No. 12/66/2014-ID-I(IC)
Government of India
Ministry of Commerce and Industry
Department of Industrial Policy and Promotion
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Copy No. 66

New Delhi, 24 NOVEMBER 2016

NOTE FOR CONSIDERATION OF THE CABINET

SUBJECT: EXPANSION OF THE MANDATE OF DMIC PROJECT IMPLEMENTATION TRUST FUND AND ITS REDESIGNATION AS NATIONAL INDUSTRIAL CORRIDOR DEVELOPMENT AND IMPLEMENTATION TRUST (NICDIT) FOR INTEGRATED DEVELOPMENT OF INDUSTRIAL CORRIDORS

1. INTRODUCTION

The Delhi Mumbai Industrial Corridor Project Implementation Trust Fund (DMIC-PITF) is currently responsible for development of the Delhi Mumbai Industrial Corridor. For coordinated development of industrial corridors across the country, proposal is being made to expand the mandate of existing DMIC-PITF to cover other Industrial Corridors projects and redesignate it as National Industrial Corridor Development and Implementation Trust (NICDIT). The proposal also seeks permission to utilize unspent balance of financial assistance in the form of budgetary support already sanctioned to DMIC-PITF within extended period upto 31.03.2022.

2. BACKGROUND

2.1. In order to accelerate growth in manufacturing and for ensuring systematic and planned urbanisation, Government of India (GoI) has adopted the strategy of developing integrated Industrial Corridors on the backbone of transport connectivity infrastructure in partnership with State Governments.

2.2. The concept for formation of the Delhi Mumbai Industrial Corridor (DMIC) was approved by the Cabinet in 2007 as the first Industrial Corridor envisaged on the backbone of the Railways Dedicated Western Freight Corridor. The Delhi-

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Mumbai Industrial Corridor Development Corporation Limited (DMICDC) was incorporated in 2008 as the Project Development Agency for DMIC with the following shareholding pattern: GoI - 49 %, Japan Bank for International Cooperation (JBIC) - 26 %, HUDCO-19.9 %, IIFCL- 4.1% and LIC-1%. The Cabinet approved in 2011 financial and institutional structure with a budgetary support of Rs. 17,500 crore (at an average of Rs.2500 crore for each of the 7 nodes subject to a maximum of Rs.3000 crore) to be provided over a period of five years for the development of 7 industrial cities in Phase-I of the project. The budgetary support from GoI flows to DMIC-PITF. The DMIC-PITF provides equity and/or debt to Special Purpose Vehicles (SPVs) incorporated as joint ventures between GoI and the respective State Governments for developing DMIC cities/nodes/projects. An additional corpus of Rs. 1000 crore has been provided as budgetary support to carry out project development under DMIC.

2.3 The GoI has subsequently planned four more Industrial Corridors, namely, (a) Amritsar Kolkata Industrial Corridor (AKIC), (b) Chennai Bengaluru Industrial Corridor (CBIC), (c) Bengaluru Mumbai Industrial Corridor (BMIC), earlier known as Bengaluru Mumbai Economic Corridor (BMEC), and (d) East Coast Economic Corridor (ECEC) now to be called East Coast Industrial Corridor (ECIC), of which the Vizag Chennai Industrial Corridor (VCIC) will be developed in the first phase.

2.3.1 Incorporation of the Amritsar Kolkata Industrial Corridor Development Corporation (AKICDC) was provided "in-principle approval" by the Cabinet on January 20, 2014 with the directions that precise modalities and instrumentalities thereof may be considered by a Group of Ministers comprising the Minister of

Finance, the Minister of Commerce & Industry and the Deputy Chairman, Planning Commission. However, this decision could not be pursued. Gist of salient features of the in-principle approval by the Cabinet regarding AKICDC is given at **Annexure I (Pages 19-20).**

2.4 The development framework for the Industrial Corridors is based on a partnership approach between GoI and the respective State Governments through realisation of monetised value of land. While GoI provides funds as equity/debt for development of non-PPP (Public Private Partnership) world class trunk infrastructure and Viability Gap Funding (VGF) for PPPable projects, the States are responsible for providing the land. Moreover, bi-lateral / multi-lateral funding can also be sought as may be deemed appropriate by the State Government.

2.5 The Union Finance Minister in his Budget speech 2014-15, announced that "*a National Industrial Corridor Development Authority is being set up to coordinate the development of the industrial corridors, with smart cities linked to transport connectivity, which will be the cornerstone of the strategy to drive India's growth in manufacturing and urbanization*".

2.6 In pursuance of the above decision, this Department moved a Memorandum for EFC on formation of National Industrial Corridor Development Authority (NICDA) and financial assistance in the form of budgetary support for project development and creation of essential trunk infrastructure in identified Industrial Corridors. The EFC, in its meeting held on February 11, 2015 concurred with the proposal subject to certain observations/ recommendations as contained in the minutes placed at **Annexure II (pages 21-26).**

2.7 After the recommendations of the EFC, two rounds of consultations and discussions with the Ministries/Departments concerned, it was felt that instead of creating a new authority, it would be appropriate to expand the scope and mandate of work of DMIC-PITF and redesignate it as NICDIT. Brief status and progress of Industrial Corridors is as follows:

2.8 Brief Status of Industrial Corridors

i) Delhi Mumbai Industrial Corridor (DMIC): In DMIC, the work relating to Trunk Infrastructure at following 4 locations is under progress:

a. Activation area of 22.5 SQ KM as part of Phase -1 development of the Dholera Special Investment Region (DSIR) in Gujarat.

b. 8.39 SQ KM as part of Phase -1 development of the Shendra-Bidkin Industrial Area (SBIA) in Maharashtra.

c. Integrated Industrial Township spread over 747.5 acres in Greater Noida (Uttar Pradesh).

d. Integrated Industrial Township in Vikram Udyogpuri near Ujjain (Madhya Pradesh) spread over 1100 acres.

ii) Chennai Bengaluru Industrial Corridor (CBIC): Perspective Plan for the overall CBIC region has been finalized. Three nodes namely Tumkur (Karnataka), Ponneri (Tamil Nadu) and Krishnapatnam (Andhra Pradesh) have been identified for further development. RFP process for detailed Master Planning and Preliminary Engineering for Krishnapatnam has been completed. Shareholder's Agreement (SHA) and State Support

Agreement (SSA) are being discussed in parallel with the respective State Governments.

iii) Amritsar Kolkata Industrial Corridor (AKIC): Preparation of Perspective Plan for the overall AKIC Region along with Concept Master Plan for Integrated Manufacturing Clusters (IMCs) (one each in seven AKIC states) is presently underway and is likely to be completed by November 2016. Steps have been initiated for Detailed Master Planning and Preliminary Engineering, wherever the land is committed by the State concerned.

iv) Bengaluru Mumbai Economic Corridor (BMEC): Perspective Plan for the overall BMEC region has been finalized. Dharwad node in Karnataka has been identified as the priority node. Tender document for selection of consultants for Detailed Master Planning and Preliminary Engineering of Dharwad is under process.

v) Vizag Chennai Industrial Corridor (VCIC): This is envisaged as part of East Coast Economic Corridor linking Kolkata-Chennai. Conceptual Development Plan has been completed by the Asian Development Bank (ADB). The process of Master Planning of the four nodes namely, Vishakhapatnam, Machilipatnam, Donakonda and Srikalahasti-Yerpedu of Andhra Pradesh, as identified by ADB in their CDP is underway.

Further details have been given in **Annexure-III (Pages 27-29).**

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3. PROPOSAL

3.1 For coordinated and unified development of all the above industrial corridors, the scope of existing DMIC-PITF would be expanded and it would be renamed as NICDIT. Upon the approval of the Cabinet, the Trust Deed may be restated to reflect the expansion of charter, change in name, composition and provisions to enable utilisation of balance funds up to 31.03.2022. Accordingly, NICDIT would be an apex body under the administrative control of DIPP for coordinated and unified development of all the above industrial corridors which are at various stages of development and implementation. In addition to the above, it will also consider proposals received from different State Governments/Agencies for establishing other Industrial Corridors in future. NICDIT like DMIC-PITF will channelize GoI funds as well as institutional funds while ensuring that the various corridors are properly planned and implemented, keeping in view the broad national perspectives regarding industrial and city development. It will undertake project development activities, appraise, approve and sanction projects. It will also coordinate and monitor all central efforts for the development of Industrial Corridor projects. The details of role, responsibilities and functions of NICDIT are given in **Annexure IV (Pages 30-33).**

3.2 The DMIC-PITF has a two tier management structure, one the Board of Trustees and the other, the Apex Board as approved by the Cabinet on 15.09.2011. The Board of Trustees is chaired by Secretary, Department of Economic Affairs and comprises Secretary, Department of Industrial Policy and Promotion (DIPP), Financial Advisor (DIPP), representatives of the Department of Expenditure, Planning Commission, and Chief Executive Officer (CEO) & Managing Director (MD), DMICDC, as the CEO of the Fund/ Trust. Considering NICDIT will have an expanded role of developing several corridors, its Board of Trustees is proposed to be reconstituted as : (i) Chairperson – Secretary, DIPP, (ii) Secretary, Department of Expenditure, (iii) Secretary, Department of Economic Affairs, (iv) Secretary, Road Transport & Highways, (v) Secretary, Shipping (vi) Chairman, Railway Board, (vii) CEO, NITI Aayog, and (viii) Member Secretary, who will act as full time CEO of NICDIT. CEO, DMICDC will also function as Member Secretary/ CEO of the NICDIT.

3.3 CEO, NICDIT will coordinate with the State Governments and other stakeholders to ensure uniformity in approach and transfer of learning and best practices from one corridor to the other. The Member-Secretary will be supported by officials/experts/external advisers with the requisite technical, financial, administrative and management expertise for evaluation and appraisal of project proposals. Heads of State level bodies coordinating the work of SPVs will be called for NICDIT meetings as special invitees as per need.

