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**GOVERNMENT OF ORISSA**

**COMPILATION OF  
IMPORTANT CIRCULARS  
AND ORDERS  
ISSUED BY  
FINANCE DEPARTMENT  
DURING 2007 - 2008**

**FINANCE DEPARTMENT**

## **FOREWORD**

Instructions, orders and clarification issued by the Finance Department from time to time relating to service conditions, pay fixation, budgetary exercises and other allied matters are very often required by different Departments for reference. As in the past years, it has been our endeavour in the Finance Department to compile such instructions issued during the year 2007-2008 in shape of a compendium for the benefit of user Departments and subordinate offices. Any doubt regarding interpretation of these orders/instructions may be referred to the Finance Department.

I do hope that this compendium will be found useful by all concerned.

**Jugal Kishore Mohapatra**  
**Principal Secretary to Government.**  
**Finance Department.**

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*MATTER RELATING TO DEARNESS  
ALLOWANCE*

## FINANCE DEPARTMENT

### OFFICE MEMORANDUM

**No. CS-IV-1/2007 - 26150/F., dated 11th June, 2007.**

**Sub: Sanction of D.A. @ 5% to State Government employees w.e.f. 01.07.2006.**

Dearness Allowance equivalent to 50% of Basic Pay for State Government employees has been merged with Basic Pay w.e.f. 01.04.2006 vide Finance Department Office Memorandum No. CS-I(P)-13/06-17491/F., dated 22.4.2006 and accordingly, D.A. at the rate of 24% is now being paid to State Government employees on Basic Pay and Dearness Pay (DP) vide Finance Department Office Memorandum No. CS-IV-01/2007-12220/F., dated 19.03.2007.

2. After taking into account the demand of the State Government Employees and the over-all financial resources read with fiscal targets stipulated under the Orissa Fiscal Responsibility and Budget Management Act, 2005, the State Government have been pleased to release additional dose of D.A. @ 5% to State Government Employees on Pay and DP taken together w.e.f. 01.07.2006. With this sanction of additional dose of D.A. of 5% w.e.f. 01.07.2006, the D.A. now payable will be enhanced from 24% to 29% on Pay and DP taken together w.e.f. 01.07.2006. **This additional dose of 5% D.A. will be paid in cash including the arrear from the month of July, 2006 to June, 2007.**

3. The sanction of additional dose of D.A. of 5% on Pay and DP taken together w.e.f. 01.07.2006 and the manner of payment to the State Government employees as out-lined in Para-2 above, is also applicable to the following.

- All India Service Officers serving in the affairs of the State Government for which G.A. Department will issue separate order.
- The teaching and non-teaching staff of Universities who are in receipt of regular scale of pay and for whom the State Government is bearing full salary cost. These also include Teachers of Universities who enjoy AICTE/UGC scale under O.R.S.P. (College Teacher's Rule, 2001).
- Medical College Teachers under O.R.S.P. (Medical College Teacher's Rule, 2001),
- Sub-ordinate Judicial Officers drawing their pay in accordance with Finance Department Resolution No. 23598/F., dated 03.06.2003,
- Work Charged employees drawing pay in regular scales of pay under O.R.S.P. Rules, 1998.
- Job Contact workers of Consolidation and Settlement Organisation who are in receipt of fixed pay in regular scale of pay and D.A. sanctioned thereon from time to time. The benefit of merger of DA equivalent to 50%

of the basic pay as on 01.04.2006 has already been extended w.e.f. 01.04.2006 to those Job-Contract Workers of Consolidation and Settlement Organisation as mentioned above.

4. D.A. in accordance with this Memorandum will also be admissible to the State Government employees who were in service on the 1st July, 2006 but have ceased to be in service on the date of this Memorandum.

5. The bills for drawal of enhanced of DA @ 5% w.e.f. 01.07.2006 would be submitted to the Treasuries / Special Treasuries / Sub-Treasuries along with the Pay Bill for the month of July, 2007 payable in August, 2007 and onwards, only after the full-fledged Budget for 2007-08 and the relevant Appropriation Bill is enacted.

**Sd/- (D.P.Das)**  
**SPECIAL SECRETARY TO GOVERNMENT**

## FINANCE DEPARTMENT

### OFFICE MEMORANDUM

No. – 40878 /F., dated 9<sup>th</sup> October, 2007.  
CS-IV-1/2007

**Sub: Sanction of D.A. @ 6% to State Government employees w.e.f. 01.01.2007.**

Dearness Allowance equivalent to 50% of Basic Pay for State Government employees has been merged with Basic Pay w.e.f. 01.04.2006 vide Finance Department Office Memorandum No. CS-I(P)-13/06-17491/F., dated 22.4.2006 and accordingly, D.A. at the rate of 29% is now being paid to State Government employees on Basic Pay and Dearness Pay (DP), vide Finance Department Office Memorandum No. CS-IV-01/2007-26150/F., dated 11.06.2007.

**2.** After taking into account the demand of the State Government Employees and the over-all financial resources read with fiscal targets stipulated under the Orissa Fiscal Responsibility and Budget Management Act, 2005, the State Government have been pleased to release additional dose of D.A.@ 6% to State Government Employees on Pay and DP taken together w.e.f. 01.01.2007. **With this sanction of additional dose of D.A. of 6% w.e.f. 01.01.2007, the D.A. now payable will be enhanced from 29% to 35% on Pay and DP taken together w.e.f.01.01.2007. This additional dose of 6% D.A. will be drawn in the Pay Bill of October, 2007 to be paid in November and onwards. Arrears from the month of January, 2007 to September, 2007 will be paid after the Supplementary Budget is passed by Legislature and the relevant Appropriation Bill is enacted. All arrear dues on account of the enhanced DA will be drawn and disbursed latest by 31.03.2008.**

**3.** The sanction of additional dose of D.A. of 6% on Pay and DP taken together w.e.f. 01.01.2007 and the manner of payment to the State Government employees as out-lined in Para-2 above, is also applicable to the following:

- All India Service Officers serving in the affairs of the State Government for which G.A. Department will issue separate order.
- The teaching and non-teaching staff of Universities who are in receipt of regular scale of pay and for whom the State Government is bearing full salary cost. These also include Teachers of Universities who enjoy AICTE/UGC scale under O.R.S.P. (College Teacher's Rule, 2001).
- Medical College Teachers under O.R.S.P. (Medical College Teacher's Rule, 2001),
- Sub-ordinate Judicial Officers drawing their pay in accordance with Finance Department Resolution No. 23598/F., dated 03.06.2003,



- Work Charged employees drawing pay in regular scales of pay under O.R.S.P. Rules, 1998.
- Job Contact workers of Consolidation and Settlement Organisation who are in receipt of fixed pay in regular scale of pay and D.A. sanctioned thereon from time to time. The benefit of merger of DA equivalent to 50% of the basic pay as on 01.04.2006 has already been extended w.e.f. 01.04.2006 to those Job-Contract Workers of Consolidation and Settlement Organisation as mentioned above.

4. D.A. in accordance with this Memorandum will also be admissible to the State Government employees who were in service on the 1<sup>st</sup> January, 2007 but have ceased to be in service on the date of this Memorandum.

**5. The bills for drawal of enhanced of DA @ 6% w.e.f. 01.01.2007 would be submitted to the Treasuries / Special Treasuries / Sub-Treasuries along with the Pay Bill for the month of October, 2007 payable in November, 2007 and onwards. Similarly arrear bills from the month of January, 2007 to September, 2007 will be submitted to the Treasuries / Special Treasuries / Sub-Treasuries after the Supplementary Budget is passed by the Legislature and the relevant Appropriation Bill is enacted. All arrear dues on account of the enhanced DA will be drawn and disbursed latest by 31.03.2008.**

**Sd/- (D.P.Das)**  
**SPECIAL SECRETARY TO GOVERNMENT**

*MATTER RELATING TO  
HOUSE RENT ALLOWANCE*

**No.CS-IV-25/2007-42956/F.,**

**FINANCE DEPARTMENT**

**OFFICE MEMORANDUM**

**The 1<sup>st</sup> November, 2007**

**SUBJECT - Revision in the rate of House Rent Allowance**

Government employees who have not been provided with Government accomodation or staying in their own house are eligible for house rent allowance at the following rates in terms of Finance Department Office Memorandum No.36459/F., dated 24.08.1998.

<b>Sl. No.</b>	<b>Name of the Cities / Towns</b>	<b>Rate of house rent allowance</b>
1.	Bhubaneswar, Cuttack, Rourkela, Berhampur, Sambalpur, Puri	10% of the Basic Pay
2.	Other towns of Orissa classified as 'C' class by Government of India for the purpose of granting H.R.A. to Central Government employees such as Baragarh , Brajarajnagar, Bhadrak, Balasore, Bolangir, Bhawanipatna, Jeypore, Jharsuguda, Sunabeda.	7.5 % of the Basic Pay
3.	In other areas.	5% of the Basic Pay

2. Subsequently the rate of House Rent Allowance for the Central Government employees was revised on the basis of reclassification of cities and towns, vide Government of India, Ministry of Finance, Department of Expenditure Office Memorandum No.2 (21)/E.II.(B)/2004, dated 18.11.2004. Keeping that in view, the State Government employees have been demanding revision of the House Rent Allowance.

3. After careful consideration of the matter relating to reclassification of cities/towns and the revision allowed by Government of India as well as the demand of the employees, Government have decided to revise the H.R.A. for the employees of the State Government which would be admissible at the following rates.

<b>Sl. No.</b>	<b>Name of the Cities / Towns</b>	<b>Rate of house rent allowance</b>
1.	Bhubaneswar, Cuttack,	15% of the (Basic Pay+DP)
2.	Rourkela, Berhampur, Sambalpur, Puri	10% of the (Basic Pay+DP)

- |    |   |                            |
|----|---|----------------------------|
| 3. | Baragarh , Brajarajnagar, Bhadrak,Balasore, Bolangir, Bhawanipatna, Barbil, Baripada, Dhenkanal, Jeypore, Jharsuguda, Jatni, Keonjhar, Paradeep, Rayagada Sunabeda. | 7.5% of the (Basic Pay+DP) |
| 4. | In other areas.   | 5% of the (Basic Pay+DP)   |
- 

4. Thus, there is no revision in the rate of House Rent Allowance admissible to the Government employees residing at Baragarh, Brajarajnagar, Bhadrak, Balasore, Bolangir, Bhawanipatna, Jeypore, Jharsuguda, Sunabeda, Rourkela, Berhampur, Sambalpur, Puri. They will continue to draw H.R.A. at the existing rates.

5. As per Finance Department O.M. No.17491/F., dated 22.04.2006, DA equal to 50% of the existing Basic Pay merged with the Basic Pay of the State Government employees as DP would be counted for the purpose of sanction of House Rent Allowance. Accordingly, House Rent Allowance at the rates indicated in para 3 would be calculated the Basic Pay plus DP.

6. The Government have further decided that HRA would be admissible to the employees of the State Government at the above rates subject to the following stipulations.

- a) The rate at which House Rent Allowance would be admissible shall be determined according to the places in which the Government employee is residing and if the residence of the employee is located within 8 KMs from the Headquarters. The rate as applicable to the place in which the headquarters is located, shall be taken into account. A Government employee staying in a hired accommodation / living in his own house within 8 KMs of his headquarters shall be eligible to H.R.A. as admissible under this order. **A Government employee staying in a rented accommodation / living in his own house at a place beyond 8 KMs of his Headquarters shall not be eligible for H.R.A.**
- b) A Government employee who is living in a house which belongs to him / her father or mother or owned by his wife or children or who is staying in a hired accommodation will be eligible to get house rent allowance as admissible to him/her. **However, a Government servant sharing Government**

**accommodation allotted by Government to another Government servant shall not be eligible for H.R.A.**

- c) If both the husband and wife are Government servants and are posted at the same Headquarters, H.R.A. will be payable to one of them. Similarly, **H.R.A. will not be admissible to a State Government employee whose husband/wife is in receipt of H.R.A. or provided with accommodation by the Central Government or Reserve Bank of India, Nationalized Banks or Regional Rural Banks, Co- operative Organizations of State Government, autonomous body, local body, undertakings, companies etc. owned, controlled or aided by Central/State Government** and such Government employees shall furnish a certificate in the enclosed form.
- d) House Rent Allowance shall be admissible to a Government employee who refuses Government accommodation when offered or surrenders the same after occupying to move to his own house or hired accommodation. This will not be applicable to earmarked Government quarters. **However, Government employees debarred from allotment of Government accommodation due to unauthorized subletting or for breach of allotment rules will not be eligible for H.R.A.**
- e) Grant of House Rent Allowance during leave and transfer will be regulated by the relevant provision of Rule 101 of Orissa Service Code. The allowance will be admissible during absence from headquarters on tour.
- f) A Government employee shall continue to draw house rent allowance during joining time at the same rates at which he was drawing the allowance at the station from where he was transferred. Where, however, joining time is affixed to leave, payment of house rent allowance shall be regulated by the provision of Rule 101 of Orissa Service Code.
- g) A Government employee who on transfer, has been permitted to retain Government accommodation at the old station on payment of normal rent or penal rent, will be eligible for House Rent Allowance at the new station, provided he is otherwise eligible for House Rent Allowance at the new station.

- h) House Rent Allowance shall be admissible to a Government employees deputed on training provided the period of training is treated as duty and he has retained his family at the old station where Government accommodation has not been provided.
- i) House Rent Allowance will also be admissible to the employee during the period of suspension if at the place of his Headquarters as fixed by the competent authority, Government accommodation has not been provided.
- j) In the case of re-employed Government employees whose pay plus pension exceeds the sanctioned maximum pay of the post, the House Rent Allowance will be calculated on that maximum.
- k) This concession shall apply mutatis mutandis to the Government employees borne in work-charged establishment but shall not apply to staff paid out of contingencies and labourers employed on Casual and Nominal Muster Rolls.
- l) The Government employees shall furnish a certificate in the form prescribed in FD Memo No. 46151(265)/F., dated 29.09.2005 along-with his first claim for House Rent Allowance and also in July of each year.**
- m) The grant of House Rent Allowance to the employees shall be made by the Head of Office on receipt of the certificate from him in the prescribed form.

This Memorandum shall take effect from the date of issue.

**Sd/- R. N. Senapati**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

## FINANCE DEPARTMENT

Memo No. 4469 (260) /F  
No.CS-IV-2/2008

Date. 02.02.08

All Departments of Government  
All Heads of Department  
All Collectors

Sub: *Revision in the rate of House Rent Allowance.*

In continuation to this Department O.M. No.42956/F dtd.01.11.2007 on the above cited subject, the Government after careful consideration of the representation of different service Organisations /Associations, have been pleased to decide that the HRA in respect of the employees eligible for rent free accommodation in lieu of Government accommodation will be eligible to get enhanced House rent in the following manner w.e.f . 01.11.2007.

Sl. No.	Name of the Cities/Towns	Normal rate of House Rent Allowance	House rent allowance fixed for Govt. employees eligible for rent free accommodation
1	Bhubaneswar, Cuttack ( Urban Area)	15%	17% of the Basic Pay and D.P.
2	Rourkela, Berhampur, Sambalpur and Puri ( Urban Area)	10%	15% of the Basic Pay and D.P.
3	Baragarh, Brajarajnagar, Bhadrak, Balasore, Bolangir, Bhawanipatna, Barbil, Baripada, Dhenkanal, Jeypore, Jharsuguda, Jatni, Keonjhar, Paradeep, Rayagada, Sunabeda ( Urban Area)	7.5%	10% of the Basic Pay and D.P.
4	Other areas	5%	7.5% of the Basic Pay and D.P.

All the terms & conditions stipulated in the above O.M. stands unaltered.

**Sd/- D.P.Das**  
**Special Secretary to Government**

*MATTER RELATING TO  
HOUSE BUILDING ADVANCE*



## **FINANCE DEPARTMENT**

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### **OFFICE MEMORANDUM**

No.C.S.-IV- 60/07-50009 Dated 31.12.2007

Sub : Clarification regarding counting of House Building Advance on account of the merger of D.A. equivalent to 50% of basic pay with basic pay to State Government Employees.

State Government have decided that Dearness Allowance (D.A.) equal to 50% of the existing basic pay is merged with the basic pay of the State Government employees which is shown distinctly as Dearness Pay (D.P.) vide Office Memorandum No.17491/F., dt.22.04.06 Doubt has arisen in different quarters regarding counting of D.P. for the purpose of House Building Advance. It is therefore clarified that D.P. would be counted for the purpose of sanction of House Building Advance to the Govt. employees with effect from the date of issue of this Memorandum. All past sanctioned cases need not be reopened.

**Sd/- D.P.Das**

**SPECIAL SECRETARY TO GOVERNMENT**

*MATTER RELATING TO  
OCS (PENSION) RULES*

## **FINANCE DEPARTMENT**

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No.Pen-40/2005-16950 (255)/F.,

From Shri K.C.Mishra,  
Joint Secretary to Government.

To The Principal Secretary/Commissioner-cum-Secy./  
Special Secretary/ Secretary to Government, All Departments/  
All Heads of Departments/ All Collectors.

Sub : Introduction of new Re-structured Defined Contribution Pension  
Scheme-procedures regarding its implementation.

Bhubaneswar, the 2<sup>nd</sup> April, 2007.

Sir/Madam,

Government have introduced a Defined Contribution Pension Scheme (DCPS) vide Finance Department Notification dated 17.09.2005. The procedures for introduction of the new pension scheme have been defined in Finance Department O.M.No.30132/F dated 13.07.2006. All persons appointed in Government establishments with effect from 01.01.2005 under pension-able establishment shall be covered under the Defined Contribution Pension Scheme. As required, the DDOs after receiving information from the concerned employees in Annexure-I shall furnish the required information in the prescribed format (Annexure-II) to the Accountant General (A&E) Orissa/ Controller of Account, Orissa, as the case may be, for necessary action. Those who are appointed in a pension-able establishment against regular vacancies would only be eligible to come under the New Pension Scheme. Now it has come to the notice of the Government that from the information forwarded by some Drawing & Disbursing Officers to the Office of the A.G. (A&E) Orissa in Annexure-II, it is not possible to know whether such appointments are made in a pension-able establishment against regular vacancies in the regular scale/at consolidated salary or in a consolidated pay under Work- charged establishment/Job Contract establishment etc. Therefore, it has not been possible to implement the scheme although number of appointments has been made with effect from 01.01.2005.

2. After careful consideration the State Government have been pleased to issue the following clarifications/guidelines in regard to implementation of the New Pension Scheme.

- (i) The employees, who joined on or after 01.01.2005 in Govt. of Orissa and that too only in a pension-able establishment, shall become member of the scheme.
- (ii) The DDOs concerned shall obtain the required information from the concerned Government servant in the prescribed proforma (Annexure-I) as per Finance Department O.M.No.30132/F dated 13.07.2006. It will be the responsibility of the DDOs for obtaining such information from the Government servants.
- (iii) Soon after receipt of the information from all the Government servants covered under the New Pension Scheme, the DDO shall furnish consolidated information for all those employees for the month to the office of the A.G. (A&E) Orissa/ Controller of Accounts, Orissa as the case may be by 7<sup>th</sup> of the following month. Besides the information furnished by the DDO, the appointing authority shall also furnish a certificate in Annexure-II itself to the following effect.

“This is to certify that the employee/employees mentioned above is/are appointed in a pension able establishment against a regular vacancy/vacancies.”

Name & Signature of the Appointing Authority  
(With Seal)

- (iv) It must be ensured that the information furnished in Annexure-II must carry the necessary certificate from the appointing authority. A sample copy of Annexure-II is enclosed for reference.
- (v) For the purpose of validation of the appointments made so far on or after 01.01.2005, fresh information in Annexure-II (As indicated) Shall be furnished to AG (A&E), Orissa/ Controller of Accounts, Orissa as the case may be, with a copy to Finance Department. Any wrong information furnished in Annexure-II shall be the responsibility of the Appointing Authority as well as the DDO.
- (vi) No recovery will be made from the salary of the person for the month in which he joins in Government service. The recovery will start from the salary of the following month in which the Government servant has joined in service.
- (vii) The DDO will maintain separate pay bill register in respect of the government servants joining Government service on or after 01.01.2005. The DDO will have to prepare a separate

pay bill in respect of these government servants and will send the same with all the schedules to the treasury.

- (viii) The DDO will prepare a recovery schedule in duplicate in the prescribed form (Annexure-IV) as per Finance Department OM No.30132/F Dt.13.07.2006 indicating the contribution of each employee under Tier-I and attach it with the pay bills.
- (ix) The amount to be recovered from the pay bill of the employee(s) towards his/her contribution will not be exhibited in the inner column of the pay bill. Bank Draft towards the employee's contribution will be obtained as per the schedule of recovery attached to the pay bill. Thus the net salary payable exhibit employee's contribution to DCPS for which BD is obtained and the balance amount payable to the employee(s) concerned. The DDO will maintain a separate register for the purpose.
- (x) The amount recovered from the pay bills shall be remitted in shape of a bank draft along with a copy of the recovery schedule in Annexure-IV under Tier-I to the designated officer in the O/O AG (A&E) Orissa/ Controller of Accounts, as the case may be, in respect of the establishments (s) in his/her charge.
- (xi) Arrears of subscription to the contribution scheme from 01.01.2005 will be deducted from the employees, who joined on or after 01.01.2005 along with current amount. One additional instalment of subscription per month shall be recovered from the concerned employee(s) till recovery of the entire arrear amount.
- (xii) The reasons for non-recovery from a particular employee in any month shall be furnished by the DDO concerned in the recovery schedule without fail.
- (xiii) Tier-II will not be made operative till funds under Tier-I are transferred to Pension Fund Regulatory & Development Authority or Funds Manager or any other decision is taken to this effect.

I would therefore, request you kindly to bring it to the notice of the DDOs under you for necessary action at their end.

Yours faithfully,

**Sd/- K.C.Mishra**  
**Joint Secretary to Government**

**ANNEXURE-II**  
**FORMAT IN WHICH INFORMATION IS REQUIRED TO BE SENT BY DRAWING AND DISBURSING**  
**OFFICER TO THE ACCOUNTS OFFICER, FUND MANAGEMENT OFFICE OF THE A.G. (A&E),**  
**ORISSA/CONTROLLER OF ACCOUNTS, ORISSA**

Name of the D.D.O./Code No.

Name of the Office and Address:

Name of the Govt. Servant	Designation	Basic Pay	Date of Birth	Unique Pension A/c No. in 14 digit to be allotted by the A.G. (A&E), Orissa/ Controller of Account	Date of joining in Govt. Service	Details of nominee(s) for the accumulations under Pension Accounts.			
						Name of Nominee(s)	Age/ Date of Birth	Relations hip with Govt. Servant.	Percentage of Share
1	2	3	4	5	6	7	8	9	10

“This is to certify that the employee/employees mentioned above is/are appointed in a Pensionable establishment against a regular Vacancy/vacancies”.

Name & Signature of the Appointing Authority  
(With Seal)

Signature of the D.D.O.  
(Official Seal)  
(Name of the D.D.O.)

**FINANCE DEPARTMENT**

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No.-Pen -96/2005-17136(5)/F Dt.04.04.07

To

Home Department/  
H & U.D. Department / G.A. Department/  
Revenue & Disaster Management Department/  
Steel & Mines Department

Sub:- Implementation of orders passed by the Hon'ble Orissa Administrative Tribunal in the following cases.

1. O.A. No. 1315© /2005 Ananga Manjari Pattanaik- Vrs State or Orissa and others
2. O.A. No. 1431© /2005 Nayanabala Dei - Vrs State or Orissa and others
3. O.A. No. 869 © /2005 Sk. Asraf -- Vrs State or Orissa and others
4. O.A. No. 868 © /2005 Upendra Prasad Nayak -- Vrs State or Orissa and others
5. O.A. No.1262 © /2005 Sukumar Basarjil -- Vrs State or Orissa and others
6. O.A. No. 1263 © /2005 Kamalakanta Ghose - Vrs State or Orissa and others
7. O.A. No. 1264 © /2005 Harihar Kanungo - - Vrs State or Orissa and others
8. O.A. No. 665 © /2005 Bhakta Bhusan Dash - Vrs State or Orissa and others
9. O.A. No. 1702 © /2005 Arjun Charan Rout - - Vrs State or Orissa and others
10. O.A. No. 537 © /2005 Ramakanta Kar - Vrs State or Orissa and others
11. O.A. No. 563 © /2005 Niranjana Pattanaik - Vrs State or Orissa and others
12. O.A. No. 1432 © /2005 Bibhuti Bhusan Mohanty - - Vrs State or Orissa and others
13. O.A. No. 1510 © /2005 Banshidhar Swain - - Vrs State or Orissa and others

The undersigned is directed to say that consequent upon Orissa State Commercial Transport Corporation (OSCTC) becoming sick, the

surplus employees of the Corporation were absorbed in different offices of Government, as per the decision of the Government.

One Sri Suryamani Ojha, an employee of the then OSCTC, appointed as Junior Clerk in the office of the Collector, Cuttack had filed an O.A. case bearing No. 2020 ( c ) 2000 before the Hon'ble O.A.T, Cuttack Bench. Cuttack with a prayer to issue direction to the State Respondents for counting his past service rendered under O.S.C.T.C. towards qualifying service for pensionary benefits. While disposing of the above O.A. case, the Hon'ble Tribunal had issued direction to the State Respondents as follows:-

“ xxxx to consider the option of the applicant on his depositing the entire C.P.F. amount with simple interest prevalent at present from the date of receipt till deposit. The amount be deposited by the applicant along with interest within 2 months from the date of receipt of the order. xxx”

One receipt of the above direction from the Hon'ble Tribunal, the Administrative Department i.e. erstwhile Revenue Department were requested by the Finance Department to take immediate steps to file Special Leave Petition before the Hon'ble Supreme Court in consultation with Law Department and G.A. Department since Finance Department Office Memorandum No. 2276/F Dt. 20.1.1990 which has also been incorporated in Rule -44 of O.C.S.(Pension) Rules, 1992 is applicable in case of employees of Autonomous Bodies but not in case of Corporation employees on their absorption in Government.

Thereafter, a review petition was filled by the Revenue Department before the Hon'ble Tribunal which was dismissed and Law Department did not agree to file S.L.P. before the Hon'ble Supreme Court against the impugned judgement delivered by the Hon'ble Tribunal in the aforesaid O.A. case. As such the direction issued by the Hon'ble Tribunal in the above O.A. case was implemented by the Administrative Department with concurrence of Finance Department.

Subsequently some other employees of the then OSCTC who were absorbed in different offices of Government had filed O.A. cases before the Hon'ble Tribunal, Cuttack citing the case of Sri Ojha and managed to get similar direction from the Hon'ble Tribunal in their favour.

In one of such O.A. case No. 2471© /2000 filed by Sri Chhanda Charan Mohapatra –Vrs- State of Orissa and Others, the Finance



Department has preferred to file a Writ before the Hon'ble High Court against the impugned judgement of Hon'ble Tribunal in W.P. © No. 1071/2006, which was subsequently been dismissed by the Hon'ble Court with direction to implement the orders passed by the OAT. The orders passed by the Hon'ble High Court in W.P. © No. 1071 of 2005 reads as under :-

“The present opposite party has deposited the CPF amount with interest pursuant to the direction of the Tribunal. Since similar benefits have been made available to other employees standing on the same footing with the opposite party, we are not inclined to examine the various contentions raised by the learned counsel for the petitioners. We are of the opinion that it will be unjust and inequitable to deny the said benefits to the opposite party has already complied with order of the Tribunal by depositing the amount, we direct the petitioners to make compliance of the other part of the order of the Tribunal within four months from day.”

Law Department has expressed the view against filing SLP and to implement the order passed by the Hon'ble Court. Accordingly Government in Finance Department have decided to implement orders passed by the Hon'bler Tribunal in O.A. No. 2471© /2000 – Chhanda Charan Mohapatra – Vrs State and Others.

Therefore, Government have been pleased to decide that instead of filing Writs before the Hon'ble High Court against the orders passed in aforesaid O.A. cases, the Administrative Department(s) may implement the direction of the Hon'ble Tribunal in order to avoid further litigation in the matter, if other O.A. cases referred to above relating to their Departments are the same in nature to that of O.A. case No.247/2000- Chhanda Charan Mohapatra-Vrs – State and others.

**Sd/- K.C.Mishra**  
**Joint Secretary to Government**

**FINANCE DEPARTMENT**

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No. 17114 (255)/F.  
PEN-7/07

From

Sri K.C. Mishra,

Joint Secretary to Government.

To

The Principal Secretaries /  
Commissioner-cum- Secretaries/  
Special Secretaries to Government,  
All Department / All Heads of the Departments/  
All Collectors.

Sub:- Applicability of new restructured defined contribution pension scheme in case of work charged employees and job-contract employees who have been appointed as such prior to 1.1.2005 and subsequently brought over to regular establishment on or after 1.1.2005 – Clarification regarding.

Bhubaneswar, the 4<sup>th</sup> April, 2007.

Sir,

I am directed to say that the State Government have introduced the new restructured defined contribution Pension Scheme for the new entrants in the State Government Service with effect from 1.1.2005 vide Finance Department Notification No.44451/F., dt. 17.09.2005.

Now doubts have arisen in certain quarters as to whether the above new pension scheme would be applicable in case of work charged employees and job-contract employees who are appointed as such prior to 01.01.2005 and subsequently brought over to regular establishment on or after 1.1.2005.

After careful consideration of the above aspects, it has now been clarified that the persons who are appointed under job-contract and work charged establishment prior to 1.1.2005 and brought over the regular establishment on or after 1.1.2005 are not to come under the coverage of the O.C.S. (Pension) Amendment Rules 2005 as notified in Finance Department Notification No. 44451/F dt. 17.9.2005. Their cases would be governed in terms of OCS(Pension) Rules, 1992 and existing GPF(O) Rules would be applicable to them.

Yours faithfully,

**Sd/- K.C.Mishra****Joint Secretary to Government**

**FINANCE DEPARTMENT**

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No.20560 (255)/F.  
Pen-75/2007

From

Sri P. Mishra,  
Special Secretary to Government.

To

The Principal Secretaries /  
Commissioner-cum- Secretaries/  
Special Secretaries to Government,  
All Department / All Heads of the Departments/  
All Collectors.

Sub:- Supply of information on sanction and drawal of Provisional Pensionary benefits in pension papers.

Bhubaneswar, dated -04.05.07

Sir,

I am directed to say that the Deputy Accountant General (Pension) Office of the A.G.( A & E), Orissa, Bhubaneswar has brought to the notice of the Government in Finance Department in his letter No.PM-1/2-1/State/07-08/21 Dtd.16.4.2007 (copy enclosed) that his office is going to have data base on authorization / drawal of Provisional Pensionary benefits. In this connection, it is necessary that the information on this connection, it is necessary that the information on sanction and drawal of Provisional Pensionary benefits is to be enclosed with pension papers forwarded by the Pension Sanctioning Authorities to the A.G. (A &E),Orissa.

The sanction of provisional pensionary benefits under rule-65 of the O.C.S. (Pension) Rules, 1992 should be noted in the Service Book of the concerned retired employees and a copy of the sanction thereof shall be enclosed with the Pension Papers alongwith a detailed statement showing monthwise drawal particulars of Provisional Pension., drawal particulars of the provisional commuted Value of Pension and Provisional gratuity. In the event of non-drawal of such benefits, a certificate to the effect that no provisional pension / Provisional Commuted Value of Pension / Provisional gratuity have been sanctioned in favour of the retired official shall be given in the forwarding letter to pension papers.

Since the above procedure has not been followed by the some of the Pension Sanctioning Authorities while sending pension papers of the retired employees of their office to A.G. (A &E), Orissa , difficulty is being experienced at the level of A.G. (A &E), Orissa to issue final payment order in respect of Pension / Gratuity / Commuted Value of Pension in favour of the concerned retired employees.

In view of the circumstances cited above, I would therefore to request you kindly look into the matter and issue suitable instruction to the Pension Sanctioning Authorities under your administrative control to follow the above procedure strictly while sending the pension papers in respect of the retired employees of their offices to A.G. (A &E), Orissa in order to avoid excess payment in the matter.

