

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 4829
TO BE ANSWERED ON AUGUST 21, 2025**

CHALLENGES UNDER URBAN DEVELOPMENT SECTOR

NO. 4829. SHRI ZIA UR REHMAN:

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

- (a) whether the Government is aware of the key challenges in the urban development sector including delays in housing project completion, inadequate urban infrastructure, rising cost of urban living and issues related to waste management and water supply in Tier-1 and Tier-2 cities; and**
- (b) if so, the details of the steps being taken under the schemes like Pradhan Mantri Awas Yojana – Urban (PMAY-U), Smart Cities Mission (SCM), Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0, Swachh Bharat Mission – Urban (SBM-U) and initiatives to promote sustainable urban mobility, affordable housing and ease of living through digital governance?**

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

- (a) & (b): As per the provisions of Article 243 W of the Constitution, in conjunction with the Seventh and Twelfth Schedules, matters relating to urban development fall within the purview of States/ Urban Local Bodies (ULBs). However, Ministry of Housing and Urban Affairs (MoHUA) provides programmatic support to the States/ Union Territories (UTs) in their urban development agenda through its various flagship Missions/ Programmes viz. Pradhan Mantri Awas Yojana – Urban (PMAY-U) 2.0, Smart Cities Mission (SCM), Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0, Swachh Bharat Mission – Urban (SBM-U) 2.0, Urban Transport (UT), etc.**

Through these Missions/Schemes, the Central Government approves the State Plans and provides the Central Assistance (CA) to the States. The projects are selected, designed, approved and executed by the States/UTs and the cities. The State Governments release funds to the cities/districts.

PMAY-U: 'Land' and 'Colonization' are State subjects. Therefore, schemes related to housing for their citizens are implemented by States/UTs. However, MoHUA supplements the efforts of States/ UTs, by providing Central Assistance under Pradhan Mantri Awas Yojana- Urban (PMAY-U) since 25.06.2015 to provide pucca houses to eligible urban beneficiaries across the country. PMAY-U is a demand driven scheme and Government of India has not fixed any state wise target for construction of houses. Participating States/UTs have prepared project proposals in consonance with the scheme guidelines, based on the demand for houses in urban areas and submitted to this Ministry for release of admissible Central Assistance.

Based on the learnings from the experiences of implementation of PMAY-U, MoHUA has revamped the scheme and launched PMAY-U 2.0 'Housing for All' Mission with effect from 01.09.2024 for implementation in urban areas across the country to support one crore additional eligible beneficiaries with an estimated government subsidy of ₹2.30 lakh crore through four verticals i.e., Beneficiary Led Construction (BLC), Affordable Housing in Partnership (AHP), Affordable Rental Housing (ARH) and Interest Subsidy Scheme (ISS). In order to enhance the affordability of the houses, State/UT share is mandatory under PMAY-U 2.0. Apart from the minimum State/UT share, the State/UT Governments may also provide additional top-up share to increase affordability.

As per the Scheme Guidelines of PMAY-U 2.0, States/UTs conduct demand survey in their respective jurisdiction and validate the beneficiaries to ascertain eligibility. Eligible citizens are also allowed to apply through Unified Web Portal of PMAY-U 2.0 and register their demand. After fulfilling the procedures laid down in the Scheme Guidelines, the houses are approved by State Level Sanctioning and Monitoring Committee (SLSMC) and forwarded to Central Sanctioning and Monitoring Committee (CSMC) for consideration of release of Central Assistance.

SCM: Cities under the Smart Cities Mission have been developed based on Smart City Proposals (SCPs) received from States/UTs across various sectors viz. smart mobility, Water, Sanitation, Hygiene (WASH), smart governance, smart energy, environment etc., duly approved by State High Powered Steering Committee (HPSC).

As on 31st July, 2025, in the 100 cities selected under Smart Cities Mission (SCM), out of a total 8,063 projects amounting to ₹ 1,64,695 crore, 7,636 projects amounting to ₹1,53,977 crore have been completed.

AMRUT 2.0: Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 scheme has been launched on 01 October 2021 in all ULBs/ cities, enabling the cities to become 'self-reliant' and 'water secure'. Providing universal coverage of sewerage & septage management in 500 AMRUT cities is one of the major focus areas of AMRUT 2.0. Rejuvenation of water bodies, development of green spaces and parks are other components of the Mission. Under AMRUT 2.0, States/UTs are empowered to select, appraise, prioritise and implement the projects within the broad framework of Mission guidelines.

State Water Action Plans have been approved for 8,873 projects worth ₹1,94,172.99 crore which includes 3,571 water supply projects worth ₹1,18,421.92 crore, 586 Sewerage & Septage Management projects worth ₹68,461.78 crore, 3,032 water body rejuvenation projects worth ₹6,210.66 crore and 1,684 parks projects worth ₹1,078.63 crore.

Approved projects cover 178 lakh new water tap connections, 69 lakh new sewer connections, development of Water treatment capacity of 11,271 MLD, and Sewage treatment capacity of 6,964 MLD.

Urban Transport: At present, about 1,055 km of metro rail network (including 55 kms of RRTS network) is operational in 24 cities across the country. Since June 2024 to till date, Government of India has sanctioned Metro Projects costing more than Rs. 1 lakh crore for construction of almost 240 kms of metro network. In the country, 1.1 crore passengers are travelling daily by Metros.

PM-eBus Sewa Scheme: This scheme, launched on 16th August, 2023, aims to augment city bus operations in urban areas with Central Assistance (CA) of Rs.20,000 crore for deploying 10,000 electric buses on Public Private Partnership (PPP) model. As per the extant guidelines of the Schemes, cities with a population between 3-40 lakhs and other State/UT Capitals with less than 3 lakh population as per census 2011 are eligible to participate in the scheme.

SBM-U: To meet the sanitation related demand of the Urban Population, Government of India launched the Swachh Bharat Mission-Urban (SBM-U) on October 2, 2014 with the objective of Open Defecation Free (ODF) and for scientific processing of Municipal Solid Waste (MSW) generated in the urban areas of the country. To carry forward the progress made, Swachh Bharat Mission (SBM-U) 2.0 has been launched on October 1, 2021 for a period of five years with a vision of achieving safe sanitation involving creation of Individual Household Latrine (IHHL), Community Toilet (CT)/ Public Toilet (PT) and scientific management of all fractions of waste including safe disposal in scientific landfills, legacy dumpsite remediation through source segregation. It involves release of central share assistance for setting up of waste processing facilities such as Material Recovery Facilities (MRFs), transfer stations, Waste-to-Compost (WtC) plants, Waste-to-Energy (WtE) plants, bio-methanation plants, Construction and Demolition (C&D) waste plants, sanitary landfill, mechanized sweeping equipment and bio-remediation of legacy dumpsites.

Under SBM – U, the total financial outlay of the States and UTs for the entire Mission Period is ₹62,009 crore, including committed Central Assistance of ₹14,623 crore. Under SBM – U 2.0, the total financial outlay of the States and UTs for the entire Mission Period is ₹1,41,600 crore, including committed Central Assistance of ₹36,465 crore.

National Urban Digital Mission: Digital governance in the urban domain ensures easy, timely, and hassle-free multi-channel access to G2C (Government-to-Citizen) services, reducing reliance on physical visits. By integrating payments, applications, grievance redressal, and other G2C services into unified platforms, it enables stronger service level agreement (SLA) compliance, real-time monitoring, and greater transparency. Under the National Urban Digital Mission (NUDM), the UPYOG (Urban Platform for delivery of Online Governance) serves as shared Digital Public Infrastructure (DPI), providing several ready-to-use urban services.