3.4 An Apex Monitoring Authority as in case of DMIC-PITF, under the chairpersonship of the Finance Minister will be set up to periodically review the activities of NICDIT and progress of the projects. It will consist of Minister-in-charge of Ministry of Commerce & Industry, Minister of Railways, Minister of Road Transport & Highways, Minister of Shipping, Vice-Chairman of NITI Aayog and Chief Ministers of States concerned as Members.

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3.5 As in case of DMIC-PITF, NICDIT will appraise all proposals for non-PPP projects placed before it. Based on appraisal by NICDIT Board, it will approve projects valuing up to a sum of Rs. 300 crore as hitherto. Approval of Minister-in-charge will be obtained in case of projects valuing more than Rs. 300 crore and up to Rs. 500 crore. Proposals above Rs.500 crore but upto Rs.1000 crore will be approved by the Minister-in-charge of Ministry of Commerce & Industry and Finance Minister. All proposals exceeding Rs.1000 crore will be submitted to the Cabinet Committee on Economic Affairs (CCEA) for obtaining approval.

3.6 NICDIT will coordinate and supervise the works of Industrial Corridors in formulation of strategies, plans and implementation of the projects as per the proposed process followed for development of Industrial Corridors enclosed at **Annexure V (page 34)**. For undertaking its responsibilities, NICDIT will hire managerial staff/technical experts on regular/temporary basis as and when required after approval of its Board.

3.7 The annual release of grant from GoI to NICDIT will be maintained in a separate bank account, which will be subject to the conditions relating to submission of Utilisation Certificates contained in Rule 212 of General Financial Rules of Government of India.

3.8 The Board of NICDIT shall approve and sanction the optimal mix of debt and equity, choice of financial instruments, quantum of funds, terms and conditions and disbursement schedule from the grant provided by GoI, to the SPVs after taking into account, inter alia, the progress of land acquisition and actual execution of works at each industrial city.

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3.9 NICDIT will leverage the resources provided by the Government of India to raise long-term funding from financial institutions and also, after obtaining due approvals, raise Tax Free Bonds, Capital Gains Bonds, Credit Enhancement, etc. for supporting the development of Industrial Corridors.

3.10 As in case of DMIC-PITF, GoI's contribution to NICDIT will be used as a revolving corpus. Investments into the SPVs by GoI will be routed through NICDIT so that all debt service payments by SPVs and proceeds from equity disinvestment from SPVs, including SPVs developed by DMICDC so far, by utilising grants given by the GoI can be ploughed back into the Corpus, enabling NICDIT to undertake the development of more such industrial cities in future. The nodal/city level SPVs may further raise long-term debt finance through credit enhancement by appropriate guarantees from Government of India / State Government, so that it becomes viable for investment by insurance and pension funds. The nodal/city level SPVs will seek to employ innovative infrastructure funding and delivery tools such as user fee funding, pricing innovations, and delivery through various PPP arrangements. Funds raised by the State Government / SPVs as loans or otherwise also will count towards State's contribution.

3.11 For financial support to PPP projects, the extant guidelines for their Formulation, Appraisal and Approval as in Central Sector infrastructure projects shall be followed. Such projects would be eligible for Viability Gap Funding (VGF) in accordance with the prevalent policy. Secretary, DIPP and Member-Secretary, NICDIT will be members of the Public Private Partnership Approval

Committee (PPPAC) for Industrial Corridor projects. In order to ensure coordinated development in consonance with the Master Plans/Development Plans, all proposals for VGF in the Industrial Corridors will be examined and recommended by NICDIT.

3.12 As hitherto, each industrial city/node will be supported by GoI to a maximum extent of Rs. 3000 crore depending on the geographical location, size, contribution of the State and the developmental needs. The actual requirement may vary for each city/node, depending on the cost of land and infrastructure development and the ability of the respective State Governments to mobilise financial resources for land procurement/land pooling. The State Government's contribution will be by way of land or any other funds raised by it from any source including bi-lateral / multi-lateral funding. While the total requirement per city for non-PPP projects may be much larger and would vary from city to city, the above amount is being sought from the Government of India to trigger the first phase of development of these industrial cities/nodes. Subsequently, funds will be raised through internal monetisation etc.

The proposal seeks additional sanction of Rs.1584 crore (over and above Rs.18,500 crore sanctioned earlier for seven nodes of Delhi-Mumbai Industrial Corridor in 2011) for preparatory work on development for five more industrial corridors. Calculations are given in **Annexure VI (pages 35-38)**. Funds will be utilised as follows:

i. Out of Rs 17,500 crore approved by Cabinet for DMIC-PITF in 2011 for project implementation on seven nodes of DMIC, Rs.15,190.63 crore are yet to be released to DMIC Trust as on 10.08.2016 which will be utilized by NICDIT by 31.03.2022.

ii. Out of Rs.1,000 crore allocated to DMICDC through DMIC Trust for project development, Rs.775.11 crore are yet to be released to DMICDC as on 10.08.2016. This will henceforth be routed to DMICDC through NICDIT.

iii. Approximate administrative expenses of NICDIT for a period of 5 years are likely to be Rs.84.43 crore.

iv. A total amount of Rs.1500 crore is needed for project development activities as per recommendations of the EFC over a period of 5 years for other 4 industrial corridors (AKIC, BMIC, CBIC and VCIC).

v. The figure of Rs.1500 crore is tentative and subject to actual values received during bids for consultancies. Any unspent money earmarked for project development will be ploughed back to project implementation. The entire amount is proposed to be utilized up to 31.03.2022.

3.13 Development of physical infrastructure in the industrial corridors namely AKIC, BMIC, CBIC and VCIC would mainly begin after completion of the project development activities and land pooling/acquisition by State Governments. At this stage, it is not feasible to project the likely expenditure on developing infrastructure in these corridor projects. The sum of Rs. 17,550 crore will be used on project development and implementation of various Industrial Corridors as per actual progress on ground. Additional funds as per norms given in para 3.12 supra will be sought as and when required. Since work on DMIC is already going on at 4 locations, naturally maximum funds will be needed for it for implementation on ground in early years.

3.14 Thus, the funds as proposed would be required for (a) expanding the mandate and scope of current DMIC-PITF in the form of NICDIT and associated administrative costs, (b) taking up project development activities (preparation of perspective plans, master planning, feasibility studies, detailed engineering studies, environment and ICT related, programme management activities etc) and (c) kick-starting trunk infrastructure creation works. DIPP shall seek additional allocations as and when the infrastructure development costs emerge in respect of each of these corridors and other corridors in future.

3.15 With the expansion of mandate of DMIC-PITF as NICDIT, all functions, powers, assets and liabilities of DMIC Trust will be transferred to NICDIT. All the corridors namely, Delhi - Mumbai Industrial Corridor, Chennai-Bengaluru Industrial Corridor, Vizag Chennai Industrial Corridor, Bengaluru Mumbai Industrial Corridor and Amritsar Kolkata Industrial Corridor and other corridors in future will function under over-arching umbrella of NICDIT. The decision taken by the Cabinet in the meeting held on January 20, 2014 on the formation of the AKIC Development Corporation will be superseded to the extent given above.

3.16 Keeping in view the considerable expertise gained by DMICDC so far, it would act as a knowledge partner to NICDIT in respect of all the Industrial Corridors in addition to present DMIC work, till Knowledge Partner(s) for other Industrial Corridors are put in place.

4. JUSTIFICATION

4.1. Development of five major Industrial Corridor Projects has been initiated and will consist of numerous infrastructure projects to be developed through different modes including direct public funding, private investment and Public-Private Partnership (PPP).

4.2 Various State Governments falling outside DMIC region have been requesting for technical and financial assistance from GoI for the corridors proposed in their States. Given the scale of development and the technical, institutional, legal and financial complexities associated with the Industrial Corridor projects, it would be appropriate to have a unified dedicated institutional framework for the overall planning, development, funding, implementation, operation, supervision and monitoring of projects along with coordination with all stakeholders. Some of the major advantages with this approach are:

(a) Smooth and effective coordination with the various stakeholders including the partner States;

(b) A unified financing, development and monitoring framework applicable to multiple Industrial Corridor projects with the necessary expertise for appraisal and approval of projects;

(c) Expert handling of complex technical, institutional, financial and project structuring requirements associated with projects in Industrial Corridors;

(d) Integrated forecast and allocation of resources in terms of funding, manpower etc., required for the implementation of the various projects;

(e) Continuous dissemination of the learnings from various Industrial Corridors, and creation of effective management information systems for better planning and implementation.

4.3 Since DMIC- PITF with the assistance of DMICDC has been managing development of DMIC project, as far as possible; its expertise can be leveraged for unified development of Industrial Corridors across the country. Therefore, it would be appropriate to expand the mandate of DMIC-PITF as NICDIT with DMICDC working as knowledge partner for all the Industrial Corridors in the initial phase. It will be a multi-disciplinary professional organisation, with high quality of technical, financial and management expertise.

5. INTER-MINISTERIAL CONSULTATIONS

5.1 First Draft Cabinet Note regarding NICDA was circulated on May 8, 2015. This note was discussed in the meeting of Cabinet Committee on Economic Affairs on 16.09.2015 and it was decided to defer the matter. The present Cabinet Note was circulated on 21.4.2016. The suggestion to avoid multiplicity of bodies has been incorporated. Thus, instead of DMIC Trust and NICDA both existing together, DMIC-PITF is itself being expanded into NICDIT. The Department of Expenditure had observed that even though NICDIT can appraise all projects related to industrial corridor, the financial approval should be in accordance with extant delegation of powers. This observation has been accordingly incorporated. Amount, for which approval is being sought, has been updated based on latest balances. Response of DIPP to comments received from various Departments/Ministries have been summarised in **Annexure-VII** & **Annexure-VIII.**

5.2 The comments from the Ministries/Departments concerned and the response of Department of Industrial Policy and Promotion are attached at **Annexure-VII (Page 39-47) and Annexure VIII (Page 48-56)** to the Note. After finalization of the draft Note, discussions were held at various levels and it was considered that the proposal to expand the mandate of DMIC-PITF as proposed above would be more appropriate.

