

**GOVERNMENT OF SINDH
EDUCATION DEPARTMENT**

Karachi, dated 29.9.1993.

NOTIFICATION:

No. S.O.(ACD-II) 8(3)/SEF/92:- In exercise of the powers conferred by Section 16 of the Sindh Education Foundation Act; 1992, the Government of Sindh are pleased to make the following rules, namely:-

1. (1) These rules may be called the Sindh Education Foundation (Grant of Loans and lease of land) Rules, 1993.
(2) They shall come into force atonce.
2. In these rules, unless there is anything repugnant in the subject or context, the following words and expressions shall have the meanings respectively assigned to them as under:-
 - (a) "Act" means the Sindh Education Foundation Act, 1992.
 - (b) "Committee" means a District Education Promotion Committee constituted under these rules.
 - (c) "grant-in-aid" means the advancement of non-refundable grant to the non-Government Organizations under these rules.
 - (d) "Loan" means refundable sum of money advanced to a non-Governmental Organization under these rules.
 - (e) "Managing Committee" means the Managing Committee of the non-Government Organization.
 - (f) "N.G.O." means Non-Governmental Organization set up for running an educational institution and registered under the Ordinance.
 - (g) "Ordinance" means the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961.
3. The Foundation may provide assistance in the shape of grant-in-aid, loan or lease of land to the N.G.O.s for the establishment and running educational institutions on a non-profit or non-commercial basis in the Province.

EXPLANATION: "Establishment", includes extension, improvement or development of an existing educational institution.

4. The Assistance under rule 3 shall be provided for the purpose of attaining the objects of the Foundation under section 9 of the Act.

5. Assistance under these rules shall be granted on the terms and conditions and in the manner specified below:-

- (i) the educational institution for which assistance is required shall be registered under the Ordinance;
- (ii) all members of the Managing Committee shall be firm believers in the ideology of Pakistan;
- (iii) the educational institution is recognized/affiliated or registered with the concerned Directorate of Education, Board of Intermediate and Secondary Education or the University as the case may be;
- (iv) the loan is fully secured to the satisfaction of the Foundation by mortgage of property in favour of the Foundation or in any manner specified by it;
- (v) the account of the educational institution is maintained in the form prescribed by the Education Department and is audited annually;
- (vi) the educational institution for males shall have the following minimum enrolment while minimum enrolment for educational institution for females shall be fifty percent of that enrolment;-
 - a. Degree College 100
 - b. Intermediate College 80
 - c. Higher Secondary School 150
 - d. High School. 100
 - e. Middle School. 80
 - f. Primary School. 40
 - g. Technical/Vocational Institution 50
 - h. Institution for special education. 20.
- (vii) the premises of the educational institution shall be hygienic well ventilated and equipped with suitable laboratories, workshops (if required for the instructional programme) and shall have suitable accommodation for students, office etc. to the satisfaction of the Committee;

- (viii) the educational institution shall have sufficient /adequate and suitable furniture and equipment;
- (ix) the staff engaged by the educational institution is adequate, properly qualified as per standards laid down by the education Department, and are of good character and firmly believed in the ideology of Pakistan;
- (x) the administration, discipline and academic tone of the educational institution are to the satisfaction of the Committee, the instruction imparted is upto the standard as judged from the methods of teaching, and is in accordance with the prescribed curricula;
- (xi) students are provided facilities for co-curricular and recreational activities;
- (xii) only authorized text books are taught, and the books and periodicals purchased for use in the educational institution are as approved by the competent authority, and are not repugnant to the ideology of Pakistan;
- (xiii) the fees and other funds charged and concessions allowed are according to the prescribed scales of the Government;
- (xiv) the following record and registers are kept and maintained properly by the educational institution:-
 - a. Admission and withdrawal Register.
 - b. Attendance register for students and teachers.
 - c. Cash Book.
 - d. Acquaintance Role.
 - e. Log Book.
 - f. Stock Register.
 - g. Examination Register.
 - h. Statistical Register.
 - i. Correspondence Register.
 - j. Personal Files of Staff.

6. (1) An application for assistance shall be in the prescribed form and submitted to the Managing Director through the Committee concerned.

(2) No application for assistance shall be entertained unless it is accompanied by the following documents:-

- a. certified copy of the certificate of Registration issued under the Ordinance in respect of the educational institution for which assistance is applied;

- b. certificate from a scheduled bank, national savings or any other financial institution recognized by the Government showing financial position of the applicant (NGO);
 - c. proof of ownership or lease of land on which building is situated or is to be constructed for the educational institution;
 - d. the details of class-wise enrolment of the educational institution;
 - e. the rates of fee charged or proposed to be charged by the educational institution;
 - f. the details of staff of the educational institution with their qualifications and enrolments;
 - g. the list of management committee or manager(s) or list of Trustees running the educational institution;
 - h. the details about the existing facilities of the educational institution like building, furniture, equipment, library etc;
 - i. a statement of accounts of the educational institution for the last three financial years, duly audited;
 - j. any other document/information required by the Foundation or which the application might like to furnish;
 - k. application for loan for construction of building shall also be accompanied by plan and rough estimate of the construction component duly authenticated by a technical expert or agency approved by the Foundation;
 - l. proof of the income of the educational institution from all sources including subscriptions, donations, endowments, grants, fees etc. and its expenditures, duly audited by an agency approved by the Foundation, shall accompany the application.
7. (1) On receipt of the application, the Committee shall inspect the educational institution/location of the institution and prepare a report as to the viability of the proposal, genuineness and credibility, and implementation capability of the applicant.
- (2) The Committee shall forward the application alongwith its report and recommendations to the Managing Director who shall submit the same to the Board.

