

**FREQUENTLY ASKED QUESTIONS AND REPLIES ON**  
**“JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL**  
**MISSION” (JNNURM).**

**Sub-Mission-II –**

**Basic Services for Urban Poor (BSUP) &**

**Integrated Housing and Slum Development Programme (IHSDP):**

<b>S.No.</b>	<b>Question</b>	<b>Reply</b>
1.	For reallocation of slums under the Mission to the peripheries to mission city will reallocation project will be covered under the Mission?	Relocation of the slums for the Mission City will be covered under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).
2.	Can we change/ include more number of cities under JNNURM?	At present 63 cities identified under the Mission. However, cities in the Type-C can be altered with the approval of National Steering Group (NSG). However, the number of Mission cities will be kept at a reasonable level.
3.	Mandatory reforms under the Mission are quite harsh to the States, will it be possible to make them optional?	While signing MOA State Govts. and ULB/ para statal has to indicate the mandatory/ optional reforms to be under-taken by them and minimum 2 optional reforms has to be indicated alongwith the timelines for implementing for having access to the Central grant i.e. in a way to mandatory and optional reforms are to be implemented with the mentioned period of 7 years beginning from 2005-06.

4.	Why we have chosen only 63 cities, why not more?	JNNURM is the single largest urban initiative taken by Govt. of India and it is believed that by the end of 7 <sup>th</sup> year there will be a big boost in the urban renewal and it was the endeavor of the Govt. of India to give “ <b>big push</b> ” in terms of both financial and physical achievements. Last but not the least these 63 cities selected under JNNURM is on the basis of Census 2001 figures and comprise 70% of the urban population of the country.
5.	Why the Govt. of India has not come with only Mission JNNURM and are having 2 Sub Missions i.e. Urban Infrastructure and Governance and Basic Services for Urban Poor?	Since majority of urban poor are those who migrate from rural areas to urban areas in search of <b>green pastures</b> and majority of these migrated population to urban areas live in slum areas where the basic services such as water, sanitation, drainage, sewerage and toilets are almost negligible so it was thought prudent that urban poor/ slum population to live a dignified life should have provisions for all the above amenities and hence the Mission of “ <b>BSUP</b> ”.
6.	Is there any limit on the project cost under the JNNURM?	No, there is no upper limit of the project cost under the JNNURM.
7.	Is there any upper limit under the IHSDP?	In IHSDP there is no upper limit on project cost, however, there will be a state allocation under IHSDP i.e. as per the urban population of the State. Hence, upper limit of the project cost should not in any case cross the total allocation to the particular State.

8.	What do you mean by structural reforms?	Structural reforms means that State Govts./ULBs/ para statal has to keep the right person for the right job and if there is an excess flab that should be shredded out by way of VRS and non-filling of posts which fall vacant due to superannuation and also to restructure their organizational set up so that <b>maximum output</b> is taken from the <b>minimum input</b> .
9.	Why can't we have same funding pattern in both the Sub Missions?	Funding pattern under BSUP is <b>more liberal</b> because this JNNURM caters to the needs of urban poor/ slum dwellers where the written on investment is normally very low, hence, Govt. of India is giving 50% grant for cities having population of 4 Million plus and for the other cities funding pattern is same as that of Sub-Mission-I of <b>“Urban Infrastructure”</b> .
10.	What was the need of enacting a new law on Public Disclosure when there is already RTI Act is in place?	Under RTI Act one can get information only if the person asks for information. However, the intention of <b>“Disclosure Act”</b> is to have all information accessible to public all time regarding fiscal, financial and physical progress of the ULBs.
11.	Some of the States has already got some law or the other law through which the disclosure are made to the public like Transparency Act, is there any need for these States to have Disclosure Act?	If some States are already having such Acts in place though by different names, need not to come out with a fresh Disclosure Act. If they feel they can come out with the sub ordinate legislation on the subject.

