

HIMACHAL PRADESH
INTEGRATED DEVELOPMENT PROJECT

GRANTS MANUAL

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ACRONYMS

AEO	Agriculture Extension Officer
AG	Auditor General
APO	Assistant Project Officer
CAG	Comptroller and Auditor General of India
CDD	Community Driven Development
COM	Community Operations Manual
CPD	Chief Project Director
DBT	Direct Benefit Transfer
DPO	District Project Office Officer
EC	Executive Committee
ED	Executive Director
EWS	Economically Weaker Section
FEO	Forest Extension Officer
FPO	Farmer Producer Organization
GA	Grant Agreement
GM	Grants Manual
GP	Gram Panchayat
GPRMP	Gram Panchayat Resource Management Plan
GRM	Grievance Redressal Mechanism
GRS	Grievance Redress Service
GS	Gram Sabha
HP	Himachal Pradesh
HPMHWDP	Himachal Pradesh Mid Himalayan Watershed Development Project
HPFD	Himachal Pradesh Forest Department
HPIDP	Himachal Pradesh Integrated Development Project
IBRD	International Bank for Reconstruction and Development
INR	Indian National Rupees
LA	Loan Agreement
LIP	List of Indicative Price
MG	Matching Grants
MIS	Management Information System

MoU	Memorandum of understanding
NRMC	Natural Resource Management Committee
O&M	Operation and Maintenance
OMIF	Operation Maintenance and Investment Fund
PAD	Project Appraisal Document
PDO	Project Development Objective
PG	Producer Group/s
PIP	Project Implementation Plan
PMU	Project Management Unit
PO	Producer Organization
PPC	Panchayat Purchase Committee
SECC	Socio Economic and Caste Census
SEO	Social Extension Officer
SMS	Subject Matter Specialist
UC	Utilization Certificate
UG	User Groups
USD	United States Dollar
WBGRS	World Bank Grievance Redress Service
WUG	Water User Group/s

1. INTRODUCTION AND OBJECTIVE

The Himachal Pradesh Integrated Development Project (HPIDP), being implemented by the HP Forest Department, is a 5-year project which started in the year 2020. As the successor of the Himachal Pradesh Mid-Himalayan Watershed Development Project (HP-MHWDP), HPIDP aims to reverse the degradation of and to rehabilitate, the state's natural resources through a community-centric approach with a focus on water, its conservation, management, and utilization; and agriculture - making it more productive, climate-resilient, and profitable. While doing so, it intends to augment livelihoods of all who depend on the natural resources: all users of water, especially farmers and livestock-owners.

The Project has received financial assistance in the form of a development loan from the International Bank for Reconstruction and Development (IBRD), henceforth referred to as the World Bank; total cost of the Project is INR 700 Crores, of which 80% is loan and 20% is share of the Government of HP. A part of this loan amount will be available as grant to primary stakeholders of the project, the modalities of which are elaborated in the Grants Manual. The total fund set aside for MG under the IDP (including for individuals, groups and OMIF for GPs) is USD 6,428,000 equivalent to INR 46.16 Crores.

In accordance with the Loan Agreement between India (as borrower) and IBRD, as lender, a "Grants Manual" means the manual, satisfactory to the Bank, to be adopted by HPFD, setting forth, inter alia, the criteria for the selection of the Grant Recipients, the terms and conditions for said selection, as well as the necessary formats for application for Matching Grants under Component 1.B(c) and Component 2 of the Project, environmental/social requirements, and other necessary guidelines for implementation of all modalities of Matching Grants, which manual may be amended from time to time with the prior written concurrence of the Bank. This document complies of the said agreement and forms an integral part of the Community Operations Manual (COM)¹.

The objective of this manual is to outline the nature, objectives and disbursal mechanisms for different types of matching grants under the project in a clear and transparent manner. The manual includes information on eligibility, timelines, application process, selection criteria, financial management and procurement procedures, verification, utilization certificate, and closure of grant windows. It also sets forth the roles and responsibilities of concerned entities at various stages of the application, evaluation and closure procedures. Lastly, the manual contains sections complying with statutory requirements, viz., data protection and grievance

¹ Project COM is available here: <https://www.hpidp.org/uploads/reports/1584701631.pdf>

Redressal mechanisms. The intended primary users of this manual are project staff, community organizations instituted under the project, and other members of the community.

In case of any discrepancy between the Grants Manual and provisions of the Legal Agreement, the latter shall prevail.

2. PROJECT DESCRIPTION AND RATIONALE FOR MATCHING GRANTS

HPIDP is a community-centric project which aims to improve the livelihoods of farmers, primarily through water conservation, storage and improved efficiency of its usage. The Project Development Objective (PDO) is 'to increase the sustainable use of water resources in Himachal Pradesh by improving upstream watershed management and increasing agricultural water productivity in selected Gram Panchayats².'

The Project will be implemented across 10 districts of HP, viz., Shimla, Solan, Sirmaur, Bilaspur, Hamirpur, Mandi, Kullu, Chamba, Kangra and Una; and cover 428 Gram Panchayats (GP) in 32 Blocks. The expected results from the project are:

- Expansion of farm area under more efficient irrigation techniques
- Adoption of climate smart agricultural practices by farmers
- Increase in area under sustainable landscape management practices
- Institutional reforms for improved management of watersheds and associated resources
- Farmers benefiting from participation in the project and results thereof

2.1 Project Components and Activities

The project has three main components of relevance to communities and GPs, and one component dealing with project management activities:

- Sustainable land and water resource management
- Improved agricultural productivity and value-addition
- Institutional capacity building
- Project management

Component 1 is primarily concerned with sustainable land and water resource management, envisages interventions in upstream areas for water recharge through activities such as afforestation and reforestation, soil and moisture conservation measures, and pasture development/ management, especially in higher altitude areas. It also includes activities in support of all of the above, including participatory planning, preparation of GPRMP, monitoring and evaluation, diagnostic studies and assessments, etc., and preparatory works for forestry

²A Gram Panchayat is the lowest tier of governance according to the Indian Constitution (73rd amendment), and comprises one or more revenue villages; each revenue village may be spread over several hamlets or habitation areas, especially in hilly states, such as in HP.

and watershed activities, viz., nursery, management of seed stands, silvicultural pilots, fire control, and so on. Lastly, Component 1 includes provision for establishment of an Operations, Maintenance and Investment Fund (OMIF), for the operation, maintenance and management of irrigation infrastructure created under the project for community use.

Component 2 includes activities for improvement of agricultural productivity and return there from, through demonstration and adoption of climate smart agriculture practices. It also includes a grants sub-component through which small grants maybe extended to individuals and user groups for agribusiness and livestock-related activities.

Component 3 is primarily for assessment and strengthening of capacities of the HP Forest Department.

Component 4 is for project management. Details of the project components may be found in the PAD, PIP and COM.³

2.2 General Role of Matching Grants

A matching grant is a non-reimbursable transfer of funds to a beneficiary to match a specified contribution from the beneficiary to support the planning and implementation of an agreed intervention leading to a desired outcome.

Within rural and agricultural business development projects, they are used to develop agricultural value chains, promote innovation and technology, enhance access to extension and support services, and support farm diversification.”⁴

According to the LA for the Project, “Matching Grant” means a grant awarded by the PMU/DPO to an eligible Grant Recipient, out of the proceeds of the Loan, in accordance with the selection criteria and procedures set forth in the Grants Manual.

2.3 Specific Objectives and Rationale of Matching Grants in HPIDP

In HPIDP, Matching grants are a financing tool, used to finance “social and economic infrastructure, productive assets and income generating and livelihood-diversification activities. It has been designed as an additional financial assistance mechanism for GPs, eligible community members, and project instituted community organizations (WUGs, PGs, and FPOs). Although the phrase ‘matching grant’ implies that the grant will be equivalent (matching) to the beneficiary contribution that will not always be the case, as we will see in the following sections.

³<https://www.hpidp.org/uploads/reports/1584701631.pdf>

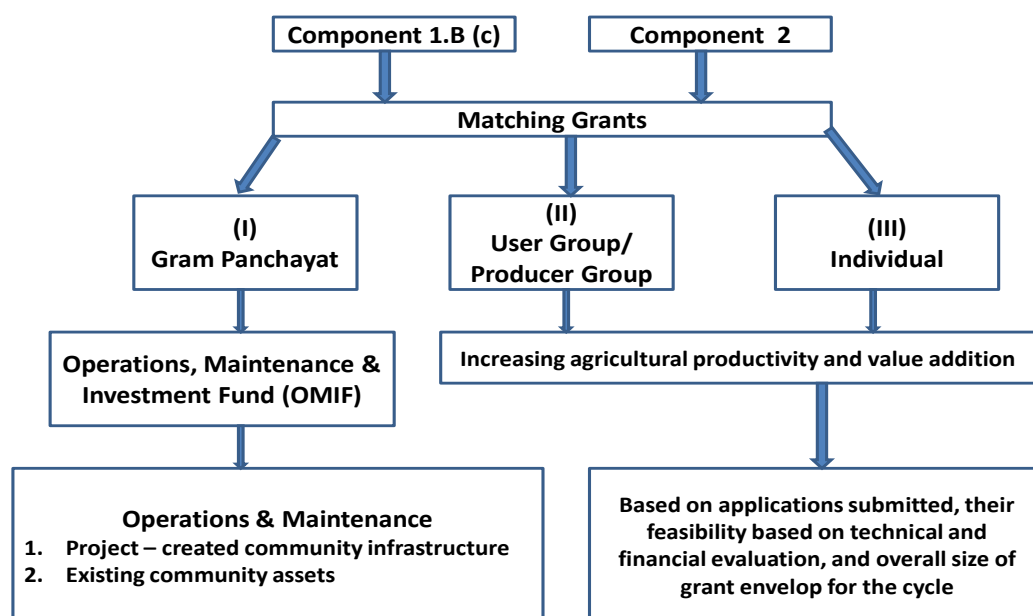
<https://www.hpidp.org/uploads/reports/1592646527.pdf>

⁴ 2012, *Matching Grants Technical Note*. International Fund for Agricultural Development (IFAD)

There are three windows under which potential beneficiaries can avail of benefits of MG under the HPIDP – individual, user group, and GP. All the grant proposals, across all categories of grants, would need to align with the project objectives and be in accordance with the activities set forth in GPRMPs. The grants will be disbursed based on the budget allocation for the respective fiscal year of the project.

Matching Grants will be available to project GPs, WUGs, PGs and individual farmers if they fulfill the eligibility criteria, during the 2nd, 3rd and 4th year of the project, on a quarterly basis, i.e., April-June, July-September, October-December and January-March. For the fifth year, a small number of grants may be made in accordance with the recommendations of the cluster consultancy. The characteristics and purpose of various grant types are illustrated in figure 1 and described subsequently by category of grant.

Figure 1: Windows for availing Matching Grants under HPIDP and their purpose



Following are the overarching eligible and ineligible items:

- Matching Grants will finance a defined list of items each year (Annexure 1 - List of Eligible Items); some items may be available to both individuals and user groups.
- In the case of WUG/PG and individual grants, beneficiaries are expected to cover the labour costs associated with the installation, loading/unloading and transportation of goods.
- MG cannot be used to finance services.

2.3.1 Gram Panchayat: Operations Maintenance and Investment Fund (OMIF)

Participating GPs with both upstream and downstream interventions in their area are eligible for financial support from the project in the nature of a matching grant for meeting the operations and maintenance costs of community irrigation infrastructures existing and those created through the project viz., water harvesting, storage and primary water distribution. The purpose of GP-level grants is primarily to support operations and maintenance of irrigation infrastructures established and/or repaired or rejuvenated with project investment for the benefit and use of communities.

Across various projects and geographies, it has been observed that community assets, created with external funding support, frequently lapse into disuse because of lack of repair and maintenance; ineffective use of irrigation infrastructure has also resulted in its deterioration and eventually loss of intended benefits there from. The underlying reasons for the community's indifference to assets created in their interest include lack of a sense of ownership and responsibility, absent or ineffective management mechanisms, lack of resources, inequitable benefit-sharing, and lack of accountability, among others. To address these factors, it is important that community institutions (GP/NRMC/other) are established, their capacities strengthened and that they are equipped with the necessary authority and resources to take decisions regarding the upkeep and repair of such infrastructure. It is also important to identify and implement measures which will generate a steady stream of resources which can be used to meet the operating and maintenance costs of the equipment. Towards catalyzing the creation of such a fund, the IDP will endeavor to provide funding of OMIF to project GPs which will be exhausted within the project period, the criteria of which is outlined in Section 3(which provides details on OMIF).

