To

The Pay & Accounts Officer,
Ministry of Tribal Affairs,
Shastri Bhawan,
New Delhi-110001.

Subject: Grants under Proviso to Article 275(1) of Constitution during 2019-20 to the State of Sikkim - Creation of Capital Assets (Non-Recurring).

Sir,

I am directed to convey the sanction of the President of India for release of an amount of Rs. 19,00,00,000/- (Rupees Nineteen Crore only), to the Government of Sikkim towards Creation of Capital Assets for Grants under Article 275(1) of the Constitution for the year 2019-20 to carry out the following activities of capital nature out of the activities approved in the PAC meeting held on 03.09.2019 which are as follows:

1. Additional proposal under Article 275(1) for the year 2019-20:

**Committed Liability:**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Activity</th>
<th>Location</th>
<th>Total Cost</th>
<th>Fund already released</th>
<th>Amount sought during 2019-20</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Construction of EMRS at Parkha</td>
<td>Parkha, East Sikkim</td>
<td>1600.00</td>
<td>500.00</td>
<td>1100.00</td>
<td>Approved an amount of Rs. 1100.00 Lakh.</td>
</tr>
<tr>
<td>2</td>
<td>Construction of EMRS at Melli</td>
<td>Melli, South Sikkim</td>
<td>1600.00</td>
<td>800.00</td>
<td>800.00</td>
<td>Approved an amount of Rs. 800.00 Lakh.</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>3200.00</strong></td>
<td><strong>1300.00</strong></td>
<td><strong>1900.00</strong></td>
<td>Approved an amount of Rs. 1900.00 Lakh.</td>
</tr>
</tbody>
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**Summary of Release**

<table>
<thead>
<tr>
<th></th>
<th>(Rs. in lakh)</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>Total Amount approved for additional proposal release 2019-20</td>
</tr>
<tr>
<td>B</td>
<td>Amount concurred in by IFD for release at this stage</td>
</tr>
<tr>
<td>C</td>
<td>Amount being released under the head of Creation of Capital Assets (CCA)</td>
</tr>
</tbody>
</table>
2. The payment of **Rs. 19,00,00,000/- (Rupees Nineteen Crore only)**, to the Government of Sikkim will be made by a draft in favour of Secretary, Department of Finance, Gangtok. The Drawing and Disbursing Officer of the Ministry of Tribal Affairs will present a bill for **Rs. 19,00,00,000/- (Rupees Nineteen Crore only)**, to the Pay & Accounts Officer, Ministry of Tribal Affairs to enable him to issue the Draft.

4. No UC is due for rendition.

6. The expenditure to the tune of **Rs. 19,00,00,000/- (Rupees Nineteen Crore only)** is debitable to the:

<table>
<thead>
<tr>
<th>Major Head ‘3601’</th>
<th>Grants-in-aid to State Governments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-major Head 08</td>
<td>Other Transfer/Grants to States</td>
</tr>
<tr>
<td>Minor Head 796</td>
<td>Tribal Area Sub-Plan</td>
</tr>
<tr>
<td>05</td>
<td>Welfare of Scheduled Tribes – Grants under Proviso to Article 275 (1) of the Constitution.</td>
</tr>
<tr>
<td>01</td>
<td>Grants under Proviso to Article 275(1) of the Constitution (Charged)</td>
</tr>
<tr>
<td>05.01.35</td>
<td>Grants for creation of capital assets (Charged)</td>
</tr>
<tr>
<td>Demand No.</td>
<td>98 for 2019-20 of the Ministry of Tribal Affairs</td>
</tr>
</tbody>
</table>

7. The State Government will implement the projects within the amount released by the Ministry during 2019-20 and keeping in view the spirit of the provisions contained under Operational Guidelines for Inter-State allocation of funds and implementation of Programmes / Activities under Proviso to Article 275(1) of Constitution of India, issued by Ministry of Tribal Affairs vide this Ministry’s letter NO. 11015/01/2016-SG-I dated 20.6.2016 and other relevant instructions issued from time to time.

