सत्यमेव जयते

Compendium of Scheme Guidelines and Instructions

on

The Scheme for Special Assistance to States for Capital Investment 2023-24

Department of Expenditure
Ministry of Finance
Government of India

Index

******

F. No. 44 (1)/PF-S/2023-24 (CAPEX)
Government of India
Ministry of Finance
Department of Expenditure
(Public Finance - States Division)

North Block, New Delhi.
Dated : the 3rd February, 2023

To,

The Chief Secretary,
All State Governments,
(As per list attached)

Subject: Guidelines on the Scheme for Special Assistance to States for Capital Investment 2023-24.

Madam/ Sir,

In view of numerous beneficial impacts of capital expenditure including a high multiplier effect, enhancement in the future productive capacity of the economy, and promotion of a higher rate of growth of economy, the Ministry of Finance, Government of India, despite a tight fiscal situation is implementing Schemes for Special Assistance to States for Capital Expenditure/ Investment since 2020-21. Under these schemes, financial assistance has been provided to the State Governments in the form of 50-years' interest free loan.

2. After taking into consideration an extremely positive response of the State Governments to these Schemes and their requests for having a similar Scheme in 2023-24 as well, the Government of India has decided to launch a redesigned and expanded Scheme for the year 2023-24 to facilitate a higher capital investment by the States. The Scheme has been named as **"Scheme for Special Assistance to States for Capital Investment 2023-24"**. An amount of Rs.1,30,000 crore has been allocated for the Scheme in the financial year 2023-24. Under the Scheme, financial assistance will be provided to the State Governments in the form of 50-year interest free loan for capital investment projects. Loan of upto 1 per cent of GSDP provided under the Scheme will be over and above the normal borrowing ceiling allowed to the States for the financial year 2023-24. The loan amount is to be spent within the financial year 2023-24.

3. The Scheme for Special Assistance to States for Capital Investment 2023-24 has following parts:

(i) **Part-I (Untied):** An amount of Rs.1,00,000 crore is earmarked for Part-I of the Scheme. This amount has been allocated amongst States in proportion to their share of central taxes & duties as per the award of the 15th Finance Commission. State-wise allocation of funds under this Part is given in **Annexure-1**. Under this Part of the Scheme, States are required to submit capital works/ projects proposed to be taken up by them in 2023-24 in the format given in **Annexure-2**.

Funds under this Part will be released to States in 3 equal installments. The first installment of 33.3 percent of the approved amount will be released to the State government on meeting the mandatory conditions given in Para (4) and on approval of the list of the capital projects submitted by the State. Any amount released to the State under the Scheme for "Special Assistance to States for Capital Investment 2022-23", which is not utilized by the State till 31st March, 2023 will be deducted from the first installment. The 2nd installment will be released on utilization of at least 75 percent of the amount released in the first installment. The 3rd installment under this Part will be released on utilization of the 75 percent of the amount released in first two installments and on meeting 45 percent of the total target fixed for Capital Expenditure by the State in 2023-24. State-wise details of the target fixed for Capital Expenditure is given in **Annexure-3**.

The target has been arrived at on the basis of Capital Expenditure of the State in 2021-22 and by applying normative growth rate of 10 percent per annum for 2022-23 and 2023-24. Capital Expenditure of the State in 2021-22 has been taken from Statement No.(5) of State Finance Accounts, wherever available, after excluding the funds provided by the Government of India under the Scheme for Special Assistance to States for Capital Expenditure/Investment. Wherever, State Finance Accounts for 2021-22 are not available, target for the State has been provisionally fixed by taking Capital Expenditure of the State in 2021-22 as per Provisional Accounts available at Comptroller and

Auditor General of India (CAG) website under the heading 'Monthly Key Indicators'. The target will be finalized on the availability of State Finance Accounts.

For determination of Capital Expenditure by States, data uploaded by CAG on its website under "Monthly Key Indicators" would be used. Capital expenditure would exclude the amount released to State under the Scheme for Special Assistance to States for Capital Expenditure during the year. Further, it may be noted that on availability of CAG audited State's Finance accounts, the Capital Expenditure of the States in 2023-24 would be considered as per Statement No. (5) and will exclude the repayment of public debt/loans/financial liabilities by the State and any transfer to the State under the Scheme for "Special Assistance to the States for Capital Investment 2023-24'.

Eligibility of a State for incentive under this Part will be reviewed twice in a year by the Department of Expenditure, Ministry of Finance. The State will submit documentary evidence in support of their claim of surpassing the targeted Capital Expenditure. The first review will be done during November/ December, 2023 on the basis of Capital Expenditure incurred by the State during the first half of the year 2023-24 (April, 2023 to September, 2023). In case the State is found to have achieved the target, the third installment under Part-I will be released to the State.

The Second review of the actual Capital Expenditure by the State will be taken up during the month of June, 2024. In case the State has claimed the 3rd installment based on achievement of the target fixed till 30th September, 2023 but has failed to meet the target for Capital Expenditure set for the entire financial year 2023-24, 100 percent of the amount released to the State as 3rd installment under Part-I of the Scheme will be deducted from borrowing ceiling of the State for 2024-25 or from the funds allocated under the Scheme in 2024-25, if the Scheme or a similar Scheme is implemented in 2024-25.

(ii) **Part–II (Incentives for Scrapping of Old Vehicles)**: An amount of Rs.3,000 crore is earmarked for this Part. This Part of the Scheme aims at providing incentives to States for scrapping of State Government vehicles and ambulances which are older than 15 years, waiver of liabilities on old vehicles, providing tax concessions to individuals for scrapping of old vehicles and setting up of automated vehicle testing facilities. Ministry of Road Transport & Highways (MoRTH) will issue detailed procedural/ operational guidelines to the State Governments in the matter in consultation with the Department of Expenditure, Ministry of Finance.

The States after achieving each of the prescribed milestones will submit a report to MoRTH. MoRTH will examine the same and make recommendations to the Department of Expenditure for release of incentive amount if the State has met the criteria prescribed by MoRTH. The States will be free to propose any capital investment project from the incentive amount. The proposal should be submitted as per guidelines of the scheme and in the format prescribed at **Annexure-2** of these guidelines.

(iii) **Part–III (Urban Planning Reforms)**: An amount of Rs.15,000 crore is earmarked for this Part of the Scheme. Detailed guidelines under this Part of the Scheme will be issued separately.

(iv) **Part-IV (Financing Reforms in Urban Local Bodies to make them creditworthy for Municipal Bonds and for Issue of Municipal Bonds):**

An amount upto Rs.5,000 crore will be provided under this Part of the Scheme. Detailed guidelines under this part of the scheme will be issued separately.

(v) **Part-V (Housing for Police personnel above or as part of Police Stations in Urban Areas):** This Part of the Scheme aims at increasing the housing facility for the police personnel and their families in urban areas. It further aims to save the time and energy of the police personnel wasted in commuting to reach the place of their duty. It will also help in quick response in case of any law and order problem or disaster. An amount of Rs.2,000 crore is earmarked for this Part of the Scheme. This amount will be available to the States for building housing facilities for police personnel above or as part of police stations in urban areas.

Each State will notify an agency of the State as the **Scheme for Special Assistance to States for Capital Investment** (SASCI) nodal agency for implementing this Part of the Scheme. The agency will open a savings account in a scheduled commercial bank and will onboard the same on Public Financial Management System (PFMS). The first installment of 50 percent of the approved amount will be released to the Stare for transfer to the bank account of the SASCI nodal agency on approval of the project. The 2nd installment of remaining 50 percent will be released on or before 31st March, 2024 based on the progress made. In case the nodal agency is not able to complete the project within the stipulated time period, the amount available in the bank account will be returned to the Central Government. Interest accrued on this amount will also be deposited in the Consolidated Fund of India through Non-Tax Receipt Portal (NTRP) within 10 days of its credit in the nodal account.

(vi) **Part-VI (Construction of Unity Malls):** An amount of Rs.5,000 crore is earmarked for this Part. This Part of the Scheme aims to promote national integration, carry forward the concept of "Make in India" and promote the concept of "one district, one product". States are encouraged to set up a Unity Mall in their State capital (or most prominent tourism centre or the financial capital) for promotion and sale of their own ODOPs (one district, one product), GI products and other handicraft products, and for providing space for such products of all other States. In this Part, financial assistance to the States will be provided for construction of one such mall in a State. The land for the mall will be made available free of cost by the State Government.

Each State will notify a SASCI nodal agency for implementing this Part of the Scheme. The nodal agency will open a savings account in a scheduled commercial bank and will onboard the same on PFMS. The first installment of 50 percent of the approved amount will be released to the State for transfer to bank account of the SASCI nodal agency on approval of the project. The 2nd installment of the remaining 50 percent will be released on or before 31st

March, 2024 based on the progress made. In case the State Government/ SASCI nodal agency is not able to complete the project within the stipulated time period, the amount available in the bank account will be returned to the Central Government. Interest accrued on this amount will also be deposited in the Consolidated Fund of India through Non Tax Receipt Portal (NTRP) within 10 days of its credit in the nodal account.

(vii) **Part-VII (Children and Adolescents' Libraries and Digital Infrastructure):** An amount of Rs.5,000 crore is earmarked for this Part of the Scheme. Under this Part, financial assistance will be provided to States for setting up of a physical library with infrastructure for accessing the National Digital Library resources at panchayat and ward level. Assistance under this Part of the Scheme will be provided to the States for the following:

(i) Construction/ renovation of building
(ii) Infrastructure for accessing the National Digital Library resources
(iii) Purchase of Books

Guidelines for this Part will be issued separately.

(viii) **Part-VIII (Incentive for implementing "Just-in Time" release of CSS funds by State Government to vendors and beneficiaries using RBI's e-Kuber Model and for timely release of Central and State Share of Funds to SNA)**: Under this Part, a State will be eligible for an incentive amount equivalent to 10 percent of the central share of a Scheme brought under the "Just-in Time" model through RBI's e-Kuber system. In addition, a State will be eligible for incentive of upto Rs.100 crore if as per SNA reports, more than 95 percent of the releases of the central share and the state share are made by the State Government in 2023-24 to the respective Single Nodal Agencies (SNAs) within the time limit prescribed by the Department of Expenditure, Government of India. Eligibility of the State to receive the incentive amount will be assessed in 1st week of January, 2024 based on the releases done by the State till 31st December, 2023.

4. **Mandatory conditions:** In order to avail benefits of any Part of the Scheme, in addition to the conditions prescribed under various Parts of the Scheme, a State is required to meet the following mandatory conditions:

(i) Full compliance with the official name of all Centrally Sponsored Schemes (CSSs) [correct translation to local language is permissible] and any guidelines/instructions issued by the Government of India regarding branding of CSSs, in all Schemes of all Ministries.

(ii) Integration of State treasuries with PFMS and exchange of data between State treasuries and PFMS in respect of all State Linked Schemes for CSS in a State for which the State has received funds from the Central Government in past 21 days.

(iii) Deposit of central share of interest earned in SNA accounts till 31st March, 2023 in the Consolidated Fund of India and submission of a certificate to this effect in the format enclosed at **Annexure-4**, signed by the Finance Secretary of the State Government.

5. **Disincentives for delay in release of CSS funds to SNAs**: A deduction of an amount equivalent to 15 percent of the amount to be released as the 2nd installment of funds under Part-I of the Scheme will be made in case there is a delay beyond the time limit prescribed by the Government of India for release of Central Share and State Share to respective SNAs in more than 20 percent instances in 2023-24 till the date of approval of the 2nd installment by the competent authority.

6. Funds provided to the States under the Scheme by the Government of India may be used by the State Governments for new and ongoing capital projects, for long term benefit to the State. The funds may also be used for settling pending bills in ongoing capital projects.

7. Individual project with capital outlay of less than Rs.5 crore (Rs.2 crore for North Eastern States) and repair and maintenance projects irrespective of capital outlay will not be considered under the Scheme.

8. It is not mandatory for the States to submit proposals under all Parts of the Scheme together. States may submit proposals separately for each Part of the Scheme.

9. States (if they wish) may submit projects of a higher value than the funds allocated, indicating their preference/priority.

10. States may also use not more than 20 percent of the funds allocated under Part-I of the Scheme for contributing State's share for Jal Jeevan Mission (JJM), Pradhan Mantri Gram Sadak Yojana and Railway projects for 2023-24. Government of India also reserves the right to prioritize such projects for up to 20 percent of the funds in Part-I.

11. The Government of India reserves the right to reject any project which, in its opinion, does not have sufficient economic merit in terms of short-term stimulus combined with long-term benefits to the economy.

12. Funds not used by a State within a reasonable time may be reallocated to other States by the Government of India. In case of unavoidable changes in specific projects for which expenditure is sanctioned, State Government shall seek the approval of the Government of India for the change. Funds will not be released against un-approved changes and may be deducted from subsequent installments / tax devolution, if already released.

13. Expenditure by the States of the funds provided under the Scheme for purposes other than for which the funds were sanctioned, will result in the deduction of the amounts by the Government of India from the devolution of taxes/duties due to the State in subsequent periods. Application of the State for funds under the Scheme will constitute its consent for such deduction in respect of ineligible expenditure.

14. The projects posed by the State Governments may either be executed by Departments of the State or by PSUs or other agencies/ local bodies of the State Governments which are fully under the administrative control of the State Government.

15. The amount released by the Government of India shall be released by the State Government to the Implementing Agencies/Single Nodal Agencies of the State within 10 working days. Delay beyond this period will make the State liable to pay interest to the Government of India on the amount released as per the weighted rate of interest on Open Market Borrowings (i.e. 10 year G-Sec.) for the previous year.

16. The State Government shall ensure that there is no duplication in funding of the projects approved under the Scheme either with the funds provided by the Government of India or the State Government.

17. The consolidated Utilization Certificate for the amount utilized upto 31st March, 2023 in the Form 12-B of the GFRs, 2017 against the amount released in 2022-23 under the Scheme for 2022-23 duly signed by the Finance Secretary of State Government will be provided by the State Government failing which equivalent amount will be deducted from the 1st installment of funds released to the State under the Scheme for "Special Assistance to States for Capital Investment, 2023-24".

18. It is a condition of the Scheme that all amounts allocated under all Parts of the Scheme except Part-V (Police housing) and Part-VI (Unity Mall) shall be spent on eligible expenditure before 31st March, 2024. For this purpose, release of funds to intermediate agencies without actual payments to the final recipient (parking of funds) will not be treated as expenditure.

19. Decision of the Department of Expenditure, Ministry of Finance regarding eligibility for any component shall be final.

20. States shall extend necessary support to the NITI Aayog or any other agency entrusted by the Government of India with monitoring and evaluation of projects funded under the Scheme as needed.

21. These guidelines will come into effect from 1st April, 2023 subject to approval of the allocation proposed under the Scheme by the Parliament.

Yours faithfully

Encl: As above.

