



# 16<sup>th</sup> Finance Commission

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Introduction Deck

7<sup>th</sup> June 2024

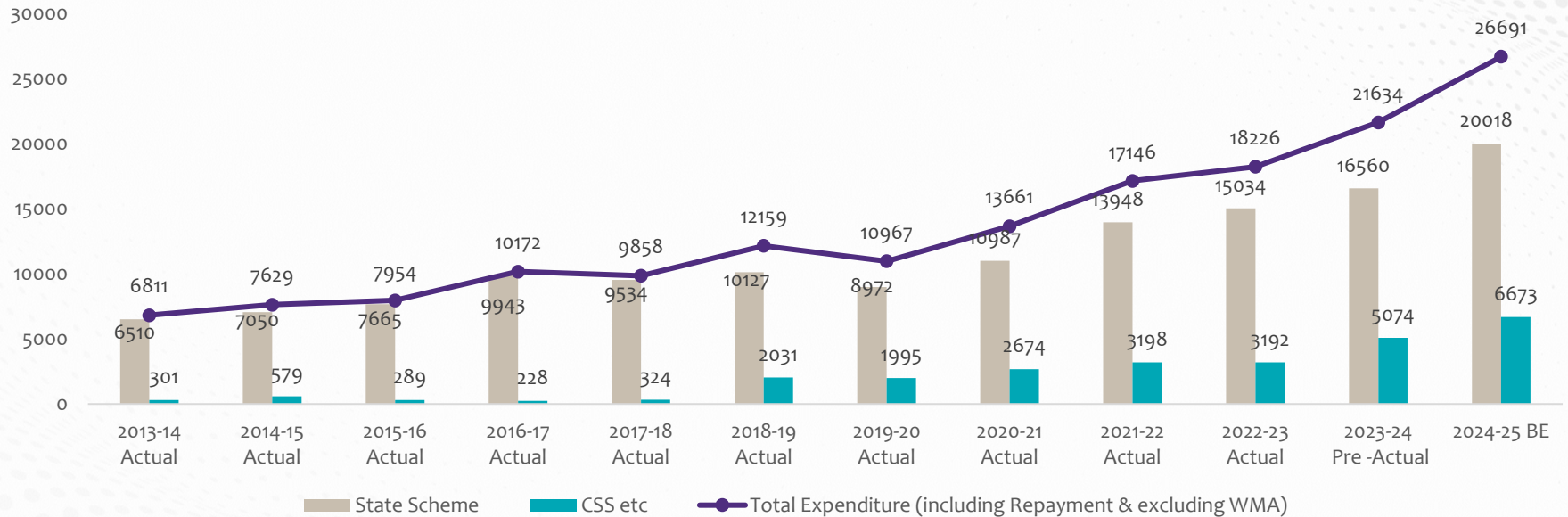
# Agenda

Agenda Item	#
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# Expenditures