Yours faithfully,

**Sd/- P.Mishra**  
**Special Secretary to Government**

**No-Pen-43/2007 – 26410 /F**

**FINANCE DEPARTMENT**

**RESOLUTION**

**Bhubaneswar, Dated the 13<sup>th</sup> June, 2007**

**Sub: - Temporary Increase on Pension / Family Pension**

Temporary increase on Pension equivalent to 50% of Basic Pension / Family Pension for State Government Pensioners / Family Pensioners has been converted to Dearness Pension / Dearness Family Pension w.e.f from 1.4.2006 vide Finance Department Resolution No Pen-100/06-26692/F dt.14.6.2006 and accordingly Temporary Increase on Pension at the rate of 24% is now being paid to the State Govt. pensioners/ family pensioners w.e.f 1.4.2006 on Basic Pension / Family Pension plus Dearness Pension / Dearness family Pension consequent upon release of 3% of T.I in favour of the State Govt. Pensioner / Family Pensioners w.e.f 01.01.2006 vide Finance Department Resolution No. Pen-43/2007- 12857/F, Dated-23<sup>rd</sup> March, 2007.

2. In the meantime one instalment of Dearness Allowance @ 5% in favour of the State Government employees has been sanctioned by State Government w.e.f 01.07.2006 vide Finance Department Office Memorandum No.26150 /F., dated 11<sup>th</sup> June, 2007.

3. Accordingly, after careful consideration of the matter, State Government have been pleased to decide that the T.I on Pension shall be paid to the State Government Pensioners / Family Pensioners at the same rate of 5% on Basic Pension / Family Pension plus Dearness Pension / Dearness family Pension taken together w.e.f 01.07.2006. With sanction of one does of T.I. of 5%, the T.I. now payable on Basic Pension / Family Pension plus Dearness Pension / Dearness Family Pension will be enhanced from 24% to 29% w.e.f 01.07.2006.

For the purpose of this Resolution : -

- (i) 'Pension/Family Pension' in the case of the pre 1.1.96 retirees and where family pension was due prior to 1<sup>st</sup> January, 1996 means the consolidated/ revised pension or consolidated/ revised family pension, as the case may be, in

terms of Finance Department Office Memorandum  
No.25452/F dt.12.6.98 read with O.M. No.21546/F dt.12.5.99.

- (ii) In the case of pensioners who have retired after 1.1.96 or where family pension is sanctioned for the first time after 1.1.96, 'the pension/family pension' means the basic pension/family pension, as the case may be, sanctioned on retirement/death.

4. The aforesaid T.I. in all cases would be paid during 2007-2008 starting from the Pension Bill for the month of July, 2007 onwards which would be presented in August, 2007 only after the full fledged Budget for 2007-2008 and the relevant Appropriation Bill is enacted.

5. Payment of Temporary Increase involving fraction of a rupee shall be rounded off to the next higher rupee.

6. Other provisions governing grant of Temporary Increase to Pensioners such as regulation of Temporary Increase during employment/re-employment, regulation of Temporary Increase where more than one pension is drawn will remain unchanged.

**ORDER :** - Ordered that the Resolution be published in the Orissa Gazette.

By Order of the Governor

**Sd/- D.P.Das**  
**Special Secretary to Government**

**FINANCE DEPARTMENT**

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No. Pen-40/2005- 26535(2) /F., Dt. 14.06.2007

From

Shri D. P. Das., I.A.S.,  
Special Secretary to Govt.

To

The Accountant General (A&E), Orissa, Bhubaneswar,  
The Controller of Accounts, Orissa, Bhubaneswar.Sub: - Implementation of " The New Restructured Defined Pension  
Contribution Pension Scheme – 2005"

Sir,

The State Government have introduced " The New Restructured Defined Contribution Pension Scheme for the new entrants to the State Govt. Service w.e.f. 1.1.2005 in Finance Department Notification No. 44451/F Dt. 17.9.2005. The guidelines and accounting procedure for implementation of the scheme have been issued in Finance Department Office Memorandum 30132/F Dt. 13.7.2006 and letter No. 16950/FDt. 2.4.2007 with the concurrence of A.G. (A&E), Orissa.

In the aforesaid "Defined Contribution Pension Scheme", the element of matching contribution by the Government is envisaged. As such Government after careful consideration and in consultation with the A.G.(A&E), Orissa and the Controller of Accounts, Orissa, have decided to delegate the powers with regard to drawal and remittance of such matching contribution to the Accountant General (A&E), Orissa, Bhubaneswar and to the Controller of Accounts, Orissa, Bhubaneswar through book adjustment.

Accordingly the A.G.(A&E), Orissa is authorised to operate the Head of Account " Demand No. 5 - 2071-Pension and Other Retirement Benefits -01-Civil-117- Government Contribution for Defined Contribution Pension Scheme -1766 - Contribution Pension Scheme - 42007 - Government Contribution - 820 - Government Employees " under Non- Plan for the Defined Contribution Pension Scheme, utilise the budgetary provision thereunder and credit the same to the accounts of the individual subscribers who have entered into the State Govt. Service under

pensionable establishment on or after 1.1.2005 towards matching contribution of the State Government by transfer .

Similarly, in respect of the new entrants to Government Primary and Basic Schools and Non-Govt. Aided Educational Institutions in the State w.e.f. 1.1.2005, the Controller of Accounts, Orissa, Bhubaneswar is also authorised to operate the Head of Account "Demand No. 5 - 2071-Pension and Other Retirement Benefits - 01 - Civil - 117-Government Contribution for Defined Contribution Pension Scheme-1766-Contribution Pension Scheme - 42007-Government Contribution - 821-Teachers of Govt. Primary and Basic Schools and 822-Teachers of Non-Govt. Secondary Schools & Colleges" under Non-Plan meant for the defined contribution pension scheme and utilize the budgetary provision thereunder. The Controller of Accounts is further authorized to draw the amount in respect of matching Govt. contribution towards Defined Contribution Pension Scheme and make such payment by transfer credit to the Head of Account " 8342-Other Deposits -117-Defined Contribution Pension Scheme " by presenting a bill and a chalan in the District Treasury, Khurda by furnishing necessary supporting schedules which are to be sent to the O/o the A.G(A&E), Orissa for compilation and consolidation of Accounts. Thereafter, the amount drawn and paid by transfer in the manner stated above is to be credited to the accounts of the individual subscribers.

Further till engagement of an entity to function as a Central Record Keeping Agency (CRA) by the Pension Fund Regulatory and Development Authority ( PFRDA) and appointment of Fund Managers, the Controller of Accounts will function as Record Keeping Agency of the State in respect of the employees of the Aided Educational Institutions as an interim arrangement.

Yours faithfully

**Sd/- D.P.Das**  
**Special Secretary to Govt.**



**FINANCE DEPARTMENT**

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No. 30439 /F., Dt. 18.07.07  
Pen-7/2007

From

Sri B.K. Mohanty,  
Deputy Secretary to Govt.

To

The Sr. Deputy Accountant General, Funds,  
O/o the A.G.(A&E), Orissa, Bhubaneswar

Sub : Admission to General Provident Fund.

Sir,

I am directed to invite a reference to your letter No. FM/1-1/2007-08/66 Dt. 8.6.2007 on the subject noted above and to clarify the points raised in your letter referred to above as follows : -

(1) It has already been clarified in the Department letter No. 17114/F, Dt. 4.4.2007 that the pensioner who are appointed under Job-Contract and Work charged establishment prior to 1.1.2005 and brought over to regular establishment on or after 1.1.2005 are not to come under the coverage of the O.C.S(Pension) Amendment Rules, 2005 as notified in Finance Department Notification No. 44451/F, Dt. 17.9.2005. Their cases would be governed in terms of O.C.S (Pension) Rules, 1992 and existing G.P.F.(O) Rules would be applicable to them.

Similarly the O.A.S. officers of 2000 batch regularly recruited under Revenue Deptt. Notification No. 3199/RCS, Dt. 10.12.2004 shall be treated as 10.12.2004 and as such they will be governed under the pre- amended O.C.S.(Pension) Rules, 1992 which was in force prior to Finance Deptt. Notification No. 44451/F, Dt. 17.9.2005 as has been clarified in erstwhile Revenue Deptt. letter No. 643/R Dt. 25.3.2006 addressed to the Commissioner-cum-Secretary, Board of Revenue, Orissa Cuttack. As such the existing G.P.F.(O) Rules would also be applicable to them.

(2) As regards teaching and non-teaching staff of the Aided Educational Institutions working in personable establishment in the event of takingover of such institutions by the Govt. on or after 1.1.2005, their case would

be governed under the O.C.S.(Pension) Rules, 1992 and existing G.P.F.(O) Rules would be applicable to them.

(3) The case of other employees whose services are being regularized on or after 1.1.2005 will be clarified later after due examination of their cases as and when such contingency will arise.

(4) As regards allotment of GPF account numbers in respect of the employees joined on or after 1.1.2005 and prior to issue of Finance Deptt. Notification No. 44451/F, Dt. 17.9.2005, it is not clearly understood as to how, the G.P.F. Account numbers were allotted in their favour when they have not completed one year of continuous service as per of Rule-4 of GPF(O) Rules. The matter may be clarified.

(5) As regards amendment to Orissa GPF Rules on account of introduction of new pension scheme, 2005, requisite proposal has been sent to Parliamentary Affairs Deptt. for placing the same before the cabinet for approval. As such necessary orders in the matter will be communicated in due course.

(6) All Departments of Govt./Heads of Deptt. etc. are being requested separately to issue suitable instructions to all D.D.Os under their administrative control not to forward any applications of their employees joined in Govt. service under pensionable establishment on or after 1.1.2005 to the A.G.(A&E) Orissa or Controller of Accounts, Orissa as the case may be, for allotment of GPF account numbers in respect of such employees since the existing provisions of G.P.F.(O) Rules are not applicable to them. They are also being informed that while sending the application forms of the employees as indicated at para – 1 & 2 above for allotment of GPF account numbers in their favour to A.G.(A&E), Orissa or Controller of Accounts, Orissa as the case may be, such application forms must bear the reason for applicability of GPF(O) Rules in their favour.

Yours faithfully

**Sd/- B.K.Mohanty**  
**Deputy Secretary to Govt.**

**FINANCE DEPARTMENT**

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No. 30447 (255)/F., Dt. 18.07.07  
Pen-7/2007

From

Sri B.K. Mohanty,  
Deputy Secretary to Govt.

To

The Principal Secretaries / Commissioner-cum-Secretaries/  
Secretaries / Special Secretaries to Govt. All Departments /  
All Heads of Departments / All Collectors.

Subject : Admission to General Provident Fund.

Sir,

I am directed to say that the state Government have introduced " the New Restructured Defined Contribution Pension Scheme for the new entrants to State Government Service w.e.f. 1.1.2005 vide Finance Deptt. Notification No. 44451/F, Dt. 17.9.2005. Accordingly the existing provisions of O.C.S. (Pension) Rules 1992 and G.P.F.(O) Rules are not applicable in case of such employees.

But persons who are appointed under Job Contract and Work Charged establishment prior to 1.1.2005 and brought over to regular establishment on or after 1.1.2005 and the O.A.S. officers of 2000 batch regularly recruited under Revenue Deptt. Notification No. 3199/R(CS) Dt. 10.12.2004 are not to come under the coverage of above new Pension Scheme, 2005 and their case would be governed under O.C.S.(Pension) Rules, 1992 as has been clarified in Finance Deptt. letter No. 17114/F, Dt. 4.4.2007 and erstwhile Revenue Deptt. letter No. 643/R(CS) Dt. 25.3.2006 respectively. As such their cases would be governed under O.C.S.(Pension) Rules, 1992 and GPF(O) Rules would be applicable to them.

Similarly in case of teaching and non-teaching staff of Aided Educational Institutions who were working in pensionable establishment in the event of taking over of such Aided Institutions by the Government on or after 1.1.2005, their cases will also be governed under O.C.S. (Pension) Rules 1992 and existing GPF(O) Rules would also be applicable to them.

Now the A.G.(A&E), Orissa has brought to the notice of the Government that while sending the applications of the above category of employees to the A.G.(A&E), Orissa or Controller of Accounts, Orissa as the case may be, for allotment of G.P.F. account number in their favour, concerned DDO's are not indicating the reason for applicability of GPF(O) Rules in respect of such employees. The A.G.(A&E), Orissa has further pointed out that some of the DDO's are sending applications of the new entrants to State Government Service for allotment of GPF account numbers in favour of such employees even through the existing GPF(O) Rules are not applicable in case of such employees joined in State Government service on or after 1.1.2005.

I would therefore to request you kindly to issue suitable instructions to all DDOs under your administrative control to take note of the above observation of the A.G.(A&E), Orissa strictly and act accordingly.

Yours faithfully

**Sd/- B.K.Mohanty**  
**Deputy Secretary to Govt.**

**FINANCE DEPARTMENT**

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**No. 32503 /F.,  
Pen-10/2007**

From

Shri D.P.Das, IAS,  
Special Secretary to Government.

To

The Executive Director,  
Pension Fund Regulatory & Development Authority,  
Ground Floor, Tower-I,  
124-Jeevan Bharati Building, Cannught Place,  
New Delhi – 110001.

Sub : Availing of facility of the Central Record keeping Agency (CRA) being engaged by the PFRDA by the State/Union Territory Government.

Bhubaneswar, the 3<sup>rd</sup> August, 2007.

Madam,

I am directed to invite a reference to your Letter No. file-1/12/2005-PFRDA-part-II dt.8.5.2007 on the subject noted above and to say that the Government of Orissa have decided to avail the services of the Central Record Keeping Agency and Pension Fund Manager being appointed by PFRDA. Further Government have decided as follows : -

- 1) The Director of Treasuries and Inspection, Orissa, Bhubaneswar is nominated as Nodal Officer to monitor expenditure of the State fund and to act as Liaison Officer of the State to liaise with PFRDA on such New Pension Scheme.
- 2) The State Government have agreed to entrust the work of Record keeping in respect of the new entrants to State Govt. Service as well as PSUs and Autonomous Bodies etc. joined in service on or after 01.01.2005.
- 3) The cost of Record Keeping to be charged from time to time by the C.R.A. is to be recovered from the Pension Account of the employees enrolled under new Pension Scheme.

Yours faithfully,

**Sd/- D.P.Das**  
**Special Secretary to Government.**

**FINANCE DEPARTMENT**

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**No. 32684 (255)/F., BBSR, Dated 04.08.2007**  
**Pen-33/05**

From  
Shri D.P.Das,  
Special Secretary to Government.

To  
Principal Secretaries/  
Commissioner-cum-Secretaries/  
Secretaries to Govt. of All Departments to Govt./  
All Heads of the Departments/  
All Collectors.

Sub : Payment of family pension to disabled child of a Government  
Servant/pensioner.

Sir,

I am directed to say that as per rule 56(5)(iii) and rule 56(5) (iv) of O.C.S. (Pension) Rules, 92 family pension in favour of the disabled child of a Government servant/pensioner is being sanctioned by the concerned Pension Sanctioning Authority in the event of death of such Government Servant/Pensioner.

But the A.G., Orissa in their letter No. Pen-2/FPR-61-2001-02/510 dt.19.11.2001 has sought clarification from Finance Department as to whether the child of a Government servant/pensioner who is hearing-impaired is eligible to get the benefit under the rule referred to above in absence of a certificate from the concerned Pension Sanctioning Authority that such disabled child is unable to earn his livelihood even after the required medical certificate in support of his disability is issued by the concerned medical authorities.

Accordingly, after careful consideration of the above issue agitated by the A.G., Orissa, Government have been pleased to decide that while issuing the Medical Certificate in favour of disabled child of a Government servant/pensioner, the concerned Medical Officer shall indicate the extent of disability suffered and also will invariably record that such disability would prevent him/her to earn livelihood for good. Thereafter the pension sanctioning Authority will record his views clearly in the pension paper that "he is satisfied about the conditions of the disabled child which prevents

him/her to earn his/her livelihood” and then send the pension papers of such child to A.G., Orissa for sanction of family pension in his/her favour.

The Health and family Welfare Department shall also issue suitable instructions to all Medical Officers of the State to note the above provisions contained in this circular while issuing such certificate in favour of the disabled child of the Government Servants/Pensioners.

I would, therefore to request you kindly issue necessary instructions to the Pension Sanctioning Authorities under your Administrative control to follow the above guidelines strictly to avoid any confusion in the matter.

Yours faithfully,

**Sd/- D.P.Das**  
**Special Secretary to Government**

**No-Pen-43/2007 – 41206 /F**

**FINANCE DEPARTMENT**

**RESOLUTION**

**Bhubaneswar, Dated the 12<sup>th</sup> October, 2007**

**Sub: - Temporary Increase on Pension / Family Pension**

Temporary increase on Pension at the rate of 29% is now being paid to the State Govt. Pensioners/ Family Pensioners with effect from 1.7.2006 on Basic Pension/Family Pension plus Dearness Pension / Dearness Family Pension in Finance Department Deptt. Resolution No. Pen-43/2007/26410/F., dated 13.06.2007 consequent upon merger of temporary increase on Pension/Family Pension equivalent to 50% of Basic Pension/ Basic Family Pension with the Basic Pension/Basic Family Pension to the existing State Govt. Pensioner / Family Pensioners w.e.f. 01.04.2006 in Finance Department Resolution No. Pen-100/2006-26692/F, Dated 14.06.2006.

2. In the meantime one instalment of Dearness Allowance @ 6% in favour of the State Government employees has been sanctioned by State Government w.e.f 01.01.2007 in Finance Department Office Memorandum No.40878 /F., dated 09.10.2007.

3. Accordingly, after careful consideration of the matter, State Government have been pleased to decide that the T.I on Pension shall be paid to the State Government Pensioners / Family Pensioners at the same rate of 6% on Basic Pension / Family Pension plus Dearness Pension / Dearness family Pension taken together w.e.f 01.01.2007. With sanction of one does of T.I. of 6%, the T.I. now payable on Basic Pension / Family Pension plus Dearness Pension / Dearness Family Pension will be enhanced from 29% to 35% w.e.f 01.01.2007.

For the purpose of this Resolution : -

- (iii) 'Pension/Family Pension' in the case of the pre 1.1.96 retirees and where family pension was due prior to 1<sup>st</sup> January, 1996 means the consolidated/revised pension or consolidated/revised family pension, as the case may be, in



terms of Finance Department Office Memorandum  
No.25452/F dt.12.6.98 read with O.M. No.21546/F dt.12.5.99.

- (iv) In the case of pensioners who have retired after 1.1.96 or where family pension is sanctioned for the first time after 1.1.96, 'the pension/family pension' means the basic pension/family pension, as the case may be, sanctioned on retirement/death.

4. The enhanced T.I. for the month of October 2007 will be drawn in November 2007 for Pension and Family holders and the arrears will be drawn after supplementary budget is passed by the Legislature and the relevant Appropriation Bill is enacted.

5. Payment of Temporary Increase involving fraction of a rupee shall be rounded off to the next higher rupee.

6. Other provisions governing grant of Temporary Increase to Pensioners such as regulation of Temporary Increase during employment/re-employment, regulation of Temporary Increase where more than one pension is drawn will remain unchanged.

**ORDER** : - Ordered that the Resolution be published in the Orissa Gazette.

By Order of the Governor

**Sd/- D.P.Das**  
**Special Secretary to Government**

**FINANCE DEPARTMENT**

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No. 386 (260)/F., Dt. 03.01.08  
Pen-185/07

From

Shri D.P. Das, IAS,  
Special Secretary to Govt.

To

The Principal Secretaries / Commissioner-cum-Secretaries /  
Secretaries / Special Secretaries to Govt., All Departments /  
All Heads of Departments / All Collectors.

Sub : Recovery of dues arising out of Audit objection.

**Sir,**

I am directed to say on the above subject that Finance Department Office Memorandum No. 31740/F Dt. 22.8.1991 and office Memorandum No. 8761/F Dt. 4.3.2003 provide that the findings in an audit report/para do not impose any liability on the Government servant concerned unless the same is established in a Departmental proceedings initiated against him under the Orissa Civil Services (classification, control and appeal) Rules, 1962 and where the audit report / para indicates drawal of cash advance which remains to be repaid, money drawn but not utilized or balance after utilization is not deposited and cash embezzlement by interpolation of figures etc, the recovery should start immediately without waiting for departmental proceedings. Before ordering the recovery of the amount outstanding against a Govt. employee as pointed out in the audit report /para which falls within the ambit of the above category, the employees concerned shall be given an opportunity to produce proof in support of the deposit of the amount objected to by the audit within fifteen days. In case, the employee fails to provide necessary evidence of the money having been deposited, the Head of office shall take immediate steps to recover the amounts from the pay/gratuity of the Govt. employees concerned.

Where the loss of Govt. money either by misappropriation or otherwise as pointed out by the audit is of nature where no direct responsibility can be fixed without resorting to a fact finding enquiry, in such cases, Departmental proceedings should be instituted under

O.C.S(CC & A) Rules, 1962/ O.C.S (Pension) Rules, 1992 on the basis of the audit para.

But while disposing of the Lokpal case No. 425 LY(G) of 2007, Shri Shyama Sundar Paidavrs-Director Lift Irrigation, Orissa, the Hon'ble Lokpal, Orissa has expressed displeasure that due to non-appreciation of the existing provisions of O.C.S. (Pension) Rules, 1992 and Finance Deptt. Office Memorandums referred to above by the Head of Offices especially by the Sr. Finance Officers of Orissa Finance services cadre for which the retirement dues of Govt. Servants are unnecessarily held up causing undue hardship to retired Govt. employee concerned.

It is therefore, reiterated that all Pension Sanctioning Authorities / Finance Officers under your administrative control may be informed suitably to follow the procedure outlined in O.C.S. (Pension) Rules, 1992 as well as in the F.D. O.M. referred to above strictly to avoid delay in settlement of retiral benefits of the retired employees.

Yours faithfully

**Sd/- D.P.Das**  
**Special Secretary to Govt.**

**MOST URGENT****FINANCE DEPARTMENT**

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**No. 792 (170) /F., Dated 05.01.08  
Pen-187/07**

From

Shri B.K.Mohanty,  
Deputy Secretary to Government.

To

The All Treasury Officers of District Treasuries &  
Special Treasuries/Sub-Treasuries.

Sub : Clarification on release of arrear Temporary Increase on Pension in favour of the State Government Pensioners/Family Pensioners consequent upon enhancement of T.I. @ 6% with effect from 01.01.2007.

Sir,

I am directed to invite a reference to Finance Department Resolution No. Pen-43/2007-41206/F., dt.12.10.2007 on the subject noted above and to say that the Government of Orissa have enhanced the T.I. on Pension Family Pension in respect of the State Government Pensioners/Family Pensioners at the rate of 6% on basic pension/Family Pension plus Dearness Pension/Dearness Family Pension taken together with effect from 01.01.2007 raising the percentage of T.I. on pension from 29% to 35% in the Finance Department Resolution referred to above. But there was a stipulation at Para-4 of the said Resolution that the enhanced T.I. for the month of October, 2007 will be drawn in November, 2007 in favour of the Pension and Family Pension holders and the arrears will be drawn after supplementary budget is passed in the Legislature and the relevant Appropriation Bill is enacted.

Now it has come to the notice of the Government in Finance Department that some of the Pension paying Banks are reluctant to pay the arrears of T.I. on Pension on account of said enhance T.I. with effect from 01.01.2007 due to want of specific clarification from the State Government to release the same.

2. In view of above it is clarified that in the meantime, the Supplementary Statement of Expenditure 2007-08 have been approved by the Legislature and the Appropriation Bill has been enacted. As such now there is no bar to release the arrears of T.I. on Pension/Family Pension with effect from 01.01.07 in favour of the State Government Pensioners/Family Pensioners.

It is therefore, requested that necessary action in the matter may be taken accordingly.

Yours faithfully,

**Sd/- B.K.Mohanty**  
**Deputy Secretary to Government**

**FINANCE DEPARTMENT**

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**No. Pen-185/07-1216 /F, Dt. 09.01.2008****CORRIGENDUM**

The words appeared in the 5<sup>th</sup> line of para- 3 of the Finance Department Circular No. 386(260)/F dt. 3.1.2008 regarding recovery of dues arising out of Audit objections may be read as "**especially the officers concerned with sanction of pension**" in place of "especially by the Sr. Finance Officers of Orissa Finance Service Cadre."

**Sd/-D.P. Das**  
**Special Secretary to Govt.**

**Most Urgent****FINANCE DEPARTMENT**

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**No. (CS-III)Pen - 5/08 - 4204 (255)/F, Dt.31.01.2008****From**Sri D.P. Das, IAS,  
Special Secretary to Govt.**To**The Principal Secretaries/ Commissioner-cum- Secretaries /  
Secretaries to Govt. of All Deptts. /All Heads of Department/ All  
Collectors .**Sub:** Timely submission of pension papers to A.G. ( A &E) Orissa of  
retired Govt. Servants as prescribed in Rule 62(2) of O.C.S.  
(Pension) Rules 1992.**Sir,**

I am directed to say that sub-rule(2) of rule 62 of O.C.S. (Pension) Rules 1992 provides that the Pension Sanctioning Authorities shall sanction the pension and forward the pension and family pension papers to the Accountant General (A & E) Orissa not later than fourmonths before the date of retirement of Govt. servant failing which he shall be liable for disciplinary action.

Now A.G. (A & E) Orissa has pointed out that in spite of aforesaid codal provisions in the O.C.S. (Pension) Rules 1992, some Pension Sanctioning Authorities are not adhering to the above provisions and transmitting pension papers of the retired employees to A.G. (A & E) Orissa much later than the prescribed time-limit for which difficulties are being experienced at the level of A.G. (A &E) Orissa to authorize the pensionary benefits not later than one month in advance of their retirement.

I would therefore to request you kindly to issue suitable instructions to the Pension Sanctioning Authorities under yourAdministrative Control to follow the above provisions of O.C.S. (Pension) Rules 1992 scrupulously and non-adherence to the above instructions will enjoin fixation of responsibility on the Pension Sanctioning Authority concerned in future.

Your faithfully,

**Sd/- D.P.Das**  
**Special Secretary to Government**

**FINANCE DEPARTMENT**

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**No. Pen. 5986 /F.,  
Pen-187/07**

From

Shri B.K.Mohanty,  
Joint Secretary to Government.

To

The Principal Secretaries/  
Commissioner-cum-Secretary/  
Special Secretary/  
Secretaries to Govt., all Departments/  
All Heads of Departments/  
All Collectors.

Sub : Clarification regarding deduction of deferred D.A. from the Pay bill of the new entrants to State Govt. Service on or after 01.01.2005.

Bhubaneswar, the 13<sup>th</sup> Feb, 08.

Sir/Madam,

I am directed to say that State Govt. have introduced "the New Restructured Defined Contribution Pension Scheme" for the new entrants to State Govt. Service joined on or after 01.01.2005 under pensionable establishment vide Finance Department notification No.44451/F dt.17.09.2005. Accordingly the existing GPF(O) Rules are not applicable to such employees as notified vide Finance Department notification No.36049/F dt.31.08.2007.

As per the provisions of the said scheme, the new employees shall subscribe a monthly contribution of 10% of their basic pay plus Dearness Pay plus Dearness Allowance as employees contribution and an equal matching contribution will be provided by the State Govt. to-wards tier-1 account of the New Pension Scheme in terms of F.D. O.M. No.30132/F dt.13.07.2006.

Now it has come to the notice of the Govt. in Finance Department that some of the drawing and disbursing officers are forcibly compounding 11% deferred D.A. from the pay bill of the concerned new employees to keep the same in the permanent pension account (PPA) of the concerned employees.

Since there is no provision in the said New Pension Scheme to keep any other amount except employees' contribution and employer contribution in the PPA of the concerned employees, keeping deferred D.A. in the said account is highly irregular.

I would therefore to request you kindly to issue suitable instruction to all D.D.Os under your administrative control not to resort to such irregularities. In case any deferred D.A. are already deposited in the PPA of the concerned employees, the same may be adjusted to subsequent employees contribution/ arrear employees contribution, if any of the employees concerned for regularization of such irregularity.

Yours faithfully,

**Sd/- B.K.Mohanty**  
**Joint Secretary to Government**



*MATTER RELATING TO  
GENERAL PROVIDENT FUND RULES*

## **FINANCE DEPARTMENT**

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### Notification

Bhubaneswar, the dated 31.08.2007

No.36049/G.P.F.-14/06- In exercise of the powers conferred by the proviso to article 309 of the Constitution of India, the Governor of Orissa is pleased to make the following rules further to amend the General Provident Fund (Orissa) Rules, 1938, namely :-

1.(1) These rules may be called the General Provident Fund (Orissa) Amendment Rules, 2007.

(2) They shall be deemed to have come into force on the 1<sup>st</sup> day of January, 2005.

2. In the General Provident Fund (Orissa) Rules, 1938, after the Proviso to rule 4, the following proviso shall be added, namely:-

“Provided further that these rules shall not apply to Government Servants appointed on or after 1<sup>st</sup> January, 2005 to services and posts in connection with the affairs of the State, either temporarily or permanently.”

By Order of the Governor

**Sd/- R.N.Senapati**  
**Principal Secretary to Government**

**FINANCE DEPARTMENT**

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No. 48191 (265)/F.,  
G.P.F.-11/05

From

Sri B.K. Mohanty,  
Deputy Secretary to Govt.

To

The Principal Secretaries / Commissioner-cum- Secretaries/  
Secretaries to Government, All Departments / All Heads of  
Departments / All Collectors.

Sub : Return of G.P.F. Authority Slips issued by the A.G. (A&E), Orissa,  
Bhubaneswar.

Bhubaneswar, dated the 15.12.2007

Sir/Madam,

I am directed to say that the Senior Deputy Accountant General/Funds, Office of the Accountant General (A&E), Orissa, Bhubaneswar has brought to the notice of Government in Finance Department in his letter No. FM/1-6/07-08/220 dt.30.11.07 (Copy enclosed) that the G.P.F. Authority Slips issued by the A.G. (A&E), Orissa, Bhubaneswar are not being returned immediately by the concerned Drawing and Disbursing Officers to the Office of the A.G. (A&E), Orissa in the cases as mentioned in his letter referred to above.

I would therefore to request that the suitable instructions may be issued to all the D.D.Os. under the administrative control to take immediate steps to return the said G.P.F. Authority Slips issued by the A.G. (A&E), Orissa to that Office alongwith non-drawal Certificate.

This may be treated as extremely urgent.

Yours faithfully

**Sd/- B.K.Mohanty**  
**Deputy Secretary to Government**

**OFFICE OF THE ACCOUNTANT GENERAL (A&E), ORISSA,  
BHUBANESWAR**

No.FM/1-6/07-08/ 220    Date 27.11.2007

To

The Principal Secretary to Govt.  
Finance Department  
Government of Orissa  
Bhubaneswar

Sub : Return of GPF authority.

Sir,

It has come to notice that the GPF Authorities issued by Accountant General's office are not being returned immediately to the said office in some cases of following types/categories.

1. Authority has been received by a Drawing & Disbursing officer, where the subscriber has not worked at the time of his/her retirement and occurrence of death.
2. The Subscriber/claimant has died at the time of receipt of the GPF Authority issued from this office by the drawing and disbursing officer.
3. The Authority has been received by a Treasury, from which the Drawing & Disbursing Officer is not authorised to draw.
4. The Bill for drawal is not presented to Treasury during currency of the authority.

Therefore, you are requested to issue suitable instructions to all the Drawing & Disbursing Officers and Treasuries to return the GPF authorities to the office of the Accountant General (A&E), Orissa Bhubaneswar immediately along with a non-drawal certificate under intimation to the respective Drawing & Disbursing Officer/Treasury respectively.

Yours faithfully,

**Sd/-**

**Sr. Deputy Accountant General/Funds**

*MATTER RELATING TO  
ORISSA TREASURY CODE*

## **FINANCE DEPARTMENT**

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### **NOTIFICATION**

**Bhubaneswar, the 14<sup>th</sup> May, 2007.**

No. TRC-38/2006-22220/F., Consequent upon formation of the Directorate of Ports and Inland Water Transport, Orissa, Bhubaneswar by merging the Directorate of Inland Water Transport, Cuttack and Gopalpur Port Project, Arijipalli vide Commerce and Transport (Commerce) Department Resolution No.10153 dt.27.11.06 and in view of functioning of new office i.e. Office of the Executive Engineer (Mech.) Port and Inland Water Transport, North Division, Cuttack thereunder, Government have been pleased to attach the afore-said new office to the District Treasury, Cuttack for all Govt. transactions including drawal of bills of their establishment with immediate effect.

