9

STANDING COMMITTEE ON URBAN DEVELOPMENT
(2020- 2021)

SEVENTEENTH LOK SABHA

MINISTRY OF HOUSING AND URBAN AFFAIRS

[Action Taken by the Government on the recommendations contained in the Fifth Report (Seventeenth Lok Sabha) of the Standing Committee on Urban Development on Demands for Grants (2021-2022)]

NINTH REPORT

सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW DELHI

August, 2021/ Sravana 1943 (Saka)

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Presented to Lok Sabha on 06.08.2021

Laid in Rajya Sabha on 06.08.2021

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COMPOSITION OF THE COMMITTEE ON URBAN DEVELOPMENT (2020-21)

Shri Jagdambika Pal - Chairperson

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2. Shri Srinivasulu Gunda - Additional Director
3. Ms Swati Parwal - Deputy Secretary
4. Ms. Jisha James - Committee Officer
5. Sh. Mukesh Kumar - Asst. Comm. Officer

INTRODUCTION

I, the Chairperson of the Standing Committee on Urban Development (2020-2021) having been authorized by the Committee, present this Ninth Report (17th Lok Sabha) on the action taken by the Government on the Observations/Recommendations contained in the Fifth Report (17th Lok Sabha) of the Committee on 'Demands for Grants (2021-22)' of the Ministry of Housing and Urban Affairs.

2. The Fifth Report was presented to Lok Sabha on 8 March, 2021 and laid on the table of Rajya Sabha on the same date. The Action Taken Replies of the Government to all the recommendations contained in the Report were received on 14 June, 2021.

3. The Committee considered and adopted this Report at their sitting held on 3 August, 2021.

4. An analysis of the action taken by the Government on the recommendations contained in the Fifth Report (Seventeenth Lok Sabha) of the Committee is given at Annexure-II.

5. For the facility of reference and convenience, the Observations/Recommendations of the Committee have been printed in bold letters in the body of the Report.

NEW DELHI;

Jagdambika Pal
Chairperson,
Standing Committee on Urban Development

5 August, 2021
14 Sravana,1943 (Saka)

CHAPTER I

REPORT

This Report of the Standing Committee on Urban Development (2020-21) deals with the action taken by the Government on the recommendations contained in their Fifth Report (Seventeenth Lok Sabha) on Demands for Grants (2021-22) of the Ministry of Housing and Urban Affairs which was presented to Lok Sabha on 8 March, 2021.

1.2 Action Taken Notes have been received from the Government in respect of all the 23 recommendations contained in the Report. These have been categorized as follows:

(i) Recommendations/Observations, which have been accepted by the Government:

Recommendation Serial Nos. 1, 3, 4, 5, 6, 7, 13, 14, 15,16,17,20, 21, 22 and 23

(Total -15)
(Chapter-II)

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

Recommendation Serial No. 2, 19 (Total -02)
(Chapter-III)

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

Recommendation Serial Nos. 8, 9, 10, 11, 12 and 18 (Total -06)
(Chapter-IV)

(iv) Recommendations/Observations, in respect of which final replies of the Government are still awaited:

Recommendation Serial No. Nil (Total -0)
(Chapter-V)

1.3 The Committee desire that specific replies to the Comments of the Committee as contained in Chapter-I of this Report may be furnished to them at

the earliest and in any case, not later than three months from the presentation of this Report.

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

Recommendation No. 3

PROMOTING ENVIRONMENT FRIENDLY CITY BUS SERVICE USING CLEAN FUEL TECHNOLOGY

1.5 The Committee had recommended as under:

The Committee appreciate the MoHUA for taking initiative to launch a new scheme for introducing 'Organized City Bus Service in cities with more than 5 lakh population' with an outlay of Rs. 18000 crores. The shift in focus to tier -II cities, which largely depend on polluting modes of transport and lack dependable city bus services, is a welcome move and will provide huge relief in terms of affordability, comfort, convenience and all the eco-friendlier transport services. The Committee recommend that this major initiative having huge impact on the public transport services in the targeted cities may be taken up in mission mode ensuring creation of required infrastructure such as electric charging points, operationalisation of CNG stations, etc are put in place on time.

1.6 In their Action Taken Reply, the Ministry have stated as follows:

"Ministry of Housing and Urban Affairs (MoHUA) has initiated the process of launching a new Scheme named "Augmentation of City Bus Services including associated infrastructure and Green Urban Mobility initiatives for Notified Municipalities /Municipal Corporations" to augment bus based public transport in 111 cities through procurement of over 20,000 city buses for 5 lakh plus population cities including Hilly /UT/North East State Capital cities with an estimated outlay of ₹ 17,490 crores over a period of five years. This scheme has two segments (a) Funding of Buses along with associated infrastructure and (b) Green Urban Mobility Initiatives. Under Green Urban Mobility Initiatives, the emphasis shall be given to low-carbon urban transport projects supporting environment and climate friendly development of cities.

Further, in order to facilitate availability of Electric Vehicle Charging Infrastructure (EVCI), Ministry of Housing & Urban Affairs has made amendments to the Model Building Byelaws (MBBL) 2016 and Urban Regional Development Plans Formulation and Implementation (URDPFI) Guidelines 2014 and issued suitable instructions to the State/UT Government for making suitable provision for Electric Vehicles Charging Infrastructure (EVs)."

1.7 Appreciating the Ministry's plan to launch a new scheme - Organized City Bus Service in cities with more than 5 lakh population in near future, the Committee had recommended the Ministry to promote Environment Friendly City Bus Service using Clean Fuel Technology in a mission mode with required infrastructure in place on time. The reply of the Govt. though contains the details of the scheme such as augmenting the bus based public transport in 111 cities having population of more than 5 lakh through procurement of over 20,000 city buses with an estimated outlay of ₹ 17,490 crores over a period of five years along with associated infrastructure and the amendments carried out to various Model Building Byelaws and Urban Regional Development Plans Formulation and Implementation (URDPFI) Guidelines 2014 to enable implementation of green urban mobility Initiatives, the reply is silent as to the recommendation of the Committee that the Scheme may be taken up on Mission mode. The Committee therefore reiterate their recommendation in this regard.

Recommendation No. 8

NEED FOR REMOVAL OF STAMP DUTY ON LOANS UNDER PM SVANIDHI SCHEME

1.8 The Committee had recommended as under:-

The Committee while appreciating path breaking initiative of the Government of India in introducing PRIME MINISTER STREET VENDOR'S ATMANIRBHAR NIDHI (PMSVANidhi) SCHEME, targeted at street vendors whose livelihood is badly affected due to COVID 19, note that an amount of Rs 10,000 collateral free working capital is offered by commercial banks with interest subsidy @7% per annum, borne by the Government of India. The Committee, however observe that many States/ UTs are levying stamp duty on the loans under the Scheme, despite MoHUA's request to consider waiving stamp duty altogether or to levy a nominal amount of Rs.1/- The Committee , however, during the discussions held with various apex street vendors associations and also informal interactions with the representatives of State Governments and managements of various public sector commercial banks found that as many as 22 states/UT Govts are levying stamp duty as per the prevailing rates on the loan documents of the scheme. In pursuance of the request of MoHUA, the Committee found that seven state Governments viz. Gujarat, Jammu &Kashmir, Meghalaya, Rajasthan, Telangana, Tripura and Uttar Pradesh have fully exempted the stamp duty on loans. State Governments of (i) Chattisgarh and Tamil Nadu, (ii) Jharkhand and (iii) Madhya Pradesh and (iv) Maharashtra have reduced stamp duty to Rs.10, Rs 20, Rs.50and Rs.100/- respectively and the in States of Himachal Pradesh, Karnataka and Manipur, the process of exemption/reduction of stamp duty is underway. The state Government of Karnataka in the informal interaction with the Committee during their recent informal study tour, submitted to the Committee that it has proposed to reduce stamp duty by 50% from Rs.500 to Rs. 250. The State Govt of Kerala on the other hand while acknowledging that removal of stamp duty on loan under the PM SVANidhi will benefit the Street Vendors, the state Govt is inclined towards reducing the stamp duty. The Committee are of the opinion that in view of the noble objective of the scheme to provide succor to the disadvantaged sections of the society in times of extreme distress due to pandemic, the stamp duty on the loans under the scheme may not be appropriate and that too in view of the fact that the operation of the Scheme is upto 31 March, 2022 only, the states/ UTs may consider waiving off stamp duty.

1.9 In their Action Taken Reply, the Ministry have stated as follows:-

"Levy of stamp duty is a State subject. Ministry of Housing & Urban Affairs (MoHUA) has made multiple requests to the States/ UTs to either waive off stamp duty or reduce it to a nominal amount for executing the Loan Agreement under the PM SVANidhi Scheme. Last reminder was sent on April 19, 2021. Accordingly, 18 States/ UTs have either waived off the stamp duty or have reduced the rate."

1.10 The Committee while appreciating MoHUA for their efforts in persuading the states / UTs either to waive off stamp duty or to reduce it to a nominal

amount for executing the Loan Agreement under the PM SVANidhi Scheme , they are disappointed to note that 50 % of the states/ UTs are still levying stamp duty as per the prevailing rates on the loan documents of the Scheme. In view of the noble objective of the scheme to help the street vendors affected adversely by the Covid 19, the Committee suggest that MOHUA may impress upon the need to waive off/ reduce the stamp duty by the remaining states/ UTs also as they believe that such waiving off or reducing the stamp duty may not have significant impact on the revenues of the States/ UTs. The Committee therefore reiterate their recommendation made in this regard.

Recommendation (Serial No. 9)

Doing away with the requirement of Stamped documents by Banks

1.11 The Committee had recommended as under:-

The Committee further note that the management of UCO Bank and Punjab National Bank (PNB), during their informal discussion with the Committee during the tour recently undertaken, have stated that their banks do not require any stamped documents for availing loans under PM SVANidhi Scheme whereas the managements of SBI, IOB, Canara Bank and Bank of Baroda (BoB) stated that stampduty @ applicable on loan documents in respective states are required to be paid by the street vendors. The Committee are of the view that documentary requirements may be kept at the bare minimum and requirements of stamped documents may not be insisted upon as is being done by UCO and PNB. The Committee are of the view that in case this is made compulsory for all the banks, the need for imposition of stamp duty does not arise at all.

