

Top Priority

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 5341(225)/F, Dated the 15th February, 2012
FIN-WM-BT-0001-2011

From

**Shri J.K. Mohapatra, IAS
Principal Secretary to Government.**

To

**All Principal Secretaries/
Commissioner-cum-Secretaries/Secretaries/
Special Secretaries to Government/
All Heads of Department.**

Sub: Deadline for submission of proposals relating to financial sanction and drawal of funds in the remaining part of the current financial year.

Ref: Finance Department Circular No.17235 (225)/F dt.07.04.2011 & 55281(225)/F dt.31.12.2011.

Sir,

I am directed to say that Finance Department have issued instructions to avoid rush of expenditure towards the fag end of the current financial year in the circulars under reference and fixed deadlines for issue of allotment, surrender of budgeted provision and drawal of funds etc. In the meantime some deadlines have elapsed and references for sanction/release and re-appropriation of funds beyond the date fixed are being received by Finance Department from different quarters.

2.(i) Rush of expenditure in the last quarter of the financial year defeats the objective of efficient and economic use of resources. It may also lead to unproductive and wasteful expenditure. However, keeping in view the difficulties faced by different Departments it has been decided to further **extend the deadline for completion of all formalities for issue of allotment, sanction and release of funds, Re-appropriation of funds, surrender of provisions and drawal of funds**

as stipulated below . The Administrative Departments are therefore impressed upon to strictly adhere to these deadlines.

Sl. No.	Items	Previous Deadline with Ref. to Para No. of F.D. Letter No. 55281(225)/F dt.31.12.2011	Revised Deadline
1.	Issue of Sanction Orders for release of funds, release of funds from Civil Deposit.	31.01.2012 { Para-2 (v) }	25.02.2012
2.	Re-appropriation of funds and issue of allotment.	31.01.2012{ Para- 2 (ii),(iii) &(iv) }	25.02.2012
3.	Online transmission of Allotment data to Treasury Portal (iOTMS)	31.01.201 { Para-2(iv) & 3(ii) }	27.02.2012
4.	Surrender of un-utilized funds	31.01.2012 {Para- 2 (v) }	29.02.2012
5.	Surrender of provision for shortfall in the expenditure for the first three quarters of the Financial Year as required under the Cash Management System.		29.02.2012

2(ii). It is further reiterated that Supplementary-linked surrenders and re-appropriation orders should be fed into the Budget interface and Works expenditure module of i-OTMS by the Controlling Officers in order to keep the expenditure within the available grant after taking into account the provision made in budget estimate, supplementary provision & re-appropriation.

2(iii). On receipt of intimation from Finance Department regarding shortfall in expenditure in the 1st three quarters of the current financial year, the amount to be surrendered is to be worked out in detail by the Administrative Departments and surrendered by 29th February, 2012.

3. Last date for submission of bills in Treasury :- 12th March/15th March, 2012.

The last date for submission of bills to the Treasuries in the financial year 2011-12 would be **12th March, 2012 for claims under Other Contingency, Machinery, Equipment, Vehicle, Share Capital, Subsidy, Loan** and **15th March, 2012** for other claims. These deadlines are to be followed scrupulously. Accordingly, necessary expenditure sanction for these items /claims should be issued on or before the dead line for submission of bills.

4 (i). Budgeted funds shall not be allowed to be transferred to Civil Deposit under any circumstances and transfer of money drawn from Treasury to Civil Deposit is banned at all levels. The concerned Controlling Officers/ DDOs will be held personally liable for unauthorized transfer of funds to Civil Deposit. The Treasury Officers/Sub-Treasury Officers will also be liable for disciplinary action for violation of Government orders in this regard.

4(ii). As stipulated in Finance Department letter No. 33355/F dated 30.7.2010 the undrawn balance of Civil Deposits made during 2000-2005 has already been lapsed on 01.04.2011 and the balance of Civil Deposits made thereafter during 2005-06,2006-07,2007-08 and 2008-09 and remaining undrawn for more than 3 years will lapse on 01.04.2012 in terms of Subsidiary Rule 436 of OTC Volume I.

