

No.K-11013/12/2013/ IWMP (H.P)/ Vol.III
Government of India
Ministry of Rural Development
Department of Land Resources

6th Floor, 11th Block, CGO Complex,
Lodhi Road, New Delhi - 110 003
Dated: 04.03.2020

04/03/2020
(Dr. C. P. REDDY)
Scientist (TE)
Min. of Rural De
Development/Min. of Land Resources
New Delhi

To

The Pay and Accounts Officer,
Department of Land Resources,
Ministry of Rural Development,
CGO Complex, 11th Block, Lodhi Road,
New Delhi -110 003

SUBJECT: Release of 1st installment of funds for the year 2019-20 for implementation of projects under Watershed Development Component of Pradhan Mantri Krishi Sinchayee Yojana (WDC- PMKSY) in Himachal Pradesh- reg.

Sir,

I am directed to convey the approval of the President of India for sanction of **Rs.66.87 Crore (Rupees Sixty Six Crore Eighty Seven Lakh only)**, as 1st installment of Central share for 2019-20 for implementation of projects under Watershed Development Component of **Pradhan Mantri Krishi Sinchayee Yojana (WDC-PMKSY) in Himachal Pradesh** as per the details given below:

- i. Total amount due as 1st instalment: Rs.78.78 crore.
- ii. Total expenditure reported by State as on 31.03.2019: Rs.292.00 crore
- iii. Eligibility of administrative expenditure i.e 10% of total expenditure: Rs.29.20 crore
- iv. Actual administrative expenditure reported by State (as on 31.03.2019): Rs.42.43 crore
- v. Excess expenditure under administrative head (iv-iii) incurred by State over and above permissible limits: Rs.13.23 crore.
- vi. Central Share, of the excess administrative expenditure incurred: Rs.11.91 crore
- vii. **Amount released now (after adjusting Central Share of excess expenditure incurred on administrative head from the current due amount) (i-vi) : Rs.66.87 crore**

2. The release of **Rs. 66.87 crore** to **Himachal Pradesh** is as per the following budget heads:

Sl No.	Budget Head	Amount (Rs. in crore)
(i)	3601.06.101.53.00.31 Grants in aid General	48.347
(ii)	3601.06.789.45.00.31 Grants in aid (Special Component Plan for Scheduled Caste-SCSP) (Minor Head)	16.833
(iii)	3601.06.796.47.00.31 Grants in aid (Special Component Plan for Scheduled Tribes-STC) (Minor Head)	1.69
Total		66.87

Note: The State of Himachal Pradesh shall ensure to keep administrative expenditure within the prescribed limit of 10% of actual expenditure under the scheme.

3. Through this Sanction Order, sanction of the President of India is hereby conveyed for release of **Rs. 48.347 crore (Rupees Forty Eight Crore Thirty Four Lakh Seventy Thousand only)**, as

mentioned in para 2 (i) above, to the State Government of **Himachal Pradesh** for implementation of above projects. The expenditure is debitable to the Head of Account given below:-

Demand No.85- Department of Land Resources

3601- Grants in Aid to State Government (Major Head)
06 - Centrally Sponsored Scheme (Sub-Major Head)
101 - Central Assistance Share (Minor Head)
53 - Pradhan Mantri Krishi Sinchayee Yojana - Watershed Development Component
53.00.31-Grants-in-Aid – General - Plan (2019-20) – Rs. **48.347 Crore**

