

State Employment Guarantee Fund under National Rural Employment Guarantee Scheme –  
Replacement of public account with a non-lapsable bank account.

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Rural Development and Panchayat Raj (CGS.1) Department

G.O.(Ms) No.68

Dated: 13.5.2008

Read:

1. Tamil Nadu Govt. Gazette Extraordinary No.35, dt. 3.2.2006.  
(G.O.(Ms) No.11, R.D.(CGS.1) Dept., dt. 3.2.2006)
2. G.O.(D) No.204, R.D.(CGS.1) Dept., dt. 29.3.2006.
3. G.O.(D) No.533, R.D.(CGS.1) Dept., dt. 8.9.2006.
4. G.O.(D) No.635, R.D. & P.R (CGS.1) Dept., dt. 1.11.2006.
5. G.O.(Ms) No.169, R.D. & P.R (CGS.1) Dept., dt. 5.10.2007.
6. G.O.(Ms) No.192, R.D. & P.R (CGS.1) Dept., dt. 26.11.2007.
7. G.O.(D) No.739, R.D. & P.R (CGS.1) Dept., dt. 3.12.2007.
8. Secretary to Government of India , Ministry of Rural Development  
D.O. Letter No.12011/9/2007 – NREGA, Dated 19.3.2008.

**ORDER**

In the reference 1<sup>st</sup> read above, the Government had established the Tamil Nadu State Employment Guarantee Fund in consonance with sub-section (1) of Section 21 of the National Rural Employment Guarantee Act, 2005 for the purposes of implementation of the NREG Act, 2005. The Government in the orders 2<sup>nd</sup> to 7<sup>th</sup> read above, had issued orders for the creation of a public account for release of State share of funds and regarding certain procedures for the operation of National Rural Employment Guarantee Scheme funds.

2. Section 32 (1)&(2) of NREG Act, 2005, envisages making rules in consonance with the Act and the rules made by the Central Government to carry out the provisions of the Act. Accordingly the Government of India has issued National Employment Guarantee Fund Rules, 2006. As per Section 5(8) of these Rules, "the State Employment Guarantee Fund shall be maintained in a separate bank account which shall be non-lapsable".

3. In consonance with National Employment Guarantee Fund Rules, 2006, the Government hereby order that in supersession of the Government Orders 2<sup>nd</sup> to 7<sup>th</sup> read above the State Employment Guarantee Fund established in the reference first read above be maintained in a designated Savings Bank account opened in a Nationalised Bank exclusively for the Scheme and the same shall be non-lapsable. The account shall be in the name of the Tamil Nadu State Employment Guarantee Fund. The Director of Rural Development and Panchayat Raj will operate this bank account as per the rules to be notified for the operation of the fund.

4. The share of the State Government for the Scheme shall be met from the following Head of Account:

"2505-Rural Employment – 01.National Programmes – 800. Other Expenditure – Schemes in the Eleventh Five Year Plan – II. State Plan – JA. National Rural Employment Guarantee Act – 09. Grants-in-aid – 03.Grants for Specific Schemes. (DPC 2505-01-800-JA-0939)."

5. This order issues with the concurrence of Finance Department vide its U.O.No.1406/FS/P/08, dated: 8.5.2008.

(By order of the Governor)

**K. ASHOK VARDHAN SHETTY**  
SPECIAL COMMISSIONER & SECRETARY TO GOVERNMENT