Sub: **Provision of funds for construction of buildings in the Demand for Grants of the respective User Departments.**

At present, expenditure on building construction works and water supply and sanitation works for the buildings of all Departments except Forest, Water Resources and other Departments specifically authorized to execute such works, are provided in the Demand for Grants of Works, Rural Development and Housing & Urban Development Departments in terms of the provisions of Rule 135 and 139 of Orissa General Financial Rules.

2. It is now seen that once provision of funds is made for building construction work in the budget of Works & Rural Development Departments, the User Departments do not take the required steps to make available the land, approve the plan estimate and design prepared by the Divisional Officers of the Works/ Rural Development Department in time and there is also delay in issue of administrative approval which stands in the way of inviting tenders for execution of the works.

3. Since the Budget provision is being made in the Demand for Grant of the executing Departments, the User Departments are not directly accountable for spending the provision. They also do not undertake the necessary ground works like acquisition of land, approval of plan estimate and design which are the necessary pre-conditions for issue of administrative approval and inviting tender for execution of the building construction work.

4. In order to obviate the aforesaid difficulties on account of delay in completion of the formalities for execution of building construction works by the requisitioning Departments, it is decided that from the next Financial Year i.e. 2012-13, the requisitioning Departments will make lump provision of funds in the respective
Demand for Grants under the related functional Major Heads for Non-residential and Residential Buildings separately for ongoing and new building works.

5. Priority should be given for provision of funds for completion of the ongoing works. In case of new works, it should be ensured that land is available for construction of building, plan, estimates and design are ready for approval. After provision of funds, the budgetary allocation for the construction works should be placed by the grant controlling authority i.e. Secretary of the Administrative Department at the disposal of the Chief Engineer, Buildings and the Chief Engineer, Rural Works-II as the case may be through the works expenditure module of iOTMS. However, the ultimate responsibility for timely spending of the budgetary provision and completion of the building works shall rest with the respective grant controlling authorities.

6. No proportionate charges on percentage basis shall be levied on these works in terms of Finance Department Office Memorandum No. 49660/F., Dated 1.12.2010 as funds for these works are provided in the Budget.

7. The estimates and administrative approval order of all ongoing building works shall be revised accordingly and the expenditure for the balance work to be executed on or after 1.4.2012 charged to the Departmental Budget.

8. Provision for maintenance works of residential and non residential buildings and water supply and sanitation works for these buildings shall continue to be made in the Demand for Grants of Works, Rural Development and Housing & Urban Development Departments.

9. The relevant provisions of Rule 135 & 139 of Orissa General Financial Rules would stand modified to this extent.

10. User Departments, Chief Engineer, Buildings and Chief Engineer, Rural Works-II entrusted with execution of building works are advised to follow the aforesaid instructions for timely execution of building works.

By order of the Governor

[Signature]

Principal Secretary to Government
Memo No. 2179/F., dated 27.1.12.
Copy to All Departments of Government / All Heads of Department for information and necessary action.

Joint Secretary to Government

Memo No. 2180/F., dated 27.1.12.
Copy forwarded to Principal A.G. (CA), Odisha / A.G. (CWR&A), Odisha / Principal A.G. (A&E), Orissa / DAG, (Works), Puri for information and necessary action.

Joint Secretary to Government

Memo No. 2181/F., dated 27.1.12.
Copy forwarded to the Chief Engineer, Buildings/Chief Engineer, RW-II /Chief Engineer, PH (Urban) for information and necessary action.

Joint Secretary to Government

Memo No. 2182/F., dated 27.1.12.
Copy forwarded to the Director, MDRAFM / Director, Treasuries and Inspection, Odisha / Controller of Accounts / Examiner, LFA for information and necessary action.

Joint Secretary to Government

Memo No. 2183/F., dated 27.1.12.
Copy forwarded to all Officers and Branches of F.D. for information and necessary action.

Joint Secretary to Government

Memo No. 2184/F., dated 27.1.12.
Copy forwarded to the Heads of Portal Group, IT Centre, Odisha Secretariat for information and necessary action.

He/She is requested to host this Office Memorandum in the website of Finance Department for general information.

Joint Secretary to Government