

**FORTIETH REPORT**  
**STANDING COMMITTEE ON URBAN**  
**AND RURAL DEVELOPMENT**  
**(2003)**

**(THIRTEENTH LOK SABHA)**

**MINISTRY OF URBAN DEVELOPMENT**  
**AND POVERTY ALLEVIATION**  
**(DEPARTMENT OF URBAN EMPLOYMENT**  
**AND POVERTY ALLEVIATION)**

**DEMANDS FOR GRANTS**  
**(2002-2003)**

*[Action taken by the Government on the recommendations contained in the  
Thirty-Sixth Report (13th Lok Sabha) on Demands for Grants 2002-2003  
of the Ministry of Urban Development and Poverty Alleviation  
(Department of Urban Employment and Poverty Alleviation)]*

*Presented to Lok Sabha on.....*

*Laid in Rajya Sabha on .....*

*26.2.2003*



**LOK SABHA SECRETARIAT**  
**NEW DELHI**

*February, 2003/Magha, 1924 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON  
URBAN AND RURAL DEVELOPMENT (2003)

Shri Chandrakant Khaire — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Mani Shankar Aiyar
3. Shri S. Ajaya Kumar
4. Shri Ranen Barman
5. Shri Padmanava Behera
6. Shri Jaswant Singh Bishnoi
7. Shri Haribhai Chaudhary
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9. Shri Shamsheer Singh Dullo
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12. Shri Jaiprakash
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14. Shri Basavanagoud Kolur
15. Shri Shrichand Kriplani
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17. Prof. Vijay Kumar Malhotra
18. Shri Sadashivrao Dadoba Mandlik
19. Shri Mahendra Singh Pal
20. Shri Chandresh Patel
21. Prof. (Shrimati) A.K. Premajam
22. Shri Nawal Kishore Rai
23. Shri Gutha Sukender Reddy
24. Shri Pyare Lal Sankhwar
25. Shri Maheshwar Singh
26. Shri D.C. Srikantappa
27. Shri V.M. Sudheeran
28. Shri Chinmayanand Swami
29. Shri Ravi Prakash Verma
30. Shri Pradeep Yadav

*Rajya Sabha*

31. Shri S. Agniraj
32. Shrimati Shabana Azmi
33. Shrimati Prema Cariappa
34. Shri N.R. Dasari
35. Shri Ramadhar Kashyap
36. Shrimati Gurcharan Kaur
37. Shri Faqir Chand Mullana
38. Shri A. Vijaya Raghavan
39. Shri Rumandla Ramachandraiah
40. Shri Harish Rawat
41. Shri Man Mohan Samal
42. Shri Rajnath Singh
43. Shri G.K. Vasan
44. Vacant
45. Vacant

SECRETARIAT

- |                        |   |                             |
|------------------------|---|-----------------------------|
| 1. Shri P.D.T. Achary  | — | <i>Additional Secretary</i> |
| 2. Shri K.V. Rao       | — | <i>Joint Secretary</i>      |
| 3. Shri K. Chakraborty | — | <i>Deputy Secretary</i>     |
| 4. Smt. Sudesh Luthra  | — | <i>Under Secretary</i>      |
| 5. Shri N.S. Hooda     | — | <i>Under Secretary</i>      |

## INTRODUCTION

I, the Chairman of the Standing Committee on Urban and Rural Development (2003) having been authorised by the Committee to submit the Report on their behalf, present the Fortieth Report on Action Taken by the Government on the recommendations contained in the Thirty-sixth Report of the Standing Committee on Urban and Rural Development (2002) on Demands for Grants (2002-2003) of the Ministry of Urban Development and Poverty Alleviation (Department of Urban Employment and Poverty Alleviation).

2. The Thirty-sixth Report was presented to Lok Sabha on 24th April, 2002. The replies of the Government to all the recommendations contained in the Report were received on 11th July, 2002.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 27th January, 2003.

4. An analysis of the action taken by the Government on the recommendations contained in the Thirty-sixth Report of the Committee (2002) is given in *Appendix-III*.

NEW DELHI;  
12 February, 2003  
23 Magha, 1924 (Saka)

CHANDRAKANT KHAIRE,  
*Chairman,*  
*Standing Committee on*  
*Urban and Rural Development.*

## **CHAPTER I**

### **REPORT**

This Report of the Committee on Urban and Rural Development (2003) deals with the action taken by the Government on the recommendations contained in their Thirty-sixth Report on Demands for Grants 2002-2003 of the Department of Urban Employment and Poverty Alleviation (Ministry of Urban Development and Poverty Alleviation) which was presented to Lok Sabha on 24th April, 2002.

2. Action taken notes have been received from the Government in respect of all the 25 recommendations which have been categorised as follows:

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

Para No. 2.9, 3.29, 3.30, 3.31, 3.40, 3.41, 3.43, 3.48, 4.8, 4.9, 4.11, 4.12, 4.25, 4.26, 5.4, 6.11, 6.12 and 6.17.

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

Para No. 3.39

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

Para No. 2.6, 2.7, 2.8, 3.28 and 3.42

- (iv) Recommendations in respect of which final reply of the Government is still awaited

Para No. 4.10

3. The Committee desire that final replies in respect of the recommendation for which only interim reply has been given by the Government should be furnished to the Committee within three months of the presentation of the Report.

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

**Under utilisation of funds under various schemes  
of the Department**

**Recommendations (Para No. 2.6, 2.7 and 2.8)**

5. The Committee had recommended as under:

"The analysis of the data, of funds allocation of Department of Urban Employment and Poverty Alleviation, indicates a very sorry state of affairs of various schemes/programmes of the Department. During 9th Plan around 30% of the outlay remained unspent. There are huge cuts at RE stage. Further disturbing is the fact that whatever is made available at RE stage could not be utilised fully. The Committee have repeatedly been drawing the attention of the Department towards this sorry state of affairs, yet the position has worsened last year whereby only 20% of the outlay could be spent.

The Committee are disturbed to note the reply of the Department that the under-spending during 2001-2002, is due to the lower requirement under SJSRY. While the detailed scheme-wise analysis has been done in the succeeding paras of the report, as regards the overall position, the Committee find from Appendix II, that the situation is further alarming in other schemes of the Department too. Under Equity to HUDCO, only 30% of outlay could be utilised, whereas under Night Shelter Scheme and North Eastern Areas Scheme 100% of the outlay remained unspent.

The Committee further note that the Department deals with various schemes meant for providing employment and housing to below the poverty line people. The lackadaisical approach of the Department towards such a priority programme is resulting in depriving the urban poor from their benefits for no fault on their part. The Committee strongly recommended that the various issues resulting in such a dismal performance, should be probed urgently and the Committee apprised accordingly. The Committee are also of the considered view that an urgent action is required on the part of the Union Ministry/Department to arrest the trends of lower utilisation of outlay and reduction of allocation at RE stage."

6. Replies of the Government to recommendations Para Nos. 2.6 to 2.8.

The Government have stated as under:

"The observations of the Hon'ble Committee are based on the level of expenditure incurred on SJSRY and housing schemes till 28th February, 2002. However, some more releases were made in March, 2002 upon fulfillment of necessary requirement and demand for funds and accordingly, the total expenditure upto 31st March, 2002 on these schemes is given at Appendix-I.

It can be seen here that the expenditure during 9th Plan works out to be 97.94% (excluding the expenditure incurred by States out of grants released prior to 9th Plan) of the revised allocations for the 9th Plan and 97.72% during 2001-2002.

