NOTIFICATION

The State Government hereby issues the following guidelines for involving Non Government Organizations (NGO) / voluntary organizations in water related activities / projects:

1. BACKGROUND

The past three decades have witnessed the emergence of Voluntary Organizations (VOs)/ Non Governmental Organizations (NGOs) playing a significant role in development in the country. In India, central and state governments, agencies such as the Planning Commission have given due recognition to the role of civil society organizations. Since public participation is essential in the critical water resource development activities, NGOs, which are close to people, could play a pivotal role in mobilising and organising them.

Objective criteria for selection of NGOs as partner, a transparent procedure and a good (clear and based on principle of partnership) agreement between Government and NGOs/VOs can surely lead to a healthy partnership.

2. OBJECTIVE

2.1 To involve NGOs / VOs in water related activities / projects. These guidelines would not be applicable in cases where specific guidelines exist for involving NGOs / VOs in different programmes / schemes of Government of India.
2.2 To institutionalize partnership of Government with NGOs/VOs and increase community participation in the ongoing, new and proposed activities.

2.3 To generate a sense of ownership among the users.

2.4 To allow freedom in activities and innovative methods in approach.

2.5 To evolve in-built provisions and mechanisms for conflict resolution.

2.6 To prepare community to take responsibilities, in other words, the activity should start only when the community is prepared to play its role and assume responsibilities.

2.7 To institutionalise collaboration among Government, NGOs and user groups with specific roles and responsibilities.

3. SCOPE

NGOs could be effective in the following areas, based on their experience, track record and professional competence:

3.1 For awareness building in communities.

3.2 Creation/construction/rehabilitation of works related to water conservation, harvesting, irrigation, artificial recharge of ground water, distribution of water for irrigation, domestic, industrial and other uses.

3.3 To carry out survey, investigation (including sub-surface), planning, design, development and management of all water sector programmes being implemented by water related departments.

3.4 Organising village institutions/user groups in the management of schemes related to water sector.

3.5 Assessment of all water resources and demands and preparation of integrated water resources plans for demand management.

3.6 Integration of information from various sources.

3.7 Information, Education and Communication (IEC).

3.8 Mobilising communities in water sector, including capacity building and institutional strengthening etc of water user groups to take over the
maintenance, water distribution and revenue collection. This will inculcate a sense of ownership among them for sustainable development.

3.9 Water treatment and disposal of hazardous waste.

3.10 Design, execution and management of minor irrigation projects such as tanks, lift irrigation systems, including drinking water projects.

3.11 Monitoring and documentation of projects.

4. SELECTION CRITERIA FOR INVOLVING NGOs / VOss

4.1 Eligibility

4.1.1 NGO/VO should be registered under Societies Registration Act/ Cooperative Act/ Charitable and Religious Trust Act 1920/ Indian Companies Act, 1950 (Section 25). Works will be awarded to NGO / VO registered as above only.

4.1.2 NGO / VO should be registered wherever required under Income Tax Act and should also quote the PAN Number.

4.1.3 Registration under FCRA in case of projects involving foreign funding.
4.2 Management Committee and Board of Trustees

4.2.1 Adherence to provision of constitution of management Committee / Board of Trustees in the byelaws should be verified. The Management Committee should have clear roles and responsibilities and should have regular meetings as per the bylaws.

4.2.2 The CEO or the members of the management committee should not be convicted in any criminal case.

4.2.3 Organization should not have more than two close relatives in board i.e. Father, Mother, Children, Husband, Wife, Brother, Sister. Subject further to the condition that number of close relatives in the board should be less than 50%.

4.2.4 It is apolitical and secular in nature. It should not be working for a particular caste/creed/religion.

4.3 Exclusions

The following organizations would not be empanelled:

4.3.1 Those lacking legal status in terms of registration under Societies Registration Act/Co-operative Act/Charitable and Religious Trust Act 1920/Public Charitable Trust Act/Section 25 of the Companies Act (1950). Organizations not registered although required to be registered under the Income Tax Act would also be excluded. NGOs not registered under FCRA would be excluded from projects involving foreign funding.

Organizations black listed by any state and central government department / agency.

4.3.4 Organizations whose office-bearers have been convicted of any criminal offence

Organizations with poor track record in terms of time overrun
and/or underperformance and unsatisfactory work in any manner.

