

3. NON-LAPSABLE CENTRAL POOL OF RESOURCES

Union Cabinet approved the constitution of a Central Pool of Resources on 15.12.1997. This pool, called as Non Lapsable Central Pool of Resources (NLCPR), was created in 1998 for accrual of the unspent balances out of the 10% earmarked for North Eastern Region in the budget of various Ministries/Departments. Ministry of Development of North Eastern Region (DoNER) are provided budgetary allocation for sanction of infrastructure development projects to the North Eastern States out of the NLCPR.

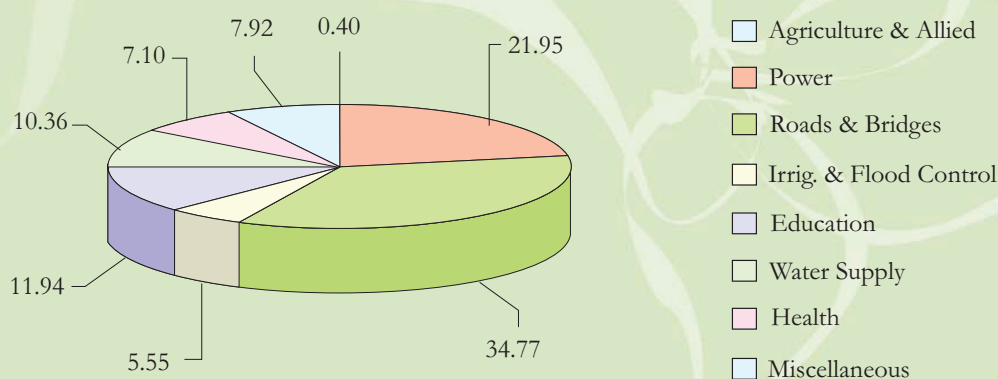
Objective:

- The broad objective of the NLCPR scheme is to ensure speedy development of infrastructure in the North Eastern Region by increasing the flow of budgetary financing for new infrastructure projects/schemes. Both economic and social infrastructure sectors, such as, Power, Roads & Bridges, Education, Health, Water Supply, and

Sports, etc are considered for providing support under the Central Pool.

- Funds from the Central Pool can be released for State sector as well as Central sector projects/schemes. However, the funds available under this Pool are not meant to supplement the normal Plan programmes, either of the State Governments or Union Ministries/ Departments/ Agencies.
- Up to 31.03.2009, Nine Hundred Eighty Two (982) projects have been taken up for implementation with funding from the NLCPR and Forty Two (42) projects have been sanctioned under special package for BTC Area. The total approved cost of these projects is Rs.7766.12 crore. State wise and sector - wise break up of number of projects and their approved cost are given at Annexure-I and also depicted graphically in the pie chart.

Sectorwise Share (%) of Sanctioned Projects (As on 31.03.2009)



Beginning from April 1998 (the time of NLCPR becoming operational), Rs.5742.68 crore have been released from NLCPR against these projects up to 31.03.2009. From 2007-08 there is a separate budget for BTC area projects under which Rs.100 crore and Rs.67.03 crore have been released during 2007-08 and 2008-09 respectively. A state-wise breakup of approved cost of projects and year-wise funds released is given below:

State-wise funds released for projects

State	Appr- oved Cost	No. of Projects	Rupees in crore										
			98-99	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09
Arunachal Pradesh	1036.48	109	5.00	19.65	49.48	74.24	52.65	61.19	39.43	83.96	46.08	105.28	165.98
Assam*	2011.58	307	28.20	95.79	69.29	89.19	140.07	113.94	249.07	219.11	231.04	146.09	94.38
Manipur	914.19	99	20.34	121.67	18.21	18.56	74.93	18.05	58.98	44.86	96.03	61.86	84.35
Meghalaya	570.09	62	3.79	9.00	31.88	22.39	23.77	49.99	21.71	27.50	38.58	60.39	94.82
Mizoram	650.59	82	9.00	56.15	26.72	69.86	83.43	99.55	42.38	41.04	56.46	29.82	14.94
Nagaland	940.54	107	20.01	44.08	15.57	51.91	70.85	84.17	73.06	97.95	73.47	71.70	103.81
Sikkim	636.00	195	10.00	32.12	22.28	49.71	44.19	53.24	59.75	53.21	59.36	48.46	62.91
Tripura	948.00	56	10.00	22.50	66.36	115.71	60.11	69.87	105.62	111.55	98.99	112.40	39.19
Common to NER	21.41	4	0.00	9.00	9.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BTC Area Projects**	37.24	3										100.00	67.03
Total - Grand	7766.12	1024	106.34	409.96	309.25	491.57	550.00	550.00	650.00	679.18	700.00	736.00	727.41

* Including 39 projects of BTC areas with total cost of Rs.439.02 crore.

** There is separate budget for BTC area projects from 2007-08

Accruals to the NLCPR:

- The budgetary provision for the North Eastern States in Central Plan of various Ministries / Departments has steadily increased from Rs. 3211.00 crore in 1998-1999 to about Rs. 15,526.82 crore in 2008-09. In 2006 - 07, the total expenditure by Central Ministries / Departments in NER is worked out at Rs. 9723.06 crore (Provisional), which is about 90.60% of the total allocation of Rs. 10731.52 crore. The accrual in the NLCPR during 2006-07 is worked out at Rs. 1307.38 crore (Provisional). Information on expenditure in NER by various Ministries and accrual to the NLCPR in 2007-08 and 2008-09 are under compilation.



