

# BUDGET EXPLAINER

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Trends in Finances for the Ministry of  
Housing and Urban Affairs

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## KEY HIGHLIGHTS



For FY 24-25 Budget Estimates (BEs), ₹82,577 crore is allocated to the Ministry of Housing and Urban Affairs (MoHUA), a 19 per cent increase from previous year's allocation which was ₹69,271 crore.



The Pradhan Mantri Awas Yojana (Urban) (PMAY-U) is the largest scheme of MoHUA. It has been allocated ₹30,171 crore in FY 24-25 BEs, a 36 per cent increase from previous year's allocation which stood at ₹22,103 crore.



As on 5 August 2024, 118.64 lakh houses have been sanctioned under PMAY-U. This is 6 per cent more than the demand of 112.24 lakh houses. Out of total sanctioned houses, 72 per cent, or 85.55 lakh have been completed.



Mass Rapid Transit System and Metro Project is the second largest scheme of MoHUA. It is a Central Sector (CS) scheme, and is allocated ₹24,932 crore in FY 24-25 BEs, an increase of 8 per cent from previous year's allocation which was ₹23,104 crore.



There is slow progress in construction of metro rail and regional rapid transit system network. In 21-22, only 52 per cent of target was achieved.

## KEY POLICY ANNOUNCEMENTS



In her Budget Speech for FY 24-25 BEs, Finance Minister Nirmala Sitharaman highlighted Urban Development as a key priority and Government of India (GoI) aims to develop cities as growth hubs through economic and transit planning, and orderly development of peri-urban areas<sup>1</sup>.



GoI aims to build Transit Oriented Development Plans for 14 large cities with population above 30 lakh.



Housing needs of 1 crore urban poor and middle-class families will be met in this FY. Over the next 5 years, GoI has committed to ₹2.2 lakh crore of Central Assistance.



Under the PM SVANidhi Scheme, a CS scheme for providing collateral-free loans to street vendors, 100 weekly *haats* will be supported over the next 5 years.

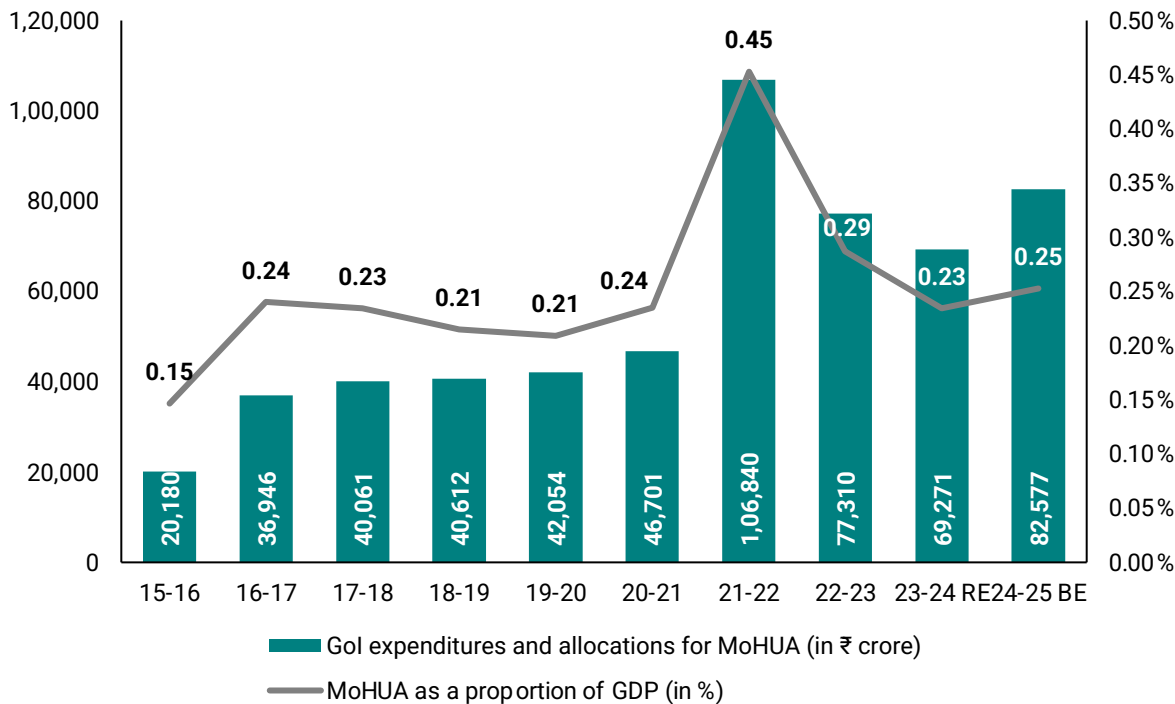
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# OVERVIEW

According to Census 2011, over 32 per cent of India’s population resides in urban areas. The apex ministry for urban issues was constituted in 1952. Over the years, it has undergone several administrative changes. Most recently, in Financial Year (FY) 17-18, urban issues which came under the mandate of two ministries – Ministry of Urban Development and Ministry of Housing and Urban Poverty Alleviation, were merged to form the Ministry of Housing and Urban Affairs (MoHUA)<sup>2</sup>. This brief examines trends in Government of India’s (GoI) finances for MoHUA.

- In FY 24-25 Budget Estimates (BEs), allocation for MoHUA stands at ₹82,577 crore, a 19 per cent increase from the Revised Estimates (REs) for FY 23-24 and 8 per cent increase from BEs which stood at ₹76,432 crore.
- As a proportion of Gross Domestic Product (GDP), expenditures, or GoI releases to states and Union Territories (UTs), increased significantly from 0.15 per cent in FY 15-16 to 0.45 per cent in FY 21-22.
- Since FY 21-22, however, it has been decreasing. In FY 24-25 BEs, MoHUA’s allocation is 0.25 per cent of GDP.

**Figure 1: MoHUA’s Financial Trends and Share of GDP**

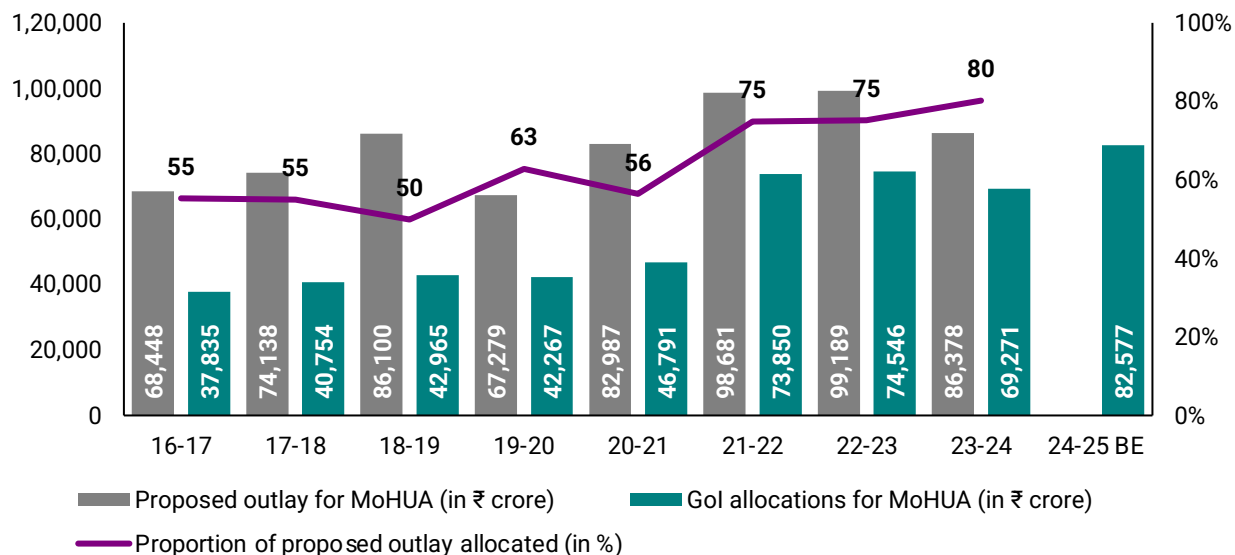


**Source:** (1) Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. (2) Budget at a Glance, Union Budget 2024-25. Available online at: <https://www.indiabudget.gov.in/>. (3) Annual and Quarterly Estimates of GDP at current prices, 2011-12 series, MoSPI. Available online at: <https://www.mospi.gov.in/data>. Last accessed on 23 July 2024.