4.3.5 CEO of the concerned NGO / VO should not have been penalised or involved in any criminal case.

4.4 Information to be furnished by NGOs

4.4.1 Constitution/Memorandum of Association.

4.4.2 Legal status, along with certified copies of registration certificates under Societies Registration Act/Co-operative Act/Public Charitable and Religious Trust Act (1920)/ Section 25 of Companies Act (1950), and if applicable, registration under Income Tax Act and FCRA.

4.4.3 Lists with occupation and addresses of office bearers/board of trustees/governing council members with the dates of association and relationship with other office bearers/trustees. Not more than two trustees/governing council members should be related to each other.

4.4.4 Audited accounts of preceding three years.

4.4.5 List of assets and liabilities duly certified by C.A..

4.4.6 Annual reports of activities of preceding three years, with specific details of water sector achievements.

4.4.7 List of staff with qualification, experience and assigned functions.

4.4.8 List of experts with qualifications, experience and last assignment/employment on panel.

4.4.9 A short write up on the founder(s)’ purpose, vision, mission and goals of the organization.

4.4.10 Record of criminal conviction and pending cases, against the office bearers, if any (The Chairman / President/ Head or Members of the Governing Body / Executive Body of the NGO/VO should not have been convicted under any criminal case by any court of law in the country.)

4.4.11 Details of the cases pending in any court of law against the Chairman /
President/ Head or Members of the Governing Body / Executive Body of the NGO/VO.

4.4.12 Desired category general / professional.

4.4.13 Details of blacklisting or penal action taken in the past by any government or international agency of the CEO of the NGO/VO or NGO/VO, if any.

4.4.14 Certificate of performance from previous agency or evaluation report(s) of previous projects implemented, particularly, from independent agencies.

4.4.15 If the NGO/VO is registered under Foreign Contributions Regulation Act (FCRA) the same should be disclosed with details pertaining to receipt of funds in the past and activities carried out using these funds.

4.4.16 The NGO / VO should furnish details of ongoing works/activities with them.

5. EXPERIENCE

5.1 Project Implementation

5.1.1 The organization should have an experience of minimum 3 years after registration in the relevant activity.

5.1.2 The organization should have ability to plan, implement and monitor specific projects and programmes in a participatory framework.

5.1.3 They should be integrating the gender component in their work and address the issue of social equity in their programmes.

5.2 Financial Status
The organization should have a sound and sustainable financial position. The NGO/ VO should have utilized funds / implemented programmes continuously for the last 3 years and to minimum level of Rs. 10 lakh in any of last 3 years. This can be suitably reduced by Relaxation Committee keeping in view the project cost and implementation period.

5.3 Location

5.3.1 NGOs / VOs with local experience should be preferred.

5.3.2 The NGO / VO should have a separate and functional office.

5.3.3 NGOs located outside state with adequate experience can be considered on merits.

6 CAPACITY

6.1 Manpower

6.1.1 Core (including Chief Executive, (CE))

6.1.1.1 The Voluntary Agency should have 2 regular full time staff members, besides CEO.

6.1.1.2 Its chief functionary / Secretary should be a full time worker of the organization.
6.1.1.3 Presence of adequate female staff in the organization shall be desirable.

6.1.2 Augmentation

6.1.2.1 AD may prescribe additional manpower requirement for meeting specific project needs.

6.1.2.2 NGO / VO may be required to detail out proposed augmentation in this backdrop.

6.2 Mobilization of Resources

6.2.1 Fund Mobilization

6.2.1.1 The NGO / VO should have capacity to mobilize funds from donors, beneficiaries or contribution from public.

6.2.1.2 The NGOs are expected to mobilize the funds equal to 10 per cent of the total cost of the project in the tribal areas and equal to 20 per cent of cost of project in the non-tribal areas from the community or their own sources. The community contribution to the project cost could be in cash or in labour or in kind.

6.2.2 Community Mobilization and Peoples' Participation

During field assessment, the appraisal must assess community's role in decision-making in the activities done by the organization in the village.
6.3 Physical Infrastructure

The basic infrastructure of the Organization should be in place.

(Office furniture, equipments, tools and implements etc.)

7. CREDIBILITY

7.1 Performance

7.1.1 The organization should have good track record which should be supported by certificate from the concerned offices, where it has worked earlier.

7.1.2 The NGOs / VOs should not be in the list of organizations blacklisted by CAPART / CSWB / Government or any donor agency during last three years.

