

Section 4(1)(b)(v) of Right to Information Act, 2005 NERCORMP

The rules, regulations, instructions, manuals and records, held by it or under its control or used by its employees for discharging its functions

NERCORMP in its day to day functioning is governed by the following rules:

1. The North Eastern Region Community Resource Management Society Service Regulations 2002
2. The Financial Regulations

NORTH EASTERN REGION
COMMUNITY RESOURCE MANAGEMENT SOCIETY

Implementing the

**NORTH EASTERN REGION
COMMUNITY RESOURCE MANAGEMENT PROJECT
FOR UPLAND AREAS**

SERVICE RULES & REGULATIONS

Contains:

**1. NERCRMS (Amendment) Service Rules & Regulations, 2003
(As approved in principle by the Board of Management
in its 14th Meeting held on 19th September 2003 and
approved by the Chairman, NERCRMS on 10th December 2003)**

**2. NERCRMS SERVICE REGULATIONS 2002
(As approved by the Board of Management
in its 8th Meeting held on 28th December 2001)**

**North Eastern Region Community Resource Management Society,
“Sympli Building”, First Floor,
Malki Dhankheti
Shillong 793001**

**NORTH EASTERN REGION
COMMUNITY RESOURCE MANAGEMENT PROJECT
FOR UPLAND AREAS**

SERVICE REGULATIONS

**AS APPROVED BY THE
BOARD OF MANAGEMENT
IN ITS EIGHT MEETING HELD ON
28th DECEMBER 2001**

North Eastern Region Community Resource Management Society

Implementing the

**North Eastern Region Community Resource Management Project
“Sympli Building”, First Floor,
Malki Dhankheti
Shillong 793001**

NORTH EASTERN REGION
COMMUNITY RESOURCE MANAGEMENT SOCIETY
(Programme Support Unit)

No. NER/IFAD/II/RS-ADM-25

Shillong, Thursday, The 11th December, 2003

The following Rules & Regulations received the approval of the Chairman, North Eastern Community Resource Management Society on the 10th December, 2003, and is hereby published for general information:-

NERCRMS (AMENDMENT) SERVICE RULES & REGULATIONS, 2003

Be it approved by the Board of Management of North Eastern Region Community Resource Management Society in its Fourteenth meeting as follows:-

SHORT TITLE AND COMMENCEMENT

1. (1) This Regulations may be called the North Eastern Region Community Resource Management Society (Amendment) Service Rules & Regulations, 2003.

(2) It shall come into force on such date as the Chairman of the North Eastern Region Community Resource Management Society by signature, approve.

Amendments

1. AMENDMENT OF CHAPTER I, PRELIMINARY, SECTION 1

In Chapter I, Preliminary, Section 1 of the North Eastern Region Community Resource Management Society Service Rules, 2002 (hereinafter referred to as the Principal Rules), in Para 1 for the words “The North Eastern Region Community Resource Management Society Service Rules, 2002”, the words “North Eastern Region Community Resource Management Society Service Rules & Regulations, 2002” shall be substituted.

Amended as below vide decision of 14th Board of Management

2. AMENDMENT OF CHAPTER I, PRELIMINARY, SECTION 3, PARA E

In Chapter I, Preliminary, Section 3, Para (e), ‘Controlling Authority’ of the Principal Rules, after the words “in relation to the other employees, the Programme Co-ordinator and Development Strategist”, the words “or his/her authorized person” shall be added.

3. AMENDMENT OF CHAPTER II, STAFF CADRE, SECTION 4

In Chapter II, Staff Cadre, Section 4, „Category of Posts“ of the Principal Rules, the following Section shall be substituted:

“4. CATEGORY OF POSTS

The Society shall have two categories of posts: Professional Staff and General Service Staff.

Professional Staff

- 1. Project Co-ordinator and Development Strategist (PCDS)**
- 2. Assistant Project Coordinator (APC)**
- 3. Senior Professional Officer IV (SP-IV)**
 - a. Finance-cum-Accounts Officer [After confirmation]
- 4. Senior Professional Officer III (SP-III)**
 - a. Finance-cum-Accounts Officer [Upon joining till confirmation]
- 5. Senior Professional Officer II (SP-II)**
 - a. Monitoring & Evaluation Officer [After confirmation]
 - b. Natural Resource Management & Extension Coordinator [After confirmation]
 - c. Gender & NGO Coordinator [After confirmation]
- 6. Senior Professional Officer I (SP-I)**
 - a. Monitoring & Evaluation Officer [Upon joining till confirmation]
 - b. Natural Resource Management & Extension Coordinator [Upon joining till confirmation]
 - c. Gender & NGO Coordinator [Upon joining till confirmation]
- 7. Professional Officer-Scale II (P-II)**
 - a. Marketing Coordinator [After confirmation]
 - b. Administrative Officer [After confirmation]
- 8. Professional Officer-Scale I (P-I)**
 - a. Marketing Coordinator [Upon joining till confirmation]
 - b. Administrative Officer [Upon joining confirmation]
- 9. Junior Professional Officer-Scale II (JP-II)**
 - a. Micro Credit Officer [After confirmation]
 - b. Communications Officer [After confirmation]
 - c. Assistant Accounts Officer [After confirmation]
 - d. Systems Administrative [After confirmation]
- 10. Junior Professional Officer-Scale I (JP-I)**
 - a. Micro Credit Officer [Upon joining till confirmation]
 - b. Communications Officer [Upon joining till confirmation]
 - c. Assistant Accounts Officer [Upon joining till confirmation]
 - d. Systems Administrative [Upon joining till confirmation]

General Service Staff

- 1. Senior Assistant (GSS-SA)**
 - a. Secretarial Assistant [After confirmation]
- 2. Assistant (GSS-A)**
 - a. Secretarial Assistant [Upon joining till confirmation]
- 3. Junior Assistant Scale II (GSS-JA II)**
 - a. Office Assistant [After confirmation]
- 4. Junior Assistant Scale I (GSS-JA I)**
 - a. Office Assistant [Upon joining till confirmation]
- 5. Driver Scale II [After confirmation] (GSS-D II)**
- 6. Driver Scale I [Upon joining till confirmation] (GSS-D I)**
- 7. Attendant/Cleaner/Security Guard – Scale II [After confirmation] (GSS-A II)**
- 8. Attendant/Cleaner/Security Guard – Scale I [Upon joining till confirmation] (GSS-A I)”**

4. AMENDMENT OF CHAPTER III, RECRUITMENT

a) In Chapter III, Recruitment, in Section „5. Cadre Strength“ of the Principal Rules,

the words in heading “5. Cadre Strength” shall be substituted with the words “5. Cadre Strength/Creation of New Post”.

b) In Chapter III, Recruitment, in Section ‘6. Recruitment Process’, Para 2. ‘Selection Committee’ of the Principal Rules,

the following sub-section shall be substituted:

“2) Selection Committee:

a. The Programme Co-ordinator and Development Strategist shall form a Selection Committee with the approval of the Chairperson as follows for selection of Professional Staff:

1. Representative(s) from North Eastern Council
2. One staff members from the Professional cadre of NERCRMP
3. One representative from one of the participating State Governments
4. One Technical Expert
5. Programme Coordinator & Development Strategist

b. The Programme Co-ordinator and Development Strategist shall form a Selection Committee with the approval of the Chairperson as follows for selection of General Service Staff:

1. Representative(s) from North Eastern Council
2. Two staff members from the Professional cadre of NERCRMP
3. One Technical Expert
4. Programme Coordinator & Development Strategist

Notwithstanding above, with prior approval of the Chairman of the Society, the Programme Coordinator & Development Strategist may also invite such person(s) whom she/he may deem fit to be member(s) in the selection committee in addition to the Members mentioned above, whenever necessary.”

c. In Chapter III, Recruitment, in Section ‘6. Recruitment Process’, Para 3. ‘Interview’ of the Principal Rules,

the words “The candidates called for interview for professional category of posts shall be paid travel costs and daily subsistence allowance as per the rules and regulations of the Society.” shall be deleted.

d. In Chapter III, Recruitment, in Section ‘6. Recruitment Process’ at the end of Para 4, the sub-para ‘Exceptions’ of the Principal Rules,

the following sub-section shall be substituted:

“**Exceptions:** The Chairperson in consultation and approval from the donors and the North Eastern Council / Department of Development of North Eastern Region may undertake direct identification of a person for the post of Programme Co-ordinator and Development Strategist as per the guidelines/provisions laid down in Project Appraisal Report.”

e. In Chapter III, Recruitment, in Section „8. Deputation of an Employee“, of the Principal Rules,

for the words “Such persons would be eligible for accepting the scales indicated in the advertisement or seek protection of their earlier pay and draw project allowance”.

the words “Such persons would be eligible for accepting the scales indicated in the advertisement or seek protection of their earlier pay and draw deputation allowance as per Central Government Deputation norms.” shall be substituted.

f. In Chapter III, Recruitment, in Section ‘9. Minimum Qualification and Experience’, of the Principal Rules,

the Section „9. Minimum Qualification and Experience“ shall be deleted. (For detailed Recruitment Rules the North Eastern Region Community Resource Management Society Recruitment Rules, 2003 shall be referred to.)