**Note:** Figures till FY 22-23 are Actuals. FY 23-24 and FY 24-25 reflect the REs and BEs, respectively. Expenditures reflect GoI releases to states and UTs.

- Every year, Department-related Parliamentary Standing Committees are responsible for analysing the Demand for Grants of different Ministries and makes recommendations on budgets, policy priorities, and key issues in the sector. These Department-related standing committees also look at the projected demand, or outlays, raised by the Ministries.
- In FY 16-17, only 55 per cent MoHUA’s projected outlay was allocated. This, however, increased to 75 per cent in FY 21-22 and, in FY 23-24, 80 per cent of Ministry’s projected outlay was allocated.

**Figure 2: Proposed Outlay and Allocations for MoHUA**



**Source:** (1) Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. (2) Department-related Standing Committee Report on Demand for Grants for Housing and Urban Affairs, 19-20 to 23-24. Available online at: <https://sansad.in/ls/committee/departmentally-related-standing-committees>. Last updated on 23 July 2-24.

**Note:** Figures till FY 23-24 are REs, and FY 24-25 are BEs.

- Further, between FY 20-21 and FY 21-22, allocations increased by 58 per cent from ₹46,791 crore to ₹73,850 crore.
- The 12<sup>th</sup> Parliamentary Standing Committee Report for Demand for Grants on Housing and Urban Affairs indicates that the increase in REs over BEs in FY 21-22 was to meet the needs of additional funds of ₹19,000 crore for Pradhan Mantri Awas Yojana (Urban) (PMAY-U), ₹100 crore for PM SVANidhi, and ₹169 crore for Central Public Works Department (CPWD) residential accommodations, including the Central Vista Projects and New Parliament Building<sup>3</sup>.

# HOW DOES MoHUA ALLOCATE?



## Establishment Expenditure (EE)

of GoI are the costs incurred for the maintenance and operation of government offices and institutions.



## Other Central Expenditure (OCE)

are GoI funded and implemented initiatives such as the Hemisphere Properties India Limited (HPIL) which is a Public Sector Undertaking. It consists of specific initiatives or projects managed by autonomous bodies, central agencies, and spending on statutory bodies, and public sector undertakings.



## Centrally Sponsored Schemes (CSSs)

are schemes such as the PMAY-U implemented by state governments but largely funded by GoI, with a specified contribution from states. For large states, the fund sharing ratio is 60:40 and for North-Eastern and hilly states it is 90:10.



## Central Sector Schemes (CSs)

are schemes such as the Mass Rapid Transport System (MRTS) and Metro Projects which are fully funded, designed, planned, and implemented by GoI, based on subjects from the Union List.

- Between FY 16-17 and FY 24-25 BEs, OCE has grown at a pace of 24 per cent, followed by EE (18 per cent), CSSs (16 per cent), and CSs (5 per cent).
- As a proportion of GoI allocations for MoHUA, CSs constituted the majority share until FY 19-20. Since FY 20-21, however, most of the expenditure is undertaken through CSSs.
- In FY 24-25 BEs, 59 per cent (₹48,546 crore) of GoI allocation for MoHUA was for CSSs, followed by CSs (36 per cent, or ₹29,961 crore) and EE (5 per cent, or ₹3,815 crore). Across years, allocations for OCE have been the lowest.

# MAJOR AREAS OF ALLOCATION

## CENTRALLY SPONSORED SCHEMES

MoHUA has 7 key standalone CSSs:



**Pradhan Mantri Awas Yojana (Urban)** was launched in 2015 to facilitate the Gol's 'Housing for All' vision in urban areas. The scheme was extended in March 2022 until December 2024<sup>4</sup>.



**National Urban Livelihoods Mission** was launched in 2013 replacing the erstwhile Swarna Jayanti Shahari Rozgar Yojana to provide skill development and create opportunities for the urban poor<sup>5</sup>.



**Urban Rejuvenation Mission** includes the sub-schemes of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Smart Cities Mission which are aimed at providing and improving access to civic amenities in urban areas<sup>6</sup>.



**City Investment to Innovate, Integrate and Sustain** was relaunched in May 2023 in partnership with the French Development Agency (AFD), Kreditanstalt für Wiederaufbau (KfW), the European Union (EU), and National Institute of Urban Affairs (NIUA) to support 18 Smart Cities on projects promoting circular economy and Integrated Waste Management<sup>7</sup>.



**National Urban Digital Mission** was launched in 2021 as a part of the Smart Cities Mission and aims to create "accessible, inclusive, efficient, and citizen-centric governance" in all towns and cities<sup>8</sup>.



**Swachh Bharat Mission (Urban)** was re-launched in October 2021 to achieve the vision of 'Garbage Free Status' for all Indian cities<sup>9</sup>.



**PM e-Bus Sewa** was launched in August 2023 to deploy 10,000 electric buses in Public Private Partnership (PPP) model<sup>10</sup>.

- In FY 24-25 BEs, CSSs have undergone a few administrative changes. For instance, while City Investment to Innovate, Integrate and Sustain (CITIIS) 2.0 is a standalone scheme in FY 24-25 BEs, allocation for CITIIS is also reflected under the Smart Cities Mission. National Urban Digital Mission (NUDM), previously a part of Smart Cities Mission, and PM e-Bus Sewa are new standalone schemes.
- Between FY 16-17 and FY 19-20, Urban Rejuvenation Mission constituted the highest share out of total Gol's allocations for MoHUA's CSSs. This trend, however, reversed in favour of the PMAY-U beginning FY 20-21.

- In FY 24-25 BEs, PMAY-U comprises 62 per cent of CSS allocation, followed by Urban Rejuvenation Mission (21 per cent), and 10 per cent for Swacch Bharat Mission (Urban) (SBM-U).
- For FY 24-25 BEs, allocation for the National Urban Livelihoods Mission (NULM) is ₹300 crore, a significant increase from ₹0.02 crore in the Interim Budget for FY 24-25 but lower by 43 per cent from FY 23-24 REs which stood at ₹523 crore.

## CENTRAL SECTOR SCHEMES

### MoHUA has 6 key CSs:



**Mass Rapid Transport System and Metro Projects** is a scheme for transport planning and capacity building for various metro and transit projects of Gol.



**General Pool Accommodation** includes the Residential and Non-residential components which earmark provisions for construction and maintenance of residential and non-residential government buildings such as the Central Vista Project, Parliament, Supreme Court of India, respectively.



**Prime Minister's Street Vendors' Atmanirbhar Nidhi** was launched in June 2020 to provide collateral-free loans of upto ₹80,000 to urban street vendors<sup>11</sup>.



**Public Health Engineering (PHE) Sector Development Scheme** is a scheme to provide training to engineers and para-engineers of PHE departments and Urban Local Bodies.



**Scheme for Interest Subvention on Home Loan** is for interest subvention on home loans for economically weaker section, low- and middle- income group persons in urban areas.



