GOVERNMENT OF ORISSA
FINANCE DEPARTMENT

NO.TRB-02/2009 / **F** Dated \(3.3.09\)

From
Shri S.K. Mishra
Special Secretary to Government

To
All Principal Secretaries/
Commissioner-cum-Secretaries/
Secretaries to Government
All Heads of Departments.

Sub: **Measures to prevent rush of expenditure towards the fag end of the financial year 2008-09**

Sir,

I am directed to say that Finance Department have earlier intimated all Departments of Government/all Heads of Department to avoid rush of expenditure towards the fag end of the financial year and stick to the deadlines fixed for sanction, issue of allotment, re-appropriation and surrender of funds, submission of bills in the Treasuries and reference of proposal to Finance Department for release of funds in letter No.2857 (225)/F Dt.14.01.2009.

2. **Sanction and release of funds:**

Keeping in view the difficulties faced by different Departments in adhering to the schedule fixed earlier and the time required for feeding of allotment in OTMS, the following deadlines as revised vide Finance Department letter No.2857(225)/F Dt.14.01.2009 are further extended as follows :-

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Items</th>
<th>Deadlines indicated in F.D.Letter No. 2857(225)/F dated 14.1.2009</th>
<th>Extended Deadlines</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Issue of Sanction Orders and release of funds.</td>
<td>28.02.2009</td>
<td>13.03.2009</td>
</tr>
<tr>
<td>2</td>
<td>Concurrence of F.D. for sanction of funds and release from Civil Deposit.</td>
<td>28.02.2009</td>
<td>13.03.2009</td>
</tr>
<tr>
<td>4</td>
<td>Re-appropriation of funds and issue of allotment.</td>
<td>28.02.2009</td>
<td>13.03.2009</td>
</tr>
<tr>
<td>5</td>
<td>Surrender of un-utilized funds.</td>
<td>28.02.2009</td>
<td>18.03.2009</td>
</tr>
<tr>
<td>6</td>
<td>Submission of Soft copies of Allotment Data to DT &amp;I (O)</td>
<td>28.02.2009</td>
<td>17.03.2009</td>
</tr>
</tbody>
</table>
3. **Presentation of bills in the Treasuries** :-

The last date for submission of bills in the Treasuries has been intimated in advance in Finance Department Circular No.20591 (225)/F dated 15.04.2008 and No.2857 (225)/F dated 14.01.2009. In the meantime, requests for extension of the deadlines for presentation of bills in the treasuries/drawal of funds have also been received. Keeping in view the difficulties of different Departments and the necessity to regulate the submission of different kinds of bills/claims in the Treasuries in a phased manner, the earlier deadlines for presentation of bills/claims in the Treasuries are modified as enumerated below:

<table>
<thead>
<tr>
<th>Sl.</th>
<th>Item</th>
<th>Deadline now prescribed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>All bills pertaining to claims under the unit “Other Contingencies” and purchase of Machinery, Equipment &amp; Vehicles, Share Capital Investment, Budgetary support in favour of Cooperatives, Industrial Enterprises, Public Sector Undertakings in shape of loan or Share Capital Investment and subsidy.</td>
<td>16.03.2009. No Treasury shall entertain any of these Bills, after 16.03.2009 on any account.</td>
</tr>
<tr>
<td>(ii)</td>
<td>Resubmission of bills/cheques after due compliance, in respect of items as mentioned at (i) above which were objected to earlier.</td>
<td>19.03.2009</td>
</tr>
<tr>
<td>(iii)</td>
<td>All other bills/cheques except the categories enumerated at (i) above.</td>
<td>18.03.2009. Extension of this deadline would not be allowed on any account whatsoever.</td>
</tr>
<tr>
<td>(iv)</td>
<td>Resubmission of bills/cheques, after due compliance except those mentioned at (i), which were objected to earlier.</td>
<td>24.03.2009</td>
</tr>
</tbody>
</table>
| (v)  | **Presentation of fresh bills involving payment in cash/bank draft relating to :-**  
  - Relief expenditure,  
  - Energy charges,  
  - Telephone charges,  
  - House Building Advance,  
  - Vehicle Advance,  
  - Old age pension,  
  - Mid-day meal,  
  - Police Organisation,  
  - Jails,  
  - Home Election,  
  - State Election Commission,  
  - Non-plan revenue expenditure under the Major Heads of Account –  
    ✓ 3054-Roads and Bridges,  
    ✓ 2059-Public Works,  
    ✓ 2216-Housing,  
    ✓ 2202-Education,  
    ✓ 2210-Medical & Public Health,  
    ✓ 2211-Family Welfare,  
<p>| 26.03.2009 |</p>
<table>
<thead>
<tr>
<th>Sl.</th>
<th>Item</th>
<th>Deadline now prescribed</th>
</tr>
</thead>
</table>
| ➢   | 12th Finance Commission Grants for  
• Urban Local Bodies and PRIs  
• Chilka Lake,  
• Sewerage system for Bhubaneswar,  
• Heritage Conservation  
• Maintenance of Forests | |

