

## MINISTRY OF DEVELOPMENT OF NORTH EASTERN REGION

### ESTIMATES AND POLICY ASPECTS OF THE MINISTRY OF DEVELOPMENT OF NORTH EASTERN REGION

#### COMMITTEE ON ESTIMATES (2022-23)

#### EIGHTEENTH REPORT

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(SEVENTEENTH LOK SABHA)



LOK SABHA SECRETARIAT  
NEW DELHI

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**(2022-23)**

**(SEVENTEENTH LOK SABHA)**

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**(Presented to Lok Sabha on 20 December, 2022)**



**LOK SABHA SECRETARIAT**

**NEW DELHI**

**.....December 2022/.....Agrahayana1944(S)**

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**\*\* Elected as a Member of Estimates Committee vide Bulletin Part-II no. 2897 dt. 29.07.2021**

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25. Shri Prathap Simha
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2. Shri Muraleedharan. P - Director
3. Dr. (Smt.) Sheetal Kapoor - Committee Officer



## INTRODUCTION

I, the Chairperson of the Committee on Estimates, having been authorized by the Committee to submit the Report on their behalf, do present this Eighteenth Report on the subject 'Estimates and Policy Aspects of Ministry of Development of North Eastern Region.'

2. North Eastern Region of India is home to a diverse population of over 200 ethnicities. More than 98% of the region's borders are shared with neighboring countries, viz. China, Bangladesh, Nepal, Myanmar and Bhutan. The unique character of the North East poses distinct cultural, economic and strategic challenges which hinders socio-economic development of the region.

3. The Ministry of Development of North Eastern Region (MDoNER) deals with all the matters relating to planning, execution and monitoring of developmental schemes and projects of NER. The Ministry implements various schemes, including schemes of Non-Lapsable Central Pool of Resources (NLCPR) restructured as North East Special Infrastructure Development Scheme (NESIDS) and Special Packages through State Governments of NER and some Central Ministries.

4. The Committee on Estimates (2020-21) selected the subject 'Estimates and Policy Aspects of Ministry of Development of North Eastern Region' for in-depth examination and report to the House. The Committee on Estimates (2021-22) and (2022-23) continued with the examination of the subject.

5. In this report, the Committee have dealt with various issues like **Budget Allocation vis-à-vis physical achievements, status of Non-lapsable Central Pool of Resources (NLCPR), issues with North East Special Infrastructure Development Scheme (NESIDS), Social and Infrastructure Development Fund (SIDF), other Special Development Packages (BTC, KAATC, DHATC) and Central Public Sector Enterprises under MDoNER.** The Committee have analyzed these issues/points in detail and have made Observations/Recommendations in the report.

6. The Committee held three sittings on 22.12.2020, 06.01.2021 and 26.10.2021, to take oral evidences of the representatives of the Ministry of Development of North Eastern Region. In connection with the examination of this subject, the Committee had also conducted two on-the-spot study visits; one each to Imphal, Manipur (29.09.2021) and to Shillong, Meghalaya (6-7 November, 2022). The Committee considered and adopted the draft Report on the subject at their sitting held on 14.12.2022.

7. The Committee wish to place on record their sincere thanks to the representatives of the Ministry of Development of North Eastern Region who appeared before them and placed their considered views on the subject and furnished the information required in connection with the examination of the subject.

8. For facility of reference and convenience, the Observations/Recommendations of the Committee have been printed in bold in Part-II of the Report.

**NEW DELHI;**  
**14 December, 2022**  
**23 Agrahayana, 1944 (Saka)**

**GIRISH BHALCHANDRA BAPAT**  
**CHAIRPERSON**  
**COMMITTEE ON ESTIMATES**

## **LIST OF ABBREVIATIONS**

<b>BOT</b>	<b>Build-Operate-Transfer</b>
<b>BTC</b>	<b>Bodoland Territorial Council</b>
<b>CDGs</b>	<b>Community Development Groups</b>
<b>DHATC</b>	<b>Dima Hasao Autonomous Territorial Council</b>
<b>GBS</b>	<b>Gross Budgetary Support</b>
<b>HADP</b>	<b>Hill Area Development Programme</b>
<b>IIP</b>	<b>Indian Institute of Packaging</b>
<b>KAATC</b>	<b>Karbi Anglong Autonomous Territorial Council</b>
<b>MDoNER</b>	<b>Ministry of Development of North Eastern Region</b>
<b>MSME</b>	<b>Micro, Small and Medium Enterprises</b>
<b>NESIDS</b>	<b>North East Special Infrastructure Development Scheme</b>
<b>NLCPR</b>	<b>Non-Lapsable Central Pool of Resources</b>
<b>NEC</b>	<b>North Eastern Council</b>
<b>NERLP</b>	<b>North East Rural Livelihood Project</b>
<b>NERCORMP</b>	<b>North Eastern Region Community Resource Management Project</b>
<b>NEAHEDP</b>	<b>North East Agri-Horticulture and Economic Development Project</b>
<b>NER</b>	<b>North East Region</b>
<b>PPP</b>	<b>Public Private Partnership</b>
<b>RCS</b>	<b>Regional Connectivity Scheme</b>
<b>SDG</b>	<b>Sustainable Development Goals</b>
<b>SIDF</b>	<b>Social and Infrastructure Development Fund</b>

## **PART-I**

### **Chapter – I**

#### **Introductory**

The North Eastern Region (NER) of India comprises of eight States, namely Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. These small States are home to a diverse population of over 200 ethnicities. More than 98% of the region's borders are shared with neighboring countries, viz. China, Bangladesh, Nepal, Myanmar and Bhutan. The unique character of the North East Region (NER) possesses distinct cultural, economic and strategic challenges. The region has historically suffered from poor connectivity, entrepreneurship and skills. This has not only impeded everyday life and livelihoods but also regional development and national security.

1.2 As per Government of India (Allocation of Business) Rules, 1961, the Ministry of Development of North Eastern Region (MDoNER) deals with all the matters relating to planning, execution and monitoring of developmental schemes and projects of NER. It endeavours to bring NER on par with other developed regions of India. MDoNER implements various schemes including schemes of Non-Lapsable Central Pool of Resources (NLCPR), North East Special Infrastructure Development Scheme and Special Packages through State Governments of NER and some Central Ministries.

1.3 MDoNER is the only Ministry of its kind with a territorial jurisdiction which aims to give focused attention to address the special needs for the development of the NER. It coordinates with various Ministries/Departments primarily concerned with developmental activities in NER. Elaborating the vision and mission of the Ministry, a representative of MDoNER, during the course of examination of the subject, stated as under:

“... the vision of the Ministry is to accelerate the pace of socio-economic development of the region, so that all NE States enjoy growth parity with other parts of the country, by focusing on connectivity, capacity building, resource and skill-based industries, trade, tourism, and harnessing cultural strength and creativity with massive investment unleashed by fully leveraging the NLCPR.

The mission of the Ministry is formulating and implementing plans and policies in collaboration with Central Ministries and State Governments for the development

of the region, intensive monitoring to ensure full utilisation of 10% GBS, and developing infrastructure connectivity in a manner so as to mitigate the constraints towards economic development of the region, and strengthening institutions promoting social harmony and augmenting capacity with a view to encourage flow of private investment to increase employment opportunities in the region”

1.4 Central Ministries/Departments basically set apart 10% of their Plan Gross Budgetary Support (GBS) for the NER to ensure a quantum jump in budgetary resource flows to the region and to fill the backlog and gaps in basic minimum services and infrastructure. MDoNER, being the nodal Ministry, monitors and keeps track of expenditure under mandatory 10% GBS by non-exempted Ministries/Departments, since the Ministry’s inception. However, respective Ministries/Departments remain responsible for implementation of programmes in their respective fields only.

1.5 In one of its written submissions, MDoNER stated that in its policies and plans for development, the Government of India has been giving a special thrust to NER. In the recent past, the Government has taken many steps to create not only new infrastructure but also to improve existing infrastructure in NER, intra-State, inter-State, and cross border. Seven NE States are now on the railway map, five Capital Rail Connectivity projects to connect capitals of Sikkim, Arunachal Pradesh, Manipur, Mizoram, and Nagaland are underway and likely to be completed during 2022-23. The entire meter gauge has been converted to broad gauge and plans are afoot to electrify the entire lines by 2023.

1.6 Further the Committee were informed that major Capital Road Connectivity projects – Kohima, Itanagar, Gangtok, Aizawl and Imphal are ongoing. Work on the new Green-field airport at Pakyong, Sikkim was completed during 2018, and work on another Green-field airport at Hollongi, Arunachal Pradesh has already started and is likely to be complete in 2023. The Government has also planned to expand and improve existing airports at Guwahati, Imphal, Dimapur and Dibrugarh.

1.7 MDoNER implements its policies and programmes in the NER in consultation with the North Eastern Council (NEC), which acts as a Regional Planning Body or nodal agency for the economic and social development of the NER. NEC, set up in 1971 as a Statutory advisory body, having its headquarter at Shillong, is under the administrative

control of the MDoNER. The eight States of the NER are members of the Council, with their respective Chief Ministers and Governors representing each State. Sikkim was added to the Council in the year 2002. NEC has planned and supported various developmental works in the region during the last fifty years.

1.8 NEC has entered into strategic partnerships with premier Institutes working for the development of the Region. The Dr APJ Abdul Kalam Centre for Policy Research and Analysis was set up through a tripartite agreement between MDoNER, NEC and Indian Institute of Management (IIM), Shillong. Presently located at IIM Shillong campus, the Centre is working to provide strategic policy support for development of the critical sectors of the NER.

1.9 The SDG (Sustainable Development Goals) Index India 2020-21, as developed by Niti Aayog, gives a clear picture of the State and performance of NER states on parameters of social, economic and environmental development. Sikkim with a score card of 71, is one of the top five States on the SDG India Index while three North Eastern States i.e. Assam, Arunachal Pradesh & Meghalaya, find a place in the bottom five States.

1.10 NER faces many challenges, important ones being poor infrastructure, particularly in the areas of connectivity in remote, hilly and difficult terrain, lack of employment opportunities and resource constraints etc. However, NE has immense potential for development. In the aforesaid backdrop, the Committee have taken up the subject “Estimates and Policy Aspects of the Ministry of Development of North Eastern Region” for detailed examination.

## Chapter – II

### Budget Allocation and Physical Achievements

#### I. Budget Allocation

2.1 As per the written note furnished by MDoNER, the Budgetary Allocation and Expenditure of the NEC during the last five years is as follows:

(₹ in Crore)

Year	Budget Estimates (BE)	Revised Estimates (RE)	Actual Expenditure (AE)	Percentage of AE to RE
2014-15	2332.78	1825.45	1719.44	94.19%
2015-16	2362.74	2000.14	1986.80	99.33%
2016-17	2430.01	2524.42	2495.84	98.87%
2017-18	2682.45	2682.45	2513.97	93.72%
2018-19	3000.00	2629.48	1961.19	74.58%
Total	12807.98	11661.94	10677.24	91.56%
2019-20	3000.00	2670.00	2669.71	99.99%
2020-21	3048.73	1896.00	1896.00	100.00%
<b>2021-22</b>	2658.00	-	1031.63*	38.81%#

\*as on 20.09.2021

# % of actual expenditure to Budget Estimates

2.2 The fund requirement of NEC for the period 2021-26, as furnished, is estimated as follows:

Details	Amount (₹ in Crore)					
	1 <sup>st</sup> Yr	2 <sup>nd</sup> Yr	3 <sup>rd</sup> Yr	4 <sup>th</sup> Yr	5 <sup>th</sup> Yr	Total
Schemes of NEC	1800	2500	3000	3500	4200	15000
NERSDS (North East Road Sector Development Scheme)	1000	1200	1500	2000	2300	8000
<b>TOTAL</b>	<b>2800</b>	<b>3700</b>	<b>4500</b>	<b>5500</b>	<b>6500</b>	<b>23000</b>

2.3 As per the written note, the total fund requirement of the Ministry [Schemes of MDoNER + NEC] for the period 2021-22 was estimated at ₹5130 crore.

2.4 Regarding reduced Budgetary Allocation for MDoNER up to 2020-21, the Secretary, MDoNER, during one of his depositions before the Committee on 12 December, 2022, submitted as under:

“The Ministry along with North Eastern Council (NEC) provides resources to North East States to bridge infrastructural gaps. However, the budgetary allocations to our Ministry have been very meagre. Our Budget Estimates for 2020-21 were ₹3,048 crore, which have since been reduced to 60 per cent level only, that is, ₹1,860 crore. Keeping in view the quarterly and monthly expenditure limit imposed by the Department of Expenditure, we have been able to use our resources 100 per cent in the current financial year. Last year also in 2019-20, we used 100 per cent of our Revised Estimated resources.

As part of our next five years’ vision for the North East Region, a quantum jump has been planned in our resources required for funding various projects of importance. We have projected a requirement of ₹50,000 crore plus for the 15<sup>th</sup> Finance Commission five-year period starting from 2021-22 onwards. For the year 2021-22 out of these five years, we have projected our requirement of ₹5,000 plus crore. We request the hon. Committee to strongly recommend our request for higher allocation so that our interventions can make a noticeable impact in the development of the North Eastern Region.

