# GOVERNMENT OF INDIA MINISTRY OF URBAN DEVELOPMENT LOK SABHA UNSTARRED QUESTION No. 629 TO BE ANSWERED ON APRIL 27, 2016

#### **FUNDS FOR VARIOUS SCHEMES**

No. 629 DR. A. SAMPATH: SHRI M.B. RAJESH:

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether only 20 per cent funding for Smart City Mission, 10 per cent funding for Pradhanmantri Awas Yojana and 32 to 50 percent funding for Atal Mission for Rejuvenation and Urban Transformation is likely to be made by the Union Government;
- (b) if so, the details thereof;
- (c) the manner in which States are going to raise fund for the above projects; and
- (d) the details of progress registered in above projects in various States?

## ANSWER THE MINISTER OF URBAN DEVELOPMENT (SHRI M. VENKAIAH NAIDU)

(a)to(d): Smart Cities Mission

The Smart Cities Mission will cover cities and its duration will be five years (FY2015-16 to FY2019-20). The Mission will be operated as a Centrally Sponsored Scheme (CSS) and the Central Government proposes to give financial support to the Mission to the extent of Rs. 48,000.00 crore over five years i.e. on an average Rs. 100 crore per city per year. An equal amount, on a matching basis, will have to be contributed by the State / Urban Local Body (ULB), therefore, nearly Rs. 1,00,000.00 crore of Government / ULB funds will be available for Smart Cities development. These contributions, however, will meet only a part of the project cost and balance funds as required by the city in

terms of their Smart City are expected to be mobilized by the cities from:

- i. States/ ULBs own resources from collection of user fees, beneficiary charges and impact fees, land monetization, debt, loans, etc.
- ii. Additional resources transferred due to acceptance of the recommendations of the Fourteenth Finance Commission (FFC).
- iii. Innovative finance mechanisms such as municipal bonds with credit rating of ULBs, Pooled Finance Mechanism, Tax Increment Financing (TIF).
- iv. Other Central Government schemes like Swachh Bharat Mission, AMRUT, National Heritage City Development and Augmentation Yojana (HRIDAY).
- v. Leverage borrowings from financial institutions, including bilateral and multilateral institutions, both domestic and external sources.
- vi. States/UTs may also access the National Investment and Infrastructure Fund (NIIF), which was announced by the Finance Minister in his 2015 Budget Speech, and is likely to be set up this year.
- vii. Private sector through PPPs.

### <u>AMRUT</u>

The total outlay for Atal Mission for Rejuvenation and Urban Transformation (AMRUT) is Rs. 50,000 crore for five years from FY 2015-16 to FY 2019-20 and the Mission will be operated as a Centrally Sponsored Scheme. The funding pattern under the Mission is:

- One-third of the project cost as grant from Gol for cities with a population of above 10 lakh.
- One-half of the project cost as grant for cities/towns with population up to 10 lakh.
- Balance funding by State Governments / ULBs or through private investment.

For the Financial Year 2015-16, the Government of India has released Rs. 1978.83 crore as Central Assistance to States/UTs. Beside this, the Government of India has also

released Rs. 123.38 crore to States/ UTs for preparation of Service Level Improvement Plan (SLIP). The details of release are at Annexure-1. Under AMRUT, the States may raise funds through PPP, Market borrowing, etc. as identified by the State for the projects sanctioned under it. The States/UTs are executing/ implementing agencies and at present, no physical progress is reported by the States/ UTs.

### Pradhan Mantri Awas Yojana

Government has launched the "Pradhan Mantri Awas Yojana - Housing for All (Urban) Mission" on 25.06.2015. The Mission provides central assistance to implementing agencies through States/UTs for providing houses to all eligible families/ beneficiaries. The Mission has four pillars namely, Slum Redevelopment, Affordable Housing through Credit Linked Subsidy, Affordable Housing in Partnership (AHP) and Subsidy for beneficiary-led individual house construction/ enhancement (BLC).

A central grant of Rs. 1 lakh per house on average under the slum redevelopment programme and @ 1.5 lakh per EWS house under the AHP and BLC components is admissible under the mission. Under the credit-linked interest subsidy component, interest subsidy of 6.5% on housing loans up to tenure of 15 years will be provided to economically weaker sections (EWS) and low income groups, giving them a benefit of about Rs 2.3 lakh each.

To make housing projects affordable and accessible to the intended beneficiaries, Pradhan Mantri Awas Yojana (PMAY) (Urban) Mission Guidelines envisages that the States and Cities may extend concessions such as their State subsidy, land at affordable cost, stamp duty exemption etc. In addition, the Government has been requesting States to consider providing incentives for promoting affordable housing including reduction in stamp duties, registration and conversion charges etc. Details of project proposals, as on 01.04.2016, for construction of Economically Weaker Section (EWS) houses accepted for

Central assistance under Pradhan Mantri Awas Yojana Housing for All (Urban) Mission are at Annexure-2.