1.12 In their Action Taken Reply, the Ministry have stated as follows:-

"In the Joint PM SVANidhi Review meetings of MoHUA& DFS, clear instructions have been issued to the Lending Institutions (LIs) to act in accordance with the decision of the State/ UT Government regarding stamp duty. In States/ UTs where the stamp duty has been exempted, the LIs have been instructed not to insist on any stamped document."

1.13 The Committee note that clear instructions have been issued to the Lending Institutions (LIs) to act in accordance with the decision of the State/ UT Government regarding stamp duty and wherever stamp duty has been exempted, the LIs have been instructed not to insist on any stamped document. As the intent of the Committee's recommendation is non insistence on stamped documents by LIs irrespective of the decision of the State/UT Govt on waiving off Stamp Duty on loans under PMSVANidhi as is being done by UCO and PNB, they reiterate their earlier recommendation of keeping the documentary requirements for seeking loans under PMSVANidhi at the bare minimum and requirements of stamped documents may not be insisted upon.

Recommendation (Serial No. 10)

<u>Insistence on high credit rating of the street vendors for loans under PMSVANidhi Scheme</u>

1.14 The Committee had recommended as under:-

The Committee, from the data and details furnished by various commercial banks, note that banks viz. State Bank of India, Punjab National Bank and Bank of Baroda are insisting on CRIF Highmark check (CIBIL) (minimum of 650 and above). Banks such as UCO and IOB are not insisting on credit score at all and the rest namely Indian Bank and Canara Bank, though not insisting on credit score, check their (street vendors) credit history to ensure they are not defaulters. The Committee express their concern at the insistence of credit rating / history of the street vendors as they feel substantial majority of the street vendors are yet to have the access to the formal financial system and perhaps many street vendors may not even have approached banks for loans in the past, let alone having high credit rating. The Committee, therefore are of the view MoHUA should pursue with the Ministry of Finance and Reserve Bank of India (RBI) to seek relaxation on insistence on CRIF Highmark check i.e. CIBIL score of the street vendors seeking loan under PMSVANidhi and accordingly take suitable action in this regard at the earliest.

1.15 In their Action Taken Reply, the Ministry have stated as follows:

"Under PM SVANidhi Scheme, the credit score of one of the RBI approved credit rating agencies, CRIF Highmark, in respect of each applicant, is attached with the application before pushing it to banks through the PM SVANidhi Portal. This is in accordance with the RBI Master Circular on Loans & Advances of RBI/2015-16/95 dated 01 July 2015, according to which banks are required to ensure proper assessment of credit worthiness of borrower.

Once the loan applications are pushed to the banks with the credit score of the street vendor, the individual banks take a decision on their respective parameters, for appraisal of the loan applications. However, Ministry vide their D.O. letter dated 23.02.2021 requested all the Lending Institutions to review the guidelines for extending credit to street vendors having low CIBIL score."

1.16 The Committee in view of (i) the high degree of dependence of street vendors on informal channels of credit - generally money lenders at usurious rates, for their working capital requirements as the banks do not consider request for loans due to their inability to offer any security for the loans; and, (ii) banks such as UCO and IOB are not insisting on credit score at all, other banks namely Indian Bank and Canara Bank, seek credit score to check their (street vendors) credit history to ensure they are not defaulters, recommended to do away with the requirement of credit rating for disbursing loans under the Scheme.

The Ministry of Finance (Department of Financial Services), in their action taken reply, referring to RBI Master Circular on Loans & Advances of RBI/2015-16/95 dated 01 July 2015, stated that banks are required to ensure proper assessment of credit worthiness of borrower, the credit score of one of the RBI approved credit rating agencies, CRIF Highmark, in respect of each applicant, is attached with the application before pushing it to banks through the PM SVANidhi Portal. It is, therefore, apparent that credit score is a prerequisite for availing loans under the scheme despite no such provision in the scheme guidelines. Further, the Ministry's request sent vide their D.O. letter dated 23.02.2021 to all the Lending Institutions to review the guidelines for extending credit to street vendors having low CIBIL score implies that banks are insisting on high credit

score as is applicable to other borrowers. In view of the afore mentioned , the Committee reiterate their recommendation .

Recommendation (Serial No.11)

PRIVATE BANK PARTICIPATION IN PM SVANIDHI SCHEME

1.17 The Committee had recommended as under:-

The Committee note that as of February 16, 2021, more than 37.3 lakh applications have been received under this Scheme. There is, however a huge gap between participation of banks in private and public sector under PM SVANidhi Scheme. This is borne from the reply of DFS that out of total applications received on PM SVANidhi portal, the share of private sector banks is a mere 4 % (approx). This shows that the efforts of the DFS in ensuring active participation of private banks in the scheme are yet to make meaningful impact. The Committee are of the considered view that private sector banks are also partners in development and as they are given equal rights in handling government business vis-a-vis their counterparts in public sector¸ the private sector banks must come forward to participate in the scheme in true spirit and become active partners in Governments' efforts to bring the street vendors into the formal financial system. The Committee, while appreciating the DFS for engaging with the private sector banks enabling their active participation in the scheme, they should continue to engage with them till they become meaningful partners in the scheme and enhance their share in the total sanctions and disbursements.

1.18 In their Action Taken Reply, the Ministry have stated as follows:-

"Private Sector Banks are continuously encouraged by MoHUA and DFS through periodic Joint Review Meetings to increase their participation in the scheme and to improve performance.

The performance of Private Sector Banks as on May 02, 2021 as compared to September 30, 2020 has improved.

Status as on	Applications sanctioned by Public Sector Banks as a % of Total sanctioned applications	Applications sanctioned by Private Sector Banks as a % of Total sanctioned applications	Applications sanctioned by other LIs as a % of Total sanctioned applications	Applications disbursed by Public Sector Banks as a % of Total disbursed applications	Applications disbursed by Private Sector Banks as a % of Total disbursed applications	Applications disbursed by other LIs as a % of Total sanctioned applications
30.09.2020	92.81	0.50	6.69	95.44	0.72	3.84
02.05.2021	90.91	2.00	7.09	90.53	1.77	7.70

- Other LIs (SFB, NBFC, State Cooperative Banks, MFIs, Urban Cooperative Banks, RRB and DCB)"

1.19 The Committee note that the percentage of applications sanctioned by private sector banks in the total sanctioned applications and the applications disbursed in the total disbursed applications has gone up by 1.5% and 1.05% as a result of the efforts made by MOHUA and DFS in a span of seven months. The miniscule increase in sanctions and disbursals show extreme reluctance on the part of the private sector banks to improve their performance in this regard despite offering credit guarantee cover for the loans sanctioned under the scheme. The Committee while taking serious note of such poor response from the private banks to participate in the scheme , impress upon the Ministry to take up the issue at the highest levels since the scheme was devised to help the street vendors who were deprived of their livelihood during the Covid- 19 pandemic. The Committee, therefore, reiterate their recommendation that Ministry in co-ordination with DFS should continue to engage with Private Sector Banks till they become meaningful partners in the scheme.

Recommendation (Serial No.12)

Physical Presence of Borrower for loan under PMSVANidhi Scheme

1.20 The Committee had recommended as under:-

The Committee note that physical presence of the borrowers at least once either in the beginning or/and at the end of the loan process is insisted by almost all the banks the Committee interacted with during the recent study tour. DFS has also submitted before the Committee that visit to the bank is needed at least once for completing the formalities of sanction of loans like signatures, photographs, etc. and for digital training of the beneficiaries. The Committee are concerned to note that even a single day visit to the bank becomes cumbersome for the street vendors as it leads to financial loss from his/her already meager income. Further, due to technical reasons or otherwise if the formalities of sanction of loan is delayed, it leads to more visits to the banks causing further loss in income and making the entire process counterproductive. They therefore, recommend that the need to visit the banks by the street vendors even once may be done away with. The Completion of all the formalities necessary for the sanction of loan along with the digital training of the beneficiaries, the Committee suggest may be performed by Business Correspondents (BCs) who are basically field functionaries of the banks who can visit the vendors at their respective vending zones.

1.21 In their Action Taken Reply, the Ministry have stated as follows:-

"Physical presence of the street vendor is required at the time of disbursement of the loan for completion of the loan documentation. All the banks are not using the services of BCs as this adds to cost of administration of the banks, which may lead to increase in interest rate for this Scheme.

Also, the presence of vendors is utilised for the purpose of issue of Durable QR Code, UPI ID and also to train them in digital transactions."

1.22 The Committee observe that physical presence of the street vendor is required at the time of disbursement of the loan for completion of the loan documentation, issue of Durable QR Code, UPI ID and also to train street vendors

in digital transactions. The Committee, while accepting the fact that all the banks are not using the services of Banking Correspondents (BCs) as this adds to cost of administration of the banks, which may lead to increase in interest rate for this Scheme, are of the view that at least in those banks where the services of BCs are being used, the need to visit the banks by the street vendors even once may be done away with. Further, in case of the Lending Institutions (LIs) which are not employing the services of BCs, strict instructions must be given to them to complete all the formalities including documentary requirements, issue of Durable QR Code etc., related to loan disbursal in a single day as they lose business if they have to make multiple visits to the banks for completing the documentation and other formalities.

Recommendation (Serial No. 18)

PUBLIC REPRESENTATIVES SHOULD MANDATORILY BE INVITED FOR SMART CITY ADVISORY FORUM MEETINGS

1.23 The Committee had recommended as under:-

The Committee note that as per the Mission Statement and Guidelines, Smart City Advisory Forum (SCAF) is to be established at the city level for all Smart Cities to advise and enable collaboration among various stakeholders consisting of District Collector, Member of Parliament, Member of Legislative Assembly, Mayor, local youths, technical experts and Chief Executive Officer of Special Purpose Vehicle (SPV), etc. The Smart Cities have also been advised, from time to time, by Ministry of Housing & Urban Affairs, to constitute SCAFs and convene its meetings regularly. Despite this, regular meetings of SCAFs do not take place and the local Member of Parliament is not being invited by several Smart Cities. The Committee, therefore, recommend the Ministry to issue necessary instructions and ensure that SCAF meetings are convened regularly and local MPs are mandatorily invited to those meetings.

