

# SIKKIM

# GOVERNMENT



# GAZETTE

EXTRAORDINARY  
PUBLISHED BY AUTHORITY

Gangtok

Thursday 5<sup>th</sup> April, 2012

No.158

RURAL MANAGEMENT AND DEVELOPMENT DEPARTMENT  
GOVERNMENT OF SIKKIM  
GANGTOK-737 101

No: 06 / /MGNREGA/RM&DD

Dated:-05 .04. 2012

## NOTIFICATION

WHEREAS, as required under sub-section (1) read with clauses (e) and (f) of sub-section (2) of section 32 of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (42 of 2005) and in supersession of the Notification vide No.928/5/Acctt/NREGA/08-09 dated 15.03.2010 has been published in the Sikkim Government Gazette (Extraordinary) No.59 dated 8<sup>th</sup> February, 2012 for the information of all persons likely to be affected thereby and notice is hereby given that the said draft rules would be taken into consideration after expiry of a period of 45 (forty five) days from the date of its publication in Official Gazette.

AND WHEREAS, no views or suggestion have been received from any person with respect to said draft rules within stipulated period of 45 days which expired on 24.03.2012.

NOW, THEREFORE, in exercise of power conferred under sub-section (1) read with clauses (e) and (f) of sub-section (2) of section 32 of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (42 of 2005), the State Government hereby makes the following rules namely:-

- Short title and commencement
- (1) These rules may be called the Sikkim State Employment Guarantee Fund Rules, 2012.
  - (2) They shall come into force at once.
- Definitions
- (1) In these rules, unless the context otherwise requires,-
    - "Act" means the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005 (42 of 2005);
    - "Scheme" means the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) notified by the State Government under section 4 of the Act;
    - "State Fund" means the Sikkim State Employment Guarantee Fund (SSEGF) established under sub-section (1) of section 21 of the Act;

- (d) "Agency" means the State Rural Employment Guarantee Agency (SREGA) registered as a society under Notification No. 2602 A/H dated- 25.03.1960 read with sub-section (1) section 3 of the Sikkim Regulation of Societies, Associations and other Voluntary Organization Act, 2008;
- (e) "Chairperson" means the Chairperson of the Governing Council of SREGA;
- (f) "State Employment Guarantee Council" means the State Employment Guarantee Council constituted by the State Government under section 12 of the MGNREGA;
- (g) "Member Secretary" means Member Secretary of the Governing Council of SREGA;
- (h) "Members" means the members of the Governing Council to whom by the Rules of the Society, the management of its affairs is entrusted;
- (i) "Governing Council" means the governing body of the SREGA;
- (j) "District Programme Coordinator" (DPC) means Additional District Collector (Development);
- (g) "Section" means section of the Act;
- (k) "State Government" means the Government of Sikkim;
- (l) "Department" means the Rural Management and Development Department of Government of Sikkim;
- (m) "Auditor" means any Chartered Accountant appointed by the Agency who should be empanelled with the (1) Controller and Auditor General and (2) Department of Finance, Revenue and Expenditure, Government of Sikkim.

(2) The words and expressions used but not defined in these rules and defined in the Act shall have the meanings respectively assigned to in the Act.

Establishment of the Fund

3. The State Government shall, by Notification, establish a Fund to be called the Sikkim State Employment Guarantee Fund (SSEGF), (hereinafter referred to as the "State Fund" with the objective of ensuring operational flexibility, timely and smooth flow of the Funds responding to labour demand and implementation needs. This Fund shall be expended and administered as a Revolving Fund in accordance with the provisions of the Act and rule.

Registration of an Agency

4. The State Government shall register a single nodal Agency as Society under Rules and Regulations for the registration of various Organization in Sikkim under Notification No.2602 A/H dated- 25.03.1960 read with section 3(1) of the Sikkim Regulation of Societies. Associations and other Voluntary Organizations Act, 2008 for proper Management and Administration of the State Fund and to strengthen the present fund system of MGNREGA.