4. The above release of Central assistance is subject to the following conditions:-
- i. The funding **pattern between Centre & State is 90:10** for Watershed Development Component of PMKSY (erstwhile IWMP projects).
 - ii. 345 uninitiated projects in 12 States in which (a) no expenditure has been incurred and (b) no committed liability has been created have already been transferred to the States vide this department letter No. Z-11011/32/2014-PPC (part-I) dated 08.02.2018. These projects are excluded from contribution by Central Government i.e. Central funds released under the WDC-PMKSY shall not be used for these projects. This is applicable with respect to both (a) Central funds released earlier under WDC-PMKSY and presently available with the States as well as (b) Central funds that would be released in future under WDC-PMKSY.
 - iii. The 1487 projects (which were in preparatory phase on 28.02.2018 as reported by the States) are now excluded from the Central share under WDC-PMKSY. DoLR has issued direction to this regard on 01.08.2018. States have to ensure that, henceforth, no new financial liability is created from the Central share under WDC-PMKSY in respect of these projects. The other terms and conditions to be adhered to be as per this department's letter No. Z-11011/32/2014-PPC dated 01.08.2018.
 - iv. The projects proposed to be taken up during 2019-20 as well as the amount of funds required have the approval of State Level Sanctioning Committee (SLSC) in terms of para 16.0 of PMKSY common Guidelines.
 - v. The projects are being implemented as per the provisions of the Common Guidelines for Watershed development Projects, Rule 232 (v) of GFR 2017, Operational Guidelines of PMKSY etc. The approval of the competent Authority needs to be taken, if any relaxation is required
 - vi. The State has the capacity to spend the money in terms of Rule 232 (v) of GFR 2017.
 - vii. Priority should be given for saturation of projects which are nearing completion.
 - viii. The State Government should release its matching State share towards the scheme.
 - ix. Physical progress is in consonance with financial expenditure.
 - x. Adherence to the provisions of GFR 2017 related to Centrally Sponsored Schemes and unspent balance strictly.
 - xi. As per the Guidelines, Batch-I and Batch-II projects sanctioned in the State are expected to be completed during 2016-17 and 2017-18 respectively. Therefore, funds released through this sanction orders should not be utilized in the projects sanctioned during 2009-10 (Batch-I), 2010-11 (Batch-II).
 - xii. **Administrative expenditure under the projects should not exceed the ceiling of 10% of the actual expenditure.**
 - xiii. The funds should be transferred at all levels through PFMS only.
5. The State Government shall transfer the funds to State Level Nodal Agency for WDC-PMKSY immediately. Further the State Government shall release its corresponding State share of above funds under intimation to this Department within 15 days of the issue of this sanction letter to SLNA. Purchase of vehicles/ photocopier/Video Recorder/ Projector, construction of any permanent buildings and such

other capital items is not allowed under the Programme. Further the State Government should ensure to minimize the unspent balance for all projects under the programme, to upload the DPRs on the website and to update MIS at all levels regularly. The other terms and conditions are as per **Annexure-I**.

6. The implementing agency shall maintain proper accounts of the expenditure incurred and submit the statement of Audited Accounts and Utilization Certificates to this Department as soon as possible after the closure of the financial year. The implementing agency shall furnish consolidated monthly progress report regularly with details of physical and financial achievements. The Implementing Agencies will follow other terms and conditions contained in the General Financial Rules 2017, as amended from time to time.

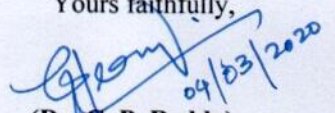
7. The Chief Executive Officer of the Implementing Agency shall ensure that physical progress is in consonance with financial expenditure and the certificate furnished about the progress of the projects and eligibility for Central fund releases are correct and valid.

8. On receipt of the sanctions letter, the Pay & Account Officer may issue an advice to the Reserve Bank of India (Central Accounts Section), Nagpur for accrual of credit balance to the State Government.

9. The Accounts of the grantee institution or organization shall be opened to Internal Audit of the Pr. Accounts Office functioning under Chief Controller of Accounts, in term of Rule 236 of GFR 2017. The Accounts of the grantee institutions is liable to be audited by the Comptroller and Auditor General of India.

10. This issues under the powers delegated to the Ministry of Rural Development and in consultation with the IFD vide their **DY. No.314/IFD/LR/2020 dated 27.02.2020**.

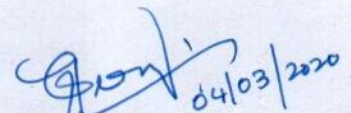
Yours faithfully,


(Dr. C. P. Reddy)
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ग्रामीण विकास मंत्रालय/Min. of Rural
शुद्धि संसाधन विभाग/D/o Land Resour.
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

Copy to:-

1. The Chief Secretary & Chairperson, SLNA, Govt. of Himachal Pradesh, Shimla.
2. The Director-cum-Chief Executive Officer, Rural Development Department, Govt. of Himachal Pradesh, Block No.27, SDA Complex, Kasumpti, Shimla-171 009.
3. The Secretary, Agriculture Department, Govt. of Himachal Pradesh, Secretariat, Shimla.
4. The Secretary, Finance Department, Govt. of Himachal Pradesh, Shimla.
5. The Secretary, Planning Department, Govt. of Himachal Pradesh, Shimla.
6. The Accountant General (A&E), Govt. of Himachal Pradesh, Shimla.
7. The Secretary, Department of Land Resources, NBO Building, Nirman Bhawan, New Delhi.
8. IFD, DoLR, Nirman Bhawan, New Delhi.
9. Audit Officer, Internal Audit Wing, O/o. CCA, Krishi Bhavan, New Delhi
10. Sanction Order Folder


