



Email: drnepal01@gmail.com

Phone: 03592-202659 (o)

**RURAL MANAGEMENT & DEVELOPMENT DEPARTMENT
GOVERNMENT OF SIKKIM
GANGTOK**

Ref No: 471 / RM&DD

Dated: 2nd Nov, 2013

To,

**All District Collectors –cum-
Head of District level committee of REDRH Project,
Government of Sikkim**

**Subject: Policy to Ensure Assured Supply of Stock Material under the REDRH Project and
Revised Targets for the Districts**

Sir,

Under the REDRH Project, the house construction was constrained by irregular supply of stock material. This was largely because fresh funds could not be released to STCS/SIMFED, until the previous advances were settled. It took about a month's time to settle the previous advance and provide a fresh advance, during this intervening period, the stock material supply reduced to a trickle as a financial crisis was created for our government supplying agencies, which did not have the quantum of working capital (Rs 8-10 crores) needed to sustain a project of this magnitude. The manufacturers (Adhunik, Elegant, Jaypee, Birla etc) demand funds upfront before supplying. And there is no supplier in this supply chain who can make this investment and then get it recouped subsequently. Hence, the current process resulted in regular breaks in the continuity of the stock material supply.

In order to sort out this problem, a request was made to the Finance Department to allow for a onetime dispensation for the REDRH project considering the magnitude of the project and the urgency in its timely completion. The Finance Department has been kind enough to concur the proposal of RM&DD, and has permitted the release of the second advance to STCS/SIMFED without the first advance being fully settled. However, the third advance can be released only after the first advance is fully settled. Consequently, the stock material supply will improve visibly as this

new policy has been put in place. Also, the option of “Self Purchase Model” has been approved by the Government.

Now, that the major policy level obstacles of the REDRH project have been removed, there is an urgent need to accelerate this project as now the monsoons are withdrawing and the working season has started. We need to make full use of this working season and show considerable progress in the coming six months.

As discussed in the coordination meeting held on 21st Oct, 2013, the Districts need to work in Mission Mode and Target to hand over atleast 250 houses every month, so that we inaugurate 1,000 houses on the 18th of every month, in order to complete this project in a time bound manner.

Yours faithfully,



(D. R. Nepal)

Secretary-RMDD

CC:

- 1. PS to HM-RM&DD for kind information of HM please**
- 2. Secretary LR&DMD –cum- State Relief Commissioner**
- 3. MD STCS / MD SIMFED** to ensure assured supply of stock material to the BLS
- 4. Related officers of RMDD Head Office** [SS-I, II, CE, AD (Accounts), SE(stores), CAO]
- 5. All ADCs (Dev)** to ensure inauguration of atleast 250 houses per district on the 18th of every month and ensure that the requisition of stock material is made to STCS/SIMFED in a timely manner
- 6. All GVAs** to accelerate the house construction and provide the requisition of stock material to STCS/SIMFED in a timely manner