The State would lose a large amount of 12th Finance Commission grant for maintenance of Roads & Bridges and Buildings, Education and Health, if there is any surrender of the provision for Non-Plan Revenue Expenditure (including 12th Finance Commission grant) for these areas. The Controlling Officers and the Drawing & Disbursing Officers are to guard against this eventuality at any cost.

(vi) Bills relating to drawal of 40% arrear pay under the Orissa Revised Scale of Pay Rules, 2008 | 26.03.2009 |

(vii) Bills relating to SGRY, IAY, SGSY and ITDP to be paid by transfer credit to the P.L. Account of the concerned DRDAs/ITDAs and all other bills which are passed for payment by transfer credit to deposit heads. | 26.03.2009 |

4.

(i) **Budgetary funds should not be transferred to Civil Deposit.**

(ii) No bill/cheque/claim of any kind should be presented to the Treasury/Spl. Treasury/Sub-Treasury if the money to be withdrawn cannot be spent on or before 31.3.2009. Where the provision is not likely to be spent by 31.3.2009, the provision shall be surrendered under appropriate intimation to Finance Department in time. **Un-spent balance of funds drawn out of the budget provision for the year 2008-09 should be deposited in Government Account within 31.03.2009.** Such un-spent balances should, on no account, be carried over to the next financial year, as it will deflate the expenditure of the subsequent year on its refund to Government Account.

(iii) **Sufficient care should be taken to present the bills relating to Energy Charges, Expenditure on Relief, Schemes funded by ACA for KBK, Externally Aided Projects, Rural Electrification, BKVV, Dietary charges of Hospitals and Jails, Old Age Pension and 12th Finance Commission Award before the deadline i.e. 18th March/26th March, as the case may be.**

(iv) Under no circumstances should money be drawn and kept in D.C.R., Term Deposit, Bank Draft or in sealed bag or in any other form. Any such instance coming to notice would be treated as temporary misappropriation except when specifically authorized by Finance Department in writing.
5.

(i) The time schedule set out above must be adhered to without any deviation. Under no circumstances shall the accounts of any Treasury/Spl. Treasury/Sub-Treasury be kept open beyond 31.03.2009 with a view to accommodating transactions of the current financial year. Under the Orissa Treasury Management System (OTMS), all the Treasuries are connected to the Central Location at the Directorate of Treasuries & Inspection, Orissa, Bhubaneswar and the transactions are controlled by the System itself. The OTMS does not provide for any backlog processing of transactions at any stage. As such, exactly after 12.00 Midnight of 31st March 2009, which is technically the end of the current financial year 2008-09, the system would automatically disable all the allotments for 2008-09 across the State as a whole for the financial year 2008-09 and it would not be possible at all to carry out any transaction, relating to the Budget of 2008-09 after that time, which is to be accounted for in the financial year 2008-09. Collectors as heads of the Treasury administration in the Districts will enforce these restrictions in the interest of financial discipline as any deviation from the prescribed time schedule will cause undue delay in submission of the accounts to the Accountant General, Orissa.

(ii) On 31st March, 2008, a number of Bills/ Cheques which were passed by the Treasuries/Sub-Treasuries in the late hours and sent to the respective Banks for payment could not be encashed as their computerized system did not admit the last minute transactions. The concerned Departments should, therefore, take advance action in this regard and advise the Controlling Officers & DDOs to avoid submission of bills in the Treasuries after the deadlines and ensure encashment of all claims presented in the Treasury/Bank before 31st March, 2009 as the centralized payment procedure of the Banks under the Core Banking System may not accept the last minute transactions.

