

GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA UNSTARRED QUESTION NO.1025
TO BE ANSWERED ON JULY 28, 2021
REJUVENATION OF CITIES

NO. 1025. SHRI PRABHAKAR REDDY VEMIREDDY:

WILL THE MINISTER OF HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) whether it is a fact that the 15th Finance Commission has emphasized the need for rejuvenating old cities and creating new cities;
- (b) whether it is also a fact that there is an announcement in this regard in the budget for 2021-22;
- (c) if so, the details of the announcement;
- (d) whether any city has been identified in Andhra Pradesh for rejuvenation and whether any area has been identified for developing a new city; and
- (e) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE
MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI KAUSHAL KISHORE)

a) 15th Finance Commission in its report 2021-22 to 2025-26 has emphasized the need of both rejuvenation of old cities as well as the setting up of new cities.

b) 15th Finance Commission recommendations for the year 2021-22 to 2025-26 regarding performance-based challenge fund of ₹8,000 crore to States for incubation of new cities have been accepted by the Government. Accepted 15th Finance Commission recommendations, including for incubation of new cities, have been laid in the parliament during budget session for 2021-22.

(c) to (e): Under the performance-based challenge fund of ₹8,000 crore for incubation of new cities, ₹1,000 crore are available for each proposed new city. One State can have only one new city under the proposed scheme. Thus, a maximum of eight States can avail this grant for eight new cities over the award period of the Commission.

15th Finance Commission recommended that Ministry of Housing and Urban Affairs will set up an expert committee, which will include independent domain experts and representatives from State Governments. This committee will specify the minimum eligibility conditions for competing for the award and release of funds. This committee will also specify the bid parameters for evaluating the competing proposals by States, make it publicly available and call for bids from States. Expert committee will announce the winners and recommend release of first tranche of the grant and indicate how progress of the project should be evaluated vis-a-vis specified benchmarks for release of subsequent tranche(s).