03/04/2023
(Deependra Kumar)
Director (PF-S)
Tel: 011-23094904

Annexure-1

Allocation to States of Rs.1,00,000 crore under Part-I of the Scheme for Special Assistance to States for Capital Investment 2023-24

(Rs. in crore)

S. No.	State	Inter se Share of State in central taxes & duties (in percent)	Allocation under Part-I
1	Andhra Pradesh	4.047	4,047
2	Arunachal Pradesh	1.757	1,757
3	Assam	3.128	3,128
4	Bihar	10.058	10,058
5	Chhattisgarh	3.407	3,407
6	Goa	0.386	386
7	Gujarat	3.478	3,478
8	Haryana	1.093	1,093
9	Himachal Pradesh	0.83	830
10	Jharkhand	3.307	3,307
11	Karnataka	3.647	3,647
12	Kerala	1.925	1,925
13	Madhya Pradesh	7.85	7,850
14	Maharashtra	6.317	6,317
15	Manipur	0.716	716
16	Meghalaya	0.767	767
17	Mizoram	0.5	500
18	Nagaland	0.569	569
19	Odisha	4.528	4,528
20	Punjab	1.807	1,807
21	Rajasthan	6.026	6,026
22	Sikkim	0.388	388
23	Tamil Nadu	4.079	4,079
24	Telangana	2.102	2,102
25	Tripura	0.708	708
26	Uttar Pradesh	17.939	17,939
27	Uttarakhand	1.118	1,118
28	West Bengal	7.523	7,523
		100.00	1,00,000

Annexure-2

Application format for providing requisite details of the Projects (Summarized)

Letter No:........ **Date:....../..../**

To,
The Secretary, Expenditure,
Ministry of Finance,
Government of India.

Subject: Approval of projects under the Scheme for Special Assistance to States for Capital Investment, 2023-24.

Sir,
With reference to your letter F. No. 44(1)/PF-S/2023-24 (CAPEX) dated 03.02.2023 we would like to submit the following projects under the aforesaid scheme.

(Rs. in crore)

Sl. No.	Name of the Project	Type of Project	Sector	Location	Whether New or Ongoing	In case of ongoing		Total Project Cost	Project Capital Outlay for 2023-24	Special Assistance (Loan) sought under the Scheme for 2023-24	Completion Period	Implementing Agency	Economic Justification (in brief)	Other Details (if any)
						Percentage completion as on 01.04.2023	Unpaid bill (if any) as on 01.04.2023							
1.														
Total														

Note: Detailed Project Report (DPR) in respect of each project has been obtained by the State Government and kept in the records by State Finance Department.

Yours sincerely

Additional Chief Secretary/Principal Secretary/Secretary
Finance Department,
Government of ______

Annexure-3

Target for capital expenditure for States for 2023-24 for release of 3rd installment under Part–1 of the Scheme for Special Assistance to States for Capital Investment 2023-24

(Rs. in crore)

S. No.	State	Capital Expenditure of State in 2021-22	Fund released in 2021-22 under SASCE Scheme	Capital Expenditure excluding SASCE 2021-22	Target for Capital expenditure for 2023-24 excluding SASCI
(a)	(b)	(c)	(d)	(e)=(c)-(d)	(f)=(e)* 1.21
1	Andhra Pradesh*	16795	502	16293	19715
2	Arunachal Pradesh*	6477	371	6106	7388
3	Assam*	20130	600	19530	23631
4	Bihar*	24091	1247	22844	27641
5	Chhattisgarh	10504	423	10081	12198
6	Goa*	2639	111	2528	3059
7	Gujarat*	28183	432	27751	33579
8	Haryana	11046	135	10911	13202
9	Himachal Pradesh	6029	800	5229	6327
10	Jharkhand*	9377	246	9131	11049
11	Karnataka	47874	452	47422	57381
12	Kerala*	13852	239	13613	16472
13	Madhya Pradesh	40733	1512	39221	47457
14	Maharashtra	46670	772	45898	55537
15	Manipur*	3459	213	3246	3928
16	Meghalaya*	2749	281	2468	2986
17	Mizoram*	1018	300	718	869
18	Nagaland*	9730	300	9430	11410
19	Odisha*	23211	517	22694	27460
20	Punjab*	8010	224	7786	9421
21	Rajasthan*	23832	692	23140	27999
22	Sikkim*	1316	300	1016	1229
23	Tamil Nadu	37011	506	36505	44171
24	Telangana*	29105	214	28891	34958
25	Tripura*	1369	119	1250	1513
26	Uttar Pradesh*	70197	1483	68714	83144
27	Uttarakhand*	7534	264	7270	8797
28	West Bengal*	17620	933	16687	20191
	Total	**520561**	**14188**	**506373**	**612712**

* Provisional target based on the 'Monthly Key Indicators' available at website of CAG. Target for capital expenditure would be finalized on the availability of State Finance Accounts.

Annexure 4

Government of______________________________ (State)

No.________________ Dated:

CERTIFICATE REGARDING DEPOSIT OF CENTRAL SHARE OF INTEREST ACCRUED IN SNA ACCOUNTS TILL 31ST MARCH, 2023 IN THE CONSOLIDATED FUND OF INDIA

It is hereby certified that the entire amount of Central share of interest accrued in the SNA accounts pertaining to all Centrally Sponsored Schemes (CSS) in the State has been deposited in the Consolidated Fund of India (CFI) in compliance of DoE's guidelines dated 23rd March, 2021 and instructions dated 30th June, 2021. The details of interest deposited is as follows –

Sl No	FY	Scheme	SNA Name	Total Interest accrued in the SNA account during the FY	Central share of Interest as per the approved funding pattern of the CSS	Amount of Central share of Interest deposited in CFI	Date of Deposit of Central share of Interest in CFI	Mode of Deposit (NTRP Portal, Cheque, Demand Draft, RBI Advice etc.)	Ref No of deposit (UTR No. etc)

Name:

Designation:

(To be signed by the concerned Finance Secretary of the State)

F. No. 44 (1)/PF-S/2023-24 (CAPEX)
Government of India
Ministry of Finance
Department of Expenditure
(Public Finance - States Division)

North Block, New Delhi.
Dated: the 2nd May, 2023

To,

The Chief Secretary,
All State Governments,
(As per list attached)

Subject: Supplementary Guidelines for Part–II, V, VI and VII of the Scheme for 2023-24 and Amendments to Guidelines on the 'Scheme for Special Assistance to States for Capital Investment 2023-24'.

Madam/ Sir,

In continuation to the scheme guidelines on the 'Scheme for Special Assistance to States for Capital Investment 2023-24' issued vide Department of Expenditure's (DoE's) letter No.44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023, the following supplementary guidelines are hereby issued for the Part-II, V, VI and VII of the Scheme.

2. Part-II (Incentives for Scrapping of Old Vehicles):

2.1 **Objectives:**

2.1.1 Objective of this part of the Scheme is to promote voluntary scrapping of unfit commercial and passenger vehicles based on their fitness and to incentivize better road, passenger and vehicular safety along with reduction in pollution.

2.2 **Financial Allocation:** An amount of Rs.3,000 crore is allocated under this part of the Scheme, which is available to State Governments on 'First-come First-served' basis till 31st March, 2024.

2.3 **Key Actions required from State Governments:**

In order to promote 'Vehicle Scrapping Policy', States are required to issue Government order scrapping Government owned vehicles, which are older than 15 years, set up a network of Registered Vehicle Scrapping Facilities (RVSFs) and Automated Testing Stations (ATSs).

Part-A: Facilitating Setting up of Registered Vehicle Scrapping Facilities:

Milestone-1: State Government(s) shall be eligible to get 50% of the admissible amount (as per **Table-1**) for completion of following activities on or before 30th June, 2023:

1. Issue of Government order to scrap all Government owned vehicles which are older than 15 years at Registered Vehicle Scrapping Facilities (RVSFs). State Government order shall clearly indicate the expected number of vehicles across all Departments/Local Bodies/Undertakings etc. which would be scrapped and timeline by when they would be disposed off through RVSFs.
2. Grant of Motor Vehicle (MV) tax concession on new vehicles registered against Certificate of Deposit (CD).
3. Grant of one-time waiver of pending liability on old vehicles scrapped at RVSF for at-least one year.

Milestone-2: State Government(s) shall be eligible to get remaining 50% of the admissible amount (as per Table-1) for scrapping of all Government owned vehicles which are older than 15 years, by 29th February, 2024, as per the following criteria:

1. Total number of Government owned vehicles scrapped shall be prorated against the target number of vehicles specified in the Government order issued by State Government.
2. All vehicles should be scrapped at RVSFs only.
3. Scrapping of these vehicles should be completed by the timeline mentioned in Government order and proof of scrapping in the form of Certificate of Deposit (CD) should be shared with MoRTH.

Table-1: Maximum amount of incentive admissible to States under Part-A.

Category	**Category 1**	**Category 2**	**Category 3**	**Category 4**
Amount	**INR 200 crore**	**INR 100 crore**	**INR 50 crore**	**INR 7 crore**
Name of States	1. Karnataka 2. Tamil Nadu 3. Uttar Pradesh	4. Andhra Pradesh 5. Gujarat 6. Haryana 7. Kerala 8. Madhya Pradesh 9. Maharashtra 10. Odisha 11. Punjab 12. Rajasthan 13. Telangana 14. West Bengal	15. Assam 16. Bihar 17. Chhattisgarh 18. Himachal Pradesh 19. Jharkhand 20. Uttarakhand	21. Arunachal Pradesh 22. Goa 23. Manipur 24. Meghalaya 25. Mizoram 26. Nagaland 27. Sikkim 28. Tripura

Part B: Award and Operationalize Automated Testing Stations:

Milestone-1: State Government(s) shall be eligible to get 50% of the admissible amount (as per Table-2), for the establishment of Automated Testing Stations (ATSs) as per the ATS rules notified by MoRTH vide GSR 652 (E) dated 23rd September, 2022, amended vide GSR 797 (E) dated 31st October, 2022, for recognition, regulation, and control of ATSs and on completion of the following activities on or before 30th September, 2023:

1. State Government shall issue Government order specifying the number of ATSs to be setup in various districts along with required number of testing lanes in each ATS. State Government shall specify mode for establishment of ATSs such as direct private investment/ Public Private Partnership (PPP)/ State owned.
2. States must approve on New Single Window System (NSWS) in case of direct private investment mode, and/or award in case of PPP mode, and/or initiate construction in case State-owned for at least 50% of the target number of ATSs as per Government order issued by the State Government. 25% of admissible incentive (as per Table-2) shall be awarded on pro-rata basis for completion of this activity.
3. State Government must operationalize 25% of the target number of ATSs to become eligible for 25% of admissible incentive amount (as per **Table-2**). It will be awarded on pro-rata basis for completion of this activity.
4. Government order issued by States specifying number of ATSs to be setup shall be validated by MoRTH. States may refer to **Table-3** for the number of 2-Lane ATS to be set up in each of the States.

Milestone-2: State Government(s) shall be eligible to get remaining 50% of the admissible amount (as per **Table-2**) for operationalization of remaining ATSs based on following criteria by 29th February, 2024:

1. State Government must operationalize the remaining targeted number of ATSs. Incentive amount will be granted on pro-rata basis based on the total number of ATSs operationalized as against remaining target number of ATSs required as per Government order issued by the State Government minus ATSs already operationalized as per confirmation of achievement of the milestone-1 by MoRTH.

Table-2: Maximum amount of incentive admissible to States under Part-B.

Category	**Category 1**	**Category 2**	**Category 3**	**Category 4**
Amount	**INR 150 crore**	**INR 100 crore**	**INR 40 crore**	**INR 10 crore**
Name of States	1. Gujarat 2. Karnataka 3. Maharashtra 4. Tamil Nadu 5. Telangana 6. Uttar Pradesh	7. Andhra Pradesh 8. Bihar 9. Haryana 10. Madhya Pradesh 11. Kerala 12. Rajasthan 13. West Bengal	14. Assam 15. Chhattisgarh 16. Jharkhand 17. Odisha 18. Punjab	19. Arunachal Pradesh 20. Goa 21. Himachal Pradesh 22. Manipur 23. Meghalaya 24. Mizoram 25. Nagaland 26. Sikkim 27. Tripura 28. Uttarakhand

Table-3: State-wise Requirement of Total No. of 2-Lane ATS

S. No.	State	Total	S. No.	State	Total
1	Maharashtra	47	15	Punjab	13
2	Tamil Nadu	42	16	Jharkhand	11
3	Karnataka	40	17	Chhattisgarh	8
4	Telangana	37	18	Assam	8
5	Uttar Pradesh	36	19	Himachal Pradesh	5
6	Gujarat	33	20	Nagaland	5
7	Kerala	28	21	Uttarakhand	4
8	Andhra Pradesh	26	22	Goa	2
9	Bihar	25	23	Meghalaya	1
10	Rajasthan	23	24	Tripura	1
11	West Bengal	22	25	Manipur	1
12	Haryana	21	26	Mizoram	1
13	Madhya Pradesh	21	27	Arunachal Pradesh	1
14	Odisha	18	28	Sikkim	1
Total			**481**		

2.4 If a State on achieving any of the milestones under Part-VIII of the Scheme for 2022-23 has been provided incentive in the financial year 2022-23, the amount already released in the financial year 2022-23 to the State will be deducted from the admissible amount of incentive under Part-II of the Scheme for financial year 2023-24.

2.5 State Government(s) after achieving milestones under Part-A or Part-B shall submit a report to MoRTH for further compilation and submission of recommendations to the Department of Expenditure. The State Government shall also provide a list of capital projects for which it intends to utilize the fund provided under this part of the Scheme in format prescribed in Annexure-2 of DoE's letter No. 44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023.

2.6 MoRTH will examine the submissions by a State and make recommendations to the Department of Expenditure for release of incentive amount. The States will be free to propose any capital investment project from the incentive amount including replacement of old scrapped vehicles, with less polluting vehicles, preferably Electric Vehicles (EVs).

3. Part-V (Housing for Police Personnel above or as part of Police Stations in Urban Areas):

3.1 **Objective**: This part of the Scheme has the following objectives:

(i) Increase the housing facilities for police personnel and their families in urban areas;
(ii) Enhance the productivity of the police force by saving the time and energy of police personnel wasted in commuting to reach the place of their duty;
(iii) Quick response of the police force in case of any law and order problem or disaster due to quick availability of police personnel for the same;
(iv) Save the cost of commuting;
(v) Reduce the number of vehicles on roads;

3.2 **Scope**: Financial assistance under this part of the Scheme will be available to the States for the following activities:

(i) Construction of new houses for police personnel above the existing buildings within the premises of the police stations;
(ii) Construction of houses for the police personnel on the vacant land available with the police station premises or within a radius of 2km from the police station.