The cost overrun or the time overrun or the quality of products are concerns and common phenomena across Ministries and sectors as highlighted by NITI Aayog, Ministry of Finance, Ministry of Statistics and Programme Implementation and others from time to time and North East is not an exception to that. But our Ministry has taken and continues to take many steps for effective management of public projects with a view to reduce time and cost overruns and improve the quality.

In last one year itself, more than 170 projects got completed. Both NEC and our Ministry got 170 projects of roughly ₹2500 crore. These projects have been completed. Hence, the demand for higher allocation is fully justified by DONER. DONER has the capacity to utilize such higher allocations if we are given this opportunity.”

2.5 During the course of examination of the subject, the issue of reduced/inadequate budget allocation caught the attention of the Committee, hence they remarked as under:

“... It is a distressing state of affairs that from a projected requirement of more than ₹5,000 crore, they have actually got much less and even that has now been slashed to 60 per cent.

...the Committee must take a very serious note of this. It is a very sensitive part of the country. The integration of this region with the rest of India should be of paramount importance and should be of the greatest concern to us. Therefore, any shortage or fund crunch to this very vital part of India – these are all border States with a very sensitive neighbour – must be looked at very carefully by the



Government and on top priority basis and their fund requirement should be met fully..... It is virtually at par with the Defence funds. As we give priority to Defence money, we should give priority to the North-East. That is something I would request the hon. Chairman to note as our concerns on behalf of the Committee.”

2.6 During the subsequent evidences on the subject, Secretary, MDoNER further submitted the following regarding reduced Budgetary Allocation to MDoNER:

“Just yesterday we got our budget estimate for 2021-22 conveyed by the Department of Expenditure. We are quite unhappy to learn that against our demand of about ₹5,000 crore for next year, the Department of Expenditure has fixed our BE for next year – ₹2,410 crore, which is even less than not only the BE of 2019-20 but also the RE and the actual expenditure which we did in 2019-20. I have also informed the Committee in the last meeting that for the current year, our RE has been reduced from ₹3,048 crore to just ₹1,860 crore. Against this, we have already spent more than ₹1,600 crore. Hence, we request the Committee to strongly recommend our request for higher allocation for the next financial year 2021-22 so that it should be at least more than the current year’s BE.”

2.7 The Union Cabinet in January, 2020 also approved earmarking of 30 percent of NEC's allocation for new projects under the existing "Schemes of North Eastern Council" for focused development of deprived areas; deprived/neglected sections of society and emerging priority sectors in the North eastern States. This will enable a more focused intervention by NEC, especially in emerging priority sectors. NEC has completed the process of identification of deprived areas; deprived/neglected sections of society and emerging priority sectors, endangered languages, minority communities and specific interventions in these identified areas has also been started. The balance allocation of what the NEC Budget is bifurcated in two components viz. State component – 60 per cent and Central component – 40 per cent. For identification of new projects for the earmarked State component of NEC allocations, States submit projects under the sectors covered under NEC's mandate while projects under other components are identified by NEC in consultation with State Government/Central Ministries/other stakeholders. NEC also funds projects under the 'North East Sector Development Scheme'.

## **II. Physical Achievement**

2.8 NEC has been instrumental in setting up iconic Institutes in the Region such as North East Police Academy, Shillong, North Eastern Regional Institute of Science & Technology, Itanagar, Regional Institute of Paramedical & Nursing Sciences, Aizawl, Regional Institute of Medical Sciences, Imphal, North Eastern Regional Institute of Water and Land Management in Tezpur, Regional Institute of Pharmaceutical Science & Technology (RIPSAT), Agartala and others. A total of 11,017.95 kms of roads have been constructed with the NEC funding and handed over to the States for maintenance. NEC has supported the installation of 694.5 MW of power plants and construction of 10,341.63 circuit km of transmission & distribution lines. Besides, NEC has also funded 11 Inter-State Bus terminus (ISBT) projects, three Inter State Truck Terminus, improvement of the infrastructure in five major airports and other development works in sectors like education, healthcare, agriculture, horticulture, tourism, industries, etc.

2.9 During one of the evidences, a senior representative of the Ministry briefed the Committee on the schemes and their achievements of NEC as under:

“... NEC basically operates two schemes. First is the Schemes of NEC. This again provides 100 per cent funding for the development projects in NER under various heads which are listed there, namely, Agri-Horticulture, Science and Technology, Tourism, Health, Education, Livelihood, etc. The Outlay from 2017-18 to 2020-21 was ₹4670 crore and 30 per cent of the scheme outlay has been earmarked for focussed development of deprived areas and deprived sections of the society in the NER since 2020-21.

The second scheme which is operated by NEC is the North East Road Sector Development Scheme (NERSDS). Under this scheme, the existing roads which are neglected from socio-economic point of view which also includes inter-State roads and which are basically called orphan road, these are upgraded or rehabilitated. For the last three years, the total outlay for this was ₹1340 crore.

If we look at the major infrastructure achievements of NEC over the years, nearly 11,000 kms of roads have been constructed by NEC funding. They have supported the installation of nearly 700 MW of power and construction of 10,000 plus circuit kilometre of transmission and distribution lines. Sir, 11 inter-State bus terminals have been taken up and three inter-State truck terminals have been built. There has been improvement of infrastructure of five major airports in the Region. The new airport at Tezu in Arunachal Pradesh is being fully funded by NEC.

Sir, if we look at the regional institutions which have come up with NEC support, they are NEPA, NEEPCO, NERAMAC, NERIST, RIPAN, NERIWALM, RIMS, LGBRIMH, NESAC, BBCI, RDC, RNC, RIPSAT and CBTC.

Further, there were projects which were taken up under the NLCPR Central scheme. Sir, seven of these projects have been transferred to NEC out of which four are complete. Only the Agartala-Akhaura rail line between Tripura and Bangladesh is going on. In this, the expenditure on India part is borne by NEC. This would provide a cross-border rail connectivity between Agartala and Bangladesh.

This is another project, Majuli Island, in Assam. This scheme is basically for the protection of the island from flood and erosion of river Brahmaputra. We hope that this will be completed within the next couple of months. This is taken up under the Central NLCPR ...”

The Ministry has informed that till date, ₹154.07 crore out of the total released amount of ₹ 207.00 crore has been utilized by the Implementing Agency w.r.t. the project in Mauli island. The physical progress of the project is 96% and expected to be completed by March, 2023.

2.10 On being asked by the Committee about steps taken to address the cost and time overrun or the concerns regarding the quality of products, the Ministry in a written submission submitted as under:

“To avoid cost and time overruns for the projects various measures have been taken by the Ministry which, inter alia, include implementation of Expenditure Advance Transfer (EAT) module of Public Financial Management System (PFMS) and release of funds to implementing agencies through this system only; appointment of State-wise Chief Nodal Officers/Nodal Officers for effective implementation/monitoring of projects funded under various schemes of this Ministry; frequent review meetings with the senior officers of the State Governments, and close coordination and communication between MDoNER and NE State Governments for project implementation. Issues related to projects are also discussed during the meetings of Inter-Ministerial Committees which are co-chaired by Chief Secretaries of NE States. One of the bottlenecks in project implementation under the NLCPR scheme, which was on 90:10 funding pattern, was non-release of State share of funds. The new scheme of NESIDS was made with 100% funding from Central Government to overcome this issue.”

2.11 The Committee desired to know if there are any BOT or PPP model projects being implemented in NER. To this query of the Committee, Ministry in a written reply has furnished the information as under:

“The NER has very limited number of PPP Projects (of which, Build-Operate-Transfer or BOT is a model). There is a need for improving the capacity of the NER States to enable them to take up these projects.”

## Chapter III

### Schemes of the Ministry of DoNER

3.1 MDoNER implements various schemes in NER, viz. Non-Lapsable Central Pool of Resources (NLCPR), North East Special Infrastructure Development Scheme (NESIDS), Special Development Packages, Social and Infrastructure Development Fund (SIDF), Hill Area Development Programme (HADP), etc. through State Governments of NER and some Central Ministries; the details of some of the Schemes of MDoNER being undertaken in NER are given in the subsequent paragraphs.

#### I. Non-lapsable Central Pool of Resources (NLCPR)-State scheme

3.2 NLCPR Scheme came into existence in 1998 under the then Planning Commission. Subsequently, it was transferred to Department of DoNER in 2001, which has become an independent Ministry in the year 2004. The main objective of NLCPR Scheme is to fill up the gap in the infrastructure sector of the North Eastern Region through sanctioning the projects prioritized by the State Governments. MDoNER gets Annual Budgetary Allocation from Ministry of Finance for funding the projects under NLCPR Scheme. Funds under the scheme are shared between the Central and State Governments on 90:10 basis. The approved funds under the scheme are released 40% and 60% based on physical and financial progress reports. Regarding the number of projects completed and their financial implications, A representative of MDoNER, during one of the evidences, stated as under:

“... Since inception, 1,635 projects worth ₹16,233 crore have been sanctioned under the NLCPR scheme in sectors like connectivity, roads, bridges, water supply, sewage, health, education, tourism, etc...”

3.3 Regarding accrual of funds in the NLCPR, the Secretary, MDoNER, during the sitting held on 22 December, 2021, stated as under:

“... So far, except for adjusting expenditure made by the Ministry of DoNER under NLCPR scheme, the Ministry of Finance has not allowed any resources against or out of this pool for funding some important projects of Central Ministries or Departments, which were recommended by the Ministry. The Ministry has already

taken up the matter with the Ministry of Finance for allowing leveraging of this NLCPR pool for undertaking certain important projects for North Eastern Region. The Ministry, along with North Eastern Council, has already got a shelf of projects worth more than ₹60,000 crore from the North Eastern States. As this NLCPR is being maintained on proforma basis and not as a reserve pool in public accounts as was envisaged as per the Cabinet approval or the Budget announcement made by the then Finance Minister in 1998-99, the actual flow of resources from this pool has to happen through annual budgetary allocation by the Ministry of Finance, which can be made in the budget allocations of the Ministry of DoNER.”

3.4 On being asked to furnish the response of the Ministry of Finance on the question of allowing leveraging of this NLCPR pool for undertaking certain important projects for North Eastern Region, MDoNER, in a written response, has submitted the following:

“All 54 Non-exempted Central Ministries/Departments have been mandated to spend 10% of their Gross Budgetary Support (GBS) for the development of the North Eastern Region (NER) States. No State-wise allocations has been made under 10% GBS. Unspent balances of Ministries/Departments under 10% GBS get transferred to the Non-Lapsable Central Pool of Resources (NLCPR) net accrual Fund which is a notional pool maintained on a proforma basis by the Ministry of Finance (MoF).

The accretion to the NLCPR is about ₹14,697 crore until 2013-14 (finalized). Ministry of DoNER has also calculated (as per revised methodology) unspent balance/NLCPR Accruals for 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 and have forwarded to Ministry of Finance for vetting and finalization. As per calculations made by Ministry of DoNER, till 2019-20, the estimated provisional balance in the said pool is over ₹90,000 cr. as shown in the table below.

Estimated balance in NLCPR Net Accrual Fund

S. No.	Year	Amount (in ₹ Cr)	Date on which final calculation sent to Department of Economic Affairs, MoF
1	<b>Upto 2013-14</b>	14,696.94	Finalised by MoF
2	<b>2014-15</b>	14,081.54	08.01.2020
3	<b>2015-16</b>	14,777.32	08.01.2020
4	<b>2016-17</b>	15,473.10	08.01.2020
5	<b>2017-18</b>	9,145.86	18.3.2020
6	<b>2018-19</b>	9,977.05	17.4.2020
7	<b>2019-20</b>	12,273.68	24.02.2021
	<b>Total</b>	<b>90,425.49</b>	

Recently, in its reply to the Lok Sabha Unstarred Question No.2243 dated 2.8.2021, the Ministry of Finance has indicated that the accrual to the NLCPR fund

was provisionally ₹90,425.49 crore till 31.03.2020 maintained on a proforma basis.

For the utilization of Resources from the NLCPR pool, MDoNER has proposed taking up projects for holistic development of 14 Aspirational Districts of North East and for development of five key sectors (bamboo, tea, tourism, pisciculture and dairy) identified by NITI Forum for North East chaired by Vice-Chairman, NITI Aayog and co- chaired by Minister of DoNER, special mission mode projects to improve the critical parameters in certain selected sectors like health, education, etc. and to fund few other projects of other Ministries/Departments who have already spent their 10% GBS and have additional absorptive capacity. Ministry of DoNER had recommended at least 4 such projects of ₹10,883 crore proposed by Ministry of Power (2 projects for ₹10,113 cr. i.e. Interest Subvention amounting ₹6,113 cr. for Hydro Power Sector and ₹4,000 cr. for funding Bongaigaon Thermal Power Plant), DPIIT (₹770 cr.), and Ministry of Petroleum & Natural Gas for partially supporting Capital Grant amounting to ₹5,559 cr. for Indradhanush Gas Grid in NER. Following the PMO Review meeting held on 22.9.2020, all 8 NER States and Central Ministries/ Departments were requested to send revised proposal for leveraging of NLCPR pool funds. Accordingly, proposals were received from NER States of Nagaland, Assam, Mizoram, Meghalaya and few Central Ministries/Departments. In the past, the matter has been taken at the level of Hon'ble Minister, of DoNER with Hon'ble Finance Minister.”

