

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 1645
ANSWERED ON 03/08/2026**

SMART CITY PROPOSALS IN INDIA AND IMPLEMENTATION GAPS

1645. SHRI I.S. INBADURAI:

Will the Minister of *Housing and Urban Affairs* be pleased to state:

- (a) whether Government has reviewed implementation of Smart Cities Mission (SCM) across the country, if so, the details thereof and major gaps identified between planned projects and actual outcomes;
- (b) whether delays in Smart City projects are widespread, if so, the details thereof and reasons for slow execution despite approved proposals and allocated funds; and
- (c) whether funds allocated under SCM have been fully utilized, if so, details thereof and instances of underutilization or diversion of resources?

ANSWER

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

- (a): Under Smart Cities Mission (SCM), as reported by the States/UTs as on 31.03.2026, a total 8,064 projects amounting to ₹1,64,811 Cr were taken up out of which 7,790 projects (97% of total projects undertaken) worth ₹1,56,257 Cr have been completed.

Further, NITI Aayog in its report titled 'Evaluation of Centrally Sponsored Schemes in Package 4 – Urban Transformation and Skill Development' published in September 2025, has concluded that the Smart Cities Mission demonstrates strong alignment with national urban priorities and citizen needs, contributing significantly to multiple United Nations Sustainable Development Goals. As per the report, the Mission has achieved a high project completion rate of 93% of 8,063 projects and 100% completion of Integrated Command and Control Centres (ICCCs), leading to measurable improvements in urban liveability, mobility, safety, and environmental outcomes.

- (b): As apprised by the States/UTs, the challenges encountered in implementing smart city projects include, inter-alia, legal issues, delay in obtaining clearances from different departments, land acquisition, construction in hilly areas, challenges in vendor and resource availability in small & medium cities, centralization of decision making in few cities, utilization of full capacity of Integrated Command and Control Centres (ICCCs), etc.
- (c): Under SCM, out of Central Government's allocation of ₹48,000 Cr, the cities have been able to claim Central Financial Assistance of ₹47,458 Cr (i.e. 99% of the total central share allocation for cities). As reported by the States/ UTs as on 31.03.2026, funds amounting to ₹46,377 Cr has been utilized (i.e. 98% of the total Central Financial Assistance released for cities).