5. AMENDMENT OF CHAPTER IV, TENURE

In Chapter IV, Tenure, in Section, 12. Probation“, of the Principal Rules,

the words in First Para „During the probationary period, the employee shall not be eligible for project allowance”, shall be deleted.

6. AMENDMENT OF CHAPTER V, EMOLUMENTS

In Chapter V, Emoluments, in Section ‘16. Pay Scales’ of the Principal Rules, the following Section shall be substituted:

“16. PAY SCALES

Pay scale for the posts under the following cadre of the Society shall be decided by the Board of Management from time to time.

Programme Co-ordinator and Development Strategist

Assistant Project Coordinator

Senior Professional Officer IV

Senior Professional Officer III

Senior Professional Officer II
Senior Professional Officer I
Professional Officer-Scale II
Professional Officer-Scale I
Junior Professional Officer-Scale II
Junior Professional Officer-Scale I
Senior Assistant
Assistant
Junior Assistant-Scale II
Junior Assistant-Scale I
Driver-Scale II
Driver-Scale I
Attendant – Scale II
Attendant – Scale I

In the event the persons recruited by the Society are from State/Central Government, they would be eligible to exercise one of the options. They can either accept the emoluments applicable to the salary scale indicated in the advertisement / negotiated with the selection committee during their interview or accept to receive the actual salary being received from the parent organization along with deputation allowance.

The employees of the Society shall be entitled to the emoluments of the post to which she/he is appointed from the date on which she/he assumes charge of the post.

The emoluments in respect of any month shall be disbursed on the last working day of the month. An employee resigning from the service of the Society without the notice prescribed shall not be allowed to draw due emoluments, unless the Controlling Authority directs otherwise”.

7. AMENDMENT OF CHAPTER V, EMOLUMENTS

In Chapter V, Emoluments, Sub head ‘Allowances’ in Section ‘18. Dearness Allowance’, of the Principal Rules,

the section with the words in ‘18. Dearness Allowance: The employees of the Society shall be eligible for dearness allowance as applicable to the employees of the North Eastern Council from time to time’, shall be deleted.

8. AMENDMENT OF CHAPTER V, EMOLUMENTS

In Chapter V, Emoluments, Sub head ‘Allowances’ in Section ‘19. House Rent Allowance’, of the Principal Rules, the following Section shall be substituted:

for the words “employees of the Society shall be eligible for a house rent allowance of 15% of the basic salary.”

The words “The employees of the Society shall be eligible for a house rent allowance as decided by the Board of Management from time to time” shall be substituted.

9. AMENDMENT OF CHAPTER V, EMOLUMENTS

In Chapter V, Emoluments, Sub head 'Allowances' in Section '20. Project Allowance', of the Principal Rules,

The section with the words in '20. Project Allowance: The employees of the society who are confirmed after successful completion of the probationary period shall be eligible for a project allowance of 30% of the basic salary', shall be deleted.

10. AMENDMENT OF CHAPTER VI, TRAVEL ENTITLEMENTS

In Chapter VI, Travel Entitlements, Section "22. Daily Subsistence Allowance" of the Principal Rules), the following Section shall be substituted:

"22. DAILY SUBSISTENCE ALLOWANCE:

National: The staff shall endeavour to find government accommodation where ever possible. All Professional Staff shall be eligible for daily subsistence allowance as below:

In New Delhi, Mumbai, Kolkata, Chennai, Bangalore and Hyderabad a maximum of Rs. 3500 (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 500 per day for board shall be payable. If hotel bill for lodge is not produced a lump sum of Rs. 1000 shall be payable.

For all other state and union territory capitals a maximum of Rs. 1500 (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 300 per day for board shall be payable. If hotel bill for lodge is not produced a lump of Rs. 800 shall be payable

A maximum of Rs. 1000 (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 300 per day for board shall be payable for all other cities and towns. If hotel bill for lodge is not produced a lump sum of Rs. 600 shall be payable.

A lump sum of Rs. 200 per day for overnight in project villages shall be payable. If an Officer stays in a village outside his own duty station/District Rs. 400 per day for overnight stay in project villages shall be payable.

For outstation travel without night halt exceeding 8 hours the employee shall be eligible for 75% of the amount allocated for board; and travel below 8 hours outside the duty station, the employees shall be eligible for a lump sum of Rs. 100. No daily subsistence allowance shall be provided for travel of eight hours or less.

All General Service Staff shall be eligible for 70% of the daily subsistence allowances for Professional Staff."

11. AMENDMENT OF CHAPTER VIII, LEAVE

In Chapter VIII, Leave, in Section '33. Earned Leave', of the Principal Rules,

for the words "Earned leave could be accumulated up to a maximum of sixty days."

the words "Earned leave could be accumulated up to a maximum of 40 (Forty) days." shall be substituted.

12. AMENDMENT OF CHAPTER VIII, LEAVE

In Chapter VIII, Leave, in Section '37. Compensatory Leave' of the Principal Rules, the section and the words "The General Service Staff are eligible for compensatory leave in case they are required to work during official holidays and weekly off", shall be deleted.

13. AMENDMENT OF CHAPTER X, GENERAL CONDITION OF SERVICE

In Chapter X, General Conditions of Services, in Section '44. Use of Official vehicle', of the Principal Rules,

for the words "any employee other than the Programme Co-ordinator and Development Strategist".

the words "any employee other than the Programme Co-ordinator and Development Strategist and Asst. Project Coordinator", shall be substituted.

14. AMENDMENT OF CHAPTER XIII, DISCIPLINE

In Chapter XIII, Discipline, in Section '48. Termination', of the Principal Rules,

for the words '48. Termination',

the word '48. PENALTY' shall be substituted. And for the words in the following para "The Controlling Authority may terminate the services of an employee in case it is found by a committee established by the Controlling Authority",

Amended by 14th Board of Management

the words "The Controlling Authority may penalise (including termination of service) an employee as it deems fit, in case it is found by a Committee established by the Controlling Authority" shall be substituted.

15. AMENDMENT OF CHAPTER XIV, MISCELLANEOUS

In Chapter XIV, Miscellaneous, after Section '53. Powers to Relax', of the Principal Rules,
a new section shall be added as follows:

“54. Amendments to the Rules:

Notwithstanding the above, the Board of Management of the Society shall have the power to amend, relax or alter the above rules & regulations as it deems fit.”

By Order etc.

No. NER/IFAD/II/RS-ADM-25

(Bijoy A. Sangma)
Asst. Programme Coordinator

Dated 11th December

CHAPTER I
PRELIMINARY

1. SHORT TITLE AND COMMENCEMENT

These regulations may be called the “The North Eastern Region Community Resource Management Society Service Regulations 2002. They shall be deemed to come into force with effect from 1st January 2002.

Amendment (vide decision of 14th Board of Management held on 10th December 2003):

These regulations may be called “The North Eastern Region Community Resource Management Society Service Rules & Regulations, 2002 (hereinafter referred to as the Principal Rules). They shall be deemed to come into force with effect from 1st January 2002.

2. APPLICATION

These regulations shall apply to every employee of the Society including those on deputations to the extent that they are not in contravention of the terms and conditions of their deputation.

3. DEFINITION

In this regulation unless the context otherwise implies:

- a) **Society** means The North Eastern Region Community Resource Management Society.
- b) **Board** means the Board of Management of the North Eastern Region Community Resource Management Society.
- c) **Chairperson** means the Chairperson of the North Eastern Region Community Resource Management Society.
- d) **Core Committee** means the committee constituted by the Board consisting of the Chairperson of the Society, the Planning Adviser and the Financial Adviser of North Eastern Council, and the Programme Co-ordinator and Development Strategist to take policy decisions for speedier execution of project activities.
- e) **Controlling Authority** means: in relation to the post of Programme Co-ordinator and Development Strategist, the Chairperson of the Society.
In relation to the other employees, the Programme Co-ordinator and Development Strategist.

Amendment(vide decision of 14th BoM held on 19th Sept 2003):

In relation to the post of Managing Director (formerly Programme Co-ordinator and Development Strategist re-designated *vide 24th Board of Management dated 20th January 2012*), the Chairperson of the Society.

In relation to the other employees, the Managing Director or his /her authorised person.

- f) Higher Authority* means the person to whom the employee directly reports to during regular official work.
- g) Employee on deputation* means an employee of any other organization whose services are obtained by the Society on deputation.
- h) Employee* means any person serving the Society on any post with regular emoluments; it includes those on fixed term basis and also those on deputation.
- i) Emoluments* mean the scale of pay and admissible allowances on the relevant date provided in Chapter V of the regulations.