As far as Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is concerned, it is submitted that out of total allotment of Rs. 168 crore at BE stage during the year 2001-2002, Rs. 69 crore were transferred to Valmiki Ambedkar Awas Yojana (VAMBAY), a newly launched programme and there was an economy cut of Rs. 53.50 crore as imposed by the M/o Finance. Thus, the budget provision at RE stage remains Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. There was insufficient demand on account of weak response from banks. Further, huge unspent balances were available with States, this hindered further release of Central funds for want of utilization certificates.

In so far as equity to HUDCO is concerned, it may be stated that the release could not be made, as authorized capital of HUDCO at Rs. 1250 crore stood fully subscribed with release of Rs. 47 crore on 11th June, 2001. Cabinet approval for enhancement of authorized capital of HUDCO was received in the first week of March, 2001 and increase in authorized capital from Rs. 1250 crore to Rs. 2500 crore was made on 11th March, 2001. The balance amount of Rs. 108 crore was also released on the same day.

The reasons for budgetary provision of Rs. 4.56 crore under the Night Shelter Scheme remaining unutilized was that HUDCO was having an unspent Central subsidy of Rs. 1.95 crore till

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31st March, 2002 and due to this reason, release of further subsidy was not possible as per Government instruction. The unspent budgetary provision for Night Shelter Scheme of Rs. 4.56 crore was therefore, re-appropriated for VAMBAY where the funds were needed more urgently.

As regards North-Eastern Areas scheme, the budget provision goes into Non-Lapsable Pool of Resources. The entire allocated amount of Rs. 33 crore meant for the benefit of North Eastern Region States and Sikkim during the year 2001-2002 was released against their project proposals.

There was no significant shortfall in utilisation of funds under other Plan/Non-Plan schemes like BMTPC, Building Centres, IYSH, Grants to National Cooperative Housing Federation (NCHF), CGEWHO, contribution to UNCHS etc.

The lack of initiative at the State level and the inability or unwillingness of banks in formulating/implementing appropriate schemes of poverty alleviation and housing is mainly responsible for non/under utilisation of funds. This Ministry keeps on pursuing the matter with the State Governments to gear up their machinery and formulate sufficient number of viable projects for funding under the schemes aimed at poverty alleviation and housing for the poor.

To ensure higher utilisation of funds under Swarna Jayanti Shahari Rozgar Yojana (SJSRY), the proposed modifications in the guidelines of the Scheme is at an advance stage of finalisation. Further, the monitoring mechanism for implementation of this scheme has also been tightened/reviewed.

Similarly, the guidelines of Night Shelter Scheme are under revision with a view to attract more projects."

7. The Committee are not inclined to accept the replies furnished by the Government pursuant to their recommendations relating to overall performance of the Department of Urban Employment and Poverty Alleviation during 9th Plan specifically during 2001-2002. They are disturbed to note the revised data furnished by the

Department, the analysis of which is given below:

**Overall allocation and expenditure of the Department of Urban Employment and Poverty Alleviation**

		(Rs. in Crore)
9th Plan Allocation	-	1580
Actual expenditure upto 28th February, 2002	-	1134.83
Expenditure upto 31st March, 2002	-	1389.59

**Allocation and Expenditure under SJSRY**

BE during 2001-02	-	168
Revised Estimates 2001-2002	-	45.50
Actual expenditure upto 28th February, 2002	-	10.65
Actual expenditure upto 28th March 2002	-	39.21

The Committee fail to understand how the Department could utilize major portion of the allocation during one month of the year that is March, 2002. Under SJSRY, the position is quite alarming. The actual expenditure during 2001-2002 upto 28th February, 2002 was around 6% if compared to BE, and around 24% if compared to RE. The expenditure data has swollen to around 90% if compared to RE, as per the revised expenditure data furnished by the Government.

Another case of inflated data furnished by the Department is in case of North-Eastern areas scheme. As per the data furnished earlier, the expenditure was NIL, out of the allocation of Rs. 33 crore, whereas as per the revised data the utilization position has been indicated as 100%.

In view of the comparative data, as furnished by the Department, while the Committee examined the Demands for Grants 2002-2003 and the consequent action taken replies furnished by the Department, they are of the view that the Department is not serious enough towards the implementation of the Centrally Sponsored Schemes meant for the urban poor. The Committee take it very seriously and

while reiterating their earlier recommendation, recommend strongly to probe various issues resulting in such dismal performance of various schemes and desire an urgent remedial action. Besides, they would also like to be apprised of the specific reasons for utilization of major portion of the allocation during the last month of the year, which may ultimately result in serious irregularities in the implementation of different programmes.

### **Underutilisation of Funds in SJSRY**

#### **Recommendation (Para No. 3.28)**

8. The Committee recommended as follows:

“The Committee regret to note that almost 50% of what was allocated during 9th Plan remained unspent. The situation is further alarming as the position of utilisation of outlay is less than 50% during 2002-2003. Even after four years since the restructured SJSRY was launched, the Department could utilise only Rs. 237 crore out of Rs. 562 crore of unspent balance under the old UPA Programme. In spite of this sorry state of affairs, the Department feels that the Yojana has gained momentum.”

9. The Government submitted as below:

“The details of funds allocated and expenditure under SJSRY during the 9th Five Year Plan are as under:—

Total funds allocated at BE stage	-	Rs. 807.67 crore
Total funds allocated at RE stage	-	Rs. 531.68 crore
Total expenditure	-	Rs. 513.10 crore
Percentage of expenditure to BE	-	64
Percentage of expenditure to RE	-	97

During the year 2001-2002, out of total allotment of Rs. 168 crore at BE stage, Rs. 69 crore was transferred to Valmiki Ambedkar Awas Yojana (VAMBAY), a newly launched programme and there was an economy cut of Rs. 53.50 crore, as imposed by the Ministry of Finance. Thus, the budget provision at RE stage remains Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. Thus the percentage of expenditure under SJSRY was

86.17. Further, the amount of Rs. 69 crore transferred to VAMBAY has been fully released and therefore, the expenditure under the VAMBAY Scheme was 100%.

Unspent balances amounting to Rs. 269.18 crore of Central share of old UPA programmes were available as on 30th November, 1997 with the State/UTs. Also, Central share of Rs. 499.31 crore was released to the States/UTs under SJSRY from 1st December, 1997 to 31st March, 2002. Thus, out of total Central funds amounting to Rs. 499.31 crore released in the 9th Plan under SJSRY, the States/UTs have reported an expenditure of Rs. 540.16 crore, including Rs. 40.85 crore from the Central funds of old UPA Programmes. Therefore, there is 100% utilisation of funds released under SJSRY during the 9th Five Year Plan. It can be seen there from that the Yojana has gained momentum. However, the State Governments have reported weak response from the Banks, which affected the achievements under the scheme. In this connection, ten meetings were convened at the level of Urban Development Minister and Secretary (UEPA) to monitor the progress of the Scheme."