5. State Government shall ensure immediate transfer of funds to respective implementing agencies for implementation of activities to be approved by MoTA PAC / Competent Authority. Progress Reports of Grants under Article 275(1) of Constitution of India may be furnished in the format prescribed by MoTA. A Certificate of actual utilization of the grants received for the purpose, for which it has been sanctioned, is to be furnished to the Ministry as per provisions of General Financial Rules (GFR), 2017 amended from time to time.

6. Article 275(1) Grants is an additive to State Plan funds and efforts for Tribal Development. Funds under Article 275(1) Grants must be utilized for raising socio-economic level of Schedule Tribes commensurate with objectives enshrined in para 2.2 read with para 3.2 of revised guidelines dated 20.06.2016.

7. Article 275(1) Grants shall be utilized primarily for activities of non-recurring nature (including infrastructure and equipment with at least three years life time). Fund for recurring component of such programmes / Schemes shall be borne by State funds / TSP allocation. Priority shall be accorded in accordance with the provision contained in para 6 of revised guidelines dated 20.06.2016. Major infrastructure sector, like road connectivity, electricity, drinking water, major irrigation projects, housing would not be funded under Article 275(1) Grants, as substantive part of State Plan funds go into these programmes.
8. Fund allocation for the programmes of ITDPs / ITDAs / MADA packets / Clusters / Dispersed tribals and Particularly Vulnerable Tribal Groups (PVTGs) shall be done in accordance with provisions contained in para 5 of revised guidelines dated 20.06.2016.

9. The State Government shall ensure that concerned Panchayati Raj Institutions (PRIs) should be duly informed about the projects / Programmes relating to Tribal Development to be implemented in the area of jurisdiction.

10. The State Government has to ensure that grant-in-aid is used for the purpose for which it is sanctioned after following due procedure in a transparent manner and after obtaining all necessary clearances as required under the various Central/State Acts, Rules, regulations, etc. In case of construction of infrastructure facilities, norms and Schedule of Rates (SOR) fixed by the State Government should be followed.

11. The progress reports of every quarter should be furnished indicating the physical and financial progress as per prescribed format already circulated and revised from time to time. A Certificate of actual utilization of the grants received for the purpose for which it was received, may be furnished to the Ministry within 12 months of the closure of the financial year by the State Government.

12. This sanction issues in exercise of the delegated powers in consultation with Integrated Finance of the Ministry of Tribal Affairs vide their FTS No. 14169/JS&FA/2019 dated 18.10.2019.

13. Certified that this sanction has been noted at S. No. in the register of grants.

Yours faithfully,

(M K Jha)

Under Secretary to the Govt. of India
Tel: 23340466

Copy forwarded for information and necessary action to:

1) Director of Audit, Central Revenues, AGCR Building, ITO, New Delhi.
2) Accountant General, Sikkim, Gangtok.
3) Principal Secretary, Finance Department, Government of Sikkim, Gangtok.
4) Secretary, Planning Department, Government of Sikkim, Gangtok.
5) Principal Secretary, Department of Social Justice, Empowerment & Welfare, Government of Sikkim, Gangtok.
7) Niti Aayog, Plan Coordination Division, Niti Bhawan, New Delhi.
8) Niti Aayog, BC Division, Niti Bhawan, New Delhi.
9) Niti Aayog, State Plan Division, Niti Bhawan, New Delhi.
10) The Principal Resident Commissioner, Government of Sikkim, Sikkim Bhawan, New Delhi.
11) Ministry of Finance (Department of Expenditure), PF-I Section, North Block, New Delhi.
12) National Commission for Scheduled Tribes, Lok Nayak, Bhawan, 5th Floor, New Delhi.
13) JS(PPP)/ Hindi Section/ Sanction folder/NIC.
14) Internal Audit Wing, Principal Accounts Office, New Delhi

(M K Jha)
Under Secretary to the Govt. of India
Tel: 23340466