CHAPTER II
STAFF CADRE

4. CATEGORY OF POSTS

The Society shall have two categories of posts: Professional Staff and General Service Staff.

Professional Staff

Project Co-ordinator and Development Strategist

Senior Professional Officer

Professional Officer-Scale II and Scale I

Junior Professional Officer-Scale II and I

General Service Staff

Senior Assistant

Assistant

Junior Assistant-Scale II and I

Driver

Attendant

1st Amendment (vide decision of 14th BoM held on 19th September, 2003):

Refer Para (3) of the 1st amendment

2nd Amendment (vide decision of the Core committee held on 28.2.12 ratified by 25th Board of Management held on 20th January 2012):

1. Managing Director

2. Senior Professional Officer

Directors,

Chief Technical Officer,

Coordinator (G&I),

Coordinator (NR),

and Project Managers

3. Professional Officer

Marketing Coordinator,

Project Technical Coordinator,

and Business Development Officer

4. Junior Professional Officer -2

Assistant Account Officers,

Communication Officer,

System Administrator,

Micro Credit Officer,

Institutional Development Organisers

and Natural Resource management Organisers

5. Junior Professional – 1

Assistant Project Officer and

Internal auditor

6. Senior Assistant

Secretarial Assistant (PSU)

7. Junior Assistant

Office Assistant (PSU)

Secretarial Assistant (DST)

Finance & Account Assistant (DST) and

Monitoring Assistant (DST)

8. Driver/Attendant

Drivers

Office attendants

Cleaner and

Security Guard

CHAPTER III RECRUITMENT

5. CADRE STRENGTH

A committee consisting of three Professional Staff with inputs from donors, NGOs and other external technical experts shall prepare a report on cadre strength requirement of the Society. This report shall also include qualification and experience, terms of reference and recommended pay scale in case it recommends recruiting additional staff. This report shall be submitted to the Board for review and approval. Based on this decision, actions shall be initiated to either recruit additional staff or to reduce the staff strength.

Amendment (**vide decision of 14th BoM held on 19th September, 2003**):

the words in heading "5. Cadre Strength" shall be substituted with the words "5. Cadre Strength/Creation of New Post".

6. RECRUITMENT PROCESS

The Society shall follow four steps to recruit staff on fixed term basis through direct appointment or through deputation after cadre strength is determined.

1. **Advertisement:** The Society shall advertise in at least three newspapers covering local, regional and national newspapers for recruitment of all Professional Staff. In case of General Service Staff recruitment advertisement shall be made in local and regional newspapers.
2. **Selection Committee:** The Programme Co-ordinator and Development Strategist shall form a selection committee with the approval of the Chairperson consisting of representatives from North Eastern Council, the staff of the Society and a technical expert from the government or NGO sector for selecting Professional Staff. The Programme Co-ordinator and Development Strategist shall form a committee consisting of Professional Staff from the Society to select General Service Staff.

Notwithstanding above, with prior approval of the Chairperson of the Society, the Programme Coordinator & Development Strategist may also invite such person(s) whom she/he may deem fit to be member(s) in the selection committee in addition to the Members mentioned above, whenever necessary."

- 3) **Interview:** The applications received through advertisement shall be analysed and a short-list of candidates for interview shall be prepared based on qualification and experience. The candidates called for interview for professional category of posts shall be paid travel costs and daily subsistence allowance as per the rules and regulations of the Society.

Amendment (**vide decision of 14th BoM held on 19th September, 2003**):

the words "The candidates called for interview for professional category of posts shall be paid travel costs and daily subsistence allowance as per the rules and regulations of the Society." shall be deleted.

- 4) **Selection:** The selection committee shall rate the candidates appearing for the interview and submit a panel consisting of two top ranking candidates in the order of merit to every post advertised. The candidates not considered fit for the job shall not be included in the panel even if they are ranked number two. The selection committee shall have powers to recommend higher basic salary within the scale approved for the post based on experience and qualification of the

candidate. The Controlling Authority shall issue appointment letter to the candidate/s topping the list. In the event of selected candidate not reporting to duty within one month of issuance of appointment letter or resigning from the post / terminated from the post within six months, the second ranking candidate shall be appointed.

Amendment (**vide decision of 14th BoM held on 19th September, 2003**):

“2) Selection Committee:

a. The Managing Director (formerly PCDS re-designated vide 24th Board of Management dated 20th January 2012) shall form a Selection Committee with the approval of the Chairperson as follows for selection of Professional Staff:

- 1. Representative(s) from North Eastern Council*
- 2. One staff members from the Professional cadre of NERCRMP*
- 3. One representative from one of the participating State Governments*
- 4. One Technical Expert*
- 5. Managing Director*

b. The Managing Director (formerly PCDS re-designated vide 24th Board of Management dated 20th January 2012) shall form a Selection Committee with the approval of the Chairperson as follows for selection of General Service Staff:

- 1. Representative(s) from North Eastern Council*
- 2. Two staff members from the Professional cadre of NERCRMP*
- 3. One Technical Expert*
- 4. Managing Director*

Notwithstanding above, with prior approval of the Chairman of the Society, the Programme Coordinator & Development Strategist may also invite such person(s) whom she/he may deem fit to be member(s) in the selection committee in addition to the Members mentioned above, whenever necessary.”

- 5) **Exceptions:** The Chairperson in consultation and approval from the donors and the Ministry of Home Affairs may undertake direct identification of a person for the post of Programme Co-ordinator and Development Strategist. Such person shall be an officer of Indian Administrative Service / Forestry Service or a well-known personality from the NGO or corporate sector. Appointment of such candidate to the post is subject to approval of the Donor.

Amendment (**vide decision of 14th BoM held on 19th September, 2003**): **“Exceptions:** The Chairperson in consultation and approval from the donors and the North Eastern Council / Ministry of Development of North Eastern Region may undertake direct identification of a person for the post of Managing Director (formerly Programme Co-ordinator and Development Strategist) as per the guidelines/provisions laid down in Project Appraisal Report.”

7. DIRECT RECRUITMENT

All appointments under the Society shall be on a fixed term basis. The period of assignment shall not be more than three years. The period of assignment may be renewed subject to satisfactory performance and approval of the Controlling Authority.

8. DEPUTATION OF AN EMPLOYEE

Persons working with the Central / State / Union Territory and the Public Sector shall be eligible to apply for posts advertised by the Society. Such persons would be eligible for accepting the scales indicated in the advertisement or seek protection of their earlier pay and draw project allowance.

Amendment (vide decision of 14th BoM held on 19th September, 2003) :

for the words “Such persons would be eligible for accepting the scales indicated in the advertisement or seek protection of their earlier pay and draw project allowance”.

the words “Such persons would be eligible for accepting the scales indicated in the advertisement or seek protection of their earlier pay and draw deputation allowance as per Central Government Deputation norms.” shall be substituted.

9. MINIMUM QUALIFICATION AND EXPERIENCE

Minimum qualification for the post of *Programme Coordinator and Development Strategist* shall be a Masters Degree in Agriculture and allied spheres including Economics, Finance and Development or MBA from a reputed institute (equivalent to IIMs and XLRI) or a member of the Indian Administrative Services/Forestry Service. Minimum fifteen years experience in management of development programmes is essential.

Masters Degree in the relevant field shall be the minimum qualification for the post of Senior Professional Officer with a minimum experience of 10 years.

Masters Degree with 5 years experience or Bachelors Degree with 10 years experience shall be the minimum qualification and experience for the Professional Officers.

Masters Degree with two years experience or Bachelors Degree with five years experience shall be the minimum qualification and experience for Junior Professionals Officers.

The qualification and experience for Senior Assistants shall be Bachelors Degree with five years of experience. For Assistants and Junior Assistants, Bachelors Degree shall be the minimum qualification.

The qualification and experience for the post of driver shall be a pass in the 7th grade and shall hold a valid light motor vehicle license with a minimum experience of two years. The minimum qualification for the post of attendant shall be 7th grade.

Women candidates will get preference subject to qualification and experience remaining the same.

1st Amendment (vide decision of 14th BoM held on 19th September, 2003):

Refer Para 4 (e) of 1st Amendment

2nd Amendment (vide 21st Board of Management held 4th May 2009) :

In Chapter- III, section 9, the words “a member of the Indian Administrative Service/ Forestry service” shall be read as “a member of the Indian Administrative Service/Indian Forest Service/ Central Service Gr. ‘A’”.

b) The words “Minimum fifteen years’ experience in management of development programmes is essential” shall be read as “Minimum fifteen years of experience in management of development programmes/economic administration and holding a post in the parent cadre with the Grade Pay of Rs. 8700/- are essential”.

c) The words “Master Degree in the relevant field shall be the minimum qualification for the post of Senior Professional Officer with minimum experience of 10 years” shall read as “Master Degree in the

relevant field with minimum experience of 10 years or Bachelors Degree in relevant field with 15 years of experience shall be the minimum qualification for the post of Senior Professional Officer”.