6. As envisaged under S.R. 242 of O.T.C. Vol-I, money should not be drawn from the Treasury unless it is required for immediate disbursement. Instances have come to the notice of Govt. that money drawn by the D.D. Os is being kept unutilized for indefinite period. This adversely affects the Ways and Means position of the State. Drawal and retention of funds results in deferment/deprivation of the expenditure on priority items which are linked with developmental activities. In order to prevent drawal of money and retention thereof in shape of cash/bank draft, the D.D. Os must record a certificate on the body of the bills presented after 31st March, 2009 as follows:
That “the money drawn in cash/bank drafts upto the period 31.03.2009 has been disbursed by now except Rs. ___________ which would be disbursed by 30.04.2009 at the latest. Similarly, while presenting the pay bill for April, 2009 to be paid on or after 01.05.2009, the D.D.O. must record a certificate that “all moneys drawn in cash/bank draft up to the period 31.03.2009 have been fully disbursed and no amount is lying un-disbursed with him”.

While presenting the pay bill for the month of May, 2009 onwards, the D.D.O. must record a certificate to the effect that “the money drawn in shape of cash/bank draft through the bills presented during the previous months has been disbursed except the money drawn in A.C. bills and the amount now proposed for withdrawal in this bill in shape of Cash/Bank draft shall be disbursed within a period of 15 days from the date of actual drawal from the Bank/Treasury”.

7. It is observed that the cash balance Certificate is being furnished in a routine manner although huge amounts remain un-disbursed for a long period, which seriously affects the Ways & Means position. The DDOs shall therefore furnish a cash balance report as on 15.04.2009 in the enclosed proforma (at Annexure-‘A’) to the Collector of the District by 21.04.2009 and the Collector in turn will report directly to Finance Department (Ways & Means Branch) the name of DDOs who have drawn money up to 31st March 2009 but have not disbursed it by 15.04.2009. A copy of such report should also be endorsed to the concerned Heads of Department.

8. Instruction issued vide F.D. letter No. 27397 (425)/F dt.25.6.92 and Memo No.53931 (442)/F dt.19.12.92 regarding restrictions on heavy withdrawal of money at a time and its retention in unauthorised Bank accounts must also be strictly followed. It is reiterated that in case any D.D.O. is found to have kept Govt. money in the Bank or Post office after drawal from Treasury/Bank without specific prior approval of the Govt. in Finance Department, he/she shall be held personally liable. While scrutinizing the bills to be presented during 2009-10, the Treasury Officers must check and ensure that a certificate is recorded on the body of the bill by the D.D.O. concerned to the effect that no amount of money drawn from Treasury/Bank has been kept in deposit account without specific prior approval of Finance Department.

9. The D.D.Os under the administrative control of the Departments may be instructed to strictly follow these instructions.
10. All the D.D. Os are requested to furnish to the Finance Department, the balance in Civil Deposits as at the end of 2008-09 in the proforma enclosed, as in Annexure-I & II by 21st April, 2009.

11. I would, therefore, request you kindly to take timely steps for sanction, release, re-appropriation, surrender and drawal of funds by the revised deadlines stipulated above in the interest of fiscal discipline and effective financial management. It should be noted that there will not be further relaxation in the deadlines indicated above under any circumstances whatsoever.

Yours faithfully,

[Signature]

31/3/2009

Special Secretary to Government
Memo No. 11186 (50)/F., dt. 3.3.09

Copy forwarded to All Revenue Divisional Commissioners/All Collectors/Director of Treasuries and Inspection, Orissa, Bhubaneswar/Financial Adviser and Chief Accounts Officer, Balimela/ Rengali (Left Bank)/ Rengali (Right Bank)/Upper Kolab/ Indravati/ Subarnarekha/ Samal/ Mahanadi-Birupa Barrage Project/ Kanupur Irrigation Project/Lower Indra/ Lower Suktel/ Anandapur Barrage Project/ Asst. Financial Adviser & Chief Accounts Officer, Hirakud for information and necessary action.