2.3.2 Water User Groups/ Producer Groups

Water User Groups (WUGs) would be formed for all secondary storage infrastructure, i.e., tanks on private/ arable land. For agribusiness activities, formation of Producer Groups (PGs) would be facilitated. With these groups, which are also eligible for receiving MG, the objective is to support on-farm investments for optimizing water use and productivity and agribusiness development including support for livestock-related enterprises. WUG will be formed with 5-10 members and PG with 10-25 members. The purpose of user group-level grants is to finance productive assets, including on-farm investments for optimizing water use and productivity, agribusiness and value chain development activities, especially for marginal farmers, and support for livestock-related enterprises in the pastoral system. Further, details are mentioned in Section 4 of Grants Manual.

2.3.3 Individual Farmers

The purpose of instituting grants for individual beneficiaries is to support adoption of innovative practices, including new products and technologies for climate-smart agriculture

which will result in efficient use of water, increased resilience, and eventually result in higher returns to the farmer. The Project will prioritize women-headed households in providing the grants. It will also ensure equal access for disadvantaged sections within the project areas. Further, details are mentioned in Section 5 of Grants Manual.

The following three sections (Section 3, 4 and 5) are devoted to the three MG windows, viz., OMIF, MG for User and Producer Groups, and MG for individuals. Each section is self-contained and complete in itself in so far as the application process, screening, evaluation, funds disbursement and grant closure are concerned. Applicable procurement-related and financial management information is also included in each section.

3. OPERATIONS MAINTENANCE AND INVESTMENT FUND (OMIF)

3.1 Purpose of OMIF

The operations and maintenance (O&M) of assets created through project support for community use is primarily the responsibility of the beneficiaries and is key for the sustainability of Project investments. The Operations, Maintenance, and Infrastructure Fund(OMIF), which will be managed by GPs and be received as a matching grant under the Project, will contribute towards ensuring that common-use irrigation infrastructures are operational and well maintained.

According to the Loan Agreement (LA), ‘OMIF’ means the fund to be established under Component 1.B(c) of the Project *under existing GP financial management procedures* to meet the operations and maintenance responsibilities of community infrastructure related to existing and sustainable land and water management (infrastructures) constructed under the Project, which shall be capitalized with community contributions and with the Project providing top-up funds through Matching Grants to GPs (Loan Agreement, pp. 14-15). This top up fund received by individual GP through matching grants will be utilized within the project period only.

3.2 Eligible Gram Panchayats (eligibility criteria for participating GPs)

To be eligible for receiving an OMIF grant from the Project, it is necessary that the participating GP has the land resources, opportunities, and the willingness to start interventions for sustainable land and water management in the upstream areas, and scope for construction of irrigation infrastructure which can be used by the village farming community. All project GPs are therefore eligible for setting up OMIF.

3.3 Bank and account criteria

A separate Aadhaar-linked bank account in the name of “IDP OMIF” would have to be opened by the GP in a public sector bank, preferably within the GP area, for all OMIF-related

transactions. In case appropriate banking facilities are not available in the Panchayat area, the account maybe with any other bank operating in nearby area, with prior approval from the concerned DPO. The bank account will be a “No-Lien Account,” implying that the funds kept therein cannot be attached to any proceedings against the GP. The HPFD/Project, through the concerned DPO, will have the right to direct the bank to freeze the account on written instructions given to the bank in case any irregularity is noticed. It will be operated by the Panchayat following appropriate GP financial management procedures. There will be two signatories for operation of the Bank Account, i.e., the Panchayat Pradhan & the Panchayat Secretary as per provisions of the Panchayati Raj (Finance, Budget, Audit, Works, Taxation and Allowances) Rules, 2002.

3.4 Eligible Assets under OMIF

All the community irrigation infrastructures established/ repaired/ rejuvenated with the project investment and other existing GP assets which are being used by communities will be eligible to receive the grants under OMIF, for purposes which match OMIF objectives and subject to number of beneficiaries being equal to or exceeding five.

3.5 Eligible Expenditures and Decision-Making Guidelines

Expenditures using OMIF funds will include works and goods required for the maintenance of assets constructed under or renovated under IDP and other GP-owned assets within the project area will also be eligible. As stated before, OMIF is to be established under the existing GP financial management procedures, according to the LA. The guidelines below are recommended in addition, for transparency, judicious use and accountability of stakeholders involved in the use and management of OMIF.

For smaller repair works, where expected expenditure is below INR 10,000, the decision may be taken collectively by GP and at least three members of the PPC, followed by ex-post-facto approval by the Gram Sabha (GS) at the next meeting, whether regular or extraordinary. Such expenditure may not be incurred more than once between two consequent Gram Sabha meetings. For any intervention with estimated costs exceeding INR 10,000, the guiding principles as stated below will apply.

Prior to undertaking any activity with estimated expenditure above INR 10,000 the approval of Gram Sabha will be mandatory. The standard guidelines for GP expenditures will apply and needs to be followed. A summary of the appropriate decision-making forums is provided in Table 1.

Table 1: Decision-making bodies and guidelines for OMIF usage

<i>Sl.</i>	<i>Expenditure amount (INR)</i>	<i>Decision by</i>	<i>Remarks</i>
1.	Less than 10,000	GP and at least three members of the PPC	(i) Ex-Post-facto approval required by Gram Sabha (ii) Not more than once between two Gram Sabha meetings
3.	More than 10,000	Gram Sabha	(i) Decision and approval of Gram Sabha to be recorded in GP minutes as well as OMIF Minutes register

3.6 Cost Sharing (Matching Arrangements)

This process would be undertaken annually, after being initiated from the second year of project implementation. Subject to a minimum collection of INR 5,000 per year, the Project will make a corresponding MG as tabulated below till the total Project contribution is INR 100,000 (US \$ 1428.57) or until the end of the Project, whichever is earlier Table 2. An agreement for matching grants will be executed between the concerned DPO and the GP before the release of grant by the project (Annexure 5).

Table 2: Matching Grant contribution by Project towards OMIF

<i>Sl.</i>	<i>Year of Project implementation</i>	<i>GP-level collections for OMIF (INR)</i>	<i>Corresponding MG contribution by Project towards OMIF (INR)</i>
1.	Year 2 to Year 5	5,000–10,000	40% of collected sum
2.		10,001 – 25,000	60% of collected sum
3.		25,001 – 50,000	80% of collected sum
4.		50,001 and above	100% of collected sum (Subject to a maximum of INR 1 lakh)

3.7 Procurement Rules and Arrangements Applicable to OMIF

Any procurement carried out using OMIF will be governed by the existing GP Financial Management Procedures as per the provision of Panchayati Raj (Finance, Budget, Audit, Works, Taxation and Allowances) Rules, 2002. Panchayat through its Gram Sabha will also constitute a Panchayat Purchase Committee (PPC) of 5 members, including at least 2 women, which will serve for a two-year term, after which it would be reconstituted following the same procedure. Proposed constitution of PPC is as indicated in Table 3. The announcement of proposed names,

after consultation with the GP, would be made at the Gram Sabha meeting, following which the newly formed entity and its membership would be ratified by the Gram Sabha. The Panchayat Purchase Committee (PPC), constituted by the Gram Sabha, will be responsible for handling procurement at the GP-level for a term of two years, after which it will be reconstituted following the same procedure and guidelines. The PPC will have the primary responsibility of procurement at the GP Level.

Table 3: Proposed constitution of PPC in the HPIDP

Sl.	Official/ Leader/ GP resident/Other	Designation in PPC
1	Up-Pradhan Gram Panchayat (Deputy Pradhan)	Chairperson
2	Ward Member (Female)	Vice Chairperson (Not a Member of GP level committee)
3	Ward member	Member (Not a Member of GP level committee)
4	Ward Member	Member (Not a Member of GP level committee)
5	Panchayat Secretary	Member Secretary

NOTE: Committee should have at least one-third women members

3.7.1 Role of PPC - procurement aspects

Following are the roles of the Panchayat Purchase Committee:

- All the GP-Level procurement will be done by the PPC in accordance with GP Financial Management Procedures. Manage expectations of individuals and community from the project through reinforcing information and principles of matching grant, beneficiary contribution and project outlay per village
- Function as the communication channel between the village community and the project facilitating team.
- Ensure all procurement related records such as invoices from suppliers/challans/Goods Received Note (GRN) and related miscellaneous documentation, if any/details of payments made, inventory and asset register, etc., are maintained and updated.

3.7.2 Capacity building for procurement

In preparation of the responsibilities to be assumed by the GP/PPC, its representatives, along with the Gram Pradhan and Up-Pradhan (deputy elected head of Village Council), will undergo training at the district level. This will neither be a precondition nor eligibility criteria for receiving any grant for the reason that the concerned officials of the Gram Panchayat are already trained in GP financial management procedures but will be given training specific to IDP.)

This will include the following topics:-

- Funds management, book-keeping, and accounts
- Procurement norms and good practices
- CDD Procurement Norms

- Implementation of works, monitoring and review

3.8 Financial Management Arrangements

For community assets and works related to common infrastructure development, the project will annually transfer its share as grant-in-aid to the 'IDP-OMIF' bank account of the Panchayat as a matching grant disbursed under component 1 of the project.

Management of OMIF will be the primary responsibility of the GP, with the NRMC playing a supportive and advisory role, and the newly constituted Panchayat Purchase Committee (PPC) being responsible for procurement. The GP will maintain all records pertaining to the OMIF, including but not limited to: (i) details of funds received – by source; (ii) a register of assets under its management along with their status and use; (iii) O&M details; (iv) minutes register; (v) books of accounts; and lastly, it will also maintain (vi) all records of financial transactions entered into by the GP will be maintained through PRIA Soft accounting software. The GP will generate and maintain complete records of all transactions and vouchers for various receipts and expenditures made at their level. The following key books and records will be prepared and maintained by the GP:

- Cash Book, books of accounts, bank documents (pass book, cheque book and financial statements)
- Bills/Invoices/Cash Memos/Stock/Inventory Register/Challans/Goods Received Note (GRN), etc., details of payments made, and any other related document for any procurement carried out by the GP/PPC
- Meeting Minutes Register
- Vouchers/ stubs for all financial transactions (receipts and expenditure)
- Assets Register (with information as detailed in the COM)

All these records will need to be made available for scrutiny during financial and social audit, when required. Expenses up to INR 1,000 per annum will be permissible from the OMIF account towards purchase of stationery and maintenance of records. For the purpose of financial planning; the scale of the grant for the OMIF would be up to INR 1 lakh (US \$ 1428.57).

3.8.1 Role of GP – fiduciary aspects

- Open a bank account for deposit of user contributions towards project investments/ assets and receive project grant for OMIF; undertake to utilize OMIF as per prescribed norms and procedures and in a transparent manner, observing necessary fiduciary compliances.
- Maintain clear and complete records on all matters pertaining to the project, including financial notes, vouchers, etc.; minutes of meetings, copies of GPRMP and COM, assets register with photographs, details of bank account with updated passbook, etc., as necessary and required.
- Organize annual social audit of accounts & expenditures and present details of transactions to the Gram Sabha and social audit of the completed schemes and

- structures and their inclusiveness, adherence to recommended practices and effectiveness. Display the results of the social audits outside the GP office. Unlike in a financial audit, social audit gives residents and WUGs an opportunity to inspect the records and documents, including accounts, assets and stock registers, measurement books, muster rolls, etc.
- Cooperate with any external agencies appointed by the project for conducting evaluation or audits.

3.8.2 Role of APO – fiduciary aspects

At the APO level, usage of funds by GP will be monitored through a PMIS, which will be linked with the district and project systems.

3.9 Sources of Funding and Sustainability Measures

To ensure sustainability of the OMIF beyond the project period, a mix of sources has been identified. In addition to grant-in-aid from IDP, user fees and voluntary contributions will contribute to building OMIF during and even beyond the project period, as outlined below.

3.9.1 WUG contribution

All Water User Groups (WUG) and beneficiaries that stand to benefit from the Project by way of irrigation infrastructure, would be required to deposit an upfront share of 1% of the estimated cost (per PIP) of infrastructure as their contribution towards OMIF.

3.9.2 Producer Group contribution

The beneficiaries of the grant will contribute to OMIF after one year of operations i.e. once the PG starts increasing their income and starts generating more profit with support from the project as the direct result of the use of the equipment purchased through the Matching Grants.

3.9.3 User fees

The GP shall levy an annual fee on all beneficiaries of common use infrastructure constructed or rejuvenated under the project, such as ponds, spring wells, etc., which are open for use to all (under Component 1). The GP will issue a receipt to every user household, with a unique receipt number, the asset being used by the user, and the amount received.

