

GOVERNMENT OF ASSAM



**ASSAM RURAL INFRASTRUCTURE AND
AGRICULTURAL SERVICES SOCIETY
(ARIAS SOCIETY)**

**MEMORANDUM OF ASSOCIATION
(As Amended in March 2012)**

AND

**RULES OF BUSINESS
(As Amended in March 2012)**

AND

**BYLAWS
(As Amended in March 2012)**

**Project Coordination Unit
Agriculture Campus,
GS Road, Khanapara, Guwahati 781022, Assam (INDIA)
Tel. 0361 2332125; Tele-fax. 2332564
website: www.arias.in; email: spd@arias.in**

INDEX

	<u>Page Number</u>
Memorandum of Association	2 to 5
Background	
Key Modification	
1. Title	
2. Registered Office	
3. Purposes and Objectives	
4. Functions	
5. Assets	
6. Power of the Government	
7. Dissolution	
8. Management of the ARIAS Society	
Signatures	
 Rules of Business	 6 to 14
1. Short title, Extent and Commencement	
2. Definitions	
3. Management and flow of funds to the Society	
4. Project Guidance Council (PGC)	
5. Powers and Functions of the Project Guidance Council	
6. Meeting of the Project Guidance Council	
7. Governing Body (GB)	
8. Meetings of Governing Body	
9. Power and functions of Governing Body	
10. Powers and Functions of the Chairman, GB	
11. Sanction Sub-committee of Governing Body	
12. Powers and Functions of the State Project Director, ARIAS Society	
13. Officers Staff and Contractual Personnel of PCU	
14. Interpretation	
 Bylaws	 15 to 20
1. Short Title , Extent And Commencement:	
2. Abbreviations:	
3. Financial Aspects:	
4. Preparation And Approval Of Awp & Issuance Of AA :	
5. Sanction Procedure:	
6. Fund Release Procedure:	
7. Sanctions and Expenditures of the PCU, ARIAS Society :	
8. Audit and Accounts :	
9. Guidelines :	

MEMORANDUM OF ASSOCIATION

Background

- Assam Rural Infrastructure and Agricultural Services Project (ARIASP) Society came into existence on October 23, 1998 and after being Notified by the Government of Assam vide No. AGA. 124 /98 / 44 dated 15-10-1998.
- ARIASP Society, was the 'Project Implementation Unit (PIU)' for the World Bank financed Assam Rural Infrastructure and Agricultural Services Project (ARIASP) and was responsible for coordination and monitoring implementation of the Project as an apex State Level body ARIASP was closed on June 30, 2004 and a follow-on Project, with World Bank assistance called ' Assam Agricultural Competitiveness Project' (AACP) became effective on February 24, 2005 which is to be implemented till December 31, 2009. Assam Government notified vide No.AGA.400/2004/3 dated 04-10-2004, the ARIASP Society created vide notification No.AGA.124 /98 / 44 dated 15-10-1998 would act as the 'Project Coordination Unit' (PCU) of the AACP.

Since the World Bank financed Project 'ARIASP' was closed on June 30, 2004, the 'ARIASP Society' hereinafter is now called 'Assam Rural Infrastructure and Agricultural Services (ARIAS) Society', briefly 'ARIAS Society'.

Key Modification: "ARIAS Society will function as an apex autonomous body of the Government of Assam for monitoring, coordination **and/or implementation** of World Bank or any other externally financed/aided Projects **or other Projects of any department** as may be authorized by the Government of Assam from time to time."
(Instead of World Bank or any other externally financed Project as per the existing MOA)

The Memorandum of Association (MoA) of the ARIAS Society shall remain amended as provided hereunder-

1. **Title:** The name of the society shall be 'Assam Rural Infrastructure and Agricultural Services (ARIAS) Society' i.e. herein after referred as 'ARIAS Society'.
2. **Registered Office:** The registered office of the 'ARIAS Society shall be located in the Agriculture Campus, GS Road, Khanapara, Guwahati-781022, Assam.
3. **Purposes and Objectives:**
 - The ARIAS Society originally created vide Government notification No. AGA. 124/98/44 dated 15-10-1998, shall function as an apex autonomous body of the Government of Assam for monitoring, coordination and/or implementation of World Bank or any other externally financed/aided Projects or other Projects of any department as may be authorized by the Government of Assam from time to time.

- Primarily, ARIAS Society will focus on carrying out activities as laid down in the individual Project Report of the Projects taken up or to be taken up by the State Government with World Bank or other external finance/aid or financed/aided by any other source and as may be authorized by the State Government. Specifically, the basic objective of the ARIAS Society is to take up activities and make investments through various implementing agencies/ line departments of the State Government for achieving the development objectives of the individual World Bank or any other externally financed/aided Projects or other Projects of any department, as may be authorized by the Government of Assam from time to time.