1.24 In their Action Taken Reply, the Ministry have stated as follows:

“The Ministry has been taking steps to ensure that Smart Cities hold regular SCAF meetings. In this regard, the Ministry has from time to time issued letters to all CEOs of Smart Cities and State Principal Secretaries to hold regular meetings of the Smart City Advisory Forum (SCAF). All CEOs were strongly reminded of this issue during the last Apex Conference Meeting.

Over the last year, the city ranking formula was revised to include the compliance to holding quarterly SCAF meetings. Further, holding SCAF meetings was also included into the marking criteria for the Smart Cities Awards. As a result, all Smart cities have constituted the SCAF and are holding regular meetings.

As per the Mission Guidelines, Smart City Advisory Forum at the city level is constituted comprising of District Collector, MP, MLA, Mayor, CEO of SPV, local youths, technical experts etc. advise and enable collaboration among various stakeholders. Besides, Ministry of Housing and Urban Affairs nominee Directors on the Boards of SPVs also ensure that the Board meetings & SCAF meetings are held regularly with representation from different stakeholders at least every quarter.”

1.25 The Committee while appreciating MOHUA for taking various steps such as marking criteria for smart city awards and revision of formula for city ranking to include compliance to holding quarterly meetings by Smart City Advisory Forum (SCAF), find that supporting data on the actual impact of such changes on convening of the SCAF meetings is not made available to the Committee. They, therefore, reiterate their recommendation made in this regard.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Serial No. 1)

NEED FOR INCREASE OF BUDGET ESTIMATE (BE) OF MINISTRY OF HOUSING AND URBAN AFFAIRS AGAINST THE PROPOSED OUTLAY (PROJECTED BE)

2.1 The Committee are concerned to note that against the Proposed Outlay of Rs. 67,278 crore, 82,986croreand 98,681crore for the years 2019-20, 2020-21 and 2021-22 respectively, the actual budgetary allocation to Ministry of Housing and Urban Affairs was only Rs. 48,032 crore, 50,039 crore and 54,581 crore representing 71.39%, 60.29% and 55.31% of the outlays proposed by MOHUA respectively for these years. This shows that that there is continuous decline in the actual allocation made vis- a- vis the proposed allocation by the Ministry. Such reduced allocations vis-a vis proposed outlays by MOHUA may not augur well for the development of urban areas whose population is projected to reach 60 crores by 2031 from 37.71 crores in 2011 and further expected to account for more than 50 percent of India's population. The Committee, therefore, are of the view that if urban infrastructure creation has to keep pace with the needs of rapidly rising urban population of the country, the budgetary support for MoHUA must increase substantially. The Committee, therefore, recommend the Ministry to take up this matter with Ministry of Finance and make a strong case for increasing Budget Estimate of the Ministry for funding the urban infrastructure requirements of rapidly urbanising modern India. The Committee want MOHUA to apprise them of the independent studies available, if any on the ideal allocation of funds as a percentage share of GDP vis- a- vis projected urbanisation trends.

Reply of the Government

2.2 The Ministry is not aware of any independent studies available on ideal allocation of funds as a percentage of GDP vis-à-vis projected urbanization trends other than the McKinsey's Global Institute's Report titled "India's Urban Awakening: Building Inclusive Cities, Sustaining Economic Growth (2010)" which had observed that India faces severe challenge of low capital investment in urban infrastructure, which isaroundUS$17 per capita as compared to US $100 in other countries of same level. Report estimated that an investment to the tune of US $1.2 Trillion (₹54 lakh crore at 2009-10 prices) would be required till 2030; out of which half is required to take care of the backlogs of earlier years. Similarly, HPEC report in 2011 had estimated a requirement of ₹39.2 lakh crore over a period of 20 years at 2009-10 prices for creation of urban infrastructure and additional ₹19.9 lakh crore towards O&M costs.

As submitted earlier before the Hon'ble Committee, the critical issue of higher funding required for urban infrastructure was addressed by substantial increase in budgetary allocations over the years. The annual average budgetary allocation during 10-year period from 2004-05 to 2013-14 was around ₹15,800crore was increased substantially to more than ₹48,000crore (inclusive of allocations under Extra Budgetary Resources (EBR) i.e. more than 3 times increase during the years from 2014-15 to 2021-22.

Budgetary allocation of the Ministry as percentage of GDP at current prices which was 0.180% during 2015-16 has now increased to 0.316% marking a hike of more than 75%.

Detailed justifications are provided by the Ministrywhile making projections for Revised Estimates/Budget Estimates and demand for additional funds is made whenever needed at the time of Supplementary Demands for Grants. As a result of such efforts an additional amount of ₹18,000 crore was provided over the Budget Estimate 2020-21 for PM AwasYojana – Urban (PMAY-U) through additional allocation and Extra Budgetary Resources (EBR) as part of Government's stimulus to the economy under AtmaNirbhar Bharat 3.0.

Inspite of the fact that actual allocations are made based on various factors including the overall fiscal position of the Government in a year like special circumstances of the previous year and the current year, the Ministry as per recommendations of the Hon'ble Committee will continue to project its fund requirements based on assessment depending upon progress of the scheme(s)/projects. Ministryis committed to the vision of developing urban areas with distinct identity providing ease of living, responsive governance, clean and sustainable environment, rapid economic growth and livelihood opportunities for the citizens.

Recommendation (Serial No. 3)

PROMOTING ENVIRONMENT FRIENDLY CITY BUS SERVICE USING CLEAN FUEL TECHNOLOGY

2.3 The Committee appreciate the MoHUA for taking initiative to launch a new scheme for introducing 'Organized City Bus Service in cities with more than 5 lakh population' with an outlay of Rs. 18000 crores. The shift in focus to tier -II cities, which largely depend on polluting modes of transport and lack dependable city bus services, is a welcome move and will provide huge relief in terms of affordability, comfort, convenience and all the eco-friendlier transport services. The Committee recommend that this major initiative having huge impact on the public transport services in the targeted cities may be taken up in mission mode ensuring creation of required infrastructure such as electric charging points, operationalisation of CNG stations, etc are put in place on time.

Reply of the Government

2.4 Ministry of Housing and Urban Affairs (MoHUA) has initiated the process of launching a new Scheme named "Augmentation of City Bus Services including associated infrastructure and Green Urban Mobility initiatives for Notified Municipalities /Municipal Corporations" to augment bus based public transport in 111 cities through procurement of over 20,000 city buses for 5 lakh plus population cities including Hilly /UT/North East State Capital cities with an estimated outlay of ₹ 17,490 crores over a period of five years. This scheme has two segments (a) Funding of Buses along with associated infrastructure and (b) Green Urban Mobility Initiatives. Under Green Urban Mobility Initiatives, the emphasis shall be given to low-carbon urban transport projects supporting environment and climate friendly development of cities.

Further, in order to facilitate availability of Electric Vehicle Charging Infrastructure (EVCI), Ministry of Housing & Urban Affairs has made amendments to the Model Building Byelaws (MBBL) 2016 and Urban Regional Development Plans Formulation and Implementation (URDPFI) Guidelines 2014 and issued suitable instructions to the

State/UT Government for making suitable provision for Electric Vehicles Charging Infrastructure (EVs).

2.5 For comments of the Committee please see *para 1.7* of Chapter-I of the Report.

Recommendation (Serial No.4)

<u>FAST-TRACKING COMPLETION OF THE HOUSES</u>

2.6 The Committee note that PMAY was introduced in the year 2015 with a view to ensure a pucca house to all eligible urban households by the year 2022 when the nation completes 75 years of independence. The data furnished by MoHUA shows that as per demand validated by States/UTs, 1.12 crores of houses are proposed to be constructed under the scheme by 31.03.2022 to cover all eligible beneficiaries. Against the assessed demand of 1.12 crore houses in urban areas of the States/UTs, 1.10 crore houses have so far been sanctioned and out of which over 72 lakh houses have been grounded and only 42 lakh houses have so far been completed and delivered to the beneficiaries. The Committee while acknowledging the possibility of Covid 19 having slowed down the pace of construction of houses, are concerned to note that even after alapse of five years since the launch of the scheme, about 38% only of the sanctioned houses have been completed. The Committee apprehend that with this pace of construction, the Govt may not be able to complete the construction of the remaining 68 lakh houses in a span of approximately 13 months. The Committee, therefore recommend that a specific time frame should be fixed for making up the loss of time due to COVID-19 to ensure that the targets are achieved by 31.03.2022. The Committee further noted that out of 36 States/UTs, only 8 States have taken up projects under the In situ Slum Re-development (ISSR) Vertical of PMAY(U). Therefore, the Committee recommend that the Ministry should encourage and enable the States/UTs to take up more projects under ISSR.

Reply of the Government

2.7 Under the scheme of PMAY (U), 112.52 lakh houses have been sanctioned as on 31.03.2021. Of the sanctioned houses, 80.20 lakh houses have been grounded for construction of which over 48 lakh houses have been completed as on 31.03.2021. The focus is now to get all the sanctioned houses completed. The Ministry pursues with the States/UTs through special drive of data compliance and project implementation for release of subsequent instalments. Further, the Ministry is also pursuing with the States/UTs vigorously and reviewing the progress of scheme so as to achieve the objective of the scheme.

As regards projects under 'In-Situ Slum Redevelopment' (ISSR), it is stated that using 'land as a resource' for providing houses to eligible slum dwellers is at the core of ISSR vertical of PMAY(U). This approach aims to leverage the locked potential of land under slums to provide houses to the eligible slum dwellers for bringing them into the formal urban settlement. However, the scheme has seen limited success in some States/UTs mainly due to the following reasons:

a. Project formulation under ISSR is incumbent upon the willingness of the slum dwellers for redevelopment, arrangement of temporary shifting of slum dwellers and basic amenities for them for 2-4 years, livelihood issues, beneficiary contribution, project viability etc. Unwillingness of slum dwellers is a challenge under ISSR vertical.

b. Lack of profitability of the private developer owing to zoning restrictions in the Master Plan.

c. Lack of clear guidelines for the identification of beneficiaries by the respective State governments.

d. Lack of clarity on land transfer between the ULB/State/UT administrations to the private developers.