3.9.4 Voluntary contribution

Any voluntary donation by project beneficiaries, public representatives, government agencies, etc., will be accepted by the GP (against receipts issued) as contribution towards OMIF.

4. GRANTS FOR WATER USER GROUPS / PRODUCER GROUPS (WUGs/ PGs)

4.1 Purpose and Scale of Group Grants

Formation of Water User Groups (WUG) and Producer Groups (PG) will be facilitated under the Project for management of water distribution networks and agri-business activities, respectively. These will be informal collectives who are registered with the project; FPOs, on the other hand, will be registered under the Co-operative Societies Act of HP. WUGs and PGs would also be encouraged to optimize their gains resulting from the Project investments. They can avail matching grants for procurement of goods/ equipment for laying of farm-level water distribution networks and related expenditure and for establishment or expansion of agribusiness opportunities. Groups will only be given a one-time grant for each activity undertaken. The total outlay for WUG and PG matching grants is INR 12.84 Crores. Over the entire project period, it is expected that around 1000 groups will have received matching grants from the project, their scale ranging from INR 40,000 to INR 150,000.

4.2 Eligibility Criteria for Participating WUGs and PGs

To be eligible for consideration for receiving MG, WUGs/PGs would have to meet the following criteria:

- Groups should be either formed or strengthened under the Project. Consideration will also be given to high potential groups not formed under the project, but which are operational in the project area, if the grant objective aligns with the PDO.
- It should be functional, as certified by the local facilitating team (comprising frontline staff)
- It should have at least 5 active members (not more than one member from any household)
- Well-functioning WUGs/ PGs will be considered for grants even if they have received similar grants from other sources previously
- It should have an Aadhaar-linked bank account in a public sector bank, in the name of the WUG/PG with two/ three signatories. In case appropriate banking facilities are not available in the Panchayat area, the account maybe opened with any other bank operating in nearby area, with prior approval from the concerned DPO.
- Each WUG will deposit in its own account an upfront share of 5% of the total cost of the assets towards O&M. In addition, groups will also contribute to the GP-level OMIF account, equivalent to 1% of the total cost of asset/ works granted.
- Group will submit a Business plan with detailed costing and specifications for the use of grant money.

- New applicants with strong proposals but who have not received any support will be preferred.

4.3 Eligible Items (WUGs/PGs)

UG/PGs will avail items of a “club good” nature (multiple users) or goods with higher capital costs which are of use to all members of the Group. MG will be used to finance goods, works and installation or repair services; however, any labour required will be organized by the beneficiaries themselves, i.e., the grant cannot be used to finance the labour component. The details will be listed in the Business Plan submitted by the Group along with its grant application. A list of eligible items and activities which may be supported through MG for WUGs/PGs is as shown in Table 4 and elaborated in Annexure 1.

Table 4: Illustrative list of items and/or activities eligible for MG by User Groups/PG/PO

Sl.	Brief Item/ Activity
1.	Secondary water distribution and water use efficiency equipment (e.g., sprinklers or drip irrigation equipment) (Primary water distribution infrastructure, as well as linkage between primary and secondary structure, e.g., pipes and pumps, will be undertaken directly by the Project)
2.	Productive assets for promoting climate resilient crops and use of climate smart technologies
3.	Modest agricultural infrastructure investments including irrigation tanks, secondary irrigation canals, power tillers and accessories
4.	Irrigation infrastructure and productive assets
5.	Productive assets for promoting pre & post harvesting technologies and value addition

4.4 Matching/ Beneficiary Contribution

Beneficiary contribution in the case of WUG and PG ranges from 30% to 60% of the value of the item, as detailed in Annexure 1, which provides an indicative list of eligible items and percent grant for different categories of beneficiaries.

4.5 Call for Applications

Call for proposals/applications will be made by PMU across the project area four times a year on quarterly basis (April, July, October and January of each calendar year), with particular attention to seek applications from the more vulnerable. The call will be issued by the PMU/DPO, and it will be given enough publicity to ensure that all residents in Project GPs are made aware of the award and its eligibility criteria. The call will include information about the types of grants; eligibility criteria; process of application; grant size; important dates (e.g., for opening of applications, form submission, and date of announcement of awards); and officers to contact for clarification or assistance, if required (e.g., office of concerned DPO/APO).The

entire process of the call for applications will be of 30 days. First 15 days will be exclusively for wide publicity of the application process whereas; the next 15 days will be for the submission of the grant applications by the applicants.

The following methods would be adopted for dissemination of information:

- Project website
- Posters: at prominent locations in Project GPs; and offices of APO, DPO and PMU
- Announcement letter: shared with NRMC and GP, with request for sharing information with the Gram Sabha
- Project frontline staff: will support information sharing by GP and NRMC.

4.6 Application and Selection Procedure

Applications (Annexure 2) may be submitted offline (paper format) or online (through application link on the project website); at the office of DPO (district level)/APO. The DPO's is thus the nodal office for all matters pertaining to the MG. An orientation regarding the application process will be conducted by the project frontline staff for WUGs/PGs from time to time. WUGs and PGs can apply for MG from IDP whenever a call for grant applications is announced, quarterly every year, or information is communicated to them through the concerned NRMC/GP representatives.

The application is expected to be supported by a group resolution with signatures of all the members, along with the sub-project containing a detailed plan of how, where and when the funds would be utilized; a detailed cost estimate, including the group's own contribution; expected benefits; O&M plan; and whether any technical assistance from the Project is required, in addition to financial. The Project frontline staff and NRMC will provide support in the application process, if required by the applicant. Effort will be made by the project to also seek timely assistance from concerned line departments for technical validity of investments, if required. The detailed process of technical evaluation has been discussed in the following paragraph.

4.7 Screening of Applications and Technical Evaluation

The DPO will forward all group applications received (offline and online printouts) to the respective APOs, who will screen them with the help of NRMC to ensure that the necessary eligibility criteria are fulfilled by the applicants. They will forward all the applications after the recommendations of NRMC, with their comments within 15 working days (eligible/not eligible, with remarks, if any) to the DPO. The eligible applications will be further prioritized at the DPO-level based on criteria indicated in Table 5. For operational purposes, a scoring system will be used for selection of groups, which has been provided in Annexure 3.

Table 5: Criteria for prioritization of applications from WUG/PGs*

<i>User Groups/ Producer Groups</i>
<ol style="list-style-type: none">1. Women's groups or groups led by women2. Predominantly vulnerable HH members (> 70%).3. Groups with members' land in contiguous patch4. More members having contributed upfront5. Clarity of costs, benefits and cost-sharing norms among users, and between WUG and IDP6. Applications with plans which are better aligned with the project objectives7. Implementable in a shorter time span (6 months to 1 year receive highest priority).

Following short listing based on scores assigned, all applications with an element of novelty will have to be evaluated for feasibility on technical and financial grounds. This will be done by a district-level **Technical & Financial Feasibility Assessment Committee** comprising five members (DPO, APOs, Accountant, AEO/ VEO and SEOs). The DPOs may take up to 15 working days to complete the process. After completion of technical and financial review, the DPO will finalize the full (both innovative and standard) list of grantees within her/his district and share the same with the PMU for information. After grantee list is finalized and an assessment of budgets for the same is done, the DPO will:

- Compile all the names of proposed awardees for her/his respective district (if total proposed value is less than or equal to the available budget);OR
- select the highest scoring applications that can be funded during the quarter

Subsequently, the DPO will announce the successful applicants after the confirmation of budget from the PMU, by posting their names on the Project website and notice boards of Panchayat office, PDS (Public distribution system) outlets, DC office, and so forth. The final list of selected beneficiaries will be communicated to all the applicants (both successful and unsuccessful) and shared with the PMU along with the budgetary requirements. If the number of qualifying applications exceeds the budget available, then those will be considered in the following grant cycle, subject to applicants' willingness (they will be asked to reapply, providing reference to the previous application number).

Based on the estimated costs of approved applications in each district, the PMU will release funds to the respective DPOs, who will then transfer the requisite amounts to the WUG/PG. The funds will be transferred to beneficiaries before start of work/procurement of goods. A flow chart of the entire application process and timelines is available at figure 2.

4.8 Grant Agreement or MOU (signed off by NRMC and WUG)

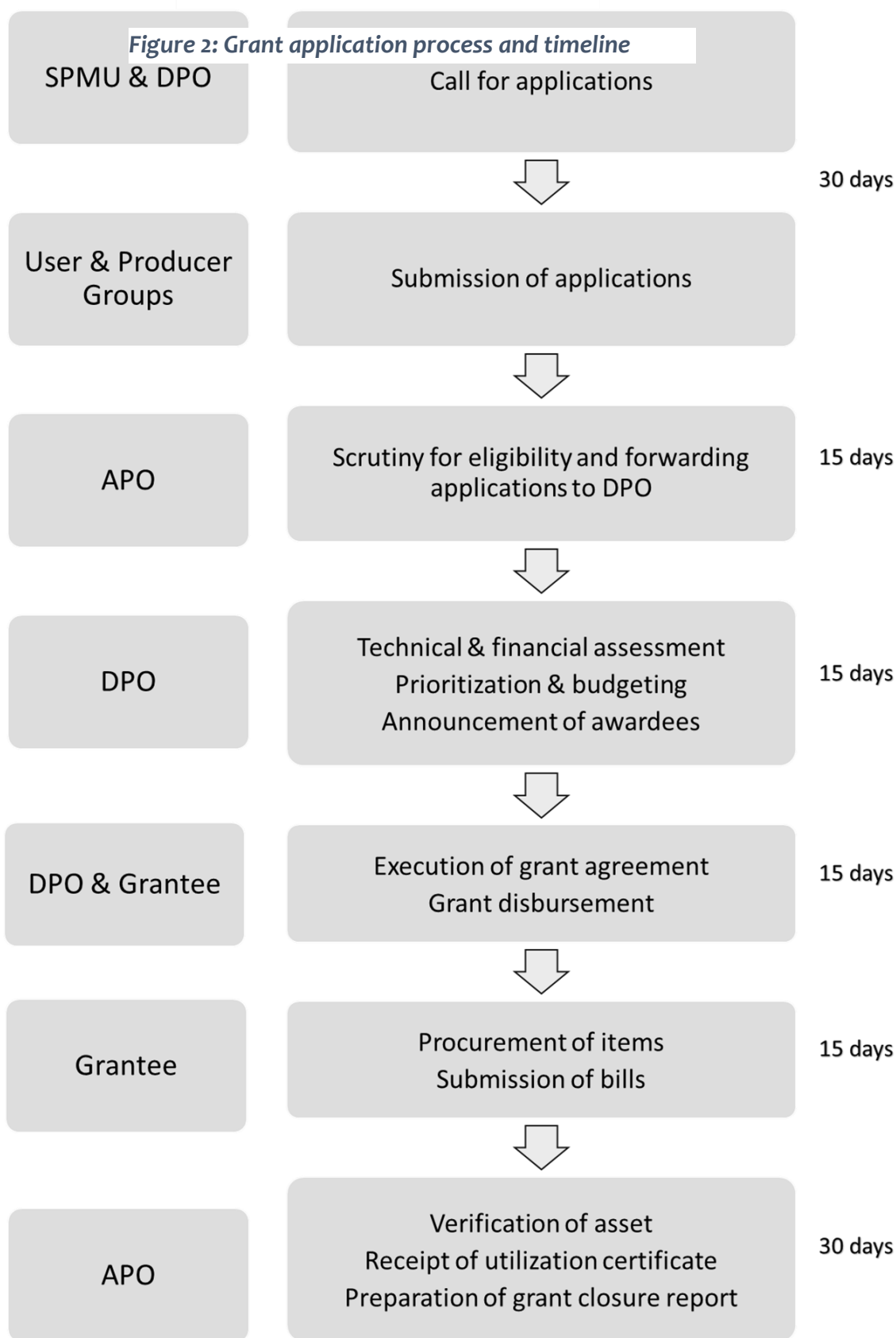
There will be an agreement between the grant recipient (WUG/PG) and the concerned DPO, stating the purpose, roles and responsibilities of the parties involved, and specifying the

schedule of funds disbursement, along with the terms and conditions for the same. It will also include a clause for termination of financing and/or penal action in case of fraud, corruption, misrepresentation, collusion, coercion, obstructive practice, or non-compliance with terms of the agreement (Annexure 4).

The funds will be transferred to beneficiaries before the start of work/procurement of goods; upon completion, it will be verified by the concerned APO, who will also ensure receipt of Utilization Certificate (UC) against all MGs issued to WUG/PG, and preparation of grant closure reports.