10. The Committee are not satisfied with the way the Department has tried to justify poor implementation of SJSRY in view of the huge under spending under the programme. They note that major portion of the outlay during 2001-2002 was transferred for another programme VAMBAY. Besides, whatever little allocation *i.e.* Rs. 45.50 crore remained, only Rs. 39.21 crore could be utilized not only that, as explained in the preceding para of the Report, the major portion of the expenditure was utilized during the last month of the financial year 2001-2002. In spite of accepting the shortcomings and taking necessary steps to improve the implementation of the programme, as repeatedly stressed by the Committee, the Department has tried to justify the data by showing transfer of funds or utilization during the last month of the year. The Committee emphasize that the thrust of the Department should be to ensure proper and effective implementation of poverty alleviation schemes instead of chasing the target at the last moment. They disapprove the way the Department has furnished the reply to their recommendation and would like the Department to explain in clear terms indicating the steps that have been taken or are proposed to be taken for the effective implementation of one of the priority programme of the Government *i.e.* SJSRY.

## **Upliftment of people living Below Poverty Line**

### **Recommendation (Para No. 3.42)**

11. The Committee had recommended as below:

"The Committee note that the main objective of SJSRY is to bring BPL persons above the poverty line, but the Department has not bothered to analyse the Yojana in that perspective. The Committee are unhappy to note the reasoning given by the Department to cover up their failure. After five decades of independence, there are still bulk of people below poverty line. If the Department is serious enough in the process of the implementation of the programme, poverty can be diminished considerably by eliminating the BPL, by gradually bringing them to APL status. They are thus not inclined to accept the reasoning given by the Department that SJSRY is a poverty alleviation programme and not a poverty elimination programme. The Committee, therefore, strongly recommend that it should be ensured that the persons assisted under the programme are able to cross the poverty line even by providing the multi doses of assistance and the Department should monitor the data in this regard in line with the set objectives of the Yojana".

12. The Government has stated as under:

"Recommendations of the Hon'ble Committee have been noted for necessary action."

13. The Committee in their earlier recommendation had stressed that the persons assisted under SJSRY should be able to cross the poverty line and requested the Department to monitor the data in this regard in line with the said objectives of the Yojana. Pursuant to their earlier recommendation, the Government have simply stated that they have noted the recommendation for necessary action. The Committee are not satisfied with the reply. They want the categorical reply indicating the steps initiated in this regard by the Department.

## **Survey regarding Slum Population in the Country**

### **Recommendation (Para No. 4.10)**

14. The Committee recommended as under:

"The Committee further noted that the Registrar General of India has made a survey about the slum population in the country in census 2001 according to which the total slum population in cities having more than 50,000 population is 4.06 crore. The Committee would like to be apprised of the city-wise details in this regard. Besides, they would like the similar survey in respect of other cities, having less than 50,000 population, is also carried out and the Committee apprised accordingly."

15. The Government stated as under:

"The observations of the Committee have been noted and action taken thereon will be indicated in due course."

16. The Committee in their earlier recommendation had requested:

- (i) to be apprised of the city-wise details of slum population in the country in census 2001 in the cities having a population of more than 50,000 as per the survey made by the Registrar General of India.
- (ii) They desired for a similar survey in respect of other cities having less than 50,000 population.

The Government in their action taken reply have submitted that they would indicate the action taken in this regard in due course.

The Committee desire that they should be intimated about the action taken in respect of (i) to (ii) above within 6 months of the presentation of the Report.

### **Implementation of Draft Slum Policy**

#### **Recommendation (Para No. 4.12)**

17. The Committee earlier recommended as under:

"The Committee note that the Government have come up with a comprehensive and integrated three pronged strategy to solve the problems of slums during the 10th Five Year Plan. While the

Committee appreciate such move, it is emphasised that the programme should be realistic, practical and result oriented and does not remain confined to papers only. The Committee would like to be apprised about further details in this regard. The Committee also note that the Draft Slum Policy is under finalisation with the Department. They hope that it is finalised expeditiously."

18. The Government have stated as below:

"The observation of the Committee has been noted. Efforts are made to finalise the Slum Policy expeditiously."

19. The Committee desire that the Draft Slum Policy should be finalised without any further delay taking into account the views of the all States/UTs, concerned Ministries, Planning Commission and NGOs etc.

## **CHAPTER II**

### **RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT**

#### **Recommendation (Para No. 2.9)**

The Committee are disturbed to note the comparative position of spending under plan and non-plan heads. Whereas 20% of outlay under plan head could be utilised during 2001-2002, the position of spending under non-plan head was 50%. They feel that the spending under the non-plan head should be commensurate with the spending under the plan head and the spending on establishment etc., should result in proper implementation of programmes/schemes of the Department.

#### **Reply of the Government**

Expenditure under plan schemes is linked to proper utilisation of grants released during earlier years, progress of sanctioned schemes and performance of the grantee institution with regard to parameters of scheme. However expenditure under non-plan is usually made towards meeting committed liabilities, establishment expenditure including salaries of staff, Government of India contributions to UNCHS, loans to HUDCO, CGEWHO under CGEIS and contingent expenditure etc. which has to be met for continuous monitoring of the plan schemes and their review from time to time. The direction of the Hon'ble Committee for proper monitoring of the schemes in the Ministry has been noted for strict compliance.

Regarding SJSRY scheme, out of total allotment of Rs. 168 crore at BE stage during the year 2001-2002, Rs. 69 crore were transferred to Valmiki Abmedkar Awas Yojana (VAMBAY), a newly launched programme and, further, there was an economy cut of Rs. 53.50 crore imposed by the M/o Finance. Thus, the budget provision at RE stage was Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. Thus the percentage of expenditure was 86.17.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]



### **Recommendation (Para No. 3.29)**

The Committee find that as per the urbanisation scenario, presented before the Committee, the decadal growth rate of population (1991-2001) in urban areas was 31.25% whereas in rural areas it was 17.9%. They also note that SJSRY is only employment programme meant for urban poor. In spite of big challenges before the Government, nothing concrete has been done. The erstwhile programme Nehru Rozgar Yojana was not working well and was restructured during the 9th Plan as SJSRY. Now again the programme is not working well and at one stage it was decided to transfer to State Governments. But finally now the Yojana is again being restructured. Banks are non-cooperative and finally it has been decided to manage without Banks.

### **Reply of the Government**

At one stage, Planning Commission was considering to transfer the scheme to the State Governments but it was finally decided to continue it as centrally sponsored scheme during the 10th Five Year Plan. The banks play a leading role in the implementation of the Yojana by providing loan to the beneficiaries. Therefore, it is neither proposed nor decided by the Ministry to manage the scheme without banks. Further, as mentioned in reply for the Para 3.28 above, the implementation of SJSRY is not unsatisfactory within the limitations.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 3.30)**

In the scenario as depicted above, the Committee have no option but to conclude that there has been dismal failure of the Government in implementing the only employment programme meant for urban poor. It is gathered that the Union Government seems helpless, the State Government are not enthusiastic, and Banks have their own reservations due to unviable projects, guarantee problems and increase in debt. The Committee deplore the casual attitude of the Government in handling the various issues and planning for such an ambitious programme. They find that the position of a similar programme SGSY, in rural areas is not so bad. During the field visits to different parts of the country in the rural areas, the Committee have found that the

group approach is working well in many States. Certain groups formed under SGSY are doing extremely well and the Commercial Banks are enthusiastic and keen in advancing loans to such groups. They strongly recommend that instead of doing away with Banks in the restructured programme of SJSRY, the Department should take the corrective steps to plug the various lacunae noticed in the implementation of the Yojana. Besides, they should also motivate State Governments, Urban Local Bodies and Banks to come forward in this regard. Once the implementation of the programme is improved and viable projects are set up, the willingness of Banks automatically follows.