By Order of the Governor

**Sd/- P.Mishra**  
**Special Secretary to Government**

## **FINANCE DEPARTMENT**

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### **NOTIFICATION**

**Bhubaneswar, the 15<sup>th</sup> May, 2007.**

No. TRC-38/2006-22282/F., Consequent upon formation of the Directorate of Ports and Inland Water Transport, Orissa, Bhubaneswar by merging the Directorate of Inland Water Transport, Cuttack and Gopalpur Port Project, Arjipalli vide Commerce and Transport (Commerce) Department Resolution No.10153 dt.27.11.06, Government have been pleased to attach the Directorate of Ports and Inland Water Transport, Orissa, Bhubaneswar to the District Treasury, Khurda, Bhubaneswar for all Govt. transactions including drawal of bills of their establishment with immediate effect.

Further, in view of the above reorganization, attachment of the Office of the Chief Construction Engineer, Gopalpur Port Project, Arjipalli to the District Treasury, Ganjam, Chatrapur and the Directorate of Inland Water Transport, Cuttack to the Spl. Treasury, Cuttack is hereby withdrawn.

By Order of the Governor

**Sd/- P.Mishra**  
**Special Secretary to Government**

## **FINANCE DEPARTMENT**

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### **NOTIFICATION**

**Bhubaneswar, the 15<sup>th</sup> May, 2007.**

No. TRC-38/2006-22292/F., Consequent upon formation of the Directorate of Ports and Inland Water Transport, Orissa, Bhubaneswar by merging the Directorate of Inland Water Transport, Cuttack and Gopalpur Port Project, Arjipalli vide Commerce and Transport (Commerce) Department Resolution No.10153 dt.27.11.06, and in view of functioning of new office i.e. Office of the Executive Engineer (Civil) Port and Inland Water Transport, South Division, Gopalpur thereunder by way of merger of the Office of Port Development Officer, Gopalpur Port, Arjipalli and the Office of the Executive Engineer (Mech.), Gopalpur Port Project, Arjipalli, Government have been pleased to attach the Office of the Executive Engineer (Civil), Port and Inland Water Transport, South Division, Gopalpur to the Special Treasury, Berhampur for all Govt. transactions including drawal of bills of their establishment with immediate effect.

Further, in view of the above reorganization, attachment of the Office of the Port Development Officer, Gopalpur Port, Arjipalli and Office of the Executive Engineer (Mech.), Gopalpur Port Project, Arjipalli to the District Treasury, Ganjam, Chatrapur is hereby withdrawn.

By Order of the Governor

**Sd/- P.Mishra**  
**Special Secretary to Government**



## **FINANCE DEPARTMENT**

### **OFFICE MEMORANDUM**

Bhubaneswar dated the, 16.05.2007

No. TRB- 70/2006 - 22511/F.,

Sub:- Provisional payment of salary to State Government employees in absence of L.P.C.

The undersigned is directed to say that F.D. Office Memorandum No. 28132/F., dated 31.07.1965 provides for drawal of provisional pay on appointment, promotion and transfer of Gazetted Government servant. During that period, the scenario was that claims for payment of pay and allowances of Gazetted Officers were preferred by the Officers individually on the basis of authorization from the Accountant General, Orissa. Under the system, separate accounts of drawal and disbursement in respect of each officer were maintained by the Treasuries and Sub-Treasuries functioning as disbursing agencies and corresponding accounts were kept in the Audit Office. This resulted in avoidable increase in the number of bills and in the work of maintenance of separate accounts both in Treasury and Audit Office. With a view to simplifying the procedure of drawal and disbursement of personal entitlements of Gazetted Officers and cutting down avoidable delays and paper work, the old system of drawal of such entitlements by Gazetted officer individually on the basis of authorization by the Accountant General has been discontinued and in its place a revised system has been introduced with effect from 1st December, 1979 under which the personal entitlements of Gazetted Officers are being determined, drawn and disbursed by their respective Heads of Offices. As such, F.D. O.M. No. 28132/F., dated 31.07.1965 has lost its relevance. So, Government decided to withdraw it and to introduce a revised procedure for provisional payment of pay and allowances to State Government employees in absence of Last Pay Certificate.

As per S.R. 188 of O.T.C. Volume-I When a Government Servant presents his pay bill for the first time or when the name of a Government Servant appears for the first time in an establishment bill, the bill shall be supported by a Last Pay Certificate in the form prescribed by the Auditor General. But some times, it so happens that the L.P.C. on transfer of an employee is not received in the concerned establishment in due time for which it becomes impracticable to draw the salary of the concerned

employee. This not only affects the instantaneous financial condition of the employee but also kills his enthusiasm for work.

In order to obviate the problem arising out of non-receipt of L.P.C. of an employee from his previous station, Government after careful consideration, have been pleased to decide that concerned Head of Office may authorize drawal of provisional pay in respect of an employee i.e. pay at the initial stage of the scale of pay attached to the post which the Government employee holds, for a period of three months at the first instance and may be extended upto six months at the further request of the employee concerned. But, the occasions to extend the provisional payment beyond three months should be applicable only in hard cases. As regards recoveries and deductions on account of G.P.F., Income Tax, Professional Tax, advances etc. concerned employee should furnish required information and would be personally responsible for the correctness of the information supplied.

**Sd/- P. Mishra**  
**Special Secretary to Government**

## **FINANCE DEPARTMENT**

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### **NOTIFICATION**

**Bhubaneswar, the 8<sup>th</sup> June, 2007.**

No. TRC-38/2006-25892/F., Government have been pleased to attach the office of the Executive Engineer, Hadua Irrigation Division, Narasinghpur, District-Cuttack to the Sub-Treasury, Narasinghpur for all Govt. transactions including drawal of bills of their establishment with immediate effect.

By Order of the Governor

**Sd/- P.Mishra**  
**Special Secretary to Government**

**FINANCE DEPARTMENT**

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No. 26626 (255) /F., Bhubaneswar, Dt. The 16.06.07  
TRC-19/2003(Pt)

From

Shri P.Mishra,  
Special Secretary to Government

To

All Department of Government  
All Heads of Departments  
All Collectors.

Sub:- Mismanagement of cash by DDOs

Sir,

I am directed to say that Treasury and Financial Rules of State Government enjoin that no money is to be drawn from the Treasury unless it is required for immediate disbursement. All monetary transactions are to be entered in the cash book under proper attestation soon as these occurred and the cash book closed daily. The Head of the office is to physically verify at the end of each month the cash balance in hand as per the cash book and record a certificate to that effect. Bill wise analysis with dates of drawal in respect of closing cash balance is also required to be made at the end of each month. Controlling Officers are also required to inspect the accounts and the records of the DDOs every month.

The C & A.G of India report (Civil) for year 1999-2000 contains adverse comments on mismanagement of cash by DDOs and the possibility of misappropriation and misuse of Govt. cash has been highlighted in the report. It has been observed during Audit that such procedures are not being followed as a result, huge cash balances are lying with the DDOs in shape of Bank Drafts/DCR/S.B Account/Current Account etc. and liquid cash. In addition bill wise year wise analysis of cash balance has not been done and physical verification has not been conducted which indicated gross negligence of rules prescribed for cash management. Instructions have been issued by Finance Department time and again forbidding such grossly irregular practice.

In order to overcome such deficiency, you are requested to issue suitable instructions to the DDOs under your administrative control to scrupulously adhere to the Treasury rules and codal provisions so that no dislocation may recur. In event of any breach of such guidelines appropriate disciplinary proceedings may be initiated against the erring officers.

Yours faithfully,

**Sd/- P.Mishra**  
**SPECIAL SECRETARY TO GOVERNMENT**

**FINANCE DEPARTMENT**

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**NOTIFICATION**

**Bhubaneswar, the 1<sup>st</sup> August, 2007.**

No. TRC-38/2006-32255/F., Government have been pleased to attach the office of the Superintendent of Police, Security Wing, Bhubaneswar to the District Treasury, Khurda, Bhubaneswar for all Govt. transactions including drawal of bills of their establishment with immediate effect.

By Order of the Governor

**Sd/- Priyabrata Mishra  
Special Secretary to Government**

**FINANCE DEPARTMENT**

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**NOTIFICATION**

**Bhubaneswar, dated the 21<sup>st</sup> Sept, 2007.**

No. TRC-14/2007-38462/F., Considering the necessity of delinking of two of more Treasuries/Sub-Treasuries with one link Bank, the State Government, after consolidation with AG (A&E), Orissa have been pleased to decide that the Treasury transaction of Sub-Treasury, Padmapur, District-Rayagada will be conducted by the Indian Overseas Bank Padmapur Branch instead of State Bank of India, Gunupur Branch with effect from 1<sup>st</sup> October, 2007.

By Order of the Governor

**Sd/- P.Mishra  
Special Secretary to Government**

**FINANCE DEPARTMENT**

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**NOTIFICATION**

**Bhubaneswar, the 22<sup>nd</sup> December, 2007.**

No. TRC-38/2006-49089/F., Government have been pleased to attach the Office of the Executive Engineer, RWSS Division, Deogarh, District-Deogarh to the District Treasury, Deogarh for all Government transactions including drawal of bills of their establishment with immediate effect.

By Order of the Governor

**Sd/- P.Mishra**  
**Special Secretary to Government**

**FINANCE DEPARTMENT**

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**NOTIFICATION**

**No. 3746 /F., dt 28.01.08**  
**TRC-38/06**

Government have been pleased to attach the Office of the Commissioner of Police, Bhubaneswar - Cuttack (Twin Cities), Bhubaneswar to the District Treasury, Khurda, Bhubaneswar for all Government transactions including drawal of bills of their establishment with immediate effect.

By Order of the Governor

**Sd/- R.N. Senapati**  
**Principal Secretary to Government**

**FINANCE DEPARTMENT**

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**NOTIFICATION**

**Bhubaneswar, the 15<sup>th</sup> Feb, 2008.**

No. TRC-19/04-6477/F., After careful consideration, Government have been pleased to allow the office of Block Development Officer, Barsahi, District-Mayurbhanj to make transaction in the Sub-Treasury, Betnoti in place of District Treasury, Mayurbhanj, Baripada from 01.04.2008. The Bank of India making Govt. transactionsof Sub-Treasury, Betnoti shall be the banker for the B.D.O. Office, Barasahi.

By Order of the Governor

**Sd/- P.Mishra**  
**Special Secretary to Government**

**FINANCE DEPARTMENT**

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**NOTIFICATION**

**Bhubaneswar, the 26<sup>th</sup> Feb, 2008.**

No. TRC-38/2006-8159/F., Consequent upon functioning of a new office i.e. the Office of Chief Construction Engineer, Upper Kolab Project, Bariniput, due to redesignation of the post of Superintending Engineer, Upper Kolab Circle, Bariniput as Chief Construction Engineer, Upper Kolab Project, Bariniput, Government have been pleased to attach aforesaid new Office to the Special Treasury, Jeypore for all Government transactions including drawal of bills of their establishment with immediate effect.

In view of the above, F.D. Notification No.38177/F., Dated 06.08.2005 attaching of the Office of Superintending Engineer, Upper Kolab Circle, Bariniput to the Special Treasury, Jeypore is hereby withdrawn.

By Order of the Governor

**Sd/- P.Mishra**  
**Special Secretary to Government**

## FINANCE DEPARTMENT

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No.TRB-4/2008/9459(240)/F      Dated 1.3.08

From  
Shri R.N. Senapati,  
Principal 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 2007-08.

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. 6981(237)/F Dt. 18.02.2008.

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

Keeping in view the difficulties faced by different Departments and the time required for feeding of allotment in OTMS to exercise checks against provisions of funds, the following deadlines have been revised vide Finance Department letter No. 6981(237)/F Dt. 18.02.2008 are further extended as follows :-

Sl. No.	Items	Deadlines indicated in F.D. Letter No. 6981(237)/F dt. 18.02.2008	Extended Deadlines
1	Issue of Sanction Orders and release of funds	29.02.2008	10.03.2008
2	Concurrence of F.D. for release of funds from Civil Deposit	29.02.2008	10.03.2008
3	Requisition for Letter of Credit (L.C.)	29.02.2008	15.03.2008
4	Re-appropriation of funds	29.02.2008	10.03.2008



	and issue of allotment		
5	Surrender of un-utilised funds	05.03.2008	10.03.2008
6	Submission of Soft copies of Allotment Date to DT & I (O)	29.02.2008	10.03.2008

### 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. 30857(137)/F dated 21.07.2007 and No. 786(225)/F dated 05.01.2008. In the meantime, requests for allowing drawal of funds till 31.03.2008 have also been received. **However, it will not be possible to allow submission of bills till 31.3.2008. 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 31<sup>st</sup> March 2008, which is technically the end of the current financial year 2007-08, the system would automatically disable all the allotments for 2007-08 across the State as a whole for the financial year 2007-08 and it would not be possible at all to carry out any transaction, relating to the Budget of 2007-08 after that time, which is to be accounted for in the financial year 2007-08.** 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:-

Sl.	Item	Previous Deadline	Deadline now prescribed
(i)	All bills pertaining to claims under the unit "Other Contingencies" and purchase of Machinery, Equipment & Vehicles, Share Capital Investment, Budgetary support in favour of Cooperatives, Industrial Enterprises, Public Sector Undertakings	<b>10.03.2008</b> as in Para-7 of F.D. Circular No.30857(237)/F dt.21.7.2007 and para-4(viii) of F.D. Circular No. 786(225)/F dt. 05.01.2008	<b>10.03.2008.</b> No Treasury shall entertain any of these Bills, after <b>10.03.2008</b> on any account.

	in shape of loan or Share Capital Investment and subsidy.		
(ii)	Resubmission of bills / cheques after due compliance, in respect of item as mentioned at (i) above which were objected to earlier.	Not indicated earlier	<b><u>15.03.2008</u></b>
(iii)	All other bills / cheques except the categories enumerated at (i) above	<b><u>15.03.2008</u></b> as in Para-7 of F.D. Circular No.30857(237)/F dt. 21.7.2007 and Para 4(viii) of F.D. Circular No. 786(225)/F dt. 05.01.2008	<b><u>15.03.2008</u></b> Extension of this deadline would not be allowed on any account whatsoever.
(iv)	Resubmission of bills/cheques, after due compliance except those mentioned at (i), which were objected to earlier.	Not indicated earlier	<b><u>20.03.2008</u></b>
(v)	<b>Presentation of fresh bills involving payment in cash / bank draft relating to :-</b> <ul style="list-style-type: none"> <li>➤ Relief Expenditure</li> <li>➤ Energy charges</li> <li>➤ Telephone charges</li> <li>➤ House Building Advance</li> <li>➤ Vehicle Advance</li> <li>➤ Old age pension</li> <li>➤ Mid-day meal</li> <li>➤ Police Organisation,</li> <li>➤ Jails</li> <li>➤ Home Election,</li> <li>➤ State Election Commission</li> <li>➤ Non-Plan Revenue expenditure under the Major Heads of</li> </ul>	<b><u>15.03.2008</u></b> as in Para-7 of F.D. Circular No.30857(237)/F dt.21.7.2007 and Para 4(viii) of F.D. Circular No.786(225)/F dt.05.01.2008	<b><u>24.03.2008</u></b>

	<p>Account-</p> <ul style="list-style-type: none"> <li>✓ 3054- Roads and Bridges,</li> <li>✓ 2059- Public Works,</li> <li>✓ 2216- Housing ,</li> <li>✓ 2202-Education</li> <li>✓ 2210-Medical &amp; Public Health</li> <li>✓ 2211-Family Welfare,</li> </ul> <p>as recommended by the 12<sup>th</sup> Finance Commission</p> <p>➤ 12<sup>th</sup> Finance Commission Grants for</p> <ul style="list-style-type: none"> <li>▪ Urban Local Bodies and PRIs</li> <li>▪ Chilika Lake</li> <li>▪ Sewerage system for Bhubaneswar,</li> <li>▪ Heritage Conservation</li> <li>▪ Maintenance of Forests</li> </ul> <p>The state would lose a large amount of 12<sup>th</sup> Finance Commission grant for maintenance of Roads &amp; Bridges and Buildings, Education and Health, if there is any surrender of the provision for Non-Plan Revenue Expenditure (including 12<sup>th</sup> Finance Commission grant) for these areas. The Controlling Officers and the Drawing &amp; Disbursing Officers are to guard against this eventuality at any cost.</p>		
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(vi)	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.	<b><u>15.03.2008</u></b> as in Para-7 of F.D. Circular No.30857(237)/F dt.21.7.2007 and Para 4(viii) of F.D. Circular No.786(225)/F dt.05.01.2008	<b><u>24.03.2008</u></b>
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#### **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 31.3.2008. Where the provision is not likely to be spent 31.3.2008, 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 2007-08 should be deposited in Government Account within 31.3.2008. 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, BKVY, Dietary charges of Hospitals and Jails, Old Age Pension and 12<sup>th</sup> Finance Commission Award before the deadline i.e. 15<sup>th</sup> March / 24<sup>th</sup> March as the case may be.

**(iv)** Under no circumstance 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. 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 31.03.2008 with a view to accommodating transactions of the current financial year. 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.**

6. As envisaged under 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 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 31<sup>st</sup> March, 2008 as follows:

- (i) That "the money drawn in cash / bank drafts upto the period 31.03.2008 has been disbursed by now except Rs. \_\_\_\_\_ which would be disbursed by 30.04.2008 at latest. Similarly, while presenting the pay bill for April, 2008 to be paid on or after 01.05.2008, the D.D.O. must record a certificate that "all moneys drawn in cash / bank draft up to the period 31.03.2008 have been fully disbursed and no amount is lying un-disbursed with him."
- (ii) While presenting the pay bill for the month of May, 2008 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 15.04.2008 in the enclosed proforma (at Annexure-'A') to the Collector of District by 21.04.2008 and the Collector in turn will report directly to Finance Department (Ways & Means Branch) the name of the DDOs who have drawn money upto 31<sup>st</sup> March 2008 but have not disbursed it by 15.04.2008. 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 F.D., he / she shall be held personally liable. While scrutinising the bills to be presented during 2008-09, 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 2007-08 in the proforma enclosed as in Annexure-I & II by 21<sup>st</sup> April , 2008.

**11. I would, therefore, request you to kindly 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 any further relaxation in the deadlines indicated above under any circumstances whatsoever.**

Yours faithfully,

**Sd/-R.N. Senapati**  
**Principal Secretary to Government**

**ANNEXURE – I****K-Deposits and advances-(b) Deposits not bearing Interest – 8443 –  
Civil Deposits-800-Other Deposits (Information be furnished Department-wise)**

Name of the Department	Balance as on 01.04.2007	Amount deposited from 01.04.2007 to 29.02.2008	Amount deposited during March, 2008	Total deposit during 2007-08 (3+4)	Total deposit up to the end of 2007-2008 (2+5)	Released during 2007-08	Balance of Civil Deposit as on 01.04.2008 (6-7)
1	2	3	4	5	6	7	8

**ANNEXURE – II****(Information be furnished Department-wise)**

Name of the Department	Name of the D.D.O.	Head of Account from which amount drawn and kept in Civil Deposit	Amount	Nature of Claim	Whether drawn in A.C. Bill or D.C. Bill	Challan No. & Date of Credit to Civil Deposit
1	2	3	4	5	6	7

**ANNEXURE – ‘A’****Cash Balance Report of DDOs. As on 15.04.2008**

<b>Name &amp; Designation of the D.D.O.</b>	<b>Name of the Heads of Department/Administrative Department</b>	<b>Un-disbursed amount out of money drawn before 1.3.2008</b>	<b>Un-disbursed amount out of money drawn in March 2008</b>	<b>Total Mount of un- disbursed money</b>	<b>Break up of the un-disbursed amount i.e. whether kept in cash/B.D./Banker's Cheque/DCR or in unauthorized Bank Account</b>	<b>Reasons for drawal &amp; retention of the un- disbursed amount in violation of SR 242 of OTC Vol-I</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>

**Signature**  
**Designation of D.D.O**



**FINANCE DEPARTMENT**

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**NOTIFICATION**

Bhubaneswar, the 17.03.08

No. TRB-56/2007. - 12156 - In exercise of the powers conferred by Rule-15 of the Treasury Rules (Orissa), the Minister of Finance, after consultation with the Accountant General, Orissa, directs that the following amendment shall be made in the Subsidiary Rule under the Orissa Treasury Rules published in Part II of Orissa Treasury Code Volume I, namely :-

**AMENDMENT**

In the said Subsidiary Rules for Subsidiary Rule -102, the following subsidiary Rule shall be substituted.

102- The head of an office may authorize any officer serving under him and holding Group 'A' or Group 'B' Posts to sign a bill or order for him, communicating the name and the specimen signature of the officer to the treasury or treasuries concerned. A delegation of this kind will not, however, relieve the head of the office, in any way, of his responsibility for the accuracy of the bill or for the disposal of the moneys drawn from the treasury.

Note – 1. In case of big establishments, where it is administratively not convenient for one such officer to sign all the bills of the office, owing to the volume of work and location of different sections, etc., more than one such officer may be authorised by the Head of the office to sign bills on his behalf with the approval of the Government.

Note -2. Group 'A' - All posts in the pay scales the maximum of which is not less than Rs. 13,500/- and

Group 'B' - All posts in the pay scales the maximum of which is less than Rs.13,500/- but not less than Rs. 9000/-

**By Order of the Governor**

**Sd/- R.N.Senapati  
Principal Secretary to Govt.**

*MATTER RELATING TO  
COMMERCIAL TAXES*

## **FINANCE DEPARTMENT**

### **NOTIFICATION**

The 21st April 2007

**S.R.O. No.217/2007-** In exercise of the powers conferred by sub-section (5) of section 8 of the Central Sales Tax Act, 1956 (74 of 1956), the State Government, having been satisfied that it is necessary so to do in the public interest, do hereby rescind the notification of the Government of Orissa in the Finance Department No. 41264 -CTA - 106/92 - F., dated the 23rd September, 1992 and the notification of Government of Orissa in the Finance Department No. 33379 -CTA -72/96 - F., dated the 26th July, 1996.

[No.18942/CTA-87/2005/F,]

By Order of the Governor

**Sd/- P.K. ROUT**

**Under Secretary to Government**

## FINANCE DEPARTMENT

### NOTIFICATION

The 21st April 2007

**S.R.O. No.218/ 2007-** In exercise of the powers conferred by sub-section (3) of Section 13 of the Central Sales Tax Act, 1956 (74 of 1956) read with sub-section (2) of Section 9 thereof and clause (I) of sub-section (2) of Section 106 of the Orissa Value Added Tax Act, 2004 (Orissa Act 4 of 2005), the State Government do hereby make the following rules, namely :-

**1. Short title and Commencement –**

- (1) These rules may be called the Central Sales Tax (Deferment of Payment of Tax) Orissa Rules, 2007.
- (2) They shall come into force on the date of their publication in the Official Gazette.

**2. Deferment of tax. -** (1) The industrial units who are registered dealers within the meaning of clause (f) of section 2 of the Central Sales Tax Act, 1956 and are allowed under the Orissa Value Added Tax Act, 2004 (Orissa Act 4 of 2005) (hereinafter referred to as the State Act) by notification of the Government of Orissa in the Finance Department No. 40563/ 2006/F., dated the 26th September, 2006 to defer payment of tax collected and payable under the State Act on sale of finished products manufactured or processed by such industrial units shall be allowed to defer payment of net tax payable under the Central Sales Tax Act, 1956 on sale of finished products till the expiry of the period of deferment allowed under the aforesaid notification subject to the same conditions and restrictions as provided thereof.

Explanation- For the purpose of these rules, 'net tax payable' shall be the balance amount of tax payable after adjustment of input tax as admissible under clause (c) of sub-rule (3) of rule 7 of the Central Sales Tax (Orissa) Rules, 1957.

**3.** The application for deferred payment of tax in Form I and the permission allowing deferred payment of tax in Form II appended to the aforesaid notification shall *mutatis mutandis* be applicable for the purpose of deferment of tax under the Central Sales Tax Act, 1956.

[No.18945/CTA-87/2005/F,]

By Order of the Governor

**Sd/- P.K. ROUT**  
**Under Secretary to Government**

## **FINANCE DEPARTMENT**

### **NOTIFICATION**

The 31st May 2007

**S.R.O. No.342/07**— In exercise of the powers conferred by Section 102A of the Orissa Value Added Tax Act, 2004 (Orissa Act 4 of 2005), the State Government do hereby make the following amendments to Schedule A to the said Act and direct that the said amendments shall come into force on the 1st June 2007, namely :—

#### **AMENDMENTS**

In the said Schedule A,—

(i) after serial No.5A, the following new serial and the entry against it shall be inserted, namely :—

”5B. Cart driven by animal“;

(ii) in the entry appearing in column (2) against serial No.17, after the word ”saplings“, the comma and words “, fresh leaves other than beedi/kendu leaves and green tea leaves” shall be inserted;

(iii) in the entry appearing in column (2) against serial No.27A, after the word “Pappad”, the words “and handmade nuggets commonly known as badi” shall be inserted;

(iv) after serial No.35, the following new serial and the entry against it shall be inserted, namely:—

“35A. Unmanufactured tobacco, beedis and tobacco used in the manufacture of beedis” and

(v) after serial No. 43, the following new serial and the entry against it shall be inserted, namely :—

”44. Handmade soap“

[No.24981—CTA.-14/2007-F]

By Order of the Governor

**Sd/- P.K. ROUT**

**Under-Secretary to Government**

## FINANCE DEPARTMENT

### NOTIFICATION

The 31st May 2007

**S.R.O. No.343/07**—In exercise of the powers conferred by Section 102A of the Orissa Value Added Tax Act, 2004 (Orissa Act 4 of 2005), the State Government do hereby make the following amendments to Schedule B to the said Act and direct that the said amendments shall come into force on the 1st June 2007, namely:-

#### AMENDMENTS

In PART II of the said Schedule B,—

- (i) in the entry appearing in column (2) against serial No.2, for the words "fruits and vegetables including", the words and comma "or preserved fruits and vegetables including sauce, puree," , shall be substituted;
- (ii) after serial No. 4, the following new serial and the entry against it shall be inserted, namely :—

"4A. All types of brooms including broom sticks, other than those specified elsewhere in schedules to this Act";
- (iii) in the entry appearing in column(2) against serial No.10, for the letters "AARs", the words, brackets and letters "All Aluminium Alloy Conductors (AAACs)" shall be substituted;
- (iv) after serial No.18, the following new serial and the entry against it shall be inserted, namely :—

"18A. E-Bikes" ;
- (v) after serial No.20, the following new serial and the entry against it shall be inserted, namely:—

"20A. Boiler and parts thereof";

(vi) in the entry appearing in column (2) against serial No.25, after the word “ “Candle” the following shall be added, namely:–

“, wax, paraffin wax of all grade standards other than food grade standard including standard wax and match wax”;

(vii) after serial No.30, the following new serial and the entry against it shall be inserted, namely:–

“30A.Chickon Products”;

(viii) Serial No.40 alongwith the entry against it shall be omitted ;

(ix)for the entry appearing in column (2) against serial No. 46, the following shall be substituted, namely;–

“Drugs and medicines, whether patent or proprietary including vaccines, disposable hypodermic syringes, hypodermic needles, catguts, sutures, surgical dressings, medicated ointments produced under the license issued under the Drugs and Cosmetics Act, 1940 (23 of 1940)”;

(x) after serial No.54, the following new serial and the entry against it shall be inserted, namely:–

“54A. Glucose, Glucon-C and Glucon-D”;

(xi)in the entry appearing in column (2) against serial No.67, after the letters, word and comma “XLPE Cables,”, the letters, word and comma “PVC Cables,” shall be inserted;

(xii) after serial No.73, the following new serials and the entries against them shall, respectively, be inserted, namely:–

“73A. Kites;

73B. Knitting Wool”;

(xiii) after serial No.74, the following new serial and the entry against it shall be inserted, namely:–

“74A. Lac and Shellac”;

(xiv) Serial No. 76 alongwith the entry against it shall be omitted.

(xv) after serial No.76 as so omitted, the following new serial and the entry against it shall be inserted namely,:-

“76A. Mat locally known as Masina/Sapa”;

(xvi) after serial No.77, the following new serials and the entry against them shall, respectively, be inserted, namely:-

“77A. Mixed PVC stabiliser;

77B. Mixture, bhujia, numkin, farshan and rusk, that is, hardened bread”;

(xvii) in the entry appearing in column(2) against serial No.89, after the word “Porridge”, the comma and words “, Vermicelli and noodles” shall be added ;

(xviii) after serial No.94, the following new serial and the entry against it shall be inserted, namely:-

“94A. Rakhi”;

(xix) after serial No. 95, the following new serial and the entry against it shall be inserted, namely :-

“95A. Religious Pictures not for use as calendar”;

(xx) in the entry appearing in column (2) against serial No.97, the words “used in construction work” appearing at the end shall be omitted;

(xxi) after serial No.109, the following new serial and the entry against it shall be inserted, namely:-

“ 109A. Sugar candy/Misri”;

(xxii) after serial No.112, the following new serial and the entry against it shall be inserted, namely:-



“112A. Tea”;

(xxiii) in the entry appearing in column (2) against serial No.114, after the words and comma “apparels of all sorts,” the words and comma “made up sarees,” and after the words and comma “cushion covers”, the words and commas “towel,gamucha, lungi,” shall, respectively, be inserted” ;

(xxiv) Serial No.116 along with the entry against it shall be omitted ;

(xxv) Serial No.123 along with the entry against it shall be omitted ;

(xxvi) after serial No.123, as so omitted, the following new serial and the entry against it shall be inserted, namely:—

“123A. Used car”;

(xxvii) after the entry appearing in column (2) against serial No. 125, the following explanation shall be added, namely:—

“Explanation:—For the purpose of this entry ‘vegetable oil’ shall not be construed to include and shall always be deemed not to have included coconut oil ”;

(xxviii) after serial No.126, the following new serial and the entry against it shall be inserted, namely:—

“126A. Windmill for water pumping and for generation of electricity”;

(xxix) Serial No.128 along with the entry against it shall be omitted ;

(xxx) after serial No.129, the following new serials and the entries against them shall, respectively, be inserted, namely:—

“130. Weighing machines and Weighing scales and Weights of all kinds”

“131. Zipper and Zip fasteners and parts thereof ”;

(xxxi) In the Explanation, appearing at the end, for the figures, comma and word “108,113 and 116”, the figures and word “ 108 and 113” shall be substituted.

[No.24984—CTA.-14/2007-F.]

By Order of the Governor

**Sd/- P.K. ROUT**  
**Under-Secretary to Government**

## **FINANCE DEPARTMENT**

### **NOTIFICATION**

The 31st May 2007

**S.R.O. No.344/07**— In exercise of the powers conferred by Section 102A of the Orissa Value Added Tax Act,2004 (Orissa Act 4 of 2005), the State Government do hereby make the following amendment to Schedule C to the said Act and direct that the said amendment shall come into force on the 1st June 2007, namely:-

### **AMENDMENT**

In the said Schedule C, for the entry appearing in column (2) against serial No.3, the following entry shall be substituted, namely:—

"Motor spirit including Petrol, High Speed Diesel, Light Diesel Oil and Aviation Turbine Fuel except when sold to a Turbo-Prop Aircraft;

Explanation:— For the purpose of this entry, 'Turbo-Prop Aircraft' means an aircraft deriving thrust, mainly from propeller, which may be driven by either turbine engine or piston engine".

[No.24987-CTA-14/2007-F]

By Order of the Governor

**Sd/- P.K. ROUT**  
**Under-Secretary to Government**

## **FINANCE DEPARTMENT**

### **NOTIFICATION**

The 13th June 2007

**S.R.O. No. 367/2007**— In exercise of the powers conferred by sub-section (1) of section 74 of the Orissa Value Added Tax Act, 2004 (Orissa Act 4 of 2005) read with sub-rule (1) of rule 79 of the Orissa Value Added Tax Rules, 2005, the State Government do hereby direct the establishment of a check post and erection of barrier at the place as specified below, namely :—

Plot No. 1954 and 1960

Khata No. 371

P.S.-Tiring,

Village-Baradalima,

District-Mayurbhanj

(located along Baripada-Bamanghati Road on State Highway No. 50 at 109 K.M. from Baripada and 6 K.M. from Bahalada check gate towards border)

The Sales Tax Officer who is in charge of the Bahalda check-post shall remain in-charge of the Baradalima check post as established in this notification.

