply sector have been completed.

3.55 When the Committee asked whether there is any mechanism to check Urban Local Bodies/parastatals for implementing the identified reforms as per commitment and steps taken by the State Government against the ULBs that have failed to honour the commitment, the Ministry in their written reply stated as under :-

The implementation of projects and reforms and their monitoring under JNNURM is done by the State Government. At the Government of India level, the monitoring of the progress of projects and reforms are done on the basis of QPR submitted by the States and Cities. In addition, the Ministry has appointed Reform Appraisal Agencies which periodically monitors and analyses the reform achievement status by visiting the Cities/ULBs and also provides handholding of reforms to achieve completion of reforms as per committed time lines in the MoA. In case of non-completion of reforms, the 2nd or subsequent installment of ACA is released subject to significant achievement of reforms and after withholding of 10% of ACA for the project which state can get reimbursed after completion of reforms.

The overall performance of the state with respect to progress of projects and reforms are also reviewed by the CSMC during consideration of the 2nd or subsequent

installment of ACA and sanctioning of fresh projects and also during the regional review meetings etc.

3.56 On being enquired about the steps being taken by the Centre/State Government for ensuring supply of clean and contaminated free water, the Ministry replied as under :-

To supplement the efforts of the State Governments, this Ministry launched JNNURM in December, 2005 to provide Central assistance for creating urban infrastructure in the cities including water supply in the urban areas in the country. Under JNNURM, there are two components namely, UIG and UDISSMT.

As regard JNNURM, the main thrust of the UIG Sub-Mission is on major infrastructure projects relating to water supply, sanitation, sewerage, solid waste management, road network, urban transport, parking lots/ spaces, development of heritage areas, prevention/ rehabilitation of soil erosion/ landslides (in case of Special Category States where such problems are common), preservation of water bodies and redevelopment of inner (old) city areas with a view to upgrading infrastructure therein, shifting industrial/ commercial establishments to conforming areas etc. At present a total of 156 projects on water supply has been approved which is 28.11% of the total projects approved under UIG of JNNURM.

G. Projects/Schemes for the benefits of North-Eastern Region and Sikkim

3.57 Under the scheme of 'Lump-sum Provision for the projects/ scheme for the benefit of North Eastern Region and Sikkim' 10% of the budget allocation is to be made for the projects and schemes for the infrastructure development of North Eastern Region and Sikkim. Hence, the total amount earmarked for this scheme depends upon the budgetary allocation for the Ministry. From 2001-02 and till 31st March, 2011, this Ministry has sanctioned 240 projects for the development of N.E. Region including Sikkim at an estimated cost of Rs. 2079.59 crore out of which Rs. 1325.31 crore was released to State Govts. and other Central implementing agencies. For the financial year 2011-12, Rs 164.00 crore has been allocated under 10 % Lump-sum Provision towards the projects/ Schemes for the benefit of North Eastern Region including Sikkim.

3.58 A statement showing the Budget Estimates, Revised Estimates and Actual Expenditure for the year 2008-09, 2009-10, 2010-11, 2011-12 and Budget Estimates for 2012-13 showing plan and non-plan expenditure under the scheme is as under :-

(Rs. in Crore)				
Year	B.E.	R.E.	Actual Plan expenditure	Actual Non-Plan expenditure
2008-09	150.00	165.00	164.69	Nil
2009-10	150.00	164.50	164.50	Nil
2010-11	80.00	92.00	92.00	Nil
2011-12	164.00	164	164*	Nil
2012-13	160	-	-	Nil

*Fund allocated will be utilized.

3.59 The Committee have been informed that the following difficulties are being faced by the Ministry in implementing the schemes in North-Eastern Region and Sikkim :-

- (a) Difficult geographical conditions in the North East.
- (b) Unwillingness to pay for services
- (c) Institutional reforms.

3.60 When asked about the steps being taken by the Ministry to overcome these problems, the Ministry in their written reply stated as under :-

The exercise for community awareness is one of the activities being undertaken in this regard. Activities related to devolution of functions to ULBs have been initiated in Agartala. Property tax survey has commenced in Aizawl, Agartala and Shillong. Accrual based double accounting system is under operation in Agartala and Shillong and accounts for 2010-11 have been prepared under this system. In Gangtok and Kohima, the activities are being initiated in Tranche-II from this year.