12.	Will there be one MOA for both the Ministries under IHSDP & UID and JNNURM ?	There will be <b>separate MOAs</b> to be signed by the State Govts./ ULBs with both the Ministries in respect of their projects under IHSDP & UIDMSST. However under JNNURM CDP & MOAs are to be appraised & signed with M/o. Urban Development and signing of MOAs should clearly mention the commitments of the State Govts./ ULBs with regard to implementation of <b>mandatory</b> and <b>optional reforms</b> with their <b>timelines.</b>
13.	Suppose while signing MOA some reforms are agreed to be done in a particular year and they are not achieved but while submitting the next DPR it is certified that left over reforms will be undertaken in that eventuality will the Govt. of India will release the grant?	No. While signing MOA State Govts. /ULBs should bear clearly in their mind what reforms they can undertake immediately and what reforms can be done in the another phase. In case reform is not achieved as per milestone indicated by them, release of <b>grant from</b> Govt. of India will be <b>stopped.</b>
14.	Why can't Govt. of India also make the list of consultants so that the State Govt. can take help from them?	Govt. of India has already prepared the list of consultants which will be <b>sent to</b> the State Govts. and will also be placed in the Ministry's <b>Website.</b> The State Govts. can take their help while preparing CDP/ DPR. However, it is clarified that this list of consultants by Govt. of India does not prohibit to have their own consultants.
15.	You have mentioned that 25% of the Central grant will be released at the time of sanction of project and	Yes, 25% Central grant will be on the total project cost and the balance will be released in 3 installments on receipt of

	upon signing of MOA, will that mean total project cost?	utilization certificate and on verification of progress of milestones achieved by the State Govts./ ULBs.
16.	Why can't BSUP can be kept outside the purview of reform agenda since it is for urban poor?	The stage of whether to keep under reform agenda agenda is already over, the bottom line is that all State Govts./ULBs has to implement both <b>mandatory</b> and <b>optional</b> reforms in a phase manner within the JNNURM period of 7 years beginning from 2005-06.
17.	How will the Ministry monitor implementation?	The Ministry will oversee implementation through its own officers and outsourcing monitoring to outside agencies.
18.	Why the Govt. of India is insisting on minimum floor area for dwelling unit and two bed room accommodation?	Govt. of India is simply saying that <b>preferably</b> one can have <b>two rooms</b> under the dwelling units but this does not debar the State Govts. / ULBs to make one room dwelling units.
19.	What would be the mechanism for persuading the ULBs to accept the reforms programme. In case the ULB does not fund its component of the cost, would it have to be funded by the State Government/ parastatals that is providing the particular service?	Reforms suggested under Jawaharlal Nehru National Urban Renewal Mission are in the interest of the Urban Local Bodies. The Mission helps the ULBs to undertake these reforms by providing them necessary assistance. States can put in the share of ULBs if they want to.
20.	What will be the funding pattern under the IHSDP?	As mentioned in the guidelines it will be within the ratio of 80:20 and for the special category States 90:10. However, the State Govts. can leverage their share through financial institutions/ beneficiary contribution/ MP lad/ MLA lad

		funds. In a way the funding pattern is as good as 100 % grant to the States/ULBs.
21.	Will the release of Central Assistance under IHSDP is also linked to reforms?	Yes, under IHSDP also State Govts/ ULBs has to undertake all mandatory/ optional reforms in a phased manner within the Mission period of 7 years.
22.	Will the amount be released immediately on signing of MOA?	Central assistance is released not only subject to signing of MOA but State Govts. has to open a separate account and to deposit the State's shares in that account before the funds are released from Govt. of India.
23.	Since IHSDP has come by merging VAMBAY and NSDP what will be the fate of those projects which are already in the midway of completion?	All the projects taken up under the ongoing schemes of VAMBAY during the last 5 years will continue to be funded as per the existing guidelines of the VAMBAY Scheme will completion of those projects.
24.	Will the Central assistance will be available for the remaining period of 2005-06?	Of course yes provided the JNNURM cities should submit their CDP/ DPRs and sign MOA as per the guidelines.
25.	In the Sub-Mission on Urban Infrastructure and Governance health and education are under ineligible sectors. Are they ineligible in BSUP also?	Health and education are eligible sector under BSUP through convergence of already existing schemes of Ministry of HRD and Health.
26.	Would loss of revenue due to lowering of stamp duty compensated?	This is an unlikely scenario in the long run as the reforms are intended to transform the ULBs into self sustaining entities.