However, to motivate States/UTs for adopting focused approach for slumredevelopment by taking up ISSR projects, Ministry has been consulting States/UTs and other stakeholders from time to time through various meetings, conferences etc.

A National Conference on "Smart Technology for Housing & In-situ Slum Rehabilitation" was organized on 16.02.2018 in Gandhinagar, Gujarat. 14 major States with substantial slum population participated in the workshop where the best practices on ISSR successfully implemented by the State of Gujarat were explained in detail. States were encouraged to take up similar ISSR projects depending on the local context.

Subsequently, the Ministry also took up session on slums at Lucknow, during the conference on 'Transforming Urban Landscapes'. Best practices are also shared on 'Gurukul- Knowledge Lab' on PMAY-U website for all the relevant stakeholders.

Further, Ministry is strategically working on revamping the ISSR to enhance the participation of the private developers in slum rehabilitation. Stakeholder consultations with State/UT governments and developers are under progress.

Recommendation (Serial No. 5)

MOTIVATING EWS/LIG BENEFICIARIES IN SEEKING LOAN UNDER CLSS VERTICAL OF PMAY

2.8 It could be seen that under CLSS, interest subsidy uptoRs 2.67 lakh is given to eligible beneficiaries of EWS/LIG and MIG on home loans from banks, Housing Finance Companies and other such institutions for acquiring/construction of houses. The data furnished by states viz. Tamil Nadu, Karnataka, Andhra Pradesh and Telengana, during the informal interactions that Committee had during their recent study tour, shows that the number of MIG beneficiaries under Credit Linked Subsidy Scheme (CLSS) component is more than that of EWS/LIG beneficiaries. The same is the case with other states namely Goa, Haryana, Jharkhand, Odisha, Uttar Pradesh, Arunachal, Assam, Chandigarh and Delhi, as shown in the Annexure I. The Committee observed that a house is not just a physical structure but also a means of social transformation by providing aspirations for a better life especially among the main target groups of this Yojana i.e. EWS/LIG categories.

The Committee while appreciating the initiative of CLSS for MIG category of beneficiaries under the scheme of PMAY-U, they are of the view that this scheme should not overshadow the core target group of EWS/LIG beneficiaries. The Committee therefore are of the view emphasis should be on EWS/LIG category in all the States/UTs. The Committee place on record their appreciation of the commendable performance of States/UTs like Gujarat, Kerala, Madhya Pradesh, Maharashtra and

Rajasthan where the EWS/LIG beneficiaries under CLSS are more than double the MIG beneficiaries. In view of the foregoing, the Committee recommend that:

(i) The Ministry may analyze the reasons for the lack of interest of EWS/LIG beneficiaries under CLSS component of PMAY(U) in the states/UTs mentioned and remove the bottlenecks faced by these beneficiaries in availing the benefits under this component in these States/UTs.

(ii) The Ministry through the designated CNAs should frequently conduct sensitization drives with both public and private sector banks to encourage them to provide loans to EWS/LIG beneficiaries under CLSS component in the States/UTs mentioned.

(iii) The CNAs should push the banks and housing finance companies for faster sanction of home loans of EWS/LIG category along with necessary handholding during the entire process of loan application especially since the cumbersome process of loan application may push away these beneficiaries.

Reply of the Government

2.9 Under Housing for All Mission, the preference of a particular category of house as well as beneficiary is subject to a number of factors like economic independence, level of urbanization, household income, family size, access to formal banking services etc. As such, the Ministry through Banks/HFCs and State Governments constantly spreads awareness about the scheme of CLSS.

CLSS is a demand driven intervention and if an eligible beneficiary applies for CLSS subsidy, she/he can avail the benefit based on the category of their household annual income i.e. upto ₹3 lakh for EWS, ₹3-6 lakh for LIG, ₹6-12 lakh for MIG-I and ₹12-18 lakh for MIG-II.

CLSS for MIG category of beneficiaries was introduced under the scheme of PMAY-U on 1st January 2017, initially for one year to extend benefits of interest subsidy to aspiring citizens to own a house especially in urban areas. In the past, no similar relief was provided to this group which primarily comprises salaried, taxpaying citizens who are considerably contributing to the economy of the country. CLSS for MIG had been extended from time to time and in FY 2020-21 under AtmaNirbhar Bharat Package-1.0 it was extended upto 31 March, 2021 to cover 2.5 lakh MIG beneficiaries of this category in FY 2020-21. Therefore, the beneficiaries of MIG have promptly pursued with their Primary Lending Institutions (PLIs) to get the benefits of subsidy within the extended period.

As on 31.03.2021, CLSS beneficiaries in EWS/LIG are 9.82 lakh and in MIG is 6.15lakh which are in the ratio of 5:3 approximately. The number of CLSS beneficiaries belonging from MIG category form 5.46 % of the total houses sanctioned (112.52 lakh houses) under PMAY-U, whereas EWS/LIG beneficiaries under CLSS form 8.72%. The remaining (85.82%) houses under the scheme of PMAY-U are from the EWS category under other three verticals (BLC, AHP, ISSR) of the scheme.

In some States / UTs, CLSS for MIG is more than CLSS for EWS/LIG. However, the beneficiaries from EWS category have not been neglected from availing the benefit of the PMAY(U)- Housing for All Mission which may be gauged from the table below in respect of the States / UTs mentioned by the Committee, as these States / UTs (except Goa, Chandigarh and Delhi) have got considerable number of houses for EWS category of beneficiaries under other verticals (AHP, BLC & ISSR) of the scheme:

(as on 31.03.2021)

States	EWS beneficiaries under AHP, BLC, ISSR*	EWS/LIG beneficiaries under CLSS	MIG beneficiaries under CLSS
Tamil Nadu	6,31,425	34,772	39,706
Telangana	1,54,899	17,761	44,511
Karnataka	6,02,133	23,461	54,154
Andhra Pradesh	19,87,618	16,909	27,085
Goa	60	1,485	2,357
Haryana	2,51,883	12,842	16,853
Jharkhand	2,02,966	4,611	6,944
Odisha	1,66,313	3,241	5,106

Arunachal Pradesh	7,224	47	155
Assam	1,34,181	1,238	1,971
Chandigarh#	-	385	1,025
Delhi#	-	11,150	12,877
Uttar Pradesh	16,70,608	47,165	57,865
Total	59,84,377		2,70,609

* AHP, BLC, ISSR Beneficiaries belong to EWS category.

Chandigarh and Delhi have not taken up any project for EWS beneficiaries under AHP, BLC and ISSR verticals of PMAY(U).

This Ministry, in line with the recommendations of the Standing Committee, has taken following steps:

1. In the process ofextending benefit of CLSS specially to the EWS / LIG beneficiaries, following bottlenecks have been observed:

- the informal nature of employment of the EWS beneficiaries pose default risk for banks
- the expected beneficiary contribution to avail the loan at LTV 90:10 which is also sometimes difficult to be arranged by the beneficiary
- Matching the loan requirement Vs repayment capacity of the EWS beneficiary.
- Land title (chain of documents to establish ownership) of the property for beneficiaries living on ancestral land.

The States / UTs have, therefore, been advised to actively pursue with Banks / HFC to address the requirement of EWS / LIG beneficiaries. Accordingly, they conduct loan melas inviting stakeholders such as bankers, builders and prospective beneficiaries to avail the scheme benefit and also approach Banks / HFCs for loan.

2. The Ministry, through the CNAs has conducted sensitization workshops on CLSS last year in Chennai for Southern region and in Bhubaneswar for eastern region to promote the uptake of CLSS by EWS / LIG beneficiaries.

3. Ministry has also issued necessary instructions to States / UTs for review of CLSS progress in State Level Sanctioning and Monitoring Committee (SLSMC) / State Level Bankers Committee (SLBC) meetings and also take up alternative financing mechanisms such as Affordable Housing Fund (AHF) for PMAY-U beneficiaries to address the credit need of EWS / LIG beneficiaries (from BLC, AHP and ISSR vertical).

Recommendation (Serial No. 6)

IMPOSITION OF USER CHARGES FOR WASTE COLLECTION

2.10 The Committee while noting that Source Segregation (Wards)" & "Waste Processing" stood at 78% and 68% respectively of the target set under SBM (U) during 2020-21 (as on 31.12.2020), vis-a-vis 75% and 65% respectively achieved during 2019-20 expressed concern at the slow pace in achieving the targets. The Committee, further, note that the Ministry of Environment and Forests &Climate Change (MoEF&CC) has notified Solid Waste Management (SWM) Rules, 2016 vide GSR No. 1357 (E) dated 08.04.2016. Under these rules, waste generator would have to pay 'User Fee' to waste collector and spot fine for littering and non segregation as specified by the local bodies. In this context, it is relevant to mention that the Committee's informal interaction with various state Governments during their study tour revealed that many states/ ULBs have not levied User charges' for waste collection despite the existence of the above mentioned explicit provision for the same for the last five years. The Committee are of the considered view that as the role of the MOHUA as outlined in the Solid Waste Management Rules 2016 is to review the measures taken to implement these rules, the matter should have been discussed in their periodic meetings with states/UTs and impress upon them the need to levy the user charges for waste collection on the principle of 'polluter pays'. The Committee,therefore again urge the

MoHUA to take up the issue at their periodic review meetings with the States/UTs to ensure that user charges for waste collection is implemented by the states as contained in the above mentioned Rules.

Reply of the Government

2.11 The issue of user charges for waste collection will also be included as one of the important item(s) during the periodic review meetings of Swachh Bharat Mission (Urban) with the States / UTs. However, it is already an important assessment criterion in the SwachhSurvekshan and the Garbage Free City Star Rating certification.