7.2 Accountability

7.2.1 NGOs / VOs should have a proper system of accounting and manpower management.

7.2.2 The organization must have a regular system of auditing of accounts.

7.3 Evaluation, Impact Studies and Findings
The track record of the organization can be seen from the previous projects carried out by the organization and evaluation reports of these projects.

8. CATEGORIZATION

Keeping in view all the above listed parameters, NGOs/VOs can be categorized by the AD.

8.1 Categories for Selection

Interested organizations would be selected under the following two categories:

8.1.1 General:

Only those organizations, which have worked in any water related sector and possess experience in creating awareness, organizing communities for participatory creation / rehabilitation of existing schemes of irrigation/domestic water supply/water harvesting and conservation / minor irrigation development and management including community lift irrigation project / watershed development and management / artificial recharging of ground water / integrated water resources development (surface and ground water) and subsequent operation, maintenance and management and have executed construction works in a participatory manner should be empanelled in this category.

8.1.2 Professional:

Organizations which possess strong professional capacity in terms of highly qualified and experienced manpower and long-standing proven track record in any of the fields related to water sector should be empanelled under this category.

9 PROCEDURE FOR REGISTRATION

9.1 Call for Expression of interest (including terms of reference)
providing registration of NGOs / VOs (through open advertisement)

9.1.1 The concerned department/project authorities shall invite application from the NGOs / VOs for registration.

9.1.2 Any NGO / VO desirous to be registered may apply to the Chairman of the State-level Registration Committee for registration enclosing all the required information as stated in clause 4.4 above. The State Level Registration Committee shall comprise of the following:-

**Principal Secretary, Water Resources (Chairman)**

- Secretary PHED
- Secretary, Rural Development
- Secretary, Finance (Expenditure)
- Secretary, Water Resources; (Member Secretary)
- An expert in integrated water management (to be nominated by GoR)

9.1.3 Project authorities may also organize an interface meeting with potential NGOs at the district / state level.

9.2 Short listing

9.2.1 NGO / VO who submit their application for registration shall be shortlisted and ranked according to the scores obtained by them as per evaluation criteria mentioned below:

9.2.2 Marking

The Table below shows the marking scheme:

<table>
<thead>
<tr>
<th>No</th>
<th>Criterion</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Governance and management</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Governing body meetings held as per by-laws</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Activities in accordance with objectives, vision, mission and goals</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Budgets and annual plans approved by board</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Democratic, participatory and transparent</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Transparency in functioning</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Score</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>2</td>
<td>Reputation and rapport</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Community</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Local elected representatives</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Government</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Organisational systems</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Role clarity among staff</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Maintenance of financial records and statements</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Audited accounts for last three years</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Publication of annual reports</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Perspective/strategic plans</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>Outreach to community</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Number of households (minimum 10,000)</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Number of villages (minimum 100)</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Number of community institutions established and surviving (1 mark for every 2 organisations)</td>
<td>Max 3</td>
</tr>
<tr>
<td>5</td>
<td>Full-time manpower</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Number of full time staff (1 mark for every 2)</td>
<td>Max 5</td>
</tr>
<tr>
<td></td>
<td>Professionals (technical, engineers, agriculture scientists, environment specialist) (1 mark for every 2)</td>
<td>Max 10</td>
</tr>
<tr>
<td></td>
<td>Social scientists (post graduate) (1 mark for every 2)</td>
<td>Max 5</td>
</tr>
<tr>
<td></td>
<td>Community organisers (2 marks for every 3)</td>
<td>Max 5</td>
</tr>
<tr>
<td></td>
<td>General graduates (1 mark for every 2)</td>
<td>Max 5</td>
</tr>
<tr>
<td></td>
<td>Number of female staff (1 mark for each)</td>
<td>Max 5</td>
</tr>
<tr>
<td>6</td>
<td>Financial robustness last year (finance availability, 1 mark for every Rs 5 lakh)</td>
<td>20</td>
</tr>
<tr>
<td>7</td>
<td>Quality and quantity of works completed</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>Community organisation promoted (1 mark for every 5)</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Construction/rehabilitation work (1 mark for every 3 works)</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Maintenance and post project management (1 mark for every 3 works)</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Project impact (2 for each project studied in last 3-4 years)</td>
<td>5</td>
</tr>
<tr>
<td>8</td>
<td>Familiarity with work area</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>Working in the same district (5 marks for each year)</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Working in Rajasthan (3 marks for each year)</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Working elsewhere</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Experience in water sector</td>
<td>85</td>
</tr>
<tr>
<td></td>
<td>Water harvesting and/or distribution for drinking, irrigation, such as small dams/anicuts/pick-up weirs and canals (1 mark for each work)</td>
<td>35</td>
</tr>
<tr>
<td>Activity</td>
<td>Marks</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------------------</td>
<td>-------</td>
<td></td>
</tr>
<tr>
<td>Village johar/pond (1 mark for each pond)</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Community lift irrigation schemes (1 mark for each scheme)</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>School/community building water harvesting (1 mark for each)</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Water harvesting and recharging of groundwater (1 mark for each)</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Watershed development and management (1 mark for each)</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**

