

F.No.11/1/2016-IC  
GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE AND INDUSTRY  
(DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION)

New Delhi, dated the 22<sup>nd</sup> December 2016

**ORDER**

Government of India has accorded approval for expanding the mandate and scope of Delhi Mumbai Industrial Corridor Project Implementation Trust Fund (DMIC-PITF) and re-designated it as National Industrial Corridor Development and Implementation Trust (NICDIT) for integrated development of industrial corridors in the country. NICDIT will function under the administrative control of the Department of Industrial Policy and Promotion.

2. The Government has approved constitution of an Apex Monitoring Authority to periodically review the activities of NICDIT and progress of the industrial corridor projects with the following composition:

1.	Finance Minister	Chairperson
2.	Minister-in-charge, Ministry of Commerce & Industry	Member
3.	Minister of Railways	Member
4.	Minister of Road Transport & Highways	Member
5.	Minister of Shipping	Member
6.	Vice-Chairman, NITI Aayog	Member
7.	Chief Ministers of the States concerned	Members

3. The Government has also approved constitution of a Board of Trustees of NICDIT with the following composition:

1.	Secretary, DIPP	Chairperson
2.	Secretary, Department of Expenditure	Member
3.	Secretary, Department of Economic Affairs	Member
4.	Secretary, Road Transport & Highways	Member
5.	Secretary, Shipping	Member
6.	Chairman, Railway Board	Member
7.	CEO, NITI Aayog	Member
8.	CEO, NICDIT	Member Secretary

#### **4. Functions**

The functions of NICDIT will inter-alia be as follows:

- a. Establishing an enabling institutional, financing and operational framework for the development of Industrial Corridors.
- b. Considering proposals received from different State Governments/UTs for establishing new Industrial Corridors, Nodes, Early Bird Projects and Standalone projects.
- c. Appraising **all** project proposals and sanction of equity or loan or both to **SPVs** and grants for project development as per approved delegation of financial powers.
- d. Supporting project development activities in Industrial Corridors through Knowledge Partner(s), Special Purpose Vehicles (SPVs) and State Governments and assisting States in identifying Anchor Investors for industries.
- e. Raising funds as debt/equity as per requirement, leveraging resources provided by Government of India.
- f. Entering into agreements with the State Governments/ Project specific SPVs/public or private organizations, as may be required from time to time. to give effect to the modalities outlined in previous paragraphs.
- g. Providing funds for land acquisition through existing mechanisms of States for specifically identified Strategic / Early Bird Projects which could be developed on PPP models. However, land for city / node development will necessarily be the equity of the State and will be acquired and fully paid for by them.

#### **5. Institutional Framework**

- a. 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. Similarly, grant to knowledge partner(s) for project development will be given in phases as per progress of work.

- b. 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.
- c. 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.
- d. 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.

- e. Each industrial city/node will be supported by GoI to an average of Rs.2500 crore subject 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.

#### **6. Delegation of Powers**

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.

7. NICDIT will 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.
8. CEO, DMICDC will also function as Member Secretary/ CEO of the NICDIT. 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.



(Vandana Kumar)

Joint Secretary to the Government of India

To

- (i) Chairperson, and Members of the Apex Monitoring Authority of NICDIT (as per list attached)
- (ii) Chairperson and Members of NICDIT Board of Trustees (as per list attached)

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Dated 22 December 2016

Copy to:

1. Principal Secretary to the PM, Prime Minister's Office, South Block, New Delhi
2. Cabinet Secretary, Cabinet Secretariat, Rashtrapathi Bhawan, New Delhi
3. Secretary, Department of Industrial Policy and Promotion, New Delhi
4. Secretaries of all Ministries/Departments of the Government of India
5. Chief Secretaries of All States/UTs
6. Chief Controller of Accounts, DIPP, Udyog Bhawan, New Delhi
7. AS & FA, DIPP, Udyog Bhawan, New Delhi
8. Director (Finance), DIPP, Udyog Bhawan, New Delhi
9. The Principal Director, Economy & Service Ministries, AGCR Building, New Delhi
10. Pay and Accounts Officer, DIPP, Udyog Bhawan, New Delhi
11. Drawing & Disbursing Officer, DIPP, New Delhi
12. All Officers of the rank of Under Secretary and above in DIPP
13. B&A, Cash I/ Cash II/E.I/E.II/E.III/GA/CDN/Protocol/Planning Sections, DIPP
14. Office of the Economic Advisor, DIPP, New Delhi
15. Guard File
16. Website of DIPP



(Vandana Kumar)

Joint Secretary to the Government of India

List of Members of Apex Monitoring Authority of NICDIT

1. Minister of Finance, North Block, New Delhi
2. Minister of Railways, Rail Bhawan, New Delhi
3. Minister of Road Transport & Highways, Transport Bhawan, New Delhi.
4. Minister of Shipping, Transport Bhawan, New Delhi.
5. Minister-in-charge of Ministry of Commerce & Industry, Udyog Bhawan, New Delhi
6. Chief Minister of Andhra Pradesh, Amaravati
7. Chief Minister of Bihar, Patna
8. Chief Minister of Gujarat, Gandhinagar
9. Chief Minister of Haryana, Chandigarh
10. Chief Minister of Jharkhand, Ranchi
11. Chief Minister of Karnataka, Bengaluru
12. Chief Minister of Madhya Pradesh, Bhopal
13. Chief Minister of Maharashtra, Mumbai
14. Chief Minister of Punjab, Chandigarh
15. Chief Minister of Rajasthan, Jaipur
16. Chief Minister of Tamil Nadu, Chennai.
17. Chief Minister of Uttarakhand, Dehradun
18. Chief Minister of Uttar Pradesh, Lucknow
19. Vice-Chairman, NITI Aayog, New Delhi

List of Members of Board of Trustees of NICDIT

1. Secretary, DIPP
2. Secretary, Department of Expenditure
3. Secretary, Department of Economic Affairs
4. Secretary, Road Transport & Highways
5. Secretary, Shipping
6. Chairman, Railway Board
7. CEO, NITI Aayog
8. CEO, NICDIT/CEO, DMICDC