## A Brief Look At Meghalaya's Expenditures

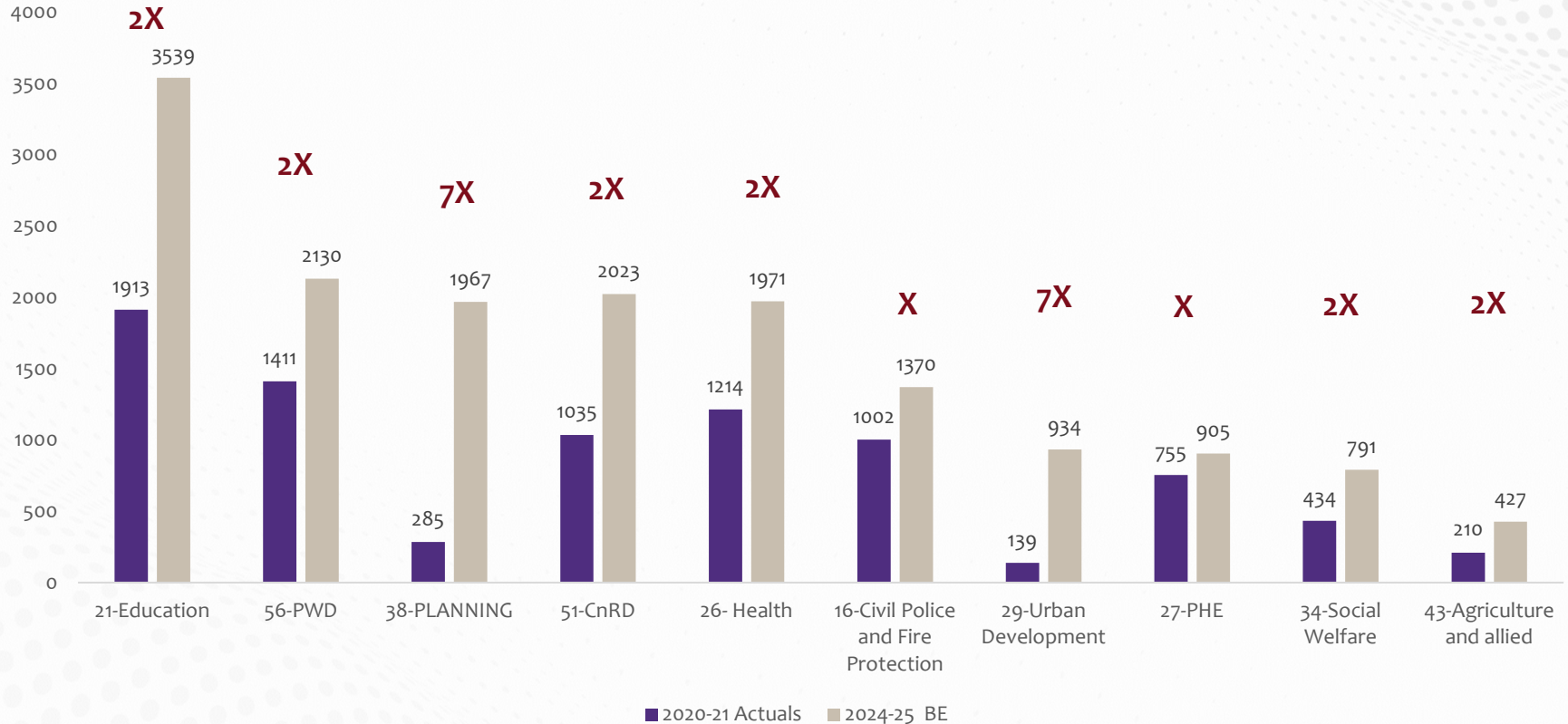
Expenditure trend in INR Cr



The state's **total expenditure** has seen a **CAGR of 13%** since 2013-14 with **CSS growing at ~33%**.

# Expenditures

Growth in expenditures of top 10 dept. (in INR Cr)



# Receipts

## Key sources of funding in

Receipts in INR Lakh					
Items	2022-23	2023-24			2024-25
	Actual	BE	RE	Pre-Actual	BE
<b>Share of central tax</b>	<b>7286,14</b>	<b>7834,51</b>	<b>8471,47</b>	<b>8663,22</b>	<b>9355,73</b>
<b>State's Own Resource</b>	<b>3107,28</b>	<b>3947,25</b>	<b>4020,20</b>	<b>3739,76</b>	<b>4787,85</b>
Own Tax	2650,67	3204,66	3262,43	3216,53	4041,27
Non-Tax	456,61	742,59	757,77	523,23	746,58
CAPEX	1049,02	1003,00	1895,26	1293,06	2084,79
CSS	3269,94	5556,10	6927,49	4761,30	6584,09
FC Grants & GST Compensation	123,51	358,47	158,44	69,62	592,26
Revenue gap grant	1033,00	715,00	715,00	715,00	110,00
Borrowings	2007,56	2015,08	1634,00	1632,11	3146,16
Recovery of loans & advances	24,55	27,65	27,65	24,03	29,95
<b>Total without WMA</b>	<b>17901,00</b>	<b>21457,06</b>	<b>23849,51</b>	<b>20898,10</b>	<b>26690,83</b>
<b>Total without WMA &amp; CSS</b>	<b>14507,55</b>	<b>15542,49</b>	<b>16763,58</b>	<b>16067,18</b>	<b>19514,48</b>
<b>Total without WMA &amp; CSS &amp; CAPEX</b>	<b>13458,53</b>	<b>14539,49</b>	<b>14868,32</b>	<b>14774,12</b>	<b>17429,69</b>