3.5 The NLCPR scheme has been discontinued with effect from December, 2017, except for meeting committed liabilities for the projects already sanctioned under NLCPR Scheme, and has been replaced by a new scheme called North East Special Infrastructure Development Scheme (NESIDS). Regarding the status of committed liabilities for the projects under NLCPR till 2017, MDoNER, in a written reply, submitted that under NLCPR scheme out of 431 projects worth ₹6676.59 crore, 354 projects worth ₹ 5471.53 crore are ongoing and are at various states of implementation and remaining 77 worth Rs 431-354 projects have been completed.

## **II. North East Special Infrastructure Development Scheme (NESIDS)**

3.6 NESIDS, which has come into force since 15.12.2017 in place of the NLCPR-State scheme, is a Central Sector Scheme with 100% central funding under which financial assistance to NER States are provided to fill up the gaps in specified sectors of (a) physical infrastructure relating to water supply, power and connectivity to enhance tourism and (b) social sectors for creation of infrastructure in the areas of primary and secondary sectors of education and health. The NESIDS will be considered to be over and above the existing schemes of the Government of India and the State Governments

of the North East Region. Only projects which are not supported under any other scheme of the Central or the State Government would be considered for funding under this Scheme.

3.7 NESIDS, initially sanctioned for three years i.e. 2017-18 to 2019-20, was further extended upto March, 2021. Pending appraisal by EFC and approval by the Cabinet for continuation of the Scheme during the 15<sup>th</sup> Finance Commission period (2021-22 to 2025-26), Ministry of Finance had granted interim extension of the scheme upto September, 2021. Regarding the number of projects sanctioned under NESIDS and their financial implication, the Ministry, in a written reply, has submitted as under:

“Till date 145 projects costing ₹ 3392.99 crore have been sanctioned against which an amount of ₹1537.17 crore has been released, out of which ₹1010.86 crore has been utilized by the State Governments. Out of these 145 sanctioned projects under NESIDS, three (03) projects worth ₹85.36 crore have been completed. Presently, under NESIDS, 142 projects worth ₹ 3307.35 crore are ongoing and are at various stages of implementation.”

3.8 In one of its written submissions, the Ministry informed the Committee that for helping to fight Covid-19 pandemic in NER, Eight (08) projects costing ₹219.58 crore have been sanctioned by MDoNER under NESIDS in the State of Arunachal Pradesh, Assam, Meghalaya, Mizoram, Nagaland and Tripura and an amount of ₹77.63 crore has been released so far. An amount of ₹26.09 Crore has been released to North Eastern States for gap funding to fight COVID-19 outbreak effectively (₹ 5.00 Crore to Assam, ₹3.55 Crore to Arunachal Pradesh, ₹1.75 Crore to Sikkim and ₹3.00 Crore each to Manipur, Meghalaya, Mizoram, Nagaland and Tripura. Another sum of ₹0.80 Crore was released to Mizoram.

### **III. Special Development Packages (BTC, KAATC, DHATC):**

3.9 There have been three Special Development Packages, the details of which are given below:

**A. Bodoland Territorial Council (BTC):** Memorandum of Settlement (MoS) was signed between Central Government, Government of Assam and Bodo

Liberation Tigers (BLT) on 10.02.2003, to accelerate the development of the region and to meet the aspirations of the people for which a package of ₹500.00 crore was earmarked. Subsequently, additional package of ₹250.00 crore was also announced in the year 2008 for the same purpose. Against the total package of ₹750.00 crore, 65 projects costing ₹749.63 crore have already been sanctioned and out of these, 51 projects costing ₹570.19 crore have already been completed.

**B. Dima Hasao Autonomous Territorial Council (DHATC):** Memorandum of Settlement (MoS) was signed between Central Government, Government of Assam and Dima Halam Daogah (DHD) on 08.10.12 to initiate time bound steps for devolution of power to grass root level in Dima Hasao<sup>1</sup>, and ensuring increased capacity building for developmental activities at all levels for which a package of ₹200.00 crore was earmarked. Under the DHATC Package 12 projects worth ₹174.82 crore have been sanctioned till date. Against these sanctioned projects under DHATC, ₹112.96 crore has been released and ₹100.74 crore have been utilized. Three (03) projects costing ₹25.00 crore have been selected for sanction.

**C. Karbi Anglong Autonomous Territorial Council (KAATC):** Memorandum of Settlement (MoS) was signed between Central Government, Government of Assam and United People's Democratic Solidarity (UPDS) on 25.11.2011, to initiate time bound steps for devolution of power to grass root level in Karbi Anglong, and ensuring increased capacity building for developmental activities at all levels for which a package of ₹350.00 crore was earmarked. . Under the package 25 projects costing ₹235.88 crore have been sanctioned and 7 projects costing ₹111.92 crore have been retained for sanction.

#### **IV. Social and Infrastructure Development Fund (SIDF)**

3.10 The Social and Infrastructure Development Fund (SIDF) has been created in the Public Account for North Eastern Region, especially for Arunachal Pradesh and other remote, hilly, border areas with tribal population facing special problems that cannot be tackled through normal Schemes. Since inception, under SIDF, 37 projects costing

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<sup>1</sup> Dima Hasao is a district in Assam



₹587.16 crore were sanctioned and 22 projects costing ₹410.06 crore have been completed. So far an amount of ₹560.87 crore has been released and ₹500.87 crore has been utilized by the State Government.

3.11 Regarding SIDF, a representative of MDoNER, during the sitting held on 26 October, 2021, stated as under:

“... SIDF is almost a completed scheme. इस साल या अगली साल खत्म हो जाएगी। इसमें कुछ खास देना बाकी रह नहीं गया है। सिर्फ प्रोजेक्ट कम्प्लीशन बाकी है। ...”

## **V. Hill Area Development Programme (HADP)**

3.12 Hill Area Development Programme (HADP), a pilot scheme and a sub-scheme of NESIDS, aims at holistic and inclusive development of hill districts of Tamenglong and Noney in Manipur. It strives to strengthen the State's efforts in addressing the physical and social infrastructural gaps in its remote hilly districts and providing for technology driven enabling eco-system for delivery of public services. It also envisages harnessing the potential of identified local resources/natural endowments to improve production and value addition for enhancement of income of local people. The total Budgetary Allocation under the scheme for these two years is ₹90.00 crore carved out of NESIDS. Out of this allocation, 41 projects costing ₹90.00 crore have been sanctioned and ₹49.5 crore has been released so far against these sanctioned projects.

3.13 Regarding HADP, a representative of MDoNER, during the sitting held on 26 October, 2021, stated as under:

“... हिल एरिया डेवलपमेंट प्रोग्राम 90 करोड़ रुपये की एनईएसआईडीएस में एक छोटी सी सब-स्कीम थी, जो एक डिस्ट्रिक्ट तामेंगलांग के लिए थी। But Tamenglong got split into two districts, Noney and Tamenglong. वहां 90 करोड़ रुपये के छोटे-छोटे डिस्ट्रिक्ट्स लेवल इंटरवेंशंस के प्रोजेक्ट्स सैंक्शन हुए हैं, वह नॉर्थ ईस्ट में काफी सक्सेसफुल हुए हैं। इसलिए और भी डिमांड थी तो थर्ड पार्टी इवैल्यूएशन में रिकमंड किया कि इनको बाकी स्टेट्स और डिस्ट्रिक्ट्स के लिए भी बढ़ाइये। हमने ईएफसी में ऐसा रिकमंड किया था। ...”

## **VI. Natural Calamity (Flood Relief Measure)**

3.14 The Ministry stated in a written note that MDoNER was authorized to release Central Assistance of ₹200.00 crore to re-build totally washed away/damaged

infrastructure due to floods in the North Eastern Region in 2017. Under Natural Calamity, 45 projects have been sanctioned and amount of ₹197.83 crore was released as one time central assistance to NE States.

## **Other Initiatives of MDoNER**

### **A. Livelihood Projects**

3.15 MDoNER has been running two livelihood Schemes in NER namely North East Rural Livelihood Project (NERLP) and North Eastern Region Community Resource Management Project (NERCORMP) covering 21 districts in 6 states of NER viz. Arunachal Pradesh, Manipur, Nagaland, Sikkim and Tripura. Under these two schemes, 36561 SHGs and 1506 SHG Federations were created. The existing schemes on livelihood are focused on input supply, production, aggregations, primary processing and marketing through Self-Help Groups. A large number of Community Development Groups (CDGs), Producer Groups (PGs) and 22 Producer Companies have been formed under the projects. NERLP has ended in September, 2019 while NERCORMP has been running on extended tenure beyond 31.03.2020. A new project - North East Agri-Horticulture and Economic Development Project (NEAHEDP) with estimated cost of ₹947.00 crore has been proposed by the Ministry. It seeks to economically transform the NE Region by developing sustainable and economically viable business enterprises across different value chains by keeping in view sustainable market within the region and outside. Concept Note on the new proposal has been sent to Dept. of Expenditure on 11.06.2021 for in-principle approval. As on date, NERCORMP – III with an approved cost of ₹ 540.00 crore was closed on 21.10.2021. Revised concept note after incorporating suggestions/modifications by Department of Expenditure is being sent to Department of Expenditure.

3.16 During the meeting held on 22 December 2020, the representative of the Ministry had stated that “North East Rural Livelihood Project, a World Bank aided project was one of the best ones in the country considering that North East is remote, etc. The World Bank were very keen to do another similar project of higher order with us but somehow that was not fructified till now.”

3.17 On being asked to give reason for failing to continue the North East Rural Livelihood Project, the Ministry, in a written reply, has stated the following:

“A preliminary proposal for MDoNER’s new Scheme viz. North East Agri-Horticulture and Economic Development Project (NE-AHEDP) an externally aided project for seeking loan from World Bank was moved for approval of Screening Committee of Department of Economic Affairs. The proposal was considered by the Screening Committee of DEA, however was not agreed to. Accordingly, this Ministry has decided to go ahead in the new proposal through Budgetary Support and have moved a proposal to Department of Expenditure for seeking in-principle approval in the matter which is underway.”

## **B. Development of Bamboo Sector in NER**

3.18 NER accounts for nearly 39% of the country’s total Bamboo area. Government is giving a focused attention on the plantation of Bamboo in NER. Central Government has launched a restructured National Bamboo Mission in 2018-19 under the Ministry of Agriculture and Farmers Welfare (MoA&FA) focusing on the complete value chain of bamboo sector to link growers to consumers starting from plantation to processing to marketing. Bamboo has been removed from the classification of trees in Indian Forest Act 1927 through Indian Forest (Amendment) Act, 2017 and re-classified as ‘grass’ by the Ministry of Environment, Forest & Climate Change. The decision is a game changer for development of Bamboo in the North Eastern Region as it would facilitate large scale cultivation and processing of bamboo.

3.19 North East Cane and Bamboo Development Council (NECBDC) (earlier known as Cane and Bamboo Technology Centre (CBTC)), an institution of MDoNER has been tasked with development of the cane and bamboo sector in the country especially in the NER. It is involved in Capacity Building/Skilled Development; Bamboo Technical Support Group (BTSG) of NBM; Participation in Domestic/International Trade Fair/Exhibitions; Development of Cane and Bamboo Clusters in NER; and Bamboo

Technology Park at Burnihat, Assam. It has created 16 Cane and Bamboo clusters on different themes in all 8 States (two in each States) of NER.

3.20 A major thrust to processing of Bamboo is being given through establishment of Bamboo Industrial Park at Manderdisa in Dima Haso District of Assam in 75 hectare area. Project for “Establishment of Bamboo Industrial Park at Manderdisa” has been sanctioned by MDoNER under special development package for Dima Hasao Autonomous Territorial Council (DHATC) at a cost of ₹49.43 crore. So far, an amount of ₹24.71 crore, as 1<sup>st</sup> installment, has been released by the Ministry to the Government of Assam for implementation of the project. The project aims to fulfill the requirements of sustainable growth of the community and Development of Bamboo Industrial Park. It will open avenues for direct employment of both skilled and unskilled persons. Ministry of DoNER/ NEC has sanctioned 17 projects for ₹134 crore including Bamboo Industrial Park, Dima Hasao.

3.21 Ministry of MSME has settled 9 Bamboo clusters under SFURTI scheme in 5 States of NER. Ministry of Petroleum and Natural Gas has directed Bio-refinery Plant in Numaligarh to produce 49,000 TPA Bio – Ethanol by using 3,00,000 TPA of Bamboo.

3.22 Under National Bamboo Mission (NBM) of MoA&FW, the funds of ₹64.60 crore, ₹33.33 crore and 35.20 crore were released in the year 2018-19, 2019-20 and 2020-21 respectively. Bamboo Holistic Development Plan has been prepared by the NEDFi and communicated to MoA&FW for implementation.