Sainik School campus in Pungalwa in Nagaland

Implementation and Monitoring of Projects:

6. Projects sanctioned under this scheme are implemented by the State Governments. Needless to mention that timely completion of projects along with good quality of works is necessary for requisite benefits to flow. Therefore, emphasis has been laid on 'Effective Monitoring', which is the key to the successful utilization of resources. Ministry of DoNER has been focusing on close monitoring and evaluation of projects being implemented in the NE Region under the scheme of NLCPR. It is a well recognized fact that the success of the projects largely depends on the effective implementation at the grass root level so that the desired results percolate to intended beneficiaries. In order to ensure this, the Ministry has evolved a comprehensive system of Monitoring and Evaluation of the implementation of NLCPR projects.
7. All projects of the Ministry are continuously monitored through periodical progress reports received from the State Governments, depicting both the financial and physical progress of the projects and also through review meetings and inspections by officers of the Ministry. The procedure adopted for release of funds to the States for various projects stipulates conditions which ensure that the State Governments furnish Utilisation Certificates and other documents to the effect that the funds have been utilized for the purpose for which they were sanctioned. On-line data entry system for submission of relevant data from the State Governments to the Ministry has been introduced. For this purpose, training of officials concerned has been organized.
8. The Planning and Development Department of each State, which is the nodal Department for NLCPR projects, has been entrusted with field inspections of the projects through senior officers of the State and submission of inspection notes.



Augmentation of 220/132 KV 2x50 MVA SS in Mariani to 2x100 MVA (Transformer I & II) in Jorhat district of Assam

- For each new project, the state/implementing agency is to identify a Nodal Officer, who is responsible for implementation of that project on schedule. Besides, the State Chief Secretary has been entrusted with the responsibility of quarterly review of each of the projects and to send the proceedings of the quarterly review at the end of each quarter.
9. In addition, the visits by the senior officers of the Ministry of DoNER is an effective tool for monitoring as well as identifying problem areas, verifying physical and financial progress for speedy implementation of NLCPR projects. Tour Notes of the officers are put on the Ministry's website for wider circulation.
10. The procedure to facilitate early sanction of projects

has been further streamlined with following steps:

- (a) The Ministry with the help of NIC has developed Software for online monitoring of NLCPR funded projects right from the stage of submission of the Priority List by the State Governments to the completion of the projects.
 - (b) Monthly reviews and regular follow up with the State Governments as well as the line Ministries of Central Government for expeditious submission / examination of DPRs.
11. Due to the steps taken by the Ministry in the financial year 2008-09, the Ministry has been able to sanction 85 projects till 31.03.2009.

Project support during 2008 - 2009:

12. From 2005-06, as per the recommendations of the 12th Finance Commission which were accepted by the Government of India, only 'Grant' portion is

being released to the State Governments. During 2008 - 09, budgetary provision for NLCPR is Rs. 650.00 crore as 'Grant' component only. Separately, there is a budgetary provision of Rs. 100.00 crore for infrastructure development projects in Bodo Territorial Council (BTC) Area. As on 31.03.2009, Rs. 660.38 crore have been released under NLCPR and in addition, Rs. 67.03 crore have been released for BTC Area.

13. On the recommendations of the NLCPR Committee, 195 projects with a total estimated cost of Rs.1750.92 crore have been retained for techno-economic examination during 2008 - 09. Also, 85 projects have been sanctioned at a total cost of Rs.954.53 crore during this period. The projects sanctioned during 2008 - 09 do not necessarily relate to the projects retained during the year. Sector-wise distribution of projects retained / sanctioned and funds released during 2008 - 2009 is indicated below:-

Sector	No. of Projects retained	No. of Projects retained	Cost of sanctioned projects (Rs. in Crore)	Amount released (Rs. in Crore)
Education	14	8	58.55	42.78
Health	2	3	32.20	36.52
Irrigation & Flood Control	8	2	4.24	3.14
Power	18	12	261.34	138.08
Roads & Bridges	91	50	508.73	354.94
Water Supply & Sewerage	27	4	48.50	55.88
Misc. (Sports, Market Bldgs, Tribal Dev. etc)	35	6	40.97	29.04
TOTAL	195	85	954.53	660.38



Sports Complex, Imphal (Manipur)

14. As may be seen from the above, in order to improve connectivity in the North Eastern Region highest number of projects have been retained and sanctioned in the Roads & Bridges Sector.
15. In the wake of tripartite Memorandum of Settlement signed between Government of India, Government of Assam and Bodo Liberation Tigers in February 2003, a total of 42 projects have been sanctioned at a total cost of Rs.476.26 crore since the year 2004 - 05 till 2008 - 09. An amount of Rs.411.71 crore has been released to the State Government / BTC authorities for these projects.
16. State-wise and project-wise details of funds released from NLCPR during 2008 - 09 (till 31.03.2009), are given at **ANNEX - II**.
17. State-wise details of projects sanctioned under NLCPR during 2008-09 is given at **ANNEX - III**.
18. State Governments in this financial year (2008 - 09) have reported completion of 9 projects. State wise list of these projects is at **ANNEX - IV**.