

GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 246
ANSWERED ON 02/02/2026

STATUS OF SPECIAL PURPOSE VEHICLES POST SCM COMPLETION

246. SHRI SANJAY KUMAR JHA:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) whether it is a fact that the Smart Cities Mission (SCM), launched in 2015, was executed by creating special purpose vehicles (SPVs)—joint ventures between the State Governments and municipal corporations;
- (b) if so, whether it is also a fact that these SPVs were registered as private companies under the Companies Act of 2013 and received funding for operations from the Centre and State Governments; and
- (c) if so, the current state of SPVs, now that SCM has virtually achieved completion?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI TOKHAN SAHU)**

- (a) The Smart Cities Mission (SCM), launched in 2015, has been implemented through Special Purpose Vehicles (SPVs). At the City level implementation has been done by a Special Purpose Vehicle (SPV) created for planning, appraising, approving projects, releasing funds, procuring, managing, operating, monitoring and evaluating the Smart City development projects. These SPVs are jointly owned by the State/UT and Urban Local Bodies (ULBs), with equal shareholding.
- (b) The SPVs are registered as private companies under the Companies Act, 2013, and were funded through grants from both the Central and State Governments.
- (c) Recognising the strategic investments made in establishing and strengthening SPVs, and their growing relevance in supporting Urban Local Bodies (ULBs) to address complex and evolving urban challenges, the Government of India with a considered view that these entities should continue to operate beyond the completion of the Smart Cities Mission, has issued Advisory No. 27 dated 10 June 2025 outlining the envisioned future role of SPVs.

These SPVs were mandated to implement the mission through focused planning, project development, and on-ground execution. In the process, the SPVs have cultivated a robust institutional capacity to manage high-value urban projects within short timelines while also contributing to the emergence of a skilled urban management workforce within the government systems.