3.23 Regarding MDoNER’s effort to increase India’s export potential of bamboo and its products to compete with China, whose export to the world is more than ₹50,000 crore, from our current turnover ₹4000 crore (approx). The Secretary, MDoNER, during the sitting held on 22 December, 2020, submitted as under:

“... कंट्री में बैम्बू का लगभग 40 परसेंट एरिया नॉर्थ-ईस्ट में है। हम अभी भी दूसरे देशों से इम्पोर्ट करते हैं। हमारे मुकाबले चाइना का एक्सपोर्ट बहुत ज्यादा है, लेकिन हमें इम्पोर्ट करना पड़ रहा है। Our contribution relatively is less. इसलिए मैंने कहा कि हम बैम्बू के हॉलिस्टिक डेवलपमेंट के लिए एक प्लान बना रहे हैं। We have involved NEDFi in consultation with all the North Eastern States and the Ministry. स्पेशली उस मिनिस्ट्री के पास बजट की कमी नहीं है। बैम्बू एग्रीकल्चर मिनिस्ट्री में आता है। हर साल उनको 12-13 हजार करोड़ रुपये का एनुअल बजट मिलता है। वह 40 परसेंट से ज्यादा

खर्च नहीं कर सकते, बाकी 60 परसेंट लैप्स होकर उस पूल में जा रहा है, जहां से मैं ने कहा कि 75 हजार करोड़ रुपये का एक्ज्युमुलेशन हो चुका है।”

3.24 During the meeting held on 22 December 2020, on the issue of marketing of bamboo, it was stated as under: One thing about bamboo is that most of the bamboo reserves are located in highly inaccessible areas. So, the transportation is very expensive. Our new thrust is that we should have as much bamboo plantation as possible in accessible areas so that it can be easily transported. We are also looking at whether we can prepare an effective packaging material from bamboo. We have engaged Indian Institute of Packaging which is trying to develop effective packaging for crates. We are also looking into the possibility of linking the bamboo plantation with refineries for ethanol production. Regarding the progress made, the Ministry, in a written reply submitted as under:

“Since the inception of the restructured National Bamboo Mission during 2018- 19, an area of 5146 ha has been planted with bamboo species in the non-forest Government and private farmer’s land of the North Eastern States. Also, 162 nos. of Bamboo Nurseries have been set up in the North Eastern States since 2018-19.

The Indian Institute of Packaging (IIP) is engaged in design and development of Bamboo crates for packaging, storage and transportation of fruits and vegetables in collaboration with North East Cane and Bamboo Development Council (NECBDC).IIP developed the concept and prototypes of four different types and submitted to NECBDC. Three more Designs on the smaller size are also developed and submitted. Compression Strength and Drop test by filling tomatoes inside the crates were also conducted and the trial was successful.

1st Hands on Training Programme on Bamboo Crates Production for the artisans will be jointly organised at Aizawl, Mizoram in the 4th week of November, 2021. 2nd Hands on Training Programme on Bamboo Crates Production for the artisans will be jointly organised at a suitable location in the State of Manipur in the 1st week of December, 2021.”

3.25 Regarding Government’s plan for opening a bio-refinery plant in Numaligarh, Assam which will use 50,000 tonnes of raw bamboo to convert into bio-ethanol which in turn will be used for blending with petrol in collaboration with CPWD and many of the construction departments for making bamboo ply boards, the Ministry, in written

reply has furnished the following:

“State Bamboo Mission, Assam has initiated steps which have started in the year 2019-20 and it is expected that in the fourth year of plantation i.e. in the year 2023-24, the matured plants will be available for marketing. As per plan, Numaligarh Bio- refinery will procure/purchase these matured bamboos from the plantation site for use in their refinery as raw material. A draft agreement is being prepared by the Assam State Bamboo Mission for bringing Numaligarh Bio-refinery and the Farmer Producer Organisations into one platform to facilitate sell and purchase. Since the plantations have started only in the year 2019-20 and results are expected after 4 years, therefore the increase in marketing of bamboo is not taking place at this stage.

Further, it may be informed that 28 Nos. of Market infrastructure for Bamboo have been established in the NE region under the NBM in order to improve the marketing facilities of bamboo.

CPWD has taken steps to promote the bamboo wood products that can be used in construction industry by incorporating 9 nos. bamboo wood products related items (viz. Bamboo Wood Flooring, Skirting, Cladding, Panelled Door, Roofing, False Ceiling etc.) in Delhi Schedule of Rates 2019 under Sub Head: 26 New Technologies of items.”

### **C. Central Public Sector Enterprises under MDoNER**

3.26 There are two Central Public Sector Enterprises (CPSEs) under Ministry of DoNER, namely, North Eastern Handicrafts and Handloom Development Corporation Ltd. (NEHHDC) and North Eastern Regional Agricultural Marketing Corporation (NERAMAC). The objective of NEHHDC is to develop and promote Handicrafts and Handloom and allied products of the North Eastern Region and the development of artisans and weavers. NERAMAC is playing the role of a dynamic and vibrant marketing organization, supporting farmers/producers of NE getting remunerative prices for their produce and enhancing the agricultural, procurement, processing and marketing infrastructure of NE. The revival proposal of NERAMAC was approved on 18<sup>th</sup> August,

2021 by the Cabinet with a package of ₹77.45 crore (₹17 crore towards fund based support and ₹60.45 crore towards non-fund based support). Revival package will help NERAMAC to implement various innovative plans namely providing better farming facilities, training to farmers in clusters, organic seeds and fertilizer, post harvesting facilities in order to promote the products of NE farmers in the world market through participation in events, registration of GI products etc.

3.27 After the implementation of revival of NERAMAC, employment will be generated both directly and indirectly in farming sector, projects and events management sector, logistics, sorting and grading and value addition, entrepreneurship and marketing.

3.28 Regarding lack of efforts/schemes/projects for tackling and mitigating the effects of climate change, the Committee commented during the sitting held on 26 October, 2021, as under:

“जो भी आप लोग कर रहे हैं, मुझे लग रहा है कि कहीं न कहीं उस से गवर्नमेंट ऑफ इंडिया का पर्पस सॉल्व नहीं हो रहा है। अगर आप अक्टूबर 2021 को देखें तो, in the last fifty years, it has been the hottest month for the North Eastern Region. क्लाइमेट मिटिगेशन के लिए हम लोग नॉर्थ-ईस्ट में क्या कर रहे हैं, इस बारे में किसी ने एक वर्ड नहीं बोला। आप लोगों ने वहाँ एयरपोर्ट सहित दूसरी चीजें बनायी हैं। वह एरिया सबसे बड़ा फॉरेस्ट रिजर्व वाला है। आज क्लाइमेट चेंज से सबसे ज्यादा प्रभावित भी वही एरिया होगा। इस बारे में मेरा आप सभी से प्रश्न है। आपने अपने प्रेजेंटेशन में बताया कि वहाँ के डेवलपमेंट के लिए रोड आदि बनाये गये हैं। नॉर्थ-ईस्ट में जो फॉरेस्ट प्रिजर्व है, वहाँ का क्लाइमेट चेंज नहीं हो, उसके लिए सेन्ट्रल गवर्नमेंट को भी उसी तरह से आगे बढ़ना चाहिए ... हम लोग समझते हैं कि आप टूरिज्म को बढ़ावा दे रहे हैं और यह अच्छी चीज है, परंतु उसके लिए आप क्या कर रहे हैं, इस बारे में आप लोगों ने एक शब्द भी नहीं बताया। यह आपके प्रेजेंटेशन में भी नहीं दिखता है। मुझे लगता है कि उस बारे में इस मिनिस्ट्री को गंभीरता से सोचना चाहिए।”

3.29 Regarding lack of efforts/schemes/projects for tackling and preventing spread of Malaria and HIV, the Committee on Estimates commented during the sitting held on 26 October, 2021, as under:

“दूसरा, हेल्थ सेक्टर को भी आपने पास कर दिया। हम हेल्थ और एजुकेशन सेक्टर को लेते हैं। नॉर्थ-ईस्ट मलेरिया का कैपिटल है। यह आज भी है और 50 साल पहले भी था।

आजाद हिंद फौज में आधे लोग मलेरिया से मरे थे और ब्रिटिश आर्मी से कम मरे थे। आज भी कहीं न कहीं वही स्थिति उस इलाके की है। वहाँ कोई भी पेशेंट हो यदि मलेरिया का ट्रीटमेंट दीजिए तो वह ठीक हो जाएगा। उसके लिए आप लोग क्या कर रहे हैं, इस पर भी आप जानकारी दीजिए। चूंकि आप सेन्ट्रल गवर्नमेंट की तरफ से है, इसलिए आप हेल्थ सेक्टर पर ध्यान देते कि पूरे नॉर्थ-ईस्ट को कैसे मलेरिया से फ्री किया जाए।

वैसे ही एचआईवी का भी हमारा वही कैपिटल है। क्या इसके लिए भी आप लोगों ने हेल्थ सेक्टर को बाईपास कर दिया? मुझे लगता है कि आप लोगों को मलेरिया और एचआईवी के बारे में जरूर सोचना चाहिए। यदि हम मलेरिया की बात करें तो बिहार से भी नॉर्थ-ईस्ट की हालत ज्यादा खराब है। यदि हम एचआईवी की बात करें तो आज केरल और नॉर्थ-ईस्ट के अन्य स्टेट्स, जो सबसे ज्यादा इंफेक्टेड हैं, उनसे भी ज्यादा आपके नॉर्थ-ईस्ट में एचआईवी का प्रॉब्लम है। मेरा आपके मंत्रालय से प्रश्न होगा कि वहाँ के क्लाइमेट के प्रोटेक्शन के लिए क्या काम किए जा रहे हैं। इस तरह से सबसे ज्यादा इम्पैक्ट आपके नॉर्थ-ईस्ट पर ही पड़ने जा रहा है। इसके लिए आज इतना बड़ा समिट होने जा रहा है। माननीय प्रधान मंत्रीजी ग्लासगो जाकर पूरे वर्ल्ड में वन ग्रीड की बात कर रहे हैं। आप लोग नॉर्थ-ईस्ट के लिए क्या कर रहे हैं, इसके बारे में बताइए।”

3.30 In response, Secretary, MDoNER, stated that they have not specifically worked on these two important areas, that is, the climate change and specific diseases in the region that are endemic to that region, but they have taken note of these important areas.



## Chapter – IV

### 10% Gross Budgetary Support for North Eastern Region

4.1 The extant policy of the Government stipulates that Central Ministries/ Departments, unless specifically exempted, set apart 10% of their Plan Gross Budgetary Support (GBS) for the NER to ensure a quantum jump in budgetary resource flows to the region and to fill the backlog and gaps in basic minimum services and infrastructure. MDoNER, being the nodal Ministry, monitors and keeps track of expenditure under mandatory 10% GBS by non-exempted Ministries/Departments, since the Ministry's inception. All non-exempted Central Ministries/Departments are mandated to spend at least 10% of their GBS of Central Sector and Centrally Sponsored Schemes for NER. Budget provisions in this regard are made in Statement 11 of the Budget documents every year. Unutilised funds during a financial year get transferred to NLCPR, which is maintained on a proforma basis by Department of Economic Affairs.

4.2 The Ministry, in one of its written submissions, highlighted the fact that there is an increase of around 87.39% in total earmarked funds (at RE stage) from ₹27,359.17 Crore in 2014-15 to ₹51,270.90 Crore in 2020-21 under 10% GBS. The BE allocation for the year 2021-22 for NER under 10% GBS stood out at ₹68,020.24 Crore. As per the information received from 54 non-exempted Ministries/Departments, during the financial year 2020-21 as on 31.03.2021 under 10% GBS, the actual expenditure in NER has been of ₹48,563.82 Crore as against RE of ₹51,270.90 Crore and percentage of Expenditure to RE is 94.72% respectively. The details of the RE, BE and Actual expenditure during 2014-15 to 2021-22 under 10% GBS for NER as per Statement 11 are given in the table below:

BE, RE and Actual Expenditure under 10% GBS				(₹ in crore)
Year	Budget Estimate	Revised Estimate	Actual Expenditure	Expenditure as % of RE
2014-15	36,107.56	27,359.17	24819.18	90.72
2015-16	29,087.93	29,669.22	28673.73	96.64
2016-17	29,124.79	32,180.08	29367.9	91.26

<b>2017-18</b>	43,244.64	40,971.69	39,753.44	97.03
<b>2018-19</b>	47,994.88	47,087.95	46,054.80	97.81
<b>2019-20</b>	59,369.90	53,374.19	48533.80	90.93
<b>2020-21</b>	60,112.11	51,270.90	48563.82	94.72
<b>2021-22</b>	68,020.24		10916.87 (upto 30.6.2021)	16.05

Source: Statement 23/11, various years (includes Ministry of DoNER partially from 2017-18 onwards) Ministries/departments

\*: Total Earmarked Allocation for NER in 2020-21(RE) ₹60,112.11 Crores.

