

Department of NRI Affairs, Government of Punjab
NRI-GoP Infrastructure Development Fund
(PLAN SCHEME NRI - 1)

OBJECTIVE

There are number of NRIs /NRI NGOs who are keen to contribute to the Development of their native areas for improving conditions. With a view to provide an enabling and facilitating platform for such contribution to the development of their villages and rural/urban areas by the NRIs, Government of Punjab in Department of NRIs Affairs has floated a Plan Scheme NRI -1 which allows 75% matching grants by the GoP and 25% by the NRI/NGO for all rural/urban Development programs which are initiated by NRI/NGOs. The scheme was announced with a view towards ensuring full participation of NRIs and NRI NGOs into the rural/urban infrastructure developmental activities which would also ensure the desired ownership of the public property by the and subsequent maintenance of the infrastructure created with local initiative. The schemes had been working satisfactorily under the and supervision and maintaining of the High Level Committee called the Punjabi NRI Committee for development (PUNRICD) constituted vide No. 1/18/04-NRI(2)/576-583 dated 14.8.05) (Annexure-I) as per the modalities already by the Govt. in the Department of NRI Affairs.

SCOPE

The Plan Scheme NRI-1 shall be source of funding open to all ural/urban area in the state of Punjab, provided they meet the eligibility conditions set for any project or class of projects from time to time. Since the scheme has been formulated with a view to provide overall benefit of the general masses and overall community development of the area, Government has decided that such projects will not be restricted to hospitals, libraries, drinking water, sewerage, disposal, public latrines,

street lights, sports stadium but other areas affecting the people from all walks of life can also be considered. A suggestion list of the projects is given in Annexure-II. Whereas, the NRI NGOs adopting the rural/urban local body shall be responsible for providing their share for a project, the funds available to a rural/urban local body under the scheme NRI -1 shall be a grant against such share.

ELIGIBILITY

PUNRICD would take up:-

- i) The projects proposal of rural and urban area under plan scheme NRI- 1 must be accompanied by the detailed project duly considered and approved by the District NRI Committee for Development (DINRICD).
- ii) Only those Gram Panchayats/Municipal areas would be selected which adopt a resolution to meet the complete Operations & Maintenance expenses of the facility created. Sufficient funds from various revenue streams such as donations from NRIs, including user charges shall be put in a dedicated account for meeting the full expenditure of O&M of the project, by the Gram Panchayats/Municipal Councils, which shall be solely responsible for funding O&M adequately. A resolution (as per Annexure IV) in this regard will be passed by Gram Panchayats/Municipal Councils and submitted to Deputy Commissioner where upon the project details (feasibility, cost estimates etc.) will be prepared by the NRI NGO in consultation with the Gram Panchayats/Municipal Councils.
- iii) The Project proposal must involve creation of some tangible public assets and not intangible assets like scholarship or services, etc.

OPERATION

As per the modalities already approved by the Government in the Department of NRIs Affairs, Punjab will control the allocation and release of funds allocated in the rural/urban Development Scheme NRI -1. A part of the annual outlay could be withdrawn and kept in a nationalized bank to release matching grants to NRIs who take up development activities in rural/urban areas in right earnest. This is being done to encourage more funds to flow into rural/urban areas from overseas.

The Deputy Commissioner shall keep a ready panel of certified civil/public health/construction engineers who could even be retired professionals. The Deputy Commissioner will ask any certified engineer from the panel to check the detailed estimates prepared by the NRI NGO. Detailed estimates will be forwarded to the District Level Committee DINRICD (Annexure-III), headed by the Deputy Commissioner concerned, After scrutiny these projects would be put up High Level Committee called PUNRICD headed by Chief Secretary, Punjab. Upon clearance of the projects by PUNRICD, the Commissioner NRI Affairs will transfer the funds (grants) to the concerned Deputy Commissioner. The NRI contribution would be available in the district. Thereafter, that the Deputy Commissioner of the concerned district will deposit the Government share in a Nationalized Bank for making its further use for the completion of the project. PUNRICD will decide the quantum of the matching Grant to be given to a particular project. To ensure full ownership and subsequent responsibility of repair maintenance of the infrastructure by the urban/rural community, the implementation of the schemes should be carried out by NRI NGOs's subject to their capacity to handle the work technically, administrative and financially. Detailed norms have already been drawn up by the Department of NRI Affairs for implementation of such schemes which are being sanctioned and implemented by PUNRICD.

