

No. 1/11/3/2012-Cab.
GOVERNMENT OF INDIA (BHARAT SARKAR)
CABINET SECRETARIAT (MANTRIMANDAL SACHIVALAYA)

New Delhi, the 2nd January, 2013

Subject : Constitution of the Cabinet Committee on Investment.

The undersigned is directed to say that it has been decided with the approval of the Prime Minister to constitute the Cabinet Committee on Investment with the following composition:

Prime Minister;
Shri A.K. Antony, Minister of Defence;
Shri Sharad Pawar, Minister of Agriculture, and Minister of Food Processing Industries;
Shri P. Chidambaram, Minister of Finance;
Shri Sushilkumar Shinde, Minister of Home Affairs;
Shri M. Veerappa Moily, Minister of Petroleum and Natural Gas;
Shri Kamal Nath, Minister of Urban Development, and Minister of Parliamentary Affairs;
Shri Ajit Singh, Minister of Civil Aviation;
Shri Kapil Sibal, Minister of Communications and Information Technology;
Shri Anand Sharma, Minister of Commerce and Industry and Minister of Textiles;
Shri C.P. Joshi, Minister of Road Transport and Highways;
Shri Pawan Kumar Bansal, Minister of Railways;
Shri Shriprakash Jaiswal, Minister of Coal;
Shri Dinsha J. Patel, Minister of Mines;
Shri Ashwani Kumar, Minister of Law and Justice; and
Shri Harish Rawat, Minister of Water Resources.

Special Invitees:

Shri Montek Singh Ahluwalia, Deputy Chairman, Planning Commission;
Smt. Jayanthi Natarajan; Minister of State (Independent Charge) of the Ministry of Environment and Forests;
Shri Jyotiraditya Madhavrao Scindia, Minister of State (Independent Charge) of the Ministry of Power; and
Shri Manish Tewari, Minister of State (Independent Charge) of the Ministry of Information and Broadcasting.

2. The functions of the Committee would be as under:

- (i) to identify key projects required to be implemented on a time-bound basis, involving investments of Rs. 1000 crore or more, or any other critical projects, as may be specified by the Committee, in sectors such as infrastructure, manufacturing, etc.;
- (ii) to prescribe time limits for issue of requisite approvals and clearances by the Ministries/Departments concerned in respect of projects in identified sectors;
- (iii) to monitor the progress of identified projects including the time prescribed/taken to obtain each approval/clearance and delays, if any;
- (iv) to review implementation of projects, that have been delayed beyond the stipulated timeframe, including issues causing delay in grant of clearances/approvals;
- (v) to review the procedures followed by Ministries/Departments to grant/refuse approvals and clearances;

- (vi) to take decision regarding grant/refusal of approval/clearance of specific projects that are unduly delayed, if deemed necessary;
- (vii) to consider and decide measures required for expeditiously granting/refusing approvals/clearances in identified sectors including simplification of rules/procedures followed by the respective Ministries/Departments for decision making; and
- (viii) to require statutory authorities to discharge functions and exercise powers under the relevant law/regulation within the prescribed time frames for promoting investment and economic growth.

3. It has also been decided with the approval of the Prime Minister to merge the Cabinet Committee on Infrastructure with the Cabinet Committee on Economic Affairs. The revised functions of the Cabinet Committee on Economic Affairs would, accordingly, be as under:

- (i) to review on a continuous basis economic trends, problems and prospects for evolving a consistent and integrated economic policy framework for the country;
- (ii) to direct and co-ordinate all activities in the economic field requiring policy decisions at the highest level including foreign investment;
- (iii) to deal with matters relating to fixation of prices of agricultural products and price control in respect of industrial raw materials and products;
- (iv) to deal with increase in the prices of essential commodities or bulk goods under any form of formal or informal control;
- (v) to lay down priorities for public sector investment and to consider:
 - (a) proposals for investment of more than rupees three hundred crore including those recommended by the Public Investment Board/Expenditure Finance Committee/Expanded Board of the Railways; and
 - (b) proposals recommended by other appraisal fora/Committee such as Public Private Partnership Appraisal Committee beyond the threshold laid down/ approved by the Competent Authority for approval by such fora but does not include proposals involving setting up of new Companies, Autonomous Bodies, Institutions, Special Purpose Vehicles, etc. or creation of posts carrying pay scale or pay band plus Grade Pay equivalent to that of a Joint Secretary to the Government of India and higher, which shall continue to be placed before the Cabinet;
- (vi) to consider cases of increase in the firmed up cost estimates or revised cost estimates due to reasons such as time overrun, changes in scope, under-estimation, etc. in respect of proposals that are required to be placed before the Cabinet Committee on Economic Affairs for which the procedure stipulated in the Second Schedule to the Government of India (Transaction of Business) Rules, 1961, in respect of similar cases will apply;
- (vii) to deal with industrial licensing policies and proposals including those relating to establishment of Joint Sector Undertakings;
- (viii) to review the performance of Central Public Sector Enterprises and consider the cases relating to their structural re-organisation or financial restructuring;
- (ix) to review progress of activities related to rural development including those concerning small and marginal farmers;
- (x) to review the accomplishments of the Ministries, Agencies and Public Sector Undertakings/other bodies involved in implementation of prioritised schemes or projects;
- (xi) to consider issues relating to disinvestment and to decide:-
 - (a) the final pricing of the transaction; and
 - (b) the strategic partner in case of the strategic sale.
- (xii) to decide the price band and final price of sale of shares held by the Government of India in all Central Public Sector Enterprises.

Note.- Decisions in respect of functions referred in entry (xi) above may, unless the composition of the Empowered Group of Ministers (EGoM) is modified by the competent authority specified in sub-rule (4) of rule 6 of the Government of India (Transaction of Business) Rules, 1961, be taken by the Empowered Group of Ministers (EGoM) consisting of the Minister of Finance, Minister of Home Affairs, Deputy Chairman, Planning Commission and the Minister-in-Charge of the administrative Ministry concerned with the public sector enterprise whose proposals come up for consideration. The composition of the EGoM shall, if modified by the competent authority, be duly notified by the Cabinet Secretariat.

4. Consequent to the above, the Cabinet Committee on Infrastructure will cease to function.

5. Necessary amendments in the Government of India (Transaction of Business) Rules, 1961, will be issued in due course.


(Sanjukta Ray)

for Cabinet Secretary
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To

All Members of the Council of Ministers.

Copy forwarded for information to the Deputy Chairman and Members of the Planning Commission.


(Sanjukta Ray)

for Cabinet Secretary

Copy forwarded for information to:-

Secretary to the President.
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(Sanjukta Ray)

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(Sanjukta Ray)

Director (Cabinet)

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