4. **Functions: The functions of ARIAS Society shall be:**

- a. to take/undertake all actions/activities that may be necessary for implementation of “World Bank or Externally financed/aided Projects or other Projects of any department as may be authorized by the Government of Assam”, herein after also called as “Projects”, in particular for achievement of the development objectives of individual Projects;
- b. to create duly empowered management mechanism, through participation of/collaboration with various government departments and autonomous bodies/ educational institutions including NGO’s etc., as may be deemed necessary for achievement of development objectives of the Projects, as may be authorized by the Government of Assam
- c. to establish an appropriate coordination and monitoring mechanism at the district, sub-division, block, village and Panchayat levels and to delegate appropriate powers to such bodies as may be necessary for implementation of the Projects, as may be authorized by the Government of Assam from time to time;
- d. to undertake innovative initiatives in areas related to Projects, as stated in the relevant Project Reports or as recommended by the Review Missions of the Project Funding Agencies or as may be directed by the Government of Assam;
- e. to create technical, administrative and other posts considered necessary for implementation of the individual Project in the Project Coordination Unit (PCU) of the ARIAS Society, and to retain such posts in the PCU and to make payments for the same, pursuant to provisions in this regard in the Rules of Business of ARIAS Society. The creation of such posts, however, shall be as per stipulations of the Project Report of each individual Project, and such Project Reports duly approved by the Government of Assam.
- f. to make rules and regulations and Bye laws, not inconsistent with the Memorandum of Association in conduct of activities of the ARIAS Society and its affiliates;
- g. to accept grants of money, securities of property and to undertake and accept management of any endowment consistent with the object of the individual Projects;
- h. to prepare annual reports, monthly, quarterly and annual accounts of ARIAS Society;

- i. to purchase, hire, dispose through formal auction, take on lease, exchange or otherwise acquire property both movable and immovable, in pursuance of objectives of individual Projects and that of ARIAS Society;
 - j. to commit expenditure as received from Government or any other source in pursuance of individual Projects and that of ARIAS objectives; and
 - k. to take all such actions, including those not mentioned above, as may be necessary for or incidental to the achievements of development objectives of Projects and that of ARIAS Society.
5. **Assets:** The income and property of ARIAS Society, howsoever derived, shall be applied towards promotion of the objects thereof as set forth in the Memorandum of Association; subject nevertheless, in respect of the expenditure of the grants made by the Government of Assam, to such limitations as the Government of Assam may from time to time impose. No portion of the income and property of ARIAS Society shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise to the persons who at any time have been members of the ARIAS Society or to any of them or to any person claiming through them provided that nothing herein contained shall prevent payment made as remuneration to any member thereof or other persons in return for any services rendered to ARIAS Society.
 6. **Power of the Government:** The Government of Assam may appoint one or more persons to review the work and progress of ARIAS Society, and to hold enquiries into the affairs thereof and to report thereon in such manner as the Government may stipulate. Upon receipt of such report, the Government may take such action and issue such directions, as it may consider necessary in respect of any of the matters dealt with in the report. The ARIAS Society shall be bound to carry out such directions. In addition, the Government of Assam, at any time, may issue directives on matters of policy to the ARIAS Society and the latter shall be bound to comply with such directives.
 7. **Dissolution:** If on winding up or dissolution of ARIAS Society, there shall remain, after satisfaction of all debts and liabilities, any asset or property; they shall be dealt with in such manner as the Government of Assam may determine.
 8. **Management of the ARIAS Society** shall be conducted by a structure, which shall consist of a two tier administrative system comprising of the Project Guidance Council and the Governing Body. While the Project Guidance Council shall form the apex policy-making body of the ARIAS Society, the Governing Body shall be the executive authority of the Society, which shall function as per over-all direction, and guidance of the Project Guidance Council.
 9. A certified copy of the Amended Rules of Business of the ARIAS Society is filed along with the Memorandum of Association.

We, the undersigned persons, having associated ourselves for the purpose described in this Memorandum of Association (as Amended) do hereby subscribe our names to this Memorandum

and set our respective hands here unto and form ourselves into a Society under Registration of Societies Act, 1860 this day of _____, 2012 at Guwahati.

Signatures :

Designation	Name	Signature
1. Agricultural Production Commissioner, Govt. of Assam		
2. Principal Secretary/Commissioner & Secretary, Environment & Forest Dept., Govt. of Assam		
3. Principal Secretary/Commissioner & Secretary, P & D Deptt. , Govt. of Assam		
4. Principal Secretary/Commissioner & Secretary, A.H. & Veterinary Dept. , Govt. of Assam		
5. Commissioner & Secretary, Finance Deptt. , Govt. of Assam		
6. Commissioner & Secretary, Fisheries Deptt., Govt. of Assam		
7. State Project Director, ARIAS Society		
8. Commissioner & Spl. Secretary, P.W. Deptt. (Roads) , Govt. of Assam		

RULES OF BUSINESS

1. Short title, Extent and Commencement:

- (i) These rules shall be called the Rules of Business of Assam Rural Infrastructure and Agricultural Services (ARIAS) Society (hereinafter called 'ARIAS Society'), 1998.
- (ii) They shall extend to all activities of ARIAS Society within the state of Assam.
- (iii) They shall come into force with effect from 1st November, 1998. The amendment to the Rules of Business shall be effective from , 2012