3.2.1 Financial assistance under the Scheme will be provided for construction of houses for police personnel of the rank of Dy.SP and below.

3.2.2 The project cost should include only construction of building which are ready to use and shall not include procurement of furniture and other movable items.

3.2.3 Repair/ renovation of existing buildings is not permitted.

3.2.4 Construction of community assets, common facilities, markets or other types of buildings are not permitted.

3.3 **Financial Allocation:** An amount of Rs.2,000 crore is earmarked for this part of the Scheme for the financial year 2023-24.This amount will be available to the States on 'First-come First-served' basis.

3.4 **Flow of Financial Assistance:**

(i) The State Government will notify a Single Nodal Agency for implementing this part of the Scheme. It will be called as SASCI-SNA for the purpose of these guideline.
(ii) The SASCI-SNA will open a saving account in a scheduled commercial bank to be called as the Single Nodal Account. If there are other agencies involved in implementation of the Scheme in the State, such Implementing Agencies (IAs) shall open a zero balance account each in the same bank.
(iii) The bank accounts of SASCI-SNA and IAs will be on boarded on PFMS.
(iv) The funds released by the Government of India to the State Government under this part of the Scheme shall be transferred to the bank account of SASCI-CNA within 10 working days. The money will be kept only in the

bank account of SASCI-SNA and will not be transferred to the bank account of any of the IAs or to any other bank account.

(v) Only for payment to the vendors/contractors, the funds may be routed from the SASCI-SNA through the zero balance account of IAs to the bank account of vendor/ beneficiary. For this purpose, SASCI-SNA will allocate drawing limits to each of the IAs.

(vi) The 1st instalment of 50% of the approved amount under this part of the Scheme will be released to the State Government for further transfer to the bank account of SASCI-SNA.

(vii) The 2nd instalment of the remaining 50% will be released based on the progress made in utilisation of the first instalment on or before 31st March, 2024.

(viii) In case the Nodal Agency is not able to complete the project within the stipulated time period, the amount available in the bank account shall be returned to the Central Government as per the directions of the Central Government.

(ix) The interest accrued in the bank account of SASCI-SNA shall be deposited in the Consolidated Fund of India through the Non Tax Receipt Portal (NTRP) within 10 days of its credit in the nodal account.

4. Part-VI (Construction of Unity Malls):

4.1 **Objective**: The main objectives of this part of the Scheme are:

(i) Promote National Integration;
(ii) Promote the concept of "Make in India";
(iii) Promote the concept of "One District One Product";
(iv) Help the rural artisans in selling their products;
(v) Generate employment.

4.1.2 The Unity Mall should be set up preferably in the State-capital. However, the provision for setting up of the Unity Mall in the financial-capital or a prominent tourism centre of the State may also be considered.

4.2 **Financial Allocation**: An amount of Rs.5,000 crore is earmarked for this part of the Scheme. This will be provided to the States on 'First-come First-served basis.

4.3 **Scope:**

4.3.1 Financial assistance will be provided for construction of one Unity Mall per State. The land for the mall will be made available by the State Government free of cost or the cost of acquisition of the land will be borne by the State Government.

4.3.2 Each Unity Mall will have a maximum of 36 stalls, for States/ Union Territory (UT) of India. In addition, each Unity Mall may have one stall for each district of the State.

4.3.3 Financial assistance under the Scheme will be limited to construction of 36 stalls of upto 400 sq. ft. each for State/ UTs, one stall of upto 200 sq ft. for each district of the State, area upto 500 sq. ft. for a food court and required number of toilets and parking facilities. The States may have bigger stalls, more number of stalls and other facilities in the mall from their own budget. The mall should be prominently branded as Unity Mall and should also have the logo of "Make in India".

5. Part-VII (Children and Adolescents' Libraries and Digital Infrastructure):

5.1 **Objective**: The main objectives of this part of the Scheme are as follows:

(i) Improved access of children and adolescents to the latest books;
(ii) Connect the children and adolescents countrywide with the National Digital Library Resources;

(iii) Promote reading habit among children and adolescents.

5.2 **Financial Allocation**: An amount of Rs.5,000 crore is earmarked for this part of the Scheme.This will be provided to the States on 'First-come First-served' basis.

5.3 **Scope**: Funds under this part of the Scheme will be made available to the States for the following activities:

(i) Construction/ renovation of the building;
(ii) Purchase of computer, UPS, printer and networking hardware;
(iii) Purchase of books.

5.4 Financial assistance will be limited to one library in each Municipal Ward and one library in each Gram Panchayat.

5.5 In case of new construction, funding under the Scheme will be limited to construction of upto 500 sq. feet. Renovation of existing building for its use as library will also be considered for providing financial assistance.

5.6 The recurring cost including provision of intranet, maintenance of assets, internet service provider charges etc. shall not be borne by the Government of India under this Scheme.

5.7 Financial assistance will be provided for procurement of following furniture/other items:

(i) Durable bookshelves, preferably of steel with anti-rust coating – 6 to 8 nos.
(ii) Reading Tables – 2 to 5 nos.
(iii) Chairs 10 – 20 nos.
(iv) Computer work desk with computer – 2 nos. (one with printing/copying/ scanning facility) with internet connection.
(v) Low height display rack for Children – 1 set.
(vi) Desk for Librarian / Assistant.
(vii) LED TV with internet for two way communications/ wherever feasible.
(viii) Aesthetic appeal of the Library should incorporate three elements –
    a. National Theme;
    b. State specific art-form and culture;
    c. Local culture heritage.

5.8 Selection of Books for Library:

5.8.1 A book selection committee may be constituted at the State level to select books for Panchayat Libraries. A suggestive committee may include Director, Samagra Shiksha/ Education, Director, Public Libraries, Director, ICDS/Social Welfare, Director, Tribal Welfare/ Development, Reputed Academicians, Representative from Raja Ram Mohan Rai Library Foundation and National Book Trust India.

5.8.2 50% of the content including books and digital material may be directly procured from Panchayat Library Catalogue developed by National Book Trust India. The content should include publications in local languages and dialects.

5.8.3 The States may utilize up to 50% of the funds for procurement of books (as per recommendations of the committee) from open market as per terms of General Financial Rules issued by the Central Government or State Financial Rules.

5.8.4 10% of the funds may also be utilized for procurement of digital content and resources on purchase/subscription model.

5.8.5 Funds for procurement of books, furniture, computers etc. will be restricted to Rs. 4.00 lakh per library out of which 50% should be used for procurement of books.

6. In partial modification to scheme guidelines on the 'Scheme for Special Assistance to States for Capital Investment 2023-24' issued vide Department of Expenditure's (DoE's) letter No. 44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023 a new Para (5) (i) – *Deductions for excess State VAT charged on natural gas used for manufacture of fertilizers* has been added in the aforesaid scheme guidelines. The new Para (5) (i) may be read as below;

> ***"5 (i) Deductions for excess State VAT charged on natural gas used for manufacture of fertilizers:*** *There is a wide variation in the State VAT imposed by States on natural gas used for fertilizer production. Natural gas, which is used as major input for manufacture of fertilizers, is outside the ambit of GST and the existing tax structure i.e. Central Excise Duty, State VAT and Central Sales Tax are applicable to natural gas. The State VAT rate on natural gas varies from State to State. In some States a discriminatory rate is being charged only for natural gas supplied for fertilizers. As MRP of urea price is fixed by the Central Government to benefit the farmers, any increase in the State VAT rate on inputs viz., natural gas is borne by the Central Government and it has no impact on the final price of urea. The VAT on natural gas used as input is a part of raw material cost and is included in the calculation of concession rate (subsidy), which means the Central Government is paying VAT on natural gas to States. A base rate of State VAT for natural gas is being worked out by the Department of Expenditure based on a comparison of all India rates. If the VAT rate charged by a State is more than the base rate of State VAT for natural gas fixed by the Central Government, the annual difference in the State VAT charged by the State Government and the State VAT assessed based on the base rate fixed by the Central Government for the preceding year i.e. financial year 2022-23 will be deducted from the 2nd installment under Part-I of the Scheme for 2023-24." Funds saved will be used for additional outlay to other States under the Scheme for 2023-24.*

7. Further, Para (2) of the scheme guidelines issued vide Department of Expenditure's (DoE's) letter No. 44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023 is hereby revised by deleting the sentence "*....Loan of upto 1 per cent of GSDP provided under the Scheme will be over and above the normal borrowing ceiling allowed to the States for the financial year 2023-24....*" and modified Para (2) may be read as below;

> *"**2.** After taking into consideration an extremely positive response of the State Governments to these Schemes and their requests for having a similar Scheme in 2023-24 as well, the Government of India has decided to launch a redesigned and expanded Scheme for the year 2023-24 to facilitate a higher capital investment by the States. The Scheme has been named as **"Scheme for Special Assistance to States for Capital Investment 2023-24"**. An amount of Rs.1,30,000 crore has been allocated for the Scheme in the financial year 2023-24. Under the Scheme, financial assistance will be provided to the State Governments in the form of 50-year interest free loan for capital investment projects. The loan amount is to be spent within the financial year 2023-24."*

This issues with the approval of Finance Secretary.

Yours faithfully

02/05/2023
(Deependra Kumar)
Director (PF-S)
Tel: 011-23094904

F. No. 44(1)/PF-S/2023-24(CAPEX)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi,
Dated the 19th May, 2023.

To

The Additional Chief Secretary/Principal Secretary/Secretary,
Finance Department,
All State Governments,
(As per list attached)

Subject: Corrigendum to the Guidelines on Scheme for Special Assistance to States for Capital Investment for 2023-24.

Madam/Sir,

Reference is invited to the guidelines on Scheme for Special Assistance to States for Capital Investment for 2023-24 issued vide letter of even number dated 03.02.2023.

2. The Para 4 (ii) of the mandatory conditions of the Scheme guidelines dated 03.02.2023 is hereby revised as below:

"Integration of State treasuries with PFMS and exchange of data between State treasuries and PFMS in respect of at least 95% of State Linked Schemes for CSS in a State for which the State has received funds from the Central Government prior to 30 days."

This issues with the approval of the Finance Secretary and Secretary (Expenditure).

Yours faithfully,

19/05/2023
(Deependra Kumar)
Director (PF-S)
Ph: 2309 4904

F. No. 44(1)/PF-S/2023-24 (CAPEX)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi
Dated: 26th May, 2023

To
The Chief Secretary,
All State Governments,
(As per list attached)

Subject: Amendments to the Guidelines on Scheme for Special Assistance to States for Capital Investment 2023-24.

Madam/ Sir,

Reference is invited to the guidelines on Scheme for Special Assistance to States for Capital Investment 2023-24 issued vide letters of even No. dated 03.02.2023, 02.05.2023 and 19.05.2023.

2. The undersigned is directed to say that the following modifications to the aforementioned scheme guidelines issued vide letters of even No. dated 03.02.2023, 02.05.2023 and 19.05.2023 have been approved by the Competent Authority;

(i) Para 3 (i) of the guidelines of even number dated 03.02.2023, regarding release of the funds under Part-I of the Scheme for 2023-24, may be read as;

"(i) Part-I (Untied): An amount of Rs.1,00,000 crore is earmarked for Part-I of the Scheme..Annexure-2.

Funds under this Part will be released to States in 2 installments. The 1st installment of 66.67 percent of the approved amount will be released to the State government on meeting the mandatory conditions given in Para (4) and on approval of the list of the capital projects submitted by the State. Any amount released to the State under the Scheme for "Special Assistance to States for Capital Investment 2022-23", which is not utilized by the State till 31st March, 2023 will be deducted from the 1st installment. The 2nd installment of 33.33 percent will be released on utilization of at least 75 percent of the amount released in the 1st installment and on meeting 45 percent of the total target fixed for Capital Expenditure by the State in 2023-24. State-wise details of the target fixed for Capital Expenditure is given in ***Annexure-3****..*
The Second review of the actual Capital Expenditure by the State will be taken up during the month of June, 2024. In case the State has claimed the 2nd installment based on achievement of the target fixed till 30th September, 2023 but has failed to meet the target for Capital Expenditure set for the entire financial year 2023-24, 100 percent of the amount released to the State as 2nd installment

under Part-I of the Scheme will be deducted from borrowing ceiling of the State for 2024-25 or from the funds allocated under the Scheme in 2024-25, if the Scheme or a similar Scheme is implemented in 2024-25."

(ii) Para 10 of the guidelines of even number dated 03.02.2023, regarding the 20% of the funds allocated under Part-I of the Scheme, may be read as;

"States may also use not more than 20 percent of the funds allocated under Part-I of the Scheme for contributing State's share for Jal Jeevan Mission (JJM) and Pradhan Mantri Gram Sadak Yojana for 2023-24. Government of India also reserves the right to prioritize such projects for up to 20 percent of the funds in Part-I".

(iii) Title of Annexure-3 may be read as;

"Target for capital expenditure for States for 2023-24 for release of 2nd instalment under Part-1 of the Scheme for Special Assistance to States for Capital Investment 2023-24"

This issues with the approval of Finance Secretary.

Yours faithfully,

26/05/2023
(Deependra Kumar),
Director (PF-S)
Tel: 011-23094904

F. No. 44(1)/PF-S/2023-24 (CAPEX)
Ministry of Finance
Department of Expenditure
Public Finance-States Division

*****

North Block, New Delhi
Dated the 01st June, 2023

To

The Additional Chief Secretary/Principal Secretary/Secretary,
Finance Department,
All State Government (As per list attached)

Madam/Sir,

Subject: Scheme for Special Assistance to States for Capital Investment 2023-24.

Reference is invited to Department of Expenditure's letter of even no. dated 03.02.2023 inter-alia issuing guidelines for the "Scheme for Special Assistance to States for Capital Investment 2023-24" and to say that a Self–declaration Form is required to be submitted by State Governments regarding compliance of mandatory condition in respect of naming/branding of all Centrally Sponsored Schemes as detailed in Para 4(i) of the aforesaid guidelines while submitting application for availing financial assistance under the "Scheme for Special Assistance to States for Capital Investment 2023-24" as per enclosed proforma.

Encl: As above

Yours faithfully,

01/06/2023
(Deependra Kumar)
Director (PF-S)

UNDERTAKING/SELF-DECLARATION FROM

SELF-DECLARATION BY THE STATE GOVERNMENT OF _______________ UNDER THE SCHEME "SPECIAL ASSISTANCE TO STATES FOR CAPITAL INVESTMENT 2023-24"

I, (Name), (Designation) do hereby affirm and declare that:

The State is fully complying with Government of India's instructions regarding official name of Centrally Sponsored Schemes [correct translation of local language is permissible] and any guidelines/instructions issued by the Government of India regarding naming/branding of Centrally Sponsored Schemes, in all Schemes/Programmes of all Ministries.