**Identification of 4 Academic Institutions as Centre of Excellence in Urban Planning Design** is a newly launched scheme in FY 24-25 BEs and has identified 4 academic institutions to solve critical urban planning challenges. The 4 institutions are the Centre for Environment Planning & Technology (CEPT) University in Ahmedabad, Indian Institute of Technology (IIT) Kharagpur West Bengal, School of Planning and Architecture (SPA) Delhi, and National Institute of Technology (NIT) Calicut<sup>12</sup>.

- Since FY 16-17, the Mass Rapid Transit System (MRTS) and Metro Projects has constituted more than 80 per cent of the total Gol allocations for MoHUA's CSs, followed by General Pool Accommodation which has been in the range of 10 per cent to 16 per cent of overall CSs allocations.
- In FY 24-25 BEs, MRTS and Metro Projects and General Pool Accommodation, respectively, were 83 per cent (₹24,932 crore) and 12 per cent (₹3,700 crore) out of total Gol allocations for MoHUA's CSs.
- The CS – Identification of 4 Academic Institutions as Centre of Excellence in Urban Planning Design – was added in FY 24-25 BEs with allocation of ₹1,000 crore. Its overall share is 3 per cent of Gol CSs allocation in FY 24-25 BEs.

# DEEP DIVE INTO KEY SCHEMES

## Pradhan Mantri Awas Yojana (Urban)

Launched in 2015, PMAY-U was launched to achieve the following objectives<sup>13</sup>:

- Ensuring there are no housing shortages in urban areas by targeting Economically Weaker Section, Low Income Group, and Middle Income Group categories, and slum dwellers; and
- Ensuring access to *pucca* houses.

Apart from these objectives, the scheme aims to:

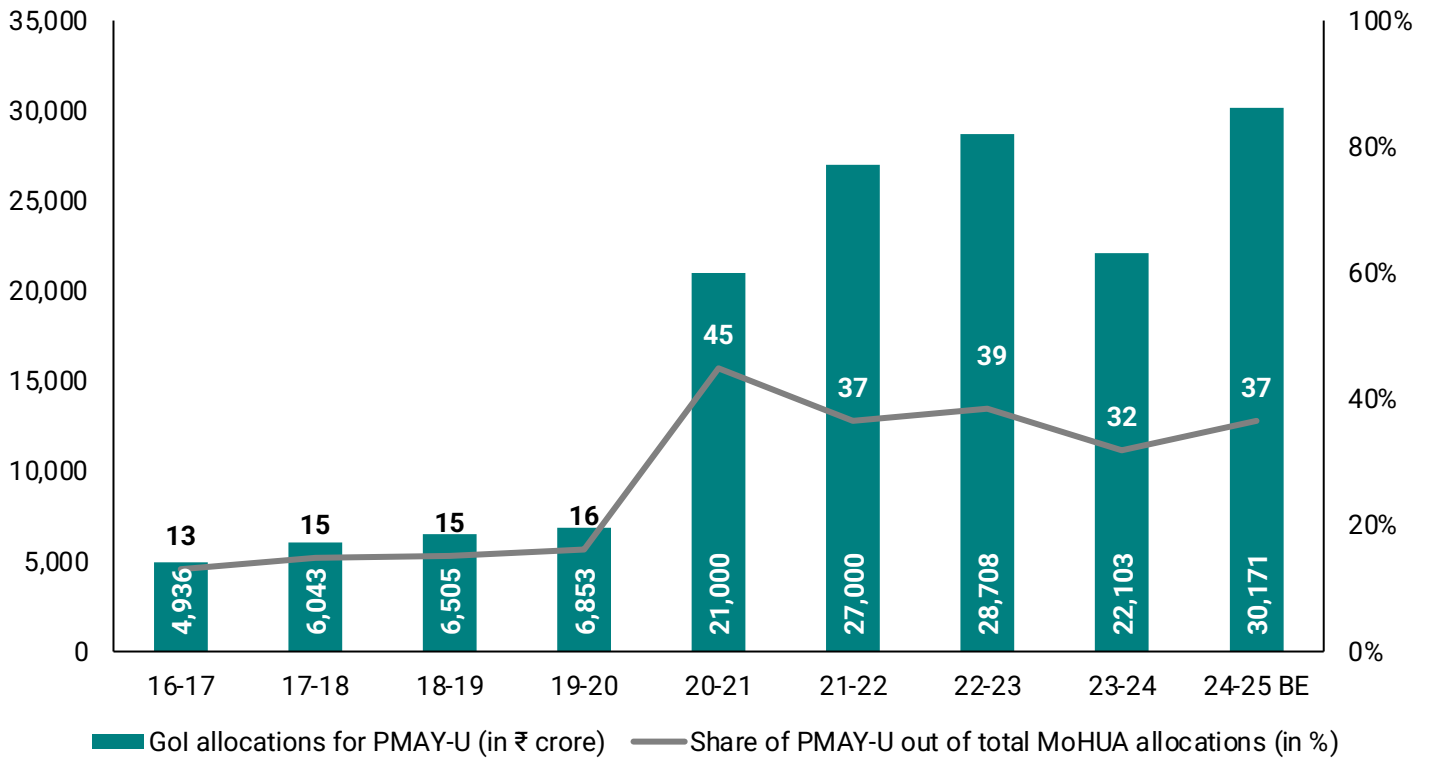
- Affordable Rental Housing Complexes (ARHCs) to migrant workers;
- Create a robust Management Information System (MIS);
- Strengthen capacity building and technological innovation; and
- Run the ANGIKAAR campaign for promoting best practices in conservation, waste management, etc., for migrant families living in PMAY-U houses.

As previously mentioned, the implementation period of PMAY-U was extended from March 2022 to December 2024.

### Trends in Allocations and Expenditures

- In FY 24-25 BEs, PMAY-U is allocated ₹30,171 crore, 36 per cent higher than the previous year's REs and 20 per cent more than BEs which stood at ₹25,103 crore.
- In FY 23-24, ₹30,196 crore was the proposed outlay for PMAY-U, of which 73 per cent was allocated.
- Allocations for PMAY-U increased three-fold between FY 19-20 and FY 20-21. This was because states and UTs increased demand for central assistance and subsidy under the scheme. Out of the total FY 20-21 REs, ₹18,000 crore was provided under the Atma Nirbhar package 3.0 through additional allocation and Extra Budgetary Resources (EBR)<sup>14</sup>.