PART – II

OBSERVATIONS/RECOMMENDATIONS

1. Suitable enhancement of plan outlay for Urban Development of the Country

The Committee note that during the year 2011-12, the projections made by the Ministry for its three demands were Rs. 14685.67 crore, the BE was Rs. 8541.46 crore, the RE was Rs. 8646.73 crore and the actual utilization upto December, 2011 is Rs. 6251.11 crore only. The remaining amount i.e. Rs. 2395.62 crore (i.e. the difference between the RE and actual expenditure) has to be spent by the Ministry during the last three months of the Financial Year of 2011-2012. The overall budget allocation for the year 2012-2013 is Rs. 9906.26 crore. After anticipated recoveries of Rs. 222.27 crore, the net BE 2012-13 is Rs. 9685.99 crore. The Plan expenditure is Rs. 7012.12 crore i.e. 72.39% and non-plan expenditure is Rs. 2673.87 crore i.e. 27.60 per cent. Over the percentage variation of BE 2011-12 and BE 2012-13 is only 11.77 percent and the percentage variation over of RE 2011-12 and BE of 2012-13 is only 11.80 percent. The Committee find that the urban population has increased from 286119689, according to 2001 census to 377105760, according to 2011 census. The number of Urban Areas/Towns in India has been increasing over decades. The number of towns has increased from 5161 during the census 2001 to 7935 during the census 2011. The Ministry even after undertaking number of schemes and projects has been submitting the fact that the transition to quasi-urban society has not been accompanied by a commensurate increase in the supply of basic urban services like water supply, sewerage and drainage net-work, garbage disposal facilities, city-wide roads, public transport, street lighting and pedestrian pathways. The supply of land and housing has not kept pace with the increase in urban population. At current rate of growth, urban population in India will reach a staggering total of 575 million by 2030 AD. The Committee are distressed to note that keeping in view the plight of urban condition in India and regular increase in rate of inflation, the increase of allocation is not more than 5 percent which is very minuscule for successful implementation of various schemes undertaken by the Ministry. Even Secretary, Ministry of Urban Development also

admitted the fact that budgetary allocation during the year 2012-13 is inadequate and assured that the matter of higher allocation will be taken up by the Ministry at different fora at the RE stage. The Committee also find that various important projects/schemes of the Ministry are either physically completed or are under various stages of completion and their period can be extended during the 12th Five Year Plan for their completion. Keeping in view all these facts, the Committee recommend that the Ministry should continue its efforts to persuade the Ministry of Finance and Planning Commission for higher and additional allocation of funds. The Committee would also like the Government to review the project planning and monitoring system of various schemes/projects implemented by States/ULBs with a view to improve the same so as to ensure that funds are utilized evenly during the 12th Plan period. This would ensure proper utilization of funds as also achieving the physical targets set for various schemes/programmes in the urban sector.

2. Inclusion of more cities under the Urban Infrastructure Governance (UIG) component of JNNURM

At present 65 cities are covered under the UIG component of the JNNURM. The Committee in their earlier Reports have been repeatedly emphasizing upon for inclusion of 28 more cities having a population of 5 lakh and above in Jawaharlal Nehru National Urban Renewal Mission (JNNURM) so as to improve their civic infrastructure including roads, water supply sewage, solid waste management, transport etc The Ministry have informed the Committee that inclusion of more cities can be considered in the next phase of the JNNURM to be launched in 12th Plan, the strategy of which is yet to be finalized. The Committee, therefore, desire the Ministry to finalize the strategy at the earliest and pursue this matter with Planning Commission for inclusion of cities having a population of 5 lakh and above.

The Committee note that many of the projects are likely to spill over beyond the present Mission Period i.e. 31.03.2012. The Ministry is proposing for further extension of Mission Period for 2 years for completion of projects and reforms by the States/ULBs. However, the Committee feel that since more and more cities are evincing interest to be covered under the scheme, the Government may consider to extend the scheme till the end of 12th Five Year Plan.