Date:
Place:
Seal:

Signature:
Full Name in Capital Letters;
Designation: Additional Chief Secretary/Principal Secretary/Secretary, Finance Department,
Government of ________

F. No. 44(1)/PF-S/ (CAPEX)Part-V/2023-24
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi
Dated: 02nd June, 2023

To
The Additional Chief Secretary/Principal Secretary/Secretary,
All State Governments,
(As per list attached)

Subject: Scheme for Special Assistance to States for Capital Investment for 2023-24-Projects under Part-V (Housing for Police Personnel above or as part of Police Station in Urban Areas) of the Scheme-reg.

Madam/ Sir,

The undersigned is directed to refer the Department of Expenditure's letter No. 44(1)/PF-S/2023-24 (CAPEX) dated 03.02.2023, 02.05.2023, 19.05.2023 and 26.05.2023 inter-alia issuing guidelines for the "Scheme for Special Assistance to States for Capital Investment for 2022-23" and to say that a self-declaration form is required to be submitted by the State Governments in respect of Part-V (Housing for Police Personnel above or as part of Police Station in Urban Areas) as per the enclosed proforma.

Encl: As Above.

Yours faithfully,

Anjali Maurya 02/06/2023

(Anjali Maurya),
Assistant Director (PF-S)
Tel: 011-23095697

SELF-DECLARATION BY THE STATE GOVERNMENT OF _______________ UNDER THE SCHEME "SPECIAL ASSISTANCE TO STATES FOR CAPITAL INVESTMENT 2023-24 - PART-V (HOUSING FOR POLICE PERSONNEL ABOVE OR AS PART OF POLICE STATIONS IN URBAN AREAS)"

I, (Name), (Designation) do hereby affirm and declare that:

1. Financial assistance is sought for:

S. No.	Title	Amount (Rs. in crore)	Remarks (Sr. Nos. of capital projects mentioned at Annexure-2)
i.	Construction of new houses for police personnel above the existing buildings within the premises of the police stations in urban areas;		
ii.	Construction of houses for the police personnel on the vacant land available with the police station premises in urban areas.		
iii	Construction of houses for the police personnel within a radius of 2 km from the police station in urban areas.		

2. Financial assistance under Part-V (Housing for Police personnel above or as part of Police Stations in Urban Areas) of the Scheme for 2023-24 is sought only for construction of houses for police personnel of the rank of Dy. SP and below.

3. Financial assistance in respect of Police Stations in urban areas of the State only is sought under Part-V (Housing for Police personnel above or as part of Police Stations in Urban Areas) of the Scheme for 2023-24.

4. The project cost has included costs of construction of ready to use buildings only and has not included procurement of furniture and other movable items for such buildings.

5. The State Government has notified SASCI-SNA for the purpose of Part-V (Housing for Police personnel above or as part of Police Stations in Urban Areas) of the Scheme for 2023-24.

Date:
Place:
Seal:

Signature:
Full Name in Capital Letters;
Designation: Additional Chief Secretary/Principal Secretary/Secretary,
Finance Department,
Government of __________________

F. No. 44 (1)/PF-S/2023-24 (CAPEX)(Pt.)
Government of India
Ministry of Finance
Department of Expenditure
(Public Finance - States Division)

North Block, New Delhi.
Dated: the 16th June, 2023

To,

The Chief Secretary,
All State Governments,
(As per list attached)

Subject: Supplementary Guidelines for Part–VI (Unity Mall) of the 'Scheme for Special Assistance to States for Capital Investment 2023-24'.

Madam/ Sir,

In continuation to the scheme guidelines on the 'Scheme for Special Assistance to States for Capital Investment 2023-24' issued vide Department of Expenditure's (DoE's) letter No.44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023 and in suppression of the supplementary guidelines on the (Unity Mall) of the Part-VI 'Scheme for Special Assistance to States for Capital Investment 2023-24' issued vide Department of DoE's letter No.44(1)/PF-S/2023-24 (CAPEX) dated 2nd May, 2023, the following guidelines are hereby issued for the Part-VI of the Scheme.

2. Part-VI (Construction of Unity Malls):

2.1 **Objective**: The main objectives of this part of the Scheme are:

(i) Promote National Integration;
(ii) Promote the concept of "Make in India";
(iii) Promote the concept of "One District One Product (ODOP)";
(iv) Help the rural artisans in selling their products;
(v) Generate employment;
(vi) Increase marketability of quality indigenous products.

2.2 **Financial Allocation**: An amount of Rs.5,000 crore is earmarked for this Part of the Scheme. This has been allocated to each State as per details provided in Annexure-I. A minimum amount of incentive admissible to States under this Part of the Scheme is kept at Rs.100 crore.

2.3 Financial assistance will be provided for construction of one Unity Mall per State. The land for the mall will be made available by the State Government free of cost or the cost of acquisition of the land will be borne by the State Government.

3. **Uniform Logo:** To ensure consistency and common branding, all Unity Malls should have common signage across the country. States are encouraged to consider multilingual signage to celebrate the linguistic diversity of India. Signage design will be provided by Department for Promotion of Industry and Internal Trade (DPIIT), Government of India.

4. The Unity Mall design shall include the ODOP logo along with Make in India logo to ensure the promotion and banding of the respective initiatives.

5. The Unity Mall should be set up preferably in the State-Capital. However, the provision for setting up the Unity Mall in the financial-capital or a prominent tourism centre of the State may also be considered.

6. **Scope of Infrastructure:**

i. **Design:**The architecture of the Unity Mall should focus on reflecting India's unity and grandeur. In addition to adequate commercial spaces, design elements like grand facades, atriums, Landscaping, etc. should be incorporated.

ii. **Representation:**

a. Each unity mall will have at least 36 commercial spaces, one for each State/Union Territory (UT) of India for the sales and promotion of at least one or more ODOP products (Refer to Para 11) across the country.
b. Commercial spaces designated for States and Union Territories should be of uniform floor space and Subject to uniform rental provisions to ensure representation of the entire nation's diversity along with the promotion of national unity.
c. In addition, each Unity Mall is to have one stall for each district of the State. It should also take into consideration any districts announced but not notified or are expected to be notified within the financial year.
d. The malls should also have equal space for each district of the respective State.

Provisions should be made in the Unity Mall Design to allow for the expansion of commercial spaces.

iii. **Amenities and Facilities:**

a. Amenities such as a state-of-the-art food court, adequate parking, and purpose-built spaces for recreational and cultural activities are to be included.
b. Functional spaces like conference rooms and event spaces for galleries and exhibitions should be created.
c. Technology-based experiences like Virtual Reality, Augmented Reality. Block Chains, Digital Displays & Interactive Kiosks, etc. are to be integrated.
d. The area designated for such amenities should be proportional to the scale of the Unity Mall.

iv. **Accessibility and Inclusivity:**

a) Essential amenities for convenience and inclusivity, following the National Building Code standards are to be incorporated. This is inclusive of but not limited to accommodations for persons with disabilities like ramps, elevators, wide doorways, designated parking spaces, toilets, Braille scripts and multilingual dynamic signage, and audio guides.
b) Conveniences like crèches, children's play areas, changing rooms, and prayer rooms should be made available.

7. **Operational & Maintenance:**

State should adopt a Public-Private Partnership (PPP) model for the Operations and Maintenance (O&M) of the Unity Mall. Under the model, the ownership of the mall should be vested with the Government, while operational and maintenance rests with the Private Party.

- In the Detailed Project Report (DPR), the State should share the Model Concession Agreement (by whatever name called) that specifies the duties, payoffs, and duration of the contract with Private Party. A 30-year concession period may be prescribed by States in such PPP Agreements.

- The State should also ensure that the Detailed Project Report should include a commitment from the State on the operational expenses.

a. **Occupancy Management:**

   i. All States and UTs will be allocated at least one commercial space in all Unity Malls for the sales and promotion of at least one or more ODOP products from the State.
   ii. Districts from respective States will be invited to occupy space in the mall, in consultation with relevant authorities such as District Collectors, Industries/MSME departments, and Agri/ Handicraft/ Handloom/ Cottage/ Rural Industries departments.
   iii. In the absence of State/UT/District participation, Private Parties involved in the mall's operations will make efforts to find a seller who can showcase and sell ODOP products for those designated commercial spaces. Sellers will be selected based on their ability to cater to domestic and international tourists or will be trained accordingly.
   iv. Exhibition spaces should be allocated to ODOP artisans for periodic showcases and live demonstrations to extend the benefits to those who may not be assigned designated commercial spaces.

b. **General Operations and Maintenance Requirements:**

   i. States must ensure a class-leading visitor experience within the Unity Mall using checks such as regular feedback mechanism.
   ii. States should ensure that a set of design guidelines for fit outs are in place to maintain uniform quality of the display while giving enough flexibility to the sellers to improve and excel.

8. **Detailed Projects Reports:**

Unity Mall Detailed Project Report (DPR) is to be shared with the DPIIT, Ministry of Commerce & Industry. DPIIT after examining the proposal and DPR will recommend the amount not exceeding the allocation of the State given in Annexure-I to the DoE, Ministry of Finance for approval and release of funds.

   a. States are to complete the construction of the Unity Mall for inauguration on the 75th Republic Day of India, for a befitting celebration of India's cultural and regional diversity.
   b. All States shall be considered based on the merit of their DPR and should include the model of operation, and the process of designating spaces and finalizing retailers.
   c. The DPR should also include well-defined project execution timelines and milestones of effectively monitor progress.
   d. The DPR will be evaluated based on adherence to guidelines as specified.

9. **Other Considerations:**

   a) States should provide budgetary support to ensure the participation of sellers from other regions and far-off districts in order to ensure the success of the Unity Mall.
   b) States shall equip local sellers of ODOPs through capacity-building initiatives to improve their commercial potential.
   c) States are also to undertake adequate measures for the promotion of the Unity Mall as a new tourist attraction and cultural hub.

10. Any additional guidelines or requirements not mentioned explicitly in the existing guidelines may be issued by DPIIT in consultation with the Ministry of Tourism and with the concurrence of Ministry of Finance to assess the feasibility and impact of the proposed guidelines.

11. **Definition of ODOP Product:**

11.1 Under the One District One Product initiative by DPIIT, at least one product has been finalized by States and Union Territories for each district. The focus for unity Malls shall be on the primary product. If the primary product is not perennial or deemed feasible for retail, a value-added version can be used. The selection of a secondary product can be undertaken in cases where all variations of the primary product are no viable.

11.2 Further, a product is deemed to be ODOP only if the major raw material originates in or the majority of the processing of the product occurs within the given district. While this is on a Self-Certification basis, the State and the Private Party shall make reasonable efforts to verify the accuracy of the claim.

This issues with the approval of Finance Secretary.

Yours faithfully

16/6/23

(G S Anand-LO)
Director (PF-S)
Tel: 011-23094904

Annexure-I

Allocation to States under Part–VI (Unity Mall) of the 'Scheme for Special Assistance to States for Capital Investment 2023-24'

(Rs. in crore)

Sl. No.	States	Amount
1	Andhra Pradesh	172
2	Arunachal Pradesh	188
3	Assam	226
4	Bihar	223
5	Chhattisgarh	202
6	Goa	100
7	Gujarat	202
8	Haryana	155
9	Himachal Pradesh	132
10	Jharkhand	163
11	Karnataka	193
12	Kerala	120
13	Madhya Pradesh	284
14	Maharashtra	215
15	Manipur	149
16	Meghalaya	132
17	Mizoram	127
18	Nagaland	145
19	Odisha	189
20	Punjab	159
21	Rajasthan	202
22	Sikkim	106
23	Tamil Nadu	223
24	Telangana	202
25	Tripura	114
26	Uttar Pradesh	382
27	Uttarakhand	136
28	West Bengal	159
Total		**5000**

F. No. 44 (1)/PF-S/2023-24 (CAPEX) (Pt.)
Government of India
Ministry of Finance
Department of Expenditure
(Public Finance - States Division)

North Block, New Delhi.
Dated: the 19th June, 2023.

To,

The Chief Secretary,
All State Governments,
(As per list attached)

Subject: Supplementary Guidelines on the "Scheme for Special Assistance to States for Capital Investment 2023-24" - Part-III (Urban Planning Reforms).

Sir/ Madam,

In continuation to the scheme guidelines on the 'Scheme for Special Assistance to States for Capital Investment 2023-24' issued vide Department of Expenditure's (DoE's) letters No. 44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023, dated 2nd May, 2023, dated 19th May, 2023 and 26th May, 2023 the following supplementary guidelines are hereby issued for the aforesaid Part of the Scheme.

Part-III (Urban Planning Reforms):

2. **Allocation:** ₹15,000 crore is earmarked under this Part of the Scheme. This amount will available to States as per these guidelines as incentive for capital investment on the recommendations of Ministry of Housing and Urban Affairs (MoHUA). The incentive amount can be spent on Capital Investment Projects in any sector.

2.1 **Objective:** Catalyze urban planning as main driver of development to promote affordable housing, comprehensive mobility, conserve Blue-Green infrastructure, for sustainable urbanization.

2.2 **Reform Areas:** To achieve the objectives of the Scheme, the most important area of reform in the urban planning ecosystem are legal provisions, strengthen capacity of planning personnel, designation of authority to undertake planning, enlisting processes to be followed and building awareness among the community. Implementation of urban planning would involve important concept tools such as TOD, Transferrable Development Rights (TDR), and rationalizing of building byelaws. Customized approach for different States is being adopted, based on the status of readiness for urban planning. States with strong urban planning traditions will be expected to deepen the planning paradigm. Thrust will be on the ground level implementation though notification of various byelaws (new/ amendments) to enable holistic planning framework for the cities.

2.3 Reform Components:

i. Augmentation of human resources for strengthening urban planning ecosystem;
ii. Implementation of town planning scheme/ land pooling scheme;
iii. Modernization of building byelaws;
iv. Promoting affordable housing and In-situ slum rehabilitation;
v. Transit oriented development for densification and ease of mobility;
vi. Transferrable development rights as a planning tool;
vii. Strengthening natural ecosystems of urban areas through urban planning;
viii. Integrating essential components in Master Plans.

2.4 Reform Roadmap and Timelines:

- The reforms are to be widened by including more cities. States which are getting initiated into urban planning will be expected to create all enablers in terms of policy (legal provisions and amendments), processes, authorities, personnel, capacity, etc.
- Reforms implemented only during the period commencing from 1st April, 2023 to 15th January, 2024 will be considered.
- States are required to submit baseline and reform roadmap with milestones, deliverables on or before 30th June, 2023. Considering the targeted deliverables, tentative allocation for each of the States will be decided at this stage. 20% of the tentative incentive allocation will be released to the eligible States as the 1st installment by Department of Expenditure (DoE) based on the recommendations of MoHUA. Remaining incentive amount as the 2nd installment will be released to the State on the basis of actual achievements as on 15th January, 2024.
    - Each State to create a baseline as target, considering their status/ readiness as on 1st April, 2023.
    - Level of achievement on the ground to be clearly delineated in the reform roadmap.
    - Mid-course corrections in reform roadmap will be allowed post approval of MoHUA/ DoE.
    - For implementation of Part-III of the Scheme, States have been divided into following groups based on their urban population as per census 2011:

Group-I	Group-II	Group-III
Maharashtra	Andhra Pradesh	Tripura
Uttar Pradesh	Telangana	Goa
Tamil Nadu	Bihar	Manipur
West Bengal	Punjab	Himachal Pradesh
Gujarat	Haryana	Meghalaya
Karnataka	Jharkhand	Mizoram
Madhya Pradesh	Odisha	Nagaland
Rajasthan	Chhattisgarh	Arunachal Pradesh
Kerala	Assam	Sikkim
	Uttarakhand	

- States are required to submit final incentive claims against implemented reforms by 31st January, 2024.