**Figure 3: GoI Allocations for PMAY-U**

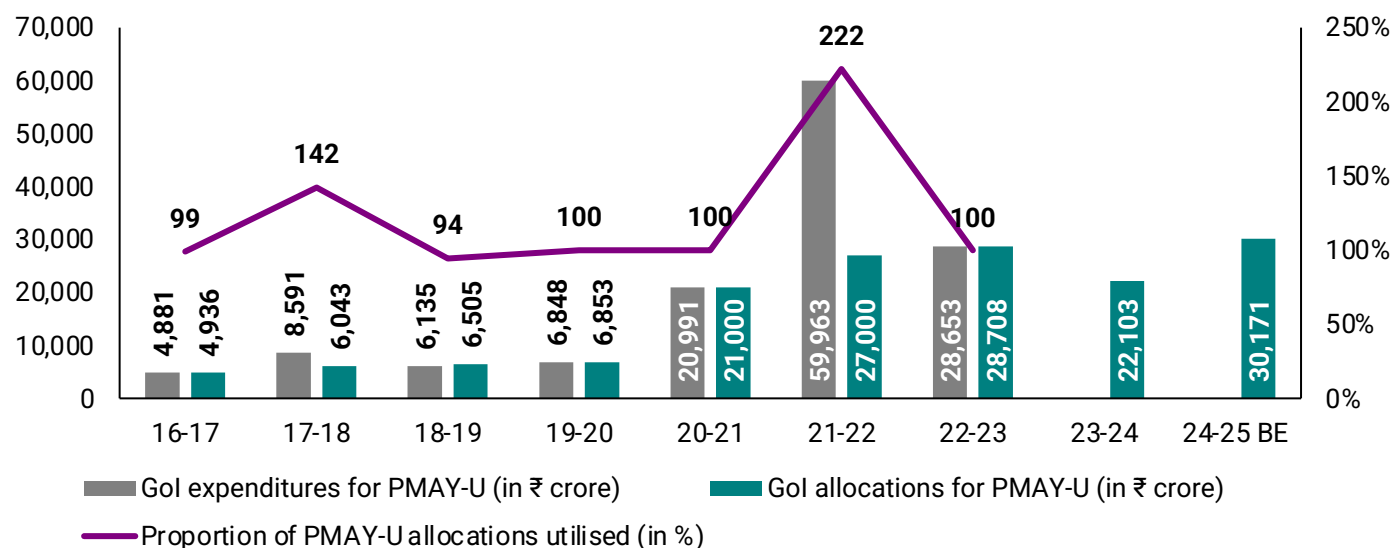


**Source:** Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 23 July 2024.

**Note:** Figures till FY 23-24 are REs. FY 24-25 are BEs.

- Central assistance under PMAY-U is released in three instalments of 40:40:20. GoI releases funds to states and UTs upon achieving the compliances in sanctioned projects.
- Across years, utilisations for PMAY-U have been consistently high. In FY 16-17, 99 per cent of allocation was spent. In FY 18-19, however, there were challenges in compliances of some projects. Fewer eligible Scheduled Caste citizens in sanctioned projects also led to compliance issues and were a reason for under-utilisation of funds<sup>15</sup>.
- Utilisations were greater than allocated amounts in FY 17-18 and FY 21-22.
- Trends in high utilisation are expected to continue as FY 23-24 REs were already 88 per cent of BEs.

**Figure 4: Allocations and Expenditures for PMAY-U**



**Source:** Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 23 July 2024.

**Note:** Allocation figures till FY 23-24 are REs. FY 24-25 are BEs. Expenditures reflect Gol releases to states and UTs.

### Component-wise Allocations

- There are several components under PMAY-U financing<sup>16</sup>:
  - **Credit Linked Subsidy Scheme (CLSS)-I for Economically Weaker Section (EWS)/Lower Income Group (LIG):** This provision allows an interest subsidy on housing loans to EWS/LIGs without collaterals or third-party guarantees by scheduled commercial or cooperative banks.
  - **Credit Linked Subsidy Scheme (CLSS)-II for Middle Income Group (MIG):** This provision allows an interest subsidy on housing loans for MIGs.
  - **Credit Risk Guarantee Fund Trust (CRGFT):** This provision allows for guarantee against housing loans.
  - **Institutional Development for Urban Governance:** This provision allows for developing institutions to promote an inclusive urban governance architecture.
  - **Other Items of Central Component:** This provision is for establishment costs, capacity building activities, and other miscellaneous central expenditure.
  - **Other Items of State/UTs Component:** The provision is for releasing the central assistance to states and UTs and includes expenditure on Scheduled Caste Component and Scheduled Tribe Component.
  - **Interest Payment against Loans Raised through EBR** includes interest payments, or borrowings through EBR.

- In FY 24-25 BEs, ₹23,712 crore is allocated to States/UTs Component, viz Gol release of funds to states and UTs for implementation of the scheme, followed by CLSS-I for EWS/LIG (₹3,000 crore), Interest Payment against Loan Raised through EBR (₹1,771 crore), and CLSS-II for MIG (₹1,000 crore).
- Utilisations as a proportion of allocated amounts have been high for most components. As previously mentioned, utilisation was much higher than allocation for Central Component in FY 21-22 because of increase in states', and UT's demand for that year.

**Table 1: Allocations and Expenditures of PMAY-U Components (in ₹ crore)**

Year	Type	CLSS-I for EWS/LIG	CLSS-II for MIG	CRGFT	Institutional Development for Inclusive Urban Governance	Central Component	States/ UTs Component	Interest Payment against loan raised through EBR
16-17	Allocations	475	0	15	13	46	4,387	0
	Expenditures	475	0	15	12	25	4,354	0
	<b>% Fund Utilised</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>92</b>	<b>56</b>	<b>99</b>	<b>-</b>
17-18	Allocations	800	600	15	11	55	4,562	0
	Expenditures	1,200	600	0	7	49	6,735	0
	<b>% Fund Utilised</b>	<b>150</b>	<b>100</b>	<b>0</b>	<b>61</b>	<b>90</b>	<b>148</b>	<b>-</b>
18-19	Allocations	1,300	600	0.01	14	89	4,502	0
	Expenditures	1,300	600	0	10	33	4,192	0
	<b>% Fund Utilised</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>69</b>	<b>37</b>	<b>93</b>	<b>-</b>
19-20	Allocations	600	400	0.01	5	167	2,681	3,000
	Expenditures	600	400	0	0	146	2,633	3,069
	<b>% Fund Utilised</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>5</b>	<b>87</b>	<b>98</b>	<b>102</b>
20-21	Allocations	3,750	3,000	0.01	5	294	9,803	4,148
	Expenditures	3,750	3,000	0	1	104	10,002	4,148
	<b>% Fund Utilised</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>12</b>	<b>35</b>	<b>102</b>	<b>100</b>
21-22	Allocations	12,000	0	0.01	5	438	10,098	4,459
	Expenditures	12,000	0	0	0	33,329	10,176	4,459
	<b>% Fund Utilised</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>7611</b>	<b>101</b>	<b>100</b>
22-23	Allocations	11,222	0	0.01	5	359	14,963	2,159
	Expenditures	10,821	0	0.01	0	113	15,559	2,159
	<b>% Fund Utilised</b>	<b>96</b>	<b>-</b>	<b>100</b>	<b>5</b>	<b>32</b>	<b>104</b>	<b>100</b>
23-24	Allocations	0	0	0.01	5	254	20,071	1,773
24-25 BE	Allocations	3,000	1,000	500	5	183	23,712	1,771

**Source:** Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 23 July 2024.

**Note:** Allocation figures till FY 23-24 are REs. FY 24-25 are BEs. Expenditures reflect Gol releases to states and UTs. FY 20-21 (Expenditures) is the only year where there was a negative balance of ₹14 crore under the Central Road and Infrastructure Fund (CRIF). It represents the total scheme allocations but is not comparable with rest of PMAY-U sub-components.

## Scheme Progress



As on 5 August 2024, 118.64 lakh houses have been sanctioned. This is 6 per cent more than the demand of 112.24 lakh houses. Out of total sanctioned houses, 72 per cent, or 85.55 lakh have been completed.