6. FINANCIAL IMPLICATION

There is an existing approval for expenditure of Rs.18,500 crore against which Rs. 15966 crore is yet to be released to DMIC-PITF which will be utilised by NICDIT. A further sum of Rs. 1584 crore is needed for project development activities of four additional corridors and NICDIT's administrative expenses for a period of five years as per details furnished at para 3.12.

7. EMPLOYMENT GENERATION

7.1 The formation of the National Industrial Corridor Development Implementation Trust (NICDIT) will enable development and implementation of Industrial Corridor Projects across India by bringing in holistic planning and development approach and sharing the learning from development of Industrial Corridors, which will enable innovation in areas such as planning, design development and funding of such projects. This will help enhance the share of manufacturing in the country, attract investment in manufacturing and service industry sectors, which will have a catalytic effect on up-gradation and development of skills of the workforce and generation of employment opportunities.

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8. APPROVAL SOUGHT

8.1 Approval of the Cabinet is sought for the proposals indicated in paragraphs 3.1 to 3.17 and the following:

(i) expanding the mandate and scope of DMIC-PITF Trust and redesignating it as National Industrial Corridor Development and Implementation Trust (NICDIT) under the administrative control of DIPP (ii) permission to utilize financial assistance already sanctioned and sanction of additional amount of Rs.1584 crore within extended period upto 31st March, 2022 (iii) reconstitution of NICDIT Board of Trustees (iv) DMICDC to function as a knowledge partner to NICDIT in respect of all the Industrial Corridors in addition to its present DMIC work, till Knowledge Partner(s) for other Industrial Corridors are put in place. (v) Constitution of Apex Monitoring Authority under the chairpersonship of the Finance Minister (vi) supersession of the Cabinet decision dated 20.01.2014 with regard to the formation of AKIC Development Corporation.

9. Statement of Implementation Schedule is enclosed at **Appendix I (page 17)** to this Note.

10. Statement on Equity, Innovation and Public Accountability is enclosed at **Appendix II (page 18)** to this Note.

11. This Note has been seen and approved by the Minister of State (Independent Charge), Commerce and Industry.

Vkumar

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APPENDIX- I
(Refer Paragraph 9 of Note)

STATEMENT OF IMPLEMENTATION SCHEDULE

SUBJECT: APPROVAL FOR FORMATION OF NATIONAL INDUSTRIAL CORRIDOR DEVELOPMENT AUTHORITY

Gist of the Decision Required	Projected benefits	Time-Frame and manner of implementation
(i) Expanding the mandate and scope of DMIC-PITF Trust and redesignating it as National Industrial Corridor Development and Implementation Trust (NICDIT) under the administrative control of DIPP (ii) permission to utilize financial assistance already sanctioned and sanction of additional amount of Rs.1584 crore within extended period upto 31st March, 2022 (iii) reconstitution of NICDIT Board of Trustees (iv) DMICDC to function as a knowledge partner to NICDIT in respect of all the Industrial Corridors in addition to its present DMIC work, till Knowledge Partner(s) for other Industrial Corridors are put in place. (v) Constitution of Apex Monitoring Authority under the chairpersonship of the Finance Minister (vi) supersession of the Cabinet decision dated 20.01.2014 with regard to the formation of AKIC Development Corporation.	It will provide a unified dedicated institutional framework for planning, implementation and operation of Industrial Corridor projects.	DMIC-PITF will start functioning as NICDIT within three months from date of approval.

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APPENDIX II
(Refer Paragraph 10 of Note)

STATEMENT ON EQUITY, PUBLIC ACCOUNTABILITY AND INNOVATION

SUBJECT: APPROVAL FOR FORMATION OF NATIONAL INDUSTRIAL CORRIDOR DEVELOPMENT AUTHORITY FOR INTEGRATED DEVELOPMENT OF INDUSTRIAL CORRIDORS

S. No.	The required goal	How does the proposal advance this goal
1.	Equity or inclusiveness	The expansion of mandate and scope of DMIC-PITF and recast it as National Industrial Corridor Development Authority (NICDIT) will enable the development and implementation of Industrial Corridor Projects across India in a unified manner. This will help enhance the share of manufacturing in the country, attract investment in manufacturing and service industry sectors, enhance employment opportunities and lead to the up gradation and development of skills of the workforce.
2.	Public Accountability	The proposal will result in the creation of an Authority, under the Central Government, which will be subject to all laws and regulations governing such Central Government entities. All necessary mechanisms shall be instituted to ensure transparency and accountability in all aspects related to the functioning of the Authority.
3.	Innovation	The development of the Industrial Corridors across India will promote the development of sustainable, green industrial cities with world class infrastructure and the creation of a skilled workforce. The formation of the Authority will also bring in a holistic planning and development approach and will centralise the learning from development of Industrial Corridors, which will enable innovation in areas such as planning, design development and funding of such projects.

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Annexure- I
(Refer to para 2.3.1 of Note)

Details of 'in principle' approval by Cabinet for "Amritsar Kolkata Industrial Corridor Development Corporation (AKICDC)" accorded on 20.01.2014 with the decision that the precise modalities and instrumentalities thereof may be considered by a Group of Ministries comprising the Minister of Finance, the Minister of Commerce & industry and the Deputy Chairman Planning Commission:

i. Proposed to be developed using Eastern Dedicated Freight Corridor (EDFC) of Railways.
ii. Seven States to be included- Punjab, Haryana, U.P, Bihar, Jharkhand, West Bengal and Uttarakhand
iii. To leverage the existing Highway System existing on the route as well as the Inland water System
iv. To be developed in the band of 150-200 Kms on either side of EDFC.
v. In initial phase, at least one Integrated Manufacturing Cluster(IMC) of about 10 Sq Km in each of the 7 States to be developed, IMC locations to be identified by State Governments
vi. Central Govt. to approve the IMC locations identified by States
vii. Around 60-65 % of Infrastructure envisaged to be developed in PPP mode with VGF and rest 35-40 % in Non-PPPable infrastructure through grant in aid from Govt. of India
viii. AKICDC to be set up for Project Development, co-ordination of Implementation of projects and inter-sate activity.
ix. AKICDC to function with a full time CEO/MD (AS/JS level) having representatives from State Governments, Central Government, Financial Institutions and Experts from various fields.
x. CEO , AKICDC to be appointed by a Search Committee headed by Cabinet Secretary.
xi. Secretary DIPP to be the Ex-officio chairman of AKICDC Board.
xii. AKICDC to be set up with an Equity base of Rs. 100 Crore, Govt. Of India to hold share up to 49% share in equity, remaining to be held by Financial Institutions and State Governments.
xiii. HUDCO to take 26% of equity of AKICDC equity base, remaining 25% equity to be split between States of Punjab, Uttarakhand, U.P, Bihar & West Bengal. If Jharkhand subsequently agrees to 5% equity in AKICDC, the HUDCO share would be reduced to 21%.
xiv. An Additional fund of Rs 100 crore to be Given by Govt. of India to AKICDC for project Development activities (master planning, detailed engineering, EIA study etc.) in addition to Rs 49 crore (49 % Equity of Central Govt).
xv. Interest subsidy by Central Govt. to the extent of 4 per cent over a period of 15 years on loans that may be taken by State Governments for land acquisition

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subject to a ceiling of Rs 20 crore per IMC per annum i.e Rs 300 Crore Per Cluster

xvi. Budgetary implication of Interest Subsidy to the Central Govt : around Rs 2100 Crore for 7 clusters for 15 years (20X15X7) for phase 1 of AKIC.

xvii. Budgetary Implication for trunk infrastructure support from Centre Rs 3500 Crore for for 7 initial Clusters.

xviii. The above initial budgetary implications to the Central Govt add up to Rs 5749 Crore for initial phase of 7 clusters over 15 years.

xix. Apex Monitoring Authority for overall guidance, review and monitoring of implementation under Union Minister of Commerce & industry

xx. IMG to be chaired by Secretary, DIPP to appraise proposals for grant of In principle and final approval for IMCs.

xxi. At State level a cell under chairmanship of Chief Secretary/ Industrial Development Commissioner envisaged for facilitating clearances and liaising with Central Govt. and monitoring the implementation of various components of projects

xxii. States to either set up SPVs or choose State Institutions for implementation of IMC Projects.

xxiii. State Governments to have majority share in the State level SPVs for the IMCs at all time, Govt. of India may also invest in SPVs.

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Annexure-II
(Refer to para 2.6 of Note)

Minutes of the meeting of Expenditure Finance Committee held under the chairmanship of Secretary (Expenditure) on 11.02.2015 at 11AM in the Fresco Room, North Block, New Delhi to discuss the DIPP's EFC note no 12/66/2013-ID-1 dated 26.11.2014 and Supplementary EFC note dated 08.02.2015 on the formation of the National Industrial Corridor Development Authority

The list of participants is enclosed at **Annexure**.

2. Joint Secretary, DIPP made a brief presentation on the subject and explained the necessity and importance of constituting the National Industrial Corridor Development Authority (NICDA).

