

**Government of Punjab**  
**Department of Planning**  
(Social Services Division)

To

All the Heads of Departments,  
Commissioners of Division, Deputy Commissioners  
and Sub-Divisional Magistrates in the State.

Dated: Chandigarh the 15<sup>th</sup> October, 1999.

Subject:- Policy and Guidelines for support to the Non –Government Organisations and  
Voluntary Organisations in Punjab.

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Sir/Madam,

I am directed to refer to the above noted subject and to further state that the State Government has framed the policy and guidelines for support to the Non-Government Organisations and Voluntary Organisations in Punjab, a copy of which is enclosed herewith. This may be brought to the notice of all the concerned.

2. The receipt of this letter may please be acknowledged.

Yours faithfully,

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Additional Secy.Planning

A copy is forwarded to all the Financial Commissioners, Principal Secretaries and Administrative Secretaries to the Government of Punjab for information and necessary action please.

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Additional Secretary Planning

To

All the Financial Commissioners,  
Principal Secretaries and  
Administrative Secretaries to the Govt. of Punjab.

I.D.No. PSPB/ARO(W)99-2000/8623-26

Dated:15<sup>th</sup> October, 1999.

A copy is forwarded to the following for information:-

1. Principal Secretary to the Chief Minister, Punjab.
2. Special Secretaries/Secretaries/Private Secretaries to all the Ministers.
3. Secretary to Chief Secretary, Punjab.

-sd-

Additional Secretary Planning

A copy is forwarded to following Non-Government Organizations for information and necessary action:-

1. Shri.P.H.Vaishnav,  
Director, Society for service to Voluntary Agencies,  
Room No.18-20, Ist Floor, Karuna Sadan, Sector 11-B,  
Chandigarh;
2. Smt.Surya Pandit,  
Secretary General,  
Chetana(Society for Care and Welfare of Women and the Destitute).
3. Prof.R.C.Dhand,  
Chairman Formally Executive Member,  
CAPART, Monitor-CAPART(Govt. of India),  
S.S.Memorial Education Society,  
3495, Sector 40-D, Chandigarh.
4. Sh.Rashpal Malhotra,  
Director, CRRID,  
Madhya Marg-2, Sector 19-A, Chandigarh.
5. Mrs. Swarn Sethi,  
General Secretary,  
Bhartiya, Grameen Mahila Sangh.  
40, Sector 4-B, Chandigarh.

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Additional Secretary Planning

C.C.

PS/SP and PA/ASP for the kind information of Secretary Planning and additional Secretary Planning please.

C.C.

- (I) Sh.Parmod Kumar,  
Director, IDC(Institute for Dev.  
& Communication),  
S.C.O.1126-27, Sector 22,  
Chandigarh.
- (II) Dr.Satnam singh,  
Executive Chairperson-cum-Hon.Director,  
RIPH(Regional Institute for Public Health),  
221, Sector 16-A, Chandigarh.
- (III) Sh.Manmohan Sharma,  
Executive Secretary,  
Vol.Health Association of Punjab,  
S.C.F.18/1, Sector 10-D,  
Chandigarh.