1. Higher weightage is given to manpower available, quality and quantity of work carried out, familiarity with the work area and experience in the sector;

2. Out of the total 300 marks, the NGO who score a minimum 150 marks will be eligible to take a work up to Rs. 15 lac and who score a minimum of 210 marks will be eligible for the works above Rs. 25 lac. NGOs scoring more than the minimum required may be given preference in allocation of the works. NGOs working in the water sector for more than 25 years may be given an additional 25 marks; another 25 marks may be given to NGOs which have implemented more than 150 community water resources systems;

3. While the above marking system will be generally applicable. However, special category of NGOs mentioned in 8.1.2 above may be considered for registration without adopting the process of appraisal, taking them as distinguished NGOs with proven track record. The later part of point 2 above in this note for additional marks for the exceptional experience and achievements would give an edge to exceptional NGOs;

4. The government/concerned department should strictly adhere to the marking system and other provisions provided in the guidelines so that only deserving NGOs are encouraged.

5. The selection process shall be fully transparent.

### 9.3 Appraisal and Exceptions

9.3.1 Short listing and categorization of NGOs may be attempted by evaluation of the technical capability and financial standing of NGOs.

9.3.2 The appraisal exercise on the basis of above marking system may be carried out promptly, preferably within 60 days of submission of the application. The State Level Registration Committee may review Appraisal Report, if considered necessary for which a team of at least three officers should visit the short-listed NGOs. The team should include at least one officer with experience of working with NGOs; others should have adequate technical and financial experience. The appraisal team should visit offices and the field of working of the NGOs and should hold discussions with the community and the staff of the organization. The appraisal team must give its assessment report with scores on each of the parameters listed above.

9.3.3 In deserving cases with exceptional experience, this exercise may be
dispensed with substantive justifications, so that the proposal and work of the deserving NGOs is not delayed on account of such process. Some such exceptions are listed below.

- Highly experienced and reputed NGOs with a minimum of 10-15 years of experience in the field and proven track record may not be subjected to an elaborate appraisal exercise, such as visiting the organization. They may be empanelled on the basis of information furnished and corroborated with documentary proof.

- Similarly, verification of the standing of NGOs implementing ongoing water sector programmes satisfactorily may not be necessary.

- Concerned authority may dispense with the initial site verifications and other requirements for NGOs with proven track records in the water sector.

9.3.4 The NGO / VO who secures at least 150 marks will only be taken as qualified for registration. However those NGO/VO who fail to qualify for registration will be entitled to seek registration as and when they become qualified.

9.3.5 Having appraised and assessed as above, the State Level Registration Committee shall register all those NGO /VO who qualify and the decision taken by the Committee in this regard shall be final.

9.4 PROJECT APPROVAL

9.4.1 Registered NGO /VO may submit the project proposal to the District Level Project Approval Committee comprising of following:-

District Collector (Chairman)

Chief Executive Officer, ZP

District Level Officer of the Project related Department

Accounts Officer at District level of the Project related Department.
9.4.2 While preparing the project proposal, NGOs should:

9.4.2.1 Choose one or a group of Panchayat(s) in the district which is/are most problematic in terms of water resource availability and/or management. They may consult the concerned Executive Engineer, people’s representatives and members of PRIs and other knowledgeable people of the area;

9.4.2.2 Collect all relevant information, such as inventory of water resources or prepare the same, topo maps, ground water quality data, population and land statistics, details of existing water harvesting structures and information on proposed or identified projects for irrigation, water harvesting, watershed development and other water conservation related works.

9.4.2.3 Identify water-related problems and prepare plans for development of water resources including rehabilitation of existing works. While preparing plan for water resources development, availability of safe and potable water for drinking should be ensured.