ADMINISTRATIVE CHARGES

The Government has considered and decided to allow a total of 3% administrative charges as part of the total cost of the project. The INRICD shall be responsible for undertaking detailed scrutiny of the project estimates to ensure that no administrative charges other than the ones allowed by Government are charged by the executing agency. The break up of these charges shall be as under:-

(1) CERTIFIED ENGINEERS

The Deputy Commissioner shall maintain a panel of Certified Engineers. An Engineer from the panel will provide technical assistance to the PUNRICD and DINRICD by way of preparation/ scrutiny of estimates of works proposed to be undertaken, supervision of work and final certification upon completion of work/s. The certified engineer shall be paid an honorarium not exceeding 2% of the total approved cost of the project. The expenditure shall be met from the approved cost of the project/s and no separate budget shall be provided for this purpose. Where the executing agency is an NGO or body other than the Government, administrative charges not exceeding 1.5% shall be payable to them and the balance 0.5% shall be used by the DINRICD for obtaining technical assistance, wherever necessary, from an Engineer from the panel of Certified Engineers.

(2) ACCOUNTS

Accounts of all funds spent by the Government as well as by the NRI/ NGO would be maintained by the executing agency under the overall supervision of the DINRICD. The Deputy Commissioner shall allow the executing agency (other than Government) 0.5% of the project cost for maintenance of accounts. This expenditure will be met from the approved cost of the projects and no separate budget will be made.

(3) CHARTERED ACCOUNTANTS

All funds spent by the Government as well as by the NRI/ NGO shall be audited by a Chartered Accountant. The Deputy Commissioner shall maintain at the district level a suitable panel of Chartered Accountants. The Chartered Accountant shall be paid an honorarium not exceeding 0.5% of the total approved cost of the project or a maximum of Rs. 10,000/-, whichever is less. The expenditure shall be met from the estimated cost of the project/s and no separate budget shall be provided for this purpose. The Government shall, however, reserve the right to have the expenditure incurred on a project specially audited by an agency of the Government.

PROCEDURE FOR RELEASE OF FUNDS

The Punjab NRI Committee for Development (PUNRICD) headed by the Chief Secretary will decide the quantum of Government's share. At least 25% contribution will be from the NRIs/NGO under this Scheme. After the PUNRICD approves the projects, it will be executed and completed under the strict supervision of the concerned NRI/NGO. The procedure of expenditure on the project by the NRI/NGO and the State Government will be as under:-

- a) First the NGO/NRI will spend 15% of the total cost of the project out of their own funds.
- b) After utilization of the above 15%, it shall apply to the Deputy Commissioner for release of the 50% share out of the total cost of the project as Government funds. Upon receipt of reports from the D.C. concerned, the Department shall release 50% of the project cost as 1st installment of the State share.
- c) The NGO/NRI will spend next 10% of the total cost of the project out of their own funds.

d) Then the NGO/NRI will apply to the Deputy Commissioner for release the remaining 25% share out of the Government funds. On receipt of reports from the D.C., the Department shall release balance 25% contribution as State share. The Deputy Commissioner and the DINRICD would make efforts to complete the projects as soon as possible, at least within a year from the date of release of funds. It will be the responsibility of the concerned Deputy Commissioner to send the completion report of the project to the PUNRICD. The interest accrued from the amount deposited in the banks shall be the part of the income of the project. The concerned NRI/NGOs will submit the details of accounts of expenditure to the DINRICD after getting it audited from the Chartered Accountant from the panel.

IMPLEMENTATION FOR PROJECTS

i) NRI/NGO will prepare a simple project report providing an overview of the physical and financial scope of the work, proposed to be undertaken. It shall also contain detailed estimates of the rural/urban development work which they will undertake in the concerned authority. The savings account No. source of funds and PAN No. of the NRI/NGO shall be stated in the proposal. The DINRICD would also be responsible for ascertaining the suitability and/or experience of the NGO concerned in implementing the proposed project.

ii) The discrepancies/short coming found in the proposal shall be intimated by the D.C. concerned to the NRI/NGO within 30 days, from the date of submission of the project. The revised proposal submitted by the NRI/NRO will be re-examined by the D.C. within 15 days from its receipt and the same shall be placed before the DINRICD headed by D.C. for approval and send to the Government within 15 days.

iii) After considering the project at the level of Government PUNRICD will approve the same within a one month.