3rd Amendment (**vide 22nd Board of Management held on 9th Sept. 2010**) : For detailed recruitment rules, the terms of reference of employees of NERCORMP amended by 22nd Board of Management, held on 9th Sept. 2010, at appendix -1, shall be referred to.

10. AGE OF ENTRY

The maximum age limit for entry shall not exceed 50 years for the Managing Director (formerly PCDS re-designated vide 24th Board of Management dated 20th January 2013) and 45 years for other posts.

11. FITNESS

No person will be appointed to any post unless the selected candidate provides: (i) a certificate of sound health issued by a Medical Officer with postgraduate qualifications (MS or MD); and (ii) a relieving certificate issued by the previous employer in case of persons having previous experience.

CHAPTER IV

TENURE

12. PROBATION

Every person appointed to a post under the Society shall be on probation in such post for a period of six months. The Controlling Authority may in any individual case, for reasons to be recorded in writing, extend the period of probation. The extension of the period of probation shall not exceed one year. After expiry of the period of probation the service shall not be deemed to be confirmed, until expiry of further six months and unless specifically confirmed by the Controlling Authority. During the probationary period, the employee shall not be eligible for project allowance.

Where a person appointed to a post is found unsuitable for holding the post during the period of probation or has not completed her/his period of probation satisfactorily, the Controlling Authority may terminate her/his services at any time.

Amendment (**vide decision of 14th BoM held on 19th September, 2003**):

The words in First Para “During the probationary period, the employee shall not be eligible for project allowance”, shall be deleted.

13. FIXED TERM SERVICE

All employees of the Society shall be fixed term employees working on an assignment to assignment basis for implementation of time bound project activities.

14. TERMINATION OF SERVICE

The services of a fixed term employee may be terminated by the Controlling Authority, without assigning any reason, by issuing a notice of three months in writing to the employee or on payment of three months emoluments.

The services of a fixed term employee shall stand terminated on the expiry of the period of assignment unless the appointment is extended for a further period.

15. RESIGNATION

An employee may resign from the service of the Society by giving an **advance notice of three months** in writing addressed to the Controlling Authority or on payment of three months emoluments.

The Controlling Authority may if it deems proper in any special circumstances, permit an employee to resign from the service of the Society by a notice of less than **three months**. The resignation shall be effective from the date of its acceptance by the Controlling Authority.

Amendment (vide 17th Board of Management dated 16th November 2005):

“Advance notice of three months shall be read as advance notice of one and half months”

**CHAPTER VI
TRAVEL ENTITLEMENTS**

21. TRAVEL EXPENSES

The employee shall be eligible for reimbursement of actual travel expenses subject to submission of receipts and or tickets. Actual local conveyance expenses for internal travel within a city/town shall be paid based on a certified statement of expenditure submitted by the employee. The employee is eligible to use the cheapest available transport including taxi for local conveyance.

All domestic travel of the employees shall be subject to prior approval of the Controlling Authority. The Professional staff shall be eligible to travel by air in economy class or in second class air-conditioned train or by bus/shared taxi. In special circumstances, they shall be eligible to engage non-air conditioned taxi after obtaining approval from the Controlling Authority. The General Service Staff shall be eligible to travel by second class air-conditioned train or by bus/shared taxi.

The employees are eligible for travel by air on all international sectors. Travel shall be in economy class and most direct routing without unofficial stopovers. For unofficial stopovers, the employee shall bear the cost. Any international travel is subject to approval by the Chairperson/Board of the Society.

22. DAILY SUBSISTENCE ALLOWANCE:

National: The staff shall endeavour to find government accommodation where ever possible. All Professional Staff shall be eligible for daily subsistence allowance as below:

In New Delhi, Mumbai, Kolkata, Chennai, Bangalore and Hyderabad a maximum of Rs. 3500/- per day for overnight stay for lodge subject to submission of hotel bills and Rs. 500 per day for board shall be payable. If hotel bill for lodge is not produced a lump sum of Rs. 800/- shall be payable.

For all other state and union territory capitals a maximum of Rs. 1500/- per day for overnight stay for lodge subject to submission of hotel bills and Rs. 300/- per day for board shall be payable. If hotel bill for lodge is not produced a lump sum of Rs. 600/- shall be payable.

A maximum of Rs. 700/- per day for overnight stay for lodge subject to submission of hotel bills and Rs. 300/- per day for board shall be payable for all other cities and towns. If hotel bill for lodge is not produced a lump sum of Rs. 500/- shall be payable.

A lump sum of Rs. 200/- per day for overnight stay in project villages shall be payable.

For outstation travel without night halt exceeding 8 hours the employee shall be eligible for 75% of the amount allocated for board. No daily subsistence allowance shall be provided for travel of eight hours or less.

All General Staff shall be eligible for 75% of the daily subsistence allowances for Professional Staff.

1st Amendment (**vide 14th Board of Management held on 19th Sept 2003**):
Please refer Para 10 of 1st Amendment

2nd Amended (**vide 25th Board of Management dated 7th December 2012**):

TA/DA (daily subsistence allowance) of NERCORMP employees under different categories for travel within the country with effect from 1.3.13 shall be:

“Managing Director: Rs. 5000/- (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 500/- per day for board shall be payable. If hotel bill for lodge is not produced a lump sum of Rs. 1200/- shall be payable.

For Senior Professional officers : “Rs. 3500 (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 500/- per day for board shall be payable for all state and union territory capitals. If hotel bill for lodge is not produced a lump sum of Rs. 1000 shall be payable.

A maximum of Rs. 1000 (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 400 per day for board shall be payable for all other cities and towns. If hotel bill for lodge is not produced a lump sum of Rs. 600 shall be payable.

A lump sum of Rs. 200 per day for overnight stay in project villages (duty station district) shall be payable. If an Officer stays in a village outside his own duty station/District Rs. 400 per day for overnight stay shall be payable.

For outstation travel without night halt exceeding 8 hours the employee shall be eligible for 75% of the amount allocated for board. No daily subsistence allowance shall be provided for travel within his/her duty station.

For Professional officer and junior Professional Officers:

In New Delhi, Mumbai, Kolkata, Chennai, Bangalore and Hyderabad a maximum of Rs. 3500 (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 500/- per day for board shall be payable. If hotel bill for lodge is not produced a lump sum of Rs. 1000 shall be payable.

For all other state and union territory capitals a maximum of Rs. 1500 (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 400/- per day for board shall be payable. If hotel bill for lodge is not produced a lump sum of Rs. 800 shall be payable.

A maximum of Rs. 1000 (exclusive of taxes) per day for overnight stay for lodge subject to submission of hotel bills and Rs. 400/- per day for board shall be payable for all other cities and towns. If hotel bill for lodge is not produced a lump sum of Rs. 600 shall be payable.

A lump sum of Rs. 200 per day for overnight stay in project villages (duty station district) shall be payable. If an Officer stays in a village outside his/her own duty station/District Rs. 400 per day for overnight stay shall be payable.

For outstation travel without night halt exceeding 8 hours the employee shall be eligible for 75% of the amount allocated for board. No daily subsistence allowance shall be provided for travel within his/her duty station.

For General Service Staff: All General Service Staff shall be eligible for 70% of the daily subsistence allowances for Professional officers/Junior professional officers.

An enhancement up to 25% of the entitlement at the discretion of the Managing Director, approved by the 22nd BOM held on 9.9.2010, shall remain applicable”.

International: The United Nations prescribed daily subsistence allowance would be payable on all international travel based on the number of nights of stay. In case lodge is provided to the staff at the destination, the daily subsistence allowance shall be 50% of the regular amount and in the event of both board and lodge is provided; the employee shall be eligible for 25% of the daily subsistence allowance. In order to claim full DSA, the employee shall provide the hotel bills evidencing stay and payment.

23. DEATH OF EMPLOYEE

In the event of death of an employee, the Society shall repatriate the spouse and children (two) to their home station. The cost of sending mortal remains of the employee to the home station shall be paid by the Society. The travel entitlement of the spouse and children shall be equivalent to that of the employee.

Amendment (vide decision of Core Committee Meeting dated 28th February 2012 ratified by 25th BoM held on 7.12.12):

The words "In addition, one month full salary shall be given to the family of the deceased, as compassionate grant, over and above the salary the deceased would have earned" shall be added to Chapter VI section 23.

24. TRAVEL FOR MEDICAL TREATMENT

Payment of travel cost for medical treatment of employees and escort shall be decided on a case to case basis. The decision taken by a three member committee chaired by the Controlling Authority shall be final and binding on the employee.