A “Draft Model Municipal Solid Waste (Management & Handling), Cleanliness and Sanitation Rules / Bye-Laws” has already been prepared matching the provisions of SWM Rules 2016 and released in September 2016 by the Ministry for the adoption by States & UTs as well as the ULBs. Details of user charges for waste collection considering different conditions are available at Para 6.24 of the said model byelaws and can be accessed on Swachh Bharat Mission Urban's official website: (http://swachhbharaturban.gov.in/writereaddata/Draft%20Sanitation%20Byelaws.pdf?id=gejrthncb3jrwjhb)

Recommendation (Serial No. 7)

SHELTER FOR URBAN HOMELESS (SUH) UNDER DEENDAYAL ANTYODAYA YOJANA – NATIONAL URBAN LIVELIHOODS MISSION (DAY – NULM)

2.12 The Committee note that this component under DAY-NULM provides for availability and access of urban homeless population to permanent shelters equipped with basic infrastructure facilities. The importance of the shelter for Homeless stems from the fact that laborers who migrate to urban areas might not have dwelling of their own to stay and can’t afford to pay huge rents in these urban areas. As per the SUH, a third party survey to identify the homeless in the urban areas has to be conducted to arrive at the number of shelters required. The Committee note from the data furnished that as on 20 Feb, 2021, 25 states /UTs only have conducted third-party surveys and identified homeless as shown at Annexure - II. The data on number of homeless shown there in seems to be surprisingly low and the Committee feel that this is a far cry from the ground realities.

The State/ UT-wise details of shelters sanctioned and functional are placed at Annexure-III.The Committee further note that in States/UTs like Assam, Bihar, Chattisgarh, Goa, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Odisha, Punjab, Tamil Nadu, Telengana, Uttar Pradesh, West Bengal considerable number of shelter homes are yet to be functional vis-a-vis the sanctioned shelters. In view of the above, the Committee recommend that Ministry should:

(i) actively pursue with the 10 States/UTs who are yet to identify the homeless by conducting third party surveys within a time frame to be prescribed by MoHUA

(ii) follow up with the States with low number of identified homeless and pursue with them to re-conduct their third party surveys so that not a single homeless is left out of the survey. The data thus collected can also be used to ensure that other social welfare schemes also reach the homeless who may not always have any residential proof to seek benefits.

(iii) also actively monitor the States/UTs to ensure that all the sanctioned shelter homes are functional.

Reply of the Government

2.13 The States / UTs of Assam, NCT of Delhi, Jammu & Kashmir, Ladakh, Madhya Pradesh, Punjab and Tripura have been asked to complete the third party survey of urban homeless and send the detailed information of homeless persons identified along with the report of third party systematic survey to this Ministry at the earliest.

Further, advisories have also been issued to states / UTs to review the quality of Systematic Third party survey conducted by ULBs to ensure that no urban homeless is left out. They have further been advised to conduct a rapid survey again, if required, to ensure the same. States / UTs have also been advised to ensure extension of benefits of social welfare schemes to the homeless in a time bound manner. It has also been directed that the SLSMC Chairman and State Level PSC may monitor the progress of sanctioned shelters to ensure timely completion and making them functional at the earliest.

Recommendation (Serial No. 13)

INTEGRATED COMMAND AND CONTROL CENTRES CREATED UNDER SMART CITY MISSION IS LAUDABLE AND MUST BE COMPLETED IN ALL SMART CITIES IMMEDIATELY

2.14 The Committee are happy to note that 49 Integrated Command and Control Centres (ICCCs) created under Smart City Mission were converted into 'COVID19 War Rooms' which helped in collecting information, coordination, control and overall fight against Corona. The Committee laud the Ministry for having thought of ICCCs as the main nerve centre of a city for overall coordination, monitoring and control in normal as well as emergency situations. This, the Committee believe might have gone a long way in dealing effectively with COVID19.

The Committee have been apprised that 54 Smart Cities have already operationalised their ICCCs and 29 are in advanced stages of developing them. Considering the fact that the Smart Cities Mission was launched in 2015 and ICCCs are one of the first and foremost things that every city takes upon, the Committee urge the Ministry to take suitable steps to operationalise the ICCCS in the rest 46 smart cities also at the earliest.

Reply of the Government

2.15 55 Smart Cities have already operationalised their ICCCs. The Mission is regularly monitoring implementation progress as ICCC is an important component of Smart Solution projects under the Mission. In order to ensure timely operationalization of ICCCs, the Ministry has identified 20 additional ICCCs for completion before June 2021.Officials of the Ministry are conducting city specific review meetings and monthly project monitoring to track implementation progress. Specifically, for these 20 cities, subgroups constituting of the Smart City CEOs, SPV officials, Master System Integrator, PMCs and representatives from the Ministry has been formed for resolving pending issues and expediting execution of ICCC projects. Progress in these 20 ICCC projects is on track and by June 2021, 75 ICCC projects are expected to be completely operationalized under the Mission. For the remaining 25 ICCC projects the Ministry is undertaking work to ensure operationalization of ICCC projects in all 100 Smart Cities by 2022, the 75th year of Indian Independence.

Recommendation (Serial No. 14)

TIMELY COMPLETION OF PROJECTS UNDER SMART CITY MISSION REQUIRED

2.16 The Committee note that the Smart City Mission was launched in 2015 for a period of 5 years with the objective of providing core infrastructure and decent quality of life in 100 chosen cities. The mission has proposed to execute a total of 5151 projects worth Rs. 2,05,018crores in 5 years from their respective dates of selection. Though the progress of this mission was slow initially, it is heartening to note that it has picked up of late. The Committee note that as on 31.01.2021, 5422 projects was tendered involving an amount of Rs. 1,76,911crores. The utilization of Government of India (GoI) funds have also increased from 10% in March 2018 to 83% in January, 2021.The Committee, however, are concerned to note the slow pace of project completion as most of the projects are either at tendered or grounded stage and only 2189 projects worth Rs. 35,457 crore have been completed. The Committee, therefore, urge the Ministry to focus on timely completion of projects to prevent cost overruns.

Reply of the Government

2.17 As of 7th May 2021, over 5,700 projects worth around ₹1,74,300 crores (85%) have been tendered; of this work orders have been issued for close to 5,000 projects worth ₹1,41,400 crore (69%) and 2,497 projects worth around ₹41,483 crores (20%) have been completed. The progress of implementation has significantly picked up and there has been 247% growth in tendering, 355% growth in projects grounded/completed and 667% growth in projects completed in the last 33 months. The utilization has also increased significantly to reach ₹20,167 crore which represents 87% of total GoI release.

While many of the cities selected in the earlier rounds (Round1, FT and Round2) have led the mission progress in implementation and work completion, the cities selected in the later rounds (rounds 3 and 4) have over the past couple of years shown considerable progress in their on-ground implementation which will now increase further. The Mission has directed all cities to issue work order for 100% of their projects by June 2021 to expedite project implementation. To encourage the cities to increase pace of implementation and build a healthy competition, the Ministry has revised the Smart City ranking formula by giving weightage to projects that have been completed and work ordered, while giving no marks for projects in Tendering and/or DPR stage.

The Ministry uses various mechanisms to monitor progress and ensure that on-ground progress is correctly reported. These include regularly interacting with the States and/ Smart Cities through video conferences, review meetings, field visits, regional workshops, Apex Events, learning sessions and Webinars etc. to boost performance and to handhold cities for improving the same.

Recommendation (Serial No. 15)

NEED OF SPECIAL PROVISION FOR LAGGARD SMART CITIES IN BACKWARD STATES

2.18 The Committee have been apprised that the Smart City Mission has released Rs.22,697crore to the States of which Rs.20,845 cr (92% of GoI release) has been transferred to the Smart City SPVs. The States, however, have released only Rs.16,017crore of matching share i.e. 70% of GoI release which is impeding the progress in implementation of Smart City Projects. The Committee feel that the intended purpose of making at least a few Smart Cities in all States would be defeated if no special provision for laggard smart Cities in backward Statesis made.The Committee, therefore suggest that MoHUA may explore the possibility of reducing the amount of contribution by the backward states.

Reply of the Government

2.19 The Ministry has released central share of ₹23,145 crore to the States / UTs out of which ₹21,666 crore (94% of GoI release) has been transferred by the States / UTs to the Smart City SPVs. The States have released ₹17,648crore as matching share to the Smart Cities (76% of GoI release). The Ministry has been regularly communicating to the Principal Secretaries and Chief Secretaries of States / UTs which have lagged in releasing their matching share for expediting release of State Matching contribution.

The efforts of the Ministry have resulted in majority release of matching share of funds from the respective States / UTs.

As per Smart Cities Mission (SCM) Guidelines, Central Government will allocate ₹48,000 crorei.e. an average of ₹500 crore to every city over the Mission period and releases in instalments. An equal amount, on a matching basis, is to be provided by the State Government / Urban Local Body (ULB). This constitutes about 45% of SCP value-including state share. Balance funds required for the implementation of Smart City Proposals (SCP) would be arranged by the States / SPVs through various other sources; around ₹42,028 crores (21%) is expected from convergence with other Missions, ₹41,022 crores (21%) from PPP, around ₹9,843 crores (4.8%) from loans, ₹2,644 crores (1.3%) from own resources and remaining from other sources.

While the funding pattern remains same for all the State / UTs, as per the SCM Guidelines, for North Eastern and Himalayan States, the area proposed to be developed under Area Based Development component will be one-half of what is prescribed for any of the alternative models - retrofitting, redevelopment or greenfield development.

Recommendation (Serial No. 16)

<u>CREATION OF ROBUST MONITORING MECHANISM FOR SMART CITY MISSION</u>

2.20 While examining the Smart City Mission, the Committee have come across some irregularities in implementation of smart cities works such as redoing of same work again& duplication of work, project cost higher than the market rate, frequent dropping of projects after finalization of proposals, etc. The Committee feel that Geospatial Management Information System (GMIS) used for real-time monitoring of Smart City projects is not serving its intended purpose and there is a need for on-ground verification with the involvement of local representatives as they are aware of local developments. The Committee, therefore, recommend the Ministry to put in place a robust monitoring mechanism for Smart Cities Mission for on ground verification of projects by a team consisting of Mission Director, State representative and local Member of Parliament and MLA.

