

**GOVERNMENT OF MEGHALAYA  
FINANCE (EC) DEPARTMENT**

**OFFICE MEMORANDUM**

Dated Shillong, the 15<sup>th</sup> October, 2003.

No.FC.II/19/98/20:- Whereas it has been noted that Departments submit Schemes for administrative approval and financial sanction, each year, far in excess of the annual sectoral plan out lay and without reference to the committed expenditure on the shelf of sanctioned departmental projects,

Whereas Departments usually make meager token provisions for expenditure during the first year of the scheme;

Whereas, such a practice results in the sanctioned shelf of schemes/projects remaining unimplemented for several years due to fund constraints, with consequent time and cost overruns, critical delays and upward revision of sanctioned costs;

Now therefore, after careful consideration of the matter, the Governor of Meghalaya is pleased to direct that all Departments shall conform to the following fiscal guidelines with immediate effect-

- (i) Formulate a specific fund flow schedule for each proposed scheme/project, So that the scheme/project can be funded and implemented within expected Sectoral plan outlays, in a period not exceeding 3(three) years. This period May be 5 ( five ) years for large project with an investment of more than 50.00 crores.

Note: No Department should normally expect sectoral plan budgetary Support exceeding 10% over the previous year's plan allocation, while Making projections for schematic/project funding.

- (ii) The Departmental proposal for all schemes/projects shall earmark adequate Percentage of funds, not below 5% of the estimated cost, for expenditure during the first year, that is the year of sanction.
- (iii) The rest of the proposed expenditure for the scheme/project should be suitably earmarked over the remaining 3(three) years/5 (five) years in case of Large projects/schemes where the investment exceeds Rs.50.00 crores ).
- (iv) No Departmental proposal shall be considered for administrative approval and financial sanction by Finance Department unless the project/schematic proposal conforms to the aforesaid requirements and are supported with specific fund flow statement, as above.

Sd/- (P.J.Bazelely)  
Addl. Chief Secretary to the Govt. of Meghalaya,  
Finance etc., Department.

Memo No.FC.II/19/98/20-A,  
Copy to :-

Dt.Shillong,the 15<sup>th</sup> October, 2003.

1. P.S. to the Chief Minister for kind information of the Chief Minister.
2. P.S. to the Deputy Chief Minister for kind information of the Deputy Chief Minister.
3. P.S. to all Ministers for kind information of the Minister.
4. P.S. to the Chief Secretary for kind information of the Chief Secretary.
5. The Additional Chief Secretary/Principal Secretary/Commissioner & Secy/Secretary to the Government of Meghalaya\_\_\_\_\_ Department.
6. The Head of all the Departments for information etc.

By Order etc.,

Sd/- ( B. Dhar )  
Joint Secretary to the Govt. of Meghalaya  
Finance (EC) Department.