Also, as of 31.03.2016, an amount of Rs. 200.00 crore as advance of interest subsidy has been released to Central Nodal Agencies (CNAs) for implementation of Credit Linked Subsidy Scheme (CLSS) under PMAY-HFA (Urban) mission.

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State wise approved State Annual Action Plan (SAAP) and amount released during 2015-16								
SI. No.	Name of the State	Total size of SAAP	Committed Central Assistance	Amount released as 1 <sup>st</sup> installment (20% of Central Assistance				
01	Rajasthan	919.00	459.50	91.90				
02	Gujarat	1204.42	564.30	112.86				
03	Andhra Pradesh	662.46	300.41	60.08				
04	Jharkhand	313.36	137.95	27.59				
05	Odisha	461.30	228.14	45.63				
06	Madhya Pradesh	1655.81	672.03	134.41				
07	Mizoram	73.00	36.50	7.30				
08	Tamil Nadu	3249.23	1372.41	274.48				
09	Kerala	575.96	287.98	57.60				
10	Telangana	415.51	204.75	40.85				
11	Chhattisgarh	573.40	276.47	55.29				
12	West Bengal	1104.86	552.43	110.49				
13	Haryana	438.02	219.01	43.80				
14	Maharashtra	1989.41	914.92	182.98				
15	Himachal Pradesh	158.82	79.41	15.88				
16	Bihar	664.20	332.10	66.42				
17	Uttar Pradesh	3287.27	1409.07	281.81				
18	Karnataka	1258.54	592.29	118.46				
19	Uttarakhand	269.93	133.68	26.74				
20	Punjab	709.66	318.86	63.77				
21	Assam	186.27	169.34	33.87				
22	Goa	59.44	29.72	5.94				
23	Puducherry	18.97	18.97	3.79				
24	Tripura	36.62	32.96	6.59				
25	Jammu & Kashmir	171.00	153.87	30.77				
26	Meghalaya	22.81	20.53	4.11				
27	Delhi	223.07	223.07	44.61*				
28	Manipur	51.43	46.29	9.26*				
29	Chandigarh	15.04	15.04	3.01*				
30	Sikkim	13.43	12.09	2.42*				
31	Arunachal Pradesh	40.94	36.84	7.37*				
32	Nagaland	34.98	31.48	6.30*				
33	Andaman & Nicorbar	3.18	3.18	0.64				
34	Daman & Diu	4.96	4.96	0.99				
35	Dadar & Nagar Haveli	3.41	3.41	0.68				
36	Lakshadweep	0.68	0.68	0.14				
	Tota	al	9894.10	1978.83				

#### **Annexure-2**

State wise details of proposal for construction of houses accepted for central assistance under Pradhan Mantri Awas Yojana – PMAY (Urban)

as on 1st April 2016 (Rs. in Crore)

C!	(Rs. in Crore					
SI. No.	Name of the State	Number of Projects	Central Assistance Accepted	Central Assistance Release	EWS Houses	
1.	A&N Island					
2.	Andhra Pradesh	110	2,897.21	334.95	1,93,147	
3.	Arunachal Pradesh					
4.	Assam					
5.	Bihar	85	453.24	7.12	13,315	
6.	Chandigarh(UT)					
7.	Chhattisgarh	11	190.05	76.02	12,670	
8.	D&N Haveli					
9.	Daman & Diu					
10.	Delhi					
11.	Goa					
12.	Gujarat	77	853.62	90.75	32,311	
13.	Haryana					
14.	Himachal Pradesh	9	16.16			
15.	Jammu & Kashmir					
16.	Jharkhand	38	303.59	50.00	20,239	
17.	Karnataka	21	247.83			
18.	Kerala					
19.	Lakshdweep					
20.	Madhya Pradesh	45	644.12	115.45	19,241	
21.	Maharashtra					
22.	Manipur					
23.	Megahala					
24.	Mizoram	8	154.29	8.18	10,286	
25.	Nagaland					
26.	Orissa	6	143.22	33.29	5,548	
27.	Puducherry					
28.	Punjab					
29.	Rajasthan	23	184.61	37.53	12,307	
30.	Sikkim					
31.	Tamil Nadu	197	510.20	40.50	34,013	
32.	Telangana	144	1,207.22	261.76	80,481	
33.	Tripura					
34.	Uttar Pradesh					
35.	Uttrakhand	21	41.36		464	
36.	West Bengal	108	1,123.20	88.85	74,880	
	Grand Total: -	903	8,969.88	1,144.39	5,08,902	