Utilization Certificate (UC) will be submitted by the beneficiary (WUG/PG) to the concerned APO after completion of works/purchase of goods within four weeks of disbursement of the grant, in case the beneficiary (WUG/PG) fails to do so, they will have to refund the entire grant released to them with interest (Annexure 10).

Grant Application Process



4.9 Financial Management Arrangements

WUG/PGs will avail items of a “club good” nature (multiple users) or goods with higher capital costs which are of use to all members of the Group. MG will be used to finance goods and works; however, any labour required will be organized by the beneficiaries themselves i.e., the grant cannot be used to finance such labour component. The details will be listed in the Business Plan submitted by the group along with its application. The DPO will ensure the disbursement of the matching grant which will be linked with the budgetary allocation and the same will be disbursed before the procurement of the goods/works within 15 days of approval or sanction.

All grant recipients are required to implement use of MG funds diligently and efficiently in accordance with the terms of the grant agreement (GA), with sound technical, economic, financial, managerial, environmental and social standards and practices and respecting the objectives of the scheme. Any significant deviation from the proposal (e.g., changes of timetables as mentioned in the application, or if proposed milestones are not achieved) requires prior written consent of the DPO.

They shall use the financing in accordance with the approved budget (based on their application) and shall prepare financial statements in accordance with consistently applied accounting standards and in consonance with the provisions given in the GPRMP. The project funds will be transferred directly by the DPO into the group’s bank account (before procurement of the goods/works). Group grants will range from INR 40,000 to INR 150,000 per group; on average, INR 3 lakhs is allocated per participating GP.

After finalizing the names of the successful grant applicants, DPO shall issue a sanction letter for the release of grants, mentioning therein the relevant details, viz., application number, grant amount, bank account details and Aadhaar number, and then present the bill to the district Treasury for releasing the payment directly into the bank accounts of beneficiaries.

4.10 Procurement

Water User Groups and Producer Groups shall be involved in procurement of agricultural tools and implements, equipment, farm machinery, etc., for which MG would be provided by the project. The procurement responsibility, including assessment of quality and appropriateness of goods or services required, is devolved to the WUG/PG as per the specifications mentioned in indicative price list prepared by the respective DPOs.

For execution of works, the concerned group will ensure that it is carried out in accordance with the technical specifications provided by the DPO and the same will be monitored and verified by project staff at the APO level.

4.11 Benefit Sharing and Sustainability Measures

Groups will meet regularly and design scheduling systems to ensure that all members are able to appropriately avail of benefits and get equal access to assets procured by the group. The O&M fund, to which members of user groups are required to contribute, will contribute towards ensuring sustainability of the assets.

Maintenance of group assets is the sole responsibility of the concerned group; apart from being required to set aside a sum towards O&M expenditure at the time of procurement of asset (5% of total cost), they shall also collect user fees systematically and regularly.

5. GRANTS FOR INDIVIDUAL BENEFICIARIES

5.1 Purpose of Individual Grant

The purpose of instituting grants for individual beneficiaries is to support adoption of innovative practices, including new products and technologies for climate-smart agriculture which will result in efficient use of water, increased resilience, and eventually result in higher returns to the farmer. The Project will preferably prioritize women-headed households in providing the grants. It will also ensure equal access for disadvantaged sections within the project areas.

5.2 Eligibility Criteria for Participating Individuals

In order to qualify and participate in the Matching Grant Scheme under Component 2 of the Project, an applicant is required to meet certain eligibility conditions which are non-negotiable. To be eligible for applying for a MG under the window for individuals, a person should meet the following minimum criteria⁵:

- Ordinarily a resident of a GP included under the Project (male or female)
- A farmer (own land, sharecropper, leased land etc.)
- At least 18 years of age
- Applicants should be able to produce evidence of land ownership, viz., *Tatima, Jamabandi, Nakal*, etc./Copy of lease agreement/ ownership of animals (Registration certificate)/any other certificate as per Government guidelines; such land should also be in possession of the applicant/s, and free of any ownership conflict/s
- Aadhaar-linked bank account in a scheduled bank, held by the beneficiary.
- Clear articulation of plan for use of grant money.
- New applicants with strong proposals but who have not received any support will be preferred.

⁵It may be noted that application does not guarantee receipt of grant – there will be a process of evaluation and prioritization of applications before grantees are announced

5.3 Eligible Items and Activities

An indicative list of the nature of activities which may be supported through MG for individuals is as shown in Table 6 and elaborated in Annexure 1.

Table 6: Illustrative list of items and/or activities eligible for MG by Individuals

Sl.	Brief Item/ Activity
1	Water distribution & water use efficiency.
2	Promotion of climate-resilient Pre & Post harvest technologies for agriculture.

Details are enlisted in Annexure 1

The rate of eligible items listed in Annexure 1 as well as the grant share in total cost is subject to revision on annual basis.

5.4 Matching/ Beneficiary Contribution

An indicative list of eligible items has been created and percentage of grant differs according to the nature and cost of items. Details can be found at Annexure 1. Beneficiary contribution ranges from 10% to 60% of the value of the item.

5.5 Call for Applications

Call for proposals/applications will be made by PMU across the project area four times a year on quarterly basis (April, July, October and January of each calendar year), with particular attention to seek applications from the more vulnerable. The call will be issued by the PMU/DPO, and it will be given enough publicity to ensure that all residents in Project GPs are made aware of the award and its eligibility criteria. The call will include information about the types of grants; eligibility criteria; process of application; grant size; important dates (e.g., for opening of applications, form submission, and date of announcement of awards); and officers to contact for clarification or assistance, if required (e.g., office of concerned DPO/APO). A period of 30 days from the date of announcement will be available for submission of forms. The following methods would be adopted for dissemination of information:

- Project website
- Posters: at prominent locations in Project GPs; and offices of APO, DPO and PMU
- Announcement letter: shared with NRMC and GP, with request for sharing information with the Gram Sabha
- Project frontline staff: will support information sharing by GP and NRMC.

5.6 Application and Selection Procedure

Applications may be submitted offline (paper format) or online (through application link on the project website); at the office of DPO (district level)/APO. The DPO's is thus the nodal office for all matters pertaining to the MG. The orientation regarding the application process will be conducted by the project frontline staff for individuals and WUGs/PGs from time to time.

Individual farmers can apply for MG from IDP whenever a call for grant applications is announced quarterly every year, or information is communicated to them through the concerned NRMCG/GP representatives. Applicants should submit request only for listed eligible items (Annexure 1) in the prescribed format available (Annexure 6). The application should be supported by a sub-project which includes cost estimate; a plan of how, where and when the funds would be utilized, including the beneficiary's own contribution, the expected benefits and whether any technical assistance from the Project is required, in addition to financial. The Project frontline staff and NRMCG will provide support in the application process if required by the applicant. Efforts will be made by project to seek assistance from the concerned line departments. Individual grant size can vary from INR 10,000 to INR 30,000. The total size of MG fund for individual grants is about INR 29 Crores and will be available in years 2, 3, 4 and 5 of the project.

5.7 Screening of Applications and Technical Evaluation

The DPO will forward all group applications received (offline and online printouts) to the respective APOs, who will screen them with the help of NRMCG to ensure that the necessary eligibility criteria are fulfilled by the applicants. They will forward all the applications after the recommendations of NRMCG, with their comments within 15 working days (eligible/not eligible, with remarks, if any) to the DPO. The eligible applications will be further prioritized at the DPO-level based on criteria indicated in Table 7. A scoring system will be used for prioritization of applicants from the vulnerable category, details of which are placed at Annexure 7.

Table 7: Criteria for prioritization of applications from individuals

Individuals
<ol style="list-style-type: none"> 1. Classified as vulnerable (per GPRMP) 2. Widow women 3. Other Women applicants and beneficiaries 4. SC and ST applicants and beneficiaries 5. Economically Weaker Section (EWS) 6. Person having fallow arable land (Minimal Returns) 7. Households mentioned in Socio Economic and Caste Census (SECC) Report

After the grantee list is finalized, the DPO will select the applications in order of scores received till the grant requirement is matched with the available budget for the quarter. Subsequently, s/he will announce the successful applicants after the confirmation of budget from PMU, by posting their names on the Project website and notice boards of Panchayat office, PDS (Public distribution system) outlets, office of the DC and so forth. The final list of selected beneficiaries will be communicated to all the applicants (both successful and unsuccessful) and shared with the PMU along with the budgetary requirements.

Based on the estimated costs of approved applications in each district, the PMU will release funds to the respective DPOs, who will then transfer the requisite amounts to the awardees. The funds will be transferred to beneficiaries before start of work/procurement of goods.

5.8 Grant Agreement and Utilization Certificate

There will be an agreement between the grant recipient (Individual) and the concerned DPO, stating the purpose, roles and responsibilities and specifying the schedule of funds disbursement, along with the terms and conditions for the same (Annexure 8). It will also include a clause for termination of financing and/or penal action in case of fraud, corruption, misrepresentation, collusion, coercion, obstructive practice, or non-compliance with terms of the agreement.

The funds will be transferred to beneficiaries before the start of work/procurement of goods; upon completion, it will be verified by the concerned APO, who will also ensure receipt of Utilization Certificate (UC) against all MGs issued to individual beneficiaries, and preparation of grant closure reports.

Utilization Certificate (UC) will be submitted by the beneficiary to the concerned APO after completion of works/purchase of goods within 4 weeks of the disbursement of the grant, in case the beneficiary fails to do so, he/she will have to refund the entire grant released to him/her with interest(Annexure 10).

5.9 Financial Management Arrangements

Funds will be transferred by the DPO directly into the bank accounts of successful grant applicants before the procurement of the item, for implementation of works and goods as detailed in their MG application; any labour required will be organized and cost to be borne by the beneficiaries themselves. Scale of the grants for individuals would be up to a maximum of INR 30,000(US \$ 428.57) per individual.

After finalizing the names of the successful grant applicants, DPO shall issue a sanction letter for the release of grants, mentioning therein the relevant details, viz., application number, grant amount, bank account details and Aadhaar number, and then present the bill to the district Treasury for releasing the payment directly into the bank accounts of beneficiaries.

The DPO will ensure the disbursement of the matching grant which will be linked with the budgetary allocation and the same will be cleared within 15 days of approval or sanction.

5.10 Procurement

Individual beneficiaries would be responsible for procurement of items of individual use, etc., which also qualify for MG. For execution of works, the concerned individual will ensure that the

work is carried out in accordance with the technical specifications provided by the APO; the same will be verified by project staff at the APO level.

To effect, matching grants for farm-level irrigation infrastructure and productive assets, the procurement will be undertaken by the farmers themselves as per the specifications mentioned in indicative price list prepared by the respective DPOs.

6. LIST OF INDICATIVE PRICE

The list of indicative range of price of eligible items is prepared, maintained and consolidated by each DPO for optimal localized price discovery. The same will be circulated to each APO within the DPO's area of jurisdiction. The PG/WUG/Individual while preparing the procurement plan will utilize the standard price list called the list of indicative price (LIP).

For different goods and works, list of indicative price range is to be obtained from the market in a competitive and transparent manner by the DPO. For this purpose, specifications of items will be informed to suppliers, along with indication of required (estimated) quantities. After preparing a list of proposed tentative items for consideration for the grants, each District Project Officer will display this information in their offices and at common public places as mentioned above in this manual in order to collect the Market Price of these items for each brand. It will be ensured that good quality items will be considered having ISI mark or similar certifications and for preparing the list there will not be compromise in quality of product/item. The objective will be to collect price range of various items to provide a benchmark range to the prospective beneficiaries to decide as to which of the item may be selected for applying the grant, but this list of Indicative price range will neither fix the fixed price nor the suppliers/sellers. This Price List will be widely published by District Project officers through field functionaries before opening of the window, so that eligible beneficiaries may take the appropriate decision to submit grant application. Indicative Price List will be prepared at district level by each DPO by resorting to local advertisement and local market survey for suppliers of requisite items so that individuals may be able to procure the same in local market to utilize the grant received from the project. All submissions from local suppliers shall be in writing referring to the local advertisement.

6.1 Method of Price Discovery

The advertisement for price discovery will be displayed on notice boards of offices of DC, SDM, BDO, DPO, APO, GP and other public places. In addition the DPO will send the notice to all the potential suppliers of the area to participate in the price discovery. All the interested suppliers will be required to submit their item wise price with specifications within a period of seven to fifteen days. After the analysis of submitted quotations the concerned DPO will finalize the List

of Indicative prices on the basis of who ever fulfills the technical specifications/qualification requirements. A sample template of Notice for price discovery is placed at Annexure 11.