2.5 Conditions:

- The State should submit the list of capital projects to be taken up from the incentive amount in the format given in Annexure-2 of DoE's guidelines dated 3rd February, 2023 to MoHUA alongwith the incentive claim. MoHUA will forward the list alongwith tentative allocation of the States by 31st August, 2023 to DoE.
- In case claims received are more than the allocated amount against the reform, proportionate grant will be apportioned to all eligible States.
- Appropriate changes in these guidelines may be made by MoHUA with the concurrence of DoE, MoF during the course of the year based on progress achieved and the level of difficulty and challenges, to appropriately incentivize the effort made by the State with respect to their context.

2.6 Mandatory Requirements:

- Reform mentioned at sl. no. (i) and (ii) of Para (2.3) shall be mandatory for all other reforms to be considered.
- In any case the total amount on account of reforms mentioned at sl. no. (v), (vi) and (vii) of Para (2.3) shall not be more than 50% of the amount to be provided to the State.

3. Reform Components and Funding:

3.1 Incentive for Augmentation of Human Resource for Strengthening Urban Planning Ecosystem by the State Government:

A (I): Sanction of prescribed number of post for Planners: **₹100 crore** for Group-I States, **₹75 crore** for Group-II States and **₹50 crore** for Group-III States. No. of Planners desirable according to population of the cities as per Census 2011 is as below:

- 5 urban planners per city (in 4 million plus cities);
- 3 urban planners per city (in million plus cities with population less than 4 million);
- 2 urban planners per city (in 0.5 million to 1 million cities);
- 1 urban planner per city (in 0.1 million to below 0.5 million cities).

Areas of specialization at State/ Sub-State level personal may include:

- Hydro-geologist (especially for hilly areas);
- Geologist (especially for hilly areas);
- Environmental Planner;
- Economics;
- Transportation/ Mobility Planners, etc.;
- At least one staff from each category is expected at State level either on regular or contract basis.

A (II): Completion of recruitment for atleast 50% of vacant posts of already sanctioned posts, on regular basis:

- Group-I: ₹150 crore (cumulative).
- Group-II: ₹100 crore (cumulative).
- Group-III: ₹75 crore (cumulative).

In case recruitment has been completed for less than 50% vacant post out of already sanctioned posts, incentive will be approved on pro rata basis

B: Planners, **if hired on contract**: **₹1 crore** as incentive for hiring one Planner. Maximum number of Planners eligible for incentive, subject to desirable norms indicated, for different groups of States will be as per following:

a. Group-I States: 50 Planners.
b. Group-II States: 25 Planners.
c. Group-III States: 10 Planners.

C. Strong **collaboration with private expertise** engaged at the State level or for substantial work at city level (preferably for a period of 3 years and in case of tender method of procurement of experts/ expertise adequate importance to quality of human resources may be provided. Process will be considered complete if contract is signed and work order is issued. Capacity building plan for these officials and popsting them to Local Bodies and start of urban planning projects will be part of the action to be taken. Eligibility for incentive for States from different groups of States will be as per following:

a. Group-I States: ₹50 crore.
b. Group-II States: ₹25 crore.
c. Group III States: ₹10 crore.

Note: *Reforms implemented in the period commencing from 1st April, 2023 to 15th January, 2024 will be considered.*

3.2 Implementation of Town Planning Scheme (TPS)/ Land Pooling Scheme:

3.2.1 Town Planning Schemes (TPS)/ Land Pooling Schemes: These Schemes promote orderly urban expansion, creates supply of serviced land, improves land markets, and generate finance for Urban Local Bodies/ Development Authorities by creation of land banks. It facilitates and promotes collaboration and increases avenues for Public-Private Partnership (PPP) to create world class urban infrastructure.

3.2.1.1 Overview of the Reform: States shall take up development in greenfield / semi-greenfield/brownfield areas for planned urban expansion through TPS/ Land Pooling Schemes. Both these mechanisms of micro planning require legal amendments in the respective State Town and Country Planning Act, and Training & Capacity Building of the officials in planning and implementation of TPS and Land Pooling Schemes.

3.2.1.2 Mandatory Condition for the Reform: Necessary legal framework for undertaking TPS should be put in place which will have the following components:

- Legal framework for planning of cities and city regions (Metropolitan area) both for master planning, town planning, local area planning and enablers for land pooling.
- Power to authority i.e. Urban Development Authority (UDA) or ULB to undertake urban planning.
- Processes and timeline either in main law or byelaws.
- Effectiveness quotient of legal provisions, in terms of appropriating space for roads after draft approval, ensuring provision for incorporation of all the water bodies, green areas in the TPS and special care to conserve them. Urban flooding prevention, Infrastructure plan, and social equity (social housing, affordability, equal access to education and health, etc.).
- The State is required to set-up a dedicated Urban Planning Cell in all million-plus cities with designated roles, responsibilities, powers, and mandates.

3.2.1.3 Milestones and Fund Allocated: For achieving this reform, States are required to make progress with reference to their baseline and increase TPS/Land Pooling Schemes across cities/ number of Schemes within each city.

Item	**States without legal framework**	**States with legal framework in place and no TPS implemented#**	**States with legal framework in place and have implemented not more than 5 TPS**	**States with legal framework in place and have sufficient experience of implementing TPS i.e. implemented more than 5 TPS**
	(A)	**(B)**	**(C)**	**(D)**
Objective	Initiate the reform	Deepen the reform	Deepen and widen the reform	
Interpretation	States that do not have any legal provisions in place for TPS/ Land Pooling Scheme up till 31st March, 2023.	States where legal provisions are in place as on 31st March, 2023 and no TPS/ Land Pooling Scheme have been implemented.	States to increase TPS/ Land Pooling Schemes across cities/ number of Schemes within each city.	States to increase TPS/ Land Pooling Schemes across cities/ number of Schemes within each city. ***Note:*** *Cities with 10 TPS already implemented, either draft*

Item	States without legal framework	States with legal framework in place and no TPS implemented#	States with legal framework in place and have implemented not more than 5 TPS	States with legal framework in place and have sufficient experience of implementing TPS i.e. implemented more than 5 TPS
	(A)	**(B)**	**(C)**	**(D)**
				stage approved or final stage approved and implemented, shall not be considered for the incentive. TPS in other cities will be considered.
Milestones and Funds Allocated	₹150 crore to each State shall be granted for formulating legal provisions (i.e. formulation of act, rules and implementing authority with clear roles & responsibilities) The State can also implement TPS, advancing to Category-B	₹75 crore for each Scheme for draft plan (published after due consultation) in place. ₹100 crore (cumulative) for each Scheme for draft approved and taking possession of land for at least one road. (Maximum 2 Schemes will be considered)	₹50 crore for each Scheme for draft approved and taking possession of land for at least one road (Maximum 4 Schemes will be considered)	₹25 crore for each TPS for reconstitution and taking possession of land for at least one road (Maximum 8 Schemes will be considered)

***#:** Stage of draft approval and implementation shall be considered.*

Note**: Steps for implementing TPS/ Land Pooling Schemes and list of documentary evidences is at **Annexure.

3.2.2 Formulating the Township Policy: Township policy shall also be incentivized where it enables private developers to mobilize planned land parcels for urbanization, which is enabled and supported by an approved road network and plots for public utility. Master plan of townships will incorporate the road grid in their planning, if applicable.

3.2.2.1 Mandatory condition: Policy formulation by States.

3.2.2.2 Milestones and Funds Allocated:

Policy notified for implementation: **₹50 crore**

Policy under implementation (Approved townships under development): **₹100 crore** (cumulative)

Note: *This will not be applicable to States which are implementing such policy for at least last 3 years.*

3.2.3 Acquiring Land for Roads using Urban Planning: States are expected to acquire land for roads/ public utilities and/or public spaces through TDR/ Land Pooling Scheme/ Land for Land. Minimum width of such roads should be 18 mts.

3.2.3.1 Milestones and Funds Allocated: **An amount of ₹5 crore** will be provided for acquisition of land for every 1 km of road through urban planning. Acquisition of land for roads up to 20 km of will be considered. A continuous stretch of at least 1 km connected to larger city road network is essential.

Note*: Reforms implemented in the period commencing from 1st April, 2023 to 15th January, 2024 will be considered.*

3.3. Modernization of Building Byelaws:

States are expected to review and amend their respective building byelaws to eliminate provisions that restrict development or that are internally inconsistent. The provisions related to FSI, setback, permissible height, ground coverage etc. need to be scrutinized and provisions that irrationally restrict the development of land shall be ironed out. As a result of this, it is expected that the land parcels in the cities shall be more developable and at the city level the overall land use efficiency will improve.

3.3.1 Aspects of the Reform: Provisions related to construction of affordable housing shall also be amended as a part of the reform. Under this, additional FSI shall be permitted for promotion of affordable housing up to the built-up area of 66 sq. mts. (EWS + LIG). The additional FSI available for construction of affordable housing may be provided with minimum premium/ no premium as against other uses. Byelaws may be amended to particularly densify the transit corridor by granting of additional FSI for construction of affordable housing for example 225 houses per hectare. Amending the building byelaws to create additional built-up areas shall facilitate resource generation for ULBs and UDAs.

3.3.2 Mandatory Conditions: States need to amend their building byelaws through notifications to ensure the following and submit outcomes of the reforms in terms of implementation on ground:

- Removing contradictions with respect to margin and ground coverage.
- Differential building byelaws for promotion of affordable housing, i.e., area up to 66 sq. mts.
- Revenue generation through enhanced FSI.
- Innovative Provisions - for e.g. for in-situ slum redevelopment, heritage conservation.
- Special building byelaws for hilly areas with focus on sustainability will be incentivized.
- Any other step deemed innovative.

3.3.3 Milestones and Fund Allocated:

- If provisions not in place earlier and included during the reform period:**₹75 crore.**
- Provisions in building byelaws already in place and substantial implementation is seen in terms of creation of Affordable Housing (either completed or under progress), revenue generation through enhanced FSI, other mandatory conditions mentioned above:**₹75 crore.**

  Note: *Reforms implemented in the period commencing from 1st April, 2023 to 15th January, 2024 will be considered.*

3.4. Promoting in-situ Slum Rehabilitation: The State will notify a policy for in-situ slum rehabilitation using urban planning as a tool.

3.4.1 Aspects of the Reform:

- In-situ slum rehabilitation to ensure the livelihood security to the slum dwellers is encouraged.
- This needs to be achieved through urban planning paradigm where houses are rebuilt on the same land through vertical format, thereby releasing surplus land.
- Using TDR, Additional FSI, surplus land monetization mechanism to fund the redevelopment of slum in-situ.
- Inclusion of slums on private land will be prerogative of State Government.

3.4.2 Reform Implementation: The following are the key steps for in-situ slum rehabilitation:

- Notification of registered slum for redevelopment
- Listing of beneficiaries and number of dwellers
- Inviting bids for redevelopment for selection of developer
- Successful developer will present viable redevelopment master plan of the slum.
- Approval of authority
- Surplus land to fund slum redevelopment. Proceeds, if exceeding the required funds for redevelopment, to be deposited to Municipal Authority.

- Resources for redevelopment to be given as TDR
- Obtaining concurrence of stakeholders
- Shifting of slum dwellers by the bidder to clear the plot for redevelopment
- Start of redevelopment
- Conclusion of construction
- Shifting back of dwellers

Note: *In case dwelling units are less than 1,000 in the slum, proportionate grant will be given.*

3.4.3 **Milestones and Funds Allocated**: Clear infrastructure provision plan (drinking water and sewage services) to the redeveloping houses is mandatory.

- Awarding the tender for redevelopment of slum: ₹25 crore.
- Shifting of slum dwellers to temporary houses: ₹50 crore (cumulative).
- Redevelopment of slum (at least 50% construction complete)*: ₹100 crore (cumulative).
- Shifting of slum dwellers to redeveloped houses: ₹125 crore (cumulative).
- 2 slums for redevelopment will be considered for Group-I and Group-II States. One slum will be considered for Group-III States.
- Partial shifting of slum dwellers to redeveloped houses will also be considered for incentivizing proportionately.

*If construction is less than 50%, proportionate incentive will be given.

Notes**: 1.* *Steps for implementing in-situ slum rehabilitation and list of documentary evidences are at **Annexure.

2. Reforms implemented in the period commencing from 1st April, 2023 to 15th January, 2024 will be considered.

3.5. Transit-Oriented Development (TOD):

3.5.1 Objective: Densification and ease of transit.

3.5.2 Outcomes of the Reform:

- Prepare TOD policy at State level: **₹10 crore.**
- Differential building byelaws for densification and mixed land use: **₹10 crore.**

3.5.2.1 Key Actions:

- **Notify the corridors**: **₹10 crore per corridor** (up to 5 corridors in Group-I States, 3 corridors in Group-II States and 1 corridor in Group-III State will be considered).
- **Prepare Local Area Plan (LAP)** for densification of corridors: **₹20 crore per corridor.**
- States that have **already notified TOD policy**, if they **demarcate corridors** for redevelopment and take up the implementation of atleast 02 projects of public infrastructure and private redevelopment, adopting differential byelaws as per TOD policy, they will be incentivized with **₹50 crore**(will be given proportionately for level of implementation).

- **Complete Streets – Plan for Pedestrians**: Group-I and Group-II States will be incentivized with **₹20 crore** for planning of and starting work on one complete pedestrian friendly street of not less than 2 kms., with access to transit. Group-III States will be incentivized with **₹10 crore** for street of not less than 1 km.
- Assessment and strengthening the carrying capacity of the corridors through augmentation of infrastructure and densifying the transit corridor for cities where metro rail transit system is in place. Development charges on FSI will be imposed, a portion of which will be deposited in Urban Infrastructure Fund and will be apportioned for developing roads, water, sewer, drainage, and other infrastructure in new/ redevelopment areas. The State will be incentivized with **₹25 crore** for each TOD corridor. Upto 2 TOD corridors will be considered.

3.5.2.2 Essential Components of LAP:

- Enable affordable Housing in notified corridors with urban planning norms.