# 16<sup>th</sup> Finance Commission



**Dr. Arvind Panagariya**  
Chairman of the 16th  
Finance Commission of  
India



**Ajay Narayan Jha**, former member,  
15<sup>th</sup> Finance Commission and  
former secretary, Expenditure



**Annie George Mathew**, former  
special secretary, Expenditure



**Manoj Panda**, former Director of the  
Institute of Economic Growth, Delhi  
and the Centre for Economic and  
Social Studies (CESS), Hyderabad



**Soumya Kanti Ghosh**, Group Chief  
Economic Advisor, State Bank of  
India

## Mandate of 16<sup>th</sup> Finance Commission

- ✓ Vertical devolution of grants
- ✓ Horizontal evolution of grants between states
- ✓ Review of ongoing schemes
- ✓ Recommending closure of schemes
- ✓ Grant for special projects as per state's requirements

# Vertical & horizontal devolution of 15<sup>th</sup> FC

## Vertical devolution

- **41% of the net proceeds** of the **shareable Central taxes** should be allocated to the states
- Share of Central taxes devolved **for Meghalaya is 0.767%**

## Horizontal devolution

- Horizontal devolution refers to the **distribution of the devolved tax revenue among the states**. The 15<sup>th</sup> Finance Commission recommended a specific formula for this horizontal devolution, based on criteria mentioned below.

Criteria	Weight (%)
Population	15.0
Area	15.0
Forest & ecology	10.0
Income distance	45.0
Tax & fiscal efforts	2.5
Demographic performance	12.5
<b>Total</b>	<b>100</b>

# Mission 10: Opportunities for all



Opportunity for All

**\$10 Billion** Economy



Prosperity for All

**5 Lakh** Jobs



**10 Opportunities**

Investment Promotion and private sector development  
*Opening the gateway to growth*

Regional Connectivity & Border Trade  
*Business beyond borders*

IT/ITeS - Meghalaya as a Tech Hub  
*Develop Northeast India's next Tech Hub*

Urban Transformation  
*Develop thriving urban centers to support growth*

High value horticulture and allied  
*Harvesting prosperity*

Women | Economic Empowerment & Engagement  
*Hand in hand, shoulder to shoulder*

Engaging & Employing Youth  
*Leverage Meghalaya's demographic dividend for growth*

Country's Best Sustainable Tourism Destination  
*Creating an Eco-tourism Haven*

Climate-Resilient Green Economy  
*Turbocharging Green Growth*

Power Generation  
*Greener grids, brighter lives*



# Mission 10: Guarantees for all



Opportunity for All

**\$10 Billion** Economy



Prosperity for All

**5 Lakh** Jobs

10 Guarantees



Improved connectivity and seamless mobility

*Every Mile Matters*

Piped drinking water to all

*Every drop counts*

High speed internet connectivity everywhere

*No village left unconnected*

Housing for all eligible beneficiaries

*Building better homes for New Meghalaya*

Reliable and quality power supply

*Steady power for steadfast growth*

Building Community Infrastructure

*For Engagement, Excellence and Recreation*

Easing service delivery and grievance redressal

*Service delivery-closer, faster and easier*

Affordable and quality healthcare for all

*Quality care, all included*

Joyful and quality learning at all levels

*From cradle to classroom*

A caring and empowering state

*No One Left Behind*

# Support needed from departments

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- Timeline for submission of memorandum: **September 2024**
- Deadline for submission of information: **17<sup>th</sup> June 2024**