3. Slow physical progress under UIG component of JNNURM

The Committee note that the total allocation under UIG Sub-mission of JNNURM is Rs. 31,500 crore for its seven years duration i.e. 2005-2012. Out of this, Rs. 30786.26 crore has been committed for 555 projects and for buses sanctioned under 2nd Economic stimulus package for various States. The Committee find that out of 555 sanctioned UIG projects only 127 projects have been physically completed which is only 40.37%. 423 projects are at various stages of implementation. However, Ministry is silent about status of remaining 5 projects. Ministry of Urban Development have furnished various reasons for slow progress of these projects viz. delay in receipt of permission/clearances from various authorities, lack of capacity of ULBs, land acquisition issues, high tender premium, cost escalation, lack of response to tender and re-tender etc. As JNNURM is a reform linked scheme of Central Assistance, the progress of the projects is also affected due to non-submission of Utilizations Certificates by the States on account of non-achievement of reforms as per committed timelines. The Committee have been informed that the Ministry is proposing for further extension of mission period for 2 years for completion of projects and reforms by the States/ULBs. The Committee are pained to note that after taking effective steps and appointing Programme Management Unit (PMU) at State level, Project Implementing Unit (PIU) at ULB level, Independent Review and Monitoring Agency (IRMA) and State Level Steering Committee (SLSC) for assessing progress of these projects, the mission Directorate has failed to achieve the targets. Regarding bearing the cost escalation of these projects, the Committee were informed that States have to bear any cost escalation of the projects over and above. The Committee want that the Government should not burden States for cost escalation and find other way for this. The Committee also observe that the Grant Thornton India, a mid-term appraisal agency for JNNURM has brought out certain key findings and submitted recommendations to the Ministry. The Committee desire that all the key points of Grant Thornton India should be given due credence and implement the projects in a more meaningful manner. Moreover, the Committee desire that the Ministry should ensure completion of all projects of UIG in the extended 2 years period so as to achieve the desired results by 2014.

4. Adequate funding under Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)

UIDSSMT is meant for improving the overall Urban Infrastructure in all cities/Towns excluding 65 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 etc. The Committee were informed that during the 7 years period the Budget Estimate for this component was Rs. 14171.00 crore, Revised Estimate was Rs. 9784.66 crore and actual release was Rs. 8229.86 crore which is not satisfactory. Out of 1072 projects approved by the State Level Sanctioning Committee (SLSC) only 142 projects have been completed and 645 projects are at various stages of implementation. In regard to status of Utilization Certificates, 374 UCs were due for release of 2nd instalment as on 01.04.2011 and out of which 133 UCs have been received and remaining 241 UCs are yet to be received from the States. Further, the Committee are informed that due to resource constraints, towns of uncovered districts may be taken up in the 12th Five Year Plan and the modalities of next phase of the scheme are under consideration of Planning Commission. Regarding implementation of Reforms, the Committee note that scarcity of funds is the main hurdle for implementing several reforms by ULBs. The Committee are happy to note that steps have been taken by the Ministry to expedite for early submission of UCs by the States. However, the Committee desire the Ministry that for completion of remaining 645 projects, the scheme should be extended during the 12th Five Year Plan. The Committee feel that continuous monitoring of ongoing projects and quarterly progress Reports (QPRs) must be required for reforms implementation and timely submission of UCs by the States.

5. Tardy Implementation of Urban Infrastructure Development Scheme for Satellite Towns around Seven Mega cities.

The Committee note that a pilot scheme for Urban Infrastructure Development in Satellite Towns around seven mega cities is being implemented by Ministry of Urban Development. The main objectives of this scheme are to develop Urban Infrastructure facilities like drinking water, sewerage and solid waste management etc. at satellite towns around the seven mega cities and to regulate their future growth so as to reduce pressure on the mega cities. They further note that total 15 projects worth Rs. 47203. 58 lakh have been sanctioned for Vasai-virar, Sonapat, Vikarabad, Sanand Pilkhuwa and Sriperumbudur and the amount released till February, 2012 is only 13427.06 lakh which is around 30%. 70% funds are still unutilized resulting in tardy implementation of projects sanctioned under the scheme. The Committee were informed by the Ministry that the Planning Commission has sought merger of this scheme in JNNURM but no final decision has been taken. The Committee, therefore, recommend the Government to take a decision expeditiously in this regard so that the scheme could avoid cost escalation and be implemented in the right earnest.