2. Definitions: In the Rules of Business, unless the subject or context requires otherwise:

- (i) **"Agricultural Production Commissioner"** means the Agricultural Production Commissioner of the Government of Assam;
- (ii) **"ARIAS Society"** means 'Assam Rural Infrastructure and Agricultural Services' (ARIAS) Society', created by Government of Assam to act as an apex autonomous body of the Government of Assam to act as nodal monitoring, coordinating **and/or** implementing agency for World Bank/any other externally financed or aided Projects/other Projects of any department as may be authorized by the Government of Assam from time to time.
- (iii) **"ARIAS Projects"** means any World Bank/Externally financed or aided Projects/other Projects of any department, as may be authorized by the Government of Assam from time to time, coordinating, monitoring and/or implementing responsibility of which will be vested to the 'ARIAS Society' as would be authorized by the Government of Assam;
- (iv) **"Chairman"** means the Chairman of the Governing Body of the ARIAS Society;
- (v) **"Chief Secretary"** means the Chief Secretary to the Government of Assam;
- (vi) **"Finance Department"** means, the Finance Department of the Government of Assam;
- (vii) **"Governing Body"** means the executive authority of the ARIAS Society constituted under **Rule 7** hereunder.
- (viii) **"Government"** means the Government of Assam in the office of Chief Secretary;
- (ix) **"Implementing Agencies"** means the line departments of the Government of Assam and autonomous institutions entrusted with the responsibility of implementing "ARIAS Projects" as determined by the Government of Assam and as laid down in the Project

Reports; Such departments/ agencies may include Departments of Agriculture, AH & Veterinary, Dairy, Fisheries, Irrigation, Public Works Revenue , Environment & Forest, Sericulture, Dairy, etc. and Agencies such as Assam Agricultural University, District Level ATMA (Agricultural Technology Management Agency) Societies, NGOs hired under the Projects, Joint Forest Management (JFM) Groups, Field Management Committees (FMC), Dairy Cooperative Societies, Self Help Groups (SHG), Farmers Interest Groups (FIGs), Agro Service Groups (ASGs), etc., recognized under the individual World Bank/ Externally financed or aided Projects/ other Projects of any department to foster private public partnership.

- (x) **“Officers and Staff”** means the officers and staff in the employment of the ARIAS Society including the officers, staff, and consultants working in the PCU- part time or full-time. This will also include the Government officers placed on Service Disposal basis, in addition to their own duties in the parent Govt. Department.
- (xi) **“PIU”** means the Project Implementation Unit (PIU), under the ARIAS Society, located in the Head Offices of the implementing Government departments created for implementation of “ARIAS Projects”, as determined by the Government of Assam.
- (xii) **“PCU”** means the Project Coordination Unit (PCU) of the ARIAS Society headed by the State Project Director, ARIAS Society to act as the ‘Secretariat’ of the ARIAS Society and where the Registered Office of the ‘ARIAS Society’ will be located.
- (xiii) **“President”** means the President of the Project Guidance Council;
- (xiv) **“State Project Director”** (SPD) means the Project Director of ARIAS Society.
- (xv) **“Projects”** means, World Bank or any other externally financed/aided Projects or other Projects of any department, as may be authorized by the Government of Assam from time to time for monitoring, coordination and/or implementation by the ARIAS Society.
- (xvi) **“Project Guidance Council”** means the apex body of the ARIAS Society constituted under **Rule 4** hereunder.
- (xvii) **“Project Report”** means Project Reports prepared by the World Bank/External financing or aiding agency/any other agency duly approved by the Govt. of Assam for the Projects to be monitored, coordinated and implemented by the ARIAS Society.

3. Management and flow of funds to the Society :

- (i) The respective line departments of the Government of Assam associated with the individual Projects will sanction and release, with the concurrence of the Planning & Development and the Finance Departments of the Government of Assam, the first installment equivalent to 30% of the respective Budgetary allocation for the individual Projects during a particular Financial year by the 2nd week of May or after the budget for that financial year is passed, whichever is later. The second and third installments,

equivalent to 50% and 20% of the allocation earmarked, shall be released by 1st October and 1st January of every year respectively.

The respective line departments associated with the individual Projects as per individual Project Reports shall release the installments as mentioned above, as grants-in-aid to the ARIAS Society.

The release of the funds in installments as mentioned above shall be linked to the progress of utilization of funds including claim for reimbursement (wherever applicable for individual projects), commitments, liabilities, projections, and normally funds released as Grants-in-Aids in the previous years by the Government shall not be pending with the Society for claim of reimbursement, from funding authorities/ agencies if applicable, for more than one year.

- (ii) All reimbursements (as applicable) made by the Government of India/World Bank or External financing/ aiding agency or any other agencies for the Projects, if received by the ARIAS Society, shall be credited to the account of the Government of Assam.
- (iii) **Grants-in-aid to the ARIAS Society:**
 - (a) The Plan allocation under the individual Projects will be shown as Grants-in-aid to the ARIAS Society which shall be reflected accordingly in the budget of the respective implementing departments of the Government of Assam till continuance of such Projects.
 - (b) The head of the Department of the Implementing departments shall act as DDO for drawing the budgeted amount and disburse the same to ARIAS Society.
 - (c) The ARIAS Society in turn shall disburse the amount to the field officers of the Implementing departments or agencies identified for implementing the approved works and services under the project provided that the ARIAS Society shall disburse the amount by account payee cheques only.
 - (d) The Field Officer of the implementing agency shall deposit the fund so received in a current account, which shall be opened by them with the approval of SPD ARIAS Society in a Nationalized Bank exclusively for implementing the approved works and services under the project. The fund received from any other source shall not be deposited in this account. The current account shall be jointly operated by the Field Officer and senior most Accounts Officer of his/her office. In case of implementing agencies the legal signatory of the agency and the Accounts Officer shall operate the account.
 - (e) The SPD, ARIAS Society shall ensure that the current accounts opened are closed on the day the Project is declared to be closed.
- (iv) The grants-in-aids released to the ARIAS Society released for implementing schemes/ activities of the Projects by the line departments shall not be diverted for

establishment expenditure of the Society. The ARIAS Society shall obtain grants-in-aid for establishment expenditure of the PCU separately out of the funds earmarked for establishment expenditure budgeted under Agriculture Department.

