The then Ministry of Urban Development & Poverty Alleviation had organized a conference of Ministers of Local Self Governments/Urban Development/Housing of North Eastern States and Sikkim at Gangtok on 19-20 May, 2001. The main objective of the conference was to review the progress of Centrally Sponsored Scheme being implemented by this Ministry in these States and to evolve appropriate strategies for the special development needs of the eight States. As a follow up action of the conference, a Task Force was constituted in the Ministry under the Chairmanship of the Union Minister for Urban Development & Poverty Alleviation for considering project proposals from the State Governments of North Eastern Region and Sikkim to be funded out of the Non-Lapsable Central Pool Fund meant for these States. *It may be recalled that a decision was taken by the Government of India that 10% of the total budget provision for the Ministries/Departments will be spent on the projects/schemes of development for the North Eastern Region including Sikkim.* Funds under this provision are non-lapsable and unspent balances under this provision in a financial year are pooled up in the non-lapsable central fund meant for these States, and are governed by the Department of Development of North Eastern Region (DoNER).

2. **Ministry of Housing & Urban Poverty Alleviation** is concerned with the project proposals for the North Eastern States in the following identified areas:
   i) Housing projects (predominantly for the urban poor)
   ii) Poverty alleviation projects
   iii) Slum improvement/upgradation projects

3. Accordingly, the project proposals are invited from the State Governments of North Eastern Region including Sikkim and considered in the **Ministry of Urban Employment & Poverty Alleviation** under the 10% lump sum provision of the Budget of the Ministry, placed separately for the projects/schemes for the benefit of North Eastern
Region and Sikkim. During the year 2001-02, there was a budget provision of Rs.38 crore (Rs.19 crore under capital head and Rs.19 crore under Revenue Head). As the demand of funds for the NER projects was to be met mainly from the Capital Head only, at the RE stage, the Capital Head was increased by the Ministry of Finance to Rs. 33 crore and entire amount of **Rs.33 crore was released during the year 2001-02.**

4. During the year 2002-2003, the total funds allocated for the benefits of the projects in Northern Eastern Regions and Sikkim, were Rs.62.50 crore, out of which an amount of **Rs. 44.17 crore was released during 2002-2003.** The balance funds of Rs.18.33 crore were placed with the Non-lapsable pool maintained by the Department of Development of North Eastern Region (DoNER). The total allocated funds could not be utilized because of the non-receipt of project proposals, complete in all respect, from the North Eastern States and Sikkim.

5. During the year 2003-2004, an amount of Rs.62.50 crores was provided in the budget for the benefit of the projects in North Eastern Regions and Sikkim. (Rs.1.00 crore under Revenue Head and Rs.61.50 crores under Capital Head). In the Second Batch of Supplementary Demands for the Grants 2003-04, Rs. 10.50 crore was diverted from the Rs. 61.50 crores, to SJSRY for the utilization in NER States, so the total allocation at the RE stage, under Capital Head, became Rs. 51.00 crores only. The amount of Rs.1 crore available under Revenue Head was utilised under VAMBAY Scheme for the North Eastern Region and Sikkim. Under Capital Head, total amount of **Rs. 51.00 crore was released to NBCC in 2003-2004.** Out of this Rs. 51.00 crore, *only Rs. 103.67 lakhs was released for a new project in Manipur,* and the rest of the amount was second instalment for the projects sanctioned to NBCC in earlier years.

6. During the financial year 2004-2005, an amount of Rs.83.00 crores was provided in the Annual Plan, for the benefit of the projects in North Eastern Regions and Sikkim (Rs.1.00 crore under Revenue Head and Rs.82.00 crores under Capital Head). **Rs. 82.00 Crore was released during the year 2004-05** to BMTPC, NBCC and HPL for various new and ongoing projects. During the financial year of 2005-06, an amount of **Rs. 50.00**
crores was provided in the budget for the projects /schemes in the NER including Sikkim. At the RE stage, since total Plan budget of the Ministry was reduced to Rs. 400 crore, the allocation under 10% lumpsum provision was also reduced to Rs. 40 crore. However, by then, the Ministry has already utilized **Rs. 45.06 crore during 2005-2006**.

7. During the financial year **2006-2007**, allocation of **Rs. 50.00 crore** was made for this scheme and it was entirely utilised for the new/ongoing projects. During the **current financial year 2007-2008**, allocation of **Rs. 50.00 Crore** has been made for ongoing projects.

**Contact us**

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