Constitution of the Governing Council 5. The Governing Council shall consist of the following Authorities of Rural Management and Development Department, Government of Sikkim, namely:-

(I)	Secretary	Chairperson
(II)	Project Director-MGNREGA	Member Secretary
(III)	Additional Secretary- Administration	Member
(IV)	Director- Panchayat	Member
(V)	Project Director- SRDA	Member
(VI)	Deputy Secretary- MGNREGA	Member
(VII)	Senior Accounts Officer- MGNREGA	Member

Functions and Powers of the Governing Council 6. The Governing Council shall perform and exercise the following functions and powers, namely:-

- (1) scrutinize and approve the Labour Budgets of the Districts and submit the proposal for requirement of State Government share;
- (2) ensure smooth flow of funds from Government of India to State Fund and from State Fund to the account of the District Programme Coordinator;
- (3) review the overall performance of the MGNREG Scheme in the State and make such recommendations to the State Government as it deems to be fit;
- (4) manage and administer State Fund in accordance with the provision of the Act and the Rule;
- (5) ensure compliance of Guidelines and Orders of the Scheme prescribed by the Government for financial management from time to time;
- (6) review of work completion reports and utilization certificates submitted by the DPCs in respect of Funds previously released;
- (7) ensure monthly reconciliation of the accounts of the State Funds;
- (8) nominate joint signatory to operate the State Fund;
- (9) review audit reports and the follow-up action taken thereon;
- (10) appoint Auditor to audit the accounts of the Scheme and State Employment Guarantee Fund of Sikkim; and
- (11) perform all such acts as deem to be fit for proper management of the State Fund of Sikkim.

Procedure to conduct business of the Governing Council 7. (1) The Governing Council shall meet as and when necessary, but not more than six months shall intervene between any two meetings;

(2) The Governing Council shall meet at such time and place as the Chairperson may deem fit;

(3) The meeting of the Council shall be presided over by the Chairperson and in his absence by Member Secretary or one of the other members elected by the members present;

(4) Each meeting of the Council shall be convened by giving notice of not less than 7 (seven) days from the date of issue of such notice to every member, in writing including the agenda of the meeting;

- (5) Every member shall have the power to vote in the meeting. In case of difference of opinion amongst the members present and voting on any matter it shall be decided on a majority of votes;
- (6) In the case of an equality of votes on any matter, the Chairperson shall have a casting or a second vote;
- (7) The quorum of the meeting shall be four persons;
- (8) The Chairperson may convene special meetings of the Governing Council to consider any matter of special importance or on urgency. Every notice calling for a special meeting of the Council shall be issued at least two days in advance;
- (9) Annual meeting of the Council shall be held once in every financial year and not more than 15 (fifteen) months after the preceding annual meeting;
- (10) The Annual Budget for the succeeding year shall be placed before the Council in its annual meeting for appraisal by the Member Secretary;
- (11) The audited statement of accounts together with audit report shall be placed before the Council in its annual meeting for approval;
- (12) The Member Secretary shall, within 30 (thirty) days of a meeting, circulate the minutes of that meeting to the Members, duly approved by the Chairperson;

Duties,  
Responsibilities  
and Functions of  
the Member  
Secretary

8. The Member Secretary shall have the following duties and functions, namely,-
  - (1) convene meetings of the Governing Council;
  - (2) furnish all reports, returns and other necessary documents required to be furnished under the Act to the Central/State Government;
  - (3) maintain records of the meetings of the Council and circulate the minutes among the members;
  - (4) administer the routine affairs of the State Fund in accordance with the directions given by the Chairperson from time to time;
  - (5) keep account of all the financial transactions of the State Fund;
  - (6) maintain proper book of accounts of the State Fund and get them audited by the Auditor;
  - (7) execute all legal documents on behalf of the Agency;
  - (8) sue and be sued on behalf of the Agency;
  - (9) review meetings with the DPC on the physical and financial performance of the Scheme;
  - (10) ensure monthly reconciliation of the State Fund account;
  - (11) present Annual Budget before the Governing Council;

(12) shall be the authority for the day-to-day administration of the State Fund subject to the directives of the Chairperson.