3. It was informed that pursuant to the announcement made by Hon'ble Finance Minister in his last Budget Speech, draft EFC Memorandum had been prepared by DIPP for seeking approval of EFC for the formation of NICDA, a dedicated body for integrated and coordinated development of industrial corridors. Joint Secretary, DIPP stated that DMICDC Ltd. was incorporated in January 2008 for project development activities and then on 15th September, 2011, Cabinet approved the restructuring of DMICDC, creation of Project Implementation Trust Fund (DMIC Trust) and financial assistance to the tune of Rs. 18,500 crore for seven cities in the next five years. Subsequent to the Cabinet approval, four more industrial corridor projects have been conceptualized. Formation of NICDA, was, therefore, considered necessary so that we have a unified financing, development and monitoring framework for multiple industrial corridor projects with necessary expertise for appraisal and approval of such projects. Joint Secretary, DIPP further stated that NICDA shall be an autonomous institution under the administrative control of DIPP and it will consist of full time Chairperson, not more than five full time members and not more than five part time members. Secretaries of the Department of Expenditure, DIPP, Economic Affairs and the CEO & MD of DMICDC will be ex-officio part time members of NICDA and other members shall be appointed by the GoI. NICDA will also perform the roles, responsibilities and functions of the DMIC

Trust in respect of all industrial corridor projects. NICDA will undertake project development activities such as preparation of master plan, preliminary engineering designs and DPRs etc of various nodes and channelise funds for creation of trunk infrastructure while handholding the SPVs for their efficient functioning and project implementation. In exceptional circumstance, NICDA may implement projects.

4. The representative of Department of Economic Affairs stated that the proposal entails conflict of interest as the Authority will undertake activities ranging from project development to appraising the proposals and sanctioning equity/loans. He stated that Authority may be set up through an Act of Parliament and not by an executive decision. He also stated that the composition proposed for NICDA does not mirror the composition and powers vested with the DMIC Trust headed by Secretary DEA. He suggested that the DMICDC structure can be expanded to form new NICDA.

5. Additional Secretary, DIPP clarified that there was no conflict of interest as specific infrastructure projects would be implemented by node level SPVs whereas NICDA would first get the master planning done and, thereafter, appraise projects. He further stated that an Authority can be constituted through executive orders; as powers of Executive and Legislature are co-terminus under article 73 of the constitution. An Act of Parliament would be mandatory if the Authority is to be vested with some of the coercive powers of the state. Therefore decision about providing legislative cover to the Authority can be taken at a later stage. Regarding the suggestion to go forward with an expanded DMICDC, Additional Secretary, DIPP clarified that creation of NICDA was considered essential for putting in place a unified structure for multiple corridor projects and it is an important budget announcement.

6. Additional Secretary, Department of Expenditure stated that with the formation of NICDA, DMIC Trust Fund should cease to exist and therefore, decision w.r.t winding up of DMIC Trust as well as decision for not setting up any body like DMIC Trust for other industrial corridors may be spelt out clearly.

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Similarly, the DMIC Development Corporation should also be wound up as project development activities should be undertaken by NICDA.

7. The representative of NITI Aayog stated that if NICDA proposes to charge success fees from State Governments/SPV, the modalities for the same need to be spelt out.

8. Director (PF-II), Department of Expenditure stated that NICDA should coordinate with other Central and State Government agencies and State Governments for integrated project development. NICDA should ensure coordination with the Port Rail SPV being setup by Ministry of Shipping for hinterland connectivity. She further stated that the corridor from Vizag to Kolkata should also be developed as part of the East Coast Economic Corridor.

9. Additional Secretary, Ministry of Shipping stated that the project development activities under various industrial corridor projects should be carried out in an integrated manner keeping in view the infrastructure development proposed under the Sagarmala project.

10. The representative of Ministry of Railways stated that as the rail/road connectivity would be part of essential trunk infrastructure, the grant in aid may also support the expenditure on rail connectivity to the industrial nodes.

11. The representative of Ministry of Petroleum and Natural Gas stated that cooperation of relevant ministries and state government is essential for implementation of the corridor projects. As NICDA will have a specified set of members, there may be a need for one or more Advisory Bodies for their representation. He further stated that MOPNG would also like to be involved during the planning phase and appropriate legal provisions may be explored for levy of service charge and service fee on State Government.

12. Secretary, DIPP stated that most of the points made by the various Ministries are valid and have already been incorporated in the EFC Memo. He observed that the model of planned infrastructure development with manufacturing hubs and smart cities would be possible only through detailed

master planning followed by preparation of detailed engineering, designs. Moreover, monetization of land values and delegation of powers of planning and development to the node/city level SPVs would be essential. He also stated that all this is predicated on adequate availability of land through the State Governments concerned. Only with careful planning and engineering designs, we can think of creating best in class trunk infrastructure such as roads, sewerage, drainage, potable water, industrial water, effluent treatment plants, sewage treatment plants, water treatment plants, ICT network, solid waste management, etc. Therefore, as in the DMIC Project, it is proposed that land will come in as equity of the State Governments concerned, in a node/city level SPV while the funds released by NICDA for trunk infrastructure will be the equity of NICDA. Any investment over and above equity will be considered as a loan to the SPV. Each node will be developed by a node/city level SPV which would be the project implementation agency. The powers of a Planning Authority and a Development Authority will be delegated to the node/city level SPV by the State Government. NICDA will also adopt the DMICDC model for Project development activities , viz., preparation of pre-feasibility studies, feasibility studies, Master planning, preparation of preliminary engineering designs, preparation of DPR's, environment clearance, digital master planning, etc. Project implementation activities will, however, be taken up directly by NICDA only as an exception. He assured that coastal corridor projects would ensure that there is complete convergence and integration with the Sagarmala project. Secretary, DIPP further informed that DMIC Trust is yet to be registered and NICDA is being formed in pursuance of the announcement made by the Hon'ble Finance Minister in his budget speech for 2014-2015. Secretary, DIPP also stated that representation of various bodies in NICDA would be considered after NICDA is in place.

13. The recommendations of EFC are as follows:

i. National Industrial Corridor Development Authority (NICDA) may be setup initially as an executive authority under the administrative control of DIPP.

The Ministry may explore the options later whether to model the authority on NHAI lines or not.

ii. Secretary, DIPP may be the ex-officio chairperson of NICDA and there should be a separate full time CEO. Full composition of the new unified authority, which must include the Department of Expenditure, may be spelt out in the draft Cabinet note.

iii. Multiplicity of bodies should be avoided at any cost. After creation of NICDA, the DMIC Trust may be wound up forthwith. It is also suggested that after NICDIT becomes fully functional, DMICDC may also be subsumed within it as one of its verticals. Similar verticals could be created for each industrial corridor.

iv. An indicative cost of Rs.19,736 crore is recommended for development of industrial corridors over a period of five years going forward up to the year 2020. This will be inclusive of the funds already approved for the Delhi Mumbai Industrial Corridor.

v. NICDA will appraise the projects related to the Industrial Corridors, and submit them for approval in accordance with the extant delegation of powers. NICDA will have a separate bank account and grants-in-aid to the local SPVs will also be routed through it.

vi. Proposal for creation of posts for NICDIA may be sent separately to the Personnel Wing of the Department of Expenditure in accordance with the extant procedure. General Financial Rules should be followed for appointment of staff and procurement of consultancy services.

List of Participants

1) Shri Ratan P.Watal , Chairperson & Secretary , D/o Expenditure, M/o Finance
2) Shri Amitabh Kant, Secretary, DIPP
3) Shri Shatrughna Singh, Additional Secretary, DIPP
4) Shri S.K. Bahri, Addl. Secy& Financial Adviser , DIPP
5) Shri Ajay Narayan Jha, Additional Secretary, M/o Finance, D/o Expenditure

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6) Shri Alok Srivastava , Additional Secretary, M/o Shipping
7) Shri Talleen Kumar, Joint Secretary & CEO & MD, DMICDC
8) Ms. Nutan Kapoor Mahawar, Joint Secretary, M/o External Affairs
9) Shri Alok Chandra, Adviser (Finance), M/o Petroleum & Natural Gas
10) Shri V.K. Jindal, Adviser (Infra-Fin), Deptt of Economic Affairs
11) Ms. Geetu Joshi, Director (PF-II), M/o Finance, D/o Expenditure
12) Ms. Sudha Keshari, Director (PAMD), Niti Aayog
13) Shri M.K. Srivastava, Ex. Director (P), M/o Railways
14) Shri Yogendra Pal Singh, Joint Director, M/o Environment & Forests
15) Dr. P.B. Rastogi, Director, M/o Environment & Forests
16) Ms. Swati Singla, Assistant Director (PF.II), M/o Finance, D/o Expenditure
17) Dr. Manik Chandra Pandit, Deputy Director, D/o Economic Affairs

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Annexure – III
(Refer to Para 2.8 of Note)

Status of Industrial Corridors

Delhi-Mumbai Industrial Corridor (DMIC): DMIC is being developed on either side, along the alignment of the 1483 km long Western Dedicated Rail Freight Corridor. It covers six States namely Uttar Pradesh, Haryana, Madhya Pradesh, Rajasthan, Gujarat and Maharashtra.

Initially, the following 7 Investment Regions / Industrial Areas in the 6 DMIC States were taken up for development in the first phase of Delhi Mumbai Industrial Corridor (DMIC) Project:

i. Ahmedabad-Dholera Investment Region, Gujarat
ii. Shendra-Bidkin Industrial Park city near Aurangabad, Maharashtra
iii. Manesar-Bawal Investment Region, Haryana
iv. Khushkhera-Bhiwadi-Neemrana Investment Region, Rajasthan
v. Pithampur-Dhar-Mhow Investment Region, Madhya Pradesh
vi. Dadri-Noida-Ghaziabad Investment Region, Uttar Pradesh
vii. Dighi Port Industrial Area, Maharashtra

Subsequently, Jodhpur-Pali-Marwar Region in Rajasthan was also added.