- iv) The Deputy Commissioner shall keep ready a panel of Certified Engineers. Deputy Commissioner will take the assistance of the engineers from this panel to examine and forward the project to Commissioner NRI Affairs with the recommendations of DINRICD. If necessary, a letter may be issued by Commissioner NRI Affairs to the NRI/NGOs that the scheme would be considered by PUNRICD.
- v) The CNRI may, if need be, ask any certified engineer from the panel to check the detailed estimates prepared by the NRI/NGO.
- vi) These projects would be put up to High Level Committee, namely the Punjab NRI Committee for Development (PUNRICD) headed by the Chief Secretary, Punjab for consideration and approval.
- vii) Upon clearance of the projects by PUNRICD, the Commissioner NRI Affairs will transfer the funds (grants) to the concerned Deputy Commissioner.
- viii) The Deputy Commissioner of the concerned district will deposit the Govt. share in a Nationalized Bank in a specially maintained account for this project for making its further use for the completion of the project.
- ix) The NRI contribution should also be deposited in the same account in the district.
- x) To ensure full ownership and subsequent responsibility of repair and maintenance of the infrastructure by the village community and Municipal Council, the implementation of the schemes should be carried out by the Gram Panchayat/ Municipal Council or the NRI NGOs concerned subject to their capacity to handle the work technically, administratively and financially.
- xi) Certified Engineers (from the panel) will provide technical assistance to the PUNRICD as well as to the DINRICD, wherever required.
- xii). All funds spent by the Government as well as by the NRI/NGOs would be audited by a Chartered Accountant. The Deputy Commissioner shall maintain a panel of suitable Chartered Accountants.

xiii) After the PUNRICD approves the project/s, it will be executed and completed under the strict supervision of the concerned NRI/NGO. The procedure of expenditure on the project by the NRI/NGO and the State Government will be as under:-

a) First the NGO/NRI will spend 15% of the total cost of the project out of their own funds.

b) After utilization of the above 15%, it shall apply to the Deputy Commissioner for release of the 50% share out of the total cost of the project as Government funds. Upon receipt of reports from the D.C. concerned, the Department shall release 50% of the project cost as 1st installment of the State share.

c) The NGO/NRI will spend next 10% of the total cost of the project out of their own funds.

d) Then the NGO/NRI will apply to the Deputy Commissioner for release the remaining 25% share out of the Government funds. On receipt of reports from the D.C., the Department shall release balance 25% contribution as State share.

xiv) The funding and disbursement for the low cost sewerage schemes shall be as in the case of projects under the VDF (copy attached).

xv) The concerned NRI/NGO will submit the details of accounts of expenditure to the PUNRICD after getting it audited from the Chartered Accountant (on the panel).

xvi) It will be the prerogative of the Department of NRI Affairs to inspect the standard, quality and progress of any ongoing project together with accounts as and when the Department may consider it necessary.

xvii) The Department may, if necessary, have the accounts of any project under the scheme specially audited by the Examiner, Local Fund Audit.

OPERATION & MAINTENANCE

Meeting the full operation & maintenance cost of the infrastructure created through Plan SCHEME NRI-1 shall be the responsibility of the

NRI/ NGOs or the concerned Gram Panchayat/ Municipal Council. For this purpose, the Gram Panchayat/Municipal Council may levy a fee from the residents of the rural/urban area to be collected on quarterly, half-yearly or yearly basis as the local elected body may decide. The NRI/NGOs with the help of villagers/Municipal Council would propose a maintenance committee for the rural/urban area, which would decide the rate of user charges to be levied from each household for the service being rendered to them. Agreement on user charges should precede the submission of the proposal to the PUNRICD.

MODIFICATION OF GUIDELINES

The guidelines may be amended or modified by the Department at any point of time with the approval of the PUNRICD.