Operation of the State Fund

9. (1) The State Fund shall be maintained in a separate interest bearing Saving Bank Account in a Nationalized Bank which shall be non-lapsable.
- (2) The account of the State Fund shall be in the name of the State Employment Guarantee Fund of Sikkim Notified by the State Government under section 21 of the Act.
- (3) The State Government or any other authority shall not create any encumbrance on the State Fund.

Source of the State Funds

10. (1) The source of State Fund shall be:-
- (a) Mahatma Gandhi National Rural Employment Guarantee Scheme Funds received from Government of India;
- (b) State share and any other grant received from State Government;
- (c) Departments/Organisations/Agencies/NGOs/Schemes/ Programmes/Projects/Institutions or any other Source after prior approval of the State Government.
- (2) Modalities of receipt of Funds-
- (a) All State Government Grants for Mahatma Gandhi National Rural Employment Guarantee Scheme shall be drawn and transfer credited to the State Fund by the Secretary for Rural Development. The State share of Mahatma Gandhi National Rural Employment Guarantee Scheme Funds as prescribed in the Act shall be released to the State Fund within 15 (fifteen) days of the release of the Central funds;
- (b) All moneys received from the Central Government or from the State Government or fund received from any other source or any other accruals for implementation of the Scheme shall be treated as receipts of the State Fund and shall be expended for the purpose for which they are received.

Release of the State Fund

11. (1) The Member Secretary shall release funds to the District Programme Coordinator, State Institute of Rural Development and the Member Secretary of State Employment Guarantee Council as the case may be in accordance with Act and Operational guidelines prescribed by Government of India and the rules & directions issued by the Department from time to time.
- (2) The Member Secretary shall give advance as he/she may consider necessary to the District Programme Coordinators pending regular release of funds in order to meet emergent needs and to meet any temporary shortage of funds on account of non-completion of prescribed formalities, subject to the condition that a proper Utilization certificate is received by the Member Secretary. Such advances shall

be adjusted against regular release. No further advance shall be sanctioned to a District Programme Coordinator where prior advance to him/her has not been adjusted.

- (3) The decision on release of funds on extraordinary situations shall be taken by the Member Secretary with the approval of the Chairperson.
- (4) The sanctioned amount shall be released from the State Fund to a separate bank account at the district level maintained in a Scheduled Bank by the District Programme Coordinator, as the case may be and the amount shall be non-lapsable.

Usage of the State Fund	12..	The State Fund shall be utilized to meet expenditure connected with the implementation of the Scheme including payment of Wages- unskilled, semi skilled and skilled, Cost of material component, Unemployment Allowance, Compensation for delayed wage payment, Monitoring, Evaluation, Studies, Technical assistance for planning, Training, Expert consultation, Field visits, any other expenditure of the Council and Administrative expenses subject to the ceiling limit prescribed by Central Government from time to time;
Maintenance of Books of Account and Records	13.	The Member Secretary shall maintain Fund Allotment Register and such other books of accounts as may be specified by the Government and submit such statements and audited reports to the Agency, in such form as may be directed by the Government from time to time.
Inspection of Accounts	14.	The Member Secretary shall accord facilities for inspection of the accounts of the State Fund by any authority authorized by the Government or the Council.
Audits	15.	(1) The grants released from State Fund shall be audited by the Controller and Auditor General and Auditor appointed by the Governing Council.  (2) In necessity, the Chairperson may order for Internal Audit on behalf of the State Government through the Directorate of Internal Audit Cell of Finance, Revenue and Expenditure Department, Government of Sikkim.cx
Authority for filing Fund Statement	16.	The Member Secretary shall monitor the operation of the State Fund and furnish audited accounts Statements and Utilization Certificates to the Ministry of Rural Development, State Government and before the Governing Council.
Annual Report	17.	Within three months after the end of each financial year the Member Secretary shall furnish the annual report on account of 'Sikkim State Employment Guarantee Fund' to the State Employment Guarantee Council and State Government.

Secretary to the Government of Sikkim,  
Rural management & Development Department,  
Gangtok.