9.4.3 The following type of works can be included:

- Awareness-building in the communities.
- Capacity-building of water users’ associations.
- Construction/restoration of dam for irrigation or supply of drinking water up to a capacity of 10 Mcft. Dams of larger capacity could also be considered keeping in view of the capacity and track record of NGO with specific permission of Relaxation Committee.
- Construction/restoration of village tank or nadi.
- Anicut/pickup weir/check dam/sub surface barrier for irrigation and or artificial recharging of groundwater.
- Watershed development works.
- Construction of water harvesting and conservation structures.
- Any other type of water harvesting and conservation structures for community.
- Rehabilitation/Maintenance of the works executed by various
water sector departments.

- Maintenance and operation of minor irrigation and drinking water projects.

9.4.4. Not to contravene State and District Water Resources Plan

9.4.5 All the proposals will be examined by District Level Project Approval Committee and thereafter submitted to the State Level Project Approval Committee with its recommendation for approval.

9.4.6 The State Level Project Approval Committee comprising of the following will consider and approve works-

Pr. Secretary, Water Resources - Chairman
Secretary, PHED
Secretary, Rural Development
Secretary, Agriculture
Secretary of the concerned Department
Head of Department (HoD) of the concerned Department
Two experts in water sector/community organization (to be nominated by GoR)
FA/CAO of the concerned Department
Chief Engineer, Water Resources Department - Member Secretary

9.4.7 The projects costing above Rs.100 lac would be approved by the State Government on the recommendation of the Relaxation Committee.

9.4.8 No NGO will be allowed to take up more than one work / scheme in a district. However, additional works may be allotted after seeking due approval of the State Government on the recommendation of the Relaxation Committee.
### 9.4.9  Relaxation Committee

9.4.9.1 Any relaxation to the conditions regarding registration/ allocation of works etc. to any NGO/VO may be given by the State Government on the recommendation of the Relaxation Committee comprising of the following:

- Addl. Chief Secretary (Infra.)  
  Chairman
- Principal Secretary Finance/Secretary Finance  
  Member
- Pr. Secretary, PR& R.D./Secretary, R.D.  
  Member
- Pr. Secretary/Secretary of the concerned Department  
  Member
- Pr. Secretary/Secretary, W.R.  
  Secretary  
  Member-

**Note:** State Government would mean concerning Administrative Department.

### 9.5  Conflict resolution mechanism

Any dispute arising between the NGO and the project authority during the course of execution may be resolved as per the provisions of agreement (Annexure –I). However in case the dispute remains still unsolved, the matter may be referred by the District level dispute resolution committee to the State Level Project Approval Committee upon whose recommendation the State Govt. shall take a decision which will be final and binding on both the parties.

### 9.6  Assignment of job and signing Agreement

After final evaluation of the project proposal the task would be assigned to the respective organizations. The agreement between the two parties would be signed in the format at Annexure 1.
10. PROJECT IMPLEMENTATION

10.1 Timely execution of projects must be ensured. For this purpose, a detailed project implementation plan needs to be spelt out considering following points:

10.1.1 Undertake surveys and necessary investigations according to the type of work for preparation of detailed designs and reasonable estimates of cost. Wherever necessary, detailed analysis of rates adopted should also be enclosed. The proposal should ensure maximum possible use of local materials of construction, skills and labour;

10.1.2 Prepare detailed plans for mobilisation and formation of organisations and cost estimates for such mobilisation;

10.1.3 Prepare work-plans, schedules of physical progress of works and schedules of reimbursement/payments;

10.1.4 Prepare exit policy; and

10.1.5 Get approval of the community and submit the proposal to Executive Engineer of the concerned department in the district (in case of rural development department, CEO or the officer designated by the department).

During the course of execution, subletting of any activity other than involving skill not locally available would not be permitted. Proposals that do not provide for community’s responsibility for maintenance and operation on a sustainable basis and a community participation of a minimum of 10 per cent of the project cost should not be entertained.

10.2 Release of Funds

Funds released would be as under:

<table>
<thead>
<tr>
<th>Installment</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>First (on award of the work)</td>
<td>20%</td>
</tr>
<tr>
<td>Installment Description</td>
<td>Percentage</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Second (on using 75 percent of first installment)</td>
<td>30 %</td>
</tr>
<tr>
<td>Third (on using 75 per cent of first and second installments with 40% physical progress and at least 50% of NGO/VOs Contribution)</td>
<td>40 %</td>
</tr>
<tr>
<td>Final (on satisfactory completion of the project)</td>
<td>10 %</td>
</tr>
</tbody>
</table>

The above installments are in respect of amount payable to the NGO (80 % or 90 % of the project cost as the case may be).