- (v) The ARIAS Society shall be responsible for submission of Utilization Certificate for the funds released to it.
- (vi) Any interest earned by the Society on un-utilized funds will be deposited to the State Government under appropriate Head of Account.

4. **Project Guidance Council (PGC):**

(a) The Project Guidance Council shall have the following as members:

- 1) Chief Secretary of Assam: President
- 2) Agriculture Production Commissioner: Member-Secretary
- 3) Commissioner & Secretary, Finance Department: Member
- 4) Commissioner & Secretary, Planning & Development Department: Member
- 5) Commissioner & Secretary, Agriculture Department: Member
- 6) Commissioner & Secretary, A.H. & Veterinary Department: Member
- 7) Commissioner & Secretary, Fishery Department: Member
- 8) Commissioner & Spl. Secretary, Public Works Department: Member
- 9) Commissioner & Secretary, Environment and Forest Department: Member
- 10) Commissioner & Secretary Handloom, Textiles & Sericulture Deptt: Member
- 11) State Project Director ARIAS Society: Member
- 12) Two Non official members to be decided by the President: Member

Consultants hired under the Project, such as Monitoring & Evaluation Consultant and Contract Supervision consultants, as may be desired by the President, shall be permanent invitees to the PGC Meetings.

(b) **Term of member:** Term of official members will be co-terminus with their tenure in the specified appointment in the Government and they will not be eligible to resign. Term of non-official members shall be as decided by the President, ARIAS Society. Non- official members shall cease to be such members if he/she

- resigns from membership,
- is of unsound mind,
- convicted in an offence,
- fails to attend two consecutive meetings without leave, and
- ceases to hold the position by virtue of which membership was made.

(c) **Resignation of non-official membership:** A resignation of membership will be tendered to the President of Project Guidance Council and will take effect on acceptance of the same by the President and notified.

- (d) **Filling up of non- official vacancies:** Vacancies of non- official members will be filled up by nomination by the Project Guidance Council by a resolution.

5. **Powers and Functions of the Project Guidance Council:**

Following will be the powers and functions:

- (a) to review the implementation of ARIAS Projects and give overall policy guidance and directions for efficient functioning of ARIAS Society;
- (b) to consider the balance sheet and audited accounts and their approval;
- (c) to consider the annual reports and approval of the same;
- (d) to consider and approve annual work plan and budget of the ARIAS Society;
- (e) to amend the Rules of Business of the ARIAS Society subject to the approval of Government;

6. **Meeting of the Project Guidance Council:** The meeting of the Guidance Council:

- (a) will be held at such date, time and venue as decided by the President and notified by or on behalf of the Member Secretary, provided that at least one meeting will be held every year.
- (b) in the event of the President being not present, meeting will be chaired by one of the official members to be elected.
- (c) one half of the members will form the quorum; quorum in the adjourned meetings would not be required.
- (d) each member of Project Guidance Council will have one vote; all decisions that cannot be arrived at by consensus will be determined by the majority vote.

7. **Governing Body (GB):** ARIAS Society's, *being constituted primarily to implement "ARIAS Projects"*, Governing Body shall exist to bring about overall co-ordination among various implementing line departments and agencies, to coordinate & monitor the progress of implementation of ARIAS Projects, and to discharge management responsibilities under overall guidance of the Project Guidance Council and to give directions or take decisions in an endeavour, whenever necessary, to achieve the development objectives of the ARIAS Projects. Governing Body shall consist of the following as members:

- 1) Agriculture Production Commissioner: **Chairman**
- 2) State Project Director, ARIAS Society: **Member-Secretary**
- 3) Representative of Finance Department not below the rank of Secretary to the Government of Assam: **Member**
- 4) Representative of Planning & Development Department not below the rank of Secretary to the Government of Assam: **Member**
- 5) Commissioner & Secretary of Implementing Departments: **Member**
- 6) Heads of Implementing Departments: **Member**
- 7) Four Non-official members from implementing agencies as may be decided by the Chairman: **Member**

Chief Engineer, Agriculture; a nominee of the Vice Chancellor, Assam Agriculture University; Monitoring & Evaluation Consultant and Contract Supervision consultants shall be the **permanent invitees** to the Governing Body Meetings.