Work relating to Trunk Infrastructure components [including Common Effluent Treatment Plant (CETP), Administrative Business Centre (ABC), Water Treatment Plant (WTP), Sewage Treatment Plant (STP) and Roads & Services] has been started at following 4 identified locations. Master Plan for ICT Layer has also been prepared:

i. Activation area of 22.5 SQ KM as part of Phase -1 Development of the Dholera Special Investment Region (DSIR) in Gujarat
ii. 8.39 SQ KM as part of Phase -1 development of the Shendra-Bidkin Industrial Area (SBIA) in Maharashtra.
iii. Integrated Industrial Township spread over 747.5 acres in Greater Noida (Uttar Pradesh)

iv. Integrated Industrial Township in Vikram Udyogpuri near Ujjain (Madhya Pradesh) spread over 1100 acres

Chennai-Bengaluru Industrial Corridor (CBIC): In pursuance of the Joint Statement of the Prime Ministers of India and Japan in 2011 to develop infrastructure between Chennai and Bengaluru, Japan International Cooperation Agency (JICA) initiated the modalities for the preparation of the Integrated Master Plan for development of CBIC. 3 nodes namely, Tumkur in Karnataka, Krishnapatnam in Andhra Pradesh, Ponneri in Tamil Nadu were identified for development under CBIC by JICA Study Team in the initial master plan.

Bengaluru Mumbai Economic Corridor (BMEC): During the Summit meeting held between Prime Ministers of India and United Kingdom in February, 2013, it was agreed to examine and evolve the modalities and content of a feasibility study for the development of BMEC. It may be called as Bengaluru Mumbai Industrial Corridor (BMIC) for the sake of uniformity of nomenclature. Dharwad node in Karnataka has been identified for development by State Government. Government of Maharashtra has given in principle approval for development of Sangli/Solapur Node in the State.

Vizag Chennai Industrial Corridor (VCIC): In compliance of the commitment made by the Central Government in the Andhra Pradesh Reorganization Act, 2014, it was decided by the Department of Economic Affairs, Government of India that Asian Development Bank (ADB) which had been getting a feasibility study done in r/o East Coast Economic Corridor (ECEC) will also take up the study of VCIC as Phase I of ECEC. ADB team has since submitted the final report regarding Conceptual Development Plan (CDP) of VCIC. The process of Master Planning of the four nodes namely, Vishakhapatnam, Machilipatnam, Donakonda and Srikalahasti-Yerpedu of Andhra Pradesh, as identified by ADB in their CDP commenced in March 2016 and is likely to be completed by March 2017. Loan amounting to US$ 625 million is proposed to be taken from the Asian Development Bank out of which case for US$ 370 million as first tranche is being posed to the ADB Board shortly. State contribution of US$ 215 million will be made.

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Amritsar-Kolkata Industrial Corridor (AKIC): AKIC will use Eastern Dedicated Freight Corridor (EDFC) as the backbone and is planned in a way that there would be Integrated Manufacturing Clusters (IMCs) spread over 2500 acres or more land in each of the State in Seven States namely Punjab, Haryana, Uttar Pradesh, Uttarakhand, Bihar, Jharkhand and West Bengal. Inception Report, Report on Alternative Site identification for establishing seven IMCs one each in seven States of AKIC Region and report on Regional Assessment and Delineation of AKIC Region have been submitted by the consultants. Tentatively, nodes have been identified as follows:

> Purulia Raghunathpur (West Bengal); Bhaupur, Kanpur (Uttar Pradesh); Gamhariya, (Bihar); Rajpura, Punjab; Uttarakhand, Khurpia Parag; Barhi, Hazaribagh; Jharkhand.

In case of Haryana, site is still being finalised.

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Annexure- IV

(Refer to para 3.1 of Note)

Roles/Responsibilities/functions of NICDIT

(a) Developing the overall enabling institutional, funding and operational framework for the Industrial Corridors;

(b) Supporting project development activities through a Knowledge Partner for the Industrial Corridors and agencies like SPVs and State Governments involved in implementation of industrial cities/ projects in the Industrial Corridors; assisting States in identifying Anchor Investors for industries;

(c) Appraising all project proposals placed before it and sanctioning equity/debt to SPVs and grants for project development as per extant financial delegation;

(d) Raising funds as debt/equity as per requirement, leveraging resources provided by GoI and providing equity/debt to the SPVs formed in joint venture with State Governments/other stakeholders for implementation of projects;

(e) Entering into agreements with the State Governments/ Project specific SPVs/public or private organisations as may be required from time to time to give effect to the modalities outlined in previous paragraphs; and

(f) NICDIT shall maintain accounts in the form prescribed by the Government on the advice of the C&AG of India and the accounts shall be subject to audit by the C& AG of India.

(g) NICDIT will take up new Industrial Corridors, Nodes, Early Bird Projects and Standalone Projects on the recommendation of State Governments.

(h) NICDIT can also provide funds for land acquisition through existing mechanisms of States for specific Strategic / Early Bird Projects which could be developed on PPP models. However, the land for city / node development will necessarily be the equity of the State and will be acquired and fully paid for by them.

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Proposed Institutional Framework

(i) Each industrial city/node in the Industrial Corridors is envisaged to be implemented by a Special Purpose Vehicle (SPV) in the form of a company set up under the Companies Act, as a joint venture between GoI, represented through NICDIT, and the respective State Government, in the manner approved for DMIC Trust.

(ii) The node/city level SPV may have equity participation from private sector, if the State Government specifically recommends so. The powers of a Planning Authority and a Development Authority will be delegated to the node/city level SPV by the State Government as agreed under State Support Agreement signed by NICDIT with concerned State Governments. An industrial city may also be notified as an industrial township under Article 243Q of the Constitution of India to enable the node/city level SPV to discharge municipal functions in the city. Since the node/city level SPV will discharge the dual role of a municipal body and a development authority, the private equity participation in a node/city level SPV will be limited to 49%. The State Government will contribute the land and/or funds based on the financial structure as the case may be.

(i) NICDIT will provide funds in the form of equity/debt in the node/city level SPVs and project specific SPVs. The stake of the NICDIT may go up to 100% including the land cost in strategic projects, project specific SPVs cutting across the Industrial Corridor States and sectoral holding companies consisting of project specific SPVs.

(iv) The financial structuring of SPVs shall be decided by NICDIT in consultation with other shareholders. The investment of various shareholders over and above their equity shall be treated as loan to the SPV. The priorities of the loans and their nature, whether secured or unsecured, shall be decided as per the Share Holders' Agreement (SHA).

(i) NICDIT will ensure and protect GoI's interest in the SPVs. GoI funds routed through NICDIT to the SPVs as debt shall not be subordinate to unsecured loans of SPVs.

(vi) The node/city level SPVs would be empowered and given the development rights in delineated areas with adequate functional autonomy - to develop a node/industrial city in accordance with the Master Plan/Development Plan. The Master Plans/Development Plans for the industrial cities will be approved by the State Governments concerned, with the concurrence of NICDIT. Once approved, the Master Plans/Development Plans will not ordinarily be altered. Any change in the approved Master Plan/Development Plan, necessitated by extraordinary circumstances, can be made only with the prior concurrence of both the State Government and NICDIT. After these industrial cities get fully developed over a period of time, the management of the cities will get transferred to the appropriate local government as may be agreed between NICDIT and concerned State Governments.

(vii) DMICDC/ Knowledge Partner(s) will get Perspective Plans and Master Plans prepared and will identify and develop projects and arrange for professional inputs for risk management, project structuring, project appraisal, preparation of Expression of Interest/ Request for Proposal/ bid documents etc, evaluation of bids, bid process management and project management. It will undertake due diligence and analyse, examine and appraise proposals and assist the Fund/ Trust in monitoring all projects. DMICDC/ Knowledge Partner(s) will act as the Project Development Partner to all SPVs and State Government agencies for the implementation of these industrial cities. It will bring in the vision of a state-of-the-art, world-class city at each node and assist each SPV in translating the vision to reality through identification of projects, undertaking project preparatory activities like preliminary project reports, feasibility studies, preparation of detailed project reports (DPRs), development of projects, bidding out projects for private participation and providing assistance to SPVs for the following:

a) Putting in place suitable risk management measures for power plants, water supply, transportation, logistics parks, exhibition-cum-convention centres etc, which are directly driven by DMICDC / Knowledge Partner to induce and accelerate growth in the proposed industrial cities including land procurement from State Governments;

(b) Legal vetting of documents and obtaining requisite approvals from competent authorities;

(c) Finalising commercial arrangements like off-take agreements/Power Purchase Agreements, etc; and

(d) Obtaining viability gap support from State and Central governments.

Till such time that Knowledge Partners for other Industrial Corridor Projects are put in place, DMICDC will continue to act as Knowledge Partner for other Industrial Corridors as well.

(viii) DMICDC/ Knowledge Partner(s) under NICDIT will be entitled to fees for services rendered as determined by the Board of Trustees in addition to Success Fees from the State Governments/ SPVs for successful Project Development/ PPP transactions.