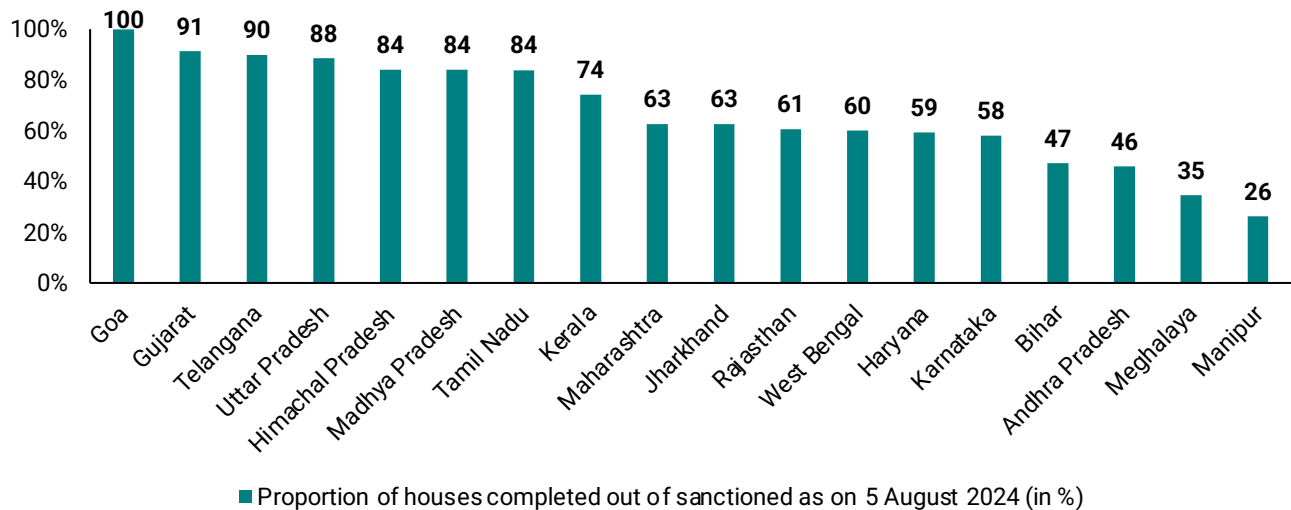


There are variations in completion rates of sanctioned houses across states. As on 5 August, Goa (100 per cent), Gujarat (91 per cent), and Telangana (90 per cent) had completed the highest number of sanctioned houses.



On the other hand, states such as Manipur (26 per cent), Meghalaya (35 per cent), and Andhra Pradesh (46 per cent) had lower completion rates of sanctioned houses.

**Figure 5: Sanctioned Houses Completed across States**



**Source:** PMAY-U State-wise Progress as on 5 August 2024. Available online at: <https://pmay-urban.gov.in/>.  
**Note:** These are cumulative figures.

## Urban Rejuvenation Mission: AMRUT and Smart Cities Mission

Launched in 2015, the Urban Rejuvenation Mission includes the AMRUT and Smart Cities Mission which aim to provide basic civic amenities in urban areas and promote core infrastructure in cities for improving citizens' quality of life.

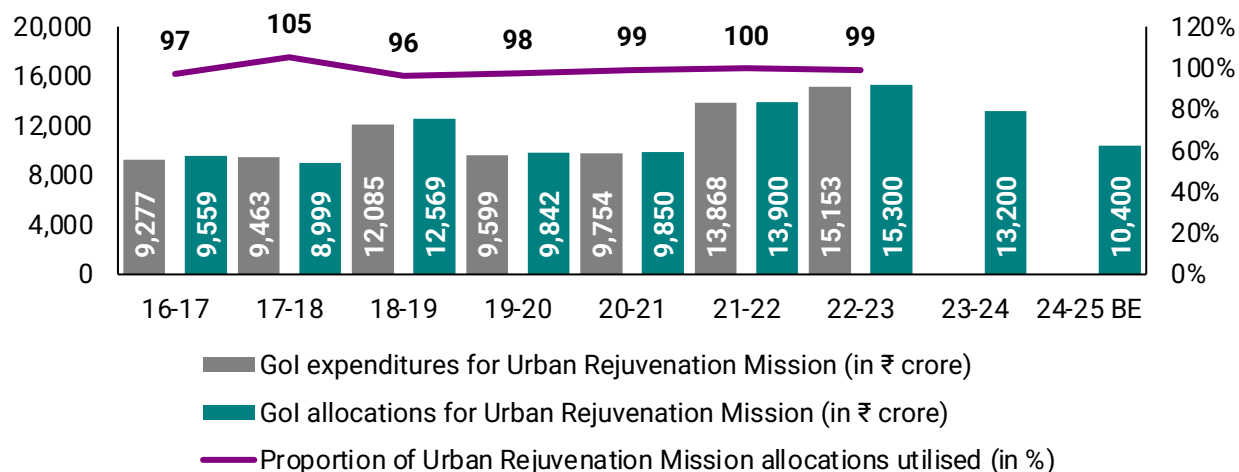
The primary objectives of AMRUT include ensuring that every urban household has access to tap water supply and sewerage connection, green and well-maintained open spaces, and public transportation and amenities supporting walking or cycling<sup>17</sup>. Recently, AMRUT was relaunched as AMRUT 2.0, and has been extended till FY 25-26<sup>18</sup>. AMRUT has four sub-components:

- **Capacity Building for Urban and Local Bodies;**
  - **National Urban Information System;**
  - **Urban Infrastructure Development in Satellite Towns/ Counter Magnet City; and**
  - **Urban Rejuvenation Mission – 500 Cities.**
- The Smart Cities Mission is implemented through a Special Purpose Vehicle, set up at the city-level in the form of a limited company under the Companies Act 2013. Its purpose is to enable sustainable and inclusive cities, such that selected cities under the scheme can act as replicable models<sup>19</sup>. Like AMRUT, the Smart Cities Mission was also extended until March 2025<sup>20</sup>. It has three sub-components:
    - **Capacity Building for Urban Development;**
    - **City Investment to Innovate, Integrate and Sustain**, relaunched as CITIIS 2.0, is a program run in partnership with the French Development Agency (AFD), Kreditanstalt für Wiederaufbau (KfW), and the European Union (EU); and
    - **Mission for Development of 100 Smart Cities.**

### Trends in Allocations and Expenditures

- For FY 24-25 BEs, ₹10,400 crore is allocated to Urban Rejuvenation Mission, a 21 per cent decline from FY 23-24 REs and 35 per cent decline from its BEs which stood at ₹16,000 crore.
- Between FY 20-21 and FY 21-22, there was a 41 per cent increase in allocations for Urban Rejuvenation Mission from ₹9,850 crore to ₹13,900 crore, complemented by the overall increase in Govt's allocations for MoHUA.
- Like PMAY-U, utilisation trends for Urban Rejuvenation Mission were high across years. Utilisation exceeded the allocated amount in FY 17-18; allocation was entirely utilised in FY 21-22.
- Trends in high utilisation are likely to sustain as in FY 23-24 REs were already 83 per cent of BEs.

**Figure 6: Allocations and Expenditures for Urban Rejuvenation Mission**



**Source:** Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 23 July 2024.

**Note:** Allocation figures till FY 23-24 are REs. FY 24-25 are BEs. Expenditures reflect Gol releases to states and UTs.

### Component-wise Allocations

- As previously mentioned, Urban Rejuvenation Mission has two key components: AMRUT and Smart Cities Mission.
- In FY 24-25, ₹8,000 crore is allocated to AMRUT and ₹2,400 crore to Smart Cities Mission.
- Utilisations for AMRUT and Smart Cities Mission are high across years. In FY 16-17, 100 per cent of AMRUT’s allocated amount was utilised, compared to 94 per cent for Smart Cities Mission.
- By FY 22-23, 100 per cent and 98 per cent of allocations were utilised for AMRUT and Smart Cities Mission, respectively.