#### 4.3 The details of top 10 spending Ministries/Departments according to the Actual Expenditure (FY 2021-22) are given in the table below:

(Figures in ₹ Crore)																
S. No.	Ministry/ Department	2018-19				2019-20				2020-21			2021-22			
		Budget Estimates	Revised Estimates	Expenditure	% Expenditure of RE	Budget Estimates as per Statement 11	Revised Estimates as per Statement 11	Actual Expenditure in NER (2019-20) upto the end of 4th Quarter	% Expenditure of RE	Budget Estimates as per Statement 11	Revised Estimate as per Statement 11	Actual Expenditure in NER (2020-21)*	Budget Estimates as per Statement 11	RE 2021-22 as per Statement 11	Actual expenditure 2021-22	% of Expenditure against RE 2022
1	Rural Development	5481.3	3271.0	9742.5	297.8	5501.4	4349.0	5501.4	126.5	5608.4	5240.4	7979.2	5747.8	5055.8	12812.2	253.4
2	Road Transport and Highways	6210.0	6210.0	5944.5	95.7	6070.0	6070.0	5982.1	98.6	6780.0	7970.0	7935.2	9590.0	10520.0	10475.9	99.6
3	Health and Family Welfare	4178.0	4345.4	4001.8	92.1	4750.1	4556.9	4222.3	92.7	5000.0	4573.4	4894.9	5897.2	4997.8	9335.7	186.8
4	School Education and Literacy	4457.7	3952.1	4125.3	104.4	4582.7	4448.2	4662.9	104.8	4705.7	1667.8	4792.7	5464.4	6481.4	4784.7	73.8
5	Women and Child Development	2445.4	2451.3	1665.0	67.9	2891.4	2592.0	2724.7	105.1	2972.0	2078.8	2326.0	4919.8	4878.9	4279.7	87.7
6	Higher Education	2459.6	2341.0	2263.3	96.7	2863.0	2863.0	2583.1	90.2	2721.3	2496.2	2288.6	1892.5	2802.5	3001.5	107.1
7	Drinking Water and Sanitation	2234.3	1997.8	1750.0	87.6	1999.5	1833.9	1883.9	102.7	2149.4	1700.0	1811.7	12242.7	11731.8	2980.1	25.4
8	Labour and Employment	741.2	947.5	947.5	100.0	1080.3	1080.3	634.4	58.7	1137.2	1309.5	1165.1	3012.2	2806.7	2725.0	97.1
9	Development of North Eastern Region	1274.0	1091.4	628.5	57.6	1836.2	1494.5	1483.0	99.2	1808.2	1040.0	1066.3	2417.0	2274.2	2544.8	111.9
10	Power	1697.5	2891.0	2082.5	72.0	2346.9	2508.8	2071.0	82.6	2067.5	1056.0	1056.0	1275.6	1382.2	2378.0	172.0

4.4 As stated in its written submission, MDoNER is mandated to review the expenditure of the Ministries/Departments under 10% GBS as well as calculate the accruals to NLCPR and send to Department of Economic Affairs, Ministry of Finance for final vetting. A perusal of the Budget provisions for the year 2020-21, in respect of some of the Ministries/Departments, shows that there is a shortfall in Budget provisions as reflected in Statement 11 compared to the required 10% of total BE of Central Sector and Centrally Sponsored Schemes of these Ministries/Departments. In respect of some of the Ministries/Departments like Food & Public Distribution, shortfall is as large as ₹12,072 crore, Rural Development ₹6,379 crore, Housing and Urban Affairs ₹3,955 crore and Road Transport and Highways ₹2,385 crore. Top 15 Ministries/Departments where shortfall of budget provision for 2020-21 is noticed is given in the table below:

Budgeted Provisions of the Ministry/Department under 10% of ( Central Sector Schemes and Centrally Sponsored Schemes) as per Statement 3a and BE Estimates for the FY 2020-21 as per Statement 11, Expenditure Profile ( Union Budget 2017-18, 2018-19, 2019-20 and 2020-21) ( Figures in ₹ Crores)										
Financial Year 2020-21								Shortfall in BE from 10% GBS in Previous Years		
Total Budgeted Provisions of the Ministry/Department										
S.No	Ministry/Department	Central Sector Schemes/ Projects (CS)	Centrally Sponsored Schemes (CSS)	Central Sector Schemes/ Projects plus Centrally Sponsored Schemes (CS+CSS)	10% of Central Sector Schemes/Projects plus Centrally Sponsored Schemes (10% of (CS+CSS))	Budget Estimates for NER 2020-21 as per Statement 11	Shortfall in BE from 10% GBS required (Col 6-7)	2019-20	2018-19	2017-18
1	2	3	4	5	6	7	8	9	10	11
1	Department of Food and Public Distribution	121077.92	20.00	121097.92	12109.792	36.90	12072.89	19037.249	17330.5	14979.46
2	Department of Rural Development	367.47	119506.96	119874.43	11987.443	5608.35	6379.09	6248.612	5754.13	5078.288
3	Ministry of Housing and Urban Affairs	21488.01	24845.00	46333.01	4633.301	677.75	3955.55	3347.22	2859.418	3279.896
4	Ministry of Road Transport and Highways	91656.45	0.00	91656.45	9165.645	6780.00	2385.65	2216.139	877.32	712.108
5	Department of Social Justice and Empowerment	941.00	8452.33	9393.33	939.333	392.00	547.33	485.41	462.464	430.49
6	Police	7297.45	3945.62	11243.07	1124.307	662.16	462.15	394.157	377.63	465.063
7	Ministry of Statistics and Programme Implementation	4666.00	0.00	4666.00	466.6	32.00	434.60	399.463	390.9	387.028
8	Department of Commerce	5306.00	0.00	5306.00	530.6	100.00	430.60	433.3	345.373	272.197
9	Ministry of Water Resources, River Development and Ganga Rejuvenation	2746.03	5346.51	8092.54	809.254	439.80	369.45	295.445	454.056	452.55
10	Department of School Education and Literacy	519.50	50080.50	50600.00	5060	4705.66	354.34	221.16	NA	NA
11	Ministry of Civil Aviation	3480.42	0.00	3480.42	348.042	69.99	278.05	346.421	416.07	200.01

12	Ministry of Shipping	1269.80	0.00	1269.80	126.98	50.00	76.98	75.185	NA	NA
13	Ministry of Defence (Civil)	3050.00	0.00	3050.00	305	235.00	70.00	NA	70	312.549
14	Ministry of Textiles	3428.76	0.00	3428.76	342.876	274.26	68.62	201.646	451.396	259.128
15	Department of Posts	1592.23	0.00	1592.23	159.223	122.18	37.04	NA	30	NA
	* NA- Not Applicable									

4.5 It is seen that, even in the previous years, most of these Ministries/Departments had lower Budget provisions than the required 10% GBS. This matter was taken up with Secretary, Department of Expenditure wherein they were requested to take necessary steps to enhance Budget provisions in respect of all the non-exempted Ministries/Departments to bring it at the level of 10% of the total BE/RE of Central Sector/Centrally Sponsored Schemes.

4.6 On being asked to give reasons for not utilizing 100% RE of the 10% GBS in each of the years since 2014-15, and the efforts to ensure 100% utilization of each Ministry/ Department's 10% GBS, the Ministry, in its written reply, stated as under:

“The reason for not utilizing 100% of Statement 11 RE during 2014-2020 varies from Ministry to Ministry and from year to year. One of the major reasons for poor performance of beneficiary oriented Schemes of various Ministries is lack of target population in adequate numbers due to which full absorption of ten percent of Scheme budget in NER is not possible. The other major reasons include lack of sufficient eligible proposals due to less scope for complete utilization in a specific sector; poor capacity in States for formulation of projects as per schematic guidelines; lack of knowledge of Schemes and procedural guidelines of line ministries; poor progress in providing UCs etc hampers timely releases by Union Ministries. Additionally, lack of suitable implementing agencies and delay due to short working season, difficult terrain, Bandhs, Law and order problems leads to delay in implementation of projects.

In its coordinating role, Ministry of DoNER coordinates with various Ministries/ Departments primarily concerned with development activities in North Eastern Region. The Ministries/Departments are responsible for implementation of programmes in the respective field for full absorption of funds. Ministry of DoNER monitors the concerned Ministries/Departments through its quarterly review meetings and urges Ministries/Departments to utilize the 100 % of RE under 10% GBS. Full utilization of the entire earmarked funds has been the endeavour of the Ministry and considering many unique features of the region and difficulties in applying criteria and eligibility conditions, the Ministry has requested all Ministries/Departments to do scheme-wise review and devise North East specific schemes from time to time. All Ministries are also advised to fully utilize the allocations through inter-se Schematic re-appropriation which is possible at their level. Besides in quarterly review meetings, the Ministries have been requested

to regularly monitor the expenditure against 10% GBS for North East and take all requisite steps for 100% utilization of funds mandated for NER in accordance with the laid down policy of the Government. Ministries have also been requested to take up the matter with Chief Secretaries of NER States for timely receipt of proposals, UCs for early release and such other issues, which are coming in the way for Ministries not being able to sanction the proposals of the States; release required funds in a time bound manner; and spend the 10% GBS resources fully. The Ministries/Departments, which are not able to spend their 10% GBS, have been advised to contact Secretary, NEC for any assistance/facilitation and or implementation of the projects with funding from their 10% GBS.”

4.7 MDoNER, in its written note, submitted that under re-appropriation mechanism of 10% GBS, during 2020-21, the requests received for seeking additional funds for NER from two Ministries/Departments namely, Ministry of Civil Aviation and NIPER (National Institute of Pharmaceutical Education and Research), Department of Pharmaceuticals respectively were sent to Department of Expenditure, Ministry of Finance. In the case of Department of Pharmaceuticals, the Ministry of Finance allocated more funds based on the recommendations for higher allocations by Ministry of DoNER for BE 2021-22.

4.8 MDoNER monitors accruals into the Pool regularly to ensure that the 10% earmarking of funds in different Ministries for the North East is carried out and that any shortfall is credited to the NLCPR Pool. These figures are verified and confirmed by Ministry of Finance, who also have the figures audited before arriving at opening, accruals and closing balance. As such, the entitlement of North Eastern States to at least 10% of the plan expenditure of Central Ministries (Scheme Expenditure as per revised methodology) is ensured through this procedure. The balance in NLCPR Pool has been finalized by Ministry of Finance upto 2013-14 and the same is ₹14,696 crore. The accruals to the Pool for each financial year from 2014-15 to 2019-20 have been compiled and forwarded to Ministry of Finance for Vetting and Finalisation.

4.9 During the course of examination, the Secretary, MDoNER who deposed before the Committee on 22 December, 2020 made the following submission:

“Coming to 10 per cent GBS by other Central Ministries and Departments, current financial year Budget Estimates are ₹60,112 crores which are likely to get reduced at RE stage. These RE figures have come just yesterday. I think the Finance Ministry has finalized it. I can tell my figures but for other Ministries we will first compile the revised figures, then we will get within a day or two.

Against RE of ₹53,370 crores, the Ministries could spend only ₹48,533 crores which come to 90.93 per cent. This is for the last year. Some Ministries like Department of Agriculture, Cooperation and Farmers Welfare, Ministry of New and Renewable Energy, Consumer Affairs, etc. have not been able to use their earmarked funds fully. For example, last year, the Department of Agriculture and Farmers Welfare utilized only 40.03 per cent of their revised allocations. Even in 2018-19, they could only utilize 32.80 per cent of their revised estimates. Our Ministry conducts regular reviews with all the Ministries with a view to ensure maximum utilization of 10 per cent GBS resources.

We also regularly review the progress of implementation of major projects, as you mentioned in your address, like capital road, capital air connectivity, capital rail connectivity, mobile and internet connectivity and few other projects which we will tell in the detail. We are also in the process of preparing holistic sector-specific and State-specific development plans for bamboo, oil palm, handicraft, handloom and horticulture for which we have engaged our agency NEDFi which is based in Guwahati and IIM Shillong.”