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Annexure V

(Refer to para 3.6 of Note)

PROCESS FOLLOWED FOR DEVELOPMENT OF INDUSTRIAL CORRIDORS

i. Preparation of Perspective Plan of overall Industrial Corridor region.
ii. Identification of suitable sites by the State Governments for the Investment Region.
iii. Preparation of Concept Master Plan and Development Plan of the identified nodes.
iv. Preparation of Feasibility Studies for Early Bird Projects and preparation of Pre-Feasibility Studies for identified projects.
v. Preparation of Information and Communication Technology (ICT)/ Digital Master Planning of the Nodes.
vi. Seeking Environment Clearance for the Industrial Corridor nodes.
vii. Identification of Trunk Infrastructure Packages and preparation of Detailed Designs for trunk infrastructure.
viii. Finalization of the Regulatory and Institutional Framework, such as Share Holders' Agreement (SHA) and State Support Agreement (SSA).
ix. Implementation

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ANNEXURE –VI

(Refer Para 3.12 of the Note)

FUNDING REQUIREMENT FOR NICDIT FOR PROJECT DEVELOPMENT AND IMPLEMENTATION ACTIVITES OVER 5 YEARS

Amounts in Rs. Crore

Name of Corridor	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Bangalore Mumbai Economic Corridor						
Perspective Plan	5					5
Master Planning		5	12	12		29
Town Planning / Development Plan			12	12	12	36
Feasibility Study, Preliminary Engineering and Detailed design Engineering				20	40	60
Other consultancy services			10	20	20	50
Programme Management					30	30
Implementation					00	00
TOTAL	**5**	**5**	**34**	**64**	**102**	**210**
Amritsar Kolkata Industrial Corridor (7 Nodes)						
Perspective Plan	8	7				**15**
Master Planning		10	20	20		**50**
Town Planning / Development Plan			10	25	35	**70**
Feasibility Study, Preliminary Engineering and Detailed design Engineering				20	40	**60**
Other consultancy services			5	20	25	**50**
Programme Management					50	**50**
Implementation	0	0	0	0	0	**0**
TOTAL	**8**	**17**	**35**	**85**	**150**	**295**
Chennai Bangalore Industrial Corridor (3 Nodes)						

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Name of Corridor	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Perspective Plan	Funding from JICA	Funding from JICA				
Master Planning		Funding from JICA				
Town Planning / Development Plan			10	10	10	30
Feasibility Study, Preliminary Engineering and Detailed design Engineering				20	40	60
Other consultancy services			10	20	20	50
Programme Management	0	0	0	0	30	30
Implementation	0	0	0	0	300	300
TOTAL	**0**	**0**	**20**	**50**	**400**	**470**
Chennai Kolkata Economic Corridor (2 Nodes) - Phase - I Chennai – Vizag						
Perspective Plan	ADB Funded					
Master Planning		5	12	12		29
Town Planning / Development Plan			12	12	12	36
Feasibility Study, Preliminary Engineering and Detailed design Engineering				20	40	60
Other consultancy services			10	20	20	50
Programme Management	0	0	0	0	25	25
Implementation	0	0	0	0	300	300
TOTAL	**0**	**5**	**34**	**64**	**422**	**525**
TOTAL Project Development Fund	**13**	**27**	**123**	**263**	**1074**	**1500**
Funding requirement for administrative expenses of NICDIT*	**12.52**	**14.40**	**16.56**	**19.05**	**21.90**	**84.43**

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DETAILS OF BALANCE FUNDS WITH DMIC PITF AS ON 10TH AUGUST 2016

(Rs. in Crore)

Sl. No	Item	PIF amount	PDF * Amount	Total
1	Funds Approved by Government of India	17,500.00	1,000.00	18,500.00
2	Funds released by DIPP	2309.37	224.89	2,534.26
3	**Balance Fund (1-2)**	**15,190.63**	**775.11**	**15965.74**
	GRAND TOTAL			**17750.43**

TOTAL FUNDS REQUIRED

(Rs. in Crore)

Balance fund of DMIC- PITF	15190.63
Balance fund of DMIC- PDF	775.11
Project Development Fund for new corridors	1500
Administrative Expenses	84.43
TOTAL FUNDS REQUIRED	17550.17

ROUGH COST ESTIMATED FOR ADMINISTRATION AND OPERATION OF THE NATIONAL INDUSTRIAL CORRIDOR DEVELOPMENT AUTHORITY (Per Year)

S.No	Category	Cost in Rs. Crore
1.	Lease rentals	0.72
2.	Manpower	6.861
3.	Furniture and fixtures	0.01
4.	Computer & office equipments	0.108
5.	Telephone and communication expenses	0.01
6.	Foreign travel	0.15
7.	Conveyance and travel	3.648
8.	Stationery and printing	0.42
9.	Development of promotional material & production expenses	0.015
10.	Advertisement and public notice expenses	0.50

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S.No	Category	Cost in Rs. Crore
11.	Courier and related	0.01
12.	Electricity charges	0.02
13.	Office maintenance	0.01
14.	Bank charges	0.01
15.	Auditor renumeration	0.012
16.	Miscellaneous	0.018
17.	TOTAL	12.522

Note: The above costs have been estimated on a rough basis based on the overall institutional and administrative structure envisaged for the National Industrial Corridor Development Authority. These costs have been estimated for a single year and increased by 15% per annum for the period of 5 years from 2015-16 as shown in the main table above showing the total funding requirements.

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Annexure VII

(Refer to para 5.2 of Note)

SUBJECT: NOTE FOR CONSIDERATION OF THE CABINET ON FORMATION OF NATIONAL INDUSTRIAL CORRIDOR DEVELOPMENT AUTHORITY (NICDA) FOR INTEGRATED DEVELOPMENT OF INDUSTRIAL CORRIDORS CIRCULATED FOR INTER MINISTERIAL CONSULTATION ON 8.5.2015

S. No	Name of the Ministry/ Department	Comments received on the Cabinet note	Views of DIPP and taken note of in the revised note circulated on 21.4.2016
1.	Ministry of Finance, Department of Expenditure (OM No.11(03)/PF-II/2014 dated 12.06.2015)	a) EFC recommended that NICDA will appraise projects related to the industrial corridors and submit them for approval in accordance with the extant delegation of powers. It is pertinent to mention that process for approval of public funded schemes/projects has been greatly simplified. While NICDA can appraise all projects related to the industrial corridor, the financial approval must be in accordance with the extant delegation of powers.	Once DMIC Trust is subsumed all powers and functions of the Trust will be performed by NICDA. For carrying out project development activities of the various industrial corridors, separate SPVs will be created under NICDA. DMICDC will carry out project development activities of the assigned corridor. DMICDC shall continue to operate as an SPV.
		b) Multiplicity of bodies should be avoided at any cost. DMIC Trust should be wound up forthwith. DMICDC, which is a Project Development Agency, should also be wound up within two or three years of	Noted.

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		establishment of NICDA and be replaced by a vertical under NICDA. For all other industrial corridors, project development work should be carried out by dedicated verticals under the National Industrial Corridor Development Authority.	
		c) The budgetary funds for the creation of industrial corridors, placed at the disposal of NICDA, should be transferred directly to the local Special Purpose Vehicle, not through any other intermediary body.	Extant Guidelines on VGF Scheme will be followed.
	(OM No. 11(03)/PF. II/2014 dated 31.07.2015)	Additional comments:	
		d) Para 3.13 of the DCN refers to VGF infusion over and above NICDA funding. It may be noted that the VGF for PPP Projects cannot be in addition to other monies from Government, as the Cabinet-approved VGF scheme allows upto 40% of the TPC funding by government of a project, to retain its private character. Of this, upto 20% is from the DEA's Scheme and the balance from the Ministry/State. DIPP may therefore, clarify in the DCN that NICDA would provide the non-DEA portion upto 20% of TPC.	This is already mentioned in para 3.9 of the Note.
		e) DCN may mention the need to explore additional revenue sources, including targeted local tax/levels and also detail the mechanism for loan recoveries.	Decision regarding funding modality will be taken by NICDA Board on case to case basis.
		f) The Minutes of the EFC meeting (para 1, P.33 of the DCN) indicate replication of the DMIC approach to allowing the state to bring in land as its equity contribution. The DCN may state clearly that in the relevant Nodal/City level SPVs, equity infusion by NICDA will be tranched with roll-out of contracts for provision of infrastructure.	Proposal has been suitably modified.

		g) Para 3.18, P.13 of the DCN states that if required a Central legislation will be moved if NICDA is to be vested with "some of the coercive powers of the state" and an "appropriate proposal" will be submitted for this. It does not appear necessary to include it in the DCN at this stage.	Noted.
		h) In case of projects financed out of external assistance, funds are to be passed to the implementing agency in the same form in which they are received. For example, if funds from donor agencies are received as grants, the same is passed on as grants. If funds from donor agencies are received as loans, the same is passed on loans on back to back basis with full liability to be borne by the implementing agencies. Hence, the fund flow arrangements in such cases need to be finalized by DIPP in consultation with Department of Economic Affairs.	After its formation, NICDA will take necessary action in this regard. In future NICDA may be an authority with an appropriate legislation.
		i) Due care and caution needs to be exercised before creating more Government organisations. In order to optimise expenditure, clear timelines for winding up DMICDC may be given in the DCN.	
		j) Provision of funds for the outlay of Rs.18,482.20 crore to NICDA over a period of 5 years, inclusive of Rs.16,922.80 crore for DMIC and the balance towards establishment cost of the Authority depends on the resource position of the Government as fiscal space for Plan schemes is limited.	EFC already approved the outlay.
2.	NITI Aayog (OM No.13(55) /	The responsibility of the NICDA are inter alia developing the overall enabling institution, funding and operational framework for the	Basic governance structure of NICDA has been given in the Note. Detailed

	2015-I&M(I) dated 1.06.2015)	industrial corridors, raising long term capital and undertaking implementation of the specific projects. The functions are all encompassing that of a financial institution and executing enterprise. Therefore, the proposed authority should have sufficiently developed governance structure with proper check and balance. The details of governance structure have not been spelt out in the draft Note for Cabinet.	operational framework would be notified after the Chairperson and the members are in position.
		The major theme of the proposal is change of operational strategy from Trust mode of operation to Authority mode. This will lead to a change in governance aspect and operating mechanism. DIPP could examine how an authority setup through executive order will function better than a Trust.	The operating mechanism will be determined by the Authority
		The eligibility criteria for the appointment for the post of CEO have not been spelt out in the draft Note for Cabinet. The eligibility criteria could be formulated and made a part of the proposal.	The eligibility criteria for Member-Secretary who will act as full time CEO as well as other posts in NICDA would be submitted to D/o Expenditure along with the proposal for creation of posts.
3.	Department of Commerce (OM No.03/22 / 2015-Infra-1 dated 25.05.2015)	Supports the proposal. Department of Commerce may be associated with NICDA at appropriate level since DoC approves setting up of Inland Container Depots, Container Freight Stations and Air Freight Stations and also executes many export promotion programmes including Towns of Export Excellence.	Noted.