6. Urban Transport Planning Scheme

The Ministry of Urban Development has launched a scheme namely Urban Transport Planning Scheme for providing central assistance up to 80% for taking up studies to develop comprehensive traffic and transportation plans, undertaking feasibility studies/DPRs for individual Urban Transport projects. The Committee note that out of Rs. 72.90 crore allocated during the 11th Five Year Plan under this scheme, an amount of Rs. 63.70 crore have been actually spent till March, 2012. The Ministry have also informed that the Planning Commission has agreed for continuation of the existing scheme of Urban Transport Planning and Capacity Building in Urban Transport in the 12th Five Year Plan. The Committee feel that whatever may be the claims made by the Ministry over Urban Transport Planning, the facts remains that all over the country irrespective of middle level cities, big cities or metro cities, the condition of transport system both public or private is very pathetic. Because of the failure of public transport system, the pressure on private/personal transport is increasing day by day. It seems that no serious efforts are being made by the Government to improve the traffic and transport situation. As a result of increasing number of private vehicles, the problem of parking is also becoming more and more acute with every passing day. Keeping in view all these facts, the Committee strongly feel that there is a need to tackle the transport and traffic problem at war footing to save the situation from becoming explosive. The Committee, therefore, recommend the Government to come up with a comprehensive transport policy without any delay and increase the outlay during the 12th plan period. The committee would like to be apprised of the outcome of the initiatives being made by the Ministry in this regard.

7. Delhi Mass Rapid Transit System (DMRTS)

The Committee note that Phase-I and Phase-II of Delhi Mass Rapid Transit System(DMRTS) have been successfully completed and commissioned. The Committee have been informed that metro Rail Projects are among the priority projects which are allocated the major portion of the current budget provision. The Government of India has approved the Delhi MRTS Phase-III for 103.05 km at a cost of Rs. 35,242 crore. The work of phase-III projects have been initiated and DMRC is in the process of acquiring more buses to provide connectivity to new metro stations at Phase-III. However, in regard to feeder bus service the Secretary, Ministry of Urban Development during the evidence deposited before the Committee that the entire feeder service load is to be loaded on the Delhi Metro Corporation and Delhi Transport Corporation. Further on the issue of cleanliness in metros and frequent glitches occurred in metros resulting heavy rush and inconvenience being faced by daily commuters, Secretary, Ministry of Urban Development have stated that they will see this issue in a specific way. As far as glitches are concerned, there are daily 2800 trips of metro and the system fails occasionally. Where there is signal problem, manual methods are followed and due to this metro speed should be restricted. However, they are trying their best and these situations can be tackled in future. The Committee while appreciating the action taken by DMRC in this direction, desire the Government to achieve proper coordination with Delhi Government and Delhi Transport Corporation to run the feeder bus service efficiently and made 300 feeder buses functional within the next six months as per commitment made by the Government.

On the issue of increasing the metro coaches from six to eight, the Committee were informed by Managing Director, DMRC during the evidence that the average journey in metro is 15 to 16 kilometer and daily 20 lakh passengers are travelling by metro. Due to this reason the issue of increasing metro coaches from six to eight will now be considered before the year 2013. The next lot of coaches is expected to come from June, 2012. Then metro will be having eight coaches. While taking note of the initiatives of the Delhi Metro to ease the metro rush, recommend that apart from increasing the number of coaches in metro, the Ministry should also explore the options of other Mass Rapid Transit System

like local trains, monorail, high speed trams etc., to supplement the metro Transport System to meet the growing requirement of NCR and integrate them with Delhi Metro to make it a comprehensive transport system within NCR.

8. Central Public Works Department (CPWD)

The Committee note that there are encroachment by Jhuggi/Jhopdi dwellers in the Government residential colonies all over the country which causes unhygienic condition, creates law and order problem by encouraging anti-social element and hence creates inconvenience to the residents. The Committee have been informed that efforts are being made by the Ministry for removal of encroachment from Government land. The encroachment on CPWD land are surveyed by the local civic authorities and money is deposited by CPWD with the local authority for the removal/rehabilitation of Jhuggi/Jhopdi dwellers. Detailed surveys have been undertaken by the local civil body to know these dwellers eligibility regarding resettlement/rehabilitation. After receipt of the Bill from local body, money is deposited by the CPWD for onward action. Apart from this, ineligible Jhuggis dwellers are removed by CPWD with the help of police force. The Committee are of the opinion that although continuous efforts are being made by the Ministry, yet encroachments in Government residential colonies are still in progress. The Committee, therefore, reiterate their recommendation given in their earlier report. The Committee also desire that responsibility of the Officers of various agencies be fixed under whose nose the encroachment takes place. The Committee may be apprised of the outcome in this regard from time to time.

