

Conditionalities for release of funds to NGOs.

SI No	Year of operation	Funds release procedure.	Timeline for release of funds to NGOs by district
1	1st year operation	1st installment: 50% of the approved project cost of the current year to the NGO.	Within 7-days of signing of the MoU and also after deposit of the NGO contribution / bank guarantee (applicable to project specific).
2		2nd installment: Rest 50% of the approved project cost to the NGO.	Within 7 days of receipt of the SOE/UCs for 75% (minimum) of 1st installment from NGO.
3	2 nd year operation	3rd installment: 50% of the approved project cost of the current year to the NGO.	(i) Within 10 days of renewal of MoU. Prior to that, internal assessment and verification of both physical & financial performance by concurrent auditor, and recommendation of District NGO Committee for renewal of contract. (ii) After receipt of the SOE/UC of 2 nd installment and deposit of the NGO contribution / bank guarantee (applicable to project specific) from the NGO.
4		4th installment: (i) In case of new project: Rest 50% of the approved project cost to the NGO after obtaining satisfactory mid-term evaluation report by external evaluating Agency. (ii) In case of old project (mid-term evaluation completed projects): Rest 50% of the approved project cost can be released directly to the NGO.	(i) In case of new project: Within 10 days of receipt of the mid-term evaluation report from State, receipt of the last year annual audit report and annual progress report of the concerned project along with SOE/UCs for 75% (minimum) of 3 rd installment from NGO. (ii) In case of old project: Within 7 days of receipt of the last year annual audit report and annual progress report of the concerned project along with SOE/UCs for 75% (minimum) of 3 rd installment from NGO.
5	3 rd year operation	5th installment: 50% of the approved project cost of the current year to the NGO.	(i) Within 10 days of renewal of MoU. Prior to that, internal assessment and verification of both physical & financial performance by concurrent auditor, and recommendation of District NGO Committee for renewal of contract. (ii) After receipt of the SOE/UC of 4 th installment and deposit of the NGO contribution / bank guarantee (applicable to project specific) from the NGO.
6		6th installment: (i) In case of new project: Rest 50% of the approved project cost to the NGO after obtaining	(i) In case of new project: Within 10 days of receipt of the final evaluation report from State, receipt of the last year annual audit

		<p>satisfactory final evaluation report by external evaluating Agency.</p> <p>(ii) In case of old project (Final evaluation completed projects): Rest 50% of the approved project cost can be released directly to the NGO.</p>	<p>report and annual progress report of the concerned project along with SOE/UCs for 75% (minimum) of 5th installment from NGO.</p> <p>(ii) In case of old project: Within 7 days of receipt of the last year annual audit report and annual progress report of the concerned project along with SOE/UCs for 75% (minimum) of 5th installment from NGO.</p>
7	4 th and onward years operation	Approved funds as per NHM PIP shall be released in two installments (six month basis).	<p>(i) Within 10 days of renewal of MoU. Prior to that, internal assessment and verification of both physical & financial performance by concurrent auditor, and recommendation of District NGO Committee for renewal of contract.</p> <p>(ii) After receipt of the SOE/UC of last installment and deposit of the NGO contribution / bank guarantee (applicable to project specific) from the NGO.</p>

N.B:

- (i) Each installment contains six months duration.**
- (ii) Mid-term evaluation: After completion of one year of project operation (one time).**
- (iii) Final evaluation: Before/after completion of three years of project operation (one time)**
- (iv) In case of PHC(N) Management Project; NGO will contribute 5% of the programme cost to the project. For other projects, Bank Guarantee i.e 2% of the project cost to be deposited with ZSS before release of funds to the NGO.**
- (v) There is no limit to conduct audit of any PPP projects by Concurrent Auditor at district level.**