Reply of the Government

2.21 Smart Cities Mission has been regularly monitoring the progress of implementation of projects through both online mechanisms including GMIS as well as ground verification. The officers of MoHUA including Secretary, Joint Secretary, Directors have made several field visits to review and assess the on-ground progress, discuss issues related to execution with the State Mission Directors/Principal Secretaries and Smart City CEOs and deliberate measures to fast track progress. The officials are supported by the Mission Management teams during site visits and holding support during various knowledge events like regional workshops, Implementathons, Hackathons and conferences. The idea behind organizing events like `Implementathons' is to provide timely help & advice from experts and experienced peers to the Cities facing problems in critical area such as Detailed Project Report (DPR) preparation, tender packaging and efficient handling of bidding process, and timely resolving of issues in order to speed up the process of bringing Smart City projects from paper to ground. Many of the events were organized at the city level by the Smart City SPVs on behalf of Ministry of Housing & Urban Affairs (MoHUA).

Due to the pandemic situation, the mode of monitoring has shifted to online VC-sessions and one-on-one meetings with Smart City CEOs, State Mission Directors and Principal Secretaries. However, even during the COVID times, the SCM has managed to achieve business continuity through online meetings and some city-level review meetings.

The Mission assisted the Smart Cities in managing the pandemic by providing technical solutions and platform to quickly ramp up Smart Solutions and setting up ICCCs as COVID war rooms that facilitated effective communication, information management, management of heal infrastructure and facilities and preparedness for future exigencies using predictive analytical techniques.

As recommended, post the easing out of COVID related restrictions; the Smart Cites will resume regular level visits and on-ground verification with the involvement of state level officials and local representatives.

Recommendation (Serial No. 17)

FIXED TENURE FOR SMART CITY CEOs

2.22 The Committee note that for implementation of Smart City projects, a Special Purpose vehicle (SPV) headed by a CEO is created. The Committee have been apprised that owing to frequent transfer of Smart City CEOs, the progress of work is retarded. Moreover, there may be a frequent dropping of projects as the new CEO might have different ideas and priorities. The Committee, therefore, recommend the Ministry to amend the relevant provisions governing Smart City Special Purpose Vehicles (SPVs) to ensure:

- ***(i)*** a fixed tenure of 3 years to CEOs of Smart City SPV
- ***(ii)*** No additional charge is given to CEOs of SmartCity SPVs
- ***(iii)*** Job of CEO of Smart City SPV is full time

Reply of the Government

2.23 Smart Cities Mission Statement and Guidelines have provision for appointing full time CEOs of SPVs with independent charge for a term of three years. Since the SPVs are JV companies of the respective ULBs and State Governments, the appointment of CEOs is done by the State Government and approved by the Board of Directors.

In order to re-iterate the importance of having full-time CEO, the Ministry has issued Advisory No. 14 with the objective that SPVs should appoint full time CEOs since organizations having full time CEO on board facilitate quick decision making and have better results in terms of frequent board meetings and faster rate of project implementation in general.

Recommendation (Serial No. 20)

NEED FOR A LARGER BUDGET ALLOCATION FOR SMART CITIES

2.24 The Committee note that the Ministry proposed allocation of Rs. 13,648cr, Rs. 9,810cr, Rs. 13,971 cr, Rs. 13543 cr and 10000 cr respectively for the years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 for Smart City Mission. The Ministry however, was allocated onlyRs. 4000 Cr, 6169 Cr, Rs. 6450 Cr, 6450 Cr and 6450 Cr in these years at BE Stage from Ministry of Finance.

Smart City Mission is an ambitious and cost intensive project. As against the GoIs share of Rs. 98000 crores to States under this Mission, an amount of Rs. Rs. 22697cr only has been transferred so far. The Committee, therefore, recommended the Ministry to pursue for more funds for Smart City Mission at Revised Estimate stage this year and BE for next years.

Reply of the Government

2.25 An amount of ₹23,145 crore against GOI share has been transferred by the Central Government to the State Government/UTs till date. This represents about 48% of the total financial assistance of ₹48,000 crore proposed by Central Government for the 100 Smart Cities. The expenditure reported by the Smart Cities against GOI share is ₹20,167 crore. It is noteworthy that the utilization of funds has increased significantly over the last three years from Rs 1,032 crore in March 2018 (10% of GOI release in 2018) to ₹20,167 crore in 2021 which is almost 90% of total GOI release. Further, the total expenditure in the mission upto March 2021 has doubled over the last one year i.e. expenditure in FY 2020-21 is equal to Expenditure in the period FY 2015-2020. This is in line with the implementation progress of the mission which has increased significantly since March 2018. The Government releases funds to the Smart Cities based on achievement of expenditure milestones and future demand for funds. The Smart Cities have been directed to issue work orders in all their projects by June 2021 which will further increase the demand for funds over the coming years as more and more projects are implemented and completed.

Recommendation (Serial No. 21)

IMPACT OF DECENTRALISATION OF POWER IN IMPLEMENTATION OF PROJECTS

2.26 The Committee note and appreciate that MoHUA could spent entire allocation made at revised estimates for the last four financial years, meant for implementation of AMRUT projects. The Committee are also glad to note that in line with the principle of "cooperative federalism", the practice of giving project by project sanctions by MoHUA has been dispensed with and in its place a new practice of approving State Annual Action Plans (SAAPs) and release of Central Assistance is introduced. Under this new practice, individual projects are selected, appraised, approved and implemented by the concerned States/Union Territories (UTs). The Committee hope such flexibility and freedom to state / UTs in project selection and appraisal will go a long way in reducing the time involved in Conception to implementation/ operationalisation of the projects within the time and cost estimates. The Committee would like to be apprised of the impact of such decentralisation of the powers in conception of projects and their implementation.

Reply of the Government

2.27 JNNURM was the earlier Mission similar to AMRUT. In JnNURM, over ten-year period, 2005 to 2014,projects worth ₹62,000 crore were sanctioned, while under AMRUT, projects worth ₹77,640 crore were sanctioned within first three years of the Mission, i.e., 2015-16 to 2017-18. Against this, projects worth ₹79,000crore have been grounded.

Under JnNURM, projects worth ₹46,000 crore were completed in about ten years (2005 to 2014), while work worth ₹50,000 crore has been physically completed under AMRUT till March 2021, i.e. less than 6 years. This could happen as the DPRs of the projects were prepared and approved at the State level and not by the Centre. Under, JnNURM, the funds were released against projects and therefore were left unutilized if project could not take off. Under AMRUT, funds were released against approved action plans and therefore could be utilized against any project resulting in rapid expenditure. Rapid progress made under AMRUT is attributable to the spirit of 'cooperative federalism' adopted under AMRUT.

Recommendation (Serial No. 22)

<u>CAPACITY BUILDING OF ULBs BY IMPOSING USER CHARGES</u>

2.28 In their informal interactions with the Committee during the recent informal study tour many state Governments statedthat substantial number of ULBs are not in a position to meet the expectations of the Mission by generating their share of contribution. In some cases, the state governments have raised funds from external sources on behalf of ULBs. It is in this context; the Committee recommend that ULBs may impose user charges for various services provided to the citizens. The new tap connections should be mandatorily accompanied with meter connections as well in order to have accountability and curtail wastage of water. The reforms agenda under AMRUT covering online services to citizens, establishing single window for all approvals, establishing municipal cadre, achieving at least 90% of billing and collection of taxes/user charges, etc may be effectively implemented in such ULBs.

Reply of the Government

2.29 Through AMRUT reform agenda, the Ministry incentivized the reforms undertaken by the States/ULBs. 10(Ten) ULBs could raise Rs 3,840 crore through issuance of municipal bonds. ₹207 crore has been released as incentive to 9 ULBs. Tenth ULB, i.e. Ghaziabad is under consideration for release of incentive. Under, JalJeevan Mission (Urban), which is under consideration of the Government, raising funds through municipal bonds is one of the reforms.

There is multipronged focus of Govt to increase revenue of ULBs by increasing property tax and user charges. In 2020-21, Ministry of Finance launched 'additional 2% of State Gross Domestic Product (SGDP) borrowing scheme'. Under this, 0.25% component of borrowing could be availed by States on undertaking property tax and user charges reforms upto 15 Feb 2021. So far, eleven states have been recommended by MoF for 0.25% component of borrowing. Under, JalJeevan Mission (Urban), notifications by States on property tax and user charges and relating them to circle rate and O&M expenses respectively is a major reform.

Under Ease of Doing Business, implementation of Online Building Permission System (OBPS) is a reform covered under AMRUT. OBPS has been made functional in 2,101 ULBs which is nearly half of statutory towns in the country.

Recommendation (Serial No. 23)

<u>EXTENSIVE CONSULTATION AND CONVERGENCE OF VARIOUS SCHEMES UNDER MASTER PLAN</u>

2.30 The Committee notes that formulation of Master Plan is a state subject and MoHUA's role is limited to defining the framework and issuing of broad guidelines on the subject. They are of the view that there should be a State Level Master Plan, followed by a Zonal Level Master Plan within the State and finally the City level Master Plan. While formulating a master plan, the Committee suggest that a visionary plan for at least 30 years should be set involving convergence of all the schemes – Smart city mission, AMRUT, SwachhBhart Mission, street vending Zones under street vendors Act, ,etc to ensure integrated development of the cities. As the land in metro cities such as Delhi, Mumbai, Kolkata, Chennai, etc., is owned by multiple agencies/ authorities such as defence, railways, ports, state Development authorities, etc., the Committee suggest that before formulation of the Master Plans, extensive consultations with all the stakeholders should be held to prevent likely opposition to these plans in future. Funding of any programme/scheme in a State should be linked to the prior condition of formulation of a Master Plan by following the due process.