- (3) The Board shall consider the report and recommendations of the Committee and shall pass such orders as deemed fit.
- (4) Where the application is rejected, the applicant shall be informed about it.
- (5) Where the application is accepted, formal orders of sanction of grant or loan, as the case may be shall be issued by the Managing Director, and after all formalities are observed and loan is fully secured, payments shall be made in accordance with rule 11, by crossed cheque in the name of the applicant (NGO), hereinafter referred to as the borrower and the same shall be delivered to the borrower or a person authorized by him through the Committee.
- (6) All loans advanced shall be free of interest.
- (7) While sanctioning a loan the Board may prescribe or attach such conditions in writing, as it may deem necessary or expedient, to protect and safeguard its interests or the interests of the students and the educational system, and for recovery of the loan.
8. Grant-in-aid or loan, may be advanced, in cash or kind for all or any of the items mentioned in rule 9;
9. Grant-in-aid or loan may be allowed to meet partially the expenses incurred on:-
- (a) construction/extension of building.
 - (b) Purchase of equipment, machinery, furniture, books, laboratory material and other educational material;
 - (c) Maintenance, and to meet recurring expenditure, and
 - (d) Any other project assigned or taken up for the attainment of any of the objectives mentioned in section 9 of the Act.
10. (1) The grant-in-aid or loan shall be sanctioned by the Board in the following proportions:-

<u>PURPOSE</u>	<u>MAXIMUM SHARE OF FOUNDATION</u>		<u>MINIMUM SHARE OF N.G.O.</u>
	<u>GRANT</u>	<u>LOAN</u>	
a. Construction of building.	33%	33%	34%
b. Purchase of equipment, furniture etc.	33%	33%	34%

c. Recurring expenditure. 33% ----- 33%

Note: The balance amount of recurring expenditure shall be met from the fee income by N.G.O.

(2) The grant for recurring expenditure shall be approved in accordance with the standards laid down in the Sindh Education code or the instructions issued by the Education Department.

11. (1) The grant in-aid or loan for the construction of building shall be released in three equal installments as under:-

1st installment - On completion of plinth level;

2nd installment - On completion of building upto roof;

3rd installment - On completion of the roof.

(2) The second and third installments shall be paid on production of a certificate from the committee, to the effect that the borrower has:-

(a) not deviated from the purpose for which the grant or loan is sanctioned, and has completed the building upto the roof level;

(b) constructed the building strictly according to the plan;

(c) not transferred the building or plot, on which the building is constructed;

(3) The grant-in-aid or loan for other purposes shall be released in two installments, biannually.

12. The grant-in-aid or loan shall be utilized for the sole purpose for which it is sanctioned and, in case, any party, person or persons are found utilizing it for any other purpose, the amount together with penalty equivalent to one half of the amount of the grant or loan, as the case may be, shall be recoverable.

13. The Committee shall have the power to inspect, supervise and monitor the project, to ascertain proper utilization of the funds/of the grant or loan, and may submit a report thereof to the Managing Director, recommending release of with-holding of funds, as the case may be.

14. The borrower shall repay the loan amount within seven years commencing from the date of disbursement of the last installment or as agreed between the borrower and the Board.

15. The borrower shall execute an agreement with the Foundation, in the prescribed form and mortgage his immovable property.

16. The borrower, after the sanction of the loan, shall not make amendments or alterations in the plan or estimates of proposals

- without approval of the Board.
17. The borrower, shall not, without the approval of the Board, transfer or sell the land, property or assets of the N.G.O. against which the loan has been advanced/sanctioned.
 18. Where the borrower does not repay the loan, according to the terms and conditions of the agreement, the Board may direct the borrower to surrender the assets equivalent to the financial assistance provided by the Board, and if the borrower fails to comply with such instructions, the Board shall have the power to confiscate its assets and impose additional penalty equivalent to one half of the financial assistance provided by the Board.
 19. (1) Where the borrower misuses the assistance, the Managing Director shall require the Committee to enquire into the matter, and submit its findings within fifteen days of such direction.

(2) If on receipt of the report of the Committee, the Managing Director is satisfied that the borrower has misused the assistance he shall after affording an opportunity to the borrower, of being heard submit his findings to the board which may blacklist the borrower for purposes of any further assistance from the Foundation, and in addition, impose penalty as aforesaid.
 20. (1) The Foundation may, subject to availability of grants, assist the N.G.O. in getting, a plot of land for an educational institution from housing societies or local or development bodies.

(2) The size of plots or land for various type of educational institutions shall be determined by the Managing Director.
 21. The lease of plot and land vesting in the Foundation shall be governed by the terms and conditions hereinafter mentioned, and those mentioned in the agreements executed in this behalf.
 22. The lease shall initially be for a period of thirty years renewable on one year notice for a period of twenty years, at a time, but the total period of lease, shall in no case exceed ninety nine years.
 23. The plot or land so leased shall not be used for any purpose other than for setting up of an educational institution, except with the prior permission of the Foundation.
 24. The lessee shall not interfere with the lawful use by the public of any thoroughfare on the land or with the exercise of any rights and easements now existing thereon or for which the lessee is bound by the terms of the lease.
 25. The lease of plot or land granted by the housing societies or local or development bodies shall be governed by their respective rules of bye-laws.

26. No building shall be constructed on the plot or land, unless the plan thereof is approved by the Board, or any authority appointed by it, within three months of the receipt by it, of the allotment order or possession of the land, whichever is later.
27. The construction of the building for educational institution shall be completed on the leased land, within a period of one year, on the receipt of the approved building plan as mentioned above, or delivery of the possession of plot or land, whichever is later.
28. The building so constructed, shall be inspected by the Committee or its representative to ensure that construction is according to the approved plan and an inspection report shall be submitted to the Managing Director.

MUHAMMED SHARIF
SECRETARY TO GOVERNMENT OF SINDH