Minutes of the 80th Meeting of the NLCPR Committee held at 1500 Hrs on 08.04.2010 under the Chairmanship of Secretary, M/o DoNER in Committee Room No.243-A, Vigyan Bhavan Annexe New Delhi.

Present

1. Ms. Jayati Chandra, Secretary, Ministry of Development of North Eastern Region.....in Chair.
2. Shri P.K. Pattanaik, Joint Secretary, Ministry of DoNER.
3. Mrs. Anjuly Chib Duggal, Joint Secretary (PF-I), Department of Expenditure.
4. Mrs. Sudha Krishnan, Financial Advisor, Ministry of DoNER.
5. Shri S.N. Brohmo Choudhury, Adviser (NE), Planning Commission
6. Dr. M.C. Mehanathan, Director, MHA.

Shri Naveen Verma, Joint Secretary (NE), MHA and Mrs. Firoza Mehrotra, Special Consultant (SP-NE), Planning Commission granted leave of absence.

Following Officers were also present as special invitees:

Shri Rajesh Kumar (Director), Shri P.R. Meshram (Director), Shri K. Guite, Director (IFD), Shri T. Baruah (Superintending Engineer, Technical Wing), Shri B.B. Samaddar (Deputy Secretary), Shri Ajay Kumar (Section Officer) and Shri S.K. Saha (Section Officer), Ministry of DoNER.

The Committee met and deliberated on the Agenda items. Following observations and recommendations were made:

**Item No.1: Confirmation of Minutes of 79th Meeting of the NLCPR Committee held on 12.03.2010**

Minutes of the 79th Meeting were confirmed.

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**Item No.2: Action taken report of decisions / recommendations made by NLCPR Committee in the 79th Meeting held on 25.03.2010**

The Committee noted that the Minutes for 79th Meeting have been issued on 29.03.2010 and action has been taken by the Ministry of DoNER on the decisions/recommendations made by the NLCPR Committee in that meeting.

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Item No. 3: Setting up of PAN—Nagaland E-Human Resources training (HRD) Hub at Dimapur.

The committee noted that the subject project figure at priority number 31 in the priority list submitted by the Government of Nagaland for 2009-2010. The NLCPR committee in its 77th meeting held on 28 January 2010 recommended that the State Government may give a presentation on project highlighting the source of funding and possible tie-up of funding of components, other than physical infrastructure to take a view regarding its retention. Secretary, IT, Government of Nagaland along with his delegation gave the presentation stating about its background and inspiration from the PAN Africa Project being funded by the Ministry of External Affairs. The focus of the presentation was mainly on employment generating courses and practices such as IT, retail services for malls, aviation and hospitality services, customer care services and construction practices. The proposal was to have in-house faculty, infrastructure facilities, tele learning through private and Government colleges/ universities and super-speciality hospitals. Mention made about expected cost amounting to Rs. 215.00 crore for civil component (Rs. 87.64 crore for land development and building construction), IT component (Rs. 74.88 crore for educational equipments, end to end connectivity, IT equipment, bandwidth and O&M for five years) and HR component (Rs. 53.85 crore for faculty and staff). They have however, not spoken about source of funding and possible tie-up.

After deliberations, the committee recommended that the State Government may be requested to explore the possibility of utilizing the existing infrastructure in the State and IT facilities available with Ministries of Human Resources Development, Information Technology and Space so that the project cost could be minimized and duplication is avoided and also to explore the possibility of alternative source(s) of funding and possible tie-up. They may submit a detailed proposal/ DPR accordingly. The matter may be placed before the NLCPR committee on receipt of the detailed proposal/ DPR from the State Government to have a decision/recommendation regarding retention of the project.

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Item No.4: Consideration of 2010-11 Priority Lists of the NE States

The Committee observed that under NLCPR there is huge committed liability of funds against ongoing and retained projects. The liability is piling up year to year with the sanction and retention of new projects. However, completion rate of the projects is not very good.

