

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 1654
ANSWERED ON 03/08/2026**

IMPLEMENTATION STATUS OF URBAN CHALLENGE FUND

1654. SHRI UJJWAL DEORAO NIKAM:

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

- (a) the present status of implementation of the Urban Challenge Fund;
- (b) the criteria adopted for selection of cities and projects;
- (c) the projects approved so far along with financial assistance sanctioned; and
- (d) the details of funds released during financial year 2025-26?

ANSWER

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

(a), (c) & (d): The Urban Challenge Fund (UCF) scheme has been operationalized with the launch of Operational Guidelines for UCF on 15th April, 2026. Accordingly, no funds has been released in the FY 2025-26. At present, 33 projects with admissible project cost ₹31048.13 crore having admissible central assistance of ₹7158.47 crore have been approved/accorded.

(b): All Cities are eligible to participate under UCF. Chapter 7 of the operational guidelines includes details regarding the Project Appraisal and Challenge Framework including mandatory eligibility requirements, overall project flow/ implementation framework, and project evaluation process for appraisal and selection of projects. The list of admissible projects under UCF are given under chapter 5 of the operational guidelines. The scheme guidelines are in public domain and may be accessed at:

<https://www.mohua.gov.in/static/uploads/2026/04/7950afb9b2d5cb773ba3d6c64bde9726.pdf>