8. **Meetings of Governing Body**: Meeting of Governing Body will be held at least once in four months on the date, time and venue to be decided by the Chairman and notified by the Member-Secretary. Presence of half the members of Governing Body will form the quorum.
9. **Power and functions of Governing Body**: The Governing Body will exercise all executive and financial powers of ARIAS Society as laid down in Articles 3 and 4 of the Memorandum of Association under general supervision of the Project Guidance Council. Specifically, it will:
 - 1) manage funds of ARIAS Society; The Society shall cause the audit of its accounts annually both by the duly appointed Chartered Accountant and the Accountant General, Assam or by any other agency that may be deputed by Finance department from time to time.
 - 2) frame bye-laws not inconsistent with Rules of Business;
 - 3) enter into agreement with any legal entity in furtherance of objectives of the individual ARIAS Projects;
 - 4) cause annual work plan and budget of different implementing agencies/line department prepared as required under individual ARIAS Projects;
 - 5) allocate, sanction and provide funds to the implementing departments/agencies for fulfillment of the individual ARIAS Projects;
 - 6) monitor physical and financial progress of the individual ARIAS Projects;
 - 7) cause action for obtaining reimbursement (as applicable) of funds from the funding agency of individual ARIAS Projects;
 - 8) supervise and closely monitor the activities of the PIUs/PCU;
 - 9) take all actions deemed necessary for fulfillment of the development objectives of the individual ARIAS Projects. This will include suggesting new initiatives to the implementing agencies as well as to PGC; and
 - 10) to authorize creation of technical, administrative and other posts in the Project Coordination Unit (PCU) of ARIAS Society, and to issue retention to such posts in the PCU and to make payment for the same, provided –
 - (a) the posts shall be as provided in the Project Report of individual ARIAS Projects, and such Project Report have been duly approved by the State Cabinet and *that prior specific concurrence of the Government for creation of posts is obtained by the Society*;
 - (b) the Salary/TA/DA etc for the post created is eligible for reimbursement (as applicable to the extent provided in the individual Project Reports);

- (c) the posts so created by the PCU, ARIAS Society shall be purely temporary and Project Specific and shall cease to exist after closure of the individual Projects, unless terminated earlier or as decided by the Governing Body of the ARIAS Society;
- (d) if any incumbent to a post of the PCU, ARIAS Society is brought on deputation from the State Government, an equivalent post of the incumbent in his/ her parent department shall be kept in abeyance and not filled, so as to facilitate smooth reverting of the officer; this should be reflected in the relevant Government orders for deputation;
- (e) incumbents on deputation to the PCU, ARIAS Society from the State Government shall not be entitled for any 'deputation allowance' other than their admissible Salary of the Post in the PCU;
- (f) ARIAS Society shall deposit the 'Pension Contribution' and 'Leave Salary Contribution' to the appropriate Head of Account as fixed by Accountant general Assam in respect of officers on deputation from the State Government on a regular basis and deduct applicable GPF/ GIS subscriptions and professional taxes from the incumbents monthly salary and deposit to the appropriate head of account of the AG/ State Government;
- (g) officials and staff deputed by State Government (to the PCU, ARIAS Society) may be reverted by the ARIAS Society without assigning any reasons and
- (h) officials and staff deputed by State Government to the PCU, ARIAS Society may not be recalled till they complete five (5) year of continuous service in the PCU and
- (i) Annual Confidential Reports (ACR) of the Officials on deputations are recorded, reviewed and accepted and sent to the respective parent department of the incumbent.

The State Project Director, ARIAS Society shall discharge the day-to-day functions from the PCU on behalf of the Governing Body in association with APC/Chairman ARIAS Society as per delegation to be established in the Bye-Laws of the ARIAS Society.

10. **Powers and Functions of the Chairman:** The Chairman of the Governing Body will have overall responsibility for implementation, monitoring and coordination of the individual ARIAS Projects, under supervision of the Project Guidance Council. Chairman, ARIAS Society will chair meetings of the Governing Body and exercise all powers of ARIAS Society. The Chairman will be competent to take action on behalf of Governing Body even in the absence of Governing Body decision, if necessary depending on urgency under supervision and approval of the President of the Project Guidance Council.
11. **Sanction Sub-committee of Governing Body:** In order to advise the ARIAS Society, in exercising financial powers a Sanction Sub-committee (SSC) will be constituted consisting of

the Chairman, representative of Finance Department, representative of Planning & Development Department and the State Project Director as member secretary. This Sub-committee will be responsible for ensuring that all procedures required for sanction of the schemes under normal procedures of Government and as per stipulation of the ARIAS Projects are being observed. It will be required to closely monitor the progress of sanction and follow up action. Specifically the Sub-committee will, pursuant to the thresholds indicated in the Bye-Laws of the ARIAS Society:

- 1) recommend release of funds to the Implementing Agencies;
- 2) monitor physical and financial progress;
- 3) take corrective actions wherever necessary;
- 4) scrutinize annual plan and budget; proposal for revision thereto by Project Guidance Council;
- 5) ensure audit of accounts: internal, external and statutory; follow up action on audit;
- 6) monitor actions relating to obtaining reimbursement of expenditures (as applicable) from funding/aiding agency ; and
- 7) deal with any other matter relating to financial affairs of ARIAS Society.