9 Urban Water Supply and Sanitation

The Committee note that water supply and sanitation are important basic needs affecting the quality of life and productive efficiency of the people. The State Government/Union Territories and urban local bodies are responsible for providing these services through planning, design, implementation, operation and maintenance. In regard to physical and financial targets and achievements on centralized water supply system of urban areas, the Committee were informed that out of 157 approved projects for the various mission cities with the approved cost of Rs.2047863.92 lakh, only 37 projects on water supply sector have been completed. Further, the Committee have been informed that there is nil allocation under the head water supply and sanitation during the year 2011-12 and 2012-13 because now the funds for this head are allocated under other schemes of the Ministry i.e. JNNURM and UIDSSMT. The implementation of projects and reforms and their monitoring under JNNURM is done by the State Government. Therefore, the Committee strongly recommend that the funds under JNNURM and UIDSSMT should be increased so as to encourage more such projects from the States. The Committee also desire the Ministry that concerted efforts should be made so as to complete the remaining projects in a stipulated time schedule.

10. Projects/Schemes for the benefits of North-Eastern Region and Sikkim

The Committee note that under this scheme 10% of the budget allocation is to be made for the projects and schemes for the infrastructure development of North-Eastern Region and Sikkim. From the year 2001 to March 2011, the Ministry has sanctioned 240 projects for the development of North Eastern Region at an estimated cost of Rs. 2079.59 crore. For the year 2012-13 an amount of Rs. 160 crore is allocated against Rs. 164 crore sanctioned during the financial year 2011-12. The Committee were informed by the Ministry that various difficulties are being faced for implementation of Schemes in North-Eastern Region and Sikkim viz. difficult geographical conditions, unwillingness to pay for services and institutional reforms. The Ministry is taking steps to overcome these problems in North Eastern Region like activities and property tax surveys have been initiated in Aizwal, Agartala, Shilling, Gangtok and Kohima. The Committee are concerned to observe as to how the Ministry would ensure the desired results in North Eastern Region and to overcome difficulties being faced by Government for implementing the Schemes/projects with such a meagre amount. The Committee feel that there is an urgent need for additional allocation under this scheme for giving encouraging results in North Eastern Region and Sikkim. The Committee, therefore, urge the Ministry to approach the disbursing Ministry as well as Planning Commission for additional allocation of funds and apprise them of the outcome thereon.

New Delhi;
19th April, 2012
30 Chaitra 1934(Saka)

SHARAD YADAV,
Chairman,
Standing Committee on
Urban Development

APPENDIX I

STANDING COMMITTEE ON URBAN DEVELOPMENT (2011-2012)

MINUTES OF THE SIXTH SITTING OF THE COMMITTEE HELD ON MONDAY, 2ND APRIL , 2012

The Committee sat from 1200 hrs. to 1300 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Sharad Yadav - *Chairman*

MEMBERS

LOK SABHA

2. Shri M. Anandan
3. Shri Ambica Banerjee
4. Smt. J. Helen Davidson
5. Shri Gorakh Prasad Jaiswal
6. Shri Kailash Joshi
7. Shri Mohinder Singh Kaypee
8. Prof. (Dr.) Ram Shankar Katheria
9. Shri Ramesh Kumar
10. Dr. Kirodi Lal Meena
11. Shri Umashankar Singh

RAJYA SABHA

12. Shri P. Bhattacharya
13. Dr. Bhalchandra Mungekar
14. Shri Meghraj Jain

SECRETARIAT

- | | | | |
|----|----------------------|---|------------------|
| 1. | Shri T.K. Mukherjee | - | Joint Secretary |
| 2. | Shri R.K. Jain | - | Director |
| 3. | Smt. J.M. Sinha | - | Deputy Secretary |
| 4. | Smt. K. Rangamani N. | - | Under Secretary |