7. ROLES AND RESPONSIBILITIES

The main responsibilities of all entities involved in judicious use and management of MG, including procurement using MG funds, are outlined in Table 8.

Table 8: Key roles and responsibilities of entities involved in MG-related procurement

Sl.	Responsibility-holder	Key roles and responsibilities
1.	Project Management Unit (PMU)	<ul style="list-style-type: none"> • Provide overall guidance and oversight over procurement under the Project • Organize and support procurement-related training (and refresher courses) for DPOs and APOs on a regular basis. • Provide overall guidance for District and sub-District level, and procurement under MG under Components 1 and 2 carried out by GPs, and User Groups/Individual Beneficiaries respectively to ensure agreed process and procedures are followed and necessary procurement documentation is in maintained and in order.
2	District Project Officer	<ul style="list-style-type: none"> • Compile the rate lists; publish and update the same annually or earlier, depending on market conditions. • Run a competitive and transparent process to prepare rate lists at the district level, consisting of names of qualified suppliers and the prices of all items listed in Annexure 1. • Provide overall guidance for District and sub-District level and procurement carried out under MG to ensure that agreed process and procedures are followed and necessary procurement documentation is in order.
3.	Assistant Project Officer (APO)	<ul style="list-style-type: none"> • To build the capacity of the community and provide hand holding support at various levels of functioning of PPC, guiding them in adhering to the agreed procurement procedures as elaborated under IDP. • To collect Utilization Certificates for every MG within her/his area of jurisdiction
4.	PPC	<ul style="list-style-type: none"> • The PPC, constituted by the Gram Sabha, will be responsible for handling procurement of the project at the GP-level for a term of two years, after which it will be reconstituted following the same process.

5.	Gram Sabha	<ul style="list-style-type: none"> To constitute the PPC biannually, comprising 5 members (at least 2 women) Decide/ review/ approve expenditure decisions under OMIF as specified in Table 1. Ensure that social audit is conducted annually
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8. COMMON PROCEDURES FOR ALL MATCHING GRANTS

8.1 Management Information System (MIS)

Project MIS will include key information on the matching grants process. Information on each application, the scores assigned, and the selected applications will be clearly logged and displayed. The MIS will include information on applications rejected as well as accepted to ensure the project is meeting inclusivity targets and treating applications in transparent manner. At a minimum, the project MIS will track and provide information (vis-à-vis the matching grants) in areas and for indicators outlined in Table 9.

Table 9: MG-related list of indicators for Project MIS

<i>Sl.</i>	<i>Area of interest</i>	<i>Specific indicator/s</i>	<i>Additional information</i>
1.	Scale of grant-making	<ol style="list-style-type: none"> Grant funds received <ul style="list-style-type: none"> PMU DPO Funds requested(overall, PMU& DPO) <ul style="list-style-type: none"> Funds requested (OMIF) Funds requested (User groups) Funds requested (Individuals) Funds disbursed (overall) <ul style="list-style-type: none"> Funds disbursed (OMIF) Funds disbursed (User groups) Funds disbursed (Individuals) 	<ul style="list-style-type: none"> For PMU and all DPOs Quarterly, annual and cumulative
2.	Number of grants awarded	<ol style="list-style-type: none"> Number of grants awarded <ul style="list-style-type: none"> OMIF grants Grants to Water User Groups Grants to Producer/ Other User Groups <ul style="list-style-type: none"> All-women groups Mixed groups All-men groups Individuals (agriculture grants) 	<ul style="list-style-type: none"> For PMU and all DPOs Quarterly, annual and cumulative

Sl.	Area of interest	Specific indicator/s	Additional information
		<ul style="list-style-type: none"> ○ Women ○ Vulnerable or disadvantaged ○ Regular (not classified as vulnerable) 	
3.	Number and scale by category	For each of the above (listed at Sl. No. 2), the scale should be readily available (e.g., what is the average scale of grants to user groups in a year? What about women user groups in the first quarter? Etc.)	Create unique records for each grant awarded so that multiple combinations of data can be extracted from the system
4.	Outreach and interest	<ol style="list-style-type: none"> 1. Number of applications received at APO/DPO offices 2. Number of applications rejected (by reason) at screening stage <ul style="list-style-type: none"> ○ Incomplete ○ Ineligible ○ Other 3. Number of applications rejected after technical evaluation 4. Number of successful applications (eligible for award of grant) 5. Number of applications actually awarded grants 	<ul style="list-style-type: none"> • For PMU and all DPOs • Quarterly, annual and cumulative
5.	Efficiency of operations	<ol style="list-style-type: none"> 1. Time between closure of applications and announcement of grant awards (number of days) 2. Time between announcement of grant award and disbursement of funds by DPO 3. Time between receipt of funds by grantee and grant closure 	<ul style="list-style-type: none"> • For PMU and all DPOs (will enable identification of bottlenecks causing delay and inform decision-making about grant cycles)
6.	Grievances	<ol style="list-style-type: none"> 1. Number of complaints received 2. Number of complaints resolved <ul style="list-style-type: none"> • Within one month • Within 3 months • Within 6 months 3. Number of complaints related to procurement 	<ul style="list-style-type: none"> • Highest level • State-level (SMS-Social) • DPO-level

8.2 Transparency and Disclosure Mechanism

All the details pertaining to grants beneficiaries under the project (GP/WUG/PG/Individual) such as list of the beneficiaries and amount granted/disbursed will be displayed on the Project Website, notice boards of the respective GP's office, DPO office and DC office for better credibility and transparency.

8.3 Data Protection

Data will be hosted on state data centre and will follow relevant security protocols.

No phone numbers, social IDs, addresses or any other information will be used or shared with any third party, without explicit consent from the applicants, by any of the project entities either during or after end of the project. Any violation of data privacy protocols will be strictly dealt with by the PMU or relevant authorities.

8.3 Audit Procedures

The audit of the grants released to OMIF WUGs/PGs and individuals will be conducted at different levels to ensure that the money released in the shape of grant in aid is spent fully on the same items or material or work for which it was provided. For this, audit at various levels will be conducted:

8.3.1 Statutory audit

While the team of AG office authorized by CAG of India will audit the accounts maintained in PMU and DPO offices. They will also audit the records and vouchers pertaining to the grants. A copy of bills and vouchers of expenditure will invariably be provided by WUGs and individuals with UC for reference and record. The original records of a sub-set of all grantees (groups and individuals) can also be called for by the audit team.

8.3.2 GP-level audit

The audit of records maintained at the GP-level will be audited by the auditors of the Panchayati Raj department under Panchayati Raj Act, 1994 and a report of findings/ observations will be submitted by them. Follow-up action of the report will be taken by GP and concerned DPO. The audited financial statements should be presented to the Gram Sabha along with the annual report and proposal for the following year, based on the GPRMP.

8.3.3 Audit by Chartered Accountant

The project may appoint independent Chartered Accountants to conduct the audit review of project activities using grant monies. Auditors will conduct the audit of entire records and accounts pertaining to the grant and will submit a report with their observations, shortcomings

noted and recommendations. The procedure for the same will be prescribed in the TOR of the auditors which will also include a separate report on procurements carried out.

Financial audits will be conducted annually of the amounts granted/disbursed as grant-in-aid, to the extent of 100 % in case of GP (OMIF), 50% in case of WUG/PG, and 33% in case of individual beneficiaries.

9. GRIEVANCE REDRESSAL

IDP has established a GRM with the aim to respond to queries or clarifications or complaints about the project and address complaints/concerns and grievances of the stakeholders. Grievances related to matching grants will also fall under the ambit of IDP's grievance Redressal mechanism.

- The Executive Director of the IDP is the ex-officio, senior most officials to act as the Grievance Officer for the whole project. The ED will hold quarterly reviews of the functioning of the GRM.
- State-level Grievance Officer: Subject Matter Specialist (SMS) – Social
- District-level Grievance Officer: The District Project Officers (DPOs) are the nodal Grievance Officer for their respective Districts and will be responsible for receiving, tracking and resolving grievances from the stakeholders.

In addition to seeking to resolve grievances via IDPs GRM, communities and individuals may also submit complaints to the GRM system established by the World Bank information on how to submit complaints is available at www.worldbank.org/GRS.

9.1 Procurement-related Grievances

Procuring entities under the project (PMU, HPFD, and DPOs) will monitor procurement progress, including procurement being conducted by the PPC at GP level. Procurement-related complaints and disclosure of procurement information among other objectives in line with agreed procedures will be handled by the PMU.

9.1.1 Complaint-handling mechanism

A complaint handling mechanism to address procurement-related complaints under the Project will be developed and implemented by the PMU, satisfactory to the Bank and disclosed on the project website (Annexure 9). Upon receipt of complaints, immediate action will be initiated to acknowledge the complaint and to redress it within a reasonable timeframe. All complaints will be addressed at levels higher than the level at which the procurement process was undertaken, or the decision was taken.

9.3 Grievance Solicitation Channels

Project beneficiaries and stakeholders will be able to submit their grievances, feedback, and enquiries to the Project through multiple channels as summarized below. All inputs received through these channels will be tracked through the project MIS. Grievances will be directed to the competent nodal grievance officer at the state, district, and block levels for resolution, with recommended timelines. The concerned Grievance Officer will be required to respond to the grievance/query through making telephonic calls, meetings, and letters to resolve the issue/s. If needed, site visits will be undertaken to appraise the exact nature of stakeholder concerns. The grievance redress process will be a continuous, transparent and participatory and the complainant will be made part of the process. Status of GRM will periodically also be updated on the project website.

Following are the Grievance solicitation channels:

- State Government Portal: The existing mechanism of State Government portal (<http://www.cmsankalp.hp.gov.in>) for citizens' grievances and enquires will also cover the Project. HPFD/IDP receives regular inputs from this portal on grievances that are to be addressed by the HPFD/IDP.
- Project specific Portal: Project will maintain a portal (<http://www.hpidp.org>) with dedicated mechanisms for receiving stakeholder grievances. All grievances, feedback and queries received through the project portal will be collated and compiled by the SMS Social and included in the progress report. Status of grievances received and resolved will be tracked through the project MIS as well as monthly progress reports from the Districts and Blocks.
- Grievance Registers: Grievance Registers will be maintained at DPO & APO levels to record, track and report on the inflow of stakeholder grievances, enquiries, and feedback.

In addition to seeking to resolve their grievances through the GRM established at the government level, communities and individuals who believe that they are adversely affected by a WB-supported project may also submit complaints to the Grievance Redress Service (GRS) established by the World Bank. Project affected communities and individuals may also submit their complaint to the WB's independent Inspection Panel, after having brought the complaint to the World Bank's attention through its GRS.

Information on how to submit complaints to the WB GRS is available at <http://www.worldbank.org/GRS>. Information on how to submit complaints to the World Bank Inspection Panel is available at www.inspectionpanel.org. The Panel determines whether harm occurred or could occur as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention and World Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service, please visit <http://www.worldbank.org/en/>

10. MONITORING, REVIEW AND REVISION

10.1 Monitoring and Reporting

Although items will be purchased directly by the grantees, the DPO/PMU may undertake inspection of procured items for quality assurance and to ensure that the Project funds are being appropriately utilized for the stated purposes. Each DPO, with support from frontline staff and NRMCG/ GP representatives, will be responsible for monitoring:

- the disbursement of the Matching Grant
- the purchase of items as specified in recipients' grant applications
- proper utilization of the funded asset for the use intended
- appropriate oversight on all MG matters
- Timely receipt of Utilization Certificate (UC) against all MGs issued to group and individual beneficiaries, and preparation of grant closure reports.

To ensure that the grant funds are used effectively and that the results contribute towards furtherance of project objectives, the agreement between the DPO and grant recipient will include terms which require that the latter shall:

- Maintain all procurement and payment records [invoices/bills/challans/Goods Received Note (GRN)/vouchers/payment transaction details, inventory and asset register, etc.] and procedures that would allow the Project and the World Bank to carry out supervision and monitor the implementation of the activities.
- Prepare and furnish to Project and the World Bank and/or auditors appointed by the World Bank all such information reasonably requested in relation to the Matching Grant.
- Accept random and unannounced physical or documentary inspections by the Project and the World Bank for the monitoring of and in relation to the carrying out of the activities financed under the Matching Grant.
- Consent to the Project, the right of restitution of any amounts of the MG disbursed under the Grant Agreement with respect to which fraud and corruption has occurred or with which an ineligible expenditure has been paid as determined after following the applicable due process.

