

**GOVERNMENT OF INDIA  
MINISTRY OF DEVELOPMENT OF NORTH EASTERN REGION  
NORTH EASTERN COUNCIL SECRETARIAT**

**No. NEC/PLAN/I-52/2008**

**Dated: 23<sup>rd</sup> September, 2008**

**ORDER**

To facilitate the decision making process for sanction of projects costing above Rs. 2 crore and upto Rs. 5 crores, a Committee called the **NEC Project Appraisal Committee (NECPAC)** is hereby constituted as follows:

1. Planning Adviser, Chairman
2. Financial Adviser or his representative - Member
3. Concerned Sectoral Adviser/ Director of NEC Secretariat - Member Convenor.

This Committee will appraise Schemes/ Projects proposals between Rs. 2 crores and Rs. 5 crores which has been recommended for sanction by the sector concerned. The Committee will make recommendations on such schemes/ projects in consonance with standing guidelines for appraisal and approval.

The Sectoral Head would furnish the technical note/justification in the format prescribed at **Annexure-I** in respect of their Sectoral Scheme/Project and record the minutes of the meeting convened for the purpose.

The recommendations of the NECPAC will then be put up to Secretary, NEC for taking a final decision on the scheme/ project concerned.

The Committee will be serviced by the Planning Division.

This issue with the approval of Secretary, NEC, and supersedes the order of even number dated 29<sup>th</sup> August, 2008.

**Encl: As above**

**[S. Mitra]**  
Director (Planning & Admn.)

To the:-

1. Adviser (Transport & Communication)
2. Adviser (Agri & Allied)
3. Adviser (IFC & WSM) I/c (Power)
4. Adviser (Banking Industries & Tourism)
5. Adviser (IFC & WSM) I/c (Medical & Health)
6. Director (E&M)
7. Director (E&M) I/c Director (HRD & E)
8. Director (Science & Technology)
9. Director (IPR)
10. Deputy Financial Adviser
11. S.O. (Finance)
12. S.O. (Admn)
13. S.O. (Nazarat)

Copy to the:

1. The Private Secretary to Minister, DoNER and Chairman, NEC, Shastri Bhavan, New Delhi.
2. The Secretary, Government of India, Ministry of DONER, Vigyan Bhavan Annexe, Maulana Azad Road, New Delhi
3. P.S. to Hon'ble Member (P), NEC for information of Hon'ble Member.
4. P.S. to Hon'ble Member (I), NEC for information of Hon'ble Member.
5. P.S. to Hon'ble Member, Shri B.K. Chaturvedi, Member Planning Commission and NEC.
6. Sr. P.S. to Secretary, NEC for information of Secretary
7. P.S. to Planning Adviser, NEC for information of Planning Adviser
8. P.S. to Financial Adviser, NEC for information of Financial Adviser.

**FORMAT OF NEC-PAC MEMORANDUM**

- 1. Sponsoring Department**
- 2. Statement of proposal:**
  - a) Whether there are schemes with overlapping objectives and coverage in other Ministries and State? If so, the details of such schemes and the scope of integration.
  - b) New Proposal Modified
  - c) Reasons and justification for proposal indicating historical background, circumstances in which the need have arisen, whether other alternatives have been considered and what detailed studies have been made in regard to the proposal for establishing its need, its economics and other relevant aspect.
  - d) If it is location specific, basis for the selection of location.
  - e) Has the proposal been included in the Five Year Plan and what are the provisions in the Five Year Plan and in the current annual plan? Is any modification proposed?
  - f) What is the estimated yield from the Project and what are the economic implications.
  - g) In case of ongoing scheme/ project, present status and benefits already accrued to the beneficiaries may also be furnished.
  - h) Have other concerned Ministries and Planning Commission been consulted and, if so, with what results.
  - i) Whether any evaluation had been done? If so, broad findings of such evaluation studies may be given.
  - j) Has the proposal or its variant been gone into by any Committee and, if so, with what result and what decisions have been taken.

**3. Programme Schedule:**

- a) Has the project/ scheme been worked out and scrutinized in all its details?
- b) What is the schedule for construction, indicating the position separately relating to plant and machinery and civil works, raw material manpower etc., together with year-wise phasing.
- c) Whether physical and financial targets match with each other?
- d) What is the target date for completion and when will the expected benefits commence?
- e) If the project involves dislocation of human settlements, the resettlement cost should be included fully in the project cost. The resettlement plan should also be indicated in the project implementation schedule. The resettlement cost may be worked out on the following basis:
  - i) The cost of land required to resettlement would be as indicated by the District/ States Authorities.
  - ii) The compensation to be paid to the displaced persons. This compensation cost is dependent on the rates indicated by District/ States authorities. Thus the total compensation cost may be worked out on the basis of these rates.

**4. Expenditure involved:**

- a) What is the total expenditure (non-recurring and recurring):

Indicate the position year-wise and also whether any budget provision has been made and if not, how it is proposed to be arranged? Has any expenditure been incurred already?
- b) Details of the scheme of financing clearly bringing out the financial obligations undertaken by the Department with or without the proposal under consideration. Note along with the requirement and availability of funds for the project under consideration.
- c) Phasing of expenditure (non-recurring and recurring)
  - i) At constant price.
  - ii) On completion cost
- d) Reference date and basis of cost of various components.

5. **Reliability of Cost Estimates and Other parameters:**

- a) Has pre-project investigation been arrived at in detail and details of area where changes in project parameters could be anticipated?
- b) To what extent cost estimates are firmed up?

6. **Operational Capabilities :**

- a) Operational capability of Implementing Agency to undertake the tasks required for the implementation of the proposal under consideration. For this purpose track record of the Implementing Agency in respect of the projects already implemented/ under implementation may be highlighted and also steps proposed for ensuring timely execution of the projects under consideration.

7. **Add statements showing:**

- (i) expenditure on buildings and other works and its basis and phasing and
- (ii) expenditure on stores and equipment.

8. **Viability:**

Information is to be given if benefits accruable from the projects/ schemes are quantifiable and can be translated in monetary term

a) Financial IRR

- i) at constant prices:
- ii) on completion cost basis:

a) Economic IRR:

- i) at constant prices:
- ii) on completion cost basis:

9. **Whether Nodal Officer** (Chief Executive for the project) has been appointed. If yes, give details about this status, past experience in implementing such projects, number of years left for superannuating, etc.