The Bahalda check post and barrier at village Bahalda in Bamanghati Sub-Division of Mayurbhanj district set up in the notification of the Government of Orissa in the Finance Department No. 13303-CTD- 39/62/F., dated the 30th March, 1962 shall be abolished.

This notification shall come into force on the 18th June, 2007.

[No. 26458-CTC-4/2007/F.]

By Order of the Governor

**Sd/- P. K. BISWAL**  
**Deputy Secretary to Government**

## **FINANCE DEPARTMENT**

### **NOTIFICATION**

The 4th August 2007

**S.R.O. No. 429/2007**— In exercise of the powers conferred by section 6 of the Orissa Sales Tax Act, 1947 (Orissa Act 14 of 1947), the State Government do hereby make the following amendment to the notification of the Government of Orissa in the Finance Department No. 46751-CTA-165/96-F., dated the 7th November, 1996 namely:—

### **AMENDMENT**

In the said notification, the following explanation shall be added at the end, namely:—

“ Explanation – For the purposes of this notification, ‘re-rolling mill’ shall always mean and shall be deemed to have meant ingot casting unit registered under the Orissa Sales Tax Act, 1947.”

[No. 32678-CTA-38/04-F.]  
By Order of the Governor

**Sd/-P. K. ROUT**  
**Under-Secretary to Government**

## **FINANCE DEPARTMENT**

### **NOTIFICATION**

The 4th August 2007

**S.R.O. No. 430/2007**— In exercise of the powers conferred by sub-section (1) of section 5 of the Orissa Sales Tax Act, 1947 (Orissa Act 14 of 1947), the State Government do hereby make the following amendment to the notification of the Government of Orissa in the Finance Department No. 21987-CTA-98/90-F., dated the 30th June, 1990 namely:—

### **AMENDMENT**

In the said notification, the following explanation shall be inserted at the end of serial No. 88-C, namely:—

“ Explanation – For the purposes of this notification,-

- (i) Sale of pencil ingot to a re-rolling mill by a ingot casting unit shall not be liable to tax under the Orissa Sales Tax Act, 1947 if the said ingot casting unit has paid Orissa Sales Tax on raw materials utilized to produce such pencil ingot, for the period from 1st January, 1990 to 31st March, 2001;
- (ii) Tax on purchase of raw materials under Orissa Sales Tax Act, 1947 by re-rolling mill using pencil ingot as raw material shall be deemed to have been paid, if such pencil ingot is purchased from a ingot Casting Unit registered under Orissa Sales Tax Act, 1947 subject to condition stipulated above. However, there would be complete exemption from payment of tax on the sale of finished products from 1st January, 1990 to 16th October, 1996 if tax has not been collected.”

[No. 32681-CTA-38/04-F.]

By Order of the Governor

**Sd/- P. K. ROUT**  
**Under-Secretary to Government**

## **FINANCE DEPARTMENT**

### **NOTIFICATION**

The 27th August 2007

**S.R.O. No. 451/2007**— In exercise of the powers conferred by Section 102-A of the Orissa Value Added Tax Act, 2004 (Orissa Act 4 of 2005), the State Government do hereby make the following amendments to Schedules A and B to the said Act and direct that the said amendments shall come into force on the 1st September, 2007, namely:—

### **AMENDMENTS**

1. In the said Schedule A,-

(i) for entry appearing in column (2) against serial No. 43, the following entry shall be substituted, namely:—

“Seeds of oil seeds certified by the Certification Agency and Truthfully Labelled seeds of oil seeds having prescribed standard and carrying prescribed label under the Seeds Act, 1966 and all seeds excluding oil seeds”; and

(ii) after serial No.44, the following new serials and the entries against them shall, respectively, be inserted, namely : —

“ 45. Gamucha and Lungi

46. Sale of Goods to Military Personnel/ Ex-Service Personnel in CSD Canteens”.

2. In part II of the said Schedule B, -

(i) For item(xx) alongwith its entry appearing in column(2) against serial No.82, the following item alongwith its entry shall be substituted, namely: —

“(xx) Safflower (*Carthamus tinctorius*), but excluding seeds of oil seeds as specified in Schedule A”; and

(ii) in the entry appearing in column (2) against serial No. 114, after the word and comma "towel", and before the words "terry towel", the words and commas "gamucha, lungi", shall be omitted.

[ No. 35458-CTA-41/2005/F.]

By Order of the Governor

**Sd/- P. K. ROUT**  
**Under-Secretary to Government**



## FINANCE DEPARTMENT

### NOTIFICATION

The 4th October 2007

**S.R.O.No.540/2007**— In exercise of the powers conferred by sub-sections (2) and (3) of section 53 read with section 94 of the Orissa value Added Tax Act, 2004 (Orissa Act 4 of 2005 ) the State Government do hereby make the following rules, namely:—

**1. Short title and Commencement :—** (1) These rules may be called the Orissa Consumer Welfare Fund Rules, 2007.

(2) They shall come into force on the date of their publication in the *Orissa Gazettee*.

**2. Definition:—** (1) In these rules, unless the context otherwise requires,—

- (a) “Act” means the Consumer Protection Act, 1986 (68 of 1986)
- (b) “Consumer” means “Consumer” as defined under the Act, and includes consumer of goods on which duty has been paid;
- (c) “Consumer Organisation” means any agency/ organization engaged in Consumer Welfare activities and registered under the Companies Act, 1956 (1 of 1956) or the Societies Registration Act, 1860 or under any other law for the time being in force including village / Mandal / Samiti / Samiti level Co-operative of Consumer especially Women, SC/ST or State/Central Govt. run organization/Societies and shall also include Government Agencies carrying out consumeractivities;
- (d) “Fund” means the Orissa Consumer Welfare Fund established under section 53 of the Orissa value added Tax Act, 2004;
- (e) “Government” means the Government of Orissa;
- (f) "Grant" means allocations sanctioned under these rules;
- (g) “Project” means any plan or scheme submitted to the Fund by any agency for implementation of the activities relating to the objectives of the Fund;
- (h) “State Consumer Protection Council” means the Council constituted by the Government under section 7 of the Act.

(2) Words and expressions used in these rules but not defined shall have the same meaning as respectively assigned to them in the Act.

**3. Corpus of the Fund:—** The corpus of the fund shall consist of the following namely:—

- (1) Any amount to be credited by the Government pursuant to sub-section (4) of section 52, sub-section (2) of section 53 of the Orissa Value Added Tax Act, 2004.
- (2) The financial assistance granted or released by Central Government and State Government for Consumer Protection and related purposes to the fund including the funds, given for specific purposes as one time grant;
- (3) The interest or dividend on investments;
- (4) Any other receipts or grants from any source, whatsoever, specifically meant for the purpose of undertaking activities relating to the objectives of the fund; and
- (5) Application fees and for any of the other fees received by the Consumer Courts as may be prescribed by the Government.

**4. Objectives of the Fund:—**(i) The fund shall be utilized for protection of consumers from the hazards to their health and safety from goods and services;

(ii) Promotion and protection of rights and economic interests of the consumers;

(iii) Promotion of consumer education and awareness through print, audio, visual and electronic media or such other media as would be decided by the Government from time to time;

(iv) Promotion of effective consumer redressal system and strengthening of institutions for consumer grievance/ dispute for redressal including Consumer Courts; and

(v) To support and encourage individual and organizational efforts to protect, consumer interest, develop consumer education and organize consumer movement.

**5. Organisations eligible for grant:—**(1) The following organizations and institutions shall be eligible for grant from the fund, provided they are voluntarily engaged in protection of consumer interest and provide guidance and necessary support for consumer activities/movements,—

- (i) Consumer Organisation.
- (ii) Registered Consumer Co-operative Society.

- (iii) Registered Public Trusts.
- (iv) Any Registered Research Organisation.
- (v) University in the State of Orissa established under an Act of the State Legislature for promotion, research and advancement of education for the welfare of the Consumers.

(2) Any such organization or institution seeking grant from the fund shall have to fulfill the following conditions, namely,—

- (i) It must be working for promotion and protection of consumer interests.
- (ii) It must have a legal status permitting entrustment of Public funds.
- (iii) It must be non-political, non-denominational and under a non-proprietary management.
- (iv) It must have well defined objectives for promotion and protection of the interests of the consumers.
- (v) It must not run for profit to any individual or group of individuals but will be serving the general public without any discrimination of caste, creed, colour or religion.
- (vi) It must preferably have a specific area of operation to assess the impact of the projects it wants to implement.
- (vii) It must have completed at least three years of working after its initial registration under the relevant Acts and shall have a commendable track record of consumer protection and guidance activities.
- (viii) It must be maintaining following audited statements of accounts : —

- (a) Receipt and Payments;
- (b) Income and Expenditure; and
- (c) Balance Sheet.

- (ix) It shall not have otherwise been disqualified by the Central/ State Government for this purpose.
- (x) It must not have received similar grant from any other official source, partially or wholly, for the same purpose and for the same period.
- (xi) It must have raised or be in a position to raise an amount at least twenty percentage of the grants sanctioned from the fund through other sources.

Provided that the conditions under this rule shall not be applicable to the projects submitted by Government Agencies.

**6. Purpose of Grant:—** (1) Grant shall ordinarily be given for specific projects and programmes of action namely, :—

- (a) To undertake research and investigation into consumer problems;
- (b) To undertake testing programmes regarding quality and quantity of various consumer products by setting up testing laboratories;
- (c) To organize training courses, workshops, symposia or the like for the express purpose of training consumer activists to work for consumer protection and guidance by training institutions;
- (d) To organize consumer education and awareness programmes both in urban and rural areas by exhibitions, talks, film shows, demonstrations etc;
- (e) To purchase equipment such as film projectors, documentary films, public address systems, testing kits, library books and magazines for the exclusive use for promotion / advancement of consumer movements in towns and rural areas; and
- (f) For any other scheme or activity which contributes towards consumer protection as may be considered appropriate by Government from time to time.

Provided that the grants received from Government of India, State Government or any other funding agency for specific purposes shall be utilized only for the purpose so specified by the funding agency and not for any other purpose.

(2) Government may institute a suitable scheme for giving awards to organizations, Government servants and consumer activities and other individuals for outstanding and sustained efforts in the promotion of consumer's protection, awareness and guidance.

**7. Management of the Fund :—** (1) The overall management of the fund shall vest in the Managing Committee consisting of the following officers, namely :—

- (a) Secretary, Department of Food Supplies & Consumer Welfare      Chairman
- (b) Secretary, Department of Finance or his      Member

	nominee	
(c)	Secretary, Department of Panchayati Raj or his nominee	Member
(d)	Secretary, Department of School & Mass Education or his nominee	Member
(e)	Nominee of Department of Consumer Affairs, Government of India.	Member
(f)	Commissioner of Commercial Taxes, Orissa or his nominee	Member
(g)	Additional / Joint Secretary Planning and Co-ordination Department	Member
(h)	Director, Information & Public Relations Department or his nominee	Member
(i)	Financial Advisor-cum-Joint Secretary, Food Supply & Consumer Welfare Deptt.	Member
(j)	A representative of State Level Consumer Co-operative Organisation having good track record or an expert in consumer movement having active interest and experience regarding working Voluntary Consumer Organisation / Non-.Government Organisations.	Member
(k)	Director, Consumer Affairs-cum-Joint Secretary Food Supply & Consumer Welfare .Deptt.	Member-Secretary

(2). The Committee shall be a Standing Committee.

**8. Powers and functions of the Managing Committee:—**(1) The Managing Committee shall supervise the maintenance of the fund.

(2) It shall, have the power to invest the fund or any part of it in the approved Government securities or with the nationalized banks.

(3) It shall call for the applications in the forms prevailed by it for grant to the eligible institutions or organizations.

(4) It shall scrutinize the applications received from eligible organizations for the purposes of sanctioning grant.

(5) It shall have authority to call for such documents and information as it may deem necessary for considering the request for grant from the eligible organizations.

(6) It shall have the right to prescribe conditions governing grant and the procedure and manner of submission of accounts by the eligible organizations.

(7) It shall have the power to inspect or get inspected, the accounts of any beneficiary institution with a view to satisfying itself as to whether the grant have been spent prudently and for the purpose for which these were sanctioned.

(8) It shall have the power to sanction grant to eligible organization in the manner and to the extent it deems fit subject to the conditions laid down in rule 6.

(9) It shall have the power to demand the refund of grant from a grantee organization or to declare an organization ineligible for further grant in future, in case of default in compliance with any of the conditions prescribed therefore. However, such organization shall be given a reasonable opportunity of being heard before the demand for refund is made or the organization is considered ineligible for further grant.

(10) It can relax any provision of these rules and can make guidelines for the smooth management and administration of the Fund.

(11) The decision of the Managing Committee taken in respect of sub-rules (4) to (10) shall be final and shall not be open for review by any Consumer Forum.

**9. Meeting of Managing Committee:—** (1) The Managing Committee shall decide the procedure, manner and periodicity of its meeting. The committee shall meet as and when necessary but not more than 3 months shall elapse between any two meetings.

(2) Each meeting of the Committee shall be called by giving notice in writing to every member of not less than ten days from the date of issue of such notice.

(3) Every notice of the meeting of the Committee shall specify the place and the day and hour of the meeting and shall contain statement of business to be transacted thereto.

(4) No proceeding of the committee shall be valid unless it is presided over by Chairman or Vice-Chairman and a minimum of three other members are present.

**10. Upkeep of Fund:—** The Managing Committee shall have full power to take such steps as may be necessary for the proper functioning and upkeep and management of the Fund.

**11. Scheme of awards:—** The Managing Committee shall manage the scheme of awards to worthy institutions, voluntary consumer societies, or Association, other individuals and Government servants doing outstanding consumer protection work subject to the conditions prescribed by Government.

**12. Annual Statement of Accounts:—**(1) The Managing Committee shall prepare a report of its activities and an annual statement of accounts and shall present the same to the first meeting of the State Consumer Protection Council every financial year.

( 2 ) The accounts shall be subject to audit by internal audit of Food Supplies and Consumer Welfare Department.

**13.** Actions taken or orders made, if any, under the Orissa Consumer Welfare Fund Rules, 2005 shall be deemed to have been taken or made under the corresponding provisions of these rules.

**14.** If any question arises relating to the interpretation of these rules, the same shall be referred to the Government for decision.

[ No. 40257/CTA-55/2004/F. ]

By Order of the Governor

**Sd/- P.K. ROUT**  
**Under-Secretary to Government**

## **FINANCE DEPARTMENT**

### **NOTIFICATION**

The 25th February 2008

**S.R.O.No.117/2008**—In exercise of the powers conferred by sub-section (1) of section 102A of the Orissa Value Added Tax Act, 2004 (Orissa Act 4 of 2005), the State Government do hereby make the following amendment to Schedule B to the said Act and direct that the said amendment shall come into force on the 1st March,2008, namely:—

#### **AMENDMENT**

In PART-II of the said Schedule B, after serial No. 25, the following new serial and the entry against it shall be inserted, namely: —

“25A. Cashew kernel and Cashew nut”

[No.8013-CTA-14/2007/F.]

By Order of the Governor

**Sd/- P.K. ROUT**  
**Under-Secretary to Government**



## **FINANCE DEPARTMENT**

**No. CTA-214/08 - 11791(230)/F, Dt. 15.3.08**

**To**

**All Departments of Government,  
All Heads of Departments.**

**Sub:- Release of payments by State Government to its service providers only after reference of Service Tax Registration / Service Tax Code and Accounting Code in the invoices / Receipts-regarding.**

On the basis of advices rendered by the Director General of Service Tax, Mumbai instructions have been issued on earlier occasions for strict compliance of the provisions of Service Tax with further advice that wherever any taxable services are received by the State Government / State Government Undertakings, proper Service Tax Registration number / Service Tax code and Accounting Code be insisted upon in the invoice / receipt issued by Service Providers and payment to service providers be released only after ascertaining the above mandatory requirements. In this connection, Finance Department Memo No. CTA-4/05-4182(230)/F., Dt. 25.1.05, No.2208/F., Dt. 17.1.06 and No. 48262/F., Dt. 25.11.06 may please be referred to.

2. The Director General of Service Tax, Mumbai in his D.O. Letter No. V/DGST/30-Misc.-101/2007 / 778 Dt. 15.02.2008 has brought to the notice of the State Government that private contractors are providing taxable service of maintenance or repair of immovable properties such as Roads, Air Ports, Railways, Buildings, Parks, Electrical Installations, Repairs of dams, Maintenance of Parks etc. falling under the taxable service of "Management, Maintenance or Repair Services" and services of constructions of office buildings, overhead water tanks, laying electrical towers, construction of shops etc. falling under the taxable service "Construction-Commercial or Industrial Service", to the local Government bodies, such as Municipal Corporations, Housing Board etc. The field formations of Central Exercise Department are facing difficulties in getting information such as the nature of service received from such service providers and total amount paid for such services by the various State Govt. Deptts, Local bodies and Undertakings to these service providers. As such, collection of service tax dues from such taxable services is not being assessed properly.

3. Under the circumstances he has requested to advise the State Govt. Deptts. and Undertakings that whenever any taxable services are received by them, proper Service Tax registration number / Service Tax Code and accounting code be insisted upon in the invoices / receipts received from service providers and after ascertaining the aforesaid mandatory requirements, payment of Service Tax portion be released to the Service Providers. A copy of D.O. Letter No. V/DGST/ 30-Misc-101/2007 / 778 Dt. 15.2.2008 received from Director General Service Tax, Mumbai is enclosed for reference.

4. It is therefore once again reiterated that the advice of Director General of Service Tax should be strictly followed by All Departments of Govt., All Heads of Deptt., All PSUs, Municipal Corporations and other Local Bodies while receiving any taxable service for ensuring Service Tax Compliance. All sub-ordinate offices/ PSUs / Agencies under their administrative control may also be instructed accordingly. It is further instructed that the details of payment made in favour of private contractors may be informed to the Addl. Commissioner, Central Excise / Customs and Service Tax, Bhubaneswar-I, C.R. Building, Rajaswa Vihar, Bhubaneswar-751007 for identifying potential taxable Service Providers.

**Sd/- R.N.Senapati**  
**Principal Secretary to Government**

DIRECTORATE GENERAL OF SERVICE TAX  
9<sup>th</sup> Floor, Piramal Chambers,  
Jijibhoy Lane, Lalbaug, Parel,  
Mumbai - 400012

G.V. NAIK  
DIRECTOR GENERAL  
Tel : 022-2410 2585  
Fax: 022-2417 8515

D.O.F No.V/ DGST/30-Misc-101/2007 / 778  
Mumbai, the 15<sup>th</sup> February, 2008

**Dear**  
**Shri Ajit Kumar Tripathy,**

**Subject : Payment of Service Tax by the Departments & undertakings of the State Governments – reg.**

Recently, with additions of more services in the ambit of Service Tax, now 100 services (the details of which are available on [www.cbec.gov.in](http://www.cbec.gov.in)) are liable for Service Tax @ 12.36% (12% Service Tax plus 2 % education cess plus 1% secondary and higher education cess.)

2. It is reported by the field formation that private contractors are providing taxable service of maintenance or repair of immovable properties such as Roads, Airports, Railways, Buildings, Parks, Electrical Installations, Repairs of dams, Maintenance of parks, etc. falling under the taxable service of “Management, Maintenance or Repair Services”, and services of Construction of office building, Overhead water tanks, Laying electrical towers, Construction of shops etc, falling under the taxable service “Construction – Commercial or Industrial Service”, to the local Government bodies, such as Municipal Corporations, Housing Boards etc. It is also reported that the field formations are facing difficulties in getting information such as complete and correct address of the service providers, nature of services received from such service providers and total amount paid for such services by the various State Government Departments, local bodies and undertakings to these service providers. In the absence of above information, the field formations are unable to approach the service provider directly for collection of Service Tax dues.

3. You are, requested to advise the State Government departments and undertakings that whenever any taxable services are received by them, proper Service Tax registration number/ Service Tax code and accounting code be insisted upon in the invoices / receipts received from the service providers and after ascertaining the aforesaid mandatory requirements, payments of service tax portion be released to the service providers. You are therefore, requested to issue suitable instructions to various departments and undertakings of the State Government.

4. For providing the insight into the service tax procedure, I am enclosing a copy of booklet "Service Tax : Frequently Asked Questions" For further information, your subordinate offices may visit the website of Central Board of Excise & Customs – [www.cbec.gov.in](http://www.cbec.gov.in)

With high regard,

Yours Sincerely,

**Sd/-**  
**(G.V. NAIK)**

Encl: As above.

To  
Shri Ajit Kumar Tripathy,  
Chief Secretary,  
State Government of Orissa.

## FINANCE DEPARTMENT

### NOTIFICATION

The 31st March 2008

**S.R.O. No. 148/2008**—In exercise of the powers conferred by sub-rule (5) of rule 4 of Orissa Value Added Tax Rules, 2005 the State Government do hereby make the following amendment to the notification of the Government of Orissa in the Finance Department No.41300-CTC-39/2006/F., dated the 28th September, 2006 published in the extraordinary issue no. 1423 of the *Orissa Gazette*, dated the 28th September, 2006, namely:—

#### AMENDMENTS

In the schedule to the said notification, —

- (a) the entries “(iii) Angul Circle” and “(iv) Dhenkanal Circle” appearing in column (3) against serial No. 2 shall be omitted ;
- (b) after entry “(v) Deogarh Circle” appearing in column (3) against serial No. 6, the entry “(vi) Boudh Circle” shall be added ;
- (c) the entry “(v) Boudh Circle” appearing in column (3) against serial No. 9 shall be omitted ;
- (d) the entries “(iii)Bhubaneswar–I Circle”, “(iv) Bhubaneswar–II Circle”, “(v) Bhubaneswar–III Circle” appearing in column (3) serial No. 10 shall be omitted ; and
- (e) after serial No. 10, the following new serials and entries against them shall be inserted under appropriate column, namely :—

(1)	(2)	(3)
“11	Angul range with headquarters at Angul	(i) Angul Circle (ii) Dhenkanal Circle
12	Bhubaneswar range with headquarters at Bhubaneswar	(a) Bhubaneswar – I Circle (ii) Bhubaneswar – II Circle (iii) Bhubaneswar – III Circle”

This notification shall come into force on 1st April , 2008.

[No. 14744-CTC-39/2006/F.]  
By Order of the Governor

**Sd/- P.K. ROUT**  
**Under-Secretary to Government**

## FINANCE DEPARTMENT

### NOTIFICATION

The 31st March 2008

**S.R.O.No.149/2008**—In exercise of the powers conferred by proviso to sub-rule (1) of rule 4 of Orissa Value Added Tax Rules, 2005 the State Government do hereby make the following amendment to the notification of the Government of Orissa in the Finance Department No. 41297-CTC-39/2006/F., dated the 28th September, 2006 published in the extraordinary issue no. 1424 of the *Orissa Gazette*, dated the 28<sup>th</sup> September, 2006, namely:—

#### AMENDMENTS

In the schedule to the said notification, after serial No. 10, the following new serial and entries against it shall be inserted under appropriate column, namely: —

(1)	(2)	(3)	(4)
"11	Angul Circle, Angul	Talcher	Talcher Colliery Bikrampur Samal Barrage TSTP NTPC Khamar Rengali Kaniha Pallahada

This notification shall come into force on 1st April , 2008.

[No. 14747-CTC-39/2006/F.]

By Order of the Governor

**Sd/- P.K. ROUT**  
**Under-Secretary to Government**

*MATTER RELATING TO BUDGET*

**FINANCE DEPARTMENT**

No. 17897 (235) /F.,  
WM-14/2005

Dt.12.4.2007

From

**R.N. Senapati, I.A.S**  
**Principal Secretary to Govt.**

To

**All Principal Secretaries/Secretaries to Government**  
**All Heads of Departments**

**Sub: Regulation of Expenditure out of the On Account Budget for the year 2007-08.**

Sir/Madam,

I am directed to say that after the Appropriation (Vote on Account) Bill for 2007-08 has been passed by the State Legislature and enacted, the Administrative Departments are authorised to incur expenditure from 1.4.2007 on the basis of the provision made in the Vote on Account for 2007-08.

It is necessary to expedite the flow of expenditure in the 1<sup>st</sup> quarter of the financial year as it is working season before the onset of monsoon. The Departments should, therefore, carefully chalk out a work programme from the beginning of the financial year and make available the required funds for execution of the programmes/projects. It may be noted that fund flow should not be a constraint for progress of any developmental work which is budgeted for .

2. The thrust would be on outcomes by utilizing the budgeted outlays in a planned time schedule. Resources should flow in such manner that maximum number of projects get completed and returns flow back to the economy enable the State Govt. to ensure greater flow of funds from Government of India and other sources.

3. Keeping the above mentioned objectives in view, while sanctioning funds Administrative Departments are required to observe the following guidelines.



- (i) Secretary of the Administrative Department should ensure that there is adequate progress in collection of State's own revenue as per the targets set by the Chief Secretary. The target fixed by Chief Secretary is the minimum which the concerned Departments must achieve. Unless this is achieved the fiscal targets fixed in the Budget of 2007-08 may not be achieved and in that case there may be failure in getting central support for structural adjustment and sanction of debt write off.
- (ii) In terms of the provisions of the Fiscal Responsibility and Budget Management Act, 2005, the Secretary of each Administrative Department should take steps to curtail unproductive expenditure, enhance revenues and channelize more resources for faster economic development of the State. They should also ensure achievement of revenue target, particularly collection of arrear revenues, timely utilization of Central Assistance and submission of Utilization Certificate at regular interval, completion of projects identified under Zero Based Investment Review, systematic follow up action for compliance to the audit observations and recommendations of the Standing Committee as these items would come up for close scrutiny by the Legislature and the Public Accounts Committee.
- (iii) **Creation of Capital Assets & Reduction of Non-Plan Revenue Expenditure** : Close attention should be paid to expenditure on creation of capital assets, completion of projects, reduction in Non-Plan Revenue Expenditure and the cost of operation of various services.
- (iv) The funds should be released basing on definite action plan for achieving the target fixed for the year. The Secretaries of Administrative Departments are requested to review physical achievement against expenditure by 15<sup>th</sup> of every month for which quantifiable quarterly targets should be fixed from the beginning of the year for better monitoring.
- (v) Statutory dues viz, Sales Tax, Municipal Tax, compensation for land acquisition etc, as well as electricity dues and Rents, Rates and Taxes should be cleared on the basis of provision made in the Budget as and when due after due verification and scrutiny. If any delayed payment surcharge is levied, it

would be the personal responsibility of the concerned Head of Office/DDO. Central Municipal taxes, Electricity and telephone charges including undisputed arrears should be paid in time out of the existing budget provision and rebate where-ever available should be availed.

- (vi) 1/3<sup>rd</sup> of the allocation for the year under M.V, Telephone, T.E and Office Expenses shall be spent during the first four months. The allocation shall be so distributed that it lasts till the end of the financial year.
- (vii) While releasing fund, priority should be given for programmes/schemes where expenditure is reimbursable and for completion of the incomplete projects, especially completion of the projects identified by the Administrative Department under the Zero Based Investment Review.
- (viii) The maintenance expenditure under Non-Plan for Roads, Buildings, Urban Water Supply, Rural Water Supply, Major Medium & Minor Irrigation Flood Control work etc. should be invariably linked to specific assets and certificate regarding proper utilization may be obtained from the beneficiaries/users. Identification of work estimates tendering and execution thereof should start w.e.f.1.4.2007.

Prioritization  
of  
expenditure

**4.** Expenditure with respect to outlays provided under Normal State Plan schemes has to be regulated basing on generation of State's own resources. However, the expenditure under the following resource tied schemes should be given **utmost priority and necessary steps taken from the beginning of the financial year for priority and necessary steps taken form the beginning of the financial year for optimum utilization of the provision instead of keeping them unutilized till the fag end of the year and then seeking concurrence for Finance Department for civil deposit.**

- (i) Externally Aided Projects under State Plan
- (ii) RIDF projects under State Plan
- (iii) All Resource Tied up schemes of State Plan like ACA for KBK, Backward Region Grant Fund, Tribal Sub-Plan, National programme for Adolescent Girls, National Social Assistance Programme, National E-Governance Action Plan, Jawaharlal

Nehru National Urban Renewal Mission (JNNURM), Accelerated Power Development Reform Programme, Rural Electrification, Grants under 1<sup>st</sup> Proviso to Article 275(1) of the Constitution. AIBP, One Time ACA and 12<sup>th</sup> Finance Commission recommended grants for Heritage Conservation, Panchayatiraj Institutions, urban Local Bodies, Consolidation & Strengthening work in the Chilka Lake, Development of Comprehensive Sewerage System in the Capital City of Bhubaneswar, utilization of Top-up grant for Health, Education & Maintenance grant for Roads, Buildings, Forests.

- (iv) CSP & CP schemes
- (v) Modernization of Police force, Prison administration and security related expenditure under Non-Plan.
- (vi) Relief expenditure.

Submission of  
Utilisation  
Certificate

5. **Government of India in the Ministry of Finance, Department of Expenditure in para-IV of their Office Memorandum No.7(3)E(00RD)/2006, dt.22.07.06 and in para-IV of O & M No.7(3) E(COORD)/2006, dt.08.08.06 have stipulated that no amount will be released to any State Government which have defaulted in furnishing UC for grant-in-aid released by Central Government in the past without clearance from the Ministry of Finance. The State Governments are required to furnish monthly returns of plan expenditure to respective Ministries/Departments along with report on amounts outstanding in the Public Account in respect of Central Assistance and centrally sponsored schemes.** Accordingly, all Departments have been requested for submission of UC in respect of central assistance pending as on 1.4.06 vide Finance Department letter No.42466, dt.12.10.06. The Chief Secretary has emphasized on faster utilization of Central Assistance and submission of UC, in his DO letter No.40611, dt 26.9.06 addressed to the Secretaries of all Departments. The Chief Secretary has also instructed all Secretaries to Govt. in his D.O Letter No.11213(38)/F dt.14.03.2007 to closely monitor the pace of expenditure and submission of utilization certificate so as to leverage more Central Assistance. This has to be meticulously followed.

**In view of the guidelines and stipulations imposed by Govt. of India, the Secretaries of the Administrative Deptt. should monitor submission of utilization certificate/reimbursement claims for obtaining central assistance and loan assistance under EAPs and**

**RIDF and other tied up schemes so that liquidity can be maintained in the State Govt. account and funds received can be utilized to obtain further assistance.**

While scrutinizing proposal for sanction of expenditure during the year 2007-08, the progress of submission of Utilisation Certificate in respect of expenditure incurred up to the preceding month and expenditure incurred during 2006-07 should be reviewed.

The same degree of vigilance is required to be maintained in respect of Central Plan and Centrally Sponsored Plan Schemes as well as the new programmes/schemes launched by Government of India and release of Central assistance should be vigorously pursued. **The release of Central Assistance and the progress of utilization may be reviewed each month by the Secretaries of the Administrative Departments and proposals for release of fund under CP & CSP shall invariably indicate the result of such review. A copy of such review report shall be furnished to Finance Department (Plan Finance Branch) by 15<sup>th</sup> of each succeeding month.**

Even  
pacing of  
Expenditur

**6.** In the interest of management of Ways & Means position of the State Government, the flow of expenditure should be evenly paced and commensurate with the revenue receipts. However, it is noticed that in the month of March the level of expenditure is almost more than double of monthly average of the preceding months which puts avoidable strain on the Ways & Means position and on the Government machinery. Therefore, there is an urgent need for careful planning to avoid rush of expenditure towards the year-end. So also efforts for collection of revenue should start from the beginning of the year. Keeping this in view, necessary preparations should be made for sanction and utilization of funds. **Accordingly, from the beginning of the financial year 2007-08 sanction for release of funds and allotment should be issued expeditiously.**

Limit of  
expenditure  
from vote on  
Account  
Budget –  
procedure  
thereof

**7.** Since provision under Vote on Account 2007-08 has been indicated upto the Minor Head level in the Demand for Grants without any further details, the Administrative Departments are requested to follow the instructions mentioned below, while incurring expenditure in respect of each unit of appropriation out of the Vote on Account provision.