## Key Actionable

- Detailed document detailing out the department's plan on achieving Mission 10
- Provide **comprehensive information of ongoing schemes** as per format provided (Annexure-1)
  - Expenditures of departments from FY 2020-21 to FY 2023-24
  - Projected expenditures from FY 2025-26 to FY 2027-28
- Detail out **any special schemes/ policy changes required** by the department for achieving Mission 10 as per format provided (Annexure-2 & 3)
  - Vision and goals of department for achieving Mission 10
  - Key indicators and targets
  - Funding requirements
- Provide **details of PSUs** as per the format provided (Annexure-4)
- **Details of utilization of specific FC grants** by Health, Education, Panchayati Raj Institutions (District Councils and ULBs), Disaster management
- **Contact details** for submission of information: [vijaymeghalaya2@gmail.com](mailto:vijaymeghalaya2@gmail.com) and [megh.finead@gmail.com](mailto:megh.finead@gmail.com)

# ANNEXURE

# Annexure-1- Funding and Beneficiaries

## ACTUAL & PROJECTED EXPENDITURE OF CURRENT SCHEMES UNDER THE DEPARTMENT

( in Rs Cr )

#	Scheme Name	Scheme type (State/ Centre)	Objective (brief)	Actual Expenditure				Projected Expenditure			
				2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28

## ACTUAL & PROJECTED BENEFICIARIES OF CURRENT SCHEMES UNDER THE DEPARTMENT

NUMBER

#	Scheme Name	Scheme type (State/ Centre)	Objective (brief)	Actual Number of Beneficiaries				Projected Beneficiaries			
				2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28



# Annexure-2-Vision, goals & key indicators identified by the department to achieve Mission 10

## VISION, GOALS & KEY INDICATORS IDENTIFIED BY THE DEPARTMENT

### VISION:

Goals for department in the State in the next 5 years:

#	Outputs (Broad Indicators that will enable attainment of the vision)	Indicators (measurable tasks/activities, completion of which will enable attainment of the outputs)	Current Status of Output indicator	Target Level of output indicator	Existing scheme to meet the indicator Target (yes/no)	Is a new scheme needed to meet the indicator (Yes/No)	Fund requirement to meet target for 5 years (in INR Cr)	Remarks

## Annexure-3- New Schemes/ Policies/programs required to achieve Mission 10

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#	Are there any new schemes/ policy changes needed for achieving the Department's Vision and goals. Please provide details with funding requirements.	Funding requirement (Yes/No)	Funding requirement FY 2024-25	Funding requirement FY 2025-26	Funding requirement FY 2026-27	Funding requirement FY 2027-28

# Annexure-4

1. Background Information of the SPSE
2. No. of employees as on 31/03/24

Permanent	
Contractual	
Casual	
Daily-Wage	

3. Performance of the enterprise over the last Six years (Turnover and Profit and Loss)

(` In Crore)

Sl.No.	Year	Income	Expenditure	Profit & Loss Account (+/-) before Tax	Profit & Loss Account (+/-) after Tax and other adjustments	Accumulated Profit/Loss	Remarks
1	2	3	4	5	6	7	8
1	2018-19						
2	2019-20						
3	2020-21						
4	2021-22						
5	2022-23						

## Annexure-4

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### 4. Amount of financial assistance received as subsidy / share capital / grants-in-aid, etc., from State Govt. over the last Six years. (In Crore)

Financial Year	Subsidy	Share Capital Contribution	Grants-In Aid	Financial Assistance
2018-19				
2019-20				
2020-21				
2021-22				
2022-23				
2023-24				

5. Whether the Enterprise is profit making, if not, details of committed liabilities
6. Whether the enterprise is able to meet its salary bill out of its own resources.
7. Any major steps taken over the last Six years to improve the performance of the enterprise.
8. Steps taken / proposed to be taken to make the enterprise competitive.
9. Plans, if any, for disinvesting / winding up of the enterprise.
10. Power Department may also provide a detailed note UDAY Scheme.



**THANK YOU**