F.No.11015/03(11)/2023-Grants
Government of India
Ministry of Tribal Affairs

Jeevan Tara, New Delhi-110001
Dated: 16.03.2024

To

The Pay & Accounts Officer,
Ministry of Tribal Affairs,
Shastri Bhawan,
New Delhi-11001.

Subject: Grants under Proviso to Article 275(1) of Constitution during 2023-24 to the State Government of Kerala (Creation of Capital Assets).

Sir,

In continuation of this Ministry's letter even dated 15.03.2024, I am directed to convey the sanction of the President of India for release of an amount of **Rs. 5,00,00,000/- (Rupees Five Crore Only),** to the Government of **Kerala** towards Creation of Capital Assets (CCA) for **Grants under as Article 275(1) of the Constitution** for the year 2023-24 to carry out the following as per **Annexure**:

Addl. Proposal approved by PAC meeting held on 14.03.2024-

Summary of Release

(Rs. In lakh)

A	Total fund approved by PAC for 2023-24	2005.22
B	Previous year pending UC (-)	94.78
C	Admissible amount (A-B)	1910.44
D	Fund already released (18.12.2023) (15.03.2024)	1410.44
E	**Fund being release under the head Creation of Capita Assets (CCA)**	**500.00**

2. You may please transfer the amount immediately to the Government of **Kerala** and advise RBI, CAS, Nagpur for crediting the above-mentioned amount to the accounts of the State Government of **Kerala** in accordance with the procedure laid down in the Ministry of Finance's OM No. 2(45)/ 76-Spl. dated 30.8.1976 as modified by OM of even number dated 16.9.1976 under intimation to TSS Division of the Ministry.

3. No UC is due for rendition.

4. The expenditure to the tune of **Rs. 5,00,00,000/- (Rupees Five Crore Only),** is debitable to the: -

Major Head '3601' - Grants-in-aid to State Governments
Sub-major Head 08 - Other Transfer/Grants to States
Minor Head 796 - Tribal Area Sub-Plan

सरोज कुजूर / SAROJ KUJUR
अवर सचिव / Under Secretary
जनजातीय कार्य मंत्रालय / Ministry of Tribal Affairs
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05	-	Welfare of Scheduled Tribes – Grants under Proviso to Article 275 (1) of the Constitution.
01	-	Grants under Proviso to Article 275(1) of the Constitution (Charged)
05.01.35	-	Grants for creation of capital assets (Votted)
Demand No.	-	100 for 2023-24 of the Ministry of Tribal Affairs

5. The State Government will implement the projects within the amount released by the Ministry during 2023-24 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. 18015/06/2019-Grants dated 23.04.2020 and other relevant instructions issued from time to time.

6. 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.

7. 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 2.1 and 2.2 of revised guidelines dated 23.04.2020.

8. 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.

9. 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 as per provision of GFR 2017.

10. This sanction issues in exercise of the delegated powers in consultation with Integrated Finance of the Ministry of Tribal Affairs vide their **FTS No. 25534/JS&FA/2023 dated 16.03.2024.**

सरोज कुजूर / SAROJ KUJUR
अवर सचिव / Under Secretary
जनजातीय कार्य मंत्रालय / Ministry of Tribal Affairs
भारत सरकार / Government of India
नई दिल्ली / New Delhi

11. Certified that this sanction has been noted at **S. No.** in the register of grants 2023-24.

Yours faithfully,

(Saroj Kujur)
Under Secretary to the Govt. of India

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अवर सचिव / Under Secretary
जनजातीय कार्य मंत्रालय / Ministry of Tribal Affairs
भारत सरकार / Government of India
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Copy forwarded for information and necessary action to: -

1. Director of Audit, Central Revenues, AGCR Building, ITO, New Delhi.
2. Accountant General, Thiruvananthapuram, **Kerala**.
3. Principal Secretary, Social Welfare Department, Thiruvananthapuram, Government of **Kerala**,
4. Principal Secretary, Finance Department, Thiruvananthapuram, Government of **Kerala**,
5. Principal Secretary, Planning Department, Thiruvananthapuram, Government of **Kerala**,
6. Commissioner, Tribal Development Department, Thiruvananthapuram, Government of **Kerala**,
7. Principal Resident Commissioner, Government of Kerala, **Kerala** Bhawan, New Delhi.
8. Director, PF-I Division, Ministry of Finance (Deptt. of Expenditure), North Block, New Delhi.
9. The Secretary, National Commission for STs, Lok Nayak Bhawan, New Delhi.
10. AS (NJK)/NIC/DS (IFD)/ Hindi Section/ Sanction Folder.

(Saroj Kujur)
Under Secretary to the Govt. of India

सरोज कुजूर / SAROJ KUJUR
अवर सचिव / Under Secretary
जनजातीय कार्य मंत्रालय / Ministry of Tribal Affairs
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Annexure

Proposal approved by PAC meeting held on 14.03.2024

New Proposals approved by the PAC–

Responsible Tourism Projects

The state has proposed 4 projects under **"Responsible Tourism"** for developing **Ethnic villages** in Wayanad, Idukki and Kannur districts of Kerala to provide tourists with an exotic experience of tribal culture, landscapes, and tribal ways of life through interaction with distinctive groups, promoting local culture and creating economic opportunities for the locals. The details of the projects will have the following components

Ethnic Tourism Village in Idukki and Wayanad

It was submitted by the Director, TWD that Kerala is known for tourism as God's own country and has taken several initiatives on tourism. It was submitted that the tribal villages in Idukki, Wayanad and Kannur have huge potential of responsible tourism. The process of implementation of project would be asunder.

i. Select a village/Panchayat
ii. Identify 10 families
iii. Training- home stay management, tourism etiquette, basic guest handling, housekeeping, presentation and serving of food.
iv. Infrastructure Development: a. Accommodation b. Room settings
v. Agri/Farm tourism
vi. Waste management system
vii. Energy Management

For 2 such projects at Wayanad, the tentative expenditure would be as under.