3.5.2.3 Essential Features of TOD Plan:

- Reduced block size for pedestrian friendliness
- Ease of access to transit
- Seamless multi modal integration

Note: *In case TOD already notified in cities, and implementation of byelaws is in place, then cities are expected to increase the number of TOD projects with higher FAR as per differential byelaws. Only TOD zones acted upon on the ground with a plan in the reform period i.e. during 1st April, 2023 to 15th January, 2024 will be considered.*

3.6. Transferable Development Rights as Planning Tool:

3.6.1 Objectives: Use of Transferrable Development Rights (TDR) as an urban planning tool for heritage conservation, contribution of private land for public realm, water body conservation and rejuvenation, in-situ slum redevelopment projects, plan for Affordable Housing (AH) zones, de-congestion, or any other innovative outcome.

- States to adopt TDR policy.
- TDR policy to have provision for identifying sending and receiving zones,
- TDR to be used as planning tool and not as a cash certificate.

3.6.2 Milestones and Funds Allocated: For achieving this reform, States to make progress as per the milestones mentioned in the Table below:

Item	States without a TDR policy as on 31st March, 2023	States having a TDR policy but not implemented as on 31st March, 2023	States already practicing TDR
	(A)	(B)	(C)
Objective	Initiate the reform	Deepen the reform	Widen and deepen the reform
Interpretation	Evidence from past year shall be considered to assess significant deepening and widening across States		

Item	States without a TDR policy as on 31st March, 2023	States having a TDR policy but not implemented as on 31st March, 2023	States already practicing TDR
	(A)	(B)	(C)
Fund disbursement as per Milestone achieved	**Transferrable Development Rights (TDR) policy to be in place:** ₹50 crore per State	**States/ cities to notify TDR originating and receiving zones:** ₹100 crore per State (Cumulative) and start implementation.	(a) **Increase in issuance of TDR (compared to average of last 3 years) achieving objective & realization of appropriation of land for heritage conservation/ in-situ slum redevelopment/ water body conservation requirements/ any other public/ social purpose** (Cumulative ₹150 crore) Note: States that have issued TDR more than 50,000 sq. mts. in last 3 years shall not be considered for the incentive

Note: *Reforms implemented in the period commencing from 1st April, 2023 to 15th January, 2024 will be considered.*

3.7. Strengthening Natural Ecosystem of Urban Areas through Urban Planning Aspects of the Reform: Policy interventions for urban water management and implementation of projects on ground for creation of Sponge Cities, including Urban Forests. Objectives of this reform are to restore the city's capacity to absorb, infiltrate, store, purify, drain, and manage rainwater and regulate the water cycle. Master Plan for Sponge City is expected to be complemented with a Water Sensitive Urban Design (WSUD) document and enforcement mechanism. States is also to develop urban forests that can be defined as networks or systems of groups of trees, located in urban and peri-urban areas.

3.7.1 Milestones and Funds Allocated:

(i) **Promotion of Sponge Cities for Sustainability (Conservation and Rejuvenation of Water bodies)**

- Work on water bodies of area not less than 1 acre (largest ones in the city) will be started with clear deliverable to improve the quality to make it a source of water supply. Cities will submit and State will approve the detailed ATR. Physical work should start on the water bodies during the reform period. Number of water bodies and amount allocated will be as per following:

  a. Group-I States: 10 water bodies- ₹50 crore.
  b. Group-II States: 5 water bodies - ₹25 crore.

c. Group-III States: 2 water bodies - ₹10 crore.

(ii) Promotion of Riverfront Development: ₹50 crore each, for River/ riverfront/ waterfront rejuvenation projects planned and starting physical implementation of one of the projects with focus on sustainability and Return on Investment worked out. Number of projects to be taken up and amount allocated will be as per following:

a. Group-I States: 4 projects- ₹100 crore.
b. Group-II States: 3 projects - ₹75 crore.
c. Group-III States: 1 project - ₹25 crore.

(iii) Creation of Urban Forests:

- Minimum 1 acre of land to be identified and integrated in master plan as urban forest.
- Site to be cleared and work to be started on ground by Department of Forest.
- Allocation: ₹5 crore per acre of urban forest. Number of cities where projects to be taken up and amount allocated will be as per following:

a. Group-I States: 8 cities- ₹40 crore.
b. Group-II States: 5 cities- ₹25 crore.
c. Group-III States: 2 cities- ₹10 crore.

Note: *Reforms implemented in the period commencing from 1st April, 2023 to 15th January, 2024 will be considered.*

3.8. Integrating Essential Components in Master Plans:

3.8.1 Overview of the reform: States need to prepare a Master plan for 0.5 million plus cities with following essential components:

i. States need to amend their cities' Master plan/ Development plan through notifications and need to integrate the essential planning components as mentioned below:
ii. Transportation network/ Mobility plan: - Proposal for new roads (ROW of 18m and more), junctions, transportation hubs, etc. apart from the widening of the existing road network. Mobility plan including inter and intra city connectivity.
iii. Blue and Green infrastructure: Identifying and integrating the existing water bodies with master plans along with clear contour survey and urban flood prevention plan. Proposal for green public spaces, urban forest, lakefronts, riverfronts, canal fronts, place making, etc.
iv. Economic Planning: Identification of economic activities, resources, and their integration with transport network.
v. Land use plan: Proposed land use plan including area dedicated for economic activities/ industrial development, business districts, markets/ trading centers, transportation hubs and Affordable Housing.

3.8.2 **Milestones and fund allocated**:

Out of 4 components, inclusion of any of the 3 in the draft master plan will be considered for the reform. An incentive amount of **₹50 crore per city** will be provided to the State.

Note: Reforms implemented during 1st April, 2023 to 15th January, 2024 will be considered.

4. State Government(s) after achieving prescribed reforms under various components of this Part shall submit a report to MoHUA for further examination and submission of recommendations to the Department of Expenditure. The State Government shall separately provide to the Department of Expenditure, Ministry of Finance, a list of capital projects for which it intends to utilize the fund provided under this Part of the Scheme in format prescribed in Annexure-2 of DoE's letter No. 44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023.

5. MoHUA will examine the submissions by the State governments and make recommendations to the DoE for release of incentive amount to each State. The State governments will be free to propose capital investment project in any sector from the incentive amount.

This issues with the approval of Finance Secretary & Secretary (Expenditure).

Yours faithfully

Anjali Maurya
19/06/2023

(Anjali Maurya)
Assistant Director (PF-S)
Tel: 011-23095697

Copy to:

1. Secretary, Department of Economic Affairs, North Block, New Delhi-110001.
2. Secretary, Ministry of Housing and Urban Affairs, Nirman Bhawan, C - Wing, Dr. Maulana Azad Road, New Delhi – 110011.

Annexure to the supplementary guidelines for Urban Planning Reforms, under 'Scheme for Special Assistance to States for Capital Investment 2023-24'.

A. Steps for implementing Town Planning Schemes/ Land Pooling Schemes:

S. No.	Milestones	Documentary Evidence
1.	Declaration of Intent	Identification of area for TPS Copy of notified declaration duly signed, stamped and provided with Date.
2.	Inception/ Preliminary Work: • Area demarcation • Listing of landowners • Revenue records collation • Listing of stakeholders for consultation • Appointment of Planning Officer who would lead this in the local body/ DA • Survey of Scheme area including: o Land parcels o Contour/ Topography o Utilities & Features o Green & Blue infrastructure	• Copy of Preliminary proposal/ inception report indicating: o Areas delineated for proposed TPS o High quality photographs of all identified sites o Demarcation of roles, responsibilities, and powers of implementing agency o Land records and related documents o Report on all Stakeholders consulted, with sample size and photographs (owners' meeting) o Map showing approach roads • Copy of all survey maps (land, contour, utility, green-blue, etc.) • Mapping of all the green areas and water areas
3.	Reconstitution stage: • Planning of road network • Numbering of original plots • Reconstitution of plots into final plots	• Copy of draft plan incorporating all sub-points • Appropriating plots for public utilities, and earmarking plots for development of green spaces • Identification of plots for green spaces, social infrastructure, rainwater harvesting, etc. ***Note**: The land-use of this area should **mandatorily** cover:* • Green area • Fairly distributed plots for social housing • Road network with hierarchy of roads • Plots for utilities for social and commercial purposes ***Note**: The selected road should mandatorily be connected to either a principal arterial*

S. No.	Milestones	Documentary Evidence
		road or a bus route (main road) – suitable evidence to be provided
4.	Publication of reconstituted plan	Copy of notice published.
5.	Owners' meeting: Inviting suggestions and objections	Copy of notification inviting objections and suggestions on draft TPS.
6.	Consideration of suggestions and objections, and taking final call	
7.	Finalization of draft plan	Copy of draft plan.
8.	Approval of draft plan and sending it to State Government	Copy of communication.
9.	Appointment in Planning Officer by State Government to hear suggestions and objections	Copy of draft plan approval and draft plan.
10.	Consideration of suggestions and finalization of the TPS	
11.	Taking possession of roads and infrastructure plots	• Final layout of draft TPS with roads. • Transfer of land for roads and public utilities to local body.
12.	Final approval of TPS by the State Government	Copy of final approval.
13.	Infrastructure work to be started	DPR or tender or start of work.

B. Steps for in-situ Slum Rehabilitation:

S. No.	Milestones	Documentary Evidence
1.	Slum declaration and regulation policy of the State	Copy of notification and policy document.
2.	Planning and implementing agencies for Slum Rehabilitation projects	Excerpts/ clauses of all Acts/ Rules indicating roles and responsibilities.
3.	Slum rehabilitation rules and regulations: (DU density/ FAR/ Parking/ Common Infrastructure, etc.)	Excerpts/ clauses of all policies/rules indicating all control aspects.
4.	Slum rehabilitation projects (SRPs) – city wise, (both government & private)	Approved DPRs (details to be filled in Proforma).
5.	Details of approved SRP projects	To be filled in Proforma.

F. No. 44 (1)/PF-S/2023-24 (CAPEX) (Pt.)
Government of India
Ministry of Finance
Department of Expenditure.
(Public Finance - States Division)

North Block, New Delhi.
Dated: the 19th June, 2023.

To,

The Chief Secretary,
All State Governments,
(As per list attached)

Subject: **Supplementary Guidelines on the "Scheme for Special Assistance to States for Capital Investment 2023-24" - Part-IV (Financing Reforms in Urban Local Bodies to make them creditworthy for Municipal Bonds and for Issue of Municipal Bonds).**

Sir/ Madam,

In continuation to the scheme guidelines on the 'Scheme for Special Assistance to States for Capital Investment 2023-24' issued vide Department of Expenditure's (DoE's) letters No. 44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023, dated 2nd May, 2023, dated 19th May, 2023 and 26th May, 2023 the following supplementary guidelines are hereby issued for the Part-IV (Financing Reforms in Urban Local Bodies to make them creditworthy for Municipal Bonds and for Issue of Municipal Bonds).

2.0 Part-IV (Financing Reforms in Urban Local Bodies to make them creditworthy for Municipal Bonds and for Issue of Municipal Bonds):

2.1 An amount upto ₹ 5,000 crore will be provided under this Part of the Scheme.

2.2 This Part of the Scheme is aimed at improving creditworthiness of cities (municipalities / Urban Local Bodies) and making them ready for municipal bonds by incentivizing property tax governance reforms and ring-fencing of user charges on urban infrastructure. Under this Part, financial assistance in the form of 50-year interest-free loan will be available to States upon achieving the following Milestones :

i. Milestones-1 (Preparation of roadmap for property tax governance reforms for all stages of property tax implementation):

States shall prepare a roadmap for property tax governance reforms including all stages of property tax implementation in the cities with 0.5 million plus population, in case of States with no city with 0.5 million plus population, the biggest city of the

State has to be taken up for the roadmap. Cities are expected to take material steps for all of the following essential property tax governance reforms upto Detailed Project Report (DPR) stage for procuring the necessary wherewithal to transform the tax governance. The roadmap shall essentially include the following elements;

a. Adoption of a dynamic **digitized property tax register** (based on GIS- or Drone-based technology) to enlist new properties and map existing properties, combined with ground-truthing;
b. **Unification of municipal databases** (i.e. single digital property database used by all municipal departments including building plan approval department);
c. **Unification of property tax register with state utility records** (i.e. integration between property tax bills & utility bills such as electricity bills and water bills);
d. **Linking of property tax register with state stamp duty and registration department/revenue department records** to enable automatic linkage/identification of changes in properties and ease collection of property taxes;
e. **Online self-assessment mechanism for property tax** that allows for real-time assessment of properties (including new assessments done online, and in case of re-assessments, assessee to either fill details themselves or tax inspectors using handheld devices), with a system for raising demand/sending reminders and conducting random scrutiny of assessment forms;
f. **Integrated and digitized billing and collection of property tax**, with automatic digital bills generated from the digital register/database, on-spot billing and reminders sent via SMS also possible, as well as multiple channels & modes of payments enabled (including via mobile, online, and/or hand held point of sale devices with tax collectors, among other digital modes);
g. **Adoption of property tax reporting mechanism through Management Information System (MIS)/dashboard,** to enable real-time frequent reviews of property tax data at city/ward/revenue official level, and to drive data-driven decision making and performance management.

Each of the earmarked cities shall be required to present & submit a roadmap to the State for implementing the reforms – including establishing processes, ensuring administrative alignment; and preparation & issue of DPR. States which have demonstrated successful completion of required action i.e. start implementation of adoption of a dynamic **digitized property tax register** (based on GIS- or Drone-based technology) to enlist new properties and map existing properties at the ground level and, prepared the roadmap and it has reached at the DPR level for rest of the steps for all 0.5 million plus cities, will be considered for the incentive as provided in the Table below. The State may utilize this amount towards urban infrastructure projects in the cities (ULBs) which have achieved these essential reforms.

(in ₹ crore)

Category	Name of States	Amount
Group-I	Maharashtra, Uttar Pradesh, Tamil Nadu, West Bengal, Gujarat, Karnataka	150
Group-II	Andhra Pradesh, Madhya Pradesh, Rajasthan, Kerala, Bihar, Telangana, Punjab, Haryana, Odisha	100
Group-III	Jharkhand, Assam, Chhattisgarh, Uttarakhand, Tripura, Goa, Manipur, Himachal Pradesh, Meghalaya, Mizoram, Nagaland, Arunachal Pradesh, Sikkim	50

ii. Milestones -2 (Improvement in property tax rates and collections):

Augmenting property tax revenues makes cities more financially sustainable and increases their creditworthiness by enhancing their ability to cover their municipal debt obligations. States are required to undertake the following two property tax reform in atleast 10% AMRUT cities and 10% non-AMRUT in order to complete of **Milestones-2.**

a. **YoY increase in property tax collections by atleast 20%** between financial year 2021-22 and financial year 2022-23;
b. **Increase in property tax rates** made effective during the reform period, i.e. between 1st April, 2023 and 15th January, 2024.

