

NATIONAL EMPLOYMENT GUARANTEE FUND RULES, 2006

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NATIONAL EMPLOYMENT GUARANTEE FUND RULES, 2006

G.S.R. 3(E).-- Whereas certain draft rules namely, the National Employment Guarantee Fund Rules, 2006, were published in exercise of the powers conferred by subsection (1) read with clause (c) of sub-section (2) of section 31 of the National Rural Employment Guarantee Act, 2005 (42 of 2005), vide notification of the Government of India in the Ministry of Rural Development number G.S.R. 590 (E) dated the 21st September, 2006 in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section(i) dated the 22nd September, 2006 inviting objections and suggestions from persons likely to be affected thereby before the expiry of a period of thirty days from the date of publication of the notification in the Official Gazette; And whereas Gazette copies of the draft rules in which they were published were made available to the public on 22nd September, 2006; And whereas no objection or suggestion has been received from any person in this regard. Now, therefore, in exercise of the powers conferred by sub-section (1) read with clause (c) of sub-section (2) of section 31 of the National Rural Employment Guarantee Act, 2005 (42 of 2005), the Central government hereby makes the following rules, namely :-

1. Short title and commencement :-

(1) These rules may be called the National Employment Guarantee Fund Rules, 2006.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions :-

In these rules, unless the context otherwise requires,-

(a) "Act" means the National Rural Employment Guarantee Act, 2005 (42 of 2005);

(b) "Central Government" means Central Government in the Ministry of Rural Development;

(c) "National Fund" means the National Employment Guarantee Fund established under sub-section (1) of Section 20 ;

(d) all other words and expressions used herein and not defined but defined in the Act shall have the meanings respectively assigned to them in the Act.

3. Account of the National Fund :-

The National Fund shall be maintained by the Central Government in a Public Account.

4. Usage of the National Fund :-

The National Fund shall be used by the Central Government to meet the Central Government share of expenditure on implementation of the Act including the grants to the State Governments and Union territories and the expenses of the Central Employment Guarantee Council.

5. Release of grants from the Fund to the State Governments and Union Territory Administrations :-

(1) Before the beginning of each financial year on or before 31st January, all Secretaries of the State Governments and Union territories concerned with the implementation of the Act and the State Employment Guarantee Schemes shall present their annual work Plan and labour budget to the Ministry of Rural Development.

(2) The State Governments and Union territories may also in their annual work plan and labour budget submit proposals for any work other than those specified in Schedule I of the Act.

(3) The Ministry of Rural Development may examine the proposals received by it on or before the 31st January of each financial year and review the performance of the states and Union territories with respect to the implementation of the Act and estimate that amount

to be released to the State Governments and Union territory Administrations from the National Fund.

(4) Release of funds to the State Governments and Union territory Administrations shall be made in accordance with the directions issued by the Ministry of Rural Development from time to time.

(5) The Ministry of Rural Development may, in order to meet emergent needs and to meet the temporary shortage of funds on account of non-completion of prescribed formalities, give advances as it may consider necessary to the districts, States and Union territories pending regular release of funds and such advances shall be adjusted against regular releases.

(6) The sanctioned amount may be released directly from the National Employment Guarantee Fund to the State Employment Guarantee Fund under sub-section(1) of Section 21 .

(7) The rules for State Employment Guarantee Fund and the fund-flow from State Employment Guarantee Fund to the Districts, Block and Gram Panchayat may be notified by the concerned State Government.

(8) The State Employment Guarantee Fund shall be maintained in a separate bank account which shall be non-lapsable.

(9) The State Government or any other authority shall not create any encumbrance on the grants released by the Ministry either through the State Employment Guarantee Fund or directly to the districts or any other agency.

(10) The sanctioned amount may also be released directly from the National Fund to a separate bank account at the district level for the implementation of the Act, which shall be non-lapsable.

(11) The decision in regard to release of funds shall be taken by the Ministry of Rural Development in consultation with the concerned State Government and Union territory.

6. Release of grants from the National Fund to the Central Employment Guarantee Council :-

(1) The Central Employment Guarantee Council shall be given a grant every year with an initial corpus of five crores of rupees in order to meet the expenses in connection with the functions assigned to the Council.

(2) The Council shall maintain a bank account in a Scheduled Bank for the funds so given.

(3) The grants shall be given to the Council after audit report for the previous year and the utilization certificate for at least sixty per cent of the amount already released are furnished.

7. Balance budgeted grant :-

The balance budgeted grant of each financial year shall be transferred to the National Fund before the close of the financial year and shall constitute the reserve in the National Fund.

8. Audit :-

The grants released from the National Fund to the State Governments and Union territory Administrations shall be audited by the Comptroller and Auditor General through respective Accountant Generals. The internal audit shall be done on behalf of the Head of the Department (Secretary) to the Government of India and shall be supervised and monitored by the office of Chief Controller of Accounts.