

Comp. No.: 121642
File No.: Infra-11/37/2024-O/o DS(SDM)
Government of India
Ministry of Development of North Eastern Region

Level-IV, East Block-10, Sector-1,
R.K. Puram, New Delhi-110066,
Dated: 22nd July, 2024.

To

The Chief Secretaries,
All the North Eastern States.

Subject: Streamlining of the process of release of funds for the projects sanctioned under the schemes of the Ministry of Development of North-Eastern Region (MDoNER).

Madam/Sir,

Reference is invited to the extant guidelines for administration of the schemes/packages of this Ministry namely i) Prime Minister's Development Initiative for North-East Region (PM-DevINE); ii) North East Special Infrastructure Development Scheme-Other Than Road Infrastructure (NESIDS-OTRI)); iii) North East Special Infrastructure Development Scheme (Roads); iv) Schemes of North Eastern Council (SoNEC); and Special Development Packages (SDPs) for Bodoland Territorial Council (BTC) and Karbi Anglong Autonomous Territorial Council (KAATC).

2. The extant guidelines of aforesaid schemes/ packages lack a pre-defined framework for release of funds for implementation of the sanctioned projects under a particular scheme. The funds are, however, released based on periodic demands from the State Government/ Implementing Agencies (IA) against the executed work, which result in multiple installments of releases of funds against a project, requiring multi-level and multi-time scrutiny of documents at the level of the Implementing Agency, the State Government and the Ministry/NEC for release of each installment. The extant practice sub optimal because of releases of comparatively small amounts and repetitive scrutiny of documents for subsequent release. The practice also throttles the flow of funds, resulting in poor expenditure/ utilization of allocated funds under the schemes of the Ministry. NE States have requested for the optimization of the financial release process.

3. The matter has been considered in the Ministry, and a need to have well defined process for release of funds under all the schemes of the Ministry was felt. Accordingly, in order to streamline the process of release of funds under all the schemes of the Ministry namely, PM-DevINE, NESIDS(OTRI), NESIDS(Roads), Schemes of NEC and Special Packages (viz. BTC, KAATC and DHATC), it has been decided to adopt the following

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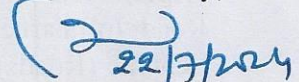
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mechanism to release funds in four installments for a sanctioned project under the respective scheme:

Sl. No.	Installment No.	Quantum of Installment	Milestone for eligibility
1.	Installment -1	25% of admissible central share as per the approved cost or tendered cost of the project, whichever is less.	On receipt of demand letter accompanied with the Work Order.
2.	Installment- 2	- do -	75% utilization of Installment-1 and codal formalities as per checklist.
3.	Installment- 3	-do-	100% utilization of Installment-1; 75% utilization of Installment-2; and codal formalities as per checklist.
4.	Installment- 4	-do-	100% utilization of earlier installments; 75% utilization of Installment-3; and codal formalities as per checklist.

4. This issues with the approval of the Competent Authority and concurrence of IFD vide Dy. No. DIR(IFD)/47/2024 dated 16th July, 2024.

Yours faithfully,


(S.D. Meena)

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Copy to:

- Secretary, North Eastern Council (NEC).
- Financial Advisor, NEC.
- Planning Advisor, NEC.
- CCA, MDoNER.
- All the Implementing Agencies/ Central Agencies/ Other Agencies through the respective Programme Division.

Copy for information to:

- PS to Hon'ble Minister, MDoNER.
- APS to Hon'ble MoS, MDoNER.
- Sr. PPS to Secretary, MDoNER.
- PPS to AS&FA, MDoNER.
- PPSs/PSs to Sr. EA, JS(AD), JS(MD), SA(SG).
- All Directors/Deputy Secretaries/Joint Directors/Under Secretaries/SOs in MDoNER.
- Sr. Director, NIC, MDoNER for uploading on the website of the Ministry.