**Table 2: Allocations and Expenditures of Urban Rejuvenation Mission Components (in ₹ crore)**

Year	Type	AMRUT	Smart Cities Mission
16-17	Allocations	4,884	4,676
	Expenditures	4,864	4,412
	<b>% Funds Utilised</b>	<b>100</b>	<b>94</b>
17-18	Allocations	4,999	4,000
	Expenditures	4,936	4,526
	<b>% Funds Utilised</b>	<b>99</b>	<b>113</b>
18-19	Allocations	6,400	6,169
	Expenditures	6,183	5,902
	<b>% Funds Utilised</b>	<b>97</b>	<b>96</b>

Year	Type	AMRUT	Smart Cities Mission
19-20	Allocations	6,392	3,450
	Expenditures	6,392	3,207
	<b>% Funds Utilised</b>	<b>100</b>	<b>93</b>
20-21	Allocations	6,450	3,400
	Expenditures	6,448	3,305
	<b>% Funds Utilised</b>	<b>100</b>	<b>97</b>
21-22	Allocations	7,300	6,600
	Expenditures	7,280	6,588
	<b>% Funds Utilised</b>	<b>100</b>	<b>100</b>
22-23	Allocations	6,500	8,800
	Expenditures	6,500	8,653
	<b>% Funds Utilised</b>	<b>100</b>	<b>98</b>
23-24	Allocations	5,200	8,000
24-25 BE	Allocations	8,000	2,400

**Source:** Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 23 July 2024.

**Note:** Allocation figures till FY 23-24 are REs. FY 24-25 are BEs. Expenditures reflect GoI releases to states and UTs.

## Scheme Progress



According to Lok Sabha Question on Projects under AMRUT 2.0 dated 8 August 2024, the number of approved projects across states and UTs stood at 8,205. Out of these, 4,065 (50 per cent) had been awarded. Tamil Nadu (1,270) has the highest number of approved projects, followed by Madhya Pradesh (1,244), and Gujarat (922)<sup>21</sup>.



As on 2 August 2024, there are a total of 100 Mission Cities with 8,017 projects. Out of total projects, 7,233 (90 per cent) are completed.



According to the Smart Cities Mission Dashboard, as on 2 August 2024, 47 per cent of completed projects were financed through Smart Cities Mission funds, followed by Convergence between other Ministries and Departments (33 per cent), and Own Resources and Public Private Partnership (both at 5 per cent), and Debt (3 per cent). For ongoing projects, 94 per cent of financing is through Smart Cities Mission funds.



Across cities, the highest number of completed projects have been in the sectors of Smart Mobility (20 per cent), followed by Water, Sanitation and Health (18 per cent), and Vibrant Public Spaces (17 per cent)<sup>22</sup>.

## Swachh Bharat Mission (Urban)

Swachh Bharat Mission (Urban) (SBM-U) was initially launched in 2014 and relaunched in October 2021 up to FY 25-26. SBM-U 1.0 aimed to eradicate open defecation in statutory towns, manage municipal solid waste through scientific means, and ensure behavioural change through Jan Andolan.

SBM 2.0 has two broad objectives<sup>23</sup>:

- **Sustainable Sanitation** which includes access to sanitation facilities through construction of over 3.5 lakh individual, community, and public toilets, and complete liquid waste management in cities with less than 1 lakh population.
- **Sustainable Solid Waste Management** which includes 100 per cent segregation of waste from source, setting up of construction and demolition waste processing facilities and deployment of mechanical sweepers under the National Clean Air Programme, and remediation of legacy dumping sites to unlock over 14,000 acres of locked up land with 15 crore tonnes of waste.

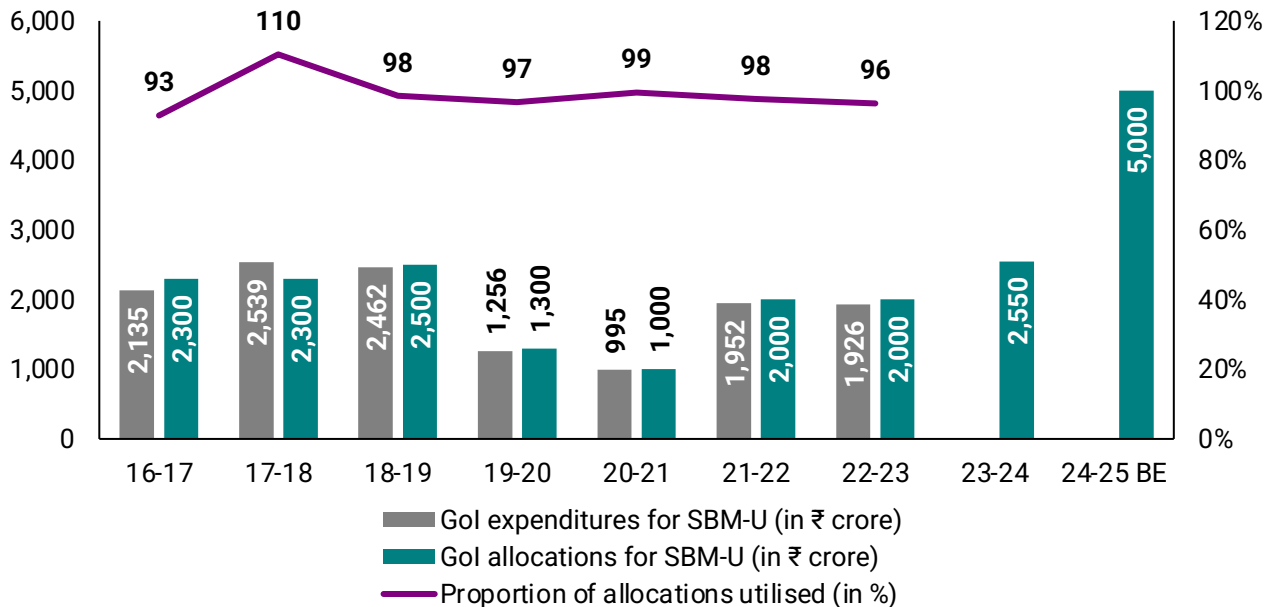
The scheme is financed through two components:

- **Gross Budgetary Support (GBS)** is Gol's support for central plan. Budgetary Support is earmarked for meeting the planned outlays of Gol during the financial year.
- **Rashtriya Swachhata Kosh (RSK)** is the non-lapsable fund collected by Gol on Swachh Bharat initiatives by levying a cess, or tax on tax, of 0.5 per cent.

### Trends in Allocations and Expenditures

- For FY 24-25 BEs, ₹5,000 crore is allocated to SBM-U, a 96 per cent increase from FY 23-24 REs but same as its BEs.
- In FY 23-24, the Ministry's entire proposed outlay of ₹5,000 crore for SBM-U was allocated.
- Utilisations as a proportion of allocations have been high and increased over the years. In FY 16-17, 93 per cent of allocation was utilised. In FY 17-18, more amount was spent than allocated. Since then, 96 per cent, or more, of the allocations have been spent, i.e., released by Gol to states and UTs.
- However, it is important to note that this is partly due to a decrease in allocations in the REs. Over the years, REs have been lower than BEs. For instance, in FY 23-24, REs was 51 per cent of BEs for the same year.

**Figure 7: Allocations and Expenditures for SBM-U**



**Source:** Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 23 July 2024.

**Note:** Allocation figures till FY 23-24 are REs. FY 24-25 are BEs. Expenditures reflect Gol releases to states and UTs.

### Component-wise Allocations

- As previously mentioned, allocations and expenditures for SBM-U are through two main sources of financing.
- FY 16-17 is the only year without financing from GBS. For most years, while no allocations are reported under RSK (both Central and State/UT Component), expenditures are reflected.

## Scheme Progress



According to a Lok Sabha Question on Targets Set under SBM 2.0 dated 25 July 2024, more than 100 per cent of the Mission Target of building 58.99 lakh Individual Household Latrines (IHHL) and 5.07 lakh Community Toilets (CTs) and Public Toilets (PTs) across states had been achieved.



Out of total wards, 97 per cent had 100 per cent door-to-door waste collection.



There were, however, variations in scheme progress across states and UTs.



Out of 36 states and UTs, 20 and 19, respectively, had exceeded their Mission Targets of IHHL and CTs and PTs construction. However, only 10 states had achieved 100 per cent door-to-door waste collection.