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4.	Ministry of Petroleum and Natural Gas (OM No.G-38011/116/2014-Fin.I dated 28.5.2015)	M/o P&NG reiterates the comments given at the time of EFC note as under: a) Since DMIC will be merged with the NICDA, essential details of DMIC, current status and its implementation model may be mentioned in the Note. b) For levy of service charge and service fee on State Governments, appropriate legal provision including legislation may be explored. c) To implement the corridor projects cooperation of relevant Ministries and State Government is essential. Whereas the Authority (NICDA) can have limited Members, there may be need for one or more Advisory bodies where such Ministries and State Governments need to be represented. d) "Make in India", "Digital India" and "Skill India" missions and their objectives can be dovetailed into the corridor projects for greater synergy. e) MOPNG would like to be involved during the planning phase so that land for petroleum product outlets and gas, crude and petroleum product pipelines and grids is assigned. f) Integrated energy management policy for the industrial corridors may be developed. This would include increased use of renewable energy.	These points have been considered at the time of final EFC Note and comments of the department on the points raised by M/o PNG were suitably incorporated in the inter-ministerial consultations of the EFC Note. An Apex Monitoring Authority has been proposed at para 3.21.
5.	Ministry of Shipping (OM No.SM-25021/26/2015-SM(Sagarmala) dated 5.06.2015)	Supports the proposal with the following suggestions: (ii) It should be ensured that there is no duplication of projects to be taken up under Sagarmala and projects to be taken under the various industrial corridors. Moreover, the project identified for execution under the industrial corridors should align with the priority projects identified under the	A coordination mechanism is being set up between Ministry of Shipping & DIPP to identify and promote synergies between

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		Sagarmala project. (iii) Any project which is common under industrial corridor development and Sagarmala development should be funded by NICDA and other projects which are critical to Sagarmala project but may not be directly relevant under industrial corridor can still be funded by NICDA as one of the SPV partners. (iv) Since Ministry of Shipping is the Nodal Agency for implementation of Sagarmala project, Secretary (Shipping) should be full time member of NICDA for better co-ordination and project implementation. (v) It is also suggested that the projects identified under Sagarmala which fall in the jurisdiction of NICDA should be taken up on priority.	Sagarmala and Industrial Corridors. The extent of funding through NICDA has been detailed in the Note. Secretary, M/o Shipping has been included as a member in the NICDA. As at (i) above.
6.	Ministry of External Affairs (UO No.3999/ JS(EA)/2015 dated 8.06.2015)	a) The proposal involves winding up of DMIC Trust Fund and to subsume DMIDC under NICDA at a later stage. DMIC has faced hurdles and delays. If we create another agency - NICDA which then initiates process of taking over, it will lead to further delays and complications. Furthermore, Japanese Government is a partner in DMIC. Any proposal which is taken to Cabinet without first consulting the Government of Japan is not advisable. Given our relations with Japan, we should avoid presenting fait accompli to Japanese side. b) Various corridors are not geographically linked and have their respective advantages and limitations. It is debatable whether creation of one body to supervise all is the best solution or keeping a differentiated approach as has been the case with Metro Rail development is a better model. Such a model caters for specificities	DMICDC would continue to function as a separate SPV and also as a knowledge partner. Therefore, there is no reason for apprehension regarding relations with Japanese Government. The Note has been prepared as per recommendations of EFC. There is no conflict of interest.

		of each situation while providing enough opportunities for cross fertilization of ideas and learning of best practices. More important, it will enable engaging contradictory partners (Japan, China, ROK, etc.) in a disaggregated manner.	
		c) The other issue that is needed to be considered is the constitution of NICDA. The idea is that it should not have full time Chairperson with Secretary (DIPP) being ex officio Chairperson. It needs to be examined if such a structure would do justice to the lofty agenda of NICDA. Furthermore, it also needs to be examined from the point of view of 'conflict of interest'. DIPP is responsible to ensure compliance of industrial corridors with government policies.	Noted.
		d) Various industrial corridors have a diplomatic angle -DMIC is a strategic component of India-Japan partnership; China is being engaged to partner with one of the industrial corridors; Korea has also shown interest to associate with the industrial corridors. NICDA includes in its scope development of smart cities which is being handled by Ministry of Urban Development. The proposed constitution of the NICDA Board does not include Secretary (Urban Development) and Foreign Secretary as Board members. The Board constitution may need to be re-looked.	Two Secretaries to GoI will be Special invitees to the Board for specific issues.
7.	Ministry of Railways (OM No. 2014/ Infra/ 6/24 dated 6.07.2015)	Supports the initiative of setting up of NICDA and has the following comments: i) It is seen that the proposal envisages a budgetary support from Government of India of Rs.18,482.2 crores over a five year period starting from 2015-16 for project	The proposal is to fund the creation of essential trunk infrastructure in the city/node.

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		development and creation of essential trunk infrastructure in the industrial corridors. This includes Rs.16,922.8 crores budgetary support for development of infrastructure in DMIC area. As rail/road connectivity would be part of essential trunk infrastructure, the budgetary support may also support the expenditure on rail connectivity to the Industrial Nodes.	Connectivity would be primarily provided by the State governments/ Central Ministries concerned through their own budgetary resources.
		ii) Para 3.2 of the Draft Cabinet Note describes the composition of NICDA. Ministry of Railways may be represented in NICDA to ensure that issues pertaining to rail-connectivity, rail infrastructure inside industrial nodes and multi-modal transport are integrally considered.	Chairman, Railway Board has been included as a member in the NICDA.
8.	Department of Electronics and Information Technology (OM No.8(96)/ 2012-IPHW dt. 5.06.2015)	Supports the proposal. The successful operation of industrial corridor under the aegis of NICDA would entail considerable digital connectivity. Therefore Secretary, DeitY be made member of the Governing Council of NICDA.	Two Secretaries to GoI will be Special invitees to the Board for specific issues.
9.	Ministry of Environment, Forests & Climate Change (OM No.19-68/ 2015-IA.III dated 8.06.15)	Supports the proposal. Industrial estates so proposed along the corridor would however need prior Environmental Clearance under EIA notification 2006 of the Ministry.	Noted.
10.	Ministry of Power (OM No.M-15/2015-IPC dated 12.06.2015)	i) Power requirement and commensurate capacity addition for the same needs to be firmed up. Generation capacity addition up to 2016-17 has already been planned and power requirement for part of DMIC has been considered for the state of Rajasthan, power requirement for balance corridors under NICDA has not been included in that plan, as the concerned states had not indicated their requirement on account industrial corridors. Therefore power requirement for these corridors needs to be included in	Power requirement for the Nodes identified for development in the Industrial Corridors would be firmed up by NICDA after its formation.

		generation and transmission planning for 13th Plan. Suggested that the additional power requirement arising out of implementation of these projects may be suitably addressed.	
11.	Department of Personnel & Training (OM No.CN. 14017/15/2015-Estt.(RR) dated 26th May, 2015)	No comments in the matter of creation of posts. Recruitment Rules may be framed after creation of posts. Secretary, DoPT is not required to be member of Search-cum-Selection Committee.	Noted. Proposal has been accordingly revised.
12.	Ministry of Road Transport & Highways (OM No.CD-14024/05/2015-Coord dated 2.06.2015)	No comments.	
13.	Ministry of Civil Aviation (OM No. AV. 24032/548/2015-AD dated 23.06.2015)	Supports the proposal.	

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Annexure VIII

(Refer to para 5.2 of Note)

SUBJECT: NOTE FOR CONSIDERATION OF THE CABINET ON FORMATION OF NATIONAL INDUSTRIAL CORRIDOR DEVELOPMENT AUTHORITY (NICDA) FOR INTEGRATED DEVELOPMENT OF INDUSTRIAL CORRIDORS CIRCULATED FOR INTERMINISTERIAL CONSULATION ON 21.4.2016

COMMENTS ON MODIFIED / REVISED CABINET NOTE

S. No.	Name of the Ministry/ Department	Comments received on the Cabinet note	Views of DIPP
1.	Department of Economic Affairs, Ministry of Finance, (OM No. 14/7/2014 - INF Dated: 10.05.2016)	(i) NICDA is to also consider proposals received from the different State Government Agencies for establishing other Industrial Corridors in future (para 2.4.5 the final DCN). It may be mentioned in DCN that NICDA may seek approval of Cabinet for expanding its mandate.	Accepted and incorporated in the note in various sections of Para 3
		(ii) NICDA Board will consist of a Chairperson – Secretary, DIPP as ex-officio Chairperson (para 3.2 of the final DCN). DOE may kindly comment on the light of earlier views conveyed by DEA and final views approved by FM.	No comments.
		(iii) NICDA is to be empowered to take up new Industrial Corridors, nodes, Early Bird and standalone projects on the recommendation of State Governments (para 3.7 of the final DCN). Standalone projects may not be supported as they can be taken up by respective State	Standalone projects are crucial to the development of Industrial Corridors and therefore these are to be supported by NICDIT.

