

Near Collapse Situation in Metropolitan Cities

423. SHRI P. PRABHAKAR REDDY: Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether it is a fact that at the two-day Conference of Ministers of Local Self Government and Urban Development of States and Union Territories held last month he had expressed the view that principal metropolitan cities in the country are almost on the verge of collapse;

(b) whether any short-term and long-term measures have been formulated to prevent the near-crisis situation; and

(c) if so, the details thereof and by when the contemplated measures are likely to be put into execution?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI BANDARU DATTATRAYA): (a) A two-day Conference of Ministers of Local Self Government and Urban Development of States and Union Territories was held at New Delhi on 17-18 January, 2000. In this Conference, various issues relating to urban development and municipal administration were discussed. The deteriorating conditions of metropolitan cities in terms of civic facilities also figured in the discussion. Since urban development is a State Subject, the State Governments were urged upon in the Conference to take immediate remedial steps to improve the civic life of the cities.

(b) and (c) In order to tackle the ever increasing urban problems, the Ministry of Urban Development is already operating Centrally Sponsored Schemes such as Integrated Development of Small and Medium Towns; Infrastructure Development in Mega Cities; Low Cost Sanitation for Liberation of Scavengers; Accelerated Urban Water Supply Programme; etc. Under these schemes, financial assistance is provided to State Govts. to improve the urban infrastructure to provide better civic facilities to the people.

Release of Funds for Kanpur Barrage

†424. SHRI MANOHAR KANT DHYANI: Will the Minister of URBAN DEVELOPMENT be pleased to refer to reply to Unstarred Question 1966 given in Rajya Sabha on 20th December, 1999 regarding construction of barrage in Kanpur (UP) and State:

†Original notice of the Question was received in Hindi.

(a) the amount provided by Government for sanctioned scheme of Rs. 263.40 crores under their commitment of providing 50 per cent amount as loan; and

(b) by when Government would provide this amount?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI BANDARU DATTATRAYA): (a) and (b) The Govt. of India released Rs. 4 crores during 1994-95 and Rs. 2 crores during 1996-97. Another Rs. 4.5 crores have been released on 7th December, 1999 by the Government of India to the Government of Uttar Pradesh. Further releases would depend upon budgetary allocation for the Ganga Barrage Project during the year 2000-2001.

Implementation of 'Unit Area System' for Assessment of Property

†425. SHRI SWARAJ KAUSHAL: Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether directives have been issued to implement 'Unit Area System' now throughout the country for the assessment of property;

(b) if so, the details thereof; and

(c) what is the utility of the said system compared to erstwhile system?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI BANDARU DATTATRAYA): (a) and (b) Ministry of Urban Development have issued guidelines to State Government and Union Territories for the property tax reforms. These guidelines *inter-alia* deals with the Area Based Property Tax Model. Under this method, tax on built up property (both residential and non-residential) is linked to factors like (i) location of holding; (ii) use of a holding; (iii) type of a construction; (iv) carpet area of the building. Since Property tax is a State subject, it is for the concerned State Governments/Union Territories to adopt area based property tax model.

(c) The area based property tax model is considered to be more useful in comparison to other property tax models. Following are the main objectives of the Area Based Property Tax Model:—

(1) Low rate of property Tax so as to make it acceptable by the public at large.

(2) Minimise the discretion on the part of assessors in tax levy;

(3) Make the process of assessment, levy and collection transparent and simple;