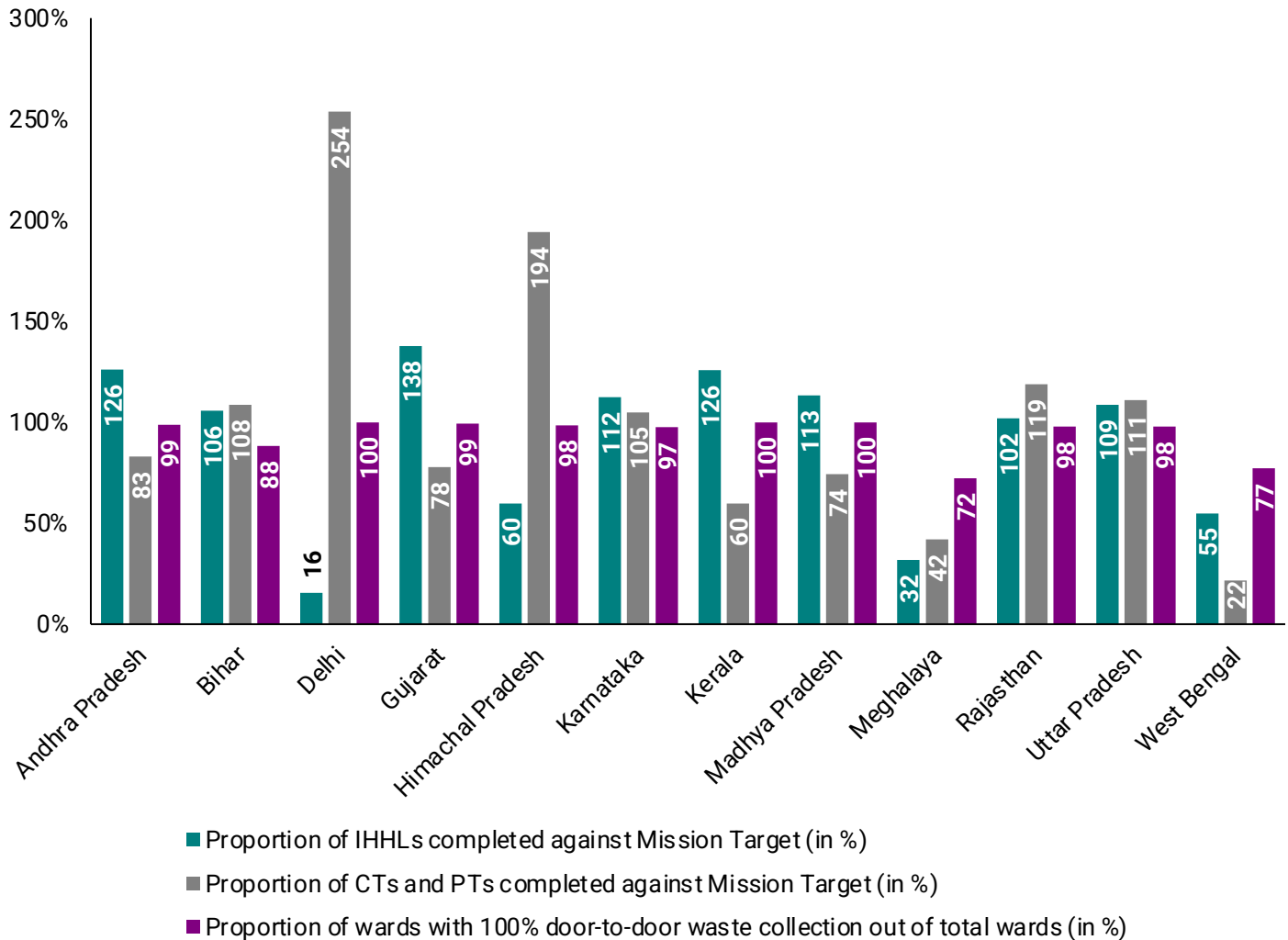


A look at inter-state variation reveals that while Andhra Pradesh had exceeded the Mission Target of IHHL, it is lagging in construction of CTs and PTs. On the other hand, Delhi has exceeded the Mission Target of building CTs and PTs but not IHHLs.



Out of the states and UTs presented in Figure 8, only 72 per cent of total wards in Meghalaya have 100 per cent door-to-door waste collection, followed by West Bengal (77 per cent) and Bihar (88 per cent).

**Figure 8: Key Scheme Targets under SBM-G for Select States**



**Source:** Lok Sabha Question on Targets Set under SBM 2.0 dated 25 July 2024. Available online at: <https://sansad.in/ls/questions/questions-and-answers>.

## Mass Rapid Transit System and Metro Projects

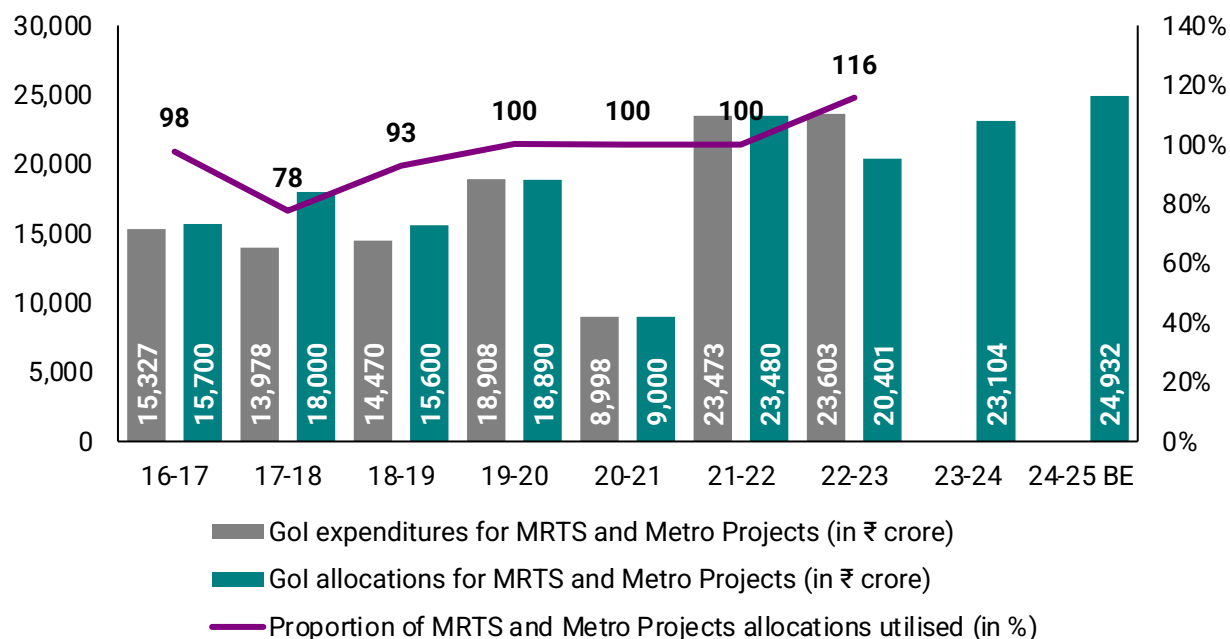
MRTS and Metro Projects are the key CS scheme of Gol's MoHUA. Given the dynamic urban transportation landscape, the scheme includes several components<sup>24</sup>:

- **Grants to Delhi Metro Rail Corporation:** This component included grants for Delhi Metro. Allocations under this component existed till FY 19-20.
- **Metro Projects:** This component includes equity, loans, and Pass-Through Assistance and expenditure on Transport Planning and Capacity Building to various Metro Projects.
- **Global Environment Facility:** This facility included provision of funds under the Global Environment Fund (GEF). GEF is a global fund on climate change-related issues. India is both a donor and recipient country to the Fund. Allocations under this component existed till FY 19-20.
- **Kochi Metro Rail Project Phase 1 A Metro Projects:** This component includes grants to the Kochi Metro Rail Project Phase 1 A. Allocations are reflected only for FY 22-23.
- **National Capital Region Transport Corporation:** This provision allows for equity investment in the National Capital Region Transport Corporation.