		Governments. (iv) It is proposed in the Final DCN to empower NICDA to appraise all proposals for non-PPP and PPP projects placed before it, approve and sanction equity and / or debt to SPVs up to a ceiling of Rs.1000 crore (para 3.7 of the final DCN). It may be ensured that extant delegations of powers are honoured.	The financial appraisal and approvals for the projects to be undertaken by NICDIT have been indicated in para 3.5 of the Note.
		v) As per the note approved by the Cabinet in 2011 an Apex Monitoring Authority was constituted under the Chairmanship of Finance Minister. Reasons for substitution of Finance Minister, as Chairperson of Apex Monitoring Authority of DMIC to Commerce and Industries Minister as Chairperson of NICDA may be provided (para 3.21 of the final DCN).	Noted. Apex Monitoring Authority for NICDIT will be chaired by the Finance Minister. Para 3.4 of the Note refers.
2.	Ministry of Finance, Department of Expenditure (OM No.11(03)/PF-II/2014 dated 16.05.2016)	a) EFC recommended that NICDA will appraise projects related to the industrial corridors and submit them for approval in accordance with the extant delegation of powers. It is pertinent to mention that process for approval of public funded schemes/projects has been greatly simplified. While NICDA can appraise all projects related to the industrial corridor, the financial approval must be in accordance with the extant delegation of powers.	The financial appraisal and approvals for the projects to be undertaken by NICDIT have been indicated in para 3.5 of the Note. The extant delegation of powers will be exercised by NICDIT Board on the lines of DMIC-PITF Board was exercising the delegated powers. Financial powers of appraisal and approval up to Rs. 300 crore will

			continue to be exercised by NICDIT Board. All other powers of approval will be in sync with extant delegation of powers.
		b) Multiplicity of bodies should be avoided at any cost. DMIC Trust should be wound up forthwith. DMICDC, which is a Project Development Agency, should also be wound up within two or three years of establishment of NICDA and be replaced by a vertical under NICDA. For all other industrial corridors, project development work should be carried out by dedicated verticals under the National Industrial Corridor Development Authority.	DMICDC Trust would be wound up as proposed in the Note. However, the issue of winding up of DMICDC as a project development agency would be reviewed after five years, as it will take time to build up knowledge. DMICDC has 26% stake of JBIC. Therefore action for its closure may also affect investment collaboration with Japan. MEA has also concurred with this view vide UO No. 3999/JS(EA)/2015 dt. 8.6.2015. Dedicated verticals for other corridors have been proposed in para 3.1 and para 3.17 of the Note.
		c) The budgetary funds for the creation of industrial corridors, placed	It has already been proposed in para 3.12

		at the disposal of NICDA, should be transferred directly to the local Special Purpose Vehicle, not through any other intermediary body.	of the Note.
3.	NITI Aayog OM No.13(55)/ 2015-I&M (I) dated 20.5.2016	The NITI Aayog concurs with the proposal as contained in paragraph 8.1 of the draft CCEA Note subject to the following observations: 1. Clause 7.2 of the financial and institutional structure approved by the Government of India for the development of Delhi Mumbai Industrial Corridor (DMIC) Project in September, 2011 states as under: "The share of Fund / Trust in the equity of a node / city level SPV will be limited a ceiling of 50%. However, in strategic projects, project specific SPVs cutting across the DMIC states and sectoral holding companies consisting of project specific SPVs, the stake of the Fund/Trust may go up to 100%". On similar lines, the same clause may be incorporated in Clause 3.6 of the draft Cabinet Note for formation of National Industrial Corridor Development Authority (NICDA) for integrated and coordinated development of Industrial Corridors as: NICDA will provide funds in the form of equity / debt in the node / city level SPVs and project specific SPVs. However, in strategic projects, project	Accepted. Annexure-IV of the Note includes this point.

		specific SPVs cutting across the DMIC states and sectoral holding companies consisting of project specific SPVs, the stake of the Fund/Trust may go upto 100%, including land acquisition.	
		2. This is based on the experience of works in DMIC Project and interactions with various stakeholders, it is observed that land has become a major issue in implementing industrial corridor projects. It is therefore, necessary that NICDA be given powers and authority to acquire land through existing mechanisms of States for specific early bird projects which could be developed on PPP models. This will help in early breakthrough in industrial corridor regions. However, the land for city /node development will necessarily be the equity of the State and will be acquired by them. NICDA may also consider setting up of a separate corpus fund for limited funding of land acquisition in projects as a critical input or last mile connectivity. The criteria of selection of projects should be the multiplier effect of that project on the overall economic activity of that region and the possibility of development of other projects in that area.	Accepted.
		3. NITI Aayog, mandated to design strategic and long term policy and programme framework, would be in a	Accepted and para 3.2 of the Note modified accordingly.

		position to provide critical inputs at the conceptual/planning stage of these Industrial Corridors that are expected to be path breaking interventions by the Government. As such, the association of a representative of NITI Aayog may add substantial value to the process of decision making through the NICDA Board. Accordingly, the nomination of CEO, NITI Aayog as an ex-officio Member on the Board of NICDA Trust should be included following the position in the DMIC Trust.	
4.	Department of Commerce (OM No.03/22 / 2015-Infra-1 dated 18.05.2016)	Supports the proposal. Department of Commerce has already conveyed its comments in O.M. dated 25.5.2015 which has been incorporated in the modified Cabinet Note. No further comments to add in this regard.	
5.	Ministry of Petroleum and Natural Gas (OM G-38011/ 116/2014-Fin.I dated 26.5.2016)	Does not have any comments in addition to that already conveyed vide OM 28.5.2015.	The comments of the Ministry of P&NG and the views of DIPP were incorporated at Sl.No.4 of Annexure VII.
6.	Ministry of Shipping (OM No.SM-25021/26/2015-SM(Sagarmala) dated 11.05.2016)	Supports the proposal with the request to consider for inclusion of following suggestions: (vi) The modified Draft Cabinet Note does not explicitly provide for funding of projects related to Sagarmala as observed by Ministry of Shipping i.e. "any project which is common under industrial corridor development and Sagarmala Programme should be	The extent of funding through NICDIT has been detailed in the Note.

		funded by NICDA and other projects which are critical to Sagarmala Project but may not be directly relevant under Industrial Corridor by NICDA as one of the SPV partner". This may be incorporated in the modified Draft Cabinet Note. (vii) Provision may be included in the Cabinet Note to take up industrial projects proposed by other Central Ministries e.g. industrial clusters in Coastal Economic Zone (CEZ) under Sagarmala.	Industrial clusters falling within the zone of the Industrial Corridors may be considered by NICDIT.
		(viii) As part of the port-led industrialization activity under Sagarmala Programme, 14 Coastal Economic Zones (CEZs) including 29 Industrial Clusters have been proposed. As per the approved scheme of Sagarmala, implementation of the projects is to be taken up by the relevant Central Ministries, State Governments / State Maritime Boards and other agencies. As these industrial clusters are similar to the nodes envisaged under the Industrial Corridors, therefore, a clear provision may be made in the Draft Cabinet Note so that these clusters and CEZs may be developed by NICDA.	Industrial clusters falling within the zone of the Industrial Corridors may be considered by NICDIT.
7.	Ministry of External Affairs (UO No.C-202/15/2015-JP dated 12.05.2016).	The comments on Draft Cabinet Note are as follows: (i) NICDA should only be conceived once we have fully and successfully implemented DMIC;	NICDIT has been conceptualized to facilitate integrated development of Industrial Corridors across India including DMIC. Therefore, it

		As and when NICDA is formed, given its significant foreign policy implications, MEA should be integral part of it.	may not be advisable to withhold the formation of NICDIT. Noted. Regular interactions with MEA would be made wherever foreign policy implications are to be taken into account
8.	Department of Electronics and Information Technology (OM No.8(96)/ 2012-IPHW dated 26.05.16	Supports the proposal with the following suggestions: Secretary, DeitY should be made member in the Governing Council of NICDA".	Once NICDIT is formed, Secretary, DeitY may be invited as a special invitee for NICDIT Board meetings as and when required.
9.	Ministry of Environment, Forests & Climate Change (OM No.19-68/ 2015-IA.III dated 4.05.16)	Supports the proposal with the following observations: The Coastal Regulation Zone (CRZ) Notification, 2011 under the Environment (Protection) Act, 1986 provides for regulation of various activities in coastal areas. In case, the industrial estates/projects/ activities along the industrial corridors are proposed in CRZ areas and identified as permissible activities, that would attract the provisions of the CRZ Notification, 2011, and thus needs prior examination by the State Coastal Zone Management Authority. With these observations, this Ministry supports the above proposal.	Noted.
10.	Department of Personnel & Training (OM No.CN-14017/12/2016-Estt.(RR) dated 12.5.16	No comments to offer.	
11.	Ministry of		

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	Civil Aviation (OM No. AV. 24032/548/2015-AD dated 03.05.2016).	Supports the proposal.	
12.	Ministry of Railways . (OM No.2014/ 6/24 dated 3.6.2016)	Supports the proposal reiterating their earlier comments conveyed vide OM No. 2014/ Infra/ 6/24 dated 6.07.2015 as indicated in Sl.No.7 of Annexure VII	Views are as indicated at Sl.No.7 of Annexure VII.
13.	Ministry of Road Transport & Highways (OM No.NH-15017/44/2015-P&M dated 24.05.2016)	Supports the proposal with the following comments: Development of National Highways is done as a part of the development of this Ministry. However, any other roads in corridors should form part of individual corridor development program. Technical assistance needed, if any, will be provided by this Ministry. NICDA should utilise existing NH network as much as possible to develop the Corridors. NICDA should look at dev eloping specific Truck terminals, Container Terminals, facilities for cold storages, cooling plants for preserving fresh fruits, vegetables and perishable items, etc along the Industrial Corridor.	Noted.
14.	Ministry of Power (OM No. M-15/ 2015-IPC) dated 06.06.2016	M/o Power reiterates comments sent earlier vide letter dated 12.6.2015. The comments are incorporated at Sl.No.10 in Annexure VII.	Views are as indicated at Sl. No. 10 of Annexure VII.

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