10.2 Review and Revision of Grants Manual

After the grants manual has been finalized and obtained a "No Objection" clearance from the Bank, any further modifications to the manual would require prior review and clearance by the Bank, as well as approval from the Executive Committee of Government of HP.

Any minor or one-time change at the operational level (without necessitating changes in the manual or the processes laid out herein), if warranted in an emergent situation, will be

approved by the CPD after meeting and discussion in the PMU. However, such changes would be placed before the EC for ratification under intimation to the World Bank.

ANNEXURES

Annexure 1

ELIGIBLE ITEMS UNDER MATCHING GRANT FOR GROUPS & INDIVIDUALS

I. Goods for Group Beneficiaries

Sr. No.	Name of Goods/Items	Project share for	
		Vulnerable	Others
1.	Drip irrigation system	55 %	45%
2.	Sprinkler irrigation system	55 %	45 %
3.	Power Tiller (Below 8 HP/8 BHP and Above)	50 %	40 %
4.	Power Weeder	50 %	40 %
5.	Reaper cum Binder	50 %	40 %
6.	Disc/MB Plough	50 %	40 %
7.	Cultivator	50 %	40 %
8.	Harrow	50 %	40 %
9.	Leveller Blade	50 %	40 %
10.	Furrow Opener	50 %	40 %
11.	Reversible Mechanical Plough	50 %	40 %
12.	Chisel Plough	50 %	40 %
13.	Strip Till Drill	50 %	40 %
14.	Seed Drill	50 %	40 %
15.	Multi Crop Planter	50 %	40 %
16.	Turbo Seeder	50 %	40 %
17.	Happy Seeder	50 %	40 %
18.	Solar fencing	70 %	70%
19.	Mini Rice Mill	60 %	50 %
20.	Mini Dal Mill	60 %	50 %
21.	Oil Mill with filter press(for all types of horticulture/ food	60 %	50 %
22.	Extractor (for all types of horticulture/ food grain/oil seed crops)	60 %	50 %
23.	Pomegranate Aril Extractor	60 %	50 %
24.	Dehydration unit/Pricking	60 %	50 %
25.	Packing Machines (for all types of horticulture/ food	60 %	50 %
26.	All types of Boiler/Steamer/Drier (for all types of horticulture/ food grain/oilseed crops)	60 %	50 %

Sr. No.	Name of Goods/Items	Project share for	
		Vulnerable	Others
27.	All types of Washing Machines (for all types of horticulture/ food grain/oilseed crops)	60 %	50 %
28.	All types of Grinder/Pulveriser/Polisher (for all types of horticulture/ food grain/oilseed crops)	60 %	50 %
29.	All types of Cleaner-cum-Grader/Gradient separator/specific gravity separator (for all types of horticulture/ food	50 %	40 %
30.	All types of Power driven Dehusker/sheller/Thresher/Harvester / De-spiking/Deconing Machine/Peeler/Splitter /Stripper(for all types of horticulture	60 %	50 %
31.	Rotavator	50 %	40 %
32.	Potato Digger	50 %	40 %
33.	Tractor Drawn Reaper	50 %	40 %
34.	Zero Till Seed Cum Fertilizer Drill	50 %	40 %
35.	Ridge Furrow Planter	50 %	40 %
36.	Pneumatic Planter	50 %	40 %
37.	Plastic Mulch Laying Machine	50 %	40 %
38.	Thresher	50 %	40 %

*Manually operated tool Kit, Hand Rake, Shovel, Spade, Sickle, Pickaxe, Weed slasher, Khurpi, Hoe etc.

II. Goods for Individual Beneficiaries

Sr. No.	Nature of goods	Project share	
		Vulnerable	Others
A	Agriculture sector		
1.	Drip irrigation system	55%	45 %
2.	Sprinkler irrigation system	55 %	45 %
3.	Power Tiller (below 8 BHP/8 BHP and Above)	50 %	40 %
4.	Power Weeder (Below 2BHP)	50 %	40 %
5.	Reaper-cum-binder	50 %	40 %
6.	Knapsack Spray Pumps (Manual/Power-operated)	50 %	40 %
7.	Seed treating drum	50 %	40 %
8.	Poly Tunnels (Size: 3.6 M ³)	50 %	50 %
9.	Vegetable Crates/Kilta Baskets	50 %	40 %
10.	Hose Pipe	50 %	40 %
11.	Seedling Trays(50/75/90 Cavities)	50 %	40 %
12.	Mulching sheets	50 %	40 %
13.	Manually Operated Tool Kit*	50 %	40 %
14.	Paddy Planter	50 %	40 %

Sr. No.	Nature of goods	Project share	
		Vulnerable	Others
15.	Eco-friendly Light Trap	50 %	40 %
16.	Winnowing Fan	50 %	40 %
17.	Maize Sheller	50 %	40 %
18.	Solar Pump	90 %	80 %
19.	Drum Seeder (4rows below and 4 above)	50 %	40 %
20.	Brush Cutter	50 %	40 %
21.	All types of Solar Driers (for all type of horticulture / food grain/oil seeds crops) with floor area of about 400 to 1000 sq. feet.	60 %	50 %
22.	Pheromone traps	50 %	40 %
23.	Sticky traps	50 %	40 %
24.	Solar light traps	50 %	40 %
25.	Tarpaulin (HDPE, 200 GSM, 15 ft X 18 ft)	50 %	40 %
26.	HDPE Vermibeds (12 ft x4 ft x 2 ft)	50%	50 %

III. Works for Individual Beneficiaries

Sr. No.	Name of Works	Project share for	
		Vulnerable	Others
1	Roof Rain Water Harvesting Tank (Capacity: 9 m ³)	50 %	50 %
2	Vermicomposting Pit (15 ft x9 ft x 1.5 ft)	50 %	50 %
3	Vermicomposting Pit (Single Chamber) (10 ft x4 ftx2 ft)	50 %	50 %

APPLICATION FORM FOR GROUP BENEFICIARY

**INTEGRATED DEVELOPMENT PROJECT FOR SOURCE SUSTAINABILITY AND
CLIMATE RESILIENT RAINFED AGRICULTURE (HPIDP)**

To,
District Project Officer
District.....
Himachal Pradesh

Subject: To avail assistance under the Matching Grant Scheme (MGS) of HPIDP

Sir/Madam,

We-----Group, Date of Formation of Group ----- and number of members in the group----- intend to avail assistance under HPIDP project for our farms/fields/Business Plan at village-----P.O. -----Tehsil -----
-----Distt. -----Himachal Pradesh.

We will bear percent of the total cost from our own contributions. Further, we agree to deposit an upfront share of 5% of the total cost towards O&M in our Group account, and an additional 2% of the total cost to the IDP-OMIF account operated by our GP (*name of GP.....*).

We shall feel obliged if a matching grant is provided to our group under the HPIDP, through Direct Bank Transfer per details provided below.

<i>Sr. No.</i>	<i>Particulars</i>	<i>Estimated cost (per IPL)</i>

We need technical assistance for the above-mentioned item/items: Yes/ No

If “Yes”, specify what kind of technical assistance is required and why?

Office-bearers of the Group

<i>Sr. No.</i>	<i>Name</i>	<i>Contact Number</i>	<i>Designation</i>
1.			
2.			
3.			
4.			
5.			

Additional information required from the PG/WUG, along with self-attested photocopies:

1. Bank Details

Name of Account holder _____

Aadhar linked Bank Account Number _____

Bank Name and Branch _____

IFSC Code _____

2. Khasra/ Jamabandi Number (*with photocopy*) _____

3. Resolution passed by the Group (signed by all members): Yes/ No

4. Business plan: A detailed business plan with relevant information pertaining to how, where and when the funds would be utilized, a detail cost estimate, including the groups own contribution, expected benefits and mechanism for benefit-sharing.

Declaration

1. We certify that the particulars furnished above by us are true to the best of our knowledge and believe that nothing has been concealed therein.
2. We give an undertaking to the effect that the Department or any other authorized agency shall have the right to inspect and/or audit the material/s purchased/ quality of the material and work done and all related records.
3. In case of miss-utilization or non-utilization of assistance in whole or part, we undertake to refund the amount of assistance granted to us in full or in lump-sum, along with the interest at the prevailing bank rates thereon, as agreed with the DPO in such an eventuality.

Yours faithfully,

President (signature & name)

Name of Group.....

Certificate from Gram Panchayat

Certified that the members of ----- group of Village -----
 ---P.O-----Tehsil-----Distt----- Himachal Pradesh are
 permanent residents of this village and their application is in accordance with the approved
 GPRMP. Thus, the case is recommended for obtaining assistance under the project.

Signature with official stamp

Gram Pradhan

Name of Gram Panchayat

[For official use only]

Application (No. _____) along with project proposal/relevant documents for assistance to
 the extent of INR is forwarded to DPO, (*district name*),for
 further action.

Comments from APO

Assistant Project Officer

Block _____

District _____

Recommendation of concerned DPO

Grant amount of INR _____ (in words... _____) only,
is hereby recommended in favor of _____ (*name of the*
WUG/PG), against Application No. _____. They have fulfilled the criteria according to
the guidelines/instructions and norms of the Matching Grants Scheme under HPIDP.



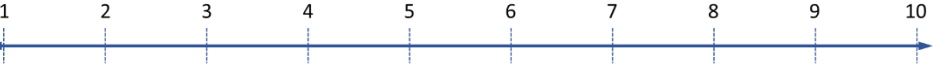

Comments from DPO


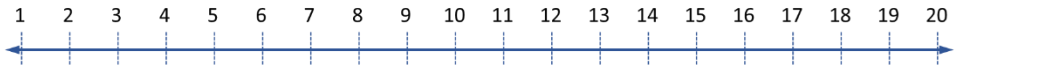

District Project Officer
District
Himachal Pradesh

Annexure 3

SCORING SHEET FOR EVALUATION OF GROUP APPLICATIONS

Application Evaluation Criteria (WUG/PG)

Sr. No	Evaluation Criteria	Maximum score	Scoring Scale	Score obtained
1	Women's empowerment through group	10	 <p>Group dominated by men</p> <p>All women or women-led group</p>	
2	Inclusion of vulnerable households in group	15	 <p>< 50% vulnerable HH members</p> <p>50-70% vulnerable HH members</p> <p>> 70% vulnerable HH members</p>	
3	Contiguity of members' landholdings	10	 <p>Scattered holdings over large area</p> <p>Compact holdings in small area</p>	
4	Prior beneficiary contribution for MG	15	 <p>< 50% members have contributed upfront</p> <p>50-70% members have contributed upfront</p> <p>> 70% members have contributed upfront</p>	

Sr. No	Evaluation Criteria	Maximum score	Scoring Scale	Score obtained
5	Clarity over cost and benefit-sharing mechanism in Business Plan	15	 <p>Costs, benefits and sharing norms within group are unclear</p> <p>Group-IDP costs are clear, but benefit sharing norms within group are not clear</p> <p>All costs, benefits and sharing norms within group are clear</p>	
6	Alignment with project objectives and values	20	 <p>Poor match with project objectives</p> <p>Matches two or less project objectives & values</p> <p>Completely aligned with project objectives & values*</p> <p>*improves climate-resilience; *increases water use efficiency; *strengthens livelihoods; *promotes sustainability</p>	
7	Implementable time span	15	 <p>> 1 year</p> <p>6-12 months</p> <p><6 months</p>	
Total Score		100		

Group applications will be financed on the basis of score obtained and budget available for the grant cycle, subject to minimum qualifying score (=60).

**GRANT AGREEMENT FOR GROUP BENEFICIARY FOR MATCHING GRANTS
UNDER COMPONENT 2 OF THE PROJECT**

Grant Agreement

We----- (Group) -R/O village-----, P.O. -----, Distt. -----
-, Himachal Pradesh do hereby solemnly affirm and declare as under –

1. That a subsidy /grant/Assistance has been sanctioned in our favor for the construction/installation of-----under HPIDP Project, which we will construct/Purchase/install on our Land over Khasra no. -----Situated at Village/Mauja -----Tehsil-----District-----Himachal Pradesh as per the guidelines of the Project contained in this Matching Grants Manual.
2. That our total Land shall be benefited by the said -----.
3. That we have not availed any subsidy/grant /assistance from any Government Departments/any Organization /any Corporation for the said ----- for last three years.
4. That we will complete the Purchase/construction as per the applicable guidelines i.e. World Bank Procurement Rules for the said -----under HPIDP Project and will use the said ----- for activities of our farm/Field only.
5. That we will not misutilize the said ----- in any manner and will not sub-Let to any other person.
6. We will meet regularly and design scheduling systems to ensure that all our members are able to appropriately avail benefits and get equal access to assets procured.
7. That in case of misappropriation/miss-utilization of Govt. money, we will be liable for Civil and Criminal actions and also in that case we undertake to repay the amount received to the department with the interest.
8. That we will maintain procurement records and shall follow agreed procedures and shall permit the Project and the World Bank to carry out supervision and monitor, inspect and audit the implementation of the activities and related records.
9. That we will prepare and furnish to Project and the World Bank all such information reasonably requested in relation to the Matching Grant.
10. That we will accept random and unannounced physical or documentary inspections by the Project and the World Bank, and/or auditors appointed by the World Bank for the monitoring of and in relation to the carrying out of the activities financed under the Matching Grant.

