

# Standing Committee Report Summary

## Review of AMRUT with Emphasis on Urban Drinking Water

- The Standing Committee on Housing and Urban Affairs (Chair: Mr. Magunta Sreenivasulu Reddy) presented its report on 'Review of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) with special emphasis on Urban Drinking Water' on December 12, 2025. AMRUT was launched in June 2015 targeting universal and equitable access to water supply and improved sewerage infrastructure in urban areas. The mission covered all urban local bodies with populations exceeding one lakh. It was subsumed under AMRUT 2.0 in October 2021. AMRUT 2.0 focuses on: (i) improving urban water security, (ii) strengthening urban governance, and (iii) building institutional and technical capacities. Key observations and recommendations of the Committee include:
  - **Funding:** The 2011 High Powered Expert Committee (HPEC) had projected investment requirement of Rs 3.2 lakh crore for urban water supply infrastructure for the 2012-2031 period. The Committee noted that total sanctioned amount under AMRUT and AMRUT 2.0 is around Rs 1.6 lakh crore, 50% of the projected requirement. HPEC had estimated operation and maintenance (O&M) costs at around Rs 5.5 lakh crore. It observed that funding for O&M has been inadequate, which reduces the mission's efficiency. It recommended: (i) pursuing enhanced central funding, especially for underserved regions, (ii) supporting O&M by urban local bodies (ULBs) through an incentive-based mechanism, and (iii) assessing long-term financial needs of the urban water sector with a perspective up to 2047.
  - **Strengthening inter-agency coordination:** The Committee highlighted that urban water management requires interaction of multiple agencies across various stages. It noted insufficient coordination among bodies responsible for planning, financing, execution, maintenance, and operations. The Committee recommended setting up a dedicated platform with clearly defined roles for key ministries and planning bodies.
  - **Increasing quality of monitoring data:** The Committee noted absence of a robust data monitoring framework. The Committee recommended setting up a digital dashboard tracking key parameters such as piped water coverage, status of 24x7 supply, and distribution losses. It also recommended establishing a system to track expenditure by states and ULBs.
  - **Water supply infrastructure:** Under AMRUT 2.0, 1,652 million litres per day (MLD) of water treatment capacity has been approved for augmentation or rehabilitation. Against this, only six MLD has been completed as of date (0.4%). It also noted that access to piped water supply varied across states. The Committee recommended that the Ministry establish strict state-wise targets, provide focused support for lagging states, mandate annual performance reports, and link funding to outcomes under AMRUT 2.0.
  - **Implementation of sustainability measures:** The Committee observed slow implementation of water body rejuvenation projects (completion rate of 22%) and a gap between data collection and on ground action. It recommended: (i) fast-tracking approval of mapped urban water body projects, (ii) scaling up shallow aquifer management program with more funds and wider city coverage, and (iii) formulating a National Urban Aquifer Recharge Strategy with clear targets, monitoring, and tracking systems.
  - **Reduction of non-revenue water (NRW):** NRW is the difference between water input to the distribution system and water billed for consumption. It represents water lost due to leakage or theft and any unbilled consumption. According to HPEC, NRW was about 50% of water production in 2011. The Committee noted a lack of progress in reducing NRW level despite providing financial incentives to states and ULBs that achieve NRW reduction below 20%. The Committee recommended that the Ministry work with states and ULBs, put the incentive system into use, and publish city-wise NRW levels and smart metering status.
  - **Strengthening wastewater reuse:** The Committee observed a gap between wastewater generation and treatment. As of February 2021, against a total sewage generation of 48,004 MLD in urban areas, installed treatment capacity was 30,001 MLD, with capacity utilisation at 56%. It further noted that only 11 States have formal wastewater reuse policies, and wastewater reuse remains limited. It recommended: (i) optimal utilisation of existing treatment capacity, (ii) installation of adequate sewage treatment plants to achieve full wastewater treatment, and (iii) regular updation of data on urban sewage generation and treatment capacity. It also recommended formulation of a National Urban Wastewater Reuse Policy with systems to track actual reuse.

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