12. **Powers and Functions of the State Project Director (SPD), ARIAS Society:** The State Project Director will be the full-time chief executive of the ARIAS Society and shall be responsible for administration and management of the Society consistent with policy and management directions issued by the Project Guidance Council and Governing Body of ARIAS Society. SPD will be reporting to the Chairman of the Governing Body directly. She/he will operate from the Project Coordination Unit, the registered office of the ARIAS Society. Specifically SPD will:

- 1) be in overall charge of the PCU, ARIAS Society;
- 2) assess training needs of officials and staff of the PCU and of the PIU's of the implementing departments/ Agency and formulate training plans; and arrange for such trainings.
- 3) establish close co-ordination with Funding Agency and similar projects under implementation in India;
- 4) prepare innovative schemes for NGO participation and involvement of beneficiaries and women;
- 5) operationalize computerized MIS in the PCU/PIUs/District Offices of the line departments; cause training of staff in this regard;
- 6) assist, guide and supervise activities of all Implementing Departments Agencies in project planning, implementation, monitoring, accounting, auditing and evaluation activities as per requirement and stipulations of the ARIAS Projects.
- 7) initiate action on recommendations of World Bank, Government of India, Project Guidance Council, Governing Body and others

- 8) be responsible for preparation of annual work plan as per design of the individual Projects financed by World Bank or other External Financing/Aiding Agency or other Projects of any department, as may be authorized by the Govt. of Assam from time to time;
 - 9) constitute district and block level co-ordination mechanism for implementation and follow up on them;
 - 10) chair meetings of Project Implementation Team (PIT)/State Project Coordination Committee (SPCC)/ State Level Committee (SLC) for Market Selection/ Bid Evaluation Committee for contracts as per threshold pursuant to Bye-Laws of the ARIAS Society and take follow up action;
 - 11) to accord Sanction and to release funds as provided in the Byelaws of the ARIAS Society.
 - 12) cause field inspection of ARIAS, Project activities and initiate corrective actions wherever necessary; and to recommend disciplinary action against any officials and staff on deputation to the PCU, ARIAS Society from State Government subordinate to him/ her;
 - 13) discharge all statutory responsibilities of ARIAS Society; and
 - 14) carry out any other responsibilities assigned from time to time as directed by the PGC/GB/APC.
13. **Officers Staff and Contractual Personnel of PCU:** Officers and staff of the PCU except Grade-IV and contractual personnel with specialized skill as provided in the Project Reports of the individual ARIAS Projects, shall be ideally on deputation from the Government of Assam. The Society may create such post as provided in the Project Reports, *as approved by the State Government*, and with concurrence of the Governing Body of ARIAS Society pursuant to **para 9.(10)** of the Rules of Business and the State Government intimated about such creations.
14. **Interpretation:** If in the interpretation of these Rules of Business there be any dispute or doubt, it will be decided by the Government.

Certified to be the true copy of the Rules of Business of the ARIAS Society.

Designation	Name	Signature
1. Agriculture Production Commissioner to the Government of Assam & Chairman, ARIAS Society		
2. State Project Director, ARIAS Society		

BYLAWS OF THE ARIAS SOCIETY

BYLAWS OF THE ARIAS SOCIETY
(As amended in March 2012)

*Framed under the Amended Memorandum of Association and
the Rules of Business of the ARIAS Society*

*In exercise of the powers conferred by para 4.f of the Memorandum of Association and
para 9(2) of the Rules of Business of the ARIAS Society.
The Governing Body of the ARIAS society in its meeting on 17th December 2011 and the Project Guidance
Council of the ARIAS society in its meeting on 22nd December 2011 has approved the amendments to the
Bylaws of the ARIAS Society*

1. Short Title , Extent and Commencement:

- 1) These By – Laws shall be called “The By – Laws of the ARIAS Society, 1998” as amended in **2012**.
- 2) They shall extend to all the activities of the ARIAS Society.
- 3) They shall come into force with effect from the date of adoption of the amendments by the Governing Body.

2. Abbreviations:

In these Bylaws the following abbreviations are used:

- 1) “**AD**” means the Administrative Department of the Government of Assam associated in the implementation of the World Bank or other Externally financed Projects or any other projects, under any Department, as may be authorized by the Government of Assam, which are to be coordinated, monitored and/or implemented by ARIAS Society
- 2) “**AACP**” means the World Bank financed (IDA Credit No. 4013) ‘Assam Agricultural Competitiveness Project
- 3) “**APC**” means the Agriculture Production Commissioner of the Government of Assam.
- 4) “**ARIASP**” means the World Bank aided (IDA Cr. No. 2733 IN) Assam Rural Infrastructure and Agricultural Services Project.
- 5) “**ARIAS Projects**” means any World Bank/Externally financed or aided Projects/other Projects of any department, as may be authorized by the Government of Assam from time to time, coordinating, monitoring and/or implementing responsibility of which will be vested to the ‘ARIAS Society’ as would be authorized by the Government of Assam
- 6) “**ARIAS Society**” in short “**ARIASS**” means ‘Assam Rural Infrastructure and Agricultural Services’ (ARIAS) Society’, created by Government of Assam to act as an apex autonomous body of the Government of Assam to act as nodal monitoring, coordinating and/or implementing agency for World Bank/any other externally financed or aided

Projects/other Projects of any department as may be authorized by the Government of Assam from time to time