AGREEMENT FOR MATCHING GRANTS FOR GPs UNDER COMPONENT 1 OF THE PROJECT, FOR OMIF

Agreement

We----- (Gram Panchayat) -R/O village-----, P.O. -----, Distt.
-----, Himachal Pradesh do hereby solemnly affirm and declare as under –

1. That a subsidy /grant/Assistance has been sanctioned in our favor for the construction/installation of-----under HPIDP Project, which we will construct/Purchase/install on our Land over Khasra no. -----Situating at Village/Mauja -----Tehsil-----District-----Himachal Pradesh as per the guidelines of the Project contained in this Matching Grants Manual.
2. That our total Land shall be benefited by the said -----.
3. That we have not availed any subsidy/grant /assistance from any Government Departments/any Organization /any Corporation for the said ----- for last three years.
4. That we will complete the Purchase/construction as per the applicable guidelines i.e. GoHP FM Rules for the said -----under HPIDP Project and will use the said ----- for activities of our farm/Field only.
5. That we will not misutilize the said ----- in any manner and will not sub-Let to any other person.
6. We will meet regularly and design scheduling systems to ensure that all our GP members are able to appropriately avail benefits and get equal access to assets procured.
7. That in case of misappropriation/miss-utilization of Govt. money, we will be liable for Civil and Criminal actions and also in that case we undertake to repay the amount received to the department with the interest.
8. That we will maintain procurement records and shall follow agreed procedures and shall permit the Project and the World Bank to carry out supervision and monitor, inspect and audit the implementation of the activities and related records.
9. That we will prepare and furnish to Project and the World Bank all such information reasonably requested in relation to the Matching Grant.
10. That we will accept random and unannounced physical or documentary inspections by the Project and the World Bank, and/or auditors appointed by the World Bank for the monitoring of and in relation to the carrying out of the activities financed under the Matching Grant.

Deponent

Annexure 6

APPLICATION FORM FOR INDIVIDUAL BENEFICIARY FOR MATCHING GRANTS UNDER COMPONENT 2 OF THE PROJECT

INTEGRATED DEVELOPMENT PROJECT FOR SOURCE SUSTAINABILITY AND CLIMATE RESILIENT RAINFED AGRICULTURE (HPIDP)

To,
District Project Officer
District _____
Himachal Pradesh

Subject: To avail assistance under the Matching Grant Scheme (MGS) of HPIDP

Sir/Madam,

I _____ W/o, D/o, S/o Sh. _____ intend to avail assistance under the Matching Grant Scheme (MGS) of **HPIDP** for my field/farm at village _____ P.O. _____, Tehsil _____, district _____, Himachal Pradesh. I shall follow the process and procedures contained in this Matching Grants Manual.

I shall feel obliged if the assistance on the items mentioned below along with the total estimated cost/s is granted to me.

Sr. No	Item for which assistance required	Total cost of the item as per IPL

I need technical assistance for the above-mentioned item/items: - Yes/ No

Particulars of the beneficiary (enclose self-attested copies):

Social Category: _____

Phone No. _____

Aadhar linked Bank A/c No. _____

Bank Name/Branch _____

IFSC Code No. _____

Aadhaar Card No. _____

Khasra No./ Jamabandi _____

Declaration

1. I certify that the particulars furnished above by me are true to the best of my knowledge and believe that nothing has been concealed therein.
2. I give an undertaking to the effect that the Department or any other authorized agency shall have the right to inspect and audit the material/s purchased/ quality of the material and work done and all related records.
3. In case of misutilization or non-utilization of assistance in whole or part, I undertake to refund the amount of assistance granted to me in full or in lump-sum, along with interest there on at the prevailing bank rates, as agreed with the DPO in such an eventuality.

Yours faithfully,

(Signature)

Name: _____

Date& Place: _____

Certificate from Gram Panchayat

Certified that Sh./Smt. _____ W/o, D/o, S/o
_____ R/o _____ P.O _____ Teh. _____
_____ Distt. _____, Himachal Pradesh is a permanent resident of village _____,
which falls within this Gram Panchayat, and belongs (*strike out not applicable*) to
General/Small& Marginal/SC/ST/Project Identified Vulnerable category(*strike out not applicable*) of farmer according to the GPRMP, and her/his case is recommended for obtaining
assistance under HPIDP.

Signature with official stamp

Gram Pradhan

Name of Gram Panchayat

[For official use only]

Application (No. _____) along with project proposal/relevant documents for assistance to the extent of INR is forwarded to DPO, (*district name*), for further action.

Comments from APO

Assistant Project Officer

Block _____

District _____

Himachal Pradesh

Recommendation of concerned DPO

Grant amount of INR _____ (in words... _____) only, is hereby recommended in favor of _____ (*name of the individual*), against Application No. _____. The said individual has fulfilled the criteria according to the guidelines/instructions and norms of the Matching Grants Scheme under HPIDP.

Comments from DPO

District Project Officer

District _____

Himachal Pradesh

SCORING SHEET FOR EVALUATION OF INDIVIDUAL APPLICATIONS

Application Evaluation Criteria (Individual)

<i>Sr.No</i>	<i>Evaluation Criteria</i>	<i>Maximum score</i>	<i>Score obtained</i>
1	Classified as vulnerable (per GPRMP)	15	
2	Applicant is a widow	10	
3	Woman applicant	5	
4	SC or ST applicant	5	
5	Applicant officially classified as from Economically Weaker Section (EWS)	5	
6	Individual with fallow arable land only(minimal returns)	5	
7	Applicant from household mentioned in Socio Economic and Caste Census (SECC)	5	
8	Applicant is not part of any group receiving grant under MGS of HPIDP	10	
9	Applicant has not received support from any other government scheme	10	
Total Score		70	

Applications of individuals will be financed on the basis of score obtained and available budget for the grant cycle, subject to minimum qualifying score (=score of 35).

GRANT AGREEMENT FOR INDIVIDUALS

GRANT AGREEMENT

I-----age about-----years, W/o, D/o, S/O Sh. -----R/O village-----,
P.O. -----, Distt.-----, Himachal Pradesh do hereby solemnly affirm and
declare as under –

1. That a subsidy /grant/Assistance has been sanctioned in my favor for the construction/installation of-----under HPIDP Project, which I will construct/Purchase/install on my Land over Khasra no. -----Situating at Village/Mauja -----Tehsil-----District-----Himachal Pradesh as per the guidelines of the Project.
2. That my total Land shall be benefited by the said -----.
3. That I have not availed any subsidy/grant /assistance from any Government Departments/any Organization /any Corporation for the said ----- for last three years
4. That I will complete the Purchase/construction as per the applicable guidelines i.e. World Bank Procurement Rules for the said -----under HPIDP Project and will use the said ----- for activities of my farm only.
5. That I will not Miss-Utilize the said ----- in any manner and will not Sub-Let to any other person.
6. That in case of misappropriation/miss-utilization of Govt. money, I will be liable for Civil and Criminal actions and also in that case I undertake to repay the amount received to the department with the interest.
7. That I will maintain procurement records and procedures that would allow the Project and the World Bank, and/or any auditors appointed by the World Bank to carry out supervision and monitor, inspect and audit the implementation of the activities, including all related records.
8. That I will prepare and furnish to Project and the World Bank all such information reasonably requested in relation to the Matching Grant.
9. That I will accept random and unannounced physical or documentary inspections by the Project and the World Bank for the monitoring of and in relation to the carrying out of the activities financed under the Matching Grant.

Deponent

PROCUREMENT GRIEVANCE REDRESSAL MECHANISM/ FRAMEWORK

This section provides information on how HPIDP deals with complaints from aggrieved bidders who participated in any of the tenders or those interested in participating in the active tenders.

HPIDP is committed to having a robust procurement process and a fair, equitable and non-discriminatory procurement complaint redressal procedure. There are many benefits both to HPIDP and to project beneficiaries that flow from the proper handling of complaints. An effective mechanism of handling procurement complaints can improve the confidence of the bidding/consulting community in the procurement system and attract them to participate in the procurement competition, thus contributing to value for money procurement outcomes as well as to higher socio-economic goals of the Project, and society at large.

Although this process and timelines slightly differ from the general grievance, complaints and suggestions, but it is governed by the same structure.

Complaint Management Strategy of HPIDP

Complaints management strategy of the project is prevention and/or minimizing of complaints by:

Ensuring that officers dealing with procurement process have a sound knowledge of procurement policies and procedures of the World Bank applicable to the project.

Ensuring that clear specifications/TORs are developed prior to commencement of bidding/selection process.

Ensuring that bidders and contractor/supplier/consultant are treated in an ethical and impartial manner.

Procurement Related Complaints in Different Stages of Procurement Process

Procurement related complaints can arise primarily during the following stages of a procurement process:

Pre-award: these include allegations that a bidding/Request for Quotation [RFQ] document is defective [e.g., it improperly restricts competition, etc.]

Award: these include allegations that a contract award is improper [e.g., that selection was unreasonable or inconsistent with the award criteria, etc.]

Post-Award: these include allegations that a contractor/supplier is unfairly treated [e.g. delays in releasing payment, etc.]

Importance of Timelines, Accuracy and Completeness of Information

Every effort shall be made by the project to ensure that complaints handling process shall not cause delay in the awarding of a contract. Similarly, every effort shall be made by the bidding community to ensure that only genuine complaints are submitted. Absence of relevant information is likely to cause delay in review of the complaint by the project.

Complaints must contain factual details, verifiable facts and related matters and must be submitted in writing to Grievance Officer (GO) of HPIDP at District/ State level or uploaded in the project portal: www.hpidp.org. They should not be vague or contain sweeping general allegations.

Procurement Complaint Redressal

An Individual can offer a suggestion or raise a grievance regarding a selection process, and in general, the tendering process. Mere fact of lodging of a complaint shall not warrant suspension of the procurement process. Any individual, who is not satisfied with any procurement process or a decision for award of contract, may lodge a complaint in writing.

The project has established a Four-tier system (Tier 1, Tier 2 , Tier 3 & Tier 4) of procurement complaint redressal mechanism as follows.

STEP 1. Complaints from aggrieved Individuals/PG are to be submitted in writing either via online portal PMIS or telephonically on centralized HPIDP contact number 01792-223004 or by mail [courier or personal delivery] or by email: idsolan@gmail.com. Once an Individual raises a complaint in PMIS portal the complaint gets registered in MIS system and a unique ID will be generated instantly and for complaints received offline DPO will generate unique ID manually within 3 working days.