## **POLICY AND GUIDELINES FOR SUPPORT TO VOLUNTARY/NON-GOVERNMENT ORGANIZATIONS IN PUNJAB :**

### **I. BACKGROUND NOTE :**

- 1.1 In a developing society, economic, social and cultural needs of the people keep on changing with the trends of development. Though Punjab is one of the developed States in the country and has a per capita income at current prices of Rs.18213 per annum as per quick estimates for the year 1996-97, its literacy rate is only 58.51%. According to the latest estimates, about 12.12 lakh families in the State are living below the poverty line, of which 6.50 lakh belong to the Scheduled Castes.
- 1.2 The community-based approach for solving people's problems to step up developmental activities is the first step to ensure people's participation in the development process. Decentralisation of the Planning process is a milestone in this direction. Of late, it has been realised that the involvement of the voluntary organisations/non-government organisations can effectively help in reducing the delivery cost, proper identification of beneficiaries, flexibility and simplicity in their approach for introducing new schemes having more relevance for the beneficiaries. A large number of such organisations are making significant contributions in this direction.
- 1.3 A conference was organised of over 100 selected non-governmental organisations and government's representatives at New Delhi during the year 1994 to work out a plan of action for facilitating an inter-face between the voluntary organisations and the government, so that they can work in tandem at all levels for the upliftment of targetted sections of society. The Planning Commission had identified the plan schemes, which could be implemented more effectively by the NGOs. The Council for Advancement of People's Action and Rural Technology (CAPART), a registered society, is assisting voluntary organisations/NGOs, for taking up such activities under various programmes identified by the Govt. of India.
- 1.4 With the objective of associating voluntary organisations in the various developmental and social welfare activities, the State Government has decided to provide monetary assistance to such organisations to achieve the objective of economic and social upliftment of targeted sections of society.

### **II AREA OF OPERATION:**

All sectors of human resource development will be taken up as priority sectors. The emphasis would be on encouraging self employment, leading institutions in specific areas shall be approached to provide training and employment to unemployed youth.

While adopting the neglected segments of the society, the endeavor would be to encourage community participation both in planning and implementation with the help of mass based self-reliant organisation, and to take up projects to sustain the achievements already made. It would be the aim of Govt. to reach the most needy in the society, through innovation and experimentation.

The following sectors would be specially targeted:

- i) Elementary and Adult Education
- ii) Vocational Training of adolescent Girls and women from poor and needy Families.
- iii) Reproductive and Child Health Programme
- iv) National Health Programmes
  - a) Malaria Control
  - b) AIDS
  - c) Immunisation Programme
  - d) Drug De-addiction Awareness
  - e) T.B.control etc.
  - f) Health Education
- v) Provision of potable drinking water to all.
- vi) Environmental Improvement of urban slums, programmes relating to the welfare of Scheduled Castes, Backward Classes, programmes for welfare of women, backward and needy families and projects for rehabilitation of school drop out, street children, children and physically handicapped.
- vii) Nutrition programme for children and expectant mothers belonging to below-poverty line families.
- viii) Counseling for needy women, destitute and orphans to enable them to claim their legal right and to provide necessary wherewithal for the same.
- ix) Development of women and children in rural areas.
- x) Any other area being covered by CAPART.

### **III DEFINITION:**

For the purpose of the scheme, a voluntary/non-government organisation will mean a non-profit making organisation, society, community-based organisation etc. duly registered under the Societies Registration Act, 1860. A public trust registered under any law for the time being in force and a charitable company licensed under 25 of Companies Act, 1858 will also be eligible. The applicant VOs/NGOs may be registered anywhere in India but must be working in Punjab.

### **IV ELIGIBILITY:**

- IV.1 The voluntary/non-governmental organisations should have been in functioning existence for at least three years. In case, enough Vos are not available, this condition can be relaxed upto two years.
- IV.2 The organisation should have experience of working in the relevant or related areas(s).
- IV.3 It should be having an office premises, owned or rented, assets of at least Rs.25000/- and personnel having experience of grass root level work.
- IV.4 It should not be run for profit of any individual or body of individuals.
- IV.5 Its services should be open to all without discrimination such as caste, religion or creed.

## **V. APPLICATION FOR GRANT:**

Applications should be submitted in duplicate to the concerned Administrative Department in a prescribed Performa through the Deputy Commissioner and should contain the following information:-

1. The programme for which grant-in-aid is to be availed should be specified.
2. Information concerning voluntary/non-government organisation(s) as per Performa at Annexure-I.
3. Detailed project/programme outline as per Performa at Annexure-II.
4. The application should be accompanied by the Memorandum of Association/Articles of Association, rules and regulations governing the VO/NGO giving details of grant-in-aid received from the government during the previous two/three years alongwith the expenditure report of the last two years.
5. Information regarding sister organizations.
6. Certain schemes of Govt.of India/CAPART have separate application forms(different from those attached herewith). In such cases the prescribed set of forms need to be filled.

