

OVERVIEW

10% Lumpsum Provision Scheme for Benefit of North Eastern States including Sikkim

The scheme of 10% Lumpsum provision for the benefit of North Eastern Region including Sikkim became operational in the Ministry of Urban Development of from the Financial Year 2001-02. It is now under implementation as per guidelines of Non-Lapsable Central Pool of Resources (NLCPR) and instructions issued by the Ministry of Urban Development. The assistance released from the Pool is tied with the project and no diversion is permissible. 10% of the Annual Plan Budget of the Ministry is earmarked for implementation of projects / schemes for the North Eastern States including Sikkim.

As regards the funding pattern, for the projects which are to be executed by the Central Agencies like NBCC, HUDCO etc. upto 100% estimated project cost is funded by the Ministry. The central agencies are also given 10% agency charges for execution of the project. For the projects which are to be executed by the State Governments, the Ministry is providing upto 90% of the estimated cost and 10% of the project cost is to be borne by the State Government.

In the last 13 years, this Ministry has approved a total of 313 projects at an estimated cost of Rs.3012.32 crore, of which the Government of India share is Rs.2838.42 crore and Rs.2110.98 crore have been released by this Ministry.

These projects are spread over eight States, 78 projects in Arunachal Pradesh, 63 projects in Nagaland; 47 projects in Assam; 34 projects in Sikkim; 23 projects in Manipur; 24 projects in Mizoram; 22 projects in Tripura and 22 projects in Meghalaya. Out of 313 Projects, 181 Projects have been completed so far.

During the financial year 2016-17, budget allocation is Rs.100 crore. The total budget allocation of Rs.100.00 crore has been released upto 31.07.2016.

As per the latest instructions of Finance Ministry issued vide order No. 24(35)/PF.II /2012 dated 29th August, 2014, the Delegation of Powers for Appraisal and Approval of Public funded Plan Schemes / Projects, for projects costing upto Rs.100 crore, Secretary (UD) in consultation with Financial Adviser is the competent authority for approval. In case of projects above Rs.100 crore & upto Rs.500 crore, the appraisal forum is Departmental Standing Finance Committee, the composition of which for this Ministry is as follows:

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| (i) | Secretary (UD), Ministry of Urban Development | - | Chairman |
| (ii) | Financial Advisor, Ministry of Urban Development | - | Member |
| (iii) | Joint Secretary (UD), Ministry of Urban Development | - | Member |

In addition, Representative of the Planning Commission, Department of Expenditure and M/o DoNER are also called for SFC meeting. Representative of any other Ministry/ Department that the Secretary / Financial Advisor may suggest can also be invited, as per requirement.

For the project costing above Rs.500 crore, appraisal forum is Expenditure Finance Committee.