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Terms and Conditions

1. The total treatable area under the projects will be treated within the project period, as prescribed in the DPR, as per provisions contained in the Common Guidelines for Watershed Development Projects, 2008 and revised from time to time and instructions issued by the Department of Land Resources from time to time.
2. **Terms and Conditions for release of project funds to SLNA and its utilization:**
 - i. First installment of central assistance during the current year is being released directly to the State Government on receipt of annual plan of fund requirement from the SLNA for the projects appraised so far by the Steering Committee and sanctioned by the SLNA. The SLNA will in turn release the funds to the respective WCDCs as per their requirement.
 - ii. The State Government shall ensure that the accounts at State level as well at District/ PIA/ WC levels are audited by a Chartered Accountant selected from a panel approved by the C&AG, within six months of the close of the financial year. The SLNA will furnish consolidated Audited Statement of Accounts and Utilization Certificate for release of funds every year, by the end of September of the next/ following year.
 - iii. The institutions at various levels i.e. SLNA/ District level/ PIA/ WC shall maintain the required registers and documents.
 - iv. It will be mandatory for the SLNA to have in place financial & accounting staff as already indicated in correspondence no. K-11012/25/2009-IWMP (IS) dated 14.09.2009
3. The payment sanctioned above is provisional and subject to adjustment in accordance with actual area required for treatment based on survey as indicated in the DPR and as per the approved cost norms under the programme.
4. **The payment of salaries to the WDTs/Secretary of the Watershed Committees and Institutional Support funds as per revised Guidelines for Institutional Support Funds issued vide letter No. Z-11011/17/2009-PPC dated 19.06.2019) etc. would be charged from the administrative cost component.**
5. While coming up for release of the 2nd installment of fund requirement for the remaining quarter/s, the SLNA shall ensure the compliance of the following:
 - i. SLNA shall submit a consolidated Audited Statement of Accounts (ASA) and Utilization Certificates for the financial year. It shall ensure timely auditing of project accounts by a Chartered Accountant selected from a panel approved by the C&AG. The SLNA shall submit a consolidated ASA taking into consideration the audit of the accounts of District Agencies, PIAs and WCs for all the projects sanctioned under IWMP in the State. The report should be made available to DoLR latest by the end of September of next/following financial year.
 - ii. The actual expenditure incurred by, **and not the advances released to**, the District Agency / PIA/WC are to be accounted for as expenditure.
 - iii. The ASA shall clearly indicate the interest accrued on the project fund lying in the account of SLNA, District Agencies, PIAs, and WCs separately.
 - iv. The ASA shall also indicate component-wise expenditure, balance sheet, income & expenditure statement, receipt & payment account and bank reconciliation statement.
 - v. The interest accrued as per ASA shall be considered as part of Central Share and shall be deducted from the next installment of Central Share.

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- vi. The ASA and UC submitted by District Agencies to SLNA shall be countersigned by an authorized functionary of the District Agencies before forwarding it to SLNA. It may be ensured that the details of UC and ASA tally with each other.
 - vii. In case, the ASA has audit observations of the nature of diversions from the Guidelines or any other instructions given by Centre/ State which require corrective action by the District Agency, the compliance/ Action Taken Report must be forwarded by the District Agency to SLNA.
 - viii. While making request for next release, SLNA may ensure that more than 90% of funds released up to FY 2018-19 and at least 50% of funds released during FY 2019-20 have been utilized. Performance report in terms of physical and financial achievements as well as outcomes in specified format may be submitted. Comments on quality of work performed may be submitted while requesting for next release.
6. The SLNA shall submit year wise consolidated Utilization Certificate to DoLR along with batch wise details in Annexure based on the Expenditure Statements & UCs of the State Level and District Level agencies in respect of utilization of funds released to all the projects, during the financial year.
 7. The SLNA & District Agency shall ensure that the Central Share now being released is effectively utilized as per the approved cost norms and guidelines. It shall also ensure that sign boards, indicating the name of the project, name of the work, expenditure for the work, GPS coordinates, etc., be displayed prominently at project sites for ensuring transparency and awareness about the projects.
 8. The updating of entries in the on-line MIS at all levels starting from SLNA to WC is mandatory. The data on release of funds by any agency shall be entered in the MIS on the same day and the Monthly Progress Report (MPR) should be updated in the MIS within 1st / 2nd working day of the following month.
 9. **For the better monitoring of projects and realistic release of funds for 2nd installment, the State shall submit an Action Plan for completion of the projects within the stipulated time frame and also year-wise funds requirements during the remaining period of the operation of projects (Ref: this Department's letter No. Z-11011/06/2019-PPC dated 23.05.2019).**