States which have demonstrated successful completion of one of the conditions outlined above by **15th January, 2024**, for atleast 10% AMRUT cities and 10% non-AMRUT cities will be provided an incentive amount as per Table below. The State may utilize this incentive amount towards urban infrastructure projects in cities (ULBs) which have achieved these property tax reform conditions.

(in ₹ crore)

Category	Name of States	Amount
Group-I	Maharashtra, Uttar Pradesh, Tamil Nadu, West Bengal, Gujarat, Karnataka	200
Group-II	Andhra Pradesh, Madhya Pradesh, Rajasthan, Kerala, Bihar, Telangana, Punjab, Haryana, Odisha	150
Group-III	Jharkhand, Assam, Chhattisgarh, Uttarakhand, Tripura, Goa, Manipur, Himachal Pradesh, Meghalaya, Mizoram, Nagaland, Arunachal Pradesh, Sikkim	50

iii. Milestones-3 (User charges reforms):

In several States, while the user charges (water and sewerage charges) are notified, they are not being levied on the ground. Despite of user charges, the Operations and Maintenance (O&M) costs of service delivery are barely recovered / realized. States shall be provided incentive on ensuring atleast 10% AMRUT cities achieves the following two user charges reforms;

a. Notification of provision for levying & collection of **differential (use-based) tariff/ user charges** (water and sewerage charges)with metered connections expected;
b. **Increase in rates for user charges** (water and sewerage charges) commensurate to increase in O&M costs of service delivery. Introduction of sewerage surcharge and/or cess is also encouraged.

States which have demonstrated successful completion of one of the conditions outlined above by **15th January, 2024**, for atleast 10% or more consumers from baseline will be provided an incentive amount as per Table below. States may utilize this incentive amount towards urban infrastructure projects in cities (ULBs) which have achieved these user charges reforms.

(in ₹ crore)

Category	**Name of States**	**Amount**
Group-I	Maharashtra, Uttar Pradesh, Tamil Nadu, West Bengal, Gujarat, Karnataka	200
Group-II	Andhra Pradesh, Madhya Pradesh, Rajasthan, Kerala, Bihar, Telangana, Punjab, Haryana, Odisha	150
Group-III	Jharkhand, Assam, Chhattisgarh, Uttarakhand, Tripura, Goa, Manipur, Himachal Pradesh, Meghalaya, Mizoram, Nagaland, Arunachal Pradesh, Sikkim	75

iv. **Milestones- 4 (Ring-fencing of property tax and user charges towards pooled municipal bond issuances for long tail of smaller ULBs):**

States must take the first step towards pooled municipal bond issuance, especially to support smaller ULBs. States shall be provided an incentive amount of ₹100 crore upon successfully achieving the following two under Milestone-4 by **15th January, 2024**:

a. Ring-fencing of a part of property tax and user charges collected in financial year 2023-24 of atleast 10% AMRUT cities and 10% non-AMRUT cities into an escrow account to create a pooled fund that can be used for repayment of municipal debt obligations. The ring-fenced amount shall only be ear-marked for a planned pooled bond.

b. State shall also take material steps towards a pooled municipal bond issuance. Material steps could include Milestones such as – identification of bankable urban infrastructure projects, creation/re-invigoration of Urban Infrastructure Development Finance Corporations, creation of a credit enhancement fund by the state to improve the credit rating of the proposed pooled municipal bond issuance, etc.

States may utilize the incentive amount towards urban infrastructure projects in cities (ULBs) whose property tax and user charges have been ring-fenced.

3. State Government(s) after achieving prescribed reforms under various components of this Part shall submit a report to MoHUA for further compilation and submission of recommendations to the Department of Expenditure. **Separately, the State Government shall provide to the Department of Expenditure a list of capital projects for which it intends to utilize the fund provided under this Part of the Scheme in the format prescribed in Annexure-2 of DoE's letter No. 44(1)/PF-S/2023-24 (CAPEX) dated 3rd February, 2023.**

4. MoHUA will examine the submissions by a State and make recommendations to the DoE for the incentive amount to be released to each State. The States will be free to propose any kind of capital investment project from the incentive amount.

5. In order to enable assessment of the above Milestones detailed in Para (2.2), States are required to upload the following information on the city finance portal (www.cityfinance.in);

1. Property Tax collections (both current and arrear) of all ULBs for financial year 2021-22 and financial year 2022-23;
2. Collection efficiency in all ULBs in financial year 2022-23 i.e. current and arrear demand and collection figures of financial year 2022-23;
3. Total properties under the tax net in financial year 2022-23 and financial year 2023-24 for Municipal Corporations;
4. URL link to the online databases of property tax and stamp duty registration department/revenue department;
5. Notification of water and sewerage charges and ULB wise date of adoption of the said notification;
6. Tariff sheet for charging for water and sewerage services; and number of water and sewerage connections provided.

This issues with the approval of Finance Secretary & Secretary (Expenditure).

Yours faithfully

Anjali Maurya 19/06/2023

(Anjali Maurya)
Assistant Director (PF-S)
Tel: 011-23095697

Copy to:

1. Secretary, Department of Economic Affairs, North Block, New Delhi-110001.
2. Secretary, Ministry of Housing and Urban Affairs, Nirman Bhawan, C - Wing, Dr. Maulana Azad Road, New Delhi – 110011.

F. No. 44(1)/PF-S/2023-24 (CAPEX) (Pt.)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-State Division
******

North Block, New Delhi
Dated 11th July, 2023

To

The Additional Chief Secretary/Principal Secretary/Secretary,
Finance Department,
All State Governments,
(As per the List Attached)

Subject: Mapping of projects taken up from the funds provided under the Scheme for Special Assistance to States for Capital Investment 2023-24 in PM GatiShakti National Master Plan (NMP)/State Master Plan (SMP).

Madam/Sir,

As you are aware that the PM GatiShakti Mater Plan is extremely useful in integrated planning and coordinated implementation of infrastructural projects. It leverages technology extensively including use of spatial planning tools with ISRO imagery developed by BISAG-N.

2. Therefore, it is requested to take necessary action for mapping and planning of the capital investment projects approved under the Scheme for Special Assistance to States for Capital Investment 2023-24 using the PM GatiShakti NMP/SMP platform.

3. The Department for Promotion of Industry and Internal Trade (DPIIT) will provide technical assistance and guidance to the State Governments in this endeavour.

4. This issues with the approval of Additional Secretary (PF-S).

Yours faithfully,
Anjali Maurya 11/07/2023
(Anjali Maurya)
Assistant Director (PF-S)
Tel: 011-23095697

Copy to: Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Vanijya Bhawan, Akbar Road, New Delhi-110001.

F. No. 44(1)/PF-S/2023-24 (CAPEX) (Pt.)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi
Dated: the 31st July, 2023

To

The Additional Chief Secretary/Principal Secretary/Secretary,
Finance Department,
All State Governments,
(As per list attached)

Subject: Amendments to Supplementary Guidelines on the Scheme for Special Assistance to States for Capital Investment 2023-24- Part-III (Urban Planning Reforms)-regd.

Madam/ Sir,

Reference is invited to the O.M. No. K-14011/24/2023-AMRUT-IIA dated 21.07.2023 from AMRUT Division, Ministry of Housing and Urban Affairs (MoHUA) proposing amendments to the supplementary guidelines on Part-III (Urban Planning Reforms) of the "Scheme for Special Assistance to States for Capital Investment 2023-24" issued vide Department of Expenditure's letter of even number dated 19.06.2023.

2. After considering the suggestions of MoHUA, the following amendments to the supplementary guidelines on Part-III (Urban Planning Reforms) of the "Scheme for Special Assistance to States for Capital Investment 2023-24" issued vide Department of Expenditure's letter of even number dated 19.06.2023 have been approved by the competent authority.

Para No.	Existing Para of Supplementary guidelines on Part-III (Urban Planning Reforms dated 19.06.2023	Revised Para
3.1	**Incentive for Augmentation of Human Resource for Strengthening Urban Planning Ecosystem by the State Government:** **A(I):** Sanction of prescribed number of post for Planners: ₹100 crore for Group–I States, ₹75 crore for Group-II States and ₹50 crore for Group–III States. No. of Planners desirable according to population of the cites as per Census, 2011 is as below:	**Incentive for Augmentation of Human Resource for Strengthening Urban Planning Ecosystem by the State Government:** **A(I):** Sanction of prescribed number of post for Planners: ₹100 crore for Group–I States, ₹75 crore for Group-II States and ₹50 crore for Group–III States. No. of Planners desirable according to population of the cites as per Census, 2011 is as below: • 5 urban planners per city (in 4 million plus cities); • 3 urban planners per city (in

	• 5 urban planners per city (in 4 million plus cities); • 3 urban planners per city (in million plus cities with population less than 4 million); • 2 urban planners per city (in 0.5 million to 1 million cities); • 1 urban planner per city (in 0.1 million to below 0.5 million cities).	million plus cities with population less than 4 million); • 2 urban planners per city (in 0.5 million to 1 million cities); • One urban planner per city (in 0.1 million to below 0.5 million cities). • **In case the State does not have any city/town with population more than or equal to 0.1 million in the State, the State shall consider their capital city and/or largest city for the implementation of this reform and an incentive amount of ₹20 crore will be provided.**
3.2.1.2	**Mandatory condition for the Reform:** Necessary legal framework for undertaking TPS should be put in place which will have the following components: • Legal framework for planning of cities and city regions (Metropolitan area) both for master planning. town planning, local area planning and enablers for land pooling. • Power to authority i.e. Urban Development Authority (UDA) or ULB to undertake urban planning. • Processes and timeline either in main law or byelaws. • Effectiveness quotient of legal provisions, in terms of appropriating space for roads after draft approval, ensuring provision for incorporation of all the water bodies, green areas in the TPS and special care to conserve them, Urban flooding prevention, Infrastructure plan, and social equity (social housing affordability, equal access to education and health, etc.). • The State is required to	**Mandatory condition for the Reform:** Necessary legal framework for undertaking TPS should be put in place which will have the following components: • Legal framework for planning of cities and city regions (Metropolitan area) both for master planning. Town planning, local area planning and enablers for land pooling. • Power to authority i.e. Urban Development Authority (UDA) or ULB to undertake urban planning. • Processes and timeline either in main law or byelaws. • Effectiveness quotient of legal provisions, in terms of appropriating space for roads after draft approval, ensuring provision for incorporation of all the water bodies, green areas in the TPS and special care to conserve them, Urban flooding prevention, Infrastructure plan, and social equity (social housing affordability, equal access to education and health , etc.) • The State is required to set-up a dedicated Urban Planning Cell in all million-plus cities with designated roles, responsibilities, powers, and mandates. **In case the State**

	set-up a dedicated Urban Planning Cell in all million-plus cities with designated roles, responsibilities, powers, and mandates.	**does not have any city with population more than one million (as per Census, 2011) in the State, the State shall consider their capital city and/or largest city for the implementation of the reform in respect of setting-up of Urban Planning Cell.**
3.7.1 (ii)	**Promotion of Riverfront Development:** ₹50 crore each, for River/ riverfront/ waterfront rejuvenation projects planned and starting physical implementation of one of the projects with focus on sustainability and Return on Investment worked out. Number of projects to be taken up and amount allocated will be as per following: a. Group-I States: 4 projects– ₹100 crore. b. Group-II States: 3 projects– ₹75 crore. c. Group-III States: 1 project– ₹25 crore.	**Promotion of Riverfront Development: ₹25 crore each,** for River/ riverfront/ waterfront rejuvenation projects planned and starting physical implementation of one of the projects with focus on sustainability and Return on Investment worked out. Number of projects to be taken up and amount allocated will be as per following: a. Group-I States: 4 projects – ₹100 crore. b. Group-II States: 3 projects – ₹75 crore. c. Group-III States: 1 project – ₹25 crore.
3.8.1	**Overview of the reform:** States need to prepare a Master plan for 0.5 million plus cities with following essential components: i. States need to amend their cities' Master plan/Development plan through notifications and need to integrate the essential planning components as mentioned below: ii. Transportation network/ Mobility plan:- Proposal for new roads (ROW of 18 m and more), junctions, transportation hubs, etc. apart from the widening of the existing road network. Mobility plan including inter and intra city connectivity. iii. Blue and Green infrastructure: Indentifying and integrating the existing water bodies with master plans along with clear contour survey and urban	**Overview of the reform: States need to prepare a Master plan for 0.5 million plus cities (as per Census, 2011) with following essential components. In case the State does not have any city/town with population more than or equal to 0.5 million (as per Census, 2011) in the State, the State shall consider their capital city and/or largest city for the implementation of the reform in respect of preparation of Master Plan**: i. States need to amend their cities' Màster plan/Development plan through notifications and need to integrate the essential planning components as mentioned below: ii. Transportation network/Mobility plan:- Proposal for new roads (ROW of 18 m and more), junctions, transportation hubs, etc. apart from the widening of the existing road network. Mobility plan including inter and intra city connectivity. iii. Blue and Green infrastructure:

	flood prevention plan. Proposal for green public spaces, urban forest, lakefronts, riverfronts, canal fronts, place making, etc. iv. Economic Planning: Identification of economic activities, resources, and their integration with transport network. v. Land use plan: Proposed land use plan including area dedicated for economic activities/ industrial development, business districts, markets/trading centers, transportation hubs and Affordable Housing.	Indentifying and integrating the existing water bodies with master plans along with clear contour survey and urban flood prevention plan. Proposal for green public spaces, urban forest, lakefronts, riverfronts, canal fronts, place making, etc. iv. Economic Planning: Identification of economic activities, resources, and their integration with transport network. v. Land use plan: Proposed land use plan including area dedicated for economic activities/ industrial development, business districts, markets/trading centers, transportation hubs and Affordable Housing.
3.8.2	**Milestones and fund allocated** Out of components, inclusion of any of the 3 in the draft master plan will be considered for the reform. An incentive amount of ₹50 crore per city will be provided to THE State. **Note:** Reforms implemented during 1st April, 2023 to 15th January, 2024 will be considered.	**Milestones and fund allocated** Out of components, inclusion of any of the 3 in the draft master plan will be considered for the reform. An incentive amount of ₹50 crore per city will be provided to the State. **The State will be eligible for an incentive amount of ₹20 crore, in case the State does not have any city/town with population more than or equal to 0.5 million (as per Census, 2011) in the State and has included 3 components out of 4 components in the draft master plan of capital city and/or largest city of State.** Note: Reforms implemented during 1st April, 2023 to 15th January, 2024 will be considered.

3. This issues with the approval of Finance Secretary.

Yours faithfully,

31/07/2023

(Deependra Kumar),
Director (PF-S)
Tel: 011-23094904

Copy to:

1. Secretary, Department of Economic Affairs, North Block, New Delhi-110001.
2. Secretary, Ministry of Housing and Urban Affairs, Nirman Bhawan, C - Wing, Dr. Maulana Azad Road, New Delhi – 110011.