This is applicable to the projects, which has completion period of more than six months.

Funds allotted for the execution of works to the NGOs will be subject to ceiling within the plan head.

It would be relevant to note the following:

1. The above installment amounts would be calculated on the basis of projected annual expenditure.

2. Where projects are of the less than 6 months duration, the first installment can be given up to 30% the second being up to 75%.
(3) Release of an installment (except first) would be after utilisation of 75% of previous installment after verification of physical progress.

(4) AD must ensure that the funds released are secured and used for the purpose for which it is given. For this a separate bank account for each scheme/project would be opened by the NGO/VO and the details of the bank account would be intimated by the NGO/VO to the concerned AD.

An effective monitoring system should be set up to monitor the financial and physical progress of the project based on which the subsequent installments would be released on time. For this purpose, a Nodal Officer for every project shall be appointed by the concerned Administrative Department who shall monitor the physical and financial progress of the project from time to time and submit his reports to the Project Authority who shall release the installments in the light of his reports.

10.3 Physical and Financial Progress

Project is to be monitored at least on quarterly basis. A team may be set up for interacting with the NGOs. The government would also have right to inspect financial accounting records and also expect audited accounts of NGO within 6 months of next financial year after completion of project.

10.4 Completion Certificate / Utilization Certificates (UC)

10.4.1 The NGO / VO would submit detail of the work executed and a project completion report explaining the outputs achieved etc.
10.4.2 The Department would carry out a field visit to verify and check the claims and would issue a project utilisation certificate / completion certificate after proper entry of detailed measurements in measurement book which shall be duly checked.

11. PROJECT COMPLETION

11.1 Assets would be transferred to the State Government after one year of completion of the Project or to the Local Body / Community Organisation as per decision of the State Government.

11.2 In case, subsequent maintenance envisages handing over of the asset to the Local Body / Community / Beneficiaries, concerned Administrative Department may do so.

11.3 Exit policies are to be prepared by the NGO / VO and should form part of Detailed Project Report (DPR) / agreement.

12 The estimates should be sanctioned on schedule of rates as applicable in Rural Development Department. In case any item not covered under the BSR of Rural Development Department, the BSR of the concerned department will be applicable.

13 All the statutory deductions such as Income Tax, Sales Tax etc. may be deducted from the payments made to the NGOs and credited to the concerned head of account. Other legal obligations shall also be met by the NGOs.

14 In case the NGO fails to start work or leaves it in between or does not maintain
the quality of work, then the work will be withdrawn from him by the project approval committee after giving opportunity of hearing and recovery will be made under PDR Act. Such NGO will also be blacklisted.

15. The NGOs will be able to withdraw only after one year of completion of the work. However, before doing so they will have to ensure that the stakeholders have taken over the work for its maintenance. During this one-year period after completion, the created asset should be maintained by NGO/VO to give satisfactory performance.

16. The NGO shall exclusively utilize the funds released to it only for the project. No amount shall be diverted for any other purpose not related with the execution of the project.

17. The Government may issue appropriate direction from time to time with regard to seeking involvement of NGO/VO in execution of Projects and such direction will have overriding effect.

By Order

(N.K. Gupta)
Dy. Secretary (Project) to the Govt.
Water Resources Department

AGREEMENT NO-
AGREEMENT FOR EXECUTION OF WATER SECTOR PROGRAMMES BY NGOs /VOs UNDER GOVERNMENT DEPARTMENT

Articles of Agreement

(1) This deed of agreement made in the form of agreement on ………… between the Executive Engineer/ Chief Executive Officer ………………… on behalf of the Governor of Rajasthan (Herein after referred to as the First Party) and CEO/director of NGO / VO …………… Village ………………………………………………………… District t. ( Herein after called as Second Party) on the terms and conditions laid in following clauses-

(2) **Scope of Contract**

This contract/agreement pertains to execution of ……………………… (Name of work) . It is clarified that First Party shall be owner of such works and Second Party shall act as custodian of the same.

(3) **Cost of Contract**

The total cost of the work (Herein after referred to as the “total cost.”) is Rs. ………. (Rupees ………………………) and is based on Rural Development Department BSR of the District.