4.10 Regarding schemes and activity for development of agriculture and allied activities in the NER, a senior representative of the Ministry of Agriculture & Farmers Welfare, during one of the sittings, submitted as under:

“... our major allocation is for the PM KISAN scheme, जो सर बता रहे हैं कि 13,000 करोड़ रुपये है। इसमें काफी सेविंग होती है। यह स्टेट की जिम्मेदारी है कि वे हमें बेनिफिशरीज की लिस्ट वेरीफाई करके देते हैं। उसमें हम आलरेडी सैचुरेशन लेवल पर पहुंच चुके हैं। इसमें कोई कमी नहीं है, लेकिन फिर वह 10 प्रतिशत यूज नहीं होता है। इसके अलावा, जो हमारी अन्य स्कीम्स हैं, जैसे क्रेडिट की स्कीम है, उसका भी उतना ऑफटेक नॉर्थ-ईस्टर्न स्टेट्स में नहीं है, क्योंकि वहां ग्रॉस क्रॉप एरिया कम है। जो हमारी इंश्योरेंस स्कीम है, उसमें कई नॉर्थ-ईस्टर्न स्टेट्स पार्टीसिपेट नहीं करती हैं। ये सभी इश्युज हैं। हमारी एफर्ट्स जारी हैं। नॉर्थ-ईस्ट में जो हमारी मेजर स्कीम्स चलती हैं, उनमें से एक आर्गेनिक फार्मिंग की स्कीम है। इसके अलावा, हार्टिकल्चर की हमारी स्कीम्स हैं। हम बैम्बू पर कंसेनट्रेट कर रहे हैं। जैसे आपने लाइवलीहुड और इनकम इन्क्रीज की बात कही है। अब एक मेजर मिशन ऑयल पॉम के बारे में आया है, अभी उसकी ईएफसी वगैरह बन रही है। So, we cannot commit, but then that is in the offing. उससे भी बहुत फर्क पड़ेगा, क्योंकि वह एक एश्योर्ड इनकम टाइपका होगा। यह स्कीम अभी बन रही है।

4.11 Further, on the same issue, Secretary, MDoNER, stated as under:

“सर, इसके बारे में मैं एक ही बात कहना चाहूंगा। पहले भी जब मैं मिनिस्ट्री की रिव्यु मीटिंग करता हूँ, ये कहते हैं कि पीएम किसान स्कीम में इनसे नॉर्थ-ईस्ट में पैसा एब्जॉर्ब नहीं होता है। हमने इनको रिटेन में भी बताया है कि यह 10 प्रतिशत जीबीएस स्कीम-वाइज नहीं है, यह पूरी मिनिस्ट्री एज ए होल के लिए है। किसी एक स्कीम में अगर कोई दिक्कत होती है या एब्जॉप्शन कैपेसिटी नहीं है तो नॉर्थ-ईस्ट के लिए अन्य कोई स्पेसिफिक स्कीम बना सकते हैं या किसी अन्य स्कीम में खर्च कर सकते हैं या नॉर्थ-ईस्ट के लिए नई स्कीम बना सकते हैं। जैसे बैम्बू की बात कर रहे हैं, इनका नेशनल बैम्बू मिशन में आठ राज्यों के लिए पिछले साल 70 करोड़ रुपये का बजट था। That is nothing. ₹70 crore for 8 States for bamboo is just peanuts. उससे ज्यादा पैसा हमने अपनी मिनिस्ट्री से, जो कि हमारा बेसिक काम नहीं था, 50 करोड़ रुपये बजट का एक सिंगल project, एक सिंगल लोकेशन पर पिछले साल हमने सैंक्शन कर दिया। They can expand their activities in bamboo, oil palm, horticulture, etc. उसमें बहुत स्कोप है। चाहे पीएम किसान में एब्जॉप्शन कैपेसिटी नहीं भी है तो उसकी सेविंग को लैप्स होने देने के बजाय उसे दूसरी स्कीम्स में यूज कर सकते हैं। यह बात हमने इनको अपनी रिव्यु मीटिंग्स में भी कई बार बताया है।

4.12 Taking cognizance of the issue, the Committee opined as under:

“... किसी गांव में कोई ऐसा व्यक्ति सरपंच बनता है, जो 400 से 500 एग्रीकल्चर सोसाइटीज बनाता है। वह पढ़ा-लिखा और तेज आदमी होगा तो उसे समझ रहेगी कि भाई, यह काम करना चाहिए। I have seen in the States. ऐसे डेडिकेटेड ग्रुप्स एग्रीकल्चर और अन्य विकास कार्यों के लिए बनें, एनजीओ टाइप के संगठन हों, सरकार उनको सपोर्ट करे क्योंकि only government machinery is not sufficient. They are limited, we know. ऐसा होता है, मैं किसी को गलत नहीं बोल रहा हूँ, लेकिन अगर कोई डेडिकेटेड संगठन होगा तो उसकी लगन ज्यादा रहती है। ऐसा थोड़ा ऑब्जर्ब करके, किसी को थोड़ा सपोर्ट करके, स्पांसर करके, अगर दोनों साथ-साथ काम करेंगे तो ज्यादा अच्छा होगा। इससे चेक एंड बैलेंस भी रहता है, पार्टीसिपेशन भी बढ़ता है, लोगों से मिलने की आदत भी रहती है और लोग भी खुलकर बोलते हैं। अगर कलेक्टर ने एक मीटिंग बुलाई तो गांव के लोग आएंगे कि कलेक्टर साहब आए हैं। वे वहां चुपचाप बैठेंगे, चाय पिएंगे और निकल जाएंगे, लेकिन अगर कोई व्यक्ति वहां दो-तीन दिन रहता है, किसी के घर जाता है, खेत पर जाता है, गांव में जाता है, लोगों से मिलता है, तब लोग उससे खुलकर बोलते हैं। यह बहुत स्माल स्केल पर है, लेकिन ऐसा होना चाहिए, अदरवाइज अगर आगे दस साल में डेवलपमेंट नहीं हुई तो इन स्टेप्स की हालत बहुत

खराब होने वाली है। पीएम साहब का यही सपना है, जैसे बाकी स्टेट्स आगे बढ़ रहे हैं, वैसे ही ये सात स्टेट्स भी आगे बढ़ें और उसके लिए कुछ टाइम बाउण्ड प्रोग्राम भी चाहिए। ऐसे दस साल या बीस साल चलते रहने में कुछ मजा नहीं है।“

4.13 Regarding dismal performance of Ministry of Agriculture and Farmers Welfare and steps taken to enhance the expenditure out of 10% GBS, MDoNER, in a written submission, has furnished the following:

“... for the year 2021-22, against a BE of ₹12,242.70 cr., Ministry of Agriculture and Farmers Welfare could spend only ₹1,441 cr. till September 2021, which comes to only 11.7% of the BE. For the year 2020-21, against a BE of ₹13,380.98 cr. and RE ₹11,619.90 cr., Ministry of Agriculture and Farmers Welfare could spend only ₹2,926.79 cr., which comes to a mere 21.87% of the BE and 25.19% of RE. The BE, RE and Actual Expenditure of the Ministry of Agriculture and Farmers Welfare under 10% GBS during 2016-17 to 2021-22 (up to 30.09.2021) are as under:

**BE, RE and Actual Expenditure of the Ministry of Agriculture and Farmers Welfare under 10% GBS during 2016-17 to 2021-22 (up to 30.09.2021)**

(Figures in ₹ Crores)

Year	Budget Estimates	Actual Allocation	Actual Expenditure	% of Exp over Allocation
2016-17	815.70	982.93	979.95	99.70
2017-18	1090.71	1261.37	1110.52	88.04
2018-19	1485.00	1225.67	888.52	72.49
2019-20	1476.28	1243.28	1243.28	100.00
2020-21	1474.49	852.52	852.52	100.00
2021-22	1135.04	1133.55	1133.29	99.98
<b>Total</b>	<b>7477.22</b>			

Ministry of Agriculture and Farmers Welfare has been requested in the Quarterly review meetings chaired by Secretary, Ministry of DoNER and from time to time to regularly monitor the expenditure under 10% GBS for North Eastern Region and take all required steps for 100% utilization of funds mandated for NER by the Ministry of Agriculture and Farmers Welfare in accordance with the laid down policy of the Government. Ministry of Agriculture and Farmers Welfare were also urged that 10% requirement is for the Ministry/ Department as a whole, and if due to any valid reasons, it is not possible to achieve 10% expenditure for NER in any particular scheme, the concerned Ministries/Departments can modify the existing scheme parameters to suit NER conditions, and/or formulate new NER specific schemes, and/or spend more than 10% resources in other ongoing schemes of the



Ministries/ Departments which should enable them to optimally utilize the earmarked 10% GBS resources for NER for the Ministry/ Department as a whole.

Ministry of Agriculture and Farmers Welfare has informed that the fund released to the NER states under National Bamboo Mission during the period from 2018-19 to 2021-22 is ₹64.60 cr, ₹33.34 cr, ₹35.20 cr and ₹3.25 cr respectively. National Bamboo Mission is focusing on the development of complete value chain of bamboo sector to link growers with consumers starting from planning material, plantation, creation of facilities, collection, aggregation, processing, marketing, micro, small & medium enterprises, skill development and brand building initiative in a cluster approach mode.”

Even though the NE states are rich in bamboo bearing area and the growing stock, these stocks are mainly concentrated in the forest land. As approved by the CCEA, the plantation of bamboo under National Bamboo Mission is limited to non – forest land only. India has highest bamboo bearing area of around 16.00 million hectare, but it is under the forest area. In order to reduce imports, enhance exports and to compete with other players like China, it is necessary that the forest grown bamboo has to come into the market value chain. A sustainable bamboo harvesting policy may be devised by the Ministry of Environment, Forest and Climate Change and the State Forest Departments to achieve this. The trend of bamboo farming in non–forest land has recently gained momentum and the results would be available in the coming years only due to the perennial natural of bamboo.

The Ministry of DoNER has commissioned the Sector Specific, State Specific Holistic development plans in the sectors relating to (i) Bamboo (ii) Oil Palm (iii) Horticulture (iv) Handicrafts and Handlooms that were finalised by NEDFi/ IIM Shillong and circulated to the Ministry of Agriculture, Ministry of Textiles, Concerned NER States and other stakeholders for implementation of the recommendations of the NEDFi final reports.”

4.14 The Committee enquired if the Ministry of Tourism was in the process of bringing out any plan or scheme to increase tourism activity in the NER. To this query, the representatives of Ministry of Tourism, during the course of evidence, furnished the following information:

“... the Ministry of Tourism has one Scheme, Swadesh Darshan, under which we fund infrastructure creation across multiple themes. In North-East, since the beginning of this Scheme in last five years, we have sanctioned sixteen projects and almost 20 per cent of the budget for the Scheme has been spent in North-East. Most of these projects are now at a very advanced stage. They have helped creating infrastructure at multiple locations. This is 100 per cent funded by the Central Government. This has been a successful Scheme for North-East.

Every Northeastern State has got at least two circuits and projects sanctioned under this Scheme. In the last two years, this Scheme has been under review so we have not been able to sanction new projects anywhere. Hopefully, it will be revived very soon. North-East is a priority area under this Scheme.

Most of the projects which have already been sanctioned are now towards closure. Many of the projects have also started in terms of being used and utilised. Somewhere there had been problem of clearances not being obtained in time; or the working season being very limited, the progress has not been on the expected lines. Otherwise, most of the projects are at a very advanced stage.

For the Ministry of Tourism, under 10 per cent GBS, the budgetary allocation in 2019-20 was ₹207 crore. At RE stage it was revised to ₹129 crore and the expenditure was 57.69 per cent. There was a shortfall in expenditure last year.

Before that, we met our target in all four years. It is only in the last year that we could not meet our target because under our major scheme of Swadesh Darshan, where we used to sanction new projects, we did not sanction any new projects. Otherwise, every year before that, from 2015-16 to 2018-19, we met our target of 10 per cent.”

4.15 During the course of examination, the Committee sought to know about the concept of promotion of tourism in the North Eastern sector and how the access has been created with a specific reference to investment made in civil aviation sector and the proposals pending in the field of civil aviation. In its written reply, MDoNER furnished as under:

“The Airport Projects are delayed on account of bottlenecks such as Land Acquisition issues, shifting of utilities and resettlement, heavy rainfall, non-availability of construction material and skilled manpower in the nearby areas of site etc. Various development projects have been taken up in the NER. The major projects are going on in Agartala, Guwahati, Imphal and Hollongi (Itanagar) Airport. Some projects under Regional Connectivity Scheme (RCS) in the UDAN scheme are being taken-up like Barapani (Shillong), Rupsi, Guwahati River Front, Umrangso Reservoir etc. No engineering proposals are pending with civil aviation sector as on date for the NER.”

4.16 On being asked to detail the attempts made to build/enhance capacity of NE States for absorbing more funds being allocated by different Ministries, MDoNER, in a written reply, has furnished the following information:

“Ministry of DoNER/NEC has taken the following initiatives, for building/enhancing the capacity of absorbing more funds being allocated to NER States:

- Ministry of DoNER has appointed State-wise Chief Nodal Officers/Nodal Officers for effective implementation/monitoring of projects funded under various schemes of this Ministry/NEC.
- Project monitoring mechanism has been strengthened which include online portal for specific schemes/projects; payment through PFMS; Geo-tagging of project sites; monitoring of physical progress through geo-tagged photographs; 'just in time' release of funds (linked to physical and financial progress) and inspection of major projects by Technical Wing of the Ministry, on sample basis.
- Regular meetings held/are being held with Central Ministries/Departments and NE States to review the status of utilization of budgetary resources under 10% Gross Budgetary Support (GBS) of non-exempt Ministries as well as Ministry of DoNER and take requisite measures to ensure maximum absorption of funds by NE States. Secretaries of Central Ministries/Departments and Chief Secretaries of NE State, through various communications from Ministry of DoNER have been asked to ensure full utilization of earmarked resources, if necessary by formulating new NE-specific schemes/projects or modifying the existing schemes as per local need and situation. Further, NE State are being told to expedite implementation of various projects/schemes already sanctioned, reduce unspent balances and furnish UCs of funds already released. NEC has also been asked to coordinate with Central Ministries and NE States for ensuring full utilization of 10% GBS. M/o DoNER, playing a proactive role, has recently asked its organization NEDFi and Dr. APJ Abdul Kalam Centre for policy Research and Analysis at IIM Shillong to prepare Holistic Sector-Specific, State Specific Development plans in the Horticulture, Bamboo, Oil Palm and Handlooms and Handicrafts Sector. Draft Plans have been prepared and circulated to concerned Ministries and NE States and other stakeholders for consultation. Once these plans are finalized, the concerned Central Ministries would be asked to implement these by utilizing their 10% GBS resources.
- To avoid delay in implementation of the project, all the funds are released by the Ministry/NEC to the State Government through Public Finance Management System (PFMS). Further, the State Government has also been requested to implement EAT module of PFMS, and release funds to implementing agencies through this system only.
- To help state agencies in implementing PFMS/EAT module, EAT-PFMS training were organized to impart training and awareness to Implementing Agencies and state officials in June 2017 and May 2019. Further a help desk for PFMS was created in NEC from 2020 onwards for attending queries and imparting necessary training regarding EAT-PFMS. This has helped to enhance the fund absorption capacity.
- Non-receipt of utilization certificates has hampered the release of subsequent instalments of Central Funds to the states. To overcome this, NEC has created a UC portal for online filling of Utilization Certificates by the NE states from June

2018 and till date, 345 UCs have been submitted. Regular follow-up with the State Governments for building/enhancing the capacity of absorbing more funds being allocated to NER States is done by the Senior Officers in Ministry/NEC for timely submission of Utilization Certificates against the funds released by the Ministry/NEC to the States. Reconciliation of pending Utilization Certificates along with the requisite documents of physical and financial progress of the projects, to avoid delay in release of funds for the ongoing projects is also insisted.