4(iii). The manner of withdrawal from Civil Deposits during the period from 2005-2006 to 2010-2011 has been prescribed in paragraphs 4 & 5 of the Finance Department circular No.31335(225)/F Dtd 15.07.2011. **In case concurrence of Finance Department is necessary for withdrawal of money from Civil Deposit, the Administrative Departments should submit the proposal to Finance Department much before 25.02.2012. Finance Department will not accept any proposal for sanction of funds and release from Civil Deposit after 25.02.2012.**

5(i). Under the integrated Odisha Treasury Management System (i-OTMS), all the Treasuries are connected to the Central Location at the Directorate of Treasuries & Inspection, Odisha, Bhubaneswar through intranet and the Controlling Officers and Drawing & Disbursing Officers have access to the system (i-OTMS) through the Budget Interface & Works Expenditure module of the Treasury Portal (internet). The transactions are made through the System. The i-OTMS does not provide for any backlog processing of transactions at any stage. As such exactly after **12.00 Midnight of 31st March 2012, which is technically the end of the current financial year 2011-12, the system would automatically disable all the allotments for 2011-12 across the State as a whole for the financial year 2011-12 and it would not be possible at all to carry out any transaction, relating to the budget of 2011-12 after that. Besides the centralized and computerized payment procedure of the Agency Banks under the Core Banking System may not accept last minute transactions. Hence, the Controlling Officers and D.D.Os are advised to avoid submission of bills in the Treasury after the deadlines and ensure encashment of all claims presented in the Treasury/Bank before 31st March, 2012. The Cheque drawing DDOs of Forest and Engineering Departments are also advised to ensure issue of all cheques sufficiently ahead so that the payees would be able to encash the cheques before 31st March, 2012.**

5(ii) Distribution of Budgetary Allotment, re-appropriation and surrender of funds are made by the Controlling Officers through the Budget Interface and Works Expenditure Module of Treasury Portal (internet). The cheque drawing DDOs of Forest and Engineering Departments also issue cheques through the Works Expenditure Module of i-OTMS. Network failure in December, 2011 denied access to the Treasury Portal. **In case of internet failure, Allotment distribution and cheque processing in case of Forest and Engineering Departments may be**

made by using the facility available in the nearest Treasuries/Special Treasuries/Sub-Treasuries in intranet or at the Central Location in the Directorate of Treasuries and Inspection, Odisha, Bhubaneswar. This is available as a back up facility.

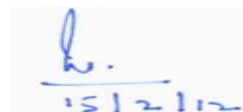
6. Budgetary Allocation pertaining to **Central Plan and Centrally Sponsored Plan** schemes may not be surrendered in a routine manner where there is likelihood of receipt of Central Assistance and scope for expenditure towards the end of the financial year. In case of late receipt of central assistance beyond the deadline stipulated in para 2 above, the Administrative Departments may immediately move Finance Department for extension of the deadlines to facilitate expenditure.

7. The Budgetary provision for **Relief Expenditure** should be released fully in time by issue of allotment according to the deadline fixed i.e. **25.02.2012**. Drawal of funds as per the allotment issued should be ensured by presentation of bills in the Treasury by **15.03.2012**.

8. **Money after drawal from Bank/Treasury should not be kept outside Public Account.**

9. I would, therefore, request you kindly to take timely steps for sanction, allotment, re-appropriation, surrender and drawal of funds by the deadlines stipulated above in the interest of fiscal discipline and effective financial management.

Yours faithfully,

A handwritten signature in blue ink, followed by a horizontal line and the date '15/2/12' written below it.

Principal Secretary to Government

Memo No 5342(8) /F Dt 15.02.2012

Copy forwarded to the Registrar, Odisha High Court/Special Secretary, Odisha Public Service Commission/Secretary, Odisha State Election Commission/Secretary, Staff Selection Commission/ Registrar, Odisha Administrative Tribunal/Secretary, State Human Rights Commission/ Secretary, Odisha Electricity Regulatory Commission/Resident Commissioner, Odisha, New Delhi for favour of information & necessary action.



Deputy Secretary to Government

Memo No 5343(45) /F Dt 15.02.2012

Copy forwarded to all PSUs/Co-operative Institutions for information and necessary action.



Deputy Secretary to Government

Memo No 5344(170) /F Dt 15.02.2012


Copy forwarded to all Treasury Officers/Sub-Treasury Officers for information and necessary action.



Deputy Secretary to Government

Memo No 5345(100) /F Dt 15.02.2012

Copy forwarded to all Officers and Branches of Finance Department for information and necessary action.



Deputy Secretary to Government

Memo No 5346 /F Dt 15.02.2012

Copy along with a soft copy forwarded to the Head, Portal Group, NIC, Odisha Secretariat for information. He is requested to host a copy of this Circular in the Website of Finance Department.



Deputy Secretary to Government