### **Reply of the Government**

As explained in replies to Paras 3.28 and 3.29 above, the performance of the Yojana cannot be termed as failure. Further, there is no proposal with the Ministry to implement the Yojana without the Banks. The monitoring mechanism for the implementation of the scheme has also been tightened/reviewed to get better results. In fact, consultation with Banks is being increased at State/Central level and the modifications of the SJSRY guidelines have also been proposed.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 3.31)**

The Committee hope that the SJSRY is restructured expeditiously and all the loopholes in the implementation of SJSRY are plugged in the restructured programme. They also emphasise that the various recommendations made by the Committee in their earlier reports on the subject should also be taken into consideration while revising SJSRY.

### **Reply of the Government**

Recommendations of the Hon'ble Committee have been noted for necessary action.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 3.40)**

Even after four years, when restructured SJSRY was launched, house-to-house survey is yet to be completed. The situation in Bihar is worst. The Committee in their 24th Report (13th Lok Sabha) had requested the Department to take the desired steps to encourage the States, complete this survey, where the performance of the Yojana is worst, particularly in Bihar. The Committee would like to be apprised of the steps taken by the Department in this regard.

### **Reply of the Government**

The matter has been pursued vigorously with the Government of Bihar through correspondence at various levels in the Ministry namely, Deputy Secretary, Joint Secretary and Secretary. So far, the State have been reminded 18 times from January 2001 onwards in this regard.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 3.41)**

While analysing the State/UT-wise data of the beneficiaries assisted under SJSRY, the Committee find that in some of the States like Andhra Pradesh, Karnataka, Kerala, Madhya Pradesh and Orissa, the number of beneficiaries assisted is quite good. The Committee would like that the States who are not performing well should be apprised of the success stories of the other States so as to motivate them to implement the Yojana more vigorously.

### **Reply of the Government**

Recommendation of the Hon'ble Committee has been noted for necessary action.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 3.43)**

The Committee find that one of the component of SJSRY is Infrastructure, Education and Communication and Community

structure, whose objective is to have a coordinated and uniform level of training across the country for training of trainer, elected representatives, functionaries of Urban Local Bodies and field functionaries, etc. In spite of that, Urban Local Bodies are facing the problem of having specialised officers/staff to conduct house-to-house survey. The Committee would like to be apprised of the details of the outlay earmarked, spent and the number of persons assisted under IEC since SJSRY is in existence. They strongly recommend that more stress should be given on training, as it is the necessary prerequisite for the successful implementation of any programme.

### **Reply of the Government**

As per Swarna Jayanti Shahari Rozgar Yojana (SJSRY) Guidelines, the States may utilise upto 2% of the allocation for activities under IEC Component. An amount of Rs. 49,931.16 lakhs has been released to the States as Central Share under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) from 1.12.1997 to 31.3.2002. Out of which, the States have reported an expenditure of Rs. 1,060.43 lakhs (2.12%) under IEC Component from the inception of the Scheme till 31.3.2002. A total of 2,64,269 persons have been trained in all India basis under IEC Component as on 31.3.2002. Government have noted the Committee's recommendation with regard to more stress on the training sub-component.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 3.48)**

While noting that the revision of SJSRY guideline is at an advance stage of finalisation, the Committee request the Department to have close coordination and consultation with the States, Urban Local Bodies, and all involved in the implementation of the Yojana. Besides, the findings of IIPA's concurrent evaluations and the recommendations made by this Committee in their respective reports should also to be taken into consideration while revising SJSRY guidelines. Proper homework should be done before revising the guidelines so that the revised programme is realistic, workable and does not meet the fate of erstwhile NRY.

### **Reply of the Government**

Recommendation of the Hon'ble Committee has been noted for guidance and necessary action please.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 4.8)**

The Committee for the last three years repeatedly been highlighting in their respective reports about the lack of coordinated approach by the Government with regard to complex arrangement of implementation, funding and monitoring of NSDP by different Ministries/Departments. In spite of that, there has not been any marked improvement in their approach. The Committee are concerned and would like the Government to ponder over it. The Committee also fail to understand how the Department of Urban Employment and Poverty Alleviation could be expected to monitor a programme over whose finances they have virtually no control. The Committee feel that their recommendation in this regard has not been taken seriously and the Government has failed to act on it. While such casual approach of the Government towards such a serious issue cannot be taken lightly, the Committee would like the Government to reply categorically over their failure on the ameliorative action contemplated for future in this regard.

### **Reply of the Government**

The issue with regard to the complex arrangement in the implementation of NSDP was taken up with the Planning Commission as recently as April 2002 as also in the past but they have not agreed to change the existing system of funding, monitoring and implementation. However, the Committee's observations and concern in the matter will once again be brought to the notice of the Planning Commission and the Finance Ministry.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 4.9)**

The Committee are concerned to find that around 40% of the outlay earmarked under NSDP during 9th Plan remained unspent. They are equally disturbed to note the lowering of allocation under NSDP since 2000-2001, as compared to pervious years. While appreciating the fact that Planning Commission has allocated Rs. 5,000 crore for NSDP during 10th Plan, the Committee impress upon the Department to prepare an action plan in consultation with State Governments and Urban Local Bodies so that the scarce resources are meaningfully utilised.

### **Reply of the Government**

Committee's observations have been noted for future guidance. Even though the issue of slum upgradation falls under the purview of State list, the same will be taken up with the State Govts. so that the scarce resources are meaningfully utilised.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 4.11)**

The Committee find that during Ninth Plan, total funds released were to the tune of Rs. 966.71 crore and 3.13 crore of people were benefited by the programme. By going through the above data, the Committee find that per capita benefit during 5 years comes to Rs. 300 per person. They fail to understand how far the meagre allocation of Rs. 300 per person could have helped the urban slum dwellers to improve their living conditions. In view of this, the Committee strongly recommend to analyse the impact of the programme by conducting an independent survey and apprise the Committee accordingly. They also desire that instead of spreading the resources so thinly, the thrust should be to cover the selected cities/towns, within the allocation provided and ensure the qualitative improvement in the living condition of slum dwellers of that area.

### **Reply of the Government**

Under the National Slum Development Programme (NSDP), funds given as Additional Central Assistance whereas the States are provided

funds under the State Plan also. Funds to the State Govts. are also provided under various other schemes viz. EIUS, UD, IDSMT, DFID, GTZ etc. and it would be observed that all these funds are meant for people below the poverty line who also constitute the slum dwellers.

Observations of the Committee on the allocation of funds to a few selected cities/towns for qualitative improvement of the living conditions of slum dwellers has been noted that the matter will be taken up with the Planning Commission and the State Govts.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

#### **Recommendation (Para No. 4.12)**

The Committee note that the Government have come up with a comprehensive and integrated three pronged strategy to solve the problems of the slums during the 10th Five Year Plan. While the Committee appreciate such move, it is emphasised that the programme should be realistic, practical and result oriented and does not remain confined to papers only. The Committee would like to be apprised about further details in this regard. The Committee also note that the Draft Slum Policy is under finalisation with the Department. They hope that it is finalised expeditiously.