F. No. 44(1)/PF-S/2023-24 (CAPEX)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi
Dated: 11th October, 2023

To
The Chief Secretary,
All State Governments,
(As per list attached)

Subject: Amendment to the Guidelines on Scheme for Special Assistance to States for Capital Investment 2023-24.

Madam/ Sir,

Reference is invited to the guidelines on Scheme for Special Assistance to States for Capital Investment 2023-24 issued vide letters of even No. dated 03.02.2023 and 26.05.2023.

2. The undersigned is directed to say that the following modification to the Para 2(i) of letter of even No. dated 26.05.2023 has been approved by the Competent Authority;

(i) Para 3 (i) of the guidelines of even number dated 03.02.2023, regarding release of the funds under Part-I of the Scheme for 2023-24, may be read as;

"(i) Part-I (Untied): An amount of Rs.1,00,000 crore is earmarked for Part-I of the Scheme..Annexure-2.

Funds under this Part will be released to States in 2 installments. The 1st installment of 66.67 percent of the approved amount will be released to the State government on meeting the mandatory conditions given in Para (4) and on approval of the list of the capital projects submitted by the State. Any amount released to the State under the Scheme for "Special Assistance to States for Capital Investment 2022-23", which is not utilized by the State till 31st March, 2023 will be deducted from the 1st installment. The 2nd installment of 33.33 percent will be released on utilization of at least 75 percent of the amount released in the 1st installment and on meeting 45 percent of the total target fixed for Capital Expenditure by the State in 2023-24. State-wise details of the target fixed for Capital Expenditure is given in ***Annexure-3****..*

Eligibility of the State for incentive under this Part will be reviewed twice in a year by the Department of Expenditure, Ministry of Finance. The State will submit documentary evidence in support of their claim of surpassing the targeted Capital Expenditure. The First review will be done during November/December, 2023 on *the basis of Capital Expenditure incurred by the State during* ***April, 2023 to October, 2023.*** *In case the State is found to have achieved 45% of the target for Capital Expenditure fixed for 2023-24, the 2nd instalment under Part-I will be released. Further, in the target fixed for Capital Expenditure for a State, the loans given by the State Government to its Metro Rail Corporations will be treated as Capital Expenditure for the purpose of fixing and achieving Capital Expenditure target under this Scheme.*

The Second review of the actual Capital Expenditure by the State will be taken up during the month of June, 2024. In case the State has claimed the 2nd installment based on achievement of the target fixed till 31st October, 2023 *but has failed to meet the target for Capital Expenditure set for the entire financial year 2023-24, 100 percent of the amount released to the State as 2nd installment under Part-I of the Scheme will be deducted from borrowing ceiling of the State for 2024-25 or from the funds allocated under the Scheme in 2024-25, if the Scheme or a similar Scheme is implemented in 2024-25."*

3. This issues with the approval of Finance Secretary & Secretary (Expenditure).

Yours faithfully,

11/10/2023

(Anjali Maurya),
Assistant Director (PF-S)
Tel: 011-2309 5697

F. No. 44(1)/PF-S/2023-24 (CAPEX)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi
Dated: 19th October, 2023

To
The Chief Secretary,
All State Governments,
(As per list attached)

Subject: Revision of capital expenditure target for release of 2nd installment under Part-I of the Scheme for Special Assistance to States for Capital Investment 2023-24-reg.

Madam/ Sir,

Reference is invited to scheme guidelines on the Scheme for Special Assistance to States for Capital Investment 2023-24 issued vide letters of even No. dated 03.02.2023, 26.05.2023 and 11.10.2023.

2. The undersigned is directed to convey that the target of capital expenditure for all States applicable for release of the 2nd installment under Part-I of the Scheme for Special Assistance to States for Capital Investment 2023-24 has been revised. Accordingly, Annexure-3 of letter of even number dated 03.02.2023 is replaced with the annexure to this letter

3. This issues with the approval of the competent authority.

Enclosure: As above.

Yours faithfully,
19/10/2023
(Anjali Maurya),
Assistant Director (PF-S)
Tel: 011-2309 5697

Annexure-3

The revised target for capital expenditure for States for 2023-24 for the release of 2[nd] installment under Part-I of the Scheme for 'Special Assistance to States for Capital Investment 2023-24'

(Rs. In crore)

Sr No	State	Capital Expenditure of States in 2021-22 estimated originally	Capital Expenditure of States in 2021-22 (Revised)	Lower of Captial Expenditure of States estimated originally and revised estimate	Fund released in 2021-22 under the SASCE scheme	Capital Expenditure excluding SASCE 2021-22	Revised Target for Capital Expenditure for 2023-24 excluding SASCI
(a)	(b)	(c)	(d)	(e) = Lower of (c) or (d)	(f)	(g)=(e)-(f)	(h)=(g)*1.21
1	Andhra Pradesh	16,795	16,373	16,373	502	15,871	19,204
2	Arunachal Pradesh	6,477	6,488	6,477	371	6,106	7,388
3	Assam	20,130	17030	17,030	600	16,430	19,880
4	Bihar	24,091	23,678	23,678	1,247	22,431	27,142
5	Chhattisgarh	10,504	10,504	10,504	423	10,081	12,198
6	Goa*	2,639	2,681	2,639	111	2,528	3,059
7	Gujarat	28,183	28,185	28,183	432	27,751	33,579
8	Haryana	11,046	11,046	11,046	135	10,911	13,202
9	Himachal Pradesh	6,029	6,029	6,029	800	5,229	6,327
10	Jharkhand	9,377	9,377	9,377	246	9,131	11,048
11	Karnataka	47,874	47,874	47,874	452	47,422	57,381
12	Kerala	13,852	14,192	13,852	239	13,613	16,472
13	Madhya Pradesh	40,733	40,733	40,733	1512	39,221	47,457
14	Maharashtra	46,670	46,670	46,670	772	45,898	55,537
15	Manipur	3,459	3,253	3,253	213	3,040	3,678
16	Meghalaya	2,749	2,752	2,749	281	2,468	2,986
17	Mizoram	1,018	1,004	1,004	300	704	852
18	Nagaland	9,730	1,894	1,894	300	1,594	1,929
19	Odisha	23,211	22,725	22,725	517	22,208	26,872
20	Punjab	8,010	8,010	8,010	224	7,786	9,421
21	Rajasthan	23,832	24,152	23,832	692	23,140	27,999
22	Sikkim	1,316	1,316	1,316	300	1,016	1,229
23	Tamil Nadu	37,011	37,011	37,011	506	36,505	44,171
24	Telangana	29,105	28,874	28,874	214	28,660	34,679
25	Tripura	1,369	1,369	1,369	119	1,250	1,513
26	Uttar Pradesh	70,197	71,443	70,197	1,483	68,714	83,144
27	Uttarakhand	7,534	7,534	7,534	264	7,270	8,797
28	West Bengal*	17,620	17,484	17,484	933	16,551	20,027
	Total Amount	**5,20,561**	**5,09,681**	**5,07,717**	**14,188**	**4,93,529**	**5,97,171**

Source: Figures of capital expenditure of States in 2021-22 is taken from State Finance Accounts for all the States except Goa and West Bengal, where it is from respective State Budget Documents of FY 2023-24.

F. No. 44(1)/PF-S/ 2023-24(CAPEX) (Pt.)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi
Dated the 10th November, 2023

OFFICE MEMORANDUM

Subject: Supplementary Guidelines on Part-III (Urban Planning Reforms) for North Eastern States (excluding the State of Assam) and Hill States and amendment to the mandatory requirements- reg.

Reference is invited to the O.M. No. K-14011/24/2023-AMRUT-IIA dated 18.09.2023 from AMRUT Division of Ministry of Housing and Urban Affairs (MoHUA) regarding changes in supplementary guidelines on Part-III (Urban Planning Reforms) for North Eastern States (excluding the State of Assam) and Hill States and email dated 21.09.2023 from Additional Secretary, MoHUA regarding draft amendments in the mandatory conditions for implementation of reforms, *'Incentive for augmentation of human resource for strengthening urban planning ecosystem by the State Government'* and *'Implementation of Town Planning Scheme(TPS)/Land Pooling Scheme'*.

2. In this regard, as per Para 2.5 of the supplementary guidelines dated 19.06.2023, "***appropriate changes in these guidelines may be made by MoHUA with the concurrence of DoE, MoF during the course of the year based on progress achieved and the level of difficulty and challenges, to appropriately incentivize the effort made by the State with respect to their context***". Accordingly, the competent authority have concurred to the changes suggested by MoHUA vide O.M. dated 18.09.2023 except the reform entitled as 'Creation of Urban Forest' for North Eastern (excluding the State of Assam) and Hill States. However, it is suggested that States may be given an option to opt for either the original set of reforms as approved by the

Jm

supplementary guidelines dated 19.06.2023 or the revised set of reforms proposed by the MoHUA vide aforesaid proposal.

3. Further, it is to say that the following amendment to Para 2.6 of the letter of even number dated 19.06.2023 has also been concurred-in by the Competent Authority;

Para 2.6 of the guidelines of even number dated 19.06.2023, regarding first Mandatory Requirement under Part-III of the Scheme for 2023-24, may be read as;

- *Any one sub-component out of 3 sub-components mentioned at S. No. 3.1A (I), 3.1A (II) and 3.1B & sub-component mentioned at S. No. 3.2.1 are mandatory to be claimed and achieved for all other reforms detailed in Para 2.3 to be considered.*

4. This issues with the approval of Finance Secretary & Secretary (Expenditure).

10/11/2023
(Deependra Kumar)
Director (PF-S)

To
Secretary, Ministry of Housing and Urban Affairs, Nirman Bhawan, C - Wing, Dr. Maulana Azad Road, New Delhi – 110011.

F. No. 44(1)/PF-S/ 2023-24(CAPEX) (Pt.)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi
Dated the 22nd December, 2023

To,
The Chief Secretary,
All State Governments,
(As per the list attached)

Subject: Amendment to Supplementary Guidelines for Part-VI (Unity Mall) of the 'Scheme for Special Assistance to States for Capital Investment 2023-24' – reg.

Madam/Sir,

Reference is invited to the O.M. No. P-25020/23/2023-EODB Section-Part (1) dated 13.12.2023 from the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry.

2. In view of justification provided by the DPIIT and in order to maintain expenditure efficiency of the allocated amount under Part-VI of the Scheme for 2023-24, Para 2.3 of the supplementary guidelines for Part-VI (Unity Mall) issued vide letter of even no. dated 16.06.2023 is revised as below:

"2.3 Financial assistance will be provided for construction of one Unity Mall per State. However, the Union Government may provide financial assistance for construction of more than one Unity Mall in a State based on specific recommendations of Department for Promotion of Industry and Internal Trade and within the total financial allocation of the State under this Part. The land for the mall will be made available by the State Government free of cost or the cost of acquisition of the land will be borne by the State Government. The recurring costs and provision for extra cost, if any, for the construction of Unity Mall(s) under this Part of the Scheme shall be borne by the State Government."

3. This issues with the approval of Finance Secretary.

Yours faithfully

22/12/2023

(Deependra Kumar)
Director (PF-S)
Ph.:011-2309 4904

Copy to: The Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, New Delhi.

F. No. 44(1)/PF-S/2023-24 (CAPEX)
Government of India
Ministry of Finance
Department of Expenditure
Public Finance-States Division
*****

North Block, New Delhi
Dated: the 14th February, 2024

To
The Chief Secretary,
All State Governments,
(As per list attached)

Subject: Amendment to the Guidelines on 'Scheme for Special Assistance to States for Capital Investment 2023-24'.

Madam/ Sir,

Reference is invited to the guidelines on the 'Scheme for Special Assistance to States for Capital Investment 2023-24' issued vide letters of even No. dated 03.02.2023, 26.05.2023 and 11.10.2023.

2. The undersigned is directed to say that the following modification to the Para 2(i) of letter of even number dated 11.10.2023, Para (2) of letter dated 19.05.2023 and Para (5) of letter dated 03.02.2023 has been approved by the Competent Authority;

(i) Para 3 (i) of the guidelines of even number dated 03.02.2023, regarding release of the funds under Part-I of the Scheme for 2023-24, may be read as;

"(i) Part-I (Untied): An amount of Rs.1,00,000 crore is earmarked for Part-I of the Scheme...Annexure-2.

Funds under this Part will be released to States in 2 installments. The 1st installment of 66.67 percent of the approved amount will be released to the State government on meeting the mandatory conditions given in Para (4) and on approval of the list of the capital projects submitted by the State. Any amount released to the State under the Scheme for "Special Assistance to States for Capital Investment 2022-23", which is not utilized by the State till 31st March, 2023 will be deducted from the 1st installment. The 2nd installment of 33.33 percent will be released on utilization of at least 75 percent of the amount released in the 1st installment and on meeting 45 percent of the total target fixed for Capital Expenditure by the State in 2023-24 by 31.10.2023. State-wise details of the target fixed for Capital Expenditure is given in ***Annexure3****...*

Eligibility of the State for incentive under this Part will be reviewed by the Department of Expenditure, Ministry of Finance. The State will submit documentary evidence in support of their claim of surpassing the targeted Capital Expenditure. The review will be done during November/December, *2023 on the basis of Capital Expenditure incurred by the State during April, 2023 to October, 2023. In case the State is found to have achieved 45 percent of the target for Capital Expenditure fixed for 2023-24 during April, 2023 to October, 2023, the 2^{nd} instalment under Part-I will be released. In case the State is found to have not achieved 45 percent of the target for Capital Expenditure fixed for 2023-24 during April, 2023 to October, 2023, an amount equivalent to 30 percent of the 2^{nd} installment under Part-I of the Scheme for 2023-24 will be deducted from the 2^{nd} installment.*

Further, in the target fixed for Capital Expenditure for a State, the loans given by the State Government to its Metro Rail Corporations will be treated as Capital Expenditure for the purpose of fixing and achieving Capital Expenditure target under this Scheme. The net additional loans provided by the State to its Metro Rail Corporations in between the corresponding periods i.e. April to October of financial year 2023-24 and April to October of financial year 2021-22 will be added to the achievement of actual Capital Expenditure during April, 2023 to October, 2023 by the State."

(ii) Para 4(ii) of the of the scheme guidelines of even number dated 03.02.2023 and subsequent amendment dated 19.05.2023, regarding 'achievement of 95 percent treasury data integration' stands deleted.

(iii) Para (5) of the of the scheme guidelines of even number dated 03.02.2023, regarding 'Disincentive for delay in release of CSS funds to SNAs' stands deleted.

3. This issues with the approval of Finance Secretary & Secretary (Expenditure).

Yours faithfully,

14/02/2024

(Deependra Kumar)
Director (PF-S)
Tel: 011-23094904