(i) The expenditure under a minor head shall be limited to the 1/3<sup>rd</sup> of the Budget provision made for the entire year, 2007-08 with the exception for the cases like Relief Expenditure, MLA LAD, Maintenance of Roads, Buildings, Water Supply, Irrigation Projects, Constituency-wise allocation

for Rural Roads, Arrear GIA Salary, RLTAP KBK, RIDF, One Time ACA, Biju KBK, Gopabandhu Gramin Yojana, seasonal works of Agriculture and Forest & Environment Department etc. In no case, the expenditure shall exceed 1/3<sup>rd</sup> of the Budget provision available under a minor head. For example, the Budget provision of TRs. 127,83,83 made under Demand No. 12-H & FW Department under Non-plan may be taken. The above provision has been indicated in the Book "Demand for Grant" Page No. 12/1 for the year 2007-08 as follows:

Major Head - 2210-Medical & PH

Sub Major Head - 01- Urban Health Services-Allopathy Minor

Head - 110- Hospitals & Dispensaries

Below the Minor Head, no detail unit of appropriation like Pay, DP, DA, HRA, etc. have been indicated. Therefore, the Administrative Department need to calculate their requirements under each unit of appropriation for facility of incurring expenditure and issue of allotment order to concerned DDOs. For calculation of the requirement under different units of appropriation, the following procedure shall be adopted.

(a) Allotments should be distributed for a period of four months only for each unit of expenditure.

(b) For salary components estimate should be made as follows:

- (i) Pay - 3% increase over the provision made for the year 2006-07 and then 1/3<sup>rd</sup> amount of the same should be distributed.
- (ii) D.P – 50% of the pay component as calculated above should be worked out and distributed.
- (iii) D.A. – D.A. @ 24% of the Pay and DP taken together should be worked out and then 1/3<sup>rd</sup> of the same should be distributed.
- (iv) H.R.A. – 3% increase over the provision made for the year 2006-07 and then 1/3<sup>rd</sup> amount of the same should be distributed.
- (v) The arrear Pay & Allowances including the encashment of unutilized leave salary for the retired State

Government employees only may be allowed fully, over and above the normal ones.

- (vi) For School & Mass Education Department and the Higher Education Department the provision under Grant-in-Aid is as follows:

<b>Name of the Department</b>	<b>Total provision for 2007-08</b>	<b>Out of which arrear and other important provision</b>
School & Mass Education	Non-Plan Rs. 20.28 crore	
	State Plan – Rs. 105.28 crore	<ul style="list-style-type: none"> <li>- Rs. 10.00 crore for GIA arrear</li> <li>- Rs. 3.68 crore for Block Grant to 691 newly eligible Up Schools approved by the Cabinet on 9.2.2007.</li> <li>- Block Grant of Rs. 23.83 crore for eligible Non Govt. High Schools</li> <li>- For Non Govt. Secondary Schools the GIA provision is Rs. 63.44 crore</li> </ul>
Higher Education	Non Plan – Rs. 178.41 crore	<ul style="list-style-type: none"> <li>- Rs. 35.00 crore for Infrastructure Development grant for the Universities.</li> <li>- Rs. 11.00 crore for arrear GIA salary.</li> </ul>
	State Plan – Rs. 133.35 crore	<ul style="list-style-type: none"> <li>- Rs. 21.00 crore for arrear GIA salary.</li> <li>- Rs. 5.00 crore for Ravenshaw University under one time ACA.</li> </ul>

Depending on urgency, the arrear grants-in-aid may be released within the total provision under arrear grant-in-aid salary for complying with

court orders, but this must be within the ceiling under GIA and the total amount under Vote on Account for each Demand.

- (c) For non-salary components estimate should be made by taking an average 10% increase over the expenditure made in the year 2006-07. However, care should be taken to exclude the unusual and one-time provision for purchase of vehicles, one-time provisions made in the contingencies for any reason etc. The regular items of expenditure under non-salary components should be taken into consideration while calculating the estimated unit-wise provision for the year 2007-08 and then 1/3<sup>rd</sup> of the same should be distributed.

**i) While calculating 1/3<sup>rd</sup> of the Budget provision, the sectoral allocation under NP/SP/CP/CSP should be calculated separately.**

ii) When the expenditure under a particular Minor Head is required to exceed the 1/3<sup>rd</sup> of the provision under any sector, this can be incurred with the concurrence of Finance Department/ P & C Department, as the case may be, **but the expenditure including the other expenditures shall not exceed the total appropriation made in the Vote on Account. The limit of expenditure is indicated in respect of each Demand for Grants in the “VOTE ON ACCOUNT FOR EXPENDITURE OF THE GOVT. OF ORISSA 2007-08”** circulated among the Administrative Departments and OLA Secretariat by Finance Department along-with the Budget documents.

iii) In view of the time limit of the working season, expenditure on maintenance and creation of Capital assets will be within the limit of Vote on Account. Therefore, expenditure on maintenance/creation of the Capital assets may be incurred limiting to 1/3<sup>rd</sup> of the provision in the Budget estimate for 2007-08, but not exceeding the amount approved in the Vote on Account Budget and subject to availability of LC.

iv) So far as the State plan provision is concerned, the resources tied up schemes shall be taken up on priority basis. The total expenditure however, shall not exceed the amount approved in the Vote on Account Budget.

**v) While incurring expenditure for the CP/CSP Scheme out of the Vote on Account, 2007-08, only the continuing schemes shall be considered, subject to release of funds by the Government of India and availability of State Matching Share for the purpose, wherever necessary. In respect of**

**new schemes, where it is necessary to make expenditure in anticipation of reimbursement from Government of India, the same can be incurred with prior concurrence of P & C and Finance Department.**

vi) Expenditure for Plan schemes transferred to Non Plan as detailed in Annexure of Finance Department Letter No. Plan (FYP)-33/2006/11318(9)/F., dated 14.03.2007 shall be made from the provision made under the Non Plan sector and Head of Account indicated therein subject to the overall limit of expenditure in the Vote on Account for the particular Demand.

vii) Finance Department have intimated the concerned Department regarding provision and utilization of funds for repair and maintenance of Roads. Buildings, Irrigation Projects, Water Supply Projects & Flood Control Works in letter No. 13941 (5)/F., dated 31.3.2007. As regards repair and maintenance of residential and non residential building of Jail, DG Police/ Police Station and Judiciary under Home Department, the provision of funds have been indicated to Home Department in Finance Department letter No. 13945/F., dated 31.3.2007. In respect of special repair, renovation, addition and alteration of School & Hostel Buildings for ST & SC Students, ST & SC Development Department has been intimated in Finance Department letter No. 13948/F., dated 31.03.2007. The provision made for repair and maintenance, addition/alteration and renovation of Anganwadi Centres, CDPOs' Office and Observation Homes has been intimated to Women & Child Development Department in letter No. 13951/F., dated 31.03.2007.

viii) Other important items of expenditure provided under each demand for grant in the Vote on Account for 2007-08 are indicated in the **Annexure**.

Distribution of  
Budgetary  
Allotment by  
Controlling  
Officer to  
DDOs.

**8. The detailed DDO-wise Budget Allotments for the financial year 2007-08 need to be fed into the Central server at the directorate of Treasuries & Inspection, Orissa (DT & I (O)) Bhubaneswar in order to enable the Treasuries/ special Treasuries/ Sub Treasuries in the State to check the claims contained in the bills against budgetary allotment under Orissa Treasury Management System (OTMS), in terms of Finance Department Circular No. TRD-26/2006-12976 (45)/F., dt. 24.03.2007. However, it will not be possible to feed the budgetary allotment into the system as detailed head-wise provision has not been made below the minor head.**



**Therefore, the instructions relating to distribution of budgetary allotment through the Budget Interface Software shall take effect only after the Annual Budget is presented and passed by the Legislature. The time schedule indicated therein would be modified accordingly. In the meanwhile the Orissa Treasury Management System (OTMS) has been enabled to accept and process all Bills without feeding of allotment in the Budget Interface Software. However, the Controlling Officers shall continue to communicate the DDO-wise allotments to the respective Treasuries & Sub-Treasuries for entry in their Control Register.**

9. Other stipulations regarding regulation of expenditure out of the Budget for the year 2006-07 contained in F.D. Circular No. 13967 (245)/F., dated 30.3.2006 will mutatis mutandis apply to sanction and drawal of funds during 2007-08 out of the approved provision in the Vote on Account for 2007-08.

I would, therefore, request you to sanction and release funds for expenditure out of the Vote on Account 2007-08 in accordance with the aforesaid instructions.

Yours faithfully,

**Sd/- R.N.Senapati**  
**Principal Secretary to Government**

## Annexure

### **Provision for important items of Expenditure in the On Account Budget for 2007-08**

**(Rs. in Crore)**

<b>Name of the Department</b>	<b>Scheme</b>	<b>Total Provision</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
<b>Home Department</b>	1. Completion of Orissa Bhawan at Vasi. Navi Mumbai (Non-Plan)	2.00
	2. Upgradation of Fire Service (Non-Plan)	1.00
	3. State Share for construction of High Court Buildings.	4.00
<b>G.A. Department</b>	1. Special Repair of Govt. Residential Buildings at New Capital (Non-Plan) in Works Deptt. Budget Rs.20.00 Cr. H & U.D./ Deptt. Budget Rs. 3.00	23.00
<b>Revenue Department</b>	1. Land Pass Book (Non-Plan)	10.00
	2. Compensation to the left out effected people of Hirakud Dam Project (Non-Plan)	1.00
	3. Relief Expenditure Non-Plan)	391.71
	4. The total allocation for Revenue Deptt. under State Plan for 2007-08 is Rs.37.10 Cr. Which includes Rs.22.07 Cr. for Externally Aided Project Rs.9.46 Cr. for Compensatory Afforestation Rs.2.00 Cr. for construction of Residential Building Rs.0.50 Cr for construction of Circuit House at Malkangiri	37.10
<b>Law Department</b>	1. Shree jagannath Temple Puri (Non-Plan)	5.00
<b>Works Department</b>	1. State Plan which includes a) EAP Rs. 92.20 Cr. b) RIDF Rs.115.00 Cr. c) Central Road Fund Rs.54.73 Cr. d) Land Acquisition/preparation DPRs/capacity Building Rs.14.00 CR. e) Connectivity out of ACA for KBK Rs.8.00 Cr. 2. One time ACA Rs.46.00 Cr. which includes a) Puri Bye Pass Road Rs.4.00 Cr.	349.53

	b) 4 Laning road from Naka Chhak to IIIT, Phase-I Rs.6.00 Cr. c) 4 Laning road from Paitapalli to Chandaka Phase – I upto Deras Farm Rs.5.00 Cr. d) Road from Khaparakhole to Harishankar Rs.4.00 Cr. e) Road from Padampur to Paikmal Rs.12.00 Cr. f) Road from Dhenkanal to Kapilash Rs.5.00 Cr. g) Cuttack – Paradeep Road Rs.10.00 Cr.	
<b>School &amp; Mass Education Deptt.</b>	1. State share under SSA under Non-Plan (Rs.106.20 Cr.+ 12 <sup>th</sup> Finance GrantRs.64.13 Cr.)	170.33
	2.State Share under State Plan (Matching share of Rs.4.01 Cr. for Kasturba Gandhi Balika Vidyalaya + Rs.4.23 Cr. for implementation of DPEP)	8.24
	3. Grant-in-Aid Salary (Non-Plan Rs.20.28 Cr + State Plan Rs.105.28 Cr.)	125.56
	4. Block grant to eligible Non-Govt. High Schools (State Plan)	23.83
	5. Block grant for newly eligible U.P. School (State Plan)	3.68
	6. Non-Govt. Secondary Schools (State Plan)	63.44
<b>ST &amp; SC Dev. Deptt.</b>	1. Post Matric Scholarship (Rs.23.87 Cr. for Non-Plan Rs.3.34 Cr. for State Plan)	27.21
	2. Hostel Buildings for SC & ST students (State Plan)	53.01
	3. Pre-Matric Scholarship for SC & ST students (Non-Plan Rs.38.00 Cr. + State Plan Rs.78.11 Cr.+ Rs.6.66 Cr out of Special Central Assistance)	122.77
<b>Health &amp; Family Welfare Deptt.</b>	1. a) PHC, CHC and Staff quarters Rs.24.00 Cr.	28.50
	b) Ayurvedic and Homeopathic Hospitals and Dispensaries including staff quarters Rs.3.50 Cr.	
	c) General maintenance PHCs and CHCs Rs.1.00 Cr. (Non-Plan)	
	2. Cluster house to health personnel in Rural areas (kept in P.R. Deptt. Budget-State Plan)	22.00
	3. Reducing Infant mortality (State Plan)	1.30
	4. Proposed Establishment of AIIMS (State	0.05

	Plan)	
	5. Establishment of Spinal Injury Centre at Cuttack (State Plan)	0.80
	6. Construction of Building of Medical Colleges	1.00
<b>H &amp; U.D. Deptt.</b>	1. Sewerage work in Bhubaneswar (State Plan)	35.00
	2. N.U.R.M. (State Plan)	62.25
	3. Capacity Building and preparing of DPRs (State Plan)	1.00
	4. Externally Aided Projects (State Plan)	68.76
	5. One Time Settlement by O.W.S. and S.B. (State Plan)	14.50
	6. One Time A.C.A. for Satellite City Land Acquisition (State Plan)	10.00
<b>Labour &amp; Employment Deptt.</b>	1. Implementation of Child Labour (Prohibition & Regulation Act, 1986 (State Plan)	2.00
	2. Other construction works (Regulation of Employment and Condition of Service) Act, 1996 (State Plan)	1.00
<b>Sport &amp; Youth Services Deptt.</b>	1. Repair, Renovation and Maintenance of Sports stadia.	5.00
<b>Planning &amp; Co-ordination Deptt.</b>	1. Biju KBK (State Plan)	120.00
	2. M.L.A. LAD (State Plan)	110.25
	3. Orissa State Employment Mission (State Plan)	10.00
	4. Grants to Western Orissa Development Council (State Plan)	30.00
<b>Panchayati Raj Deptt.</b>	1. Gopabandhu Gramin Yojana (State Plan)	110.00
	2. State's matching share under NREGS (State Plan)	100.00
	3. SGSY (State Plan)	22.00
	4. SGRY (State Plan)	45.80
	5. IAY (State Plan)	51.00
	6. Cluster Housing for Health Personel (State Plan)	22.00
	7. Back-ward Region Grant (BRGF) (State Plan)	285.00
	8. maintenance and Repair of Minor Irrigation (under the award of 2 <sup>nd</sup> State Finance Commission) Non-Plan	19.85
	9. Repair/Construction of G.P. Roads (under the award of 2 <sup>nd</sup> State Finance Commission) Non-Plan	5.00

	10. Other Developmental Work (under the award of 2 <sup>nd</sup> State Finance Commission) Non-Plan	11.74
<b>Industries Deptt.</b>	Technical Education (State Plan)	18.02
<b>Water Resources Deptt.</b>	1. AIBP (State Plan)	464.28
	2. Water rate subsidy to OLIC (State Plan)	16.32
	3. Water rate subsidy to OLIC (Non Plan)	3.68
<b>Agriculture Deptt.</b>	Non Horticulture Mission Districts (State Plan)	0.80
<b>I &amp; P.R. Deptt.</b>	1. Production of feature film on Utkalmani Gopabandhu Dash (State Plan)	0.375
	2. For office of Chief Information Commissioner (State Plan)	2.04
	3. Advertisement Charges (Non Plan)	3.70
<b>Cooperation Deptt.</b>	1. Implementation of Baidyanathan Committee Report (State Plan)	7.00
	2. Subvention to Co-operative Bank (State Plan)	7.00
	3. Crop Insurance (State Plan)	1.00
<b>Sc. &amp; Tech. Deptt.</b>	Subsidy for production of bio diesel (State Plan)	1.00
<b>Rural Development Deptt.</b>	State Plan outlay which includes	185.00
	a. Water Supply & Sanitation – Rs.108.00	
	b) RIDF – Rs. 58.00	
	c) Constituency-wise allocation – Rs.14.50	
	d) Capacity building/augmentations of office space in RW wing – Rs.3.50	
<b>W &amp; CD Deptt.</b>	1. State Old age Pension (Non-Plan) (30.00 for Disabled pension + 162.00 for old age pension)	192.00
	2. Additional amount under Non Plan for 1 lakh beneficiaries (4.80 for Disabled pension + 19.20 for old age pension)	24.00
	3. National Social Assistance Programme (National Old Age Pension) – State Plan	152.20
	4. Special Nutrition Programme (State Plan)	75.64
	5. Scholarship & Stipend for physically handicapped students (State Plan)	0.45
	6. State share for Mid-day Meal (State Plan)	67.19

## FINANCE DEPARTMENT

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No.WM-14/2005-19274(225)/F Dt. 25.04.2007

From

Shri R.N. Senapati, I.A.S.,  
Principal Secretary to Government.

To

All Principal Secretaries / Secretaries to Government  
All Heads of Departments.

**Sub: Procedure for regulating release of funds from Civil Deposit during 2007-08.**

**Sir / Madam,**

I am directed to say that in many cases, funds which were sanctioned for expenditure could not be drawn in cash and were kept in Civil Deposit under the Head of Account "8443-Civil Deposit-800 other deposits." These funds should be withdrawn and utilized for the purpose for which those were sanctioned in a gradual manner so as not to affect the ways and means position as well as implementation of budgeted programmes of the Government in 2007-08. Civil Deposit releases would have direct effect on liquidity and resources as these are carried over expenditure from earlier financial year. **The balance available in Civil Deposit should not be treated as free resource available for expenditure and no drawal or expenditure commitment shall be made in violation of the instructions contained herein.** In order to regulate withdrawal of funds from Civil Deposit so as not to strain the Ways and Means position of the State Government., the following guidelines should be followed by all Departments and Sub-ordinate offices during the year 2007-08.

2. i) Withdrawal of advance compensation money deposited by Collectors under the Minor Heads – "111- Other Departmental Deposits" and "117- Deposits for Work Done for Public Bodies or Private Individuals" under the Major Head "8443-Civil Deposit" will be made by the depositor.

- ii) In case of all other claims the procedure of drawal shall be as follows:-
  - a) Where the amount of Civil Deposit in a particular case does not exceed Rs. 10.00 lakh, the Head of Department may sanction withdrawal from Civil Deposit without referring to the Administrative Department for approval.

- b) Where the amount of Civil Deposit exceeds Rs. 10.00 lakh but does not exceed Rs. 200.00 lakh, the Administrative Department may sanction withdrawal from Civil Deposit without referring the matter to the Finance Department.
- c) Where the amount of Civil Deposit exceeds Rs. 200.00 lakh, the sanction of withdrawal from the Civil Deposit would be accorded by the Administrative Department only after obtaining concurrence of the Finance Department.
- d) However the restriction at clause ( c ) above will not apply to withdrawal from the Civil Deposit made out of the budgetary provisions for ACA for KBK , Centrally Sponsored Non Plan Scheme for Modernisation of State Police Force /Modernisation of Prison Administration / OBB / Extended OBB Schemes and programmes / schemes under grants recommended by the 12<sup>th</sup> Finance Commission. The Administrative Departments are authorized to allow release of funds for these schemes / programmes with the concurrence of their Financial Advisors / Asst. Financial Advisors. Health and Family Welfare Department is authorized to draw the fund from civil deposits without referring to Finance Department in respect of civil deposit made in 2005- 06 and 2006-07 for Equipment, Medicine , Bedding, Clothing etc.
- e) The above authorization under clause (a) and (b) does not cover cases where funds have been drawn and kept in Civil Deposit by augmenting provision through re-appropriation. Similarly such authorisation is not applicable to cases where Finance Department had made some specific stipulations while concurring in the proposal to keep the amount in Civil Deposit. In all such cases, prior concurrence of the Finance Department would be necessary.
- f) Release of funds relating to Central Plan Schemes and Centrally Sponsored Plan Schemes from Civil Deposit shall in all cases be referred to the Finance Department, irrespective of the amount involved. While referring such cases the Administrative Department should specifically indicate if Central Assistance due has been released by the Government of India in respect of the CP / CSP Schemes. Further it should be indicated by the Administrative Deptt., if the withdrawal sought for will ensure further release of central assistance / central share under the respective central plan / centrally sponsored plan schemes. All such proposals for release must also indicate the upto date position of Central Assistance received, expenditure incurred and U.C. submitted.

- g) In case of deposits made out of funds sanctioned under State Plan (EAP), it should be indicated if the proposed withdrawal will bring in additional central assistance under the scheme.
- h) **Not withstanding anything contained herein before, funds which are lying in Civil Deposit for more than three years should not be drawn without concurrence of Finance Deptt. Such unspect balances lying for more than three years should be allowed to lie over.** No expenditure commitment should be made for such funds. However, funds relating to ACA for KBK, Modernisation of State Police Force, Modernisation of Prison Administration and OBB / Extended OBB Schemes may be released from Civil Deposit by the Administrative Department with the concurrence of their Financial Advisors/ AFAs even if the deposits are more than three years old.

3. **It has been noticed that some Departments in anticipation of concurrence of Finance Department for release of funds from Civil Deposit have gone ahead with contacts / work orders. They should not create any liability on these accounts without seeking permission for withdrawal.**

4. Proposal for sanction of withdrawal from Civil Deposit shall in all cases be accompanied by detailed information as indicated in Annexure. The Drawing Officer while furnishing proposal must record a certificate to the effect that he has personally verified the correctness of deposit and that he shall be personally responsible for any double drawal or wrong drawal. Such certificate shall be recorded while furnishing information by the DDO in Annexure, as well as on the body of the bill to be presented to the Treasury. In the sanction / release order, it is to be clearly mentioned as to whether the same has been duly concurred in by the Head of the Department/ Administrative Department/ Finance Department, as the case may be, in which case the Memo No./ UOR No. is to be invariably quoted.

5. All proposals of release from Civil Deposit when referred to Finance Deptt. should invariably have the detailed comments of the F.A./A.F.A. of the Administrative Department. They should always ensure that the amount proposed for withdrawal from Civil Deposit is to be utilized for the purpose for which it was sanctioned. No deviation should be made from this cardinal principle of public expenditure. The F.A./A.F.A. of the Deptt. should indicate in the file the amount lodged in Civil Deposit, the amount withdrawn earlier, the balance left un-drawn and urgency of release. Besides, it should be stated if the amount will be utilized for the purpose it



was sanctioned. Similarly the delegation made vide para 2(ii) (a) & (b) may be exercised in consultation with the F.A. / A.F.A. or F.A. and C.A.O. as the case may be.

6. It may kindly be noted that each deposit is a separate case for withdrawal from Civil Deposit and cases of deposits should not be clubbed together while referring the file to Finance Department. As each deposit is identified by a Treasury Challan Number, the amount to be withdrawn should always be mentioned with reference to particular Treasury Challan number in the proposal for withdrawal which should also be quoted invariably in the release order.

7. Withdrawal from Civil Deposit should not be made unless money is immediately required for disbursement. Heads of Departments and the Administrative Departments should permit release from Civil Deposit considering the urgency and necessity of withdrawal in each case and after ascertaining that all procedures necessary to be completed before incurring expenditure have been duly completed. If after drawing fund from civil deposit, the money has been kept idle for more than 7 days, the concerned DDO shall be personally liable for recovery of the loss sustained by Government from this personal entitlements including his retirement benefit.

8. It is hereby made clear that it is fully responsibility of the authorities sanctioning withdrawal of funds from Civil Deposit with regard to its correctness, genuine necessity of drawal and observance of prescribed procedure. Concurrence of Finance Department is with reference to the monetary limit for drawal, but Finance Department has no material at their end to dispute the claim made by the Administrative Department regarding the correctness and genuiness.

9. This supersedes all previous instructions issued by Finance Department relating to release of funds from Civil Deposit.

10. All Drawing and Disbursing Officers under your administrative control may be instructed accordingly.

Yours faithfully,

**Sd/-R.N.Senapati**  
**Principal Secretary to Government**

**Annexure**  
**Sanction of withdrawal / release of funds from the civil deposits**

Challan No. & Date	Amount of Deposit	Amount withdrawn	Balance	Name of the Treasury/Spl. Treasury/ Sub-Treasury	Head of Account from which the amount was drawn and kept in Civil Deposit	The nature of the claim	The purpose for which the provision was made in the Budget/ whether funds provided through re-appropriation	Whether drawn in AC Bill or Fully vouched contingent bill or other forms of bill (specify)	Whether Non-plan, State Plan, Central Plan or Centrally sponsored Plan (specify)	Whether central assistance has already been received and credited to State Govt. account in respect of the deposit now proposed to be withdrawn (furnish detail)	Whether necessary formalities have been completed before proposing drawal of funds from the Civil Deposit
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

Certified that the particulars furnished in this statement have been verified by me and found to be correct and that I am aware that I shall be personally responsible for any double or wrong drawal of funds in respect of the deposit particulars furnished in this Statement.

Signature and Designation of Head of Office / DDO (seal)

**FINANCE DEPARTMENT**

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No. 30857(237) /F Dt. 21.7.2007  
WM-6/2007

**From**

**Shri R.N. Senapati, I.A.S.**  
**Principal Secretary to Govt.**

**To**

**All Principal Secretaries / Secretaries to Government**  
**All Heads of Department**

**Sub: Regulation of Expenditure out of the Annual Budget for the year 2007-08.**

Sir/ Madam

I am directed to say that the Appropriation Bill for the financial year 2007-08 has been passed by the State Legislature and enacted. The Administrative Departments are now authorized to incur expenditure on the basis of the provisions made in the Annual **Budget for 2007-08.**

2. The Administrative Departments have been, in the meanwhile, requested to draw up a monitorable monthly target of non-plan and plan expenditure so as to reach the level of expenditure provided in the Annual Budget. This monthly target should be further allocated among the Controlling Officers and Drawing & Disbursing Officers for effective monitoring of expenditure. In the first year of the 11<sup>th</sup> Five Year Plan, the Annual Plan outlay has been fixed at Rs. 5105.00 crore which represents a sizable increase over the previous year. Hence it is necessary to take effective steps from the beginning of the year to achieve full expenditure of the Plan Outlay.

3. The thrust would be on outcomes by utilizing the budgeted outlays in a planned time schedule. Resources should flow in such a manner that maximum number of projects gets completed and returns flow back to the economy to enable the State Government to ensure greater flow of funds from Government of India and other sources. **The completion of incomplete projects identified under Zero Based Investment Review should get top-most priority. The identified projects are enlisted at page 237-0248 of Budget at a Glance 2007-08.**

4. In keeping with the above mentioned objectives, while sanctioning funds, the Administrative Departments are required to observe the following guidelines.

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| Guiding<br><br>principles for<br>implementation<br>of the Annual<br>Budget 2007-08<br>– Need for<br>maximum<br>Output | <p>(i) The Secretaries of Administrative Departments should ensure that there is adequate progress in collection of State's own revenue as per the targets set by the Chief Secretary. These targets fixed by Chief Secretary are the minimum which the concerned Departments must achieve . Unless this is achieved, the fiscal targets fixed in the Annual Budget of 2007-08 may not be achieved and in that case there may be failure in getting central support, loans for structural adjustment and debt relief.</p> <p>(ii) The Secretaries of Revenue earning Departments like Excise, Transport, Energy, Revenue &amp; Disaster Management. Forest &amp; Environment, Steel &amp; Mines, Water Resources, H &amp; UD etc are to work out monthwise breakup of the annual target fixed by Chief Secretary and communicate the same to the field units under intimation to the Finance Department. They are to review the collection of revenue on monthly basis and take remedial measures in the next month to make good the shortfall, if any.</p> <p><b>(iii) In terms of the provisions of the Fiscal Responsibility and Budget Management Act, 2005, the Secretary of each Administrative Department should take steps to curtail unproductive expenditure, enhance revenues and channelize more resources for faster economic development of the State. They should also ensure achievement of revenue target, particularly collection of arrear revenues, timely utilization of Central Assistance and submission of Utilisation Certificate at regular interval, completion of projects identified under Zero Based Investment Review, systematic follow up action for compliance to the audit observations and recommendations of the Standing Committee etc as these items would come up for close scrutiny by the Legislature and Public Accounts Committee.</b></p> <p>(iv) Creation of Capital Assets &amp; Reduction of Non Plan Revenue Expenditure : - <b>Close attention should be paid to expenditure on creation of capital assets, completion of projects, reduction in unproductive Non- Plan Revenue Expenditure and in cost of operation of various services.</b></p> |
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- (v) The funds should be released basing on definite action plan for achieving the target fixed for the year. **The Secretaries of Administrative Departments are requested to review physical achievement against expenditure by 15<sup>th</sup> of every month for which quantifiable quarterly targets should be fixed from the beginning of the year for better monitoring.**
- (vi) Statutory dues viz, Sales Tax, Municipal Tax, compensation for land acquisition etc, as well as electricity dues and Rents, Rates and Taxes etc. should be cleared on the basis of provision made in the Budget as and when due after due verification and scrutiny. If any delayed payment surcharge is levied, it would be the personal responsibility of the concerned Head of Office / DDO. Current Municipal taxes, Electricity and telephone charges including undisputed arrears should be paid in time out of the existing budget provision and rebate where-ever available should be availed.
- (vii) The allocation for the year under M.V., Telephone, T.E. and office expenses shall be so distributed that it lasts till the end of the financial year.
- (viii) While releasing funds, priority should be given for programmes / schemes where expenditure is reimbursable and for completion of the incomplete projects, especially completion of the projects identified by the Administrative Department under the Zero Based Investment Review.
- (ix) **The maintenance expenditure under Non Plan for Roads, Buildings, Urban Water Supply, Rural Water Supply, Major Medium & Minor Irrigation, Flood Control work etc. should be invariably linked to specific assets and certificate regarding proper utilization may be obtained from the beneficiaries / users. Identification of work, estimates, tendering and execution thereof should be expedited.**

Prioritization  
of  
expenditure

5. Expenditure with respect to outlays provided for specific work programmes under Normal State Plan Schemes like Biju KBK, Gopabandhu Gramin Yojna (GGY), Biju Jyoti, BKVY etc is to be expedited. At the same time, the expenditure under the following resource tied schemes should be given utmost priority and necessary steps taken from the beginning of the financial year to ensure optimum utilization of the provisions instead of keeping them unutilized till the end

end of the year and then seeking concurrence of Finance Department for Civil Deposit.

- i) Externally Aided Projects under State Plan
- ii) RIDF projects under State Plan
- iii) All Resource Tied up schemes of State Plan like ACA for KBK, Backward Region Grant Fund, Tribal Sub-Plan, National Programme for Adolescent Girls, National Social Assistance Programme, National E- Governance Action Plan, Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Accelerated Power Development Reform Programme, Grants under 1<sup>st</sup> Proviso to Article 275(1) of the Constitution, AIBP , One Time ACA and 12<sup>th</sup> Finance Commission recommended grants for Heritage Conservation, Panchayati Raj Institutions, Urban Local Bodies, Consolidation & Strengthening work in the Chilika Lake, Development of Comprehensive, Sewerage System in the Capital City of Bhubaneswar, utilization of grant for Health, Education, Maintenance grant for Roads & Bridges, Buildings and Forests.
- iv) CSP & CP schemes
- v) Modernisation of Police force, Prison administration and security related expenditure under Non-Plan
- vi) Relief expenditure

Submission  
of Utilisation  
Certificate

**6.1 Government of India, in the Ministry of Finance, Department of Expenditure in para-IV of their Office Memorandum No. 7(3) E (00RD)/2006 dt. 22.07.06 and in para -IV of O & M No 7(3)E – COORD/2006 dt. 08.08.06 have stipulated that no amount will be released to any State Government which has defaulted in furnishing UC for grant-in-aid released by Central Government in the past without clearance from the Ministry of Finance. The State Government are required to furnish monthly returns of plan expenditure to respective Ministries / Departments along with report on amounts outstanding in the Public Account in respect of Central Assistance and Centrally Sponsored Schemes. Accordingly, all Departments have been requested for submission of UC in respect of central assistance pending as on 01.04.06 vide Finance Department Letter No. 42466 dt. 12.10.06. The Chief Secretary has emphasized on faster utilization of Central Assistance and submission of UC, in his DO letter No. 40611 dt. 26.09.06, addressed to the Secretaries of all**

Departments. The Chief Secretary has also instructed all Secretaries to Govt. in his D.O. Letter No. 11213(38)/F dt. 14.03.2007 to closely monitor the pace of expenditure and for submission of utilization certificates so as to leverage more Central Assistance. These instructions are also to be meticulously followed in the current financial year.

6.2 While scrutinizing proposals for sanction of expenditure during the year 2007-08, the progress of submission of Utiliation Certificate in respect of expenditure incurred upto the preceding month and expenditure incurred during 2006-07 should be reviewed.