A time limit of 30 days should be specified for the Deputy Commissioner to process an application, and 60 days for the A.D. to process and submit to the Planning/Finance Department or Govt.of India, as required.

## **VI PROCEDURE:**

Pending nomination of Mother Voluntary Organizations, the application referred to the above should be examined by the concerned Deputy commissioners in whose jurisdiction the NGO is serving or proposes to function. The Deputy Commissioner will examine the application with reference to whether the organization fulfills the eligibility conditions in para IV and whether it has local credibility. The Deputy Commissioner may consult the District Departmental Officer concerned, Additional Deputy Commissioner(Development) or Sub Divisional Magistrate as may be necessary. The Deputy Commissioner would then forward the application with his recommendations to the concerned Administrative Department. The Administrative Department will appraise the project. Thereafter, it will be placed before a Standing Committee for Voluntary Organisation (SCOVA) headed by the concerned Administrative Secretary. The constitution of SCOVA would be as follows:

- |      |  |                  |
|------|--|------------------|
| i)   | Secretary  | Chairman         |
| ii)  | Head of the Department.  | Member Secretary |
| iii) | Representatives of one<br>or more mother units or<br>in their absence experienced<br>non-governmental organizations. | Member           |
| iv)  | Representative of the Planning<br>Department.  | Member           |

## **VII. THE MOTHER VOLUNTARY ORGANISATION:**

The Planning Department, in consultation with the concerned administrative department, will assess established field NGOs for nomination as Mother Voluntary Organization. The mother Voluntary Organization will perform the following functions:

- i) Information and guidance about schemes and projects and the agencies that fund them.
- ii) Guidelines about project formulation.
- iii) Assistance in project formulation and drafting.
- iv) Posing the project to the funding agencies.
- v) Training of the management of the NGOs as well as their field workers.
- vi) Implementation assistance.
- vii) Monitoring and evaluation.

Mother NGOs performing the above functions may be sanctioned a grant for its expenses as a mother unit which may either be a one time of Rs.one lac(Revised Rs.2.00 lacs vide letter No.PSPB/RO(W)/2000-2001/2012, dated 27<sup>th</sup> March, 2001) or a project supervisory grant limited to 7.5% (Revised 10% vide letter No.PSPB/RO(SES)-06/16410-11, dated 6/11/2006) of the project sanction. Once the mother NGOs are fully functional, the administrative department will place available funds at the disposal of the mother NGOs for sanctioning grants. The sanction committee of the mother NGO will include a representative of the administrative department and Planning Department. Wherever mother units have been set up, SCOVA will cease to sanction funds except where SCOVA itself decides to function as a mother unit. The mother unit will not seek funds for any of its own project for which it is the sanctioning authority for other field NGOs.

## **VIII CONDITIONS:**

- i) The delivery cost(seminars, transportation) should not be more than 10% of the project cost, half of which should be borne by the NGO itself.
- ii) The maximum government support in the shape of grant-in-aid ordinarily would not exceed Rs.5.00 lakhs (Revised Rs.10.00 lakhs vide letter No. PSPB-RO(W)-2000-01/1317 dated 25.2.2003) per annum. The remaining amount, if required, would be raised by the concerned NGOs. themselves from their own resources and other local agencies. In no case the grant to a NGO with more than one project shall exceed Rs.10.00 lakhs (Revised Rs.15.00 lakhs vide letter No. PSPB-RO(W)-2000-01/1317 dated 25.2.2003) in a single financial year. However, this condition shall not be applied to projects under service sectors, the nature of which is to create awareness among masses.
- iii) Not more than 10% of the grant of the project shall be spent on the administrative personnel. The utilization certificate should specifically indicate the amount spent on these items.
- iv) No part of the grant shall be spent for the construction of building.
- v) While making application for grant-in-aid, the organisation shall supply the information regarding the grants received from other sources i.e. private, government and foreign countries.