Reply of the Government

2.31 India's response to urbanization recognizes the international benchmarks as laid out in the Sustainable Development Goals (SDGs) 2030, the Paris Agreement on Climate Change and the New Urban Agenda (NUA). The National Urban Policy Framework (NUPF), prepared by Ministry of Housing and Urban Affairs, outlines an integrated and coherent approach towards the future of urban planning in India. The NUPF provides a detailed, top-down guidebook on how to build and manage Indian cities. It recognizes that most urban issues are under the jurisdiction of States or Urban Local Bodies and those solutions must be customized to the local context.

The NUPF acknowledges that state governments have the principal constitutional responsibility for urban development and has thus, attempted to offer considerable assistance to States for preparing their own urban state policies.

Planning approach in itself promotes the idea of integrated Planning with the help of four tier hierarchy Plans i) Regional Plans ii) Master Plans iii) Zonal Development Plans

iv) Local Area Plans and iv) Site/ Layout Plans. In order to follow an integrated approach, the ‘formulation and implementation’ of all the abovementioned plans is essential. However, in India, urban planning is limited to formulation of Master Plans.

The ‘Sub-Scheme on formulation of GIS based Master Plans for 500 AMRUT Cities is one of the important reforms under AMRUT mission and enables development of Urban Information System. The Sub-Scheme has been approved in October 2015 with 100% centrally funded having an outlay of 515 crore.Under the Sub Scheme, draft GIS Maps generated for 409 towns, out of which final GIS maps created for 197 towns. As on date, using the said GIS maps, 127 towns have formulated draft Master GIS Plans and out of that 66 towns have formulated final GIS based Master Plans. GIS based Master Plans of cities are proposed to be taken up under the JalJeevan Mission (Urban).

CHAPTER III

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

Recommendation (Serial No. 2)

INCREASING ACTUAL EXPENDITURE OF THE MINISTRY URGENTLY REQUIRED

3.1 The Committee while appreciating MOHUA for utilising more than 94 % of the allocations made at revised estimates stage for the last five years, they are concerned to note that despite higher allocations at RE stage vis-a-vis BE,there was under utilisation of enhanced RE during 2016-17, 2017-18 and 2018-19. The under utilisation was more pronounced in the year 2018-19 during which Rs. 2,354 cr of enhanced RE could not be spent. They would, therefore, like to be apprised of the specific reasons for such shortfall in spending enhanced RE and the steps taken to ensure non recurrence of such under utilisation in future.

Reply of the Government

3.2 Continuing with the excellent track record of previous years for utilization of the allocated funds, Ministry was able to utilize 99.8% of allocated funds at RE 2020-21 which was highest during the last seven years. Low utilization during FY 2018-19 when it was 94.52% of RE was for reasons beyond the control of the Ministry although even in that year, Ministry was in a position to incur higher expenditure but could not do so due to restrictions imposed on account of fiscal and technical reasons. Such restrictions are part of the cash management system in Government. It may be recalled that even in FY 2020-21, Government had imposed restrictions on expenditure in first two Quarters of the financial year where various similarly placed Ministries/Department(s)including Minstry of Housing and Urban Affairs were allowed to expend 5% of BE only every month till September, 2020. Ministry will continue to take all possible measures for optimum utilization of the allocated funds.

Recommendation (Serial No. 19)

SMART CITY MISSION WOULD DO BETTER IF IT IS MORE TARGETED

3.3 The Committee are of the opinion that ULBs in India lack in competence, trained manpower and finances for completion of urban infrastructure projects. They are further of the view that though ULBs have done reasonably well in implementing targeted schemes of the Ministry such as, AMRUT & SBM (U), in implementing Smart City Mission where everything - making smart city plan, choosing project, implementation left to the ULB concerned, the progress seems inadequate. Moreover, there seems to be a confusion regarding choice of projects, which is apparent from frequent dropping of projects. The Committee feel that ULBs are not yet ready to take up an ambitious project like Smart City Mission. They, therefore, recommend suitable changes be madeto address these concerns.

Reply of the Government

3.4 The Smart Cities Mission (SCM) Statement & Guidelines envisaged implementation of the Mission at the city level by a Special Purpose Vehicle (SPV) created for the purpose. SPV is an independent JV company (50-50 holding of ULB and State Government) formed under the Companies Act, 2013 governed by Board of Directors. One of the primary reasons for the creation of an SPV for the Smart Cities Mission is to ensure operational independence and autonomy in decision-making and mission implementation. The SPVs plan, appraise, approve, release funds, implement, manage, operate, monitor and evaluate the Smart City development projects. The Company is managed by the Smart City CEO who directly reports to the Board of Directors. The CEO is assisted by a senior level management team and supported by an operating level management team in his/her day to day functions. A Guideline for framing Human Resource (HR) Policy for the Special Purpose Vehicles (SPVs) under Smart Cities Mission has been developed by the Mission and shared on Smartnet portal for the benefit of all Smart Cities. The policy was framed with the objective to lay down broad human resource policies and their implementation plan that guide people management in SPVs and compliance with various laws and help establish and maintain consistent HR practices in the workplace.

CHAPTER IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation (Serial No. 8)

NEED FOR REMOVAL OF STAMP DUTY ON LOANS UNDER PM SVANIDHI SCHEME

4.1 The Committee while appreciating path breaking initiative of the Government of India in introducing PRIME MINISTER STREET VENDOR'S ATMANIRBHAR NIDHI (PMSVANidhi) SCHEME, targeted at street vendors whose livelihood is badly affected due to COVID 19, note that an amount of Rs 10,000 collateral free working capital is offered by commercial banks with interest subsidy @7 % per annum, borne by the Government of India. The committee, however observe that many States/ UTs are levying stamp duty on the loans under the Scheme, despite MoHUA's request to consider waiving stamp duty altogether or to levy a nominal amount of Rs.1/- The Committee , however, during the discussions held with various apex street vendors associations and also informal interactions with the representatives of State Governments and managements of various public sector commercial banks found that as many as 22 states/UT Govts are levying stamp duty as per the prevailing rates on the loan documents of the scheme. In pursuance of the request of MoHUA, the Committee found that seven state Governments viz. Gujarat, Jammu &Kashmir, Meghalaya, Rajasthan, Telangana, Tripura and Uttar Pradesh have fully exempted the stamp duty on loans. State Governments of (i) Chattisgarh and Tamil Nadu, (ii) Jharkhand and (iii) Madhya Pradesh and (iv) Maharashtra have reduced stamp duty to Rs.10, Rs 20, Rs.50and Rs.100/- respectively and the in States of Himachal Pradesh, Karnataka and Manipur, the process of exemption/reduction of stamp duty is underway. The state Government of Karnataka in the informal interaction with the Committee during their recent informal study tour, submitted to the Committee that it has proposed to reduce stamp duty by 50% from Rs.500 to Rs. 250. The State Govt of Kerala on the other hand while acknowledging that removal of stamp duty on loan under the PM

SVANidhi will benefit the Street Vendors, the state Govt is inclined towards reducing the stamp duty. The Committee are of the opinion that in view of the noble objective of the scheme to provide succor to the disadvantaged sections of the society in times of extreme distress due to pandemic, the stamp duty on the loans under the scheme may not be appropriate and that too in view of the fact that the operation of the Scheme is upto 31 March, 2022 only, the states/ UTs may consider waiving off stamp duty.

Reply of the Government

4.2 Levy of stamp duty is a State subject. Ministry of Housing & Urban Affairs (MoHUA) has made multiple requests to the States/ UTs to either waive off stamp duty or reduce it to a nominal amount for executing the Loan Agreement under the PM SVANidhi Scheme. Last reminder was sent on April 19, 2021. Accordingly, 18 States/ UTs have either waived off the stamp duty or have reduced the rate.

4.3 For comments please see para No. 1.10 of Chapter-I of the Report.

Recommendation (Serial No. 9)

DOING AWAY WITH THE REQUIREMENT OF STAMPED DOCUMENTS BY BANKS

4.4 The Committee further note that the management of UCO Bank and Punjab National Bank (PNB), during their informal discussion with the Committee during the tour recently undertaken, have stated that their banks do not require any stamped documents for availing loans under PM SVANidhi Scheme whereas the managements of SBI, IOB, Canara Bank and Bank of Baroda (BoB) stated that stampduty @ applicable on loan documents in respective states are required to be paid by the street vendors. The Committee are of the view that documentary requirements may be kept at the bare minimum and requirements of stamped documents may not be insisted upon as is being done by UCO and PNB. The Committee are of the view that in case this is made compulsory for all the banks, the need for imposition of stamp duty does not arise at all.

Reply of the Government

4.5 In the Joint PM SVANidhi Review meetings of MoHUA& DFS, clear instructions have been issued to the Lending Institutions (LIs) to act in accordance with the decision of the State/ UT Government regarding stamp duty. In States/ UTs where the stamp duty has been exempted, the LIs have been instructed not to insist on any stamped document.

4.6 For comments please see *para No. 1.13* of Chapter-I of the Report.

Recommendation (Serial No.10)

INSISTENCE ON HIGH CREDIT RATING OF THE STREET VENDORS FOR LOANS UNDER PMSVANIDHI SCHEME

4.7 The Committee, from the data and details furnished by various commercial banks, note that banks viz. State Bank of India, Punjab National Bank and Bank of Baroda are insisting on CRIF Highmark check (CIBIL) (minimum of 650 and above). Banks such as UCO and IOB are not insisting on credit score at all and the rest namely Indian Bank and Canara Bank, though not insisting on credit score, check their (street vendors) credit history to ensure they are not defaulters. The Committee express their concern at the insistence of credit rating / history of the street vendors as they feel substantial majority of the street vendors are yet to have the access to the formal financial system and perhaps many street vendors may not even have approached banks for loans in the past, let alone having high credit rating. The Committee, therefore are of the view MoHUA should pursue with the Ministry of Finance and Reserve Bank of India (RBI) to seek relaxation on insistence on CRIF Highmark check i.e. CIBIL score of the street vendors seeking loan under PMSVANidhi and accordingly take suitable action in this regard at the earliest.