Joint Secretary to Government

Memo No. 11187 (46)/F., dt. 3.3.09

Copy forwarded to Principal, Secretariat Training Institute, Bhubaneswar/Principal, Orissa Shorthand & Typewriting Institute, Bhubaneswar/ Director, Madhusudan Das Regional Academy of Financial Management, Bhubaneswar/ Director General, Gopabandhu Academy of Administration, Bhubaneswar for information and necessary action.

Joint Secretary to Government

Memo No. 11188 (120)/F., dt. 3.3.09

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

Joint Secretary to Government

Memo No. 11189 (15)/F., dt. 3.3.09

Copy forwarded to Chief General Manager, State Bank of India, Bhubaneswar/ Regional Manager, State Bank of India, Bhubaneswar/ Berhampur/ Sambalpur/ Deputy General Manager, United Bank of India, Bapuji Nagar, Bhubaneswar/Asst. General Manager, UCO Bank, 25-A, Janapath, Unit-III, Bhubaneswar/ Regional Manager, Central Bank of India, Janapath, Unit-III, Bhubaneswar/ Zonal Manger, Bank of India, 12, Satyanagar, Bhubaneswar/ Regional Manager, Indian Bank, Red Cross Building, Bhubaneswar/ Regional Manager, Allahabad Bank, 150, Bapuji Nagar, Bhubaneswar/ Assistant General Manager, Andhra Bank, 320-B, Sahid Nagar, Bhubaneswar for information and necessary action.

Joint Secretary to Government

Memo No. 11190 (170)/F., dt. 3.3.09

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

The instructions and stipulations indicated above should be enforced strictly and any deviation noticed will be viewed seriously.

Further, they are requested to furnish the information in the enclosed proforma-I & II (Department wise) by 21.4.2009 positively concerning Civil Deposit only. The Special Treasuries will furnish their information directly to Finance Department. The District Treasuries will furnish their information incorporating the information of Sub-Treasuries under their control.

Joint Secretary to Government
<table>
<thead>
<tr>
<th>7</th>
<th>6</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit Bill</td>
<td>Bill of D.C., Nature of Claim</td>
<td>Amount</td>
<td>Head of Account</td>
<td>Name of the D.D.O.</td>
<td>Department</td>
<td>Name of the Department</td>
</tr>
<tr>
<td>Date of Creditor</td>
<td>drawn in A.C.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>challan No. &amp;</td>
<td>Whether</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**ANNEXURE-II**

(Information be furnished Department-wise)

<table>
<thead>
<tr>
<th>8</th>
<th>7</th>
<th>6</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>(6-7)</td>
<td>1.4.2009</td>
<td>2008-09</td>
<td>(2+5)</td>
<td>2008-2009</td>
<td>(3+4)</td>
<td>2009</td>
<td>3.2.2009</td>
</tr>
<tr>
<td>28.2.2009</td>
<td>1.4.2008</td>
<td>60.00</td>
<td>deposited</td>
<td>March</td>
<td>Total deposit</td>
<td>during 2008-09</td>
<td>Balance as on</td>
</tr>
<tr>
<td>Released</td>
<td></td>
<td></td>
<td>up to the end</td>
<td>Total deposit</td>
<td></td>
<td></td>
<td>1.4.2008</td>
</tr>
<tr>
<td>Balance of</td>
<td>2008-09</td>
<td>during</td>
<td>deposited</td>
<td>Amount</td>
<td></td>
<td></td>
<td>Department</td>
</tr>
<tr>
<td>Civil Deposit</td>
<td>60.00</td>
<td>amount</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**ANNEXURE-I**

CIVIL Deposits-800-Other Deposits (Information be furnished Department-wise)

K-Deposits and advances-(b) Deposits not bearing Interest-8443
<table>
<thead>
<tr>
<th>7</th>
<th>6</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vol-1. 242 of OTC violation of SRO.</td>
<td>Account:uthorized Bank Cheque/B.C/Dr. or in un-disbursed amount in Reimbursement of the Withdrawal.</td>
<td>Reimbursement amount of the Break up of the</td>
<td>Un-disbursed amount of</td>
<td>Un-disbursed amount of</td>
<td>Department/Authority</td>
<td>Name of the Heads of</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>money</td>
<td>money</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>In March 2009</td>
<td>Before 1.3.2009</td>
<td></td>
</tr>
</tbody>
</table>

**Cash Balance Report of DDOs As on 15.04.2009**

*Annexure-4*