#### **Reply of the Government**

The observation of the Committee has been noted. Efforts are made to finalise the Slum Policy expeditiously.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

#### **Comments of the Committee**

(Please see Para No 19 of Chapter I of the Report)

#### **Recommendation (Para No. 4.25)**

The Committee find that a laudable initiative has been taken by the Government by launching a new scheme Valmiki Ambedkar Awas

Yojana (VAMBAY) whose main objective is to provide shelter or upgrade the existing shelter for BPL population in urban slums. The Yojana strives for the slumless cities with a healthy and enabling urban environment. One of the laudable objective of the programme is to give security of land tenure to each of the slum dweller. The Committee hope that State Governments have been consulted before launching of the scheme and they do not have any difficulty in providing 50% of their matching share. They also hope that sufficient homework has been done in consultation with State Governments, Urban Local Bodies and all concerned so as to ensure that the ambitious programme does not meet the fate of other urban development schemes/programmes.

### **Reply of the Government**

The guidelines for Valmiki Ambedkar Awas Yojana (VAMBAY) stipulate that the central subsidy of 50% of the cost of the project will be released by HUDCO only after the state nodal agency deposits the share of the State/UT in a designated VAMBAY Account. There has been overwhelming response for the scheme immediately after launching. This Ministry has released Rs. 73.56 crores during the year 2001-2002 as subsidy to 16 State Governments/Union Territories. It was not possible to meet the entire demand for subsidy during the year 2001-2002 as there was limited allocation based on savings under other Heads of Accounts and the release of funds was restricted to the funds available. Judging from the response from the State Governments/Union Territories, more demand for subsidy for new projects in all the States for rehabilitation of slum dwellers below poverty line and EWS categories are likely to emerge.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

### **Recommendation (Para No. 4.26)**

The Committee note that the Government have come up with a comprehensive and integrated three pronged strategy to solve the problem of slums in the country viz. providing basic infrastructural facilities through National Slum Development Programmes (NSDP), providing housing and sanitation through VAMBAY and providing employing through SJSRY. The Committee recommend that all the three schemes should be converged so as to have a noticeable impact on the lives of the slum dwellers.



### **Reply of the Government**

The funds for National Slum Development Programme (NSDP) are released to the State Governments by Ministry of Finance and are primarily meant for basic infrastructure development in slums like drainage, sewerage, footpaths, lighting, water supply etc., whereas the funds under VAMBAY released from the budget allocations of the Department of Urban Employment & Poverty Alleviation are meant for construction/upgradation of houses for slum dwellers who are below poverty line/EWS. As regards SJSRY, the objective behind the scheme is to help the people below poverty line by providing them wage employment for community structures and community assets as well as creation of opportunities for self-employment through micro-enterprises. In view of this, a three-pronged strategy has been formulated for the benefit of the urban poor with the concept of convergence approach kept in mind and each of these schemes compliment each other to have a noticeable impact on the lives of the slum dwellers.

[Ministry of Urban Development & Poverty Alleviation Department  
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### **Recommendation (Para No. 5.4)**

The Committee find that the scheme seeks to provide night shelter and sanitation facilities to footpath dwellers at a per cost of Rs. 5,000. They also note that the scheme is presently against under review. Further the Committee find that during 2001-2002, the position of Central subsidy and loan advanced by HUDCO has been indicated as nil. The Committee would like to be apprised of the details of the various areas of the scheme, which are under review, by the Department. They would also like the Department to see the adequacy of the outlay and cover this issue under the revised guidelines.

### **Reply of the Government**

The scheme has been reviewed by the Government. Following changes are proposed to be incorporated in the guidelines:—

- The 'pay and use toilets' component is to be delinked from the Night Shelter scheme and is to be merged with Nirmal Bharat Abhiyan of Valmiki Ambedkar Awas Yojana (VAMBAY).

- Accordingly the scope of the Night Shelter Scheme would be limited to the construction of composite night shelters with toilets and baths for shelterless. The dormitories/halls, which would be constructed, would provide sleeping space to the footpath dwellers/shelterless during night and working space for other social purpose during daytime.
- The per capita ceiling cost of Night Shelter would be fixed at Rs. 20,000/- with 50% Central subsidy as against the present cost of Rs. 5,000/- per capita with 20% Central subsidy. Balance cost will be met by the implementing agencies out of their resources or loan from HUDCO/other agencies.
- It is proposed to include public sector undertakings engaged in construction work, as project implementing agencies along with local bodies, CBOs and NGOs.
- The State Governments would be required to provide land or site/existing building for renovation. In case land needs to be acquired, HUDCO would provide loan for land acquisition also.
- The concept of having a separate project account for each of the projects under the Night Shelter Scheme is being introduced. The Central subsidy would be released only after verification of opening of a separate project account and credit of State/agency's share therein as also availability of land/site/infrastructure with the implementing agency.

The outlay of Rs. 5 crores for the Night Shelters along, during 2002-2003 would be sufficient considering that the current year is the first year of the revised scheme. The response of various States to the modified scheme would be known by the end of the current year and the financial requirement for next year onwards would be worked out in accordance with the acceptability of the revised scheme.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
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### Recommendations (Para No. 6.11)

The Committee have noted that thought housing is basically a State level activity, it is the responsibility of the Union Government for formulation of the broad policy framework for Housing scheme, particularly for economically weaker sections of the society. Government's policy on National Housing and Habitat formulated in 1998, envisages 2 million houses per year in urban areas with emphasis on EWS and LIG & SC/STs sections of the population. To improve upon the urban housing, the Government has announced fiscal incentives under Income Tax Act and Customs & Excise duties, legal reforms such as repealing of ULCA, greater interaction through National Housing Bank and other Housing Finance institutions in private sector, Cooperative sector. The Committee have also observed that the policy framework of the Government is good, but implementation is not satisfactory. As has been admitted by the Government that to cover the shortage of housing in the country as a whole, they require a sum of Rs. 1,29,000 crore, whereas all the institutions put together along with Banks, account for a sum of Rs. 52,000 crore. So the finance available are only 48% of the total Housing requirement. They, therefore, recommend that target should be fixed to commensurate with the means available to the Government and the accountability should be fixed for fixing inflated targets.

### Reply of the Government

The projection of requirement of Rs. 1,21,371 crore for housing was an estimation to cover the housing shortage in the country as in 1997 as well as incremental need for housing over a five year period. Also the targets were fixed under 2 million housing programme, in consultation with States/UTs, in accordance with the requirements in their area. The availability of funds from formal sector was assessed at Rs. 52000 crore during a five year period beginning 1997 as a rough estimate. The actual flow of funds from banking sector and housing finance institutions for housing, has however been higher as would be seen from the statement below:—

#### *Disbursement in Urban Housing: Public Sector Banks data*

		(Rs. in crore)
	Units	Amount
1999-2000	91797	3235.98
2000-2001	148656	4665.97
2001-2002*	102519	4305.40

\*till December, 2001

*Disbursement in Urban Housing: Housing Finance Companies data*

(Rs. in crore)

	Units	Amount
1999-2000	229032	5264.58
2000-2001	275380	6329.94
2001-2002*	249803	7764.04

\*till December, 2001

It may be thus be observed that the annual flow of funds from public sector banks and HFIs, regulated by National Housing Bank, is of the order of over Rs. 10000 crores. If the investment made by LIC/GIC, plan allocations of State Governments and other formal sources are added, the gap between requirement and availability of funds would be narrowed down. As such no responsibility can be fixed in the matter since it is not the matter of fixing inflated targets but to strive to achieve what is actually required.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

**Recommendation (Para No. 6.12)**

Keeping in view the enormous shortage of 167.6 lakh dwelling units in urban areas and the requirement of Rs. 1,21,371 crore for investment in housing sector, the Committee desire that Government should encourage more private investment and should also consider creating a real estate mutual funds or investment trust in order to meet the challenge of providing housing for all. The Committee would appreciate if the Government could provide cost effective and environment friendly technology for building of these houses so that more housing units could be built up with the funds available with the Government.