Reply of the Government

4.8 Under PM SVANidhi Scheme, the credit score of one of the RBI approved credit rating agencies, CRIF Highmark, in respect of each applicant, is attached with the application before pushing it to banks through the PM SVANidhi Portal. This is in accordance with the RBI Master Circular on Loans & Advances of RBI/2015-16/95 dated 01 July 2015, according to which banks are required to ensure proper assessment of credit worthiness of borrower.

Once the loan applications are pushed to the banks with the credit score of the street vendor, the individual banks take a decision on their respective parameters, for appraisal of the loan applications. However, Ministry vide their D.O. letter dated 23.02.2021 requested all the Lending Institutions to review the guidelines for extending credit to street vendors having low CIBIL score.

4.9 For comments please see *para No. 1.16* of Chapter-I of the Report.

Recommendation (Serial No.11)

PRIVATE BANK PARTICIPATION IN PM SVANIDHI SCHEME

4.10 The Committee note that as of February 16, 2021, more than 37.3 lakh applications have been received under this Scheme. There is, however a huge gap between participation of banks in private and public sector under PM SVANidhi Scheme. This is borne from the reply of DFS that out of total applications received on PM SVANidhi portal, the share of private sector banks is a mere 4 % (approx). This shows that the efforts of the DFS in ensuring active participation of private banks in the scheme are yet to make meaningful impact. The Committee are of the considered view that private sector banks are also partners in development and as they are given equal rights in handling government business vis-a-vis their counterparts in public sector¸ the private sector banks must come forward to participate in the scheme in true spirit and become active partners in Governments' efforts to bring the street vendors into the formal financial system. The Committee, while appreciating the DFS for engaging with the private sector banks enabling their active participation in the scheme, they should continue to engage with them till they become meaningful partners in the scheme and enhance their share in the total sanctions and disbursements."

Reply of the Government

4.11 Private Sector Banks are continuously encouraged by MoHUA and DFS through periodic Joint Review Meetings to increase their participation in the scheme and to improve performance.

The performance of Private Sector Banks as on May 02, 2021 as compared to September 30, 2020 has improved.

Status as on	Applications sanctioned by Public Sector Banks as a % of Total sanctioned applications	Applications sanctioned by Private Sector Banks as a % of Total sanctioned applications	Applications sanctioned by other LIs as a % of Total sanctioned applications	Applications disbursed by Public Sector Banks as a % of Total disbursed applications	Applications disbursed by Private Sector Banks as a % of Total disbursed applications	Applications disbursed by other LIs as a % of Total sanctioned applications
30.09.2020	92.81	0.50	6.69	95.44	0.72	3.84
02.05.2021	90.91	2.00	7.09	90.53	1.77	7.70

- Other LIs (SFB, NBFC, State Cooperative Banks, MFIs, Urban Cooperative Banks, RRB and DCB)"

4.12 For comments please see *para No. 1.19* of Chapter-I of the Report.

Recommendation (Serial No.12)

PHYSICAL PRESENCE OF BORROWER FOR LOAN UNDER PMSVANIDHI SCHEME

4.13 The Committee note that physical presence of the borrowers at least once either in the beginning or/and at the end of the loan process is insisted by almost all the banks the Committee interacted with during the recent study tour. DFS has also submitted before the Committee that visit to the bank is needed at least once for completing the formalities of sanction of loans like signatures, photographs, etc. and for digital training of the beneficiaries. The Committee are concerned to note that even a single day visit to the bank becomes cumbersome for the street vendors as it leads to financial loss from his/her already meager income. Further, due to technical reasons or otherwise if the formalities of sanction of loan is delayed, it leads to more visits to the banks causing further loss in income and making the entire process counterproductive. They therefore, recommend that the need to visit the banks by the street vendors even once may be done away with. The

Completion of all the formalities necessary for the sanction of loan along with the digital training of the beneficiaries, the Committee suggest may be performed by Business Correspondents (BCs) who are basically field functionaries of the banks who can visit the vendors at their respective vending zones.

Reply of the Government

4.14 Physical presence of the street vendor is required at the time of disbursement of the loan for completion of the loan documentation. All the banks are not using the services of BCs as this adds to cost of administration of the banks, which may lead to increase in interest rate for this Scheme.

Also, the presence of vendors is utilised for the purpose of issue of Durable QR Code, UPI ID and also to train them in digital transactions.

4.15 For comments please see *para No. 1.22* of Chapter-I of the Report.

Recommendation (Serial No. 18)

PUBLIC REPRESENTATIVES SHOULD MANDATORILY BE INVITED FOR SMART CITY ADVISORY FORUM MEETINGS

4.16 The Committee note that as per the Mission Statement and Guidelines, Smart City Advisory Forum (SCAF) is to be established at the city level for all Smart Cities to advise and enable collaboration among various stakeholders consisting of District Collector, Member of Parliament, Member of Legislative Assembly, Mayor, local youths, technical experts and Chief Executive Officer of Special Purpose Vehicle (SPV), etc. The Smart Cities have also been advised, from time to time, by Ministry of Housing & Urban Affairs, to constitute SCAFs and convene its meetings regularly. Despite this, regular meetings of SCAFs do not take place and the local Member of Parliament is not being invited by several Smart Cities. The Committee, therefore, recommend the Ministry to issue necessary instructions and ensure that SCAF meetings are convened regularly and local MPs are mandatorily invited to those meetings.

Reply of the Government

4.17 The Ministry has been taking steps to ensure that Smart Cities hold regular SCAF meetings. In this regard, the Ministry has from time to time issued letters to all CEOs of Smart Cities and State Principal Secretaries to hold regular meetings of the Smart City Advisory Forum (SCAF). All CEOs were strongly reminded of this issue during the last Apex Conference Meeting.

Over the last year, the city ranking formula was revised to include the compliance to holding quarterly SCAF meetings. Further, holding SCAF meetings was also included into the marking criteria for the Smart Cities Awards. As a result, all Smart cities have constituted the SCAF and are holding regular meetings.

As per the Mission Guidelines, Smart City Advisory Forum at the city level is constituted comprising of District Collector, MP, MLA, Mayor, CEO of SPV, local youths, technical experts etc. advise and enable collaboration among various stakeholders. Besides, Ministry of Housing and Urban Affairs nominee Directors on the Boards of SPVs also ensure that the Board meetings & SCAF meetings are held regularly with representation from different stakeholders at least every quarter.

4.18 For comments please see *para No. 1.25* of Chapter-I of the Report.

CHAPTER V

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

-Nil-

NEW DELHI;

Jagdambika Pal

4 August, 2021 — **Chairperson,**

13 Sravana, 1943 (Saka) — **Standing Committee on Urban Development**

Appendix-I

Standing Committee on Urban Development (2020-2021)

Minutes of the Fourteenth Sitting of the Committee on Urban Development held on Tuesday, 3 August, 2021

The Committee sat from 1500 hours to 1800 hours in Main Committee Room, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Jagdambika Pal - Chairperson

Members

Lok Sabha

2. Shri A.M. Ariff
3. Shri Sanjay Kumar Bandi
4. Shri Benny Behanan
5. Shri Ramcharan Bohra
6. Shri Hibi Eden
7. Shri Syed Imtiaz Jaleel
8. Shri Shankar Lalwani
9. Shri Hasnain Masoodi
10. Shri P.C. Mohan
11. Shri S Ramalingam
12. Shri Adala Prabhakara Reddy
13. Smt. Aparajita Sarangi
14. Shri Rahul Ramesh Shewale
15. Shri Sudhakar Tukaram Shrangre
16. Shri Sunil Kumar Soni

Rajya Sabha

17. Shri M. J. Akbar
18. Shri Ram Chander Jangra
19. Shri Kumar Ketkar
20. Shri Ayodhya Rami Reddy Alla
21. Shri Digvijaya Singh
22. Dr. Sumer Singh Solanki
23. Shri Sushil Kumar Modi

Secretariat

1.	Shri V.K. Tripathi	Joint Secretary
2.	Shri Srinivasulu Gunda	Director
3.	Ms. Swati Parwal	Deputy Secretary

Ministry of Housing And Urban Affairs

1.	Shri Kamran Rizvi	Additional Secretary
2.	Shri Surendra Kumar Bagde	Additional Secretary
2.	Shri Jaideep	OSD & Joint Secretary (UT)

Gujarat Metro Rail Corporation Ltd.(GMRCL)

1.	Shri S.S. Rathore	MD, GMRCL

Madhya Pradesh Metro Rail Corporation (MPMRCL)

1.	Shri Manish Singh	MD, MPMRCL

Patna Metro Rail Corporation Ltd. (PMRCL)

1.	Shri Anand Kishore	MD, PMRCL

RITES Ltd.

1.	Shri V.G Suresh	Chairman and MD, RITES

2. At the outset, the Hon'ble Chairperson welcomed Members of the Standing Committee on Urban Development for the Sitting of the Committee.

3. The Committee then took up for consideration of the Draft Report on 'Implementation of 'Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014" and Draft Action Taken Report on Fifth Report (17th Lok Sabha) on 'Demands for Grants (2021-22)' of Ministry of Housing and Urban Affairs of the Committee on Demands for Grants (2021-22) relating to Ministry of Housing and Urban Affairs and adopted both the Draft Reports with minor modifications.

* * *

(Matter not pertaining to the Report)

The Committee then adjourned.

Verbatim proceeding of this Sitting of the Committee has been kept for record.

APPENDIX-II

[Vide para 4 of the Introduction]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE FIFTH REPORT OF THE STANDING COMMITTEE ON URBAN DEVELOPLMENT (SEVENTEENTH LOK SABHA)

I. Total number of recommendations 23

II. Recommendations/Observations which have been accepted by the Government: 15

Recommendation Nos. 1, 3, 4, 5, 6, 7, 13, 14, 15, 16, 17, 20, 21, 22 and 23.

Percentage to total recommendations (65.21 %)

III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies: 02

Recommendation Nos. 2, 19

Percentage to total recommendations (8.69%)

IV. Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee: 05

Recommendation Nos. 8, 9, 10, 11, 12 and 18

Percentage to total recommendations (26.08%)

V. Recommendations/Observations in respect of which final Replies of the Government are still awaited: 0

Recommendation No. Nil

Percentage to total recommendations (0%)