- Training Workshop was held for states of NER in July 2018 in coordination with ADB for Project Readiness Financing. Facility was designed to help the NE states in undertaking Feasibility Studies, Projects Proposal making etc.
- From 2018-19 onwards, all NEC projects were made 100% Central Sector financed and funds were directly transferred to the Implementing Agencies. This has cut down the delays in receipt of Central funds by implementing agencies resulting in early completion of projects.
- One of the Agenda on the 69<sup>th</sup> Plenary of NEC held on 23.01.2021 was regarding “Improving Capacity of North Eastern States for project management and funds absorption”. States have deliberated and accordingly requested NEC for building up capacities for project conceptualization and DPR preparation so larger projects can be taken up. Further action on these requests is being planned.”

4.17 During the cross examination of the subject, the Committee remarked as under:

“If the schemes are not coming in, then I had asked what the role of the DoNER Ministry is vis-à-vis the respective Ministry to create a capacity. एग्रीकल्चर में नार्थ-ईस्ट में बैठा हुआ आईएस आफिसर, जो वहां नौकरी करने दुखी होकर गया है, उसे क्या मतलब है कि वह कैपेसिटी बिल्डिंग करने के लिए एक इनोवेटिव प्रोजेक्ट बनाएगा। That innovation has to come from the Government of India; that innovation has to come from a smart officer in the Ministry of Agriculture catching hold of some district magistrate or involving the State to create a proposal which is capacity-building. Till date, I have been attending all these meetings for long years. I have not heard DoNER speak about capacity building or the respective ministries talk about capacity building. What is capacity building? I want to construct a stadium. He had done a wonderful job by assimilating all the funds for infrastructure development on sports. Now there are guidelines issued. I, as an individual who understands everything, have been trying to build up a proposal for last one year and trying to submit it to the Ministry, but I am not able to match the guidelines, which will cause a rejection in the Ministry of Sports. Similarly, under Swadesh Darshan, the State may have given a proposal. How a proposal is prepared in a State, especially in a North Eastern State, is that the focus is at times different. They have to spend the money. Has the Ministry of Tourism created that capacity

to get the right project, right proposal, right estimation, right outreach and right outlook and how the scheme has to emerge.

Sir, this capacity building of creation of a proposal from the State is very very poor. Unlike the State of Maharashtra, or maybe a few developed States where there are innovative officers who can create this, the capacity to produce proposals for the Central Government, to assimilate and absorb that kind of money, is never there. My first question is, is there any window for this or not. Have you made an attempt, or will you make an attempt to create a structure to enhance the capacity of absorption?"

4.18 On being asked if any capacity building programme for the State Governments of North Eastern Region for preparing proposals (under the Centrally sponsored Schemes) compatible with the guidelines of the Central Ministries is under consideration so that there is little chance of rejection on account of not meeting with the guidelines. To this query of the Committee, MDoNER, in a written submission, has stated that at present, there is 'no' capacity building programme for the State Governments of NER.

## PART-II

### Observations/Recommendations

#### 1. Need for increase in the Budget allocation of MDoNER

The Committee note with concern that BE for 2021-22 for MDoNER has been ₹2,410 crore only against MDoNER's demand of about ₹5,000 crore and is even less than not only the BE of 2019-20 but also the RE and the actual expenditure of 2019-20. BE for 2020-21 was ₹3,048 Crore, which was reduced to 60 per cent level only, that is, ₹1,860 Crore. The Department has been able to use 100 per cent of REs in 2019-20 and 2020-21 which was much less than the projected/demand. The Committee are of the view that the rich natural and human resources available in the region could not be utilized to the full extent due to geo-political conditions of the region, hence investment to strengthen the infrastructure of DONER with 100% utilization of available resources is a must. The lack of infrastructure, in the view of the Committee, has not only affected the prospects of economic development in DONER, but also created division among various ethnic groups at the cost of social harmony. It is a well-known fact that NER, sharing international boundaries, is already a very sensitive part of the country and hence their complete integration with the rest of the country should be of paramount importance. Hence, to avoid regional imbalances in developmental activities, a permanent administrative mechanism which is established to ensure unhindered flow of funds required for development including contribution from all Government Ministries needs to be continuously monitored and strengthened.

The Committee have been informed that as part of their next five years' vision for the North East Region, MDoNER have projected a requirement of ₹50,000 crore plus for the 15<sup>th</sup> Finance Commission five-year period which has already started from 2021-22. In view of the foregoing, the Committee strongly recommend that Department of Expenditure may make suitably higher allocation of budget for MDoNER for the coming five years so that MDoNER can implement their schemes and projects in NER satisfactorily for greater positive impact in the overall development of the NER.

## **2. Capacity building mechanism/infrastructure of NE States**

The Committee have observed, during the course of examination of the subject, that for certain Ministries/Departments like the Ministry of Agriculture & Farmers Welfare, their 10% GBS for NER could not be spent fully due to poor capacity in States for formulation of projects as per schematic guidelines and lack of knowledge of Schemes and procedural guidelines and not having the capacity to get the right project, right proposal, right estimation, right outreach and right outlook. The Committee are of the strong view that MDoNER in coordination with NEC and NITI Ayog should conduct regular capacity building programmes for the State Governments officials of North Eastern Region to enable them for preparing any proposal under the Centrally sponsored Schemes which will be compatible with the guidelines of the Central Ministries so that there is a very little chance of rejection on the ground of parameters set in the guidelines not being met.

## **3. Need for special schemes for the socio-economic realities of NER**

One issue in NER identified by the Department is lack of target population in adequate numbers or lack of demand from the States to absorb funds completely. In this scenario, the Committee are of the view that the Central Ministries/Departments should formulate/devise schemes specific to NER taking into account unique needs and aspirations and socio-economic realities of the local people, to avoid lapsing of their 10% GBS. Moreover as MDoNER has also endorsed the view that remaining funds can be used in some other scheme, the State Departments need to follow the advice. Hence the Committee desire that the Ministry plan a video conference with the NER States on the matter and advise them accordingly in future.

## **4. Monitoring of progress of projects funded either by NLCPR or NESIDS**

The Committee note that the NLCPR Scheme has been discontinued with effect from December 2017 except for meeting committed liabilities for the projects already sanctioned till date. It is pertinent to mention that 1635 projects worth ₹16,233 crore have been sanctioned under NLCPR Scheme. The Committee are further informed that NESIDS has replaced NLCPR since December 2017 to

cater to the needs of development in North-East region. The Committee are happy to note that funds have been released over the time yet believe that mere funds release cannot guarantee development of North-East region. The Committee strongly feel the need for a monitoring system to be put in place to assess the pace of ongoing projects in North-East region funded by either of the schemes i.e. NLCPR (those already sanctioned before December 2017) and NESIDS (since December 2017). The Committee would urge the Ministry to consider undertaking an evaluation study with respect to projects (ongoing) till date, in collaboration with National Institutes of prominence, so that lacunae, if any, are identified at initial stages only and remedial measures taken well in time. The Committee would like to be apprised of the future plan of the Ministry in this direction.

#### **5. Need for full utilization of Budget allocation.**

The Committee observe that many of the Ministries/Departments have not spent 100% of their mandatory 10% GBS for NER and that shortfalls have been noticed in all major Ministries. For example, Department of Food and Public Distribution has had shortfalls of ₹12,072.89 in 2020-21, ₹19,037.249 in 2019-20 and ₹17,330.5 in 2018-19. Similarly, Department of Rural Development, Ministry of Housing and Urban Affairs, Ministry of Road Transport & Highways etc have had shortfalls in each of the last three years. The Committee, therefore, urge the Government to ensure 100% spending of the mandatory 10% GBS for NER by all the 54 non-exempted Departments/Ministries, who are implementing Central Sector Schemes and Centrally Sponsored Schemes in the NER. The Committee would urge upon MDONER to confirm whether the mandatory 10% GBS for NER by the non-exempted Ministries is scheme/project wise or as a whole. If the same is overall 10% of GBS, shortfalls can be set right by way of reappropriation in consultation with DoE.

#### **6. Leveraging of NLCPR pool**

The Committee has noted that so far, Ministry of Finance has not allowed any resources against or out of NLCPR Pool for funding some important projects of Central Ministries or Departments, which were recommended by the MDONER,



except for adjusting expenditure made by the Ministry of DoNER under NLCPR scheme. As this NLCPR is being maintained on proforma basis and not as a reserve pool in public accounts as was envisaged as per the Cabinet approval or the Budget announcement made by the then Finance Minister in 1998-99, the actual flow of resources from this pool has to happen through annual budgetary allocation by the Ministry of Finance, which can be made in the budget allocations of the Ministry of DoNER. As per data furnished by MDoNER, till 2019-20, the estimated provisional balance in the said pool is over ₹90,000 crore.

The Committee note that MDoNER has already taken up the matter with the Ministry of Finance for allowing leveraging of this NLCPR pool for undertaking certain important projects for North Eastern Region. For the same, MDoNER, along with North Eastern Council, has statedly got a shelf of projects worth more than ₹60,000 crore from the North Eastern States. The Committee agree that the Ministry of Finance needs to come into the picture and suggest appropriate mechanism and modalities to allow leveraging of NLCPR pool of about ₹90,000 crore for funding other important projects/schemes of MDoNER and other Ministries/Departments in the NER. They therefore desire that the same be conveyed to the Ministry of Finance for suitable action at their end on the matter.

#### **7. Ensuring maximum utilization of 10% GBS**

The North-Eastern Region in the country is one of the regions enriched with ample natural resources, which, if skillfully utilised, can contribute not only to the development of the region but also would make it financially prosperous. The Committee note that several regions in the North-East Region have natural valuable resources, one such being bamboo. Available huge potential in Bamboo sector needs holistic development plans and requisite enthusiasm on the part of implementing Ministry. The Committee appreciate the efforts of Ministry of DoNER, which conducts regular review meetings with all the Ministries to ensure maximum utilization of 10 percent GBS resources and, expect the Ministry to make concerted efforts to utilise the natural resources including bamboo, of NER

through appropriate projects, in order to maximize proper usage of earmarked funds.

#### **8. Need for committed efforts to avail international aids**

The Committee note that NEC has entered into strategic partnerships with several premier Institutes working for the development of the North East Region. The Dr APJ Abdul Kalam Centre for Policy Research and Analysis is one such institute located in the campus of IIM, Shillong. The Committee is appreciative of the fact that such strategic partnerships are the need of the hour for overall development of the critical section of the NER. They would like to be apprised of the strategic plans/proposals worked out/operationalised, if so, since the involvement of such premier institutes. The Committee would also like the Ministry to continue exploring such possibility of involving institutions with domain expertise to benefit from their suggestions for innovative and area specific development models, which certain underdeveloped regions might have opted for and suitable for NER too, while scaling developmental goals.

#### **9. Strategic Partnership**

“North East Rural Livelihood Project”, one of its kind and a World Bank aided project has been formulated considering the peculiarities of remotely located North Eastern Region of the country. The Committee, during one of the evidences, have found that a similar project of the World Bank of higher order has not fructified till now. The Committee lament the fact that international aid has not been tapped fully, which otherwise, would have given the desired impetus to the development of North East. The Committee expect the Ministry to avail any such opportunities, where international aid is proposed either for a region or for any North Eastern District in particular, with requisite enthusiasm and vigour.

## **10. Need for piped water and better connectivity**

The Committee observe that piped water is still not a reality for several districts in the North Eastern States. Taking cognizance of this, the Committee urge the Ministry to take up the matter with Ministry of Jal Shakti so that piped water reaches every household UNDER 'Jal Jeevan Mission'. Another major issue limiting the physical progress of the North East region is connectivity by road, rail and air. Frequent landslides and hostile terrain used to make construction/maintenance activities difficult and expensive, but not anymore as under various latest initiatives, the Government is willing to face the challenges head on. In this context, the Committee would also like to highlight the fact that operation of night flight is still a distant dream for many North Eastern Airports. Hence they would urge the Ministry to work in close liaison with Ministry of Civil Aviation so that 'night landing' of flights could be enabled in different international airports in the North Eastern region.