6.3 In respect of Central Plan and Centrally Sponsored Plan Schemes as well as any new programmes / schemes launched by Government of India, the release of central assistance should be vigorously pursued with the Line Ministries. **The release of Central Assistance and the Progress of submission of utilization certificate may be reviewed each month by the Secretaries of the Administrative Departments and proposals for release of fund under CP & CSP shall invariably indicate the result of such review. A copy of such review report shall be furnished to Finance Department (Plan Finance Branch) by 15<sup>th</sup> of each succeeding month.**

Even pacing  
of  
expenditure

7. In interest of management of Ways & Means position of the State Government, the flow of expenditure should be evenly paced and commensurate with the revenue receipts. However, it is noticed that in the month March the level of expenditure is almost more than double of monthly average of the preceding months which puts avoidable strain on the Ways & Means position and on the Government machinery. Therefore, there is an urgent need for careful planning to avoid rush of expenditure towards the year –end. So also efforts for collection of revenue should start from the beginning of the year. Keeping this inview, necessary preparation should be made for sanction and utilization of funds. **Accordingly, from the beginning of the financial year 2007-08 sanction order for release of funds and allotment should be expedited. The total allotment including supplementary provision should be communicated by 31.12.07 or at the latest by 31.01.08 in case of re-appropriation or additional allotment. Similarly the process of issue of sanction orders for release offunds as well as surrender of Budgetary provision should be completed by 29<sup>th</sup> February'2008. In order to avoid last minute rush it is hereby indicated that the last date for submission of bills to the Treasuries in the financial year 2007-08 will be 10<sup>th</sup> March 2008 for claims under other Contingency, Machinery, Equipment,**

**Vehicle, Share Capital, Subsidy, Loan and 15<sup>th</sup> March, 2008 for other claims. Apart from this, budgetary funds will in no case be transferred to Civil Deposit.**

Distribution of Budgetary Allotment by Controlling Officer to DDOs

**8. The detailed DDO-wise Budget Allotments for the financial year 2007-08 need to be fed into the Central Server at the Directorate of Treasuries & Inspection, Orissa, (DT & I(O)) Bhubaneswar in terms of Finance Department Circular No. 25653(40)/F dated 06.06.2007 and the time schedule indicated therein, in order to enable the Treasuries / Special Treasuries / Sub Treasuries in the State to check the claims contained in the bills against budgetary allotment under **Orissa Treasury Management System (OTMS)**. It may be pointed out here that the system would not accept any bills after 31<sup>st</sup> of July, 2007 without detail DDO-wise budget allotment being made available through the system.**

9. The Administrative Departments, while sanctioning expenditure out of the budgetary provisions should observe the following guidelines meticulously.

Creation / filling up of posts, purchase of vehicles and equipment as per stipulations of F.D.O.M. dt.14.3.2001 and FD Memo No. 32861/F, dt.3.8.04

- (i) Finance Department have already issued orders for abolition of 75% of base level vacant posts vide O.M. NO. 32861/F dt. 03.08.2004. No. 55764/F dated 31.12.2004 and Memo No. Bt(V)-47/2004-2449(45)/F dt. 15.1.2005. It would not be possible to entertain any proposal relating to creation of new posts/ filling up of vacant posts / upgradation of existing post still such time Administrative Department issue the abolition orders, submit a consolidated return and furnish the proposal through the Secretary of the Department. Reference to Finance Department for creation of posts/ filling up of vacant posts should be made only if the posts are essential and required for providing basic services or for developmental needs.
- (ii) Purchase of new vehicles shall be on replacement basis only Unless the Secretary of the Department certifies that all the condemned vehicles have been disposed off and sale proceeds deposited into Government account and that there is availability of a Driver for the vehicle to be purchased, the proposal for purchase of vehicle shall not be entertained in Finance Department.
- (iii) Sanction for purchase of Machinery and equipment may be accorded by the Administrative Departments within the limit of



sanction indicated in Para-II. Such proposal need not be referred to Finance Department.

Release  
to PSUs

- (iv) Budgetary support to public sector undertakings in shape of share capital or loan has to be project/programme specific. For sanction of expenditure from these provisions, prior concurrence of Finance Department will be necessary. The Administrative Departments should place specific project proposals before the Project Approval Committee (PAC) and refer the proposals for sanction of expenditure for concurrence of the Finance Department supported by the decision of the PAC. While referring the file to the Finance Department, the Administrative Department should invariably indicate the outstanding dues, if any, recoverable from the public sector undertaking and the total amount of share capital investment made and loan advanced to the PSU. If any of the institutions/organizations are in default in payment of State Government dues including guarantee fee, dividends of earlier years etc, no further release in shape of grant, ways & means advance, loan of share capital should be proposed and made. Similarly no budgetary provision shall be released or guarantee proposals would be considered unless Escrow accounts are operated and stipulations contained in F.D. resolution No. 11311/F dt. 19.03.2004 are fully complied with.

Release to  
Co-  
operatives

- (v) Sanction of budgetary support to cooperative institutions in shape of share capital or loan has to be project/programme specific. For sanction of these provisions, prior approval of the Empowered Committee is necessary. The Administrative Department shall sanction expenditure within the budgetary limits only with the prior concurrence of the Finance Department. Proposal for concurrence of the Finance Department should be supported by the decision of the Empowered Committee. The cases of default in payment of State Government dues and non-compliance regarding operation of Escrow accounts shall not qualify for release of any budgetary provision or providing State Government guarantees as enumerated in sub-para (iv) above.

Release of  
Grant-in-aid  
and Subsidy to  
PSUs & Co-  
operatives

- (vi) Sanction of subsidy (including managerial subsidy), grant-in-aid in favour of the public sector undertakings and cooperative organizations etc. including food subsidy in favour of the Orissa State Civil Supplies Corporation shall be made after adjustment of outstanding Government dues including Guarantee Fees and will require prior concurrence of the Finance Department. These releases would also be subject to opening of Escrow Account mentioned in sub-para (iv) above. The release would be

considered based on progress of utilization of the fund earlier released.

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| Release of<br>Grant-in-aid<br>to<br>Educational<br>Institutions | <p>(vii) Grant-in-aid salary to Universities/ Engineering Colleges, Non Government Aided Educational Institutions, other organizations which are regularly in receipt of grant-in-aid from Government, shall be sanctioned on quarterly/monthly basis by the concerned Administrative Department with the concurrence of FA/AFA of the Department and approval of the Secretary of the Department <u>at the existing scale of pay and rate of D.A without reference to the Finance Department</u> subject to abolition of 75% of the base level vacant posts as on 01.04.2004 in respect of such institutions in terms of the Finance Department letter No. 32861 (45)/F., dt. 03.08.2004 and No. 55764/F dated 31.12.2004 and Memo Not. Bt.(V)-47/2004-2449-(45)/F dt. 15.01.2005 and submission of consolidated information. However the limit as prescribed in Para-11 will be applicable to other grants <u>excepting in case of Grant-in-aid salary. On the other hand, the grant for infrastructure developments of the Universities provided in the Budget of 2007- 08 in the Demand of Higher Education Department is to be released in one instalment without reference to Finance Department.</u> Further, before sanction, the Administrative Departments should insist upon utilization certificate/ expenditure statement after 30.06.2007 in respect of grant-in-aid released upto 31.03.2007. For release of fund during the first quarter, such certificate may not be insisted upon. In all cases of sanction of grant-in-aid, it should be ensured that the amount sanctioned <u>does not exceed the provision authorized by the Legislature.</u> While sanctioning Grant-in-aid for the last quarter ending on 31.03.2008, the Administrative Departments should ensure that utilization certificate for quarter ending 3.9.2007 has been received. Where ever stipulations have been imposed at the time of admitting schedules for the regular budget proposals of 2007-08 for Post-budget scrutiny, the sanction and release of funds in such cases would <b>require prior clearance of Finance Department.</b></p> |
| Release of<br>Scholarship                                       | <p>(viii) Pre-matric and post matric scholarship for SC &amp; ST students may be sanctioned subject to budgetary limit after the Secretary of SC &amp; ST Development Department is satisfied that fund released during the previous year has been fully and properly utilized and actually the intended beneficiaries have got the benefit. Savings Bank Accounts for individual students should be opened to ensure that funds are received by the student concerned. <u>Budgetary release under this unit does not require the concurrence of Finance Department.</u></p>  |

- (ix) Sanction and release of funds towards the provision made for purchase of equipment /medicine/bedding, clothing etc. for Primary Health Centres, Ayurvedic Hospitals, Medical Colleges & Hospitals, District Hospitals etc. may be made by the Health and Family Welfare Department observing prescribed formalities as agreed to in the UOI No. 394/F., dated 06.04.2004 of Finance Department. The Administrative Department must ensure that funds are allocated to the appropriate disbursing authority in time and fund should be drawn only by observing the formalities for the purchases as and when payment is due on supply of equipment, medicines/ bedding, clothing etc. Prior concurrence of Finance Department is not required for this. In case of lapse of fund it shall be the responsibility of the Administrative Departments.
- (x) All other sanction of funds under Non-plan and State plan schemes should be made by the Administrative Departments with the concurrence of FA/AFA (in the absence of F.A) and approval of the Secretary of the Department, in suitable instalments (monthly, bi-monthly or quarterly, as it may suit the specific schemes/projects) not exceeding Rs. 700.00 lakh at a time under Non Plan and Rs. 1500.00 lakh under Plan for which prior concurrence of the Finance Department would not be necessary. While sanctioning expenditure and communicating allotment, the stipulations made in F.D OM No. 10954/F dt. 14.03.2001 (relating to austerity measures) read with FD OM No. 32861(45)/F dt. 03.08.2004 and No. 55764/F dt. 31.12.2004 should be scrupulously followed.
- 10.** Notwithstanding the limit of sanction indicated in para 11, the Administrative Departments are authorized to sanction funds in respect of Central Plan and Centrally Sponsored Plan Schemes to the extent of assistance received (irrespective of the amount) from Government of India; but in no case the sanction will exceed the limit authorized by the Legislature. They are also fully authorized to sanction funds towards matching state share under the Centrally Sponsored Plan Schemes commensurate with the quantum of central assistance received. Concurrence of Finance Department will not be required in these cases. However, in case, advance sanction of State matching share or central share pending receipt of central assistance is deemed absolutely necessary, the Administrative Department will have to obtain prior concurrence of the Finance Department in case of non-salary items only with full justification. The salary component of continuing schemes may be sanctioned up to end of December, 2007 in anticipation of receipt of Central Assistance. **In cases where there is short fall in matching State share owing to inadequate provision, steps should be taken**

**to utilize the existing provision first and thereafter seek augmentation so as to utilize the central assistance made available. Even in the absence of state matching share, the central assistance actually received may be utilized under the existing sanctioned schemes without concurrence of Finance Department but not under new schemes for which prior concurrence of Finance Department is necessary.**

Limit of  
sanction by  
Admn.  
Deptt.

11. Any sanction exceeding **Rs. 700.00 lakh** under Non-Plan and **Rs.1500.00 lakh** under State Plan, Central Plan or Centrally Sponsored Plan Schemes excluding salary components shall be made with the prior concurrence of Finance Department except those mentioned in **para 10,13,14,15,16 & 17**. Administrative Departments shall indicate the UOR No. and date relating to concurrence of Finance Department in the sanction order. In case of sanction by the Administrative Department at their end, the number and date of the diary of the FA/Finance Section may be indicated. No bill exceeding **Rs. 700.00 lakhs** under Non-Plan and **Rs. 1500.00 lakh** under Plan shall be entertained by Treasury/Special Treasury/Sub-Treasury Officers without the concurrence of Finance Department excepting those specified in **para 10,13,14,15,16 & 17**.

Achievement  
of financial &  
physical  
target

12. While furnishing proposals for sanction of expenditure to Finance Department the Administrative Departments should indicate the financial outlay and physical programme content of the schemes, the physical targets fixed for the year and achievements during the previous year under the respective schemes in the enclosed proforma in **Annexure**. The Administrative Department should also make similar review while sanctioning funds at their level for work content of various schemes under Non-Plan and Plan and endorse a copy to Finance Department.

Release of  
fund by  
Admin. Deptt.  
without  
concurrence  
of Finance  
Deptt.

13. The restrictions in para 11 will not apply to sanction of funds for expenditure on account of Central Plan and Centrally Sponsored Plan Schemes (both State share and Central share) where adequate Central Assistance is available, 12<sup>th</sup> Finance Commission Grants, 12<sup>th</sup> Finance Commission recommended level of expenditure for maintenance of Roads & Buildings, Education and Health Sectors under Non Plan, Grant for Infrastructure Development of Universities under Non Plan, Relief, Modernisation of State Police Force, Modernisation of Prison Administration and other security related expenditure, RIDF, Rural Electrification works under Biju Joyti, Grant-in-aid (salary) for Aided Educational Institutions, and other tied up schemes of State Plan like Special ACA for KBK, Backward Region Grant Fund, Tribal Sub-Plan, National Programme for Adolescent Girls, National Social Assistance Programme, Accelerated Power Development Reform Programme,

Jawaharlal Nehru National Urban Renewal Mission (JNNURM), National E-governance Action Plan (NEGAP) Grants under 1<sup>st</sup> Proviso to Article 275(1) of the Constitution, Slum Development etc. ACA for EAPs One time ACA, Biju KBK, Gopabandhu Gamin Yojna (GGY), BKVY, SOAP, ODP, NOAP Supplementary Nutrition Programme, Nutrition for Adolescent Girls and Mid Day Meal Programme, National Family Benefit Scheme (State Plan), Central Plan Schemes like ICDS, Balika Samridhi Yojana, National Nutrition Mission, World Bank Assisted ICDS-III Project and Swayam Sidha Yojana operated by Women and Child Development Department. Release of funds for schemes funded out of ACA for KBK, ACA for EAPs essential schemes Women & Child Development Department and the schemes under 12<sup>th</sup> Finance Commission Grants as well as recommended level of expenditure under Non Plan will be further regulated by the provisions of para 14,15,16&17 respectively.

ACA for  
KBK

**14. Budgetary provision made for different schemes in KBK districts out of ACA for KBK can be released by the Secretary of the concerned Department with concurrence of the FA/AFA(in the absence of F.A.) subject to the following stipulations:-**

- (i) The fund may be released in suitable instalments depending on the progress of work and utilization of funds allotted earlier for the programme.
- (ii) **Funds drawn from Treasury for utilization shall not remain idle for more than 15 days (except in case of L.C.).**
- (iii) The total release of fund shall be strictly limited to the budgetary allocation and any release beyond budgetary allocation will be constructed as misconduct and dereliction of duty on the part of the officers concerned enjoining liability for disciplinary action under the provision of OCS (CC&A) Rules, 1962 and under the FRBM Act.
- (iv) In case of utilization of fund by the Engineering Departments through Letter of Credit, specific requisition shall be made to Finance Department in the name cover of Sri R.N.Das, Under Secretary, Finance Department indicating on the top of the requisition letter "L.C. FOR KBK DISTRICTS" in bold letters. The L.C shall be released by Finance Department within 10 days from the date of receipt of the requisition and the L.C. so issued shall remain valid upto 90 days from the date of issue.
- (v) The requisition of LCs for other programmes should not be mixed up with the projects or release for KBK districts.
- (vi) While releasing funds, the Secretary of the Department must be satisfied that the fund released earlier has been utilized or likely to be utilized within a period not exceeding 15days (except in case of L.C.).

- (vii) In case the fund released remains idle for more than 15 days, the Secretary of the concerned Department will be personally responsible for such financial indiscipline and responsibility will be fixed on erring officers.
- (viii) Normal prescribed procedures for purchase /tender etc. should be followed by the Administrative Department/ Executing Agency as per guidelines or/and Government orders from time to time.

Externally  
Aided  
Projects

15. The following guidelines shall be followed for release of budgetary provision made for the Externally Aided projects.

- (a) The limit sanction of expenditure whether as loan or grant-in-aid to implementing agencies by the Administrative Department contemplated in para-11 shall not be applicable.
- (b) The Administrative Departments will release funds to the implementing agencies to the extent of reimbursement claims filed during the preceding month within the approved budgetary allocation for the scheme. Filing of reimbursement claims should be closely monitored. **Full amount indicated in the Loan /Credit Agreement of the Project, for withdrawal, should be drawn, through regular filing of reimbursement claims, failing which, the State Government would be required to pay commitment charges to the External Donor Agency.**
- c) In case of the Externally Aided Projects of the Engineering Departments whose expenditure are regulated through Letter of Credit, then existing procedure will continue. However, the Controlling Officers should separately furnish requisition on monthly basis to Finance Department for authorization of Letter of Credit in respect of each EAP indicating the amount required, reimbursement claim submitted against previous authorization as well as ACA received.
- d) In spite of the aforesaid mechanism for expeditious release of funds, **if there is delay in the pace of implementation of any externally Aided Project, the matter will be seriously viewed** and necessary disciplinary action shall be initiated against the officers responsible for execution of the project, Money, however, should not be drawn and kept idle or parked in bank account.

Release of funds

16. Release of funds under SOAP, ODP, NOAP schemes,

under SOAP, ODP  
and NOAP etc of  
W&CD Deptt. and  
different Schemes  
operated by  
ST&SC  
Development  
Deptt.

Supplementary Nutrition Programme, Nutrition for Adolescent Girls

and Mid Day Meal Programme, National Family Benefit Scheme (State Plan), Central Plan Schemes – ICDS, Balika Samridhi Yojana, National Nutrition Mission, World Bank Assisted ICDS-III Project and Swayam Sidha Yojana operated by Women and Child Development Department and scholarships for ST/SC/OBC etc. by ST & SC Development Department and S & ME Department will be made as per the following guidelines without referring such cases to Finance Department.-

- e) Funds may be released in suitable instalments (monthly/bi-monthly/quarterly) as may be decided by the Administrative Department.
- f) While releasing funds, the Administrative Department should ensure that funds released earlier has been utilized in full and necessary utilization certificates have been obtained and sent to proper quarters.
- g) The total release of funds shall be strictly limited to the budgetary allocation taking into account actual number of beneficiaries existing.

12<sup>TH</sup> Finance  
Commission  
Grants &  
recommended  
level of  
expenditure

**17.** Expenditure under 12<sup>th</sup> Finance Commission recommended grants for Heritage Conservation, Panchayatiraj Institutions, Urban Local Bodies, Consolidation & Strengthening work in the Chilka Lake, Development of Comprehensive Sewerage System in the Capital City of Bhubaneswar, Health, Education & Maintenance of Roads, Buildings, Forests as well as recommended level of Non Plan Revenue Expenditure for Health & Education and maintenance of Roads, Buildings & Forests is **to be regulated by the Administrative Department in consultation with FA/AFA of the Department on the basis of the recommendations of the High Level Monitoring Committee (HLMC) observing the prescribed procedure. While releasing funds Administrative Department must ensure that funds released in previous year has been utilized or likely to be utilized within a period of 3 months calculated from the date of fresh sanction in the instant case. However, grants for Urban Local Bodies should be released within 15 Days of its receipt from Government of India failing which the State Government will have to pay interest.** Except for requisition of Letter of Credit, no reference should be made to Finance Department for sanction of expenditure/release of funds under the above schemes. However, no liability should be created by way of addition of staff under these schemes without specific prior concurrence of Finance Department.

Payment of  
Advance to  
Ordnance  
Factories

**18.** Payment of advance to ordnance factories, which are units of Government of India, towards procurement of arms and ammunitions

under the scheme of Modernization of Police may not be referred to Finance Department. The Administrative Department shall take such decisions keeping in view the delivery of the arms/ammunition in the respect of past advances.

Allotment  
for Salary

19.1 To avoid excess drawal, allotment for salary should be watched at the level of Administrative Departments/Controlling Officers/DDOs and Treasuries. Salary allotment should be released at a time under Non-Plan and State Plan. In case of continuing Central Plan and Centrally Sponsored Plan schemes, salary allotment can be issued for 9 months at a time in anticipation of receipt of Central Assistance till December, 2007 and last quarter release shall be subject to receipt of funds from Government of India and allotment under Non-Salary shall be regulated depending on the release of Central Assistance. The current salary should be paid first and arrear salary would be paid if it can be accommodated within the existing budget provision. But in case of retired employees/deceased employees the arrear should be cleared at the first instance on priority basis.

19.2 Concurrence of Finance Department will not be necessary for payment of arrear salary of Government servants subject to availability of budget provision. Previous circulars of Finance Department on drawal of arrear salary stand modified to this extent. The head of office shall however authenticate such claims on being satisfied about the accuracy and entitlement in terms of existing rules/orders in force and will be squarely responsible for its veracity. While clearing the arrear salary, priority should be given to courtcases and for those who have retired or died or likely to retire by 31.3.2009.

20. Release of funds from Civil Deposit would be regulated in terms of Finance Department circular No.WM-14/2005-19274(225)/F Dt.25.04.2007.

Unauthorized  
parking of  
Govt. money

21. Provisions under SR 242 of Orissa Treasury Code, Vol. I stipulate that money should not be drawn from the Treasury unless it is required for immediate disbursement. It is, however, observed that some of the DDOs/Controlling Officers are drawing funds from the Treasury/PL Account and depositing in various Banks or keeping funds un-utilized in form of cash, Bank Draft, DCR etc. This sort of drawal and retention of money outside the State Government Account is in clear violation of the said provisions of OTC Vol.I. This affects the ways and means position of the State Government. Any withdrawal of funds by the DDOs and parking them outside the Government account shall be seriously viewed. The Administrative Department may issue instructions to all the DDOs accordingly and



ensure that no Government money is kept outside the Government account by any DDO under their administrative control. If in future, such unauthorized parking of money is noticed, the concerned DDO shall be personally liable for recovery from his personal entitlements including his retirement benefits and he shall be liable for disciplinary action under Rule-15 of the OCS (CC & A) Rules, 1962. **Un-spent balance of funds drawn out of the budget provision for the year 2007-08 should be deposited in Government Account within 31.03.2008, 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.**

Monthly  
Reconciliation  
of Accounts by  
COs with A.G  
(A&E), Orissa

22.1 The Controlling Officers are to reconcile their expenditure with the Accountant General (A&E), Orissa as required under Rule-319 of O.G.F.R. Volume-I as per verification schedule fixed by Finance Department. The Controlling Officer-wise expenditure statement furnished by A.G. (A&E), Orissa should be the basis of reconciliation.

22.2 The Treasury/Sub-Treasury Officers or the DTI(O), as the case may be, are to furnish printed as well as soft copy of monthly expenditure statement of each DDO to the respective Controlling Officers, on requisition, indicating the TV Nos to facilitate identification of misclassified expenditure, if any, and their booking under proper Head of account and Sector/scheme like Non Plan/ State Plan/ C.P./ C.S.P. On receipt of the Demand for Grant-wise expenditure from the A.G.(A&E), Orissa, the F.A./A.F.A. of the Department should cause a review of the same by the Secretary of the Administrative Department along with the result of reconciliation every quarter and submit to Finance Department a certificate stating that accounts of the previous quarter has been reconciled with the A.G.(A&E), Orissa by the Controlling Officers under him/her.

22.3 Besides this, the Engineering Department & Forest Department must ensure submission of monthly Accounts to the Accountant General (A&E), Orissa by the 10<sup>th</sup> of the succeeding month. In case of delay, the monthly salary bills of the defaulting Divisions shall not be entertained by the Treasuries/Spl. Treasuries/Sub-Treasuries. The Treasuries are also to submit the monthly accounts by 8<sup>th</sup> of the next month, failing which responsibility will be fixed and appropriate action will be taken.

22.4 The Treasuries/Spl. Treasuries/ Sub-Treasuries are to keep watch over timely submission of D.C. Bills against funds drawn in A.C. Bills. In case of default in submission of D.C. Bills for funds drawn in A.C. Bills, after 30 days from the date of drawal, no other bill of the defaulting D.D.Os should be entertained till receipt of any proof regarding submission of D.C. Bill.

Timely  
submission of  
D.C. Bills in  
respect of  
Funds drawn in  
A.C. Bills

Monthly  
review of  
Receipts,  
Expenditure,  
Audit  
compliance,  
utilization of  
Central  
assistance etc.  
by the  
Secretaries.

23. **The Secretary of each Administrative Department may review progress of monthly expenditure under Non Plan & Plan, collection of revenue receipts, utilization of Central Assistance, completion of projects included under Zero based Investment Review, reconciliation of Accounts with Accountant General (A&E). Orissa, submission of D.C. Bills** and submit a report in this regard indicating the constraints and remedial measures taken/required to enhance collection of revenue and facilitate even pacing of expenditure, by 15<sup>th</sup> of the succeeding month with copies to Finance Department and Planning & Coordination Department. Monthly review shall also cover collection of arrear revenues and follow up action on Audit compliance together with the observations made in the report of C& A.G.

24. Wherever references to Finance Department are necessary for sanction of funds out of the budgetary provision, the concerned files should be first examined by the F.A./A.F.A. of the Administrative Department and recommendation clearly recorded. All sanction orders to be issued by the Administrative Department, where prior concurrence of Finance Department is not necessary in accordance with the aforementioned guidelines, should be vetted by the F.A./A.F.A. of the Administrative Department and approved by the Secretary of the Department.

**Yours faithfully,**

**Sd/- R.N.Senapati  
Principal Secretary to Government**

**Annexure**

**Statement showing Physical/ Financial progress under different Non-Plan/ State Plan/ Centrally Sponsored Plan Schemes during the year 2007-08 of \_\_\_\_\_ Department.**

- 1) Name of the scheme \_\_\_\_\_
- 2) Whether Non-Plan/State Plan/Central Plan/Centrally Sponsored Plan \_\_\_\_\_
- 3) Budget provision for the scheme during the year \_\_\_\_\_
- 4) Amount Sanctioned so far :
  - a) State share \_\_\_\_\_
  - b) Central Share (CP & CSP) \_\_\_\_\_
- 5) Expenditure incurred so far :
  - a) Salary & Wages \_\_\_\_\_
  - b) Works/other component \_\_\_\_\_
- 6) Physical progress made :
  - a) Target \_\_\_\_\_
  - b) Achievement \_\_\_\_\_
- 7) Achievement in previous year : \_\_\_\_\_
- 8) In case of Centrally Sponsored Plan :
  - a) Amount released as Central share \_\_\_\_\_
  - b) State share released \_\_\_\_\_
- 9) In case of Central Plan :
  - a) Central assistance received \_\_\_\_\_
  - b) Corresponding release by Govt. of Orissa against the Central Assistance released \_\_\_\_\_
- 10) Remarks \_\_\_\_\_

Financial Advisor/  
Asst. Financial Advisor,  
\_\_\_\_\_ Deptt.

**FINANCE DEPARTMENT**

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**No.37889 (230)/F., Dated 17.09.2007**  
**Bt-I-25/07**

**From**

**Shri R.N. Senapati, IAS,**  
**Principal Secretary to Government**

**To**

**All Principal Secretaries/  
 Commissioner-Cum-Secretaries/ Secretaries/  
 Special Secretaries to Government/  
 Heads of Departments**

***Sub:- Preparation of Revised Estimate for 2007-08 and Budget  
 Estimate for 2008-09.***

**Sir/Madam,**

The attention of all Departments / Heads of Department/ Controlling Officers is invited to Chapter-III of Orissa Budget Manual for formulation of Budget Estimates. The following supplementary instructions may be taken into consideration while framing the Revised Estimate for the current year 2007-08 and Budget Estimate for the ensuing year 2008-09.

2. You are all aware that 12<sup>th</sup> Finance Commission recommended for enactment of Fiscal Responsibility & Budget Management Act and for drawing up of a fiscal correction path. Accordingly, Fiscal Responsibility Legislation has been enacted and Fiscal Correction Path has been drawn up as per the guidelines from Government of India. Section 3 of the Orissa Fiscal Responsibility and Budget Management Act, 2005 provides that the State Government shall lay a Medium Term Fiscal Plan (MTFP) in each financial year before the Legislative Assembly along with the Annual Budget. The Medium Term Fiscal Plan sets forth a three-year rolling target and prescribed fiscal indicators with underlying assumptions. So Budget formulation for 2008-09 is to be made within the broad framework of the Medium Term Fiscal Plan, prescription of FRBM Act, 2005 and recommendation of the Twelfth Finance Commission for debt sustainability and fiscal consolidation.

3. The MTFP projections for the years 2007-08 (BE), 2008-09 and 2009-10 are based on the following assumptions: -

- A growth rate of GSDP has been assumed at 13% per annum at current prices during the year 2007-08 and subsequent period of projection in the MTFP.
  - A growth rate (at current price) of State's Own Tax Revenue Receipt has been assumed at 15% per annum during the period of projection in the MTFP.
  - Non-tax revenue has been projected with a growth rate of 7 to 8 percent per annum during the period of projection in the MTFP.
  - Projection of share tax has been assumed in the MTFP at par with the recommendation of the Twelfth Finance Commission.
  - A growth of 10% has been assumed in the Grants-in-aid from the Centre.
  - C.P. and C.S.P. grants have been assumed by taking a growth rate of 10% over the Budget Estimates for the year 2006-07 and for the subsequent years.
  - Salary Projection is made on the basis of men in position.
  - Higher Capital Outlay is projected.
  - Plan Outlay is projected on the basis of broad guidelines issued by the Planning Commission.
4. Similarly, the important recommendations of the 12<sup>th</sup> Finance Commission having a direct bearing on the restructuring of State Finances, inter alia, include the following: -
- a) Since Plan spending has obvious implication for management of State's Finances, the Commission have emphasized in para 2.42 and elsewhere in the report on right size of fiscal deficit / revenue deficit and debt in relation to GSDP as a precondition for prudent fiscal management.
  - b) The plan size of each State needs to take into account the sustainable level of debt and the capacity to borrow from the market.
  - c) The Debt-GSDP ratio should be brought down to 28% of GSDP (para 4.45 of the report).
  - d) The ratio of interest payment to revenue receipt should be brought down to 15% (para 4.54 of the report).

e) State should follow a Recruitment & Wage Policy in such a manner that the total salary bills relative to revenue expenditure, net of interest and pension payment, does not exceed 35%(para 4.63 of the report).

f) Getting the right size and right composition of Government expenditure with a view to facilitating the higher attainable growth rates and meeting Government social obligations including poverty eradication and provision of health and education should be considered integral to any plan for restructuring the public finances. This requires increasing public expenditure, in social and economic infrastructure for accelerating growth and for reducing overall fiscal imbalances (para 4.6of the report).

g) As pointed out earlier, the State Government is committed to restructure its finances in accordance with the recommendations of the 12<sup>th</sup> Finance Commission. Accordingly, a Medium Term Fiscal Plan has been worked out keeping in view the targets prescribed under the Orissa Fiscal Responsibility & Budget Management Act, 2005. The said Act envisages reduction of revenue deficit to zero by 2008-09 and containing the fiscal deficit at 3% of GSDP.

- ❖ Observance of prudence in management of State's finances coupled with revenue augmentation has in the meanwhile enabled the State to achieve in a large measure some of thefiscal targets envisaged in the FRBM Act and the Medium Term Fiscal Plan. The time has now come for consolidation of the fiscal gains by maintaining the fiscal targets at the desired level and improve upon it wherever necessary so that the State Government would be entitled to fiscal performance based debt relief under the Debt Consolidation and Relief Facility of the 12<sup>th</sup> Finance Commission and the Reform Linked Structural Adjustment Support for the Orissa Socio Economic Development Programme.
- ❖ The fiscal deficit target to be reduced to 3% has already been achieved by 2005-06. This is projected to be contained within 3% during the projection period.
- ❖ The revenue surplus attained since 2005-06 has allowed some fiscal space enabling the State to increase capital outlay while limiting the borrowing to a sustainable level.