25. TRAVEL ADVANCE AND SETTLEMENT

The employee shall be eligible for travel and daily subsistence allowance advance up to 90% of the estimated cost. This is subject to clearing the earlier travel and daily subsistence allowance advance taken by the employee. The employee shall submit the travel allowance bill within 15 days of completion of the travel. In the event of non-submission of the travel bill and clearing of travel advance within the stipulated period, such advance shall be deducted from the salary that falls due immediately thereafter.

CHAPTER VII
MEDICAL FACILITIES

26. A) MEDICAL REIMBURSEMENT

Medical expenses incurred for outdoor Medical Treatment or investigations for the employee or dependents may be reimbursed if the treatment has been carried out by or certified by an empanelled Medical Practitioner(s). Towards this end the Programme Support Unit will draw up a panel of General Practitioners and Specialists which should be approved by the Board of Management. Medical claims can be reimbursed only if the treatment has been carried out by any of the empanelled or referred by the later to a specialist.

B) MEDICAL INSURANCE

The Society shall cover all its employees and their dependent spouse and children (two) with group medical insurance subject to regulations of the insurance company concerned. The Society shall bear 50% of the premium and balance to be paid by the employees.

27. ACCIDENT INSURANCE

The Society shall cover all employees with group accident insurance subject to regulations of the Insurance Company. The sum assured shall be equivalent to two year's gross emolument of the employee.

CHAPTER VIII

LEAVE

28. KINDS OF LEAVE

Leave cannot be a matter of right on the part of the individual employee. Leave can be sanctioned, refused, deferred or revoked by the Controlling Authority depending on the requirements of the Society. The employee shall be eligible for Earned Leave, Casual Leave, Medical Leave and Maternity Leave.

Weekly Offs and Official holidays shall be allowed to be prefixed or suffixed to all leave with the exception of casual leave. The application for all leave except casual leave shall be submitted to the Controlling Authority at least two weeks prior to the date of commencement of leave.

An application for grant of leave on medical grounds should be accompanied by a medical certificate from a registered medical practitioner. The Controlling Authority may in its discretion waive the production of a medical certificate for leave up to one week.

An employee granted leave on production of medical certificate should produce a medical certificate of fitness from a registered medical practitioner before the employee is allowed to rejoin duty.

29. ABSENCE AFTER EXPIRY OF LEAVE

Unless the Controlling Authority granting leave extends the leave, the employee who remains absent after the end of leave is entitled to no emoluments for the period of such absence. Wilful absence from duty after the expiry of leave shall result in termination of the assignment within the framework of the service regulations.

30. RECALL TO DUTY BEFORE EXPIRY OF LEAVE

The Controlling Authority shall have the power to recall an employee to duty before the expiry of leave. Travel entitlements under the rules of the Society shall be applicable for the recall journey.

31. COMBINATION OF DIFFERENT KIND OF LEAVE

Any kind of leave under these rules except casual leave may be granted in combination with or in continuation with other kinds of leave.

32. LEAVE ADDRESS

An employee proceeding on leave shall intimate to the Controlling Authority her/his address during leave and shall keep the authority informed of any change in leave address.

33. EARNED LEAVE

The leave account of every employee of the Society shall be credited with 20 working days of earned leave in advance in two equal instalments on the first day of January and July each year. Earned leave could be accumulated up to a maximum of sixty days. Unused earned leave shall be carried forward in the event of extension of the period of assignment or can be adjusted to the notice period in case of resignation by the employee.

1st Amendment (**vide 14th BoM held on 19th Sept 2003**):

In Chapter VIII, Leave, in Section '33. Earned Leave', of the Principal Rules,

For the words "Earned leave could be accumulated up to a maximum of sixty days."

The words "Earned leave could be accumulated up to a maximum of 40 (Forty) days." shall be substituted.

34. CASUAL LEAVE

The employee shall be eligible for 7 working days of casual leave per year and shall not be carried forward. The official holidays and weekly holiday falling in between casual leave shall be considered as a part of the casual leave.

35. MEDICAL LEAVE

The employee shall be eligible for 15 days of medical leave for each year of service completed. Medical leave could be accumulated up to a maximum of thirty days. Unused medical leave shall be carried forward in the event of extension of the period of assignment.

36. MATERNITY LEAVE

Maternity leave may be granted to a female employee for a period, which may extend upto 90 days. Maternity leave may also be granted in case of miscarriages including abortion, for a period of 45 days. The application for maternity leave should be supported by a medical certificate. The female employees shall be eligible to avail this facility not more than twice during their service with the society.

1st Amendment (**vide 21st BoM held on 4th May 2009**):

"As NERCORMP has become a full-fledged NEC Project, it was approved by the BoM that NERCRMS may adopt the maximum admissibility in terms of no. of days and occasions in respect of maternity leave only, as applicable to central Govt. employees. At the same time, paternity leave as applicable to the central Govt. employees may also be made applicable to the NERCRMS employees, as per the minimum admissibility in terms of no of days and occasions, etc."

2nd Amendment (**vide Core Committee Meeting of NERCRMS held on 15.12.10 ratified 23rd BoM held on 23rd Sept 2011**):

"Maximum no. of days that can be availed on maternity leave, by NERCORMP staff, shall limited to 90 days and extendable by another 90 days on half pay in case the employee desires to avail the same"

3rd Amendment (**vide decision of the Core Committee held on 28th February 2013 to be rectified in the next Board of Management**):

The amendment in the following sections shall be effective *from 1st April 2013*.

"33. EARNED LEAVE

The leave account of every employee of the Society shall be credited with 20 working days of earned leave in advance in two equal instalments on the first day of January and July each year.

Earned leave (EL) can be accumulated up to a maximum of 60 days. Unutilized earned leave shall be carried forward in the event of extension of the period of assignment or may be adjusted with the notice period in case of resignation by the employee.

Accumulated EL of an employee exceeding 30 days shall be allowed for encashment upto 10 days (i.e. if an employee has 35 EL, he /she shall be allowed encashment of 5 EL) which shall be permissible once in a year. Employees will also be admissible for encashment upto a maximum of 45 days of EL out of available leave account, on discontinuation/expiry of the contract.

34. CASUAL LEAVE

The employees shall be eligible for 8 working days of casual leave per year and shall not be carried forward.

35. MEDICAL LEAVE

The employees shall be eligible up to 10 days of medical leave for each year of service completed and shall be credited in advance at the rate of 5 days on the 1st of January and 1st of July every year. Medical leave could be accumulated up to a maximum of twenty days. The application for Medical Leave should be accompanied by medical certificate issued by registered medical practitioner.

36. MATERNITY LEAVE

Maternity leave may be granted to a female employee for a period, which may extend up to 90 days. The application for maternity leave should be supported by a medical certificate. Female employees, with less than two surviving children and who have completed at least 1(one) year of service in the Project only, shall be eligible to avail this facility.

Maternity leave may also be granted in case of miscarriages including abortion, for a period upto 45 days in the entire service and admissible irrespective of number of surviving children.

36 (A). Paternity Leave

Employees of NERCORMP having less than two surviving children and who have completed at least 1(one) year of service in the Project shall be entitled to Paternity leave upto 10 days.”

37. COMPENSATORY LEAVE

The General Service Staff are eligible for compensatory leave in case they are required to work during official holidays and weekly off.

Amendment (**vide 14th Board of Management held on 19th Sept 2003**):

In Chapter VIII, Leave, in Section ‘37. Compensatory Leave’ of the Principal Rules, the section and the words “The General Service Staff are eligible for compensatory leave in case they are required to work during official holidays and weekly off”, shall be deleted.

CHAPTER IX
RETIREMENT AND OTHER BENEFITS

38. PROVIDENT FUND

All employees shall be entitled to the benefits of the Contributory Provident Fund as per Provident Fund Act.

39. GRATUITY

The rules related to payment of gratuity as specified in the Payment of Gratuity Act shall apply mutatis mutandis to all employees other than those on deputation. The Society shall arrange for gratuity insurance to ensure payment.

40. PENSION

Pension shall not be payable to the employees of the Society. However, the Society shall pay pension contribution in respect of persons on deputation depending upon the option exercised by the employee.

CHAPTER X

GENERAL CONDITIONS OF SERVICE

41. WORKING DAYS

The Society shall have five days of working from Monday to Friday with weekly off on Saturday and Sunday. This is as per NEC norms which are governed by Central Rules.

42. WORKING HOURS

The working hours of the Society shall be 9.00 Hrs to 17.00 Hrs with half an hour lunch break from 13.00 Hrs to 13.30 Hrs. Working hours, working days and holidays to be followed by the NERCRMP will be as per NEC norms.

43. OVERTIME

No employee shall be eligible to any compensation for overtime work as a provision for project allowance has been made in the emoluments. The employees may be required to work overtime as required by her/his higher authorities.

