

**BROAD PRAMETERS PERTAINING TO FUND FLOW MECHANISM AND FINANCIAL PROCEDURES FOR ADOPTION BY FDAs.**

- (a) The funds received by the FDA from NAEB shall be deposited in their exclusive and separate current account in a Nationalised Bank, which would be operated jointly by its Chairperson and the Member Secretary.
- (b) The FDA shall release the amount earmarked for all JFMCs/ EDCs by demand draft within 15 days of receipt of funds from the NAEB, MoEF based on the fund requirement, progress of implementation and utilisation of earlier releases.
- (c) The respective JFMCs/ EDCs shall deposit the funds thus received from the FDA in their exclusive and separate account in a Nationalised Bank/ a Cooperative Bank or a Post Office, which would be singly operated by its Member Secretary, i.e., the concerned Forest Block Forest Officer/ Forester.
- (d) Each JFMC/ EDC shall submit a quarterly statement of accounts and progress of works carried out by them to the FDA.
- (e) The FDA shall submit a comprehensive annual report on the progress of works and utilisation of funds in respect of all JFMCs/ EDCs to the respective State Forest Department and the NAEB, MoEF. However, these details have to be furnished by the FDA each time they seek for release of the next instalment of funds under the project.
- (f) The Project shall be implemented in the areas as indicated in the project proposal and approved by the NAEB, MoEF.
- (g) The interest amount accrued on the deposits of these funds shall be treated as part of the FDA's additional resources and would be adjusted towards further instalments of the grant.
- (h) The funds released under the scheme shall be subject to audit by the Comptroller and Auditor General of India or his nominated officer. Any other agency/ officer (s) authorised by NAEB shall have the right of access to the books and accounts of the FDA/ JFMCs and EDCs for the funds received under the project.
- (i) The FDA shall be responsible for guidance, coordination, supervision, periodical reporting and monitoring the implementation of the project by their constituent JFMCs/ EDCs.
- (j) The project shall be monitored periodically by the respective State Forest Department and the officials of NAEB, MoEF and all assistance for this purpose will be rendered by the FDA.
- (k) The project should be completed within the approved project period. The FDA shall furnish 2 copies of detailed report through the PCCF to NAEB as per the format prescribed by NAEB within two months of completion of the project.
- (l) NAEB reserve the right to terminate the grant at any stage if it is convinced that the grant has not been properly utilised or appropriate progress has not been made.
- (m) In case the FDA fails to execute the project within the stipulated time, including such extensions as may be granted by NAEB, NAEB may, in its discretion, require

the FDA to refund the grant in whole or in such part along with interest thereon as NAEB may specify.

- (n) There will be no diversion of funds from one JFMC/ EDC to another save in exceptional circumstances and with the prior approval of NAEB.
- (o) The FDA will submit non-diversion and non-embezzlement certificate each time a request for release of grant is made to NAEB.
- (p) The auditing of accounts of the FDA will have to be carried out through a reputed Chartered Accountant who is also on the panel of C&AG.
- (q) The FDA also submit a certificate to the effect that all conditions laid down in the guidelines and the sanction order are being followed each time a request for release of grant is made to NAEB.
- (r) FDA/ JFMCs will maintain a record of all assets created under the project as per GFR 151.
- (s) Contractors / middlemen/ intermediate agencies are not permitted to be engaged for execution of any of the works under the scheme so that full benefit of wages to be paid reach the workers.
- (t) Except for supervening impossibilities, the Chairperson and the Member Secretary of the FDA shall be solely responsible and accountable for successful implementation of the project.

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