STEP 2. At this stage the complaints would be marked to the concerned Grievance Officer (GO) at District/ State level [who is the District Project Officer (DPO) at District level/ Social Specialist at State level depending upon who is the procuring entity. *This is approaching Tier 1 by filing an appeal to the Grievance Officer (GO) at District/ State level.*

STEP 3. On receipt of a complaint, the Grievance Officer at District/State level advice concerned Complaint Redressal committee [3-5 member committee] to review and analyse the complaint. The procurement committee reviews the complaint and analyses the issues raised by the complainant and prepares an analysis of the complaint and provide response to the complainant within the next 10 working days. Thereafter, Complaint will be resolved (Tier 1) or complainant may again file appeal to Executive Director *Appellate Authority {through PMIS, telephonically, Written, email, fax or State Govt. portal by giving the reference of earlier*

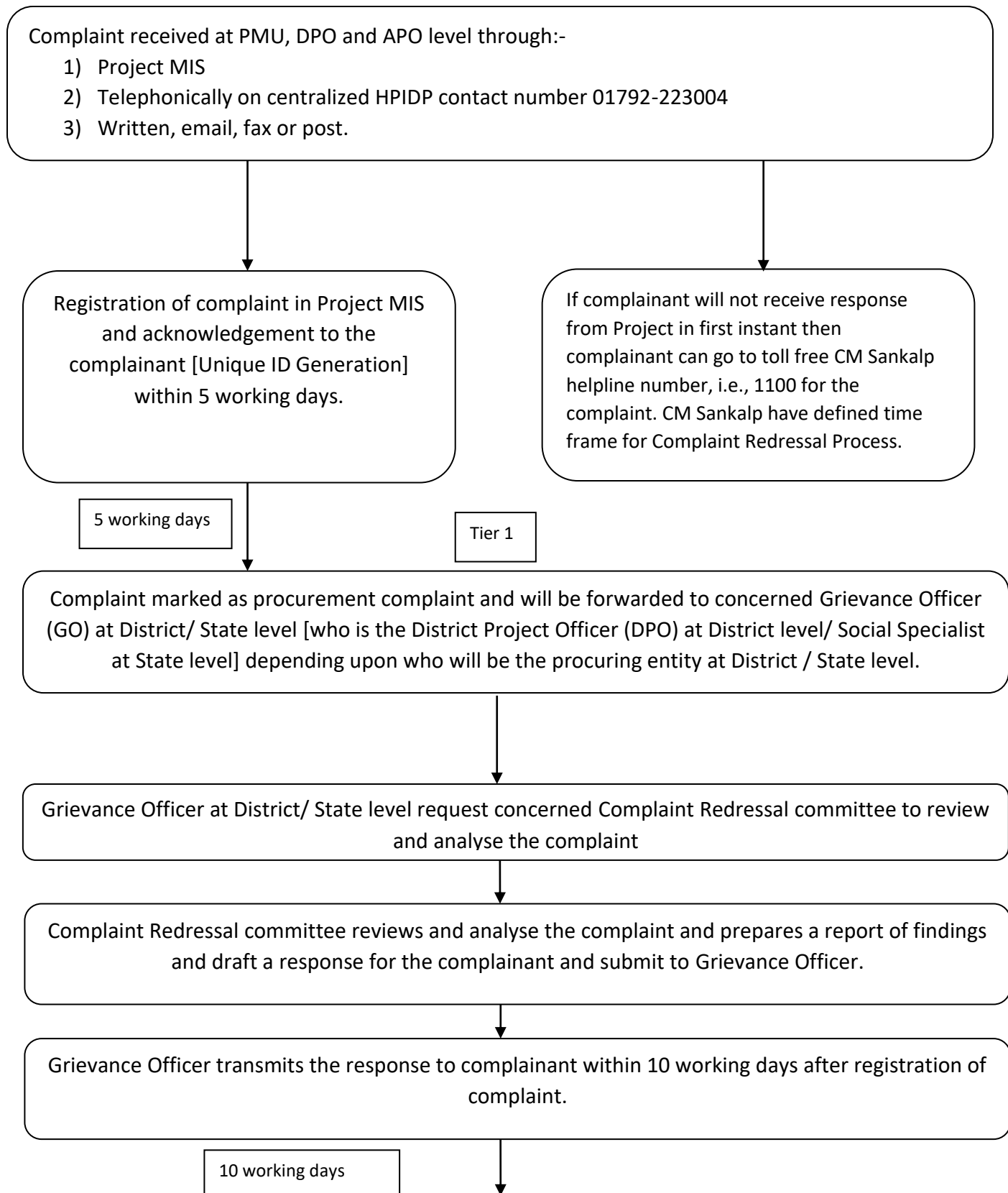
complaint unique ID- (Tier 2)} within 10 days if he/she is not satisfied with the response received.

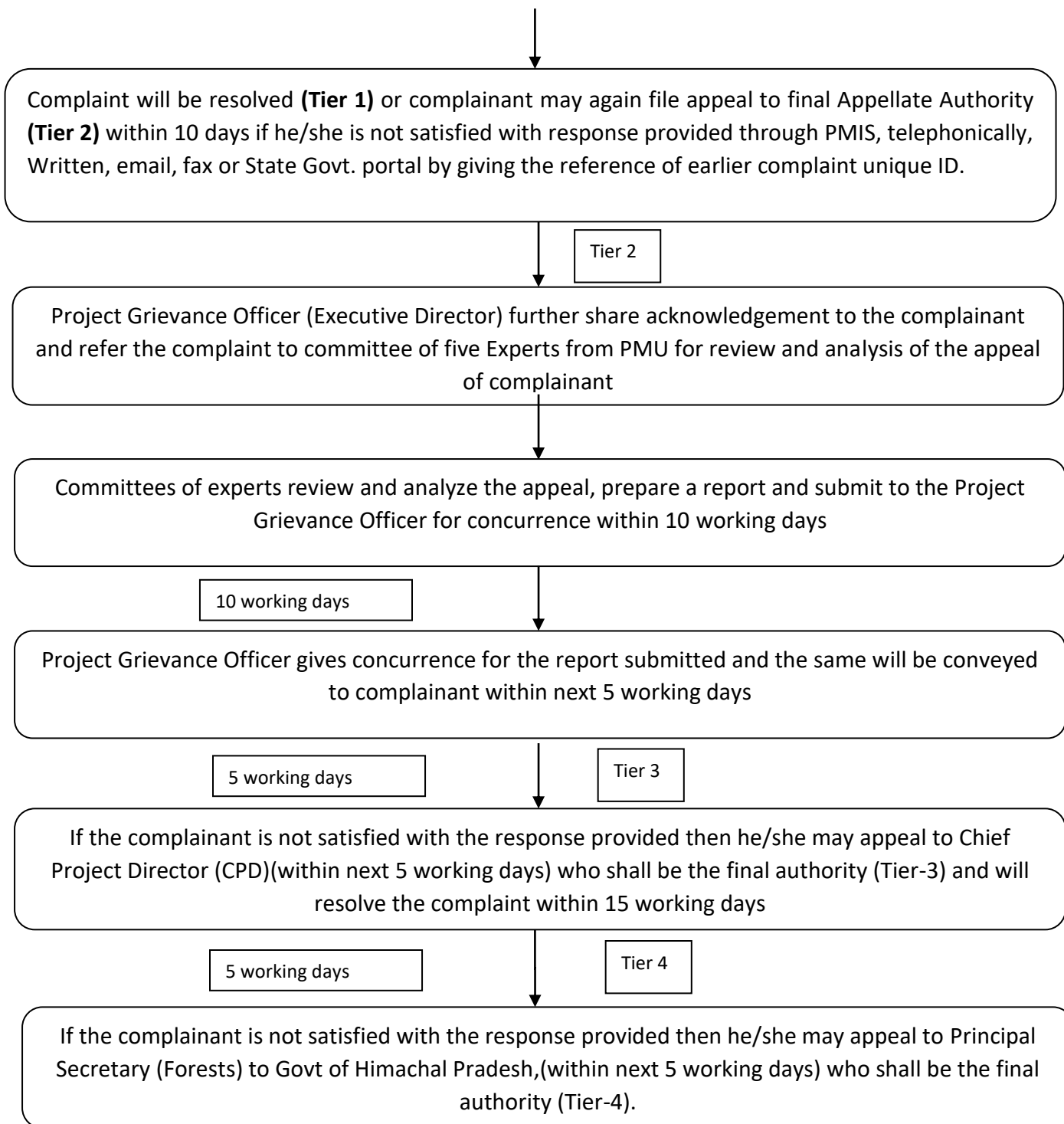
STEP 4. At this level, the Project Grievance Officer (Executive Director) will be supported by a review committee comprising of 5 PMU experts namely procurement, financial management, social, environment and Technical.

STEP 5. Committee of experts will review and analyze the appeal within 10 working days and thereafter prepare a report and submit to Project Grievance Officer for concurrence. After that the Project Grievance Officer will give the consent to the report submitted and the same report will pass on to complainant within the next 5 working days as per the directions given by Project Grievance Officer. If the complainant is not satisfied with the response provided then he/she may appeal to *Chief Project Director (CPD), (Tier-3)*.

STEP 6. If the complainant is not satisfied with the response provided then he/she may appeal to Principal Secretary (Forests) to Govt of Himachal Pradesh (Tier-4) within next 5 working day. The decision of the Principal Secretary (Forests) to Govt of Himachal Pradesh will be final.

Flow Chart of Procurement Complaint Redressal Process (4-Tier Mechanism)





Time frame for Complaint Redressal Process:-

Tier 1- 15 days if complainant satisfied with response provided.

Tier 2- 30 days if complainant is not satisfied with response provided at Tier 1.

Tier 3- 45 days if complainant is not satisfied with response provided at Tier 2

Tier 4- 60 days if complainant is not satisfied with response provided at Tier 3

Importance of Procurement Related Complaint Redressal

It is important to note that:

- In responding to any procurement related complaint, the project has an obligation to maintain the confidentiality of the procurement process and of proprietary information provided by the complainant as part of its bid or otherwise.
- All complaints related to a procurement process which are received before finalization of evaluation report shall be discussed in the evaluation report[s] along with their analysis and findings.
- Complaints can be withdrawn at any time giving reference to the unique ID number and in writing to GO, HPIDP.
- All complaint involving issues related to fraud or corruption in World Bank-financed projects shall be forwarded to the CPD and also be reported to the Office of Institutional Integrity [INT] [www.worldbank.org/integrity]. For prior review cases, these shall also be copied to the World Bank.
- Individuals to note that when allegations of fraud and corruption are substantiated, companies involved in misconduct are sanctioned from engaging in any new Bank-Group-financed activity.
- Additional provisions as required by applicable Procurement Regulations of the World Bank will also be complied in case of complaints related to Bank funded procurement.

Copies of all replies by the project to complaints received shall be made available to internal auditors, the Auditor General staff, World Bank team, or to other officials as appropriate, and statistics of procurement related complaints received will be available in the project MIS.

HPIDP will maintain an updated complaint register either online or physical, for maintaining record of all complaints, results of analysis and findings and the process of their disposal.

HPIDP is committed to abide by Section 4 of the RTI Act of 2005.

UTILIZATION CERTIFICATE

Gram Panchayat _____ APO Unit _____ DPO _____

To,
The Assistant Project officer,
District
H.P

I/We,-----am/are pleased to submit the Utilization Certificate for the Goods/Works (Name) ----- of the amount (Rs.) -----received as matching grant from IDP on Dated ---- Month ----- Year-----.

The procurement of Goods/Works has been done within stipulated timeline (4 wks) and as per the guidelines/instructions and norms of the Matching Grants Scheme under HPIDP.

Details of Goods/Works are mentioned below:-

S. No.	Name of Goods/Works	Grants received during the period (Rs.)	Grants spent during the period (Rs.)
	Total		

I/We certify that:-

- The above information is true and correct and is in conformity with the books/records.
- The conditions on which the grant – in Aid was sanctioned have been duly complied with and the funds have been actually used for the purpose for which they were sanctioned, supporting documents are retained by us.

- If the above mentioned information is found false the penalty may be imposed upon me as per the guidelines/instructions and norms of the Matching Grants Scheme under HPIDP.

Dated: ____/____/20____

 Signature of beneficiary (individual/WUG/PG)
 Father/Husband name-----
 Aadhar number-----
 Mobile Number-----

For office use only

Certified that Smt./Sh./Name of group -----has procured/ constructed the ---
 -----(Name of Goods/Works) as per the guidelines/instructions and norms
 of the Matching Grants Scheme under HPIDP within stipulated time. The saidGoods/Works
 have been physically verified by me on dated ----- and found to be of good
 quality/ standards laid down under the HPIDP project.

 Signature and Stamp of APO
 District
 H.P

Complaint is resolved

INDICATIVE NOTICE FOR PRICE DISCOVERY

Request for submission of price list for supply of various items under Matching Grant Scheme

Himachal Pradesh Integrated Development Project (HPIDP) has received a Loan from the World Bank and is inviting a request from potential suppliers for submission of price list for supply of various items under Matching Grant Scheme, as listed below. The items shall conform to the specifications listed in this advertisement and suppliers shall be expected to hold their prices valid until 30 days from the deadline indicated in this notice. Interested suppliers may also visit project website at www.hpiddp.org and/or can get the details from DPO..... Office and should submit the item wise price list to DPO..... by (Date). The supplier must have a GST number and shall submit their price list in the format attached. Each supplier shall submit its price for the full quantity. Each supplier shall submit only one quotation, and shall sign off on his price quotation.

Brief Description of the Goods	Specifications*	Quantity	Delivery Period	Place of Delivery	Installation Requirement if any
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** Where ISI certification marked goods are available in market, procurement should generally be limited to goods with those or equivalent marking only*

Kindly note that the rates quoted shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.

Normal commercial warranty/guarantee shall be applicable to the supplied goods.

Payment shall be made by grant applicant immediately after delivery of the goods and upon submission of invoice.

FORMAT OF QUOTATION *

