

No. NPIU/TEQIP/2019-2020/

27th August 2019

To,

Directors/Principals of 31 institutions (as per list)

Subject: Additional Project Life Allocation (PLA) through re-appropriation due to satisfactory performance in terms of expenditure

Dear Sir/ Madam,

Kindly refer our communication dated 22nd July 2019 regarding additional/ curtailment of project life allocation (PLA) due to better spending in TEQIP-III. In spite of strong persuasion by SPIU and repeated requests and advance intimation (dated 23rd June 2019) from NPIU, the pace of improvement of few institute/ATU was not encouraging and could not improve the expenditure status till 31st July 2019. Though only 13 months left for conclusion of the project, no substantial progress is visible by such institutions/ATU.

2. MHRD/NPIU is making concerted efforts to avoid delays and consequent fund curtailment to all Institutions/ATUs. The World Bank and MHRD have observed that Institutions/ATUs that need more time to achieve performance benchmarks and DLIs also showed lower overall expenditures and have not been able to meet expenditure targets outlined for the project.

3. As the project is not achieving expenditure targets due to poor performing institutes/ATUs, the project is likely to be downscaled. In view of possible downsizing of the project, the World Bank suggested to develop a system for re-appropriation of funds of Institutions/ ATUs having better spending for achievement of expenditure target. Hence, it is agreed to implement re-appropriation of funds in two stages. While Stage-1 focuses primarily on percentage expenditure (more than 60% of PLA) as on 31st July 2019 to the extent of 10% of PLA, Stage-2 will consider both percentage expenditure as well as achievement of performance benchmarks and contribution in achievement of DLIs limited to further 10% of PLA.

4. Based on the above criteria, it is unfortunate that few institutes/ATU could not retain their PLA and their funds have been re-appropriated to high performing institution (list in Annex-1). The revised PLA of institutions shall be as under:

Institution Type	Original PLA Cr.	Revised PLA Cr.	Remarks
1.1 Non Autonomous	10	11	Additional funds for Procurement, Academics & IOC in the ratio of 60:30:10
1.1 Autonomous	15	16.5	
1.3 Non-focus	7	7.70	Additional funds for Procurement, Academics & IOC in the ratio of 50:40:10

5. While I congratulate you for getting additional PLA, your responsibility also enhanced due to revised PLA. I request you to take appropriate actions to achieve criteria given in **Annex-2** for possible additional allocation further or avoiding curtailment (upto 10%) of revised PLA during the Stage 2 exercise to be carried out in last week of September 2019.

Regards,

Prof (Dr.) P.M Khodke
Central Project Advisor

- c.c. by email to
- Principal Secretaries of the states,
 - TEQIP Coordinators of respective institutes,
 - SPIU to ensure information reaches to respective institutes immediately,
 - NPIU, Fin & Proc. sections to make changes in PMSS & PFMS immediately, and
 - All mentor consultants of NPIU