44. USE OF OFFICIAL VEHICLE

No vehicle shall be allotted to any employee other than the Managing Director **(Formerly Programme Coordinator and Development Strategist re-designated vide decision of 24th BoM held on 20th Jan 2012)**. All other vehicles shall operate on a pool basis. No other employee shall be eligible to use official vehicle for movement to and from the place of work to residence except in exceptional circumstances as decided by the Controlling Authority.

Amendment (**vide 14th Board of Management held on 19th Sept 2003**):

In Chapter X, General Conditions of Services, in Section '44. Use of Official vehicle', of the Principal Rules,

For the words "any employee other than the Programme Co-ordinator and Development Strategist".

The words "any employee other than the Programme Co-ordinator and Development Strategist and Asst. Project Coordinator", shall be substituted.

CHAPTER XI
**SPECIAL PROVISIONS ON TRAINING / WORKSHOP –SEMINAR/
EXPOSURE VISITS**

The regulations indicated below regarding training / workshop-seminar / exposure visits are designed only as a regulatory framework and do not indicate the entitlement of employees.

45. TRAINING

International Training Programmes: The Chairperson of the Board with the consent from the Donor has the authority to select persons for international training programmes. The training programme shall be for a maximum period of 90 days. Travel to and fro for the training shall be restricted to a suitable duration required for travel by the shortest route.

National Training Programmes: The Controlling Authority shall have the authority to select persons for the programmes based on the project's work programme. The training programme shall be for a period not exceeding 90 days. Travel to and fro shall be restricted to a suitable time required for travel by the shortest route.

46. WORKSHOP / SEMINAR

International Workshop / Seminar for staff to be funded by the project or through other external funding are subject to clearance by the Chairperson of the Board and also UNOPS/IFAD. The selected person shall be released for the duration of the Workshop/Seminar and suitable time for to and fro travel by the shortest route. The number of times that a person can attend such seminar / workshop shall be decided by the Controlling Authority keeping in mind the larger interest of the Project.

For national workshops/seminars the Controlling Authority shall have the authority to select persons. The duration shall be suitably covering the Workshop/Seminar duration and to and fro travel by the shortest route. The Controlling Authority shall have the discretion to nominate a person more than once a year provided it is in the larger interests of the Project.

47. EXPOSURE VISITS

International and National exposure visits to be funded by the project or through other external funding are subject to clearance by the Chairperson and also the Donor. The duration of the release of the selected person will be decided on the merit of the case and on the discretion of the Controlling Authority. The Controlling Authority will also have the discretion of deciding the number of times a person can be nominated for such exposures. The decision of the latter should be guided on the sole requirement of the Project and the Project work plan.

CHAPTER XII

CONDUCT

Every employee shall at all times maintain absolute integrity and devotion to duty.

- Every employee shall abide by and comply with the rules and regulations of the Society and all orders and directions of the higher authorities.
- Every employee shall extend utmost courtesy and attention to all persons with whom one has to deal with during the course of undertaking official duties.
- Every employee shall endeavour to promote the interest of the Society and shall not act in any manner detrimental thereto.
- No employee shall be allowed to take up any part-time work or other income generating activity.
- No employee of the Society shall take part in any unlawful activity and activities of a political party.

CHAPTER XIII
DISCIPLINE

48. TERMINATION

The Controlling Authority may terminate the services of an employee in case it is found by a committee established by the Controlling Authority that the employee has committed an act in contravention with the code of conduct indicated in the service regulations. In case of financial irregularities resulting in financial loss to the Society, legal remedies shall be invoked for recovery.

Amendment (**vide 14th BoM held on 19th Sept 2003**) :

For the words '48. Termination',

The word '48. PENALTY' shall be substituted.

And for the words in the following para "The Controlling Authority may terminate the services of an employee in case it is found by a committee established by the Controlling Authority",

The words "the Controlling Authority may penalise (including termination of service) an employee as it deems fit, in case it is found by a Committee established by the Controlling Authority" shall be substituted.

49. APPEALS AND REVIEW

The Board shall be the appellate authority. The Board may based on the appeal or on its own motion review any order of the Controlling Authority and pass such orders as it may deem fit in the circumstances of the case.

CHAPTER XIV
MISCELLANEOUS

50. AUTHENTICATION

All order and decisions of the Society shall be authenticated by the signature of the Controlling Authority or by such officer as may be specified by the Society in this behalf.

51. HOLIDAYS

The Society shall observe such holidays as are observed by the North Eastern Council at Shillong.

52. RESIDUARY CONDITIONS OF SERVICE

Any matter relating to the condition of service of an employee for which no provision is made in these regulations shall be determined by the Board.

53. POWERS TO RELAX

The Controlling Authority shall have the authority to make exceptions to the regulations pertaining to travel, participation in training, workshop and seminar, payment of daily subsistence allowance payable to the employees. The exceptions related to international travel are subject to approval of the Board of the Society.

Amendment (vide 14th BoM held on 19th September 2003):

In Chapter XIV, Miscellaneous, after Section '53. Powers to Relax', of the Principal Rules, a new section shall be added as follows:

“54. Amendments to the Rules:

Notwithstanding the above, the Board of Management of the Society shall have the power to amend, relax or alter the above rules & regulations as it deems fit.”

NORTH EASTERN REGION
COMMUNITY RESOURCE MANAGEMENT SOCIETY

A Project of International Fund for Agricultural Development (IFAD)
Under the Ministry of Home Affairs, Government of India

FINANCIAL REGULATIONS

INDEX

<u>Sl.No</u>	<u>Subject</u>	<u>Chapter</u>	<u>Page No.</u>
01	Short Title and Commencement	I	1
02	Definitions	II	1
03	Annual Work Plan and Budget	III	4

04	Management of Project Fund	IV	4
05	Delegation of Powers to Programme Coordinator & Development Strategist	V	5
06	Control of Expenditure	VI	6
07	Procurement of Goods, Works and Services	VII	7
08	Accounting System	VIII	8
09	Audit of Accounts	IX	9
10	General Principles of Financial Management and Control	X	9

Chapter I

SHORT TITLE AND COMMENCEMENT

In exercise of the power conferred under Rule 7 of the Memorandum of Association of the North Eastern Region Community Resource Management Society (NERCRMS), the Board of Management hereby formulates the following Financial Regulations of the Society.

1. The rule shall be called the Financial Regulations of the Society.
2. Those Regulations shall be deemed to have come into force from the date they are adopted by the Board of Management.
3. Any matter having financial implications and not covered under these Regulations, shall be decided by the Board of Management. In emergent circumstances, the Chairman, in consultation with the Financial Adviser of NEC and the Program Co-ordinator & Development Strategist shall decide. Such decisions shall be subject to ratification by the Board of Management.

CHAPTER II

DEFINITIONS

Unless and otherwise provided, the terms defined under the Rules of the Society under Clause 1 of the Memorandum of Association are adopted *mutatis mutandis* under these Regulations.

Unless there be anything repugnant to the subject or context, the terms which are defined below, have been used in these regulations in the sense explained here under:

1. **SOCIETY** means North Eastern Region Community Resource Management Society (NERCRMS).
2. **RULES** means rules of the North Eastern Region Community Resource Management Society registered along with the Memorandum of Association of the Society and may be modified from time to time in accordance with the procedures laid down in this regard.
3. **REGULATIONS** means the Financial Regulations of the Society framed under Rule 7 of the Rules of Association.
4. **OFFICER** of the Society for the purpose of these Regulations means
 - a) Chairperson
 - b) Programme Co-ordinator and Development Strategist (PCDS)
 - c) Assistant Programme Co-ordinator (APC)
 - d) Monitoring & Evaluation Officer (MEO)
 - e) Women's and Community Development Co-ordinator (WCDC) and
 - f) Finance-cum-Accounts Officer (FAO)¹ of the Society.

***Explanation 1:** Finance-cum-Accounts Officer (FAO): He/She shall (i) advise the PCDS about all financial, accounting and audit matters and shall act under his/her control, directions and guidance, (ii) shall supervise day to day work of budget, finance, audit and accounts in the office of the Society, (iii) shall inspect the accounts of each District Society and in any other place where the books of accounts of the Project funds are maintained and (iv) shall call for*

5. **COMMITTEES** for the purpose of these Regulations means

- a) *Procurement Committee*² means a Committee constituted by the Board of Management to scrutinize the tenders for procurement of goods, works and services as required for Project implementation.
 - b) *Research Advisory Council (RAC)* means a Committee constituted by the Board of Management to recommend proposals and suggestions for various adaptive research programmes including selection of research scientists and professionals for implementation of the Project.
 - c) *Equity Holding Committee*³ means a Committee constituted by the Board of management to recommend to the Regional Society proposals where the Regional Society can participate as a joint venture partner in community based non-farm enterprise in order to leverage and supplement credit funding.
6. **PROJECT** means the North Eastern Region Community Resource Management Project for Upland Areas.
7. **CO-OPERATING INSTITUTION**⁴ means the United Nations Office for Project Services (UNOPS)

Such information from any authority as may required for the preparation and sanction of budget estimates, preparation of annual accounts, requirement of reporting to different authorities and processing of the objectives raised by the Auditors. All matters concerning financial advice of the Society shall be referred to the Financial-cum-Accounts Officer.