- 7) **“AWP”** means the Annual Work Plan of the implementing departments of the ARIAS Projects.
- 8) **“Chairman”** means the Chairman of the Governing Body of the ARIAS Society
- 9) **“DDO”** means the Drawing and Disbursing Officers of the implementing departments associated with ARIAS Projects.
- 10) **“FY”** means the Financial Year
- 11) **“GB”** means the Governing Body of the ARIAS Society.
- 12) **“HOD”** means the Head of the Department of the Government of Assam.
- 13) **“Implementing Agencies”** means the line departments of the Government of Assam and autonomous institutions entrusted with the responsibility of implementing “ARIAS Projects” as determined by the Government of Assam and as laid down in the Project Reports; Such departments/ agencies may include Departments of Agriculture, AH & Veterinary, Dairy, Fisheries, Irrigation, Public Works Revenue, Environment & Forest, Sericulture, Dairy, etc. and Agencies such as Assam Agricultural University, District Level ATMA (Agricultural Technology Management Agency) Societies, NGOs hired under the Projects, Joint Forest Management (JFM) Groups, Field Management Committees (FMC), Dairy Cooperative Societies, Self Help Groups (SHG), Farmers Interest Groups (FIGs), Agro Service Groups (ASGs), etc., recognized under the individual World Bank/ Externally financed or aided Projects/ other Projects of any department to foster private public partnership
- 14) **“PGC”** means the Project Guidance Council of the ARIAS Society.
- 15) **“SPD”** means the State Project Director of the ARIAS Society.
- 16) **“Projects”** means, ARIAS Projects.
- 17) **“PIU”** means the Project Implementation Unit of the line departments, under the ARIAS Society, created for implementation of ARIAS Projects, which are to be coordinated and monitored and/or implemented by ARIAS Society.
- 18) **“PCU”** means the Project Coordination Unit (PCU) of the ARIAS Society headed by the State Project Director. PCU acts as the ‘Secretariat’ of the ARIAS Society and where the Registered Office of the ‘ARIAS Society’ is located
- 19) **“President”** means the President of the Project Guidance Council
- 20) **“Project Report”** means Project reports of ARIAS Projects approved by competent authority.

3. **Financial Aspects:**

- 1) SPD with the approval of the APC shall have the powers to open Bank Account or Accounts, as may be necessary, in any Nationalised Commercial Bank(s) in the name of the ARIAS Society. All such Bank Accounts opened shall be placed before the GB for appraisal of the members.
- 2) All these accounts shall be operated under the joint signatures of the SPD, ARIASS and the Chief Financial Controller of the PCU, ARIAS Society.

4. **Preparation And Approval of AWP & Issuance of Administrative Approval (AA) :**

- 1) The Annual Work Plan (AWP) for a Financial Year (FY), *primarily based on targets in the approved Cost Tables or 'Project Reports' of ARIAS Projects*, for the implementing department concerned for a year, is to be submitted by the Administrative Department (AD) to the PCU, ARIAS Society by 31st October of the preceding year.
- 2) The PCU will place the AWP's so submitted before the Governing Body (GB) of ARIAS Society for approval by first week of December. The same will be placed before the Project Guidance Council (PGC) for approval by third week of December.
- 3) Based on the approval of the AWP by GB/PGC, General Administrative Approval (AA) to all the schemes/ activities on the AWP will be accorded by the State Project Director, ARIAS Society.
- 4) On approval of the AWP by the PGC the implementing departments shall be competent to initiate actions on procurement for which the actual expenditure will be incurred in the following FY.
- 5) In case of urgency, procurement actions may be initiated by the line departments/ agencies ahead of approval of AWP by GB/ PGC with prior in-principle concurrence of the SPD, ARIAS Society, provided (a) the activity is as per the provision in the ARIAS Projects; and (b) incorporated in the AWP to be placed before GB/PGC by the line department/ agency.
- 6) All procurement shall be done as per the Guideline of the ARIAS Projects and as per the Guideline issued by the PCU, ARIAS Society, framed not inconsistent with the basic guidelines of the Project financing agencies.
- 7) For various 'Outside the State' training programs for officials of the line departments under the ARIAS Projects, approvals and coordination of the same by the PCU shall follow the following norms:
 - (a) All proposals relating to deputation of officials below Director level other than the HODs, of the different PIUs for training/ exposure/ study tour outside the State agreed under ARIAS Projects would be submitted by the HoDs to the PCU and APC & Chairman ARIAS Society, would approve the same. For this purpose, the concerned HoD shall prepare a list of officials proposed for such training outside the state within

the approved Annual Work Plan and submit to the PCU. APC, however, may consult the concerned Commissioner/Secretary, if need be.

- (b) In case of the HoDs themselves proposing deputation for training outside the State, the proposals shall come to the APC & Chairman, ARIAS Society through the concerned Commissioner & Secretary, for approval by the Chief Secretary.