- vi) The grant-in-aid released would be utilised/spent in accordance with the by laws of the society.
- vii) The total grant-in-aid approved/cleared by the Department of Planning, Punjab for any project/programme shall be released in two equal installments.
- viii) The second instalment would be released on the production of utilisation certificate in respect of the funds earlier released and after analysing the progress achieved.
- ix) A VO can be given more than one project only , if after accommodating all the eligible VOs, surplus funds are available. The track record of VOs for giving 2<sup>nd</sup> project concurrently shall be taken into account.
- x) The VO/NGO will sign a surety bond for the amount of the grant, which could be invoked at the discretion of govt. for reasons to be recorded in writing.

#### **IX ACTION FOR NON-PERFORMANCE:**

Action should be taken for non-performance in order to ensure that only performing NGO's receive assistance. The legal conditions to be imposed on the NGOs can be included in a draft agreement to be signed by the NGO and A.D before release of grant. In the event of unsatisfactory performance, one or more of the following steps could be taken:

- i) Discontinuance of funding in subsequent years.
- ii) All the assets created by an NGO with the grant would become the property of State Government in case of non-performance; and
- iii) Forfeiture of the surety bond at the discretion of the competent authority i.e for reasons to be recorded.
- iv) Black listing.
- v) Where warranted, criminal proceedings would be initiated.

**INFORMATION CONCERNING VOLUNTARY AGENCY/NON-GOVERNMENT ORGANISATION**

(To be supplied to the concerned Administrative Department of Punjab Government along with the projects details)

1. Name of the Voluntary Organization:
2. Registered Address:
  - a. Permanent Postal Address:
3. Registration number of Society/Trust/Charitable company, Date and Act under which registered (enclose copy):
4. Voluntary Organizations experience in Development/Welfare Project undertaken in the past including projects in hand at present:

Name of project	Objectives	Target (Ben.)	Project cost	Sources of funds	Period of execution	Benefits accrued
1	2	3	4	5	6	7

5. (a) Whether any project taken up with the help of Punjab Govt. in the past. If yes, attach a copy of the U.C. for the same;
    - (b) Whether organization has been receiving grants from any other source, viz Central Govt. Private Agency and Foreign Agency.
    - (c) If yes, details may be submitted.
  6. Names of the Office bearers:
  7. Principal Executive Officer:
  8. Contact person;
  9. Staff strength personnel (including qualification & Experience etc.):
  10. Assets (Land, building, equipment, machinery, vehicles, livestock etc.):
  11. Audited Expenditure Statement for the last two years:
  12. Bank particulars:
  13. Name and address of Bank;
  14. Society/NGO Account No.:
- (if the Society has more than one Bank Account, particulars regarding all accounts needs to be given).

**PROFORMA FOR SUBMISSION OF PROJECT/PROGRAMME DETAILS BY  
VOLUNTARY/NON-GOVERNMENTAL ORGANISATION(NGO's)**

1. a) Broad subject area :
- b) Name of project :
2. Objectives :
3. Implementing Agency :
4. Project Summary :
5. Total project cost with breakup :
6. Source of funds for the proposed project/programme :
  - i) Contribution, if any, by Applicant Society/NGO :Rs.
  - ii) Contribution from any, other State Agency (specify name and Address of Agency also) :Rs.
  - iii) Contribution demanded from the State Government :Rs.
  - iv) Contribution from any National Agency/Govt. of India :Rs.  
(Specify name and address of Agency also)
  - v) Contribution from any other private entrepreneur :Rs.  
(Specify Name and address of entrepreneur/business house)
- Total: Rs.
7. Period of Execution: From to (likely date)
8. Expected Benefits
9. Quarterly progress in terms of specified indicators and Financial input.
10. Name(s) and addresses of two contact persons for the projects

I/We abide by the terms and conditions of Punjab Government in the event of sanctioning of the grant to our Agency/Organization.

(Signature)

President Secretary

Name of the Organization....