Explanation 2: *Procurement Committee shall include the following members*

- i. *Programme Coordinator and Development Strategist* *Chairperson*
- ii. *Representative of research Advisory Council*
- iii. *Representative of North Eastern Council*
- iv. *Technical expert nominated by PCDS*
- v. *Financial-cum-Accounts Officer*

Explanation 3 : *Equity Holding Committee shall include the following members*

- i. *Programme Coordinator and Development Strategist* *Chairperson*
- ii. *Project Manager of concerned District Society* *Member*
- iii. *Representative from SIDBI*
- iv. *Representative from NABARD*
- v. *Financial-cum-Accounts Officer*

Explanation 4 : *UNOPS is the Co-operating Institution which is invested with the responsibilities set forth in Article 5 of the General Conditions applicable to loan and guarantee agreements (refer Attachment I in the Letter to the Borrower, 10th May 1999).*

8. **BANK** means any nationalized public sector bank in which the fund of the Society shall be kept in current/saving/fixed deposit account.
9. **FINANCIAL YEAR** means the year beginning on the first day of April of the calendar year and ending on 31st March of the following calendar year.
10. **ANNUAL WORK PLAN AND BUDGET (AWPB)** means annual work plan and budget of the Project including the AWPB of the Regional Office, Districts Societies, Community based organizations and other participating agencies financed under the Project.
11. **DISTRICT SOCIETY (DS)** means each society registered under the Society Registration Act in different districts of the North Eastern Region with which a Memorandum of Understanding is signed for the purpose of implementing the Project.
12. **VILLAGE DEVELOPMENT COMMITTEE (VDC) OR COMMUNITY BASED ORGANISATION (CBO)** or equivalent in the local language means various groups / committee constituted in the village with the members of the village community, for participation in natural resource and credit management interventions and other development activities of the Society.
13. **PROJECT PARTNERS** means all registered Bodies / Government Institutions which enter into agreement with the Society / District Societies for the purpose of implementing the objectives of the Project.
14. **PROJECT FUND** means the fund whether grant-in-aid or otherwise received for the implementation of the Project.
15. **FUNDING AGENCY** means IFAD for the purpose of this Project or any agency which enters into a Memorandum of Understanding with the Society to finance implementation of any Project within the framework of the objectives of the Society.
16. **LOAN AGREEMENT** means the agreement signed between THE REPUBLIC OF INDIA and THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT dated 20th May 1997.

CHAPTER III

ANNUAL WORK PLAN AND BUDGET

The Annual Work Plan and Budget (AWPB) of the Project shall evolve through a participatory process from the village level and incorporate lessons learned from the feedback received through Monitoring & Evaluation. The AWPB shall adopt the budget detailed in the Appraisal Report prepared by the funding agency.

At the primary level, the Village Development Committees (VDC) / Community Based Organisations (CBO) shall prepare the 'Village AWPB' based on the plans of the community. The District Society (DS) will assist the VDC/CBO in preparation of the Village AWPB. The VDC/CBO will forward this to the District Society after its approval. The Village AWPB shall reach the DS before the last day of the calendar year.

At District level, the approval AWPB of all the participating village shall be consolidated along with the plan and budget of the DS. The DS shall forward the 'District AWPB' to the Society before 15 January every year after it is approved by its Board of Management.

At the Society level, the AWPB of all the Districts shall be consolidated along with its own AWPB. The AWPB shall be forwarded to NEC/IFAD/UNOPS before the last day of February every year for review and comments. The final AWPB will be presented to the Board of Management of the Society for consideration and approval before 31st March. At every stage, a higher level body shall not revise the AWPB approved by a lower level entity without due consultation.

The AWPB shall incorporate the physical and financial targets for the fiscal year and shall detail the methodology for implementation, time frame, performance indicators, assumptions and risks. The AWPB shall be disaggregated into quarterly plans and budgets to facilitate effective monitoring and financial management.

CHAPTER IV

MANAGEMENT OF PROJECT FUND

1. The management of the Project Fund shall be done as per the terms and conditions of the Loan Agreement and as per the Memorandum of Understanding signed between the Society and the Funding Agency.
2. The Project Funds once received shall be deposited with the Society's Bank Account called the 'Regional Project Account' opened in the designed nationalized banks. The Programme Co-ordinator and Development Strategist (PCDS) and the Finance-cum-Accounts Officer (FAO) of the Society shall jointly operate this bank account. During the long absence of PCDS or FAO from the headquarters, any officer duly authorized in writing by PCDS can jointly operate this bank account. The Regional Project Account shall be subject to monthly reconciliation and periodic audit.
3. The Society shall release funds to the District Societies and other Project Partners, and the District Societies shall release funds to the Community Based Organizations accordingly to the approved AWPB and within the framework of the MOU with the partners, taking into account certain minor modifications that the situation in the field and the CBOs may require.

CHAPTER V

DELEGATION OF POWERS TO PROGRAMME COORDINATOR AND DEVELOPMENT STRATEGIST

By Virtue of Rule 8 of the Memorandum of Association of the Society, the Board of Management may delegate the following powers for conduct of business to the Programme Co-ordinator and Development Strategist. This delegation however, is subject to periodic review by the Board of Management and the Funding Agency and / or its Co-operating Institution.

FUNCTIONAL POWERS

1. The PCDS shall be the Chief Executive Officer of the Society for day-to-day management of its affairs subject to the terms and conditions specific by the Board of Management of the Society.
2. He/She shall have the power to accept Grants, gifts, Donations and Subscriptions whether in cash or securities and any property either movable or immovable in furtherance of the objects of the Society; he/she shall account for the same by suitable documentation.
3. He/She shall have the power to execute 'Memorandum of Understanding' (MOU) with Project partners to perform specific activities in furtherance of the objects of the Society and release funds required for the performance of such tasks mutually agreed to.
4. He/She, with the prior approval of the Board of Management, shall have the power to sell, lease, exchange and otherwise transfer all or any property of the Society.
5. He/She shall have the power to invest the surplus funds of the society in short / medium term deposits with any nationalized bank with the approval of the Chairman and without affecting the day-to-day functioning of the Society.
6. With specific delegation of the Board, the PCDS may appoint persons to vacant posts, he may terminate the service of any employee of the Society with the prior approval of the Board of Management.
7. He/She shall arrange for the statutory audit of the accounts of the Society by the auditors appointed by the Board of Management.
8. He/She shall have the powers to sign all deeds and documents on behalf of the Society with the approval of the Chairman.
9. He/She shall sue or be sued and defend the Society in all legal proceedings.

10. He/She shall have the power to sign with seal any documents that needs authentication by the Society.
11. He/She shall have the power to hire consultants relating to technical, scientific, financial, managerial and legal matters subject to the recommendation of various committees / Officers a specific.
12. He/She shall do such other lawful acts as may be necessary for the achievement of any of the objects of the Society with the approval of the Chairman which shall be ratified in the next meeting of the Board of Management.

FINANCIAL POWERS FOR DISBURSEMENT

By virtue of Rule 8 of the Memorandum of Association of the Society, the Board of Management may delegate the following financial powers for disbursement to the Programme Coordinator and Development Strategist. These powers shall be subject to the fulfillment of conditions stipulated in the agreement signed with the Funding Agency and exercised within the framework of the approved AWPB. This delegation however is subject to periodic preview by the Board of Management and the Funding Agency and / or its Co-operating Institution. The PCDS shall delegate any part of the financial power to any officer of the Society through a written memorandum if he / she is absent from the headquarters of the Society for more than one week. However, the responsibility for regularity and propriety of such delegation shall remain with him / her.

1. He/She shall have the power to release funds to the Project Partners subject to the fulfillment of conditions stipulated in the Loan Agreement.
2. He/She shall have the power to disperse payments towards the procurement of goods, works and services subject to fulfillment of procurement procedures as detailed in Chapter VII.
3. He/She shall have the power to release funds to cover the recurring costs incurred by the Society in day to day affairs subject to rules framed from time to time covering various items under recurring costs and within the framework of Staff Service Rules and terms of appointment.
4. He/She shall have the power to make payment towards equity holding within the framework of the approved AWPB and the recommendation of the Equity Holding Committee.
5. He/She shall have the power to make advance payment where required within the framework of the approved AWPB and the rules and regulations governing staff.
6. He/She shall have the power to make payments towards any other item of costs not covered under the above delegations of power, within the approved AWPB.