- ❖ Debt Stock as percentage of GSDP is targeted to be reduced from 48.16% of GSDP in 2005-06 to 37.69% in 2008-09 and 34.67% in 2009-2010 against 28%, recommended by the 12<sup>th</sup> Finance Commission.
- ❖ Interest payment as percentage of revenue receipt would be reduced from 26.2% in 2005-06 to 20.8% in 2008-09 and 19.7% in 2009-2010 against 15% recommended by 12<sup>th</sup> Finance Commission.
- ❖ Salary expenditure as percentage of State's own revenue, is targeted to be reduced from 72.02% in 2004-05 to 66.3% in 2008-09 and 63.4% in 2009-10.
- ❖ Salary expenditure as percentage of revenue expenditure net of interest payment and pension payment is targeted to be reduced from 51.11% in 2004-05 to 47.61% in 2008-09 and 44.97% in 2009-10. The 12<sup>th</sup> Finance Commission have recommended that this ratio should be reduced to 35% by 2009-10.
- ❖ Capital expenditure as percentage of GSDP is targeted to increase from 1.4% in 2005-06 to 2.3% in 2008-09 and 2.3% in 2009-10.
- ❖ Fiscal deficit as percentage of GSDP is targeted to be contained at 1.09% in 2007-08(BE), 1.3% in 2008-09 and 1.3% in 2009-10 which is well within 3% of GSDP as recommended by the 12<sup>th</sup> Finance Commission.
- ❖ Revenue deficit is targeted to improve from (+) Rs.481.19 crore in 2005-06 to (+)Rs.1045.76 crore in 2007-08(BE), Rs.1099.56 crore in 2008-09 and Rs.1170.29 crore in 2009-10 in M.T.F.P.

5. In the above backdrop, while preparing the RE for 2007-08 and BE for 2008-09, Controlling Officers and the Secretaries of all Departments of Government must give due consideration to fiscal prudence as well as efficiency and effectiveness of public spending. They must explore all possibilities of revenue augmentation and of saving within the existing resource allocation. They must prioritize their demands for additional funds, if any, based on analysis of spending on different schemes, its components and projects.

6. **Receipts for 2007-08 (R.E.) and 2008-09 (B.E.)**

(A) **R.E. of Receipts for 2007-08 -**

Pre-Actuals of the State Government's Revenue Receipts have been made available. The Revised Estimates are to be formulated on the basis of previous year's actuals, current year's trend and any other specific factor which may yield additional revenue in course of the year.

The revised estimate in respect of Tax and Non-tax revenue should take in to account the need to accelerate collections in view of the need of more resources for additional expenditure commitments. It may be noted that in the budget for 2007-2008, additional provision has been made for one lakh Old Age Pension beneficiaries, full provision for Post matric scholarship and Pre-matric scholarship at the revised rate for S.C. and S.T students, arrear grant-in-aid salaries. Besides, full provision has been made for three newly launched development schemes like Biju KBK Yojana, Gopabandhu Gramina Yojana and Biju Gram Jyoti Yojana. The provision for MLALAD Fund has also been enhanced. The arrear liability on account of Grant-in-Aid Salaries, various Judicial pronouncements, sanction of D.A. @ 5% w.e.f. 01.07.2006 and 6% w.e.f. 01.01.07 by Govt. of India are to be met. An Annual Plan Outlay of 5105.00 crore has been approved and budgeted for in 2007-08 which calls upon all concerned to mobilize adequate resources. Revised target may be fixed over and above the target fixed by Chief Secretary vide his letter No.20729/F dt.05.05.07.

Additional expenditure of more than Rs.300.00 crore on account of 6% of DA and TI effective from 01.01.2007 has become due. Besides this, additional requirement of state's share under CSP Schemes is to be provided to leverage more Central Assistance under different CSP Schemes. Further, additional provision is required for completion of various projects identified under Zero Based Investment Review during the financial year 2007-08. Additional provision is also required for various tied up schemes for which full provision could not be made in the Budget Estimate for 2007-08.

Following recommendation of the 12<sup>th</sup> Finance Commission, Govt. of India have discontinued the system of on-lending the loan portion of the Central Assistance under the State Plan. The onus is now on the State Govt. to make good the shortfall in Central Assistance by resorting to additional market borrowings, the limit of which is determined by the R.B.I. . Besides, there may be shortfall in respect of receipt of share in central taxes in comparison to previous as transfer from the divisible pool is dependent on the pace of collection. In order to tackle these eventualities and reduce our dependence on borrowings



to achieve debt sustainability, it is imperative to augment our resources. Unless additional revenue is generated or substantial saving is located or surrendered through prioritization of expenditure it would not be possible to accommodate the additional provision either under Non Plan or under State Plan.

Income that will accrue from disposal of idle and unused road rollers, equipments, condemned vehicles, machineries, scraps and unserviceable stocks and stores and disposal of unviable Horticulture, Soil Conservation, Veterinary, Fish Farms and Cold Storage etc. should also be taken into account while formulating the Revised Estimates.

The level of receipts likely to accrue from all the sources indicated above, should be furnished in a small write up and the details may be furnished (detailed head-wise) in separate statements in **Annexure - I.**

Loans outstanding as on 01.04.2006, recovery fell due during 2006-07 etc. in respect of loans sanctioned by State Government to PSUs, Co-operatives, Local Bodies & Government Servants etc. should be furnished as per Proforma in **Annexure – I (A).**

Similarly, details of Budget Estimate for loans recovery for 2008-09 should be indicated separately in **Annexure – I (B).**

(B) ***BE of Receipts for 2008-09 - Essential items to be taken into account while estimating the Revenue Receipts for 2008-09 B.E.***

**i) Revenue Receipts**

- a) Estimates of receipts for 2008-09 should be formulated taking into consideration the past trend as well as expected buoyancy in respect of revision of tax rates or introduction of new taxation measures, if any. Own tax receipts for the year 2008-09 shall be assumed to grow @ 15% per annum over R.E. 2007-08 and the non-tax revenue is estimated to grow @ 7% to 8% in the MTFP. This has also been assumed for projection of own tax and non tax revenue during the 11th Plan period. While estimating Revenue Receipts and Capital Receipts for 2008-09, the following facts may be taken into consideration. The FRBM Act, 2005 stipulates that no additional expenditure shall be incurred without corresponding resources being firmed up or without reducing equivalent amount of expenditure somewhere

else. B.E. of revenue receipts for 2008-09 should be shown in **Annexure I**. Budget Estimate for 2008-09 should include anticipated receipts from ARM measures, if any, implemented or likely to be implemented during 2008-09 as per MoU signed with Government of India on 11.10.2001. However, keeping in view the additional expenditure commitments and higher plan outlay, steps should be taken to augment State's own revenue by at least 20% more than the previous year and reduce the unproductive expenditure. Item-wise sources of revenue receipts under the Heads "Other Receipts" and "Miscellaneous" should be indicated in the estimate. A list of organisations from whom Guarantee Fees and Dividends are due, should be furnished in a separate statement indicating the arrears as on 01.04.07 and the current demand. **In respect of all items of Tax & Non-Tax Revenue Receipts, the up-to-date collection of arrears by September '07, and current demand need to be indicated along with anticipated arrear to be collected during the current year. The probable arrear receipts outstanding as on**

**01.04.08 and current demand for 2008-09 should be separately shown with justification. The list of cases in which revenues are locked up in court cases should also be furnished separately along with the Annexures.**

**Special Statement on Collection of Arrear Revenue :-** In the mean while, the report of the Comptroller and Auditor General of India on Revenue Receipts for the year ending 31.03.2006 has been laid in the Orissa Legislative Assembly on 29.03.2007. The Report inter alia brings out cases of under assessment / escapement from assessment/ loss of Revenue on account of short levy etc. Prompt follow up action on such observations in the Audit Report would yield additional revenue. The Report also contains the details of outstanding arrear tax and non-tax revenue. Systematic efforts should be made to collect the arrears. Hence the reasons for accumulation of arrear, steps taken to collect the arrear along with arrear, if any, collected/to be collected should be indicated year-wise i.e. for the previous year, current year and ensuing year and a write up on follow-up action on the observations of C&AG in the Report for 2005-06 should be attached to **Annexure**

**– II & Annexure-III.(Tax & Non-Tax Revenue)**

- (b) Interest due/outstanding on loans sanctioned by the State Government to PSUs./Co-operatives/Local Bodies etc.

loanee-wise should also be furnished alongwith the steps taken to recover the dues in **Annexure - IV**.

- (c) The Administrative Departments should also specifically indicate the position of Dividend received/receivable from PSUs/Companies under their jurisdiction in **Annexure - V**.

ii) **Estimate of Capital Receipts i.e. Recovery of Loans & Advances –**

The estimate should include repayments of loans sanctioned to PSUs, Co-operatives, Local Bodies etc. The upto date outstanding position loanee-wise and endeavours made to realize the amounts due should be furnished in **Annexure - VI**.

**Priority Areas for augmentation of Revenue for preparing 2007-08 (R.E.) & 2008-09 (B.E.)**

While making resource estimate, the following aspects may be taken into consideration: -

- (a) Strengthening the revenue machinery to step up collection.
- (b) Generation of additional revenue through disposal of idle and unused road Rollers equipments, condemned vehicles etc.
- (c) Disposal of unviable assets.
- (d) Rationalization of user fees in Hospitals and other areas.
- (e) Revision of fee structure for Pipe Water Supply / Industrial Water Rate.
- (f) Collections of Arrear Revenue.

**7. Revised Estimate of Expenditure for 2007-08**

Revised Estimate has been defined in Rule 54 Orissa Budget Manual. The said Rule, inter alia, envisages “assuming that, at the time of the preparation of the estimates, the actuals of the first three months of the current year are available, then the Revised Estimate should be arrived at by adding to those actuals the requirements of the next nine months, which should be made on an appropriate calculation, such as the actuals of the corresponding nine months of the previous year, with due allowance for the special features that prevailed during that period and those that are anticipated in the current year”. Further, the Revised

Estimate of the current year are prima facie the best indication as to what the Budget Estimates for the coming year should be.

It may be noted that mere inclusion of increased provision in the Revised Estimates carries with it, no authority for incurring additional expenditure and does not dispense with the obligation on the part of the Department to obtain necessary supplementary grants or re-appropriations. Re-appropriations or Supplementary Grants will not, therefore, be sanctioned unless separate proposals are received in the Finance Department.

### **Priority areas :-**

Priority shall however be given to the following areas while formulating the Revised Estimates for 2007-08: -

- (a) Achievement of higher capital outlay linked to increased rate of completion of ongoing investment projects.
- (b) Adequate provision of funds for EAP, Central Plan, Centrally Sponsored and Other Resource tied Schemes including the Flagship programmes/ schemes like AIBP, SSA, JNNURM, Rural Health Mission, NREGS etc.
- (c) Full utilization of central assistance available for education, health and other social sector schemes.
- (d) Equalization grants being received from Govt. of India under the recommendation of the 12th Finance Commission for Education, Health, Maintenance of Roads and Buildings etc. is conditional to the State providing/attaining normative level of expenditure assessed by the Commission for the State. Accordingly, required allocation for the earmarked purposes has been made in the Budget Estimate for 2007-08. The respective Departments while preparing their Revised Estimates, must give due consideration to the fact that the earmarked 12<sup>th</sup> Finance Commission grants meant for improving the quality and delivery of service through regular maintenance of roads, providing schools, health care facilities, including provision for essential items in rural health facilities etc. and the Non Plan Revenue Expenditure (NPRE) level taken together do not fall short of the level recommended by the 12<sup>th</sup> Finance Commission for 2007-08.

**Essential items to be taken into account while estimating Revised Estimate :-**

The Departments while formulating the RE for 2007-08 in respect of expenditure should factor in the following: -

- (1) The additional expenditure towards 6% of DA due with effect from 1.1.2007, may be clearly worked out and provision be taken accordingly.
- (2) The arrear pay and allowances for those who have already retired but not paid so far, should be met within the existing budget provision at the first instance and any deficit to meet further requirement for the year 2007-08, may be clearly worked out.
- (3) The existing budget provision of "electricity dues" should be utilized for full payment of undisputed electricity dues. Additional requirement, if any, may be worked out after reconciling the past payments.
- (4) All outstanding OCF advances should be recouped at the supplementary stage.
- (5) Additional requirement under State Share under CSP Schemes will be worked out and projected for consideration by P & C Department and Finance Department.
- (6) Provision shall be made in the Supplementary Budget of concerned Administrative Department for adjustment of the amounts already sanctioned as loan to different organizations under One Time Settlement Scheme and paid from the budget of Finance Department.
- (7) a) **Tied up Schemes** - In order to complete the projects in time in respect of resource tied up schemes, additional provision may be made to complete the projects in time, if the said schemes have not been fully funded in the BE for 2007-08. Additional provision for all such schemes should be realistically worked out so that there will be no surrender of funds at the end of the financial year. It is seen that very often supplementary provision is taken, subsequently whole or a part thereof is surrendered at the end of the financial year. This is a serious budgetary irregularity. It has been adversely viewed by the C&AG in his Report. Further, Fiscal Responsibility & Budget Management Act envisages that

budgeted funds should be fully expended, failing which the Administrative Departments will be held responsible. So, full utilization of additional provision should be ensured.

b) **Central Plan /CSP Schemes** - Depending on the progress of utilization of Central Assistance already received, the level of existing budget provision, the amount for which UC/Expenditure statements have been furnished to Government of India, additional provision under Central Plan and CSP Schemes may be proposed. But, the Administrative Departments must clearly justify the necessity for additional provision with reference to the central assistance received, UC furnished and give specific commitment to ensure full utilization of the funds provided within the current financial year i.e. 2007-08.

**Fiscal discipline. Budget Management & Even Flow of Expenditure in 2007-08 -**

a) **Timely Communication of Allotment**

Fiscal discipline and prudence demands that expenditure out of budgetary allocation should be even paced so as to avoid the rush in the last quarter of the financial year. Timely communication of allotment will obviate such an eventuality. It has come to the notice of Finance Department that despite availability of budget provision, allotments are not being issued to the concerned DDOs in time. As a result, the employees are facing difficulty in getting their salary in time. It has to be avoided. In any case, the existing salary provision should be communicated at a time depending on the requirement of different offices under the control of Controlling Officers. The allotment including supplementary provision, wherever allowed, shall have to be communicated latest by 15.02.08. The allotment issued after 15.02.08 shall not be acted upon by the Treasury Officers and such bills shall be returned with objection.

b) **Issue of Re-appropriation Orders/Surrender Statement/ drawal of Funds during last quarter.**

It is seen that despite repeated instructions issued from time to time, Administrative Departments are not serious enough to issue re-appropriation orders in respect of supplementary provisions taken by locating savings within their demands. This creates a lot of difficulties in computation of the final grant. **The Administrative Departments are, therefore, instructed to adhere to the date-lines regarding re-appropriation/ surrender of funds indicated in Finance Department**

**Circular No.30857 dt.21.07.2007.** In case of default, the Controlling Officers of the concerned Departments shall be personally held responsible for excess expenditure/wrong booking of expenditure.

## **8. Budget Estimate for 2008-09 Expenditure - Broad Guidelines**

The estimate of Non Plan Revenue Expenditure for 2008-09 should be worked out on the following basis: -

### **Priority areas :-**

Priority shall however be given to the following areas while formulating the Budget Estimates for 2008-09 :-

- (a) Achievement of higher capital outlay linked to increased rate of completion of ongoing investment projects.
- (b) Adequate provision of funds for EAP, Central Plan, Centrally Sponsored and Other Resource tied Schemes including the Flagship programmes / schemes like AIBP, SSA, JNNURM, Rural Health Mission, NREGS etc.
- (c) Full utilization of central assistance available for education, health and other social sector schemes.
- d) Equalization grants being received from Govt. of India under the recommendation of the 12th Finance Commission for Education, Health, Maintenance of Roads and Buildings etc. is conditional to the State providing/attaining normative level of expenditure assessed by the Commission for the State. Accordingly, required allocation for the earmarked purposes has been made in the Budget Estimate for 2007-08. The respective Departments while preparing their Revised Estimates, must give due consideration to the fact that the earmarked 12<sup>th</sup> Finance Commission grants meant for improving the quality and delivery of service through regular maintenance of roads, providing schools, health care facilities, including provision for essential items in rural health facilities etc. and the Non Plan Revenue Expenditure (NPRES) level taken together do not fall short of the level recommended by the 12<sup>th</sup> Finance Commission for 2008-09. While furnishing budget estimates of these grants, the physical and financial targets and achievements need to be furnished in Annexure - VII.

**Salary i.e. Pay, D.A., HRA and leave encashment.**

- No provision for salary shall be made for vacant posts.
- The provision of basic pay for 2007-08 excluding arrear pay, if any, should be reduced by 3% for retiring vacancy that may occur in 2008-09 and then to be enhanced by 2.5% to accommodate the usual incremental rise in pay for the year 2008-09. Pay drawn in the month of July '07, shall be taken as the basis for calculation of requirement of basic pay for the year 2008-09. In order to admit the salary provision in budget estimate for 2008-09, it is necessary to know the particulars of staff in position and the action taken for abolition of 75% base level vacant posts as per FD letter No.32861/F, dt.03.08.04 read with letter No.55764/F, dt.31.12.04. The required information should be furnished in **Annexure – VIII & IX** indicating the sanctioned post under non plan and plan, the number of vacant posts, post abolished and men in position.
- The provision of Dearness Pay shall be worked out depending on the quantum of pay to be estimated as per the guidelines indicated above.
- The estimate for GIA Salary should be accompanied by the information in **Annexure - X**. The School and Mass Education Department and Higher Education Department are to furnish separate information in **Annexure - XA & XB**.
- Provision for Dearness Allowances @ 41 % may be calculated on the basic pay + dearness pay arrived for 2008-09. Additional DA doses, if any, to be released during 2007-08 and 2008-09 shall be worked out by Finance Department, keeping in view the availability of the resources and in conformity with the provision of FRBM Act and Medium Term Fiscal Plan.
- House rent allowance may be provided @ 5% of basic pay + dearness pay or the actual house rent being paid during 2007-08, whichever is less.
- The provision required for leave encashment on superannuation shall be calculated separately and shown in the proforma given in **Annexure – XI**. The calculation should be based on number of employees going to retire between 31.3.2008 to 28.2.2009 and retired employees whose unutilized leave has not been



sanctioned. This amount shall not form a part of pay to be provided for 2007-08. This amount shall be taken care of under the Budget of Finance Deptt.

- Salary Provision for Additional Appointment on Consolidated Salary - In certain cases, in lieu of abolition of posts, if fresh creation of posts at consolidated pay has been made with the concurrence of Finance Department, the consolidated pay requirement on such contract appointees should be separately worked out indicating the details of contractual posts sanctioned, the rate of consolidated pay and the requirement for the full financial year 2008-09. This should be shown separately as "consolidated pay for contractual appointees". The details of posts for which consolidated pay have been proposed, should be justified by furnishing statement as in **Annexure-XII**.
- Requirement of funds for salary / wages of work charged / NMR/DLR should be furnished in **Annexure-XIII**.

### **Non-Salary Items**

- Steps should be taken to curtail contingent and official expenditure as far as possible.
- Decretal dues and Land Acquisition charges - A special review of all claims that have gone to Courts or likely to be taken to the Courts shall be conducted for assessing the likely requirements. It is also desirable to provide for unforeseen expenditure arising from Court decree. Amounts required for satisfaction of Court decrees in respect of Land Acquisition Cases, which have no scope for appeal should be proposed for inclusion in the Budget Estimates under the "charged" section. Normal Land Acquisition charges for projects/schemes should be proposed in the voted section under the detailed heads meant for the project/scheme. Since delay in payment of decretal dues may lead to further legal complication and payment of penal interest, such payments should be carefully assessed. Non payment of land acquisition charges for want of provision may also result in delayed execution of projects/schemes for which such requirement should be properly assessed and proposed in the Budget Estimates.
- Provisions should be made to complete the incomplete projects under Zero Based Investment. While allocating Budgetary ceiling between works in progress and new works taken up for execution, sufficient care should be taken to see that adequate amounts are provided for the ongoing schemes which are in

various stages of completion. Only thereafter, provision may be proposed for new works. The Administrative Departments should prepare a priority list for the purpose and obtain approval of Government in the matter.

- Anticipated provision may be proposed in respect of newschemes only with the prior concurrence of Finance Department in case of Non Plan & Planning & Coordination Department in respect of Plan Schemes with necessary details of the source of funding and objective of the scheme.
- While framing Budget Estimate for ensuing year, due attention should be given to the recommendations of the Departmentally related Standing Committee.
- As per Rule 59 of Budget Manual, Lump provisions should not, as a rule, be made in the Budget Estimate. Ordinarily provision for a scheme, which has not been elaborated and sanctioned in a previous year, should be made while if the scheme is ripe for entry the requisite details should be available. In some cases, however, lump provisions are unavoidable, e.g., provision for grants to local bodies or to private managements for educational institutions, maintenance expenditure and the like. In such cases, full explanations in justification of provisions should be given in the 'Remarks' column. If a lump provision for a scheme is included in the Budget and voted by the Assembly, the details of the scheme should be sent to the Finance Department for preliminary examination before they are brought into operation.
- Estimates of the current year must never be adopted in a routine manner as the basis of framing for those of the following year. Care must, however, be taken that no provision for increase in expenditure requiring specific sanction of the competent authority is included without such sanction and that in the case of a sanctioned scheme, provision is made for only so much of it as can actually be brought into effect in the budget year.
- The Estimate should be based on the Actuals for preceding years and also on the proposed R.E. 2007-08. The variations between the 2007-08 BE, 2007-08 RE and the 2008-09 B.E. should be properly explained. Reasons for such variations should be specified scheme-wise and, only the bare minimum requirements should be provided. Keeping in view the instructions issued from time to time regarding the measures to enforce economy in expenditure and the general need for economy particularly under Non Plan items, the estimates should be framed.

- Estimate of committed expenditure, which has been provided for the first time as Non Plan in B.E. 2007-08 and thereafter proposed in the B.E. 2008-09 should be shown separately under the specific detailed head.
- Unspent balances as on 31<sup>st</sup> March, 2007 with grantee/Loanee Bodies which receives more than one crore grant / loan during 2006-2007 (Separate details of each body) should be furnished along-with status of pending utilization certificates in respect of grant-in-aid sanctioned by each Administrative Department as in **Annexure-XIV**.

**Guidelines for specific items: -**

**9. Provision of Scholarship and Stipends**

Full provision of scholarships and stipends for SC/ST and other backward students should be provided. This should be justified indicating expenditure incurred during 2006-07, 2007-08 and likely level of expenditure during 2008-09. Details of students' strength and therate should be indicated and calculation sheet should be provided to justify the requirement asked for in view of surrender of such provision in the previous years.

**10. Provision for RCM**

The provision of RCM for 2008-09 should be taken at par with the provision of 2007-08(excluding the provision of medical advances).

**11. Provision for MV and LTC**

Provision for LTC for 2007-08 (RE) and 2008-09 (BE) shall be taken at par with the provision of 2007-08. Similarly, there shall also be provision of MV at an increased rate of 10% over the original Budget Estimate for 2007-08. The complete position of vehicles may be furnished in **Annexure-XV**.

**12. Rent, Rate & Taxes**

Full provision may be made in respect of Government offices functioning in private buildings indicating particulars of offices which are functioning in rented houses, rate of rent being paid and the sanction order on the basis of which such rent is being paid as in **Annexure-XVI**.

Steps should be taken to shift Government offices running in private buildings to Government accommodation.

**13. Provision for Municipal Taxes to be made in full**

It has been brought to the notice of Finance Department that many Government Organisations are not paying the municipal taxes in time, as a result, the urban local bodies are facing difficulties to provide the basic amenities due to paucity of funds. All Administrative Departments and organizations must see that full payment of the municipal taxes, wherever it is due, is paid and accordingly, required budget provision should be made as in Annexure-XVII and such payments must be ensured in time.

**14. Provision of Electricity & Water Charges to be made in full**

There should be full provision of electricity and water charges by the concerned Departments indicating the break up of arrear and current as per the proforma given in Annexure - XVIII. While current provision should be made in full, justification should be made for the arrear provision as to how the arrear has arisen despite full provision made during the previous years and in some cases, such provision either has been surrendered or reappropriated for other purposes being shown as savings. It shall be the responsibility of the concerned Administrative Departments/Controlling Officers to realistically project the requirement and clear the undisputed arrears. Any delayed payment surcharge levied will be the personal responsibility of concerned Head of Office / DDO.

**15. Maintenance Expenditure of Capital Assets**

The maintenance expenditure for buildings, roads, water supply, irrigation, flood control etc. would be as per ceiling to be communicated by F.D. In order to make efficient and proper use of maintenance expenditure, at least 50% of the provision should be earmarked against the identified works and the projects so that it would be possible to ensure tracking of these expenditure. Out of balance 50%, after providing for salary/wages, wherever salary and wages are met from maintenance expenditure, the remaining amount can be utilized by the Administrative Departments/Controlling Officers on general repair and maintenance depending on the requirements, as and when needed. Further, the maintenance expenditure earmarked against buildings, roads and water supply schemes, irrigation and flood control work etc. has to be intimated to the concerned Administrative Departments and the offices in which such repair and maintenance would be taken up in cases where the work of other Departments are

being undertaken by the Works, R.D. & H & U D Departments. The information relating to estimates for the Minor Works Grants is to be furnished in **Annexure- XIX** and the estimates of wages / work charged estt. (Non Plan) under Minor Works Grant is to be indicated in **Annexure-XX**. Similarly, the requirement for provision of funds for maintenance of capital assets is to be given in **Annexure-XXI**.

#### **16. Other Non Salary Items**

Provision of Telephone, TE and OC shall be provided at an increased rate of 5% over the original budget estimate of 2007-08. There shall be no provision for purchase of new vehicles. But, provision can be made by way of replacement of old vehicles in respect of revenue earning and law enforcing departments to meet their operational requirement and in that case, the Administrative Departments should certify that all unserviceable vehicles under their administrative control, have been condemned, put to auction and sale proceeds deposited in Government Treasuries and obtain prior concurrence of Finance Department.

#### **17. State Plan**

The Annual Plan Ceiling for 2008-09, would be communicated separately by the P & C Department. On the basis of ceiling fixed by P & C Department, the schemes shall be revised/firmed up and cleared through the Pre Budget Scrutiny Meeting. Scheme-wise justification for the year 2008-09 may be furnished to Finance Department in **Annexure-XXII(A), XXII(B), XXII(C), XXII(D) & XXII(E) and its abstract in Annexure-XXII(F)**. In addition to this, statements regarding B.E., expenditure incurred, Reimbursement Claim filed, anticipated expenditure in 2007-08 and 2008-09 in respect of projects under EAP & RIDF shall be furnished to Finance Department and P & C Department for realistic assessment and provision of funds in **Annexure-XXIII &**

**XXIV. Specific provision should be made for external assistance received/to be received under the direct payment procedure for accounting adjustment of payment made directly to contractors / consultants by the Donor Agency.** In case of pipeline projects, the status of preparatory action should be indicated. Earmarked resources such as NABARD Assistance to LTO, RIDF and other EAP allocations, should be proposed in correct proportion so that there would be no occasion for diversion of tied up resources to finance the untied schemes. To ensure preparation of plans/programmes in time, Administrative Departments are to prioritize the programmes assuming 10% increase over allocation for 2007-08 pending communication of exact allocation by P & C Department.

## 18. **Central Plan & Centrally Sponsored Plan Schemes**

Review Meeting on Central Assistance and Utilization Certificates furnished under Central Plan and Centrally Sponsored Plan reveals the pendency position of Utilization Certificates in respect of Central Assistance received. There is a need to leverage higher Central Assistance for implementation/completion of various Central Plan/Centrally Sponsored Plan Schemes by timely submission of Utilisation Certificates.

The details of Central Assistance received, utilization certificates submitted to Government of India etc., shall be worked out in **Annexure - XXV**. Utilization certificates received for Central Assistance till the end of 2006-07 are to be submitted by 31.12.2007, failing which no additional provision will be allowed under Non-Plan. Administrative Departments shall make all-out efforts to avail new CSP schemes from different Ministries of Government of India. The Budget Estimate for C.P & CSP Schemes is to be based on firm commitment of the concerned Administrative Ministries of Central Government for funding the scheme and funding pattern approved by the concerned Ministries.

## 19. **Report to be laid in the Assembly as per FRBM Act - at the time of presentation of Annual Budget.**

As per the provisions of FRBM Act, 2005 and Rules made thereunder, the State Government are required to present the following statements along with the Annual Budget in the State Legislative Assembly on the fiscal status of the State, as a measure of fiscal transparency -

- a) Fiscal Policy Strategy Statement (*As per Rule 4(1) of the FRBM Rules, 2005*)
- b) Medium Term Fiscal Plan (*As per Rule 4(2) of the FRBM Rules, 2005*)
- c) Disclosure Statement which will specify –
  - i) List of incomplete projects / works i.e. administrative approval accorded, work commenced with cost estimate and expenditure incurred. (**Annexure-XXVI**)
  - ii) Subsidies being given in the Budget of different departments. (**Annexure-XXVII**)
  - iii) Department-wise Grant-in-Aid being provided. (**Annexure-XXVIII**)

- d) Statement on number of employees and related salaries. (As per Rule 7 of the FRBM Rules, 2005 in Form-IV)
- e) Statement of deferred liabilities. (As per Rule 8 of the FRBM Rules, 2005)
- f) Tax concession and exemptions given in a financial year. (As per Section 6(11) of the FRBM Act, 2005) (**Annexure-XXIX**)
- g) Statement on arrear revenue (As per Section 6(7) of the FRBM Act, 2005)
- h) Statement on new policies being introduced in Annual Budget. – write up to be furnished. (As per Section 6(5) of the FRBM Act, 2005)
- i) Statement on prioritizing allocation of funds under Zero-based investment review (As per Section 6(8) of the FRBM Act, 2005) (**Annexure-XXX**)
- j) Statement on institution-wise State Government guarantees given (As per Section 6(9) of the FRBM Act, 2005) (**Annexure-XXXI**)

Accordingly, Administrative Departments are requested to furnish the required information in respect of Statement (c), (d), (f), (g), (h), (i) and (j) above in the proforma indicating the steps taken in respect of the above points, by 15.01.08. On the basis of information received from different Departments, Finance Department will prepare a comprehensive report which will be laid in the Assembly, as mandated under FRBM Act, 2005.

20. Administrative Departments are to furnish a statement showing funds transferred to Local Bodies (Urban Local Bodies and Panchayati Raj Institutions) in their demands for grant as devolution of resources and for implementation of Central / State Schemes in **Annexure – XXXII**. The information on the score is being asked for by Government of India.

**21. The Formats for preparing the Revised Estimate for 2007-08 and Budget Estimate for 2008-09 – Proper Accounting Classification, Schematic break-up and Account Head – Scheme mapping**

The Administrative Departments and Controlling Officers are required to prepare the RE for 2007-08 and BE for 2008-09 **as per the list of proforma enclosed**. All the items of expenditure should be classified under the detailed Heads of Account provided by Finance

Department below the approved Major & Minor Heads contained in the list of Major & Minor Heads published by the Controller General of Accounts. In the absence of proper classification of the receipt and expenditure, it will not be possible to accept the item of receipt or honour the claim for payment in the Treasuries under the Treasuries computerized Orissa Treasury Management System.

On receipt of Sectoral Outlay for State Plan 2008-09 from the Planning & Coordination Department, the Administrative Departments should work out the schematic break up. The State Share and the Centrally Sponsored Scheme/Central Plan Scheme components, as the case may be, should be distinctly shown against each scheme in the Schedule. The provision for CP/CSP Schemes should be accurately made basing on the scheme guideline. The detailed accounting heads in respect of the provision proposed under each scheme should be indicated in the scheme schedule so as to enable Finance Department/P & C Department and the Implementing Departments to map the account head and scheme link for tracking and monitoring of expenditure under Plan Schemes.

Further, all Special Component Plan/Tribal Sub-Plan Outlays have to be classified under 789 - Special Component Plan and 796 - Tribal Areas Sub-Plan respectively below the functional Major Heads.

## **22. No Additional Provision for non performing Departments**

In spite of constant review at different levels, issue of reminders and instructions issued even from the level of Chief Secretary, it is seen that some of the Departments have not taken timely action in key areas like achievement of revenue target, full utilization of plan outlay, submission of utilization certificates in time in respect of central assistance received, submission of compliance to observations made in the Report of C&AG, (Civil), verification and reconciliation of departmental figures of receipt and expenditure with AG(A&E), Orissa and compliance to the various irregularities pointed out in the report of C&AG (Revenue Receipts) for 2005-06. It has been adversely commented not only by Government of India but also by the C&AG. They have viewed such irregularities /non-submission of utilization certificate seriously. Moreover, actions in these aspects are required to be taken in terms of the FRBM Act, 2005. Hence, it may be noted that while allocating funds, the performances of the Department would be judged from all these angles and additional provision/ allocation will not be given in respect of those Departments who have not shown improvement in timely compliance of these points.