Official Seal

Date:

Place:

**PROFORMA FOR UTILISATION CERTIFICATE**

Certified that out of Rs. \_\_\_\_\_ Rupees \_\_\_\_\_) of grant-in-aid in favour of \_\_\_\_\_ sanctioned by the Department of \_\_\_\_\_ Punjab vide sanction letter No. \_\_\_\_\_ dated \_\_\_\_\_ or the year \_\_\_\_\_ and Rs. \_\_\_\_\_ on account of unspent balance of previous year (Total Rs. \_\_\_\_\_) a sum of Rs. \_\_\_\_\_ has been utilized for the purpose of \_\_\_\_\_ for which it was sanctioned and that the balance of Rs. Remaining unutilized at the end of the year \_\_\_\_\_ has been deposited in the Government Treasury (Vide No. \_\_\_\_\_ dated \_\_\_\_\_) and will be adjusted towards the grant-in aid payable during the next year.

1. Certified that I have satisfied myself that the conditions on which the grant-in-aid was sanctioned have been duly fulfilled/are being fulfilled and that I/We have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned:-

Kind of checks exercised.

- 1.
- 2.
- 3.
- 4.
- 5.

Signature  
Designation  
Date  
Place

The utilization certificate to be furnished by the concerned should be accompanied by an audited statement of account.

**QUARTERLY PROGRESS REPORT PROFORMA; PHYSICAL PROGRESS  
UPTO QUARTER ENDING (Specify Date)**

1. Name of NGO
2. Name of Project
3. Funds sanctioned
4. Date of release of funds :Ist instalment  
:2nd Instalement
5. Duration of proposed activities
6. Target beneficiaries
7. Activities actually carried out with dates
8. Approximate No. of beneficiaries
9. Brief report of the work done

**EVALUATION REPORT PROFORMA ON THE BASIS OF WHICH STATE  
GOVERNMENT WILL EVALUATE THE PROJECT**

1. Name of the NGO :
2. Name of the Project :
3. Funds sanctioned :
4. Date of release of funds : Ist instalment  
2nd instalment
5. Duration of the period : From -----  
To-----
6. Proposed activities :
7. Target beneficiaries :
8. Activities actually carried out :
9. Approximate number of beneficiaries(upto date)
10. Physical verification/Monitoring carried out, if any : field visit  
self evaluation by concerned NGO followed by evaluation by an independent  
Professional organization. The evaluation format will be specific to a class of projects.

## **Guidelines for the declaration of Mother Units in various fields of development works in the State of Punjab**

NGO wishing to be declared as Mother Unit should fulfill the conditions laid down in the guidelines and should have substantial resources/proven competence in the field so as to ensure that they are an organization of substance. The Mother NGO will be required to fulfill/abide by all other conditions prescribed by the State Government/Government of India regarding its function/functioning.

The other conditions for being declared MUs should be as follows:-

- i) The VOs should have sufficient experience in the field, for which they have applied to be declared as Mother Unit.
- ii) The VOs should have sufficient financial background and a good track record in the field, which should be supported by the concerned Deputy Commissioner in which the organization has been working.
- iii) The VOs should have sufficient vocational competency to provide training etc. to the NGOs in the field of its work.

### **Procedure**

The concerned VO shall apply giving full details in the format (ANNEXURE) available in the Planning Department. The applications received shall be placed before a committee headed by Secretary Planning, Secretary Social Security, Secretary Education and Special Secretary Planning shall be members of the committee. Head of Social Services Division would be Member Secretary. A representative of the Department of the concerned field for which organization has applied to be declared as Mother Unit, shall be called as special invitee.

**Format for application for Voluntary Organization to be declared as MNGO**

1. Name of the Voluntary Agency :
2. Field of specialization in work and area of operation :
3. Brief History of the NGO :
4. Achievements of NGO :
5. Financial position of organization :
  - (i) Fixes/Assets
  - (ii) Movable property
6. Details of strength of staff :
7. Training facilities to the staff, if any :
8. Awards/honors if any :
9. Litigation if any :

**Every NGO applying to be enrolled as MNGO must submit recommendation certificate from the concerned District Magistrate about the functioning of the NGO.**