

**MINUTES OF THE MEETING OF THE CHAIRMAN, CO-CHAIRMEN AND DEPUTY CHAIRMEN, MEGHALAYA STATE PLANNING BOARD WITH PLANNING AND FINANCE DEPARTMENTS HELD ON 26<sup>TH</sup> MAY, 2005 IN YOJANA BHAVAN.**

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The meeting was Chaired by Shri S.C. Marak, Chairman, State Planning Board. While welcoming the, Co-Chairman and the Deputy Chairmen, State Planning Board and the officers of Planning Department and Finance Department to the meeting the Chairman stated that the Board would like to be enlightened on some issues regarding shortfall in utilization of Plan fund, utilization of the Loan Component by each Department and sanction of schemes under NLCPR by the Ministry of DONER, before the Working Groups of State Planning Board take up the task of reviewing the progress of implementation/achievement of Plan schemes during 2004-2005.

Enquiring on the recurrent phenomena of shortfall in Plan expenditure the Principal Secretary, Planning Department explained that in the first instance the size of the Annual Plan 2004-2005 was revised downwards from the Approved Outlay of Rs.716.34 crores to Rs.679.00 crores. The primary reason being inability to tap all resources especially from financial institutions viz., NABARD, HUDCO, REC and also under the EAP Component. He however stated that the downward revision during 2004-2005 was not very high compared to previous years. While discussing shortfall in expenditure during 2004-2005 it transpired that Planning Department had cleared schemes amounting to Rs.711 crores during 2004-2005 which is however subjected to clearance by Finance Department. A true picture of the actual utilization of Plan fund/shortfall in expenditure would be available in Planning Department by mid-June when all development Departments submit their Departmental figures actually expended during 2004-2005 to Planning Department.

On the actual size of the Plan the Principal Secretary, Finance Department stated that out of Rs.679 crores, Rs.562 crores is to be funded by the Govt. of India. The Govt. of India has so far released an amount of Rs.499 crores and to get the balance amount is over. On the reasons for less release of fund by Govt. of India queried by the Co-Chairman, Shri E.D. Marak, the Principal Secretary informed that this is due to specific schemes which fund have not been released by the Govt. of India. Details on these have to be obtained from the Department itself. The Principal Secretary, Planning Department assured that the different Departments would be asked to submit the reasons for shortfall in expenditure of their respective Department.

On the Loan Component the Principal Secretary, Finance Department informed that out of the Revised Loan Component of Rs.125.95 crores, Rs.102 crores was actually availed. Loans are availed by Finance Department and also repaid by Finance Department alongwith the interest. In respect of Rural Electrification where Planning Commission had shown a loan amount of Rs.30 crores during 2004-2005, the Power Department had written to the Govt. of India for sanction of a grant instead, for Rural Electrification since electrification of a village

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costs about Rs. 12 to Rs. 15 lakhs and the returns are negligible. On this issue, the Deputy Chairman, Shri S.D. Khongwir queried as to what is the policy for other states (Special Category States). The Principal Secretary, Finance Department informed that it is given as loan. LIC Loans have not been availed for the last 9-10 years. Finance Department is only paying the interest now. The Chairman therefore felt that Departments should start negotiating with LIC for loans and where loans are involved revenue generating projects should be encouraged. On the question of utilization of loans which the Board observed could not be utilized by some Departments the Principal Secretary, Planning Department clarified that loans are a composite part of the Plan. It depended upon the Department if they can absorb the loan.

The Chairman, State Planning Board asked Planning Department to submit the actual Plan expenditure Departmentwise and utilization of the Loan Component by each Department for 2004-2005 to the State Planning Board.

On the present position of sanctions by the Ministry of DONER for schemes under NLCPR. Planning Department informed that out of 192 schemes submitted 10(ten) numbers of projects were approved by the Ministry of DONER during 2002-2003 to 2004-2005. A total amount of Rs.156.52 crores was released till date.

On the observation that most of the schemes have not been approved as yet, which also appear that Meghalaya is at the bottom among North East recipients of DONER schemes Planning Department pointed out the Line Ministry which examine the projects are raising queries from time to time which is the reason for delay in sanction of the schemes. The State Govt. sent the projects to DONER and the same would be sent to the concerned Ministry by DONER. If approved the schemes would come back to DONER and sent to the State Govt.

The Chairman, State Planning Board asked Planning Department to submit a brief note on important projects under NLCPR for perusal of the Board.

The meeting ended with a vote of thanks from the Chair.

Sd/-  
**(S.C. Marak)**  
**Chairman**  
**State Planning Board**