

Has Modi Government Neglected Indian Cities?

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Modi government has been and is still being judged by the way Cities are managed. For many it's a foregone conclusion that Smart Cities Mission failed even as others wonder if Modi government has done anything at all for Urban India.

Indian city dwellers do not know what Missions like Swachh Bharat, Pradhan Mantri Awas Yojana (PMAY) have achieved and wonder in what way they are different from UPA's JNNURM? While these questions plague the minds of a common man, the more scholarly minds explore the differences between the approach, methodology, money spent and outcomes achieved by these missions launched by UPA and Modi Government.

It's time to answer their questions.

A discerning mind will know that for transforming cities or for that matter anything it requires to undo what has been done before – evaluating the existing methods, re-engineering those and applying the new formula. They also know that one has to scrape the dead skin first!

A Tale of the Two Eras

It is often said that the story of a nation is best told through the streets of its cities—through the sounds of its transport, the geometry of its housing, and the pulse of its public spaces. Between 2004 and 2014, India's cities bore the burden of urban neglect under incremental policies. This was the era of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) under UPA—a scheme that, though noble in intent couldn't make the cut. Its limitations were fragmented planning, inconsistent funding, and a lack of political will to disrupt the status quo.

JNNURM was launched in 2005 with an ambitious goal: to fast-track infrastructure in 63 cities across India. However, nearly a decade later, only 45% of the sanctioned projects had been completed, and over one-third of the funds remained unutilised as per CAG report on JNNURM in 2012. As the mission had no robust mechanism to hold cities accountable, states often bypassed reforms altogether in favour of ad-hoc projects. What emerged was a patchwork of urban development. For some of us who followed its progress know that even creating 'steering committees' with representation from centre/state/city was a herculean task for many states – without which of course work could not be supervised.

Enter 2014, Bharatiya Janata Party (BJP) swept into power, led by Narendra Modi. Under the leadership of Prime Minister [Narendra Modi](#), urban India was a priority. Modi's vision was not just about infrastructure in steel and concrete—it was about building cities that

spoke of dignity, resilience, and futuristic governance. Remember how Swachh Bharat Mission was ridiculed from the day it was launched? But it was meant for restoring dignity of citizens. Modi never believed in incremental reform but envisaged change that enables performance and transformation. He never tires of saying 'Reform-Perform-Transform' in his speeches.

Within the first few months of assuming office, the Modi government launched the Smart Cities Mission, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Swachh Bharat Mission (SBM), and Pradhan Mantri Awas Yojana (PMAY). Unlike the JNNURM era, these schemes did not merely allocate funds. They introduced data-driven decision-making, citizen participation, integrated planning, and financial sustainability as core pillars of infrastructure creation. It meant dealing with manual records, making government data available to public for developing Apps. Dealing with no proper data to sanitising the same to creating registries and launching digital twins seems like a pipe dream but his government is doing all that. States and Cities have been enthused and incentivised to do it.

If this was 'digital courage' let me give an example of 'fiscal courage'. Look at the budgetary allocations between 2014 and 2025 for urban infrastructure that grew over six-fold reflecting his unwavering commitment to cities. The total budgetary allocation to the Ministry of Housing and Urban Affairs has seen an increase from ₹15,579 crore in 2013-2014 to ₹85,103 crore in 2024-25.

The Smart Cities Mission alone saw over ₹98,000 crore committed, with over 6,000 projects initiated and nearly 4,500 completed by 2025. Urban transport got a major fillip with dedicated allocations for metro, E-Buses, and Green corridors under schemes like PM-eBus Sewa, PM Gati Shakti, and Metro Neo/MetroLite models for Tier-2 and Tier-3 cities.

Importantly, the Modi government shifted the financing discourse from 'Grants to Value Capture'. Mechanisms like Land Value Capture Finance (LVCF), Municipal Bonds, Asset Monetisation, and PPP models were not just introduced but mainstreamed. Pune and Hyderabad mobilized over ₹500 crore each through municipal bonds. Cities like Vadodara, Surat, and Indore monetized bus depots, parking lots, and commercial complexes, creating self-sustaining revenue streams for ULBs.

Urban finance, once the weakest link, became the engine of innovation !

Modi's Philosophy of Urban Transformation

To understand the shift from the UPA's urban initiatives to the Modi Government's approach, one must not just look at the policies but at the philosophical underpinnings.

The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) launched in 2005 focused on conditional funding to large cities with little performance measurement. It was supply-driven, often delayed, plagued by bureaucratic overreach, and lacked urban

innovation mechanisms. Projects were implemented slowly, with unspent allocations and the proof is seen from utilisation certificates of cities.

In contrast, PM Modi's approach was demand-driven, competitive, data-rich, and reform-anchored. Whether it was the [Smart Cities](#) Challenge, the Ease of Living Index, the ClimateSmart Cities framework, or the Municipal Performance Index, every reform was layered with incentives, measurement, and transparency. The emphasis was not just on spending more — but on spending better. Most crucially, the Modi Government mainstreamed Tier-2 and Tier-3 cities — making them equal participants in the urban narrative. Cities like Ujjain, Ranchi, Bilaspur, Rourkela, and Dharamshala, once peripheral, are now centres of innovation and citizen-centric governance.

While the JNNURM in 2005 got allocation of more than ₹1 lakh crore for infrastructure provision in 63 cities, its completion rate was only 45% by 2015. Whereas the Smart Cities mission launched in 2015 with an allocation of ₹2.3 lakh crore to develop 100 lighthouse cities with integrated governance could achieve 76% of completion rate by 2025. Similarly other schemes like AMRUT, Swachh Bharat Mission, PMAY(U) could achieve a completion rate of 84%, 98% and 92% respectively.

Then the question ... Why aren't our cities any better today? Why are we not seeing those 'tectonic' shifts as promised?

The answer is simple – reform isn't cosmetic surgery. Beautifying from within needs 'systemic changes' that are invisible. One decade of Modi government had to deal with unsanitized or no data to untrained or unaware municipal staff - an entire spectrum of archaic processes, old manual records, rigid mindsets. No visible changes will be seen while acting on these.

Some of us with E-Governance or technology deployment experience will know that the main activities are basically two - Process Re-engineering and Change Management. A lions share is taken up by these two activities which are primarily 'not visible'. Modi government's one decade of work is of this kind. Give another ten years and changes will surface – the way they were envisaged by Modi and the way we expect.

The author is President of Foundation for Futuristic Cities. Views expressed belong solely to the author.