5. Sanction Procedure:

- 1) Based on the Administrative Approval (AA) accorded to the schemes/ activities included in the AWP, HODs will move the PCU, ARIAS society directly for schematic/ activity wise sanction proposal(s) as per the (a) action calendar in the AWP for which (AA) has been accorded and (b) following such prescribed formats as established & circulated by the PCU, ARIAS Society.
- 2) However, Sanction for activities, which are not included in the approved AWP or AA, for whatsoever reason, shall be routed through the Administrative Department. The AA/Sanction to such activities shall however be accorded by the SPD with approval of GB, if the amount is more than Rs. 5,00,000 or else SPD with approval of APC shall be competent to issue AA/ Sanction to such activities. Such AA/ Sanction proposals shall, however, either be based on the provisions in the ARIAS Projects or with specific approval of the Project funding agency.
- 3) For the schemes included in the approved (by GB) AWP for the ARIAS project, Financial Sanctions shall be accorded as per the delegation of financial powers delineated below
 - a) All schemes upto **Rs. 100,00,000/- (Rupees one hundred lakhs)** shall be sanctioned by the State Project Director, ARIAS Society.
 - b) All schemes above **Rs. 100,00,000/- (Rupees one hundred lakhs)** and upto **Rs. 250,00,000/- (Rupees two hundred and fifty lakhs)** shall be sanctioned by the State Project Director, ARIAS Society only after approval of the APC.
 - c) All schemes above **Rs. 250,00,000/- (Rupees two hundred and fifty lakhs)** shall be sanctioned by the State Project Director, ARIAS Society only after approval of the Sanction Sub Committee of the ARIAS Society, which shall meet as & when required
 - d) All sanctions above **Rs.250,00,000/-(Rupees two hundred and fifty lakhs)** shall be placed before the GB for appraisal of the members .
 - e) Subject to the 'Delegation of Financial Power' (DFP) Rules of the Government of Assam, individual schemes upto **Rs. 5,00,000/- (Rupees five lakhs)** may be sanctioned by the Head of the Implementing Line Departments [*Such as Directors/ Chief Engineers of the line departments (shortly 'HOD')*] associated with the ARIAS Project, with confirmed intimation (in the form of a copy of the Sanction Order) to the SPD. HODs however shall accord the Sanction strictly as per the standard format to be circulated by the SPD. For this purpose, PCU shall issue an Office Memorandum declaring the authorized HODs to issue such Financial Sanctions under the 'ARIAS

Projects' and also prescribing the detailed norms to be followed by the HODs, while according such sanctions.

6. Fund Release Procedure:

- 1) PCU, ARIAS Society shall release funds to the identified and notified Drawing and Disbursing Officers (DDO) of ARIAS Society. The DDOs shall be identified and notified by the Administrative Departments and who shall also be designated as Project Officers of the ARIAS Society.
- 2) With the approval of the Finance Department, Government of Assam, the PCU, ARIAS Society will allow the said DDOs to open and maintain current account in a Nationalised Commercial Bank for making eligible payment to the contractors, suppliers, beneficiaries, commercial Banks, etc. All these Bank Accounts shall be operated under the joint signature of the DDO and the senior most Accounts official in the DDO's office.
- 3) The DDOs through the HOD shall submit proposal to the PCU, ARIAS Society for release of funds, as and when necessary, against the activities for which Sanction has been accorded by the competent authority and following such prescribed formats as established & circulated by the PCU, ARIAS Society. The HOD while forwarding the fund release proposal to PCU, ARIAS Society shall intimate the Commissioner & Secretary of the AD about the proposal.
- 4) Funds shall be released to the DDOs by the PCU, ARIAS Society directly with intimation to the Commissioner & Secretary of the AD. The DDOs shall be responsible for proper maintenance of accounts of the funds so received by them. The DDOs shall maintain separate cash book for ARIAS Society funds and arrange for reconciliation with the Commercial Bank accounts (where the account is maintained) once every three months or within such time as may be specified by the PCU, ARIAS Society. The DDOs shall submit utilization certificate to the PCU, ARIAS Society through the HOD with intimation to the Commissioner & Secretary of the AD within such time as may be specified by the PCU, ARIAS Society.
- 5) Subject to observation of the sanction procedure, the SPD, ARIAS Society shall have power to release funds upto **Rs.100,00,000/- (Rupees one hundred lakhs)**.
- 6) For release of funds above **Rs.100,00,000/- (Rupees one hundred lakhs)**, the SPD ARIAS Society shall obtain prior concurrence of the APC

7. Sanctions and Expenditures of the PCU, ARIAS Society :

- 1) SPD, ARIAS Society shall have the powers to sanction and draw fund for individual expenditures upto **Rs.20,00,000/- (Rupees twenty lakhs)**.
- 2) For individual expenditures above **Rs.20,00,000/- (Rupees twenty lakhs)** SPD, ARIAS Society shall sanction and draw fund only after approval of the APC.

3) SPD, ARIAS Society shall have full powers in respect of drawl of salaries and traveling expenses within the country for the establishment of the PCU. For his/her own travel outside the state, SPD shall obtain the approval of the APC. For travel outside the country existing procedures of the Government of Assam shall be followed

8. **Audit and Accounts:**

1) The accounts of the PCU, DDOs of the line department shall be audited by Internal Auditors of ARIAS Society, within such time as may be specified by the PCU, ARIAS Society

2) The annual accounts of the PCU, DDOs of the line department shall be audited by Independent External Auditors of ARIAS Society hired by Society (a registered, reputed and professional auditing agency of Chartered Accountants), within such time as may be specified by the PCU, ARIAS Society.

3) The annual accounts of the PCU, DDOs of the line department shall also be audited by the Accountant General, Assam.

9. **Guidelines**: The Financial Management Manual (FMM) framed for the individual Projects, as amended from time to time shall be adhered to.

**