SL. NO	WORK	COST PER UNIT	TOTAL COST FOR 20 UNITS
1	Training	₹ 75,000.00	₹ 15,00,000.00
2	Arrangement of Basic Facilities		
	Accommodation	₹ 6,00,000.00	₹ 1,20,00,000.00
	Room Settings	₹ 1,50,000.00	₹ 30,00,000.00
	Ethnic Food	₹ 30,000.00	₹ 6,00,000.00
	Agri / Farm Tourism	₹ 2,00,000.00	₹ 40,00,000.00
	Waste Management Systems	₹ 30,000.00	₹ 6,00,000.00
	Non Conventional Energy Systems	₹ 1,15,000.00	₹ 23,00,000.00
	Project Administrative cost - cost including installation of monitoring system for 6 months after completing the training and construction activities- 12% of project cost	₹ 1,44,000.00	₹ 28,80,000.00
Total Amount		**₹ 13,44,000.00**	**₹ 2,68,80,000.00**

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During discussions, the secretary tribal Affairs asked state to work on the implementation strategy on following points.

(i). Location of homestay facility: The project can be implemented in 2ways. One way is providing additional room for the homestay adjacent to the tribal home, which will be run by the respective household. The other can be constructing 10 rooms/ homestay facility on a common land provided by the village panchayats and Women SHG members can be associated with running and maintenance of these places.

(ii). Partnership with Experts: The PAC also suggested that the project should collaborate with some local 4-5star hotels, who would train these communities/SHGs in homestay management, tourism etiquette, basic guest handling, housekeeping, presentation and serving of food.

(iii). The state should work on a model which can be replicable in all states and should prepare guidelines after going through the guidelines on Homestay issued by Minister of Tourism, which should cover all steps related to sanction, execution and management of such projects.

During the discussion, it was deliberated that both models (rooms adjacent to home and separate facility) have its pro and cons. Further, in the proposal, the state had not included the cost of collaboration, training and standards required for 4-5 star level project.

The AC approved an amount of Rs. 368.00 Lakh subject to following conditions.

(i). The state would submit a detailed plan after consultation with all stakeholders, the Gram Panchayats, Home Stay partners, Technical agencies who prepare design, material to be used for Infrastructure Development, size, Room furnishing, accessories, training- home stay management, tourism etiquette, basic guest handling, housekeeping, presentation and serving of food. The expert agency will also discuss allied activities like tribal cuisine, dances, trekking, experiential learning-Agri/Farm visits, green building using waste management system and using solar and conventional energy Management. The additional amount of Rs. **100.00 lakh** sanctioned (Rs 5 lakh per unit) by the PAC (in addition to the project estimate submitted by state)may be used for working on preparation of manual and collaboration with experts.

(ii). Regarding location of the facility, the PAC advised the state to **pilot the project in 2 different mode, i.e. individual based (as proposed by the state) and a collective model**, where 10 rooms will be constructed on Gram Panchayat or Government land and a designated SHG will responsible for it's management.

(iii). PAC asked state to ensure make the tourist rooms Eco-friendly, energy efficient (install solar panels) and optimum quality, safety and hygiene.

(iv).The state will submit the final proposal in 15days and additional amount approved by the PAC will be considered for release on receipt of final DPR.

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(v). The selection of beneficiary needs to be done in fair and transparent manner. The PAC also advised that while making the cost estimate, the beneficiary should also contribute certain portion to be decided by state, for which soft loan may be arranged through NSTFDC.

3.2.1	Priyadarshini Tea Environs, Wayand	59.00	59.00	Remarks given below.
The State proposed for **Rs. 59.00 lakh** for Priyadarshini Tea Environs Model. It was submitted that Mananthavady Tribal Plantation Cooperative (MTPC), which was established in 1984, is a tribal rehabilitation project promoted by Kerala State Government. The membership of this Society is open only to the most backward Adiya and Paniya tribes freed from bonded labour. The entire revenue of the Society goes directly for their welfare; primarily education, housing, other infrastructure facilities etc. This project will include Tea Plantation Visit, Mountain Terrain Cycling, Zip Lining, Pathway Beautification, Kids Park, Watch tower, Safary tent houses and Tribal Huts etc. The project is				
3.2.2	Aralam Farm Tourism, Kunnur	294.60	294.60	
The State proposed for **Rs. 294.40 lakh** for the Aralam Farm Tourism, which was established by the Government of India in the year 1970 with the assistance of erstwhile Soviet Union, was subsequently transferred to the Government of Kerala on 20/6/2004 and incorporated as a fully government owned company "Aralam Farming Corporation (Kerala) Limited" under the administrative control of Scheduled Caste/Scheduled Tribes Development Department on 10th June, 2010. The primary objectives of the project were to develop a highly prospected Agri Tourism package through a self-sustainable, business involving eco-friendly manner by resource mobilization of the institution for the greener and healthier future generation. To enhance the socio-economic development of the Tribal Families settled nearby the Aralam Farm and improve the livelihood and overall well-being of the tribal communities by ensuring proper supportive mechanism				
	Total	**622.40**	**703.60**	

It was explained that both these projects are Responsible Tourism Projects with development of facilities and promotion of Ethnic tourism.

The PAC approved an amount of Rs 703 lacs with release of Rs 500 lacs for this year. The State would furnish final DPR and the balance committed liabilities would be released after the exact cost based on DPR is worked out.

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