**Reply of the Government**

The Government is giving its attention to involve private sector in the housing and infrastructure development in the country. A Task

Force has been set up in the Ministry, with Secretary (UEPA) as its Chairman and representatives from important Ministries/Departments like Railways, Defence, Civil Aviation, Posts & Telegraphs, Finance, Planning Commission, Rural Development as well as from DDA, HUDCO, FICCI, CII, ASSOCHAM etc. as its members. The Task Force has been constituted for initiating necessary action with the aim of developing policy to address the issues regarding public-private partnership and utilizing land as a resource for boosting the construction of houses, particularly for EWS. The issue of creating real estate mutual fund or investment trust is not being taken up for the present due to unfavourable market conditions. However, the Government has since allowed 100% Foreign Direct Investment (FDI) for integrated township development including housing, commercial premises, hotels, resorts, city and regional level urban infrastructure facilities such as roads, bridges, mass rapid transit systems and manufacture of building materials. For the propagation of cost effective and environment friendly technology in building constructions, a National Network of Building Centres programmes is being implemented by this Ministry through HUDCO. These Building Centres are an effective tool in the extension of low cost technologies and providing training to local artisans on various cost-effective technologies and construction trades. Building Materials & Technology Promotion Council (BMTPC), an autonomous body under this Ministry is also involved in propagation of low cost housing technologies. These are widely disseminated.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

#### **Recommendation (Para No. 6.17)**

The Committee note that HUDCO is the only Development Finance Institution which earmarks substantial portion of its loaning operation for weaker sections. 55% of HUDCO's housing loans are meant for EWS/LIG Housing and loans for EWS programmes are given at comparatively lower interest rates of 10%, which is below the cost of resources raised by it. The Committee are of the considered opinion that in order to fulfil the social mandate of HUDCO in implementing major housing programmes especially the Two Million Housing programme, equity support to HUDCO is essential and it should be increased to the requisite level of the HUDCO's in commensurate with

its programme for the weaker sections of the Society. The Committee reiterate their recommendation made in their earlier report (24th Report 13th Lok Sabha) that Government should explore the possibility of issuing tax free bonds etc. to mop up funds for HUDCO to finance the housing programmes especially the two Million Housing programme majority of which will be for EWS/LIG housing being implemented by HUDCO.

### Reply of the Government

Regarding issuing of more Tax-free Bonds to mop up funds for HUDCO, Ministry of Finance in reply to request of this Ministry have conveyed that keeping in view a commitment given to Joint Parliamentary Committee, the Government is committed to phasing out of Tax-free bonds gradually and thus enhancement in the quota of tax-free bonds for HUDCO is not feasible. However, for the financial year 2001-2002, an allocation of Rs. 80.00 crores was made by Ministry of Finance towards of Tax-free Bonds by HUDCO. The issue was opened by HUDCO in December 2001. The response to the issue was overwhelming and an amount of Rs. 120 crores was raised. However, Rs. 80.00 crores was retained by HUDCO as per the following details:—

Amount	Tenure	Rate of Interest
Rs. 40.00 crores	5 years	8.40% payable annually
Rs. 40.00 crores	10 years	9.00% payable annually

The direction of the Hon'ble Committee for enhancing HUDCO's equity for housing has been noted. Accordingly, a budget provision of Rs. 180 crores has been made as Equity to HUDCO for Housing during 2002-2003 as against 155 crores during 2001-2002. The authorized capital of HUDCO has also been increased from Rs. 1250 crores to Rs. 2500 crores.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **CHAPTER III**

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

##### **Recommendation (Para No. 3.39)**

The Committee find that as per the latest position with regard to house to house survey indicated in the written note submitted by the Department, the survey in 217 towns is yet to completed. They further note that the Department while presenting data in respect of Demands for Grants 2001-2002, had given the said data as 216. Besides, in the latest replies, it has been mentioned that in Bihar, out of 133 towns, the survey has been done in only 16 towns, whereas last year, it was sated that out of 170 towns, the survey was completed in 12 towns [refer Para 2.32 of 24th Report (13th Lok Sabha)]. The Committee deplore the way the Department is furnishing the data without verifying the actual position in the field. They would like the Department to explain the above mentioned anomalies. Besides, as the Committee observe that they depending upon the information furnished by the Department in analyzing the Demands for Grants and making their conclusions/recommendations, they urge that utmost care should be taken to verify the accuracy of the data being furnished to them, in future, to enable the Committee to arrive at the right conclusion.

##### **Reply of the Government**

The number of house-to-house survey conducted in a State has a direct bearing on the number of towns in that particular State. A few State have reported an increase/decrease in the number of towns due to revival of Municipal Councils, creation of new towns, de-notification etc. As reported by the State Governments, the number of towns covered under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) as on 31.3.2001 was 3624 whereas the number increased to 3722 as on 31.3.2002. House-to-house survey has been conducted in 3407 and 3509 towns respectively during the above-mentioned period. The number of towns where house-to-house survey is yet to be conducted during

this period is 217 and 208 respectively. Therefore, it may be seen that the number of town where house-to-house survey is due, could vary from time to time.

The number of towns covered under Swarna Jayanti Shahari Rozgar Yojana (SJSRY) in Bihar, as reported by the State Government, was 170 prior to the bifurcation of the State. After the division of the State, the number of towns in the State of Bihar has been reduced to 123 (and not 133 which seems to be a typographical error). So far, survey has been conducted in 20 towns in the State.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]



## **CHAPTER IV**

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

#### **Recommendation (Para No. 2.6)**

The analysis of the data, as given in the preceding para of this report, indicates a very sorry state of affairs of various schemes/programmes of the Department. During the 9th Plan around 30% of the outlay remained unspent. There are huge cuts at RE stage. Further disturbing is the fact that whatever is made available at RE stage could not be utilised fully. The Committee have repeatedly been drawing the attention of the Department towards this sorry state of affairs, yet the position has worsened last year whereby only 20% of the outlay could be spent.

#### **Reply of the Government**

The observations of the Hon'ble Committee are based on the level of expenditure incurred on SJSRY and housing schemes till 28.2.2002. However, some more releases were made in March 2002 upon fulfilment of necessary requirements and demand for funds and accordingly, the total expenditure upto 31 March 2002 on these schemes is given at ANNEXURE-I on the following page.

It can be seen here that the expenditure during 9th Plan works out to be 97.94% (excluding the expenditure incurred by States out of grants released prior to 9th Plan) of the revised allocations for the 9th Plan and 97.72% during 2001-2002.

[Ministry of Urban Development & Poverty Alleviation, Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

#### **Comments of the Committee**

(Please see Para No. 7 of Chapter I of the Report)

### **Recommendation (Para No. 2.7)**

The Committee are further disturbed to note the reply of the Department that the under spending during 2001-2002, is due to the lower requirement under SJSRY. While the detailed scheme-wise analysis has been done in the succeeding paras of the report, as regards the overall position, the Committee find from Appendix-II, the situation is further alarming in other schemes of the Department too. Under Equity to HUDCO, only 30% of outlay could be utilised, whereas under Night Shelter Scheme and North Eastern areas Scheme 100% of the outlay remained unspent.