Any decisions by the PCDS approving reasonable and minor variations from the approval AWPB shall be cleared by the Funding Agency and / or its Co-operating Institution and placed before the Board of Management for ratification within three months.

CHAPTER VI

CONTROL OF EXPENDITURE

1. Adequate controls on project expenditure shall be exercised in accordance with requirements of the Funding Agency.
2. With regard to the **North Eastern Region Community Resource Management Project for Upland Areas**, the General Guidelines covering expenditure as outlined in the Appraisal Report (Implementation Edition) Volume I & II shall be respected; however due modifications may be made from time to time as recommended by IFAD and / or UNOPS and North Eastern Council.

CHAPTER VII

PROCUREMENT OF GOODS, WORKS AND SERVICES

- (a) The procurement of goods, services and works shall be subject to the conditions of the funding agency and the decisions of the Board of Management. In case of IFAD assisted NERCRMP for Upland Areas, the procurement of goods, services and works shall be subject to the conditions detailed in Schedule 3 of the Loan Agreement signed between the Government of India and IFAD dated 20th May 1997 and the Procurement Rules of IFAD and UNOPS.
- (b) Within the framework of the Agreement with the funding agency for the procurement of goods, works and services, the following procedures shall be adopted to streamline the procurement process:
 - (i) Each purchase contract exceeding the value of Rs. 100,000 shall be scrutinized by the Procurement Committee.
 - (ii) Each purchase shall be in accordance with the approved Annual Work Plan and Budget. Any purchase beyond the approval AWPB shall be effected with the approval of the Chairman subject to ratification by the Board of Management within three months of such an action. The funding agency and its Co-operating Institution shall be informed of such an action within a month of the decision.
 - (iii) Annual requirement of goods shall be bulked together to achieve the benefit of bulk buying competitiveness.
 - (iv) In case of sophisticated equipment/works requiring a high level of technical expertise, the society may engage the services ,of a suitable expert for advise.
 - (v) Procurement of technically complex goods or services above Rs. 10 Lakhs shall follow the ‘two-envelope’ system, by which technical bids should be evaluated and short listed before opening the financial bids.
 - (vi) Scaled tender system i.e., inviting tender by public advertisement shall be followed for any purchase contract exceeding Rs. 1 lakh.
 - (vii) Limited tender System i.e. inviting tender from limited number of reputed firms (at least 3) shall be followed for each purchase contract for Rs. 1 lakh or less.
 - (viii) Single Tender System i.e. invitation to one single firm only shall be adopted in respect of items which are certified as propriety items. In all such cases, an independent technical advisor shall be contracted to tender professional advice to the Society.

- (ix) No tender or quotation shall be required for any purchase of store/items not exceeding Rs. 10,000/- ; these purchases may be approved by the PCDS.
- (x) Value of store/items to be purchased shall not be split so as to exercise the delegated powers.

Procedures for Receipt and Custody of Store

A responsible officer shall certify the receipt of each item of purchase after diligent inspection in terms of quality and quantity with reference to the purchase order. Items procured will be brought to stock within a day of receipt. Such items shall be kept under physical custody and under proper security. Each issue of such item shall be regulated under an authentic approval of any officer. Each receipt and issue shall be recorded and closing balance of each item shall always be recorded immediately after receipt and issue. Quarterly stocktaking and annual audit shall be conducted to ensure accuracy and to detect discrepancy if any and to report thereof to the PCDS.

CHAPTER VIII

ACCOUNTING SYSTEM

1. **SCOPE:** Standard accounting procedures shall be followed to record each receipt and payment assets and liabilities of the Society.
2. **PRINCIPLES:** Double Entry System of Book Keeping shall be adopted on accrual basis of accounting.
3. **FINANCIAL ACCOUNTING SYSTEM:** The accounting system shall reflect faithfully AWPB and shall be fully computerized. It shall be integrated with Computerised Project management system (CPM) to be developed by the Monitoring and Evaluation Agency.
4. **BOOKS OF ACCOUNTS**
The following books of accounts shall be properly maintained:-
 - (a) Cash and bank Book
 - (b) Journal Book
 - (c) General Ledger and Subsidiary Ledger
 - (d) Assets Register
 - (e) Store/Stock Ledger
 - (f) Attendance Register
 - (g) Vehicle Log Book
 - (h) Telephone / Fax Register
 - (i) Postage Stamp Register
 - (j) Any other record or register as suggested by the auditors from time to time.
5. **HEADS OF ACCOUNTS:** The different Heads of Accounts financed by the Society shall be in accordance with the requirements of the funding agency. With regard to **North Eastern Region Community Resource Management Project for Upland Areas**, the accounting system shall conform to Tables 1 to 16 of Annexure I 9Appendix 3) of the Appraisal Report (Volume II) as well as to Schedule 2 of the Loan Agreement. Addition Heads of Accounts of Accounts like Depreciation, Assets / Liabilities shall be maintained in conformity with accounting requirements.
6. **PREPARATION OF ACCOUNTING REPORTS:** The following reports shall be prepared as required:-

Sl.No.	Name of the reports	Frequency of Publication
---------------	----------------------------	---------------------------------

- | | | |
|----|---|---------------------------------------|
| 1. | Statement of Receipt and Payment | Bi-Monthly, half yearly and annually. |
| 2. | Statement of Income and Expenditure | Annually |
| 3. | Statement of Assets and Liabilities | Annually |
| 4. | Other Statement (as required by Govt.) | |
| | of India/IFAD/UNOPS and other agencies) | As frequently as required |

CHAPTER IX

AUDIT OF ACCOUNTS

1. **INTERNAL AUDIT:** With the prior approval of the Board of Management of the Society the PCDS shall appoint a Chartered Accountant firm to conduct periodic internal audit of accounts of the Society. All such audit reports and compliance thereof with further observation/comments by the auditors shall be submitted to the PCDS and to the Board of Management for review.

2. **STATUTORY AUDIT:** The Statutory Auditor shall be appointed by the Board of Management to conduct statutory audit of the Books of Accounts of the Society for each financial year. A reputed Chartered Accountant firm companelled with the Comptroller & Audit General of India shall be contracted to conduct the audit. The audit shall be organized in such a manner that it shall be completed in all respects for submission to the Govt. of India / IFAD / UNOPS and other bodies as per requirements latest by the end of September every year. Such reports shall be presented at the Annual General Body Meeting of the Society.

3. **FINANCIAL REVIEW:** Necessary inputs, apart from those specific in these regulations, as and when required, will be provided to the Secretary NEC, the authority obtaining the Grants-in-Aid from the Consolidated Fund of India for the project through the Society.

CHAPTER X

GENERAL PRINCIPLES OF FINANCIAL MANAGEMENT AND CONTROL

1. In exercising his/her responsibilities, each officer of the Society shall strictly adhere to these regulations for optimum use of resources of the Society and to safeguard the Society's funds against injudicious spending, wastage, misuse or misappropriation.

2. All transactions involving cash, stores, other properties, rights, privileges and concessions, which have monetary value, should be brought to account under proper head of accounting. Each officer of the Society is personally responsible for the money, which passes through his/her hands and for proper record of receipt and payments as well as for the correctness of the amount in every respect.

3. No officer shall incur expenditure or enter into any liability involving expenditure or transfer of money or investment of deposits from the Society's account unless such expenditure or transfer has been sanctioned by general or special orders of the appropriate authority.

4. No money shall be drawn from the bank unless it is required for immediate disbursement.

5. Every officer shall exercise prudence while incurring expenditure from the Society's funds, as a person of ordinary prudence would exercise in spending his own money.

6. No authority shall authorize expenditure that will be directly or indirectly to his/her own advantage.
7. The fund of the Society shall not be used for the benefit of a particular person or a section of persons unless (a) a claim of the amount could be enforced in a law or (b) the expenditure is in pursuance of a recognized policy.
8. Any allowance should be so regulated that the allowance is not on the whole a source of profit to the recipient but an adequate compensation for the purpose intended.
9. The cash retained with the office at any given time shall not exceed Rs. 20,000 unless demanded by the circumstances and with specific authorization of the PCDS, and in his absence by the FAO.
10. The money paid from the fund of the Society will be accounted for daily.
11. The bank balance of the Society, on completion of every calendar month shall be reconciled within a week and the difference, if any, shall be settled promptly.
12. The Finance-cum-Accounts Officer of the Society shall be responsible for exercising general supervision over the funds of the Society and also shall render advice to the Society as regards its financial policy and management.
13. Every officer of the Society shall provide reasonable facilities to the auditors for smooth discharge of their functions and shall furnish all possible information as required for preparation of any accounts and reports. Every officer will promptly attend the queries and observations of Auditors as and when required. No information, books or documents shall be withheld from the Auditors as and when required by them.

****END****