### 23. **Outcome - Linked Budget**

It should be emphasized that the critical issue is not how much money is to be spent in various sectors, the critical issue is outcome. Outlays do not necessarily mean outcomes. What is needed is to improve the quality of expenditure and enhance the efficiency of the implementing machinery. Hence, all Departments are required to prepare a statement relating to them indicating therein the scheme-wise outlays under Non-Plan, State Plan, Central Plan & Centrally Sponsored Plan and outcomes / outputs in terms of measurable indicators/parameters. They should send a copy of the same to Finance Department. Finance Department will compile the same and bring out a consolidated statement.

### 24. **Time Schedule**

A lot of information is to be collected and compiled before the Budget is placed in the Assembly along with documents placed under FRBM Act, 2005 and Rules thereunder. Hence, budget documents are to be prepared in a tight time schedule. Therefore, all Departments and Controlling Officers are requested to submit the revised estimate for 2007-08 and BE for 2008-09 in the prescribed format to Finance Department latest by 08.10.2007. Planning and Co-ordination Deptt and Finance Deptt will communicate the programmes for the pre-budget scrutiny under Plan and Non-Plan schemes respectively. The Controlling Officers are required to indicate the list of DDOs under their control along with Demand No. and Head of Account under which the allotment is given (**Annexure –XXXIII**). It will facilitate distribution of budget allotment under OTMS. In absence of such information, Budget Estimates / proposals cannot be entertained.

**Preparation of the estimates should not be done in a routine manner but should receive the personal attention of the concerned Estimating & Controlling Officers so that the estimates would be closer to reality and in accordance with the existing policies of the Government. The estimates received after the due date will not be considered and will be finalized on the basis of information available in the Finance Department. Any shortfall in the provision or omission in the Budget will be the responsibility of the Department concerned.**

Last but not the least, due attention should be given while filling up of **Annexures** as per the proforma. Any incomplete information as per the proforma will lead to shortfall/Omission in the Budget Estimate/Revised Estimate.

The soft copy of the circular is available at the website [www.orissa.gov.in/finance](http://www.orissa.gov.in/finance).

**Enclosures :-** List along with proforma

Yours faithfully,

**Sd/- R.N.Senapati**  
Principal Secretary to Government

**LIST OF PROFORMA FOR PREPARATION OF REVISED ESTIMATE FOR 2007-08  
AND BUDGET ESTIMATE FOR 2008-09 (VIDE PARA- 24)**

<b>Sl. No.</b>	<b>Annexure No.</b>	<b>Description of the Annexure</b>
1	2	3
1.	Annexure-I	Revised Estimate and Budget Estimate for Collection of Revenue
2.	Annexure-I A	Revised Estimate and Budget Estimate for Loans Recovery
3.	Annexure-I B	Details of Budget Estimate for Loans Recovery for 2008-09
4.	Annexure-II	Tax Revenues Raised but not Realised
5.	Annexure-III	Arrears of Non-Tax Revenue
6.	Annexure-IV	Estimates of Loan Repayment/ Interest Payment by PSUs/ ULBs etc.
7.	Annexure-V	Revenue Receipts-Dividends
8.	Annexure-VI	Revised Estimate and Budget Estimate of Capital Receipts
9.	Annexure-VII	Physical and Financial Target and Achievement in respect of Equalisation Grant of 12th Finance Commission.
10.	Annexure-VIII	Employees Sanction Strength
11.	Annexure-IX	Particulars of Sanctioned posts / vacant posts /posts abolished/ men in position
12.	Annexure-X	Estimates of Grants-in-aid
13.	Annexure-XA	Particulars of staff strength, men in position and posts abolished in respect of aided private Schools / Colleges under Non-Plan/ State Plan/ C.P./C.S.P. (For S & M Education Deptt. and Higher Education Deptt.)
14.	Annexure-XB	Information on Teaching and Non-Teaching posts, vacant posts, vacant posts abolished, men in position etc. under Grant-in-aid fold.
15.	Annexure-XI	Estimate of expenditure on account of payment of un-utilised leave Salary.
16.	Annexure-XII	Details of contract engament in lieu of abolition of Posts.
17.	Annexure-XIII	Information on Work-charged, NMR and DLR
18.	Annexure-XIV	Unspent balance of Grant/ Loan
19.	Annexure-XV	Position of Vehicles
20.	Annexure-XVI	Assessment of R.R.T.
21.	Annexure-XVII	Assessment of R.R.T. relating to Holding Tax/ Municipal Tax
22.	Annexure-XVIII	Assessment of Electricity & Water Charges
23.	Annexure-XIX	Minor Works Grant (Non-Plan)
24.	Annexure-XX	Expenditure on Wages and Work-charged establishment (Non-Plan) under M/R Grant in Engineering Departments
25.	Annexure-XXI	Proforma showing maintenance of Capital Assets
26.	Annexure-XXII-A	Scheme wise justificaiton of Posts

<b>Sl. No.</b>	<b>Annexure No.</b>	<b>Description of the Annexure</b>
1	2	3
27.	Annexure-XXII-B	Office Expenses
28.	Annexure-XXII-C	Grants
29.	Annexure-XXII-D	Miscellaneous and other expenditure including Machinery, Equipment and Motor Vehicles.
30.	Annexure-XXII-E	New Works
31.	Annexure-XXII-F	Proforma for Scheme wise justification
32.	Annexure-XXIII	Information on Externally Aided Projects
33.	Annexure-XXIV	Information on RIDF Projects
34.	Annexure-XXV	Particulars of Central Assistance Received
35.	Annexure-XXVI	List of Incomplete Projects/ Works
36.	Annexure-XXVII	Details of Subsidies given
37.	Annexure-XXVIII	Details of Grant-in-Aid Provided in Budget
38.	Annexure-XXIX	Tax concession & Exemption
39.	Annexure-XXX	Proforma for Prioritisation of Projects for Zero Based Investment
40.	Annexure-XXXI	Government guarantee provided
41.	Annexure-XXXII	Statement showing details of transfer of funds to Local Bodies
42.	Annexure-XXXIII	List of Drawing & Disbursing Officers

**ANNEXURE - I (See Para-6)**

**REVISED ESTIMATE AND BUDGET ESTIMATE FOR COLLECTION OF REVENUE**

**PROFORMA SHOWING DETAILS OF ESTIMATES OF COLLECTION OF REVENUE (SEPARATE STATEMENT FOR EACH MINOR HEAD, DETAILS OF ITEMS OF RECEIPT TO BE COLLECTED AND THE ADDITIONAL ACCRUAL OF RECEIPT FROM A.R.M. SHOULD BE SEPARATELY INDICATED UNDER EACH ITEM OF RECEIPT)**

**DEPARTMENT** \_\_\_\_\_

**(Rs. IN TRS)**

Head of account detailed head-wise	Demand for 2007-2008 as per the target fixed by Chief Secretary in his Letter No. 20729(14)/F dt. 05.05.2007			Collection upto end of August/September,2007			Revised Estimates for the entire year 2007-08 including collection upto August/Sept.2007 and anticipated from Sept./October, 2007 to March 2008			Demand for 2008-09			Budget estimate for collection during 2008-2009		
	Arrear due on 1.4.07	Current demand	Total (2+3)	Out of arrear	Out of current	Total (5+6)	Out of arrear	Current due	Total (8+9)	Probable arrear on 1.4.2008	Current Demand	Total (11+12)	Out of arrear	Out of Current	Total (14+15)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)

**ANNEXURE-I A (See Para-6)**

**REVISED ESTIMATE AND BUDGET ESTIMATE FOR LOANS RECOVERY.**

**PROFORMA SHOWING DETAILS OF RECOVERIES OF LOANS  
(SEPARATE STATEMENT FOR EACH MINOR HEAD)**

**(Rs IN TRS)**

Head of Accounts detailed head-wise	Outstanding as on 1.4.2006	Recovery fell due during 2006-07	Total recovery due in 2006-07 (2+3)	Recovery made during 2006-07	Outstan- ding as on 1.4.2007 (4-5)	Recovery fell due/likely to fall due during 2007-08	Total amount due for recovery during 2007-08 (6+7)	Recovery made till end of August / September, 2007	Revised estimate for recovery during 2007-2008 including col.9	Budget Estimate for 2008-09
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

**ANNEXURE-I B (See Para-6)**

**DETAILS OF BUDGET ESTIMATE FOR LOANS RECOVERY FOR 2008-09**  
**(SEPARATE STATEMENT FOR EACH MINOR HEAD)**

**(Rs IN TRS)**

Head of Accounts detailed head-wise	Total recovery due in 2007-08	Recovery to be made during 2007-08	Likely to be outstanding as on 1.4.2008 (2-3)	Recovery fell due/likely to fall due as current demand during 2008-09	Total amount due for recovery during 2008-09 (Budget Estimate for 2008-09)		Total (6+7)
					Out of Arrear	Out of Current Demand	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**ANNEXURE-II (See Para-6)**  
**TAX REVENUES RAISED BUT NOT REALISED**  
**(Principal Taxes)**  
**(As at the end of the Year 2006-07)**

(Rs. In Crore)

Major Head	Description	Amount under dispute					Amount not under dispute					Grand Total
		Over 1 year but less than 2 years	Over 2 year but less than 5 years	Over 5 year but less than 10 years	Over 10 year	Total	Over 1 year but less than 2 years	Over 2 year but less than 5 years	Over 5 year but less than 10 years	Over 10 year	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)

**ANNEXURE-III (See Para-6)**  
**ARREARS OF NON-TAX REVEUNE**

**(As at the end of the year 2006-07)**

**Demand No.**

**(Rs. In Crore)**

Description	Amount pending					Total
	0-1 year	1-2 years	2-3 years	3-5 years	above 5 years	
(1)	(2)	(3)	(4)	(5)	(6)	(7)

**Name of the Department**



---

**Annexure-IV (See para-6)**
**Estimate of Loan Repayment/ Interest Payment by PSUs/ ULBs/ Autonomous Bodies / Statutory Corporations / Co-operatives / Educational Institutions / Other Individual Loanees**
**(Rupees in Crore)**
**Department -**
**Name of the Organisation -**
**Paid up Capital as on 31.03.07 -**

1. Govt. loans outstanding as on 31.3.07 - **Principal** **Interest**
2. Defaults in respect of dues up to 31.3.07, if any -
3. Recoveries during 2007-08 (upto September 2007) -
  - (a) Current dues
  - (b) Defaulted dues

4. Estimates	Interest			Principal		
	BE 2007-08	RE 2007-08	BE 2008-09	BE 2007-08	RE 2007-08	RE 2008-09

Signature  
Designation  
Date:

**Annexure-V (See para-6)**  
**REVENUE RECEIPTS - DIVIDENDS**

Department -

Name of the PSU -

**ESTIMATES -**

(Rs. in TRs.)

2007 - 08 Budget .....

2007 - 08 Revised .....

2008 - 09 Budget .....

Actuals			Profit after Tax		Total Equity as on 31.03.07	Equity holding of GoO as on 31.03.07	2007-08		2008-09
2004-05	2005-06	2006-07	2005-06	2006-07			BE	RE	BE

Signature

Designation

Date:

**ANNEXURE - VI (See Para-6)**  
**REVISED ESTIMATE AND BUDGET ESTIMATE OF CAPITAL RECEIPTS**  
**(RECOVERY OF LOANS AND ADVANCES)**

<b>(Rs. in Trs.)</b>												
<b>Name of the Deptt.</b>	<b>Name of the Organisation (PSU/Co-op./ Local Body)</b>	<b>Amount of Loan sanctioned</b>	<b>Year of sanction</b>	<b>Outstanding as on 1.4.2006</b>	<b>Recovery fell due during 2006-07</b>	<b>Total recovery due in 2006-07 (5+6)</b>	<b>Recovery made during 2006-07</b>	<b>Recovery fell due / likely to fall due during 2007-08</b>	<b>Total amount due for recovery during 2007-08 (8+9)</b>	<b>Recovery made till end of Aug / Sept'07</b>	<b>Revised Estimate for recovery during 2007-08 incl. Col.11</b>	<b>Budget Estiamte for 2008-09</b>
1	2	3	4	5	6	7	8	9	10	11	12	13

**Annexure – VII (See Para -8)**

**Physical & Financial Target & Achievement in respect of  
Equalisation Grant of 12<sup>th</sup> Finance Commission.**

**(Rs. In Crore)**

**Name of the Department -**

Year	Name of the Sector for which grant is given by 12 <sup>th</sup> F.C.(Roads & Bridges, Public Buildings, Health, Education & maintenance of Forest & Local Bodies)	Physical Target	Achievement	Financial Target	Achievement	Reasons for short fall in achievement
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2005-06						
2006-07						
2007-08						
2008-09						

**ANNEXURE - VIII (See para-8)****EMPLOYEES SANCTION STRENGTH (BOTH PLAN + NON-PLAN AS ON 31.07.2007)**

Name of the Department	Grade -A	Grade-B	Grade-C	Grade - D	Total (A+B+C+D)	Grant-in-aid	NMR/DLR	Grand Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

**EMPLOYEES VACANCY POSITION (BOTH PLAN + NON-PLAN AS ON 31.07.2007)**

Name of the Department	Grade -A	Grade-B	Grade-C	Grade - D	Total (A+B+C+D)	Grant-in-aid	NMR/DLR	Grand Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

**MEN IN POSTION (BOTH PLAN + NON-PLAN AS ON 31.07.2007)**

Name of the Department	Grade -A	Grade-B	Grade-C	Grade - D	Total (A+B+C+D)	Grant-in-aid	NMR/DLR	Grand Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

**ANNEXURE -IX (See Para-8)****PARTICULARS OF SANCTIONED POSTS / VACANT POSTS, POSTS ABOLISHED AND MEN IN POSITION**

	Sanctioned posts as on 1.4.2007					Vacant posts as on 01.04.2007				
	Grade A	Grade B	Grade C	Grade D	Total	Grade A	Grade B	Grade C	Grade D	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Non-Plan										
State Plan										
Central Plan										
C.S.P.										
Total:-										

Vacancy anticipated from 1.4.2007 to 29.02.2008					Grand total of Vacant posts (11 + 16 )	Total posts identified for abolition	Total posts abolished against Col. 17	Balance identified posts to be abolished (18-19)
Grade A	Grade B	Grade C	Grade D	Total				
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)

Men in Position as on 29.02.2008 for whom budget provision proposed in 2008-09					
Grade A	Grade B	Grade C	Grade D	Total (21 to 24)	Remarks
(21)	(22)	(23)	(24)	(25)	(26)

**ANNEXURE –X (See Para 8)**  
**ESTIMATES OF GRANTS-IN-AID**  
**(NP, SP, CP,CSP SEPARATELY)**

**(RS. IN TRS)**

Scale of Pay	Total sanctioned and approved strength	No. of Vacancies as on 1.4.2007	Sharing pattern by State Govt.	RE for 2007-08	Estimate of current salary for 2008-09						Arrears salary if any; give the particulars	Total estimates for 2008-09 (11+12)
					Pay	DA @35%	HRA	RCM	OA	Total (6 to 10)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)

(a) Teaching posts

(b) Non-Teaching posts

(c) Total (a+b)

- For salaries drawn under direct payment system information in respect of Colleges, Secondary Schools and Primary Schools be compiled and furnished in separate statements. The information for Secondary Schools and Primary Schools be furnished in separate statements for each Inspector of Schools and each District Inspector of Schools.
- In regard to grant-in-aid to meet the share up to a particular limit similar information may be furnished separately for Colleges and Schools in separate Statements.
- The H & U.D. Department need furnish similar information in respect each U.L.Bs provided with grants-in-aid upto a specified percentage of pay and Dearness Allowance.
- Panchayati Raj Department shall furnish in respect of the posts for which Govt. provides Grants-in-aid.
- Agriculture Deptt./Industry Deptt./H & FW Deptt. and other Departments providing Grants-in-aid for salary are also to furnish.

**Annexure –XA (See Para-8)**

(For School &amp; Mass Education Department / Higher Education Department only)

Particulars of staff strength, men in position &amp; posts abolished in respect of aided private Schools / Colleges under Non-Plan / State Plan / C.P. / C.S.P.

**(Rs. in Trs)**

No. of schools/Colleges receiving GIA	No. of employees receiving GIA in respect of those Schools / Colleges	Current requirement in the pre-revised scale per annum.	Arrears in the pre-revised scale, if not paid, & carried over to 2008-2009	Total for 2008-09 in the Pre-revised scale (3+4)	Differential amount of salary on the revised scale of pay for the year 2008-2009 only	Arrear differential pay in the revised scale upto 31.03.2008	Total differential arrear (6+7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**N.B. – Abstract of Annexure –XB**



**ANNEXURE-X B (See para-8)**

**Information on teaching and non-teaching posts, vacant posts, vacant posts abolished, men in position etc. under grant-in-aid fold.**

**(For School & Mass Education Department/ Higher Education Department only)**

**( Separately for Non-Plan and State Plan )**

**(Rs. IN TRS)**

Name of the School/College	Total teaching posts receiving Grant-in-aid				No. of non-teaching staff receiving Grant-in-aid				Total teaching and non-teaching posts (5+9)
	No. receiving 1/3 <sup>rd</sup>	No. receiving 2/3 <sup>rd</sup>	No. receiving full.	Total	No. receiving 1/3 <sup>rd</sup>	No. receiving 2/3 <sup>rd</sup>	No. receiving full.	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

Vacant posts if any receiving GIA as on 1.4.2007			Vacant posts abolished by 30.09.2007			Men in position as on 01.10.2007			Vacant Posts anticipated to be abolished as on 29.02.2008		
Teaching	Non-teaching	Total (11+12)	Teaching	Non-teaching	Total (14+15)	Teaching	Non-teaching	Total (17+18)	Teaching	Non Teaching	Total
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)

Men in position as on 29.02.2008 after abolition of the vacant posts indicated in Col.22			Annual requirement of Grant-in-Aid salary for men in position as in Col.25			Remarks
Teaching	Non Teaching	Total (23 +24)	Teaching	Non-teaching	Total (26+27)	
(23)	(24)	(25)	(26)	(27)	(28)	

**Annexure - XI (See Para- 8)****ESTIMATE OF EXPENDITURE ON ACCOUNT OF  
PAYMENT OF UN-UTILISED LEAVE SALARY IN 2008-2009**

Name of the Department: \_\_\_\_\_

Sl. No.	No. of Employees who have retired but in whose favour un-utilised leave salary has not been sanctioned	No. of Employees going to retire between 31.3.2008 to 28.02.2009	Basic Pay of the retired / retiring Employees as indicated in Column 2 & 3 (In Rupees)	D.P.	D.A.	TOTAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)

**Annexure – XII (See Para-8)****Details of Contract Engagement in lieu of abolition of posts****(Rs. IN TRS)**

Sl.No.	Category of Appointment and no. of such appointment	Whether concurrence of F.D. has been obtained; if so, indicate particulars	Period of Contract Engagement	Date of Contract Appointment	Consolidated Salary allowed	Existing Budget Provision for 2007-08	Revised Budget for 2007-08	Budget Provision Proposed for 2008-09	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

**ANNEXURE – XIII (See Para-8)****1. Information on Work-charged, NMR, DLR**

Category of Employee	Scale of Pay in case of regular appointment	Consolidated remuneration on adhoc appointment	Sanctioned Strength	No. of Employee in position as on 01.04.07	Post abolished after 01.04.07	New addition after 01.04.07	Present Strength (5 – 6 +7)	Budget Provision for salary/wages during 2007-08 (Head of account wise)	Budget Provision proposed for 2008-09 (Head of account wise)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

**(i) Work – Charged****(ii) N.M.R.****(iii) D.L.R**

## Annexure - XIV (See Para-8)

### Unspent Balance of Grant/ Loan Sanctioned in 2006-07

Name of the Department

(Rs. in TRs.)

Sl. No.	Name of the Organisation	Amount of Loan/Grant sanctioned in 2006-07	Amount Utilised till 31.08.2007	Amount for which U.C. Submitted till 31.08.2007	Balance to be Submitted
(1)	(2)	(3)	(4)	(5)	(6)

**ANNEXURE– XV ( See Para - 11)****(POSITION OF VEHICLES)**

Category of Vehicles	No. of Vehicles in Non-Plan	No. of Vehicles in the Plan				Total both Non-Plan and Plan (2+6)	No. of Vehicles Condemned Category-wise	No. of Condemned Vehicles put to Auction	No of Vehicles disposed of by Auction & amount of sale proceeds deposited in Treasury	New Vehicles purchased either by replacement or new addition category-wise	No. of Vehicles in position (7+11)- 10	Reasons for (i) vehicles condemned and not put to auction and (ii) vehicles auctioned and sale proceeds not deposited (8-9) & (9-10)	Remarks
		State Plan	Central Plan	Centrally Sponsored Plan	Total (2 to 5)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

**ANNEXURE –XVI (See Para - 12)**

Assessment of R. R. T.

**(RS. IN TRS)**

Name of the Estt.	Plinth area hired	Whether it is as per approved norm, if not, whether orders of competent authority has been obtained	Monthly rent	Date from which such rent is being paid	Yearwise arrear upto 31.3.2008	B.E for 2007-08	R. E. for 2007-08	Proposal for 2008-09	<b><u>Remarks</u></b> What action has been taken to shift to Govt. Building
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

**ANNEXURE –XVII (SEE PARA-13)****ASSESSMENT OF RRT RELATING TO HOLDING TAX / MUNICIPAL TAX****(Rs. IN TRS)**

Name of the Estt.	Arrear as on 1.4.2007	Current Demand for 2007-08	Total Demand for 2007-08 (2 +3)	Budget Estimate for 2007-08	Revised Estimate for 2007-08	Budget Estimate for 2008-09	Remarks (why Holding Tax / Municipal Tax is not being paid in time)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)



**ANNEXURE - XVIII (See Para-14)**  
**ASSESSMENT OF ELECTRICITY AND WATER CHARGES**

**(Rs. in Trs)**

Name of the Estt.	Amount of arrear outstanding as on 1.4.2007	Amount of current dues for payment during 2007-08.	Total Amount due to be paid in 2007-08 (2+3)	Revised Budget provision required for 2007-2008	Amount likely to be outstanding as on 31.3.2008	Anticipated Current demand for 2008-09	Amount required for 2008-09 (6+7)	<b><u>Remarks</u></b> Whether regular payment is being made or not.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

- (a) **Electricity dues**
- (b) **Water Charges**
- (c) **Total (a+b)**

**ANNEXURE –XIX (See Para -15)**  
**Minor Works Grant (Non-Plan)**

**(Rs. IN TRS.)**

Head of Department	Allotment for 2007-2008 as distributed work-wise	Anticipated expenditure during current year 2007-08 work-wise	Detailed programme of work for 2008-2009 showing requirement for completion of continuing works and amount required for new works	Estimated cost of the work	Expenditure already incurred including the budget provision for 2007-08	Balance amount required for completion	Amount proposed for Provision during 2008-09	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

**ANNEXURE – XX (See Para-15)****Expenditure on Wages and Work-Charged Establishment (Non-Plan) under M/R Grant in Engineering Departments**

Designation of Controlling Officer :-

**(Rs. IN TRS)**

Major Head	Minor Head	No of Posts existing during 2006-07	No.of posts existing during 2007-2008 (designation- wise)	No posts to be taken in 2008-2009	Scale of Pay	Total Pay of the holder of the posts as due and drawn for July 2007		Total Pay as estimated to be due for 2007-08 (R.E.)	Total pay estimated to be due for 2008-09
						Pay	D.A.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

**Wages –****(Designation-wise)****Work Charged Estt.****(Designation-wise)**

NMR/Job Contract etc.

**ANNEXURE -XXI** (See Para-15)

Proforma showing Maintenance of Capital Assets under Non-Plan

**Designation of Controlling Officer :-****(Rs. IN TRS)**

Major Head	Minor Head	Actual expenditure during 2005-06	Actual expenditure during 2006-2007	Budget provision for 2007-08	Revised Budget for 2007-08	Budget provision required for 2008-09
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Wages –

Work Charged Estt.

NMR/Job Contract etc.

Work-proper

Prorata charges

N.B. : - Division-wise break up in support of the above statement should be made available during pre-budget Non- Plan discussion.

ANNEXURE –XXII-A (See Para-17)**(S.P/C.P./ C.S.P. be given separately)**

(Rs. in TRs.)

Sl. No.	Grade/Category of Post (with scale of pay) as on 1.3.2008	No. of Post	Pay & DP due for 2008-09	D.A.	H.R.A.	O.A.	Total (4+5+6+7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**ANNEXURE-XXII-B (See Para - 17)**

**(S.P./C.P./C.S.P. be given separately)**

**(OFFICE EXPENSES)**

(Rs. in TRs.)

Nature of Charge	Provision for 2008-2009		Total
	Recurring	Non-Recurring	
(1)	(2)	(3)	(4)

**ANNEXURE -XXII- C (SEE PARA-17)**  
**(S.P./ C.P./ C.S.P. to be GIVEN SEPARATELY)**  
**(GRANTS)**

(Rs. in Trs)

Purpose of grant	Provision for 2008-2009			Basis of assessment
	Recurring ( Excluding Salaries)	Non-recurring	Total	
(1)	(2)	(3)	(4)	(5)

**ANNEXURE – XXII - D** (See Para-17)  
**(S.P./ C.P./ C.S.P. be given separately)**

**(MISCELLANEOUS AND OTHER EXPENDITURE INCLUDING MACHINERY, EQUIPMENT AND MOTOR VEHICLES  
 PROPOSED FOR 2008-2009)**

(Rs. in TRs)

Description of other expenditure on machinery, equipments,motor vehicles and others to be procured (Broad category-wise over Rs.50,000/-)	Amount involved in case of Expenditure other than Machinery, equipments and motor vehicles		Details of machinery, equipment and motor vehicles				Maintenance and operation expenditure
	Recurring	Non-recurring	Replacement		Acquisition		
			No	Amount	No	Amount	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)



**A N N E X U R E –XXII-E (See Para-17)**  
**(NEW WORKS) SP/CP/CSP SEPARATELY**

(Rs. in Trs)

Name of Works proposed to be taken up during 2008-09	Estimated Amount with No. and date of Administrative Approval, if issued.	Source of funding	Amount of funding arrangement committed during 2008-2009.	Amount proposed for 2008-2009
(1)	(2)	(3)	(4)	(5)

**ANNEXURE – XXII -F** (See Para-17)  
**( for S.P./ C.P./ C.S.P. be given separately)**  
 Proforma for scheme wise Justification

**NAME OF THE DEPARTMENT :**

**HEAD OF DEVELOPMENT :**

**(Rs. in Trs.)**

Sl. No.	Name of the Scheme & Head of Account	Budget Provision 2008-2009	Break-up of Budget Provision 2008-2009				Works	Miscellaneous and other expenditure including machinery. Equipment and Motor Vehicles (Please furnish details in Annexure-XXII-D)		
			Salaries & allowances (Please furnish details in Annexure-XXII-A)	Office expenses (Please furnish details in Annexure-XXII-B)	Grants (Please furnish details in Annexure-XXII-C)	Stipend & Scholarship		Recurring	Non-recurring	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

**N.B. – Abstract of Annexure – XXII-A, XXII-B, XXII-C & XXII-D**

**Annexure-XXIII (See para-17)**  
**INFORMATION ON EXTERNALLY AIDED PROJECTS (EAPs)**

Name of the Department

A) On Going Projects

(Rs. in Crore)

Sl. No.	Name of the Project	Donor	Project Cost	Expr. Incurred upto 31/03/2007	Budget Provision 2007- 08	Expr. Incurred during 2007-08 upto 30/09/2007	Anticipated Expr. during 2007-08 (by 31/03/2008)	Addl. Requirement for 2007-08	Anticipated Budget Provision for 2008-09
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Total

B) Projects in Pipe Line

Sl. No.	Name of the Project	Donor	Project Cost	Cleared SLMPC	Preparation of Project Proposal complete	Agreement entered with the Donor	Budget Provision 2007-08	Expr. Incurred during 07-08 (by30/09/2007)	Addl. Requirement if any for2007-08	Anticipated Budget Provision for 2008-09
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Total

## Annexure -XXIV (See Para-17)

## Information on RIDF Projects

Name of the Department

(A) Proposed Outlay

(Rs. in Crore)

Tranche	No. of Incomplete	No.of Projects for which Provision made in the B.E. for 07-08	Budget Provision for 2007-08	Expr. Incurred during 07-08 upto 30.09.2007	Anticipated Expr. During 01.10.2007 to 31.03.2008	Additional Requirement for 2007-08	Anticipated Budget Provision for 2008-09
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

VI

VII

VIII

IX

X

XI

XII

XIII

TOTAL

## (B) Physical Target &amp; Achievement

Tranche	No. of Projects Sanctioned	No.of Projects completed by 31.03.2007	On going Projects (Col.2- Col.3)	Projects completed by 30.09.2007	Projects to be completed by 31.03.2008	Projects to be completed in 2008-09 [Col.4-(Col.5 + Col.6)]	Ramarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

VI

VII

VIII

IX

X

XI

XII

XIII

TOTAL

**ANNEXURE - XXV (See Para-18)****PARTICULARS OF CENTRAL ASSISTANCE RECEIVED AND PROVISION REQUIRED UNDER C.P./C.S.P.****(Rs. in Crores)**

Name of the Scheme	Unspent C.A. as on 1.4.06 including amount in Civil Deposit	C.A. Received during 2006-07	Expenditure incurred during 2006-2007			Total Amount of UC furnished including arrear during 2006-07	UC to be submitted to GOI as on 31.3.2007 (6-7)	unspent as on 1.4.07 including amount in Civil Deposit (2+3)-6	C.A. available for expenditure			Amount of U.C. furnished from 01.04.07 to 31.08.07 against Col.10	Balance U.C. pending as on 01.09.07 against Col.10 (10-13)	Reasons for non-submission of U.C. in full against Col.14	Expenditure incurred against Col.11	U.C. furnished upto 31.08.07 against Col.16	U.C. pending as on 01.09.07 against Col.16 (16-17)	Total U.C. pending as on 01.09.07 Col.19 (14+18)
			Out of Unspent C.A. as at Col.2	Out of C.A. as at Col.3	Total (4+5)				Arrear for 2006-07	Current for 2007-08 (i.e. CA received from 01.04.07 to 31.08.07)	Total							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)

**Annexure-XXVI (See Para-19)**

List of Incomplete Projects / Works (Projects Costing Rs. 1.00 Cr &amp; above)

Name of the Department

(Rs. in Lakhs)								Remarks
Sl.No.	Name of the Project	Cost estimate as per Admn. approval	Source of Funding NP/SP/CP/ CSP/ EAP/ RIDF	Date of Commencement of Work	Expr. Incurred till date	Balance Exp.to be made	Budget Provision 2008-09	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

**Annexure -XXVII (See Para-19)****Details of Subsidies given in the Budget**

Name of the Deptt.

(Rs. in TRs.)

Sl. No.	Nomenclature of the Subsidy	Whether for NP/SP/CP/CSP	Purpose for which given	Beneficiary	Amount provided		Amount Proposed in 2008-09
					in 2006-07 (Actual)	provided in 2007-08 (B.E.)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**Annexure -XXVIII (See para - 19)****Details of Grant-in-Aid Provided in Budget ( In respect of GIA of Rs. 5.00 lakhs & above)****(Rs. in TRs.)**

Sl. No.	Name of the Organisation to which Grant-in-Aid is sanctioned.	Sector NP/SP/CP/CSP	Nature of Grant		Purpose for which GIA is given	Amount provided in 2006-07	Amount provided in 2007-08	Status of U.C.	Provision proposed in BE 2008-09
			Recurring	Non-Recurring					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)



## Annexure - XXIX (See para -19)

### Tax Concession and Exemption

(Rs.in Crore)

Sl. No.	Details of exemption/ Concession	Revenue Forgone		
		2005-06 (Provisional)	2006-07 (Estimates)	2007-08
(1)	(2)	(3)	(4)	(5)

**Annexure -XXX (See Para -19)**

**Proforma for Prioritisation of Projects for Zero based investment (continuing works)**  
**(In respect of projects costing Rs.1.00 crore and above & projects costing Rs.4.00 crore and above)**

(Rs. in TRs)

**Name of the Department:-**

Sl. No.	Name of the Project	Year of Commencement	Schedule date for Completion	Funding Scheme/Agency*	Latest Sanctioned/ Estimated cost	Total Exp. incurred upto 31.3.06