Out of 1079 projects at an approved cost of Rs.8149.10 crore sanctioned under NLCPR, 522 projects have been completed so far and balance 557 at an approved cost of
Rs.5660.90 crore are under implementation. Some of these have been delayed beyond their target date of completion. Against these ongoing projects, the State Governments are yet to claim Rs.1845.41 crore. Therefore, the Committee recommended that the State Governments may be impressed upon for expeditious completion of ongoing projects, specially the delayed projects, so that the benefits could reach to the people. It will help in reducing the committed liability against ongoing projects and also to claim more funds from the NLCPR Pool.

There are about 426 retained projects at an estimated cost of Rs.4018.02 crore which are yet to be sanctioned. Some of these projects were retained 5 to 6 years back, therefore, their implementation may not be possible now at the retained cost due to cost escalation over the years. Also, in view of infrastructure funding by various Central Ministries over the years in the North Eastern region, the priorities of the State Governments might have changed. Therefore, the State Government may be asked to reconsider the projects retained upto the 10th Plan period and if they are interested in taking up some of these projects they may consider proposing them in the current or next year’s priority list with the cost updated to current SOR, to make their implementation practically feasible, for ratification by the NLCPR Committee and drop the projects which have lost their relevance.

To achieve the objective of infrastructure gap funding, the State Governments may be advised to submit the priority lists on the basis of gap analysis and make a presentation to the NLCPR Committee every year before the priority list is considered for retention. They should explore the sectors where funding is available from Central Ministries and propose such projects to them to avail maximum benefit of the schemes for all round development of the North East region. This will also increase the funding by various Central Ministries in the North Eastern region. Only such projects where funding from Central Ministries is not available or it is inadequate may be proposed in the NLCPR priority list.

The Committee was of the view that the provisions in the NLCPR guidelines need to be strengthened further to give more emphasis on timely completion of projects and reduce the committed liabilities on ongoing and retained projects. A criterion needs to be evolved for incentivizing the better performing States and an amount may be earmarked for it. Looking at the huge amount of retained projects which are yet to be sanctioned, the amount of projects retained every year may be determined taking into account the annual budget allocation of the scheme and States requirement of funds in ongoing projects.
**Item No.4(a): Consideration of Priority List 2010-11 of Mizoram for retention of project for detailed examination.**

The committee noted that the State Government submitted their Priority List of 41 proposals with a total estimated cost of Rs.621.46 crore for 2010-11 for possible funding under NLCPR. The committee also noted the information given in concept notes of these projects.

2. After deliberations, the committee recommended retention of the following 2 projects at an estimated cost of Rs.93.23 crore, for detailed examination:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Project</th>
<th>Estimated cost (Rs. in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tuipang Water Supply Scheme, Mara-Autonomous District Council</td>
<td>10.34</td>
</tr>
<tr>
<td>2</td>
<td>Establishment of Sainik School at Chhingchhip, Serchhip District</td>
<td>82.89</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>93.23</strong></td>
</tr>
</tbody>
</table>

3. The Committee, however, laid down that the State Government should submit a non-duplication certificate for their Principal Secretary/ Secretary, Planning Department, in respect of the retained project that the project is not sanctioned/ taken up/ proposed to be taken up for funding under any other scheme of the State Government or the Central Government or the North Eastern Council (NEC) or any other agency.

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**Item No.4(b): Consideration of 2010-11 Priority List of Sikkim for retention of projects for detailed examination**

The Committee deliberated on the Priority List submitted by the Government of Sikkim. After detailed discussions, the Committee recommended the following 5 (five) projects for retention at a total estimated cost of Rs.57.65 crore:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of Schemes/Projects</th>
<th>Estimated cost (Rs. in Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Water Distribution Network for Singtam Town in East Sikkim</td>
<td>25.00</td>
</tr>
<tr>
<td>2</td>
<td>Water Supply Scheme for Melli Bazar in South Sikkim</td>
<td>10.00</td>
</tr>
<tr>
<td>3</td>
<td>Rural Water Supply Scheme for Amba, Taza and parts of Linkey Tareythang GPU in East Sikkim</td>
<td>9.25</td>
</tr>
<tr>
<td>4</td>
<td>Modernization of electrical network in and around Melli Bazaar, South Sikkim</td>
<td>10.40</td>
</tr>
<tr>
<td>5</td>
<td>Construction of Governor’s Secretariat- Cum-Guest House</td>
<td>3.00</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>57.65</strong></td>
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Meeting ended with vote of thanks to the chair.

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