(4) **Duties and Responsibilities**
The broad terms and conditions of this agreement are as under-

4.1 That, the First Party, in making it’s decision to get above work executed through the Second Party, has given due consideration to the claims of the Second Party about it’s non profit making non Government set up, having best technical expertise and it’s high objectives of improvement of living conditions of socially and economically weaker section of the society and rural people through land and water resources development. The Second party therefore assures the First Party to maintain the claimed standards in all respects.

4.2 That, the Second Party shall prepare and submit the designs, drawings and specifications for the said work and shall execute the work after obtaining approval of the same from competent authority.

4.3 The First party agrees to pay the total cost of the project to the Second party in installments as under-

- 20% - First (on award of the work )

- 30% - Second (On using 75% of first installment)

- 40% - Third (On using 75% of first and second installments with 40% physical progress and at least 50% of second party’s contribution)

- 10% - Final (On satisfactory completion of the project)

These percentage installments are in respect of amount payable to the NGO / VO (80% or 90% of the total project cost as the case may be ).

4.4 The Second Party will start the work immediately on the release of first installment and will complete the project within time. However, if there are circumstances beyond the control of the Second Party, the period may be extended by the State Level Project Approval Committee where project sanctioned by District Level Committee and by Relaxation Committee where
project was sanctioned by State Level Committee with recorded justifications.

4.5 In case the Second party fails to start the work or leaves it in between or does not maintain the quality of work, then the work will be withdrawn from him and recovery will be made under PDR Act. If needed FIR may also be lodged. The Second Party will be blacklisted for future.

4.6 The Second Party shall exclusively utilize the funds released to it for the project. No amount shall be diverted for any other purpose not related with the execution of the project.

4.7 All the statutory deductions such as income tax, sales tax etc may be deducted from the payments made to the Second Party and credited to the concerned head of account. The Second Party must ensure that all the taxes are also paid at required stages.

4.8 On completion of the project, the second Party will ensure the operation and maintenance of the project by forming an organization of beneficiaries. The Second Party will provide training to the beneficiaries for the maintenance of the project.

4.9 The construction work will duly supervised and check-measured by the competent authority of the Technical Department as may be decided by the First party. The Second Party will maintain the necessary measurement books and also furnish the completion certificate, supported by the final MBs. The MBs could be verified by the Technical Department authorized by the First party. Similarly, on completion of the project, the accounts duly certified by the Charted Accountants would be submitted by the Second Party to the First Party.

4.10 The Second Party will use material as per specifications and ensure technical soundness of the project. The Second Party will maintain full transparency in the purchase of materials etc.
4.11 If there is any saving on completion of the project, the benefit of the same will go to the Government. Similarly, in extraordinary circumstances of variation in the market rates of major items like cement, steel etc., the adjustment/variation would be considered as per provisions of PW&FAR formula with full justifications for the projects costing more than Rs. 50.00 lacs with completion period more than 6 months.

4.12 The First Party will ask for necessary explanations and justifications, if the progress is not satisfactory or the amount is not utilized properly by the Second party. The First Party will have the right to terminate the agreement after giving one-month notice, if satisfactory explanations are not provided by Second Party. The Second Party will refund the balance amount to the First Party with interest of 18%. Similarly, if proper cash flow is not provided by the First Party after using successive installment and there is lack of support from the government departments resulting in slow progress, the Second Party will refer the matter to the committee constituted under this agreement.

4.13 All the books of accounts, registers of assets created and other material information relating to utilization of funds shall be made available by the Second Party for inspections and scrutiny to first Party as and when asked for.

4.14 The First Party reserves the right to levy interest by way of penalty on the amount sanctioned and disbursed in the event of continued default in terms and conditions of the agreement by the Second Party.

4.15 The Second Party must produce the Utilisation and Completion certificate alongwith audited accounts to the First party within 6 months after stipulated completion period.

5 In case of any dispute arises between the parties during the course of execution of the project the same shall be referred to the following dispute resolution committee:

   District Collector (Chairman) 
   Chief Executive Officer, Zila Parishad   Member Secretary
4.17 The member Secretary shall place the matter before the committee and committee after hearing both the parties and looking into the relevant record amicably resoled the dispute or difference between the parties within a period of one month from the date of receipt of the matter.

This agreement has been executed on ........... at ..................... by both the parties.

First Party : 

Second Party : 

Witness : 1. Name & Signature

2. Name & Signature