## **11. Other Issues**

Apart from the above, certain other issues are predominantly peculiar to the development of NER. The Committee hold that NER has abundance opportunities not only in matters of tourism and scenic beauty but also is home to peculiar flora and fauna, including medicinal plants and herbs. The Committee would like the Ministry to explore the possibilities and come up with MoUs with different medical institutions/Department of AYUSH in the country which can undertake studies and explore the untapped sources of medical plants found in NER.

**NEW DELHI;**  
**14 December, 2022**  
**23 Agrahayana, 1944 (Saka)**

**GIRISH BHALCHANDRA BAPAT**  
**CHAIRPERSON**  
**COMMITTEE ON ESTIMATES**

## **MINUTES OF TENTH SITTING OF THE COMMITTEE ON ESTIMATES (2020-21)**

The Committee sat on Tuesday, the 22<sup>nd</sup> December, 2020 from 1130 hrs. to 1330 hrs. in Committee Room No.2, Parliament House Annexe Extension Building, New Delhi.

### **PRESENT**

Shri Girish Bhalchandra Bapat - **Chairperson**

### **MEMBERS**

- 2 Shri Kunwar Danish Ali
- 3 Shri Sudharshan Bhagat
- 4 Shri Nand Kumar Singh Chauhan
- 5 Shri P.C. Gaddigoudar
- 6 Shri Dharmendra Kumar Kashyap
- 7 Shri Pinaki Misra
- 8 Shri K. Muraleedharan
- 9 Shri Kamlesh Paswan
- 10 Shri Vinayak Bhaurao Raut
- 11 Shri Ashok Kumar Rawat
- 12 Shri Rajiv Pratap Rudy
- 13 Shri Francisco Sardinha
- 14 Shri Prathap Simha
- 15 Shri Kesineni Srinivas

### **SECRETARIAT**

1. Smt. B. Visala - Director
2. Smt. A. Jyothirmayi - Additional Director
3. Shri R.S. Negi - Deputy Secretary

### **WITNESSES**

<b>Sl. No.</b>	<b>Name</b>	<b>Designation</b>
1.	Dr. Inder Jit Singh	- Secretary, DoNER
2.	Shri K. Moses Chalai	- Secretary, NEC

3. Shri Indevar Pandey - Special Secretary
4. Shri Shyam Sunder Dubey - Joint Secretary & Financial Advisor
5. Shri Saurabh Endley - Joint Secretary
- 6 Ms. Mamta Shankar - Economic Advisor
7. Shri Gaigongdin Panmei - Financial Advisor, NEC

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee and briefed them about the agenda of the Sitting viz. evidence of the representatives of the Ministry of Development of North Eastern Region (MDoNER) on the subject “Estimates and Policy Aspects of the Ministry of Development of North Eastern Region”. He then directed that the representatives of the MDoNER be called in.

3. The Chairperson welcomed the representatives of the Ministry and drew their attention to Direction 55(1) of the ‘Directions by the Speaker, Lok Sabha’ regarding confidentiality of the proceedings of the Committee and then asked the Secretary, MDoNER to introduce themselves.

4. Thereafter, the Ministry made a brief power-point presentation covering various aspects of the subject which interalia included Vision, Mission and Role of the Ministry, major schemes and other initiatives of the Ministry, Financial performance since 2014-15, proposed budgetary outlay from 2020-21 to 2025-26, 10% Gross Budgetary Support to NER, Allocation and Expenditure of Non-exempted Ministries/Departments, Performance of individual Ministries/Departments and role of NEC and its performance.

5. The Members then raised various queries on the subject such as slashing of budget allocation to MDoNER and bordering States, some of the Ministries/Departments not utilizing their mandated fund in NER, prospect and current status of National Bamboo Mission and other mission on horticulture, oil palm, handicraft & handloom, status of tourism development and prospects in NER, third party evaluation of ongoing/completed projects in NER of various Ministries/Departments, scenario of education and other social sector schemes in NER, employment generation scheme, livelihood programme, World

Bank-aided projects, jobs loss due to Covid-19 pandemic, delay in submission of utilization certificate by NE States, Road networks in NER and so on.

6. The representatives of the Ministry duly responded to the queries raised by the Members. The Chairperson asked the representatives of the Ministry to furnish written replies to the points within two weeks for which information was not readily available.

7 The verbatim proceedings of the Sitting has been kept on record.

**The Committee then adjourned.**

## MINUTES OF TWELFTH SITTING OF THE COMMITTEE ON ESTIMATES (2020-21)

The Committee sat on Wednesday, the 6<sup>th</sup> January, 2021 from 1130 hrs. to 1310 hrs. in Committee Room No. 2, Parliament House Annexe Extension Building, New Delhi.

### PRESENT

Shri Girish Bhalchandra Bapat - **Chairperson**

### MEMBERS

- 2 Shri Kunwar Danish Ali
- 3 Shri Dharmendra Kumar Kashyap
- 4 Shri Pinaki Misra
- 5 Dr. K.C. Patel
- 6 Col. Rajyavardhan Singh Rathore
- 7 Shri Rajiv Pratap Rudy
- 8 Shri Francisco Sardinha
- 9 Shri Kesineni Srinivas
- 10 Shri Parvesh Sahib Singh Verma

### SECRETARIAT

1. Smt. B. Visala - Director
2. Smt. A. Jyothirmayi - Additional Director
3. Shri R.S. Negi - Deputy Secretary

### WITNESSES

Sl. No.	Name	Designation
1.	Dr. Inder Jit Singh	- Secretary, MDoNER
2.	Shri K. Moses Chalai	- Secretary, NEC
3.	Shri Indavar Pandey	- Special Secretary, MDoNER
4.	Shri Saurabh Endley	- Joint Secretary, MDoNER
5.	Ms. Mamta Shankar	- Economic Advisor, MDoNER
6.	Shri Chandramani Sharma	- Statistical Advisor, MDoNER
7.	Smt. Chhavi Jha	- Joint Secretary, M/o Agriculture & Farmers Welfare
8.	Shri R.K. Verma	- Joint Secretary, M/o Tourism
9.	Shri Umesh Chand Katara	- Chief Engineer, M/o Road Transport & Highways
10.	Shri Madhu Ranjan	- Joint Secretary, Deptt. of Higher Education

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee and briefed them about the agenda of the Sitting viz. further evidence of the representatives of the Ministry of Development of North Eastern Region (MDoNER) on the subject “Estimates and Policy Aspects of the Ministry of Development of North Eastern Region”. He then directed that the representatives of the MDoNER and representatives of the Ministries of Agriculture & Farmers Welfare, Tourism, Road Transport & Highways and Department of Higher Education be called in.

3. The Chairperson welcomed the representatives of the Ministries and drew their attention to Direction 55(1) of the ‘Directions by the Speaker, Lok Sabha’ regarding confidentiality of the proceedings of the Committee and then asked the Secretary, MDoNER to introduce themselves.

4. After the representatives introduced themselves to the Committee, the Secretary, MDoNER then briefed the Committee on the subject. The Members raised various queries on the subject such as priority projects in NER and their physical and financial performance, original target date of completion, current status, prospect of engaging CSR activity in development of NER, drastic reduction in Budget Estimates of MDoNER for the financial year 2021-22, special recruitment drive in Armed Forces and Paramilitary Forces to help alleviate the unemployment problem in NER, Tourism Ministry’s Swadesh Darshan scheme, lack of interest or dismal participation of NE States in various schemes of Ministry of Agriculture & Farmers Welfare like crop insurance scheme, cadre strength of IAS/IPS of NE States, urgent need for development of Border Roads, state of Panchayati Raj system, banking, GST/revenue collection, healthcare, education, manufacturing, power generation and consumption in NE States and so on.

5. The representatives of the Ministries duly responded to the queries raised by the Members. The Chairperson directed the representatives of the Ministry to furnish written replies to the points within two weeks for which information was not readily available.

6. The verbatim proceedings of the Sitting has been kept on record.

**The Committee then adjourned.**



## MINUTES OF FIFTH SITTING OF THE COMMITTEE ON ESTIMATES (2021-22)

The Committee sat on Tuesday, the 26<sup>th</sup> October, 2021 from 1130 hrs. to 1310 hrs. in Committee Room No. 1, Parliament House Annexe Extension Building, New Delhi.

### PRESENT

Shri Rajiv Pratap Rudy - **Convener**

### MEMBERS

2. Shri Kunwar Danish Ali
3. Shri Kalyan Banerjee
4. Shri Sudarshan Bhagat
5. Shri Nihal Chand Chauhan
6. Dr. Sanjay Jaiswal
7. Shri Dayannidhi Maran
8. Shri Pinaki Misra
9. Shri K. Muraleedharan
10. Shri Kamlesh Paswan
11. Col. Rajyavardhan Singh Rathore
12. Shri Ashok Kumar Rawat

### SECRETARIAT

1. Smt. Jyochnamayi Sinha - Director
2. Smt. A. Jyothirmayi - Additional Director

### WITNESSES

<b>Name</b>	<b>Designation</b>
1. Shri Lok Ranjan	- Secretary, MDoNER
2. Shri K. Moses Chalai	- Secretary, NEC
3. Dr. Kumar V. Pratap	- Sr. Economic Adviser, MDoNER
4. Shri Shashi Ranjan Kumar	- Addl. Secretary & Financial Adviser, MDoNER
5. Shri Saurabh Endley	- Joint Secretary, MDoNER
6. Shri Rambir Singh	- Joint Secretary, MDoNER
7. Ms. Anuradha S. Chagti	- Joint Secretary, MDoNER
8. Shri Chandramani Sharma	- Statistical Adviser, MDoNER

2. In the absence of Chairperson, the Committee chose Shri Rajiv Pratap Rudy, MP and a Member of the Committee, to preside over the Sitting as per Rule 258(3) of the Rules and Procedure and Conduct of Business in Lok Sabha.

3. At the outset, the Convener welcomed the Members to the Sitting of the Committee and briefed them about the agenda of the Sitting viz. further evidence of the representatives of the Ministry of Development of North Eastern Region (MDoNER) in connection with the examination of the subject “Estimates and Policy Aspects of the Ministry of Development of North Eastern Region”. After a brief discussion, the representatives of MDoNER were called in to depose before the Committee.

4. The Convener welcomed the representatives of MDoNER and asked them to introduce themselves to the Committee and drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings of the Committee.

5. The representatives of MDoNER made a power point presentation. Thereafter, the Members raised several queries on the issues related to the subject which inter-alia included transition from NLCPR to NESIDS, DoNER-funded five priority sectors – power, drinking water, sanitation, education and health, ADB-funded North-East Road Sector Development Scheme, issues taken up with Department of Expenditure regarding MDoNER’s recommendation for re-appropriation of resources from NLCPR to better performing Ministries, regional institutions and projects created with the NEC support, NITI Aayog’s help in studying and identifying thrust areas from time to time, lack of focus or schemes on climate change mitigation and prevention of malaria, HIV/AIDS, poor mobile and internet connection, bad road conditions, tackling of narcotics drugs issue, lack of electricity in the interior regions, possibility of creating an institutional set up for capacity building of the NE States in terms of formulating/framing their own project proposals and consultations thereon, absence of Ministry-wise, scheme-wise break up of information/data, reduction in budget estimates and utilization and so on.

6. Some queries of the Members were duly responded to by the representatives of the Ministry. The Convener then thanked the witnesses for giving useful information and asked them to furnish written replies to the points which could not be responded to during the Sitting.

7. The verbatim proceedings of the Sitting of the Committee has been kept on record.

**The Committee then adjourned.**

## **MINUTES OF THE THIRTEENTH SITTING OF THE COMMITTEE ON ESTIMATES (2022-2023)**

The Committee sat on Wednesday, the 14<sup>th</sup> December, 2022 from 1500 hrs. to 1600 hrs. in Room No. '52-B', First Floor, Parliament House, New Delhi.

### **PRESENT**

**Shri Nihal Chand Chauhan - Convener**

### **Members**

2. Kunwar Danish Ali
3. Shri Kalyan Banerjee
4. Shri Sudarshan Bhagat
5. Shri P.P. Chaudhary
6. Dr. Sanjay Jaiswal
7. Shri Mohanbhai Kalyanji Kundariya
8. Shri K. Muraleedharan
9. Shri Kamlesh Paswan
10. Shri Ashok Kumar Rawat
11. Shri Magunta Srinivasulu Reddy
12. Shri Rajiv Pratap Rudy
13. Shri Prathap Simha
14. Shri Parvesh Sahib Singh
15. Shri Sunil Dattatray Tatkare
16. Shri Shyam Singh Yadav
17. Shri Dilip Saikia

### **SECRETARIAT**

1. Smt. Anita. B. Panda - Additional Secretary
2. Shri Muraleedharan. P - Director

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee then took up for consideration and adoption of the following three draft Reports:

- (i) Estimates and policy aspects of the Ministry of Development of North Eastern region.

- (ii) Xxx xxx
- (iii) Xxx xxx

3. Some Members gave their suggestions on the Draft 19<sup>th</sup> Report on Review of role and performance of DISHA Committee in various schemes. The Committee after due deliberations adopted the draft Reports. The Committee, then, authorised the Chairperson to finalize the draft Reports on the basis of factual verification received from the concerned Ministries and present the same to Lok Sabha.

***The Committee, then, adjourned.***