### Trends in Allocations and Expenditures

- MRTS and Metro Projects is the largest CS scheme of MoHUA, accounting for over 50 per cent of the allocations for the Ministry between FY 16-17 and FY 19-20.
- Allocation, however, decreased in absolute and proportional terms in FY 20-21. The same year had seen an increase in the share of PMAY-U.
- For FY 24-25 BEs allocation for MRTS and Metro Projects is ₹24,932 crore, an increase by approximately 8 per cent from both BEs (₹23,175 crore) and REs for FY 23-24.
- In FY 23-24, 96 per cent of the proposed outlay (₹24,000 crore) was allocated.
- Utilisations as a proportion of allocations are high across years, except in FY 17-18 where only 78 per cent of allocation was utilised. Allocations were entirely spent between FY 19-20 and FY 21-22, and more than allocated amount was spent in FY 22-23.

**Figure 9: Allocations and Expenditures for MRTS and Metro Projects**



**Source:** Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 23 July 2024.

**Note:** Allocation figures till FY 23-24 are REs. FY 24-25 are BEs. Expenditures reflect Gol releases to states and UTs.

### Component-wise Allocations

- There were variations in allocations, expenditures, and utilisations as a proportion of allocations across components of MRTS and Metro Projects.
- In FY 16-17, 98 per cent of allocation for Metro Projects was spent. Utilisations were lower than allocated amounts for Global Environment Facility (56 per cent), Grants to Delhi Metro Rail Corporation (61 per cent), and Transport Planning and Capacity Building in Urban Transport (67 per cent).
- Utilisations for Global Environment Facility decreased significantly in FY 17-18 and FY 18-19, till the component was discontinued FY 19-20 onwards. While utilisations for Grants to Delhi Metro Rail Corporation increased, the component was also discontinued in FY 20-21.
- Allocation to Kochi Metro Rail Project Phase 1 A was made in FY 22-23 BEs; the project utilised all allocations.
- Utilisations for Metro Projects have increased over time, with more than allocated amount spent in FY 22-23. Similarly, utilisations for Transport Planning and Capacity Building in Urban Transport were higher than allocated amounts in FY 18-19 and 19-20, decreasing again in the following years but high at 99 per cent by FY 22-23.

**Table 3: Allocations and Expenditures of MRTS and Metro Projects Components (in ₹ crore)**

Year	Type	Grants to Delhi Metro Rail Corporation	Global Environment Facility	Kochi Metro Rail Project Phase 1 A	Metro Projects	National Capital Region Transport Corporation	Transport Planning and Capacity Building in Urban Transport
16-17	Allocations	87	0.16	0	15,568	3	42
	Expenditures	53	0.09	0	15,246	0	28
	<b>% Funds Utilised</b>	<b>61</b>	<b>56</b>	<b>-</b>	<b>98</b>	<b>0</b>	<b>67</b>
17-18	Allocations	150	0.18	0	17,810	0	40
	Expenditures	146	0.04	0	13,810	0	22
	<b>% Funds Utilised</b>	<b>97</b>	<b>22</b>	<b>-</b>	<b>78</b>	<b>0</b>	<b>55</b>
18-19	Allocations	50	0.10	0	14,865	659	26
	Expenditures	50	0.02	0	14,265	100	56
	<b>% Funds Utilised</b>	<b>100</b>	<b>20</b>	<b>-</b>	<b>96</b>	<b>15</b>	<b>211</b>
19-20	Allocations	415	0	0	17,612	824	39
	Expenditures	415	0	0	18,162	274	57
	<b>% Funds Utilised</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>103</b>	<b>33</b>	<b>147</b>
20-21	Allocations	0	0	0	6,484	2,487	29
	Expenditures	0	0	0	8,573	398	27
	<b>% Funds Utilised</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132</b>	<b>16</b>	<b>93</b>
21-22	Allocations	0	0	0	18,978	4,472	30
	Expenditures	0	0	0	23,262	188	23
	<b>% Funds Utilised</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123</b>	<b>4</b>	<b>78</b>
22-23	Allocations	0	0	47	15,629	4,710	15
	Expenditures	0	0	47	18,831	4,710	15
	<b>% Funds Utilised</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>120</b>	<b>100</b>	<b>99</b>
23-24	Allocations	0	0	0	19,508	3,596	0
24-25 BE	Allocations	0	0	0	21,336	3,596	0

**Source:** Union Expenditure Budget, MoHUA, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 23 July 2024.

**Note:** Allocation figures till FY 23-24 are REs. FY 24-25 are BEs. Expenditures reflect Gol releases to states and UTs.

## Scheme Progress



In 18-19, higher kilometres of Metro Rail and Regional Rapid Transit System (RRTS) Network were laid.

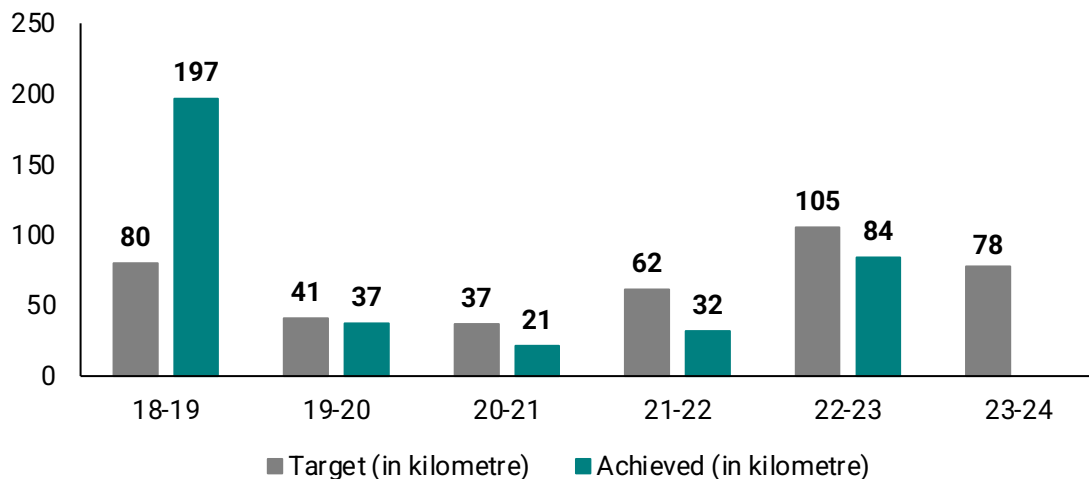


However, between 19-20 and 22-23, targets were not achieved, with more than 50 per cent of the target unmet in 21-22.



The 18<sup>th</sup> Report on Demand for Grants by the Standing Committee on Housing and Urban Affairs noted delays in completion of metro projects in Patna, Surat, Agra, Bhopal and Indore because of no dedicated Managing Director of Metro Corporations<sup>25</sup>.

**Figure 10: Progress in Metro Rail and Regional Rapid Transit System Network**



**Source:** Eighteenth Report on Demand for Grants for Ministry of Housing and Urban Affairs, 2023. Available online at: <https://sansad.in/ls/committee/departmentally-related-standing-committees>.

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## About ResGov

The Foundation for Responsive Governance (ResGov) is a Section 8 not-for-profit working to strengthen the capabilities of government and communities to ensure public initiatives reach the most vulnerable.

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