### **Reply of the Government**

As far as Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is concerned, it is submitted that out of total allotment of Rs. 168 crore at BE stage during the year 2001-2002, Rs. 69 crore were transferred to Valmiki Ambedkar Awas Yojana (VAMBAY), a newly launched programme and there was an economy cut of Rs. 53.50 crore as imposed by the M/o Finance. Thus, the budget provision at RE stage remains Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. There was insufficient demand on account of weak response from banks. Further, huge unspent balances were available with States; this hindered further release of Central funds for want of utilisation certificates.

In so far as equity to HUDCO is concerned, it may be stated that the released could not be made, as authorised capital of HUDCO at Rs. 1250 crore stood fully subscribed with release of Rs. 47 crore on 11.6.2001. Cabinet approval for enhancement of authorised capital of HUDCO was received in the first week of March, 2001 and increase in authorised capital from Rs. 1250 crore to Rs. 2500 crore was made on 11.3.2001. The balance amount of Rs. 108 crore was also released on the same day.

The reason for budgetary provision of Rs. 4.56 crore under the Night Shelter Scheme remaining unutilized was that HUDCO was having an unspent Central subsidy of Rs. 1.95 crore till 31st March 2002 and due to this reason, release of further subsidy was not possible as per Government instructions. The unspent budgetary provision for Night Shelter Scheme of Rs. 4.56 crore was therefore reappropriated for VAMBAY where the funds were needed more urgently.

As regards North Eastern Areas scheme the budget provision goes into Non-Lapsable Pool of Resources. The entire allocated amount of Rs. 33 crore meant for the benefit of North Eastern Region States & Sikkim during the year 2001-2002 was released against their project proposals.

There was no significant shortfall in utilisation of funds under other Plan/Non Plan schemes like BMTPC, Building Centres, IYSH, Grants to National Cooperative Housing Federation (NCHF), CGEWHO, contribution to UNCHS etc.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Comments of the Committee**

(Please see Para No. 7 of Chapter I of the Report)

### **Recommendations (Para No. 2.8)**

The Committee note that the Department deals with various schemes meant for providing employment and housing to below the poverty line people. The lackadaisical approach of the Department towards such a priority programme is resulting in depriving the urban poor from their benefits for no fault on their part. The Committee strongly recommend that the various issues resulting in such a dismal performance should be probed urgently and the Committee apprised accordingly. The Committee are also of considered view that an urgent action is required on the part of the Union Ministry/Department to arrest the trends of lower utilisation of outlay and reduction of allocation at RE stage.

### **Reply of the Government**

The lack of initiative at the State level and the inability or unwillingness of banks in formulating/implementing appropriate schemes of poverty alleviation and housing is mainly responsible for non/under utilisation of funds. This Ministry keeps on pursuing the matter with the State Governments to gear up their machinery and formulate sufficient number of viable projects for funding under the schemes aimed at poverty alleviation and housing for the poor.

To ensure higher utilisation of funds under Swarna Jayanti Shahari Rozgar Yojana (SJSRY), the proposed modifications in the Guidelines of the Scheme is at an advance stage of finalisation. Further, the monitoring mechanism for implementation of this scheme has also been tightened/reviewed.

Similarly, the guidelines of Night Shelter scheme are under revision with a view to attract more projects.

[Ministry of Urban Development & Poverty Alleviation Department of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/2002-Bt. Dated 6.7.2002]

### **Comments of the Committee**

(Please see Para No. 7 of Chapter I of the Report)

### **Recommendation (Para No. 3.28)**

The Committee regret to note that almost 50% of what was allocated during 9th Plan remained unspent. The situation is further alarming as the position of utilisation of outlay is less than 50% during 2002-2003. Even after four years since the restructured SJSRY was launched, the Department could utilise only Rs. 237 crore out of Rs. 562 crore of unspent balance under the old UPA programme. In spite of this sorry state of affairs, the Department feels that the Yojana has gained momentum.

### **Reply of the Government**

The details of funds allocated and expenditure under SJSRY during the 9th Five Year Plan are as under:

Total funds allocated at BE stage	-	Rs. 807.67 crore
Total funds allocated at RE stage	-	Rs. 531.68 crore
Total expenditure	-	Rs. 513.10 crore
Percentage of expenditure to BE	-	64%
Percentage of expenditure to RE	-	97%

During the year 2001-2002, out of total allotment of Rs. 168 crore at BE stage, Rs. 69 crore were transferred to Valmiki Ambedkar Awas

Yojana (VAMBAY), a newly launched programme and there was an economy cut of Rs. 53.50 crore as imposed by the M/o Finance. Thus, the budget provision at RE stage remains Rs. 45.50 crore, out of which an expenditure of Rs. 39.21 crore was incurred. Thus the percentage of expenditure under SJSRY was 86.17. Further, the amount of Rs. 69 crore transferred to VAMBAY has been fully released and therefore, the expenditure under the VAMBAY scheme was 100%.

Unspent balances amounting to Rs. 269.18 crore of Central share of old UPA programmes were available as on 30.11.1997 with the States/UTs. Also, Central share of Rs. 499.31 crore was released to the States/UTs under SJSRY from 01.12.1997 to 31.03.2002. Thus, out of total Central funds amounting to Rs. 499.31 crore released in the 9th Plan under SJSRY, the States/UTs have reported an expenditure of Rs. 540.16 crore, including Rs. 40.85 crore from the Central funds of old UPA programmes. Therefore, there is 100% utilisation of funds released under SJSRY during the 9th Five Year Plan. It can be seen there from that the Yojana has gained momentum. However, the State Governments have reported weak response from the Banks, which affected the achievements under the scheme. In this connection, ten meetings were convened at the level of Urban Development Minister and Secretary (UEPA) to monitor the progress of the scheme.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
2002-Bt. Dated 6.7.2002]

### **Comments of the Committee**

(Please see Para No 10 of Chapter I of the Report)

### **Recommendation (Para No. 3.42)**

The Committee further note that the main objective of SJSRY is to bring BPL persons above the poverty line, but the Department had not bothered to analyse the Yojana in that perspective. The Committee unhappy to note the reasoning given by the Government to cover up their failure. After five decades of independence, there are still bulk of people below poverty line. If the Department is serious enough in the process of the implementation of the programme, poverty can be diminished considerably by eliminating the BPL, by gradually bringing them to APL status. They are thus not inclined to accept the reasoning

given by the Department that SJSRY is a poverty alleviation programme and not a poverty elimination programme. The Committee, therefore, strongly recommended that it should be ensured that the persons assisted under the programme are able to cross the poverty line even by providing the multi doses of assistance and Department should monitor the data in this regard in line with the set objectives of the Yojana.

#### **Reply of the Government**

Recommendations of the Hon'ble Committee have been noted for necessary action.

[Ministry of Urban Development & Poverty Alleviation Department  
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#### **Comments of the Committee**

(Please see Para No 13 of Chapter I of the Report)

## CHAPTER V

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

#### **Recommendation (Para No. 4.10)**

The Committee further note that the Registrar General of India has made a survey about the slum population in the country in census 2001 according to which the total slum population in cities having more than 50,000 population in 4.06 crore. The Committee would like to be apprised of the city-wise details in this regard. Besides, they would like that similar survey in respect of other cities, having less than 50,000 population, is also carried out and the Committee apprised accordingly.

#### **Reply of the Government**

The observations of the Committee have been noted and action taken thereon will be indicated in due course.