List of Witnesses

- | | | | |
|-----|----------------------|---|---|
| 1. | Dr. Sudhir Krishna | - | Secretary, Ministry of Urban Development |
| 2. | Shri D. Diptivilasa | - | Additional Secretary, Ministry of Urban Development |
| 3. | Smt. Sudha Krishnan | - | Joint Secretary & Financial Advisor |
| 4. | Shri Arun Goel | - | Joint Secretary, Ministry of Urban Development |
| 5. | Smt. Nisha Singh | - | Joint Secretary & Mission Director(JNNURM) |
| 6. | Shri C.K. Khaitan | | Joint Secretary, (Works and Land) |
| 7. | Shri V.K. Sharma | | Joint Secretary (Admn.) |
| 8. | Shri P.C. Das | | Chief Controller of Accounts |
| 9. | Shri S.K. Lohiya | - | OSD(UT)& Ex-officio JS |
| 10. | Shri A.S. Bhal | - | Economic Advisor |
| 11. | Shri C.S. Prasad | - | Director General(W), CPWD |
| 12. | Shri P.K. Tripathi | - | Chief Secretary, GNCTD |
| 13. | Mrs. Nutan G. Biswas | - | Pr. Secretary(UD), GNCTD |
| 14. | Shri K.S. Mehra | - | Commissioner, MCD |
| 15. | Ms. Archana Arora | - | Chairman, NDMC |
| 16. | Shri Mangu Singh | - | Managing Director, Delhi Metro Rail Corporation |
| 17. | Shri G.S. Pattnaik | - | Vice Chairman(DDA) |

18. Sh. Vishnu, P. Das - CMD, NBCC
19. Ms. Naini Jaisilan - Member Secretary, NCRPB

2. At the outset, the Hon'ble Chairman welcomed the representatives of the Ministry of Urban Development to the sitting of the Committee and apprised them of the provisions of Direction 55(1) of the 'Directions by the Speaker'.

3. The Secretary, Ministry of Urban Development, thereafter briefly explained the overall Budgetary position with regard to various Central sector schemes and programmes of the Ministry such as reorienting its policies and programmes on various components under Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Urban Infrastructure and Governance (UIG) and Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT), the North-East Region Urban Development Programme (NERUDP) Scheme for development of Official and residential complexes by the CPWD, development towards Urban Transport Sector, Metro Rail Projects etc. for the year 2012-2013. He then highlighted their targets and achievements of the previous financial year as well as reasons for shortfall, wherever applicable. The Committee then discussed in detail various issues related to the examination of the 'Demands for Grants' of the Ministry for the year 2012-2013.

4. The Members sought clarifications on various issues relating to the subject and the Secretary and representatives of the Ministry responded to the same. The Committee directed the representatives of the Ministry to furnish written replies to the queries which could not be responded to by them.

5. The Witnesses then withdrew.

6. A verbatim record of the proceedings of the sitting of the Committee has been kept.

The Committee then adjourned to meet again at 1400 hrs.

APPENDIX II

STANDING COMMITTEE ON URBAN DEVELOPMENT (2011-2012)

MINUTES OF THE EIGHTH SITTING OF THE COMMITTEE HELD ON THURSDAY, 19TH APRIL , 2012

The Committee sat from 1130 hrs. to 1230 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Sharad Yadav - *Chairman*

MEMBERS

LOK SABHA

2. Shri J.P. Agarwal
3. Shri M. Anandan
4. Shri Ambica Banerjee
5. Smt. J. Helen Davidson
6. Shri Bijoy Krishna Handique
7. Shri Mohinder Singh Kaypee
8. Shri Ramesh Kumar

RAJYA SABHA

9. Shri Parvez Hashmi

SECRETARIAT

- | | | | |
|----|----------------------|---|------------------|
| 1. | Shri T.K. Mukherjee | - | Joint Secretary |
| 2. | Smt. J.M. Sinha | - | Deputy Secretary |
| 3. | Smt. K. Rangamani N. | - | Under Secretary |

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. The Committee then took up for consideration the following Draft Reports:-

- (i) Draft Report on Demand for Grants (2012-2013) of the Ministry of Urban Development .

- (ii) Draft Report on Demands for Grants (2012-13) of the Ministry of Housing and Urban Poverty Alleviation.

3. After deliberations the Committee adopted the Draft Report on Demands for Grants (2012-13) of the Ministry of Urban Development without any changes. *****.

4. The Committee also authorized the Chairman to finalize the above-mentioned Reports taking into consideration consequential changes arising out of factual verification, if any, by the concerned Ministries and also to present to both the Houses of Parliament.

The Committee then adjourned.

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* This portion does not relate to the Demands for Grants (2012-13) of Ministry of Urban Development.