

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES**

LOK SABHA

UNSTARRED QUESTION NO. 632

TO BE ANSWERED ON THE 24th JULY 2023, / Sravana 2, 1945 (Saka)

Urban Infrastructure Development Fund

QUESTION

**632. SHRI RAJVEER SINGH (RAJU BHAIYA): DR. JAYANTA KUMAR ROY:
SHRIMATI SANGEETA KUMARI SINGH DEO: SHRI RAJA AMARESHWARA
NAIK:**

Will the Minister of **Finance** be pleased to state:

- (a) Whether the Government has proposed to set up the Urban Infrastructure Development fund (UIDF) through use of priority Sector lending shortfall for creating urban infrastructure in Tier two and Tier three cities;
- (b) If so, the details thereof;
- (c) Whether the national Housing Bank is proposed to manage UIDF and public agencies would use the fund to create infrastructure and if so, the details thereof;
- (d) Whether the UIDF is aimed to push real estate players seeking land parcels in the emerging cities to develop residential and commercial properties and if so, the details thereof; and
- (e) the other steps being taken by the Government in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) to (e): The Government has set up the Urban Infrastructure Development Fund (UIDF) with the initial corpus of ₹ 10,000 crores through Priority Sector Lending (PSL) shortfall, to be managed by the National Housing Bank (NHB) for creating urban infrastructure in Tier 2 and Tier 3 cities.

UIDF aims to supplement efforts of the State Governments/UTs for urban infrastructure development work implemented through Public/State Agencies, Municipal Corporations, Urban Local Bodies in Tier 2 and Tier 3 cities by providing a stable and predictable source of financing.

The list of eligible activities as per UIDF guidelines is given in Annexure.

List of eligible activities under UIDF:

1. Water supply network (new/augmentation/rehabilitation)
2. Construction and improvement of drains/storm water drains
3. Sewerage network (new/augmentation/rehabilitation)
4. Sewage treatment plants – secondary/tertiary treatment
5. Comprehensive projects of pay and use toilets, operated, and managed by private sector
6. Solid Waste Processing Plants (new/augmentation)
7. Comprehensive development of land reclaimed from legacy dumpsite remediation
8. Roads (excluding maintenance works), within area development projects with provision for all utilities to be taken through an underground conduit
9. Over bridges, grade separators, underpasses
10. Electric/gas crematorium
11. Comprehensive Area Development Projects
 - Local Area Plan for de-congestion
 - Heritage conservation
 - Transit Oriented Development for creating dense, mixed-use developments near public transportation
 - Town Planning Schemes for greenfield development
 - Parks with open Gym not involving major construction work