[Ministry of Urban Development & Poverty Alleviation Department  
of Urban Employment & Poverty Alleviation O.M. No. H-11013/12/  
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#### **Comments of the Committee**

(Please see Para No. 19 of Chapter I of the Report)

NEW DELHI;  
12 February, 2003  
23 Magha, 1924 (Saka)

CHANDRAKANT KHAIRE,  
Chairman,  
Standing Committee on  
Urban and Rural Development.

# APPENDIX I

(Vide Para No. 6 Chapter I of the Report)

## FUNDS RELEASED UNDER VARIOUS SCHEMES OF THE DEPARTMENT

Sl. No.	Name of the Scheme	9th Plan Rs. in crores			2001-2002 Rs. in crores		
		Original Allocation	Revised allocations (through annual plans)	Actual Expenditure	Budget Estimate	Revised Estimate	Actual Expenditure (upto 31.3.2002)
1	2	3	4	5	6	7	7
<b>UPA Schemes</b>							
1.	SJSRY	1009.00	531.68	513.10	168.00	45.50	39.21
2.	NRY	—	—	31.20#	—	—	—
3.	Urban Basic Services for the Poor	—	—	8.47#	—	—	—
4.	PM's integrated UPA Schemes	—	—	31.90#	—	—	—
5.	VAMBAY	—	69.00	73.56*	—	69.00	69.00*
6.	NE Area Development	—	38.00	33.00	38.00	33.00	33.00
7.	Infrastructure facilities for DP colonies in West Bengal	25.00	35.90	34.57	6.30	6.30	6.30
<b>Housing Schemes</b>							
1.	Equity to HUDCO for Housing	500.00	605.00	605.00	155.00	155.00	155.00
2.	Housing Census/survey —MIS	5.00	2.80	0.89	0.30	0.30	0.30



1	2	3	4	5	6	7	7
3.	Building Centres	7.00	15.00	15.00	3.00	3.00	3.00
4.	Night Shelter	1.00	10.96	6.60	4.56	4.56	4.56 **
5.	BMPTC	25.00	25.80	25.80	4.00	4.00	4.00
6.	Grants to National Cooperative Housing Federation (NCHF)	1.00	1.00	1.00	0.20	0.20	0.20
7.	Urban Indicator programme	5.00	0.64	0.50	0.32	0.32	0.22
8.	Loan to HPL for VRS	—	10.00	9.00	—	3.50	2.50
Total		1578.00	1345.78	1389.59	379.68	324.68	317.29

\* Additional Rs. 4.56 crores from Night Shelter Scheme

\*\* Spent for VAMBAY

# Includes expenditure incurred by States out of grants released prior to 9th Plan.

## APPENDIX II

### COMMITTEE ON URBAN AND RURAL DEVELOPMENT (2003)

#### EXTRACTS OF THE MINUTES OF THE SECOND SITTING OF THE COMMITTEE HELD ON MONDAY, THE 27TH JANUARY, 2003

The Committee sat from 1200 hrs. to 1315 hrs. in Room No. 62,  
Parliament House, New Delhi.

#### PRESENT

Shri Chandrakant Khaire—*Chairman*

#### MEMBERS

*Lok Sabha*

2. Shri Ranen Barman
3. Shri Padamanava Behera
4. Shri Jaswant Singh Bishnoi
5. Shri Shriram Chauhan
6. Shri Shamsher Singh Dullo
7. Shrimati Hema Gamang
8. Shri G. Putta Swamy Gowda
9. Shri Jaiprakash
10. Shri Hassan Khan
11. Shri Basavanagoud Kolur ,
12. Shri Shrichand Kriplani
13. Shri Sadashivrao Dadoba Mandlik
14. Shri Mahendra Singh Pal
15. Prof. (Shrimati) A.K. Premajam
16. Shri Pyare Lal Sankhwar
17. Shri Maheshwar Singh
18. Shri D.C. Srikantappa
19. Shri Chinmayanand Swami
20. Shri Ravi Prakash Verma

*Rajya Sabha*

21. Shrimati Shabana Azmi
22. Shrimati Prema Cariappa
23. Shri Ramadhar Kashyap
24. Shrimati Gurcharan Kaur
25. Shri Faqir Chand Mullana
26. Shri A. Vijaya Raghavan
27. Shri Man Mohan Samal
28. Shri G.K. Vasan

## SECRETARIAT

1. Shri K. Chakraborty — *Deputy Secretary*
2. Smt. Sudesh Luthra — *Under Secretary*
3. Shri N.S. Hooda — *Under Secretary*

2. The Chairman at the outset, welcomed the members to the sitting of the Committee.

- |       |    |    |    |    |
|-------|----|----|----|----|
| (i)   | ** | ** | ** | ** |
| (ii)  | ** | ** | ** | ** |
| (iii) | ** | ** | ** | ** |
| 3.    | ** | ** | ** | ** |

4. The Committee then took up for consideration Memorandum No. 4 regarding draft Action Taken Report on action taken by the Government on the recommendations contained in the 36th Report (13th Lok Sabha) on Demands for Grants (2002-2003) of the Department of Urban Employment and Poverty Alleviation (Ministry of Urban Development and Poverty Alleviation). The Committee deliberated on various recommendations made in the Report. They observed that as per Para 17 of the Report, the draft Slum Policy was under finalisation with the Department of Urban Employment and Poverty Alleviation. They desired that they should be apprised about the details of the draft Slum Policy after obtaining the same from the Ministry. The members were informed that Draft Policy is generally not made public. However the Ministry will be contacted for this purpose and the matter will be examined thereafter. The draft Report was thereafter adopted with slight modification.

5. The Committee then authorised the Chairman to finalise the said draft action taken reports on the basis of factual verification from the concerned Ministry/Department and to present the same to Parliament.

6.               \*\*                               \*\*                               \*\*                               \*\*

*The Committee then adjourned.*

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\*\*Portions of the minutes not related to the subject have been kept separately.

**APPENDIX III**  
(*Vide* Para 4 of the Introduction)

**ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON  
THE RECOMMENDATIONS CONTAINED IN THE THIRTY-SIXTH  
REPORT OF THE STANDING COMMITTEE ON URBAN AND  
RURAL DEVELOPMENT (13TH LOK SABHA)**

I.	Total number of recommendations	25
II.	Recommendations that have been accepted by the Government Para Nos. 2.9, 3.29, 3.30, 3.31, 3.40, 3.41, 3.43, 3.48, 4.8, 4.9, 4.11, 4.12, 4.25, 4.26, 5.4, 6.11, 6.12 and 6.17.	18
	Percentage to the Total recommendations	(72%)
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies. Para No. 3.39	1
	Percentage to the Total recommendations	(4%)
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee. Para Nos. 2.6, 2.7, 2.8, 3.28 and 3.42	5
	Percentage to the Total recommendations	(20%)
V.	Recommendations in respect of which final replies of the Government are still awaited. Para No. 4.10	1
	Percentage to the Total recommendations	(4%)

**COMMITTEE ON UBRAN AND RURAL DEVELOPMENT**  
**(2003)**

**Corrigenda to the 40<sup>th</sup> Report (13<sup>th</sup> Lok Sabha)**

<b><u>Page</u></b>	<b><u>Para</u></b>	<b><u>Line</u></b>	<b><u>For</u></b>	<b><u>Read</u></b>
8	11	5	December	Department
8	11	15	he	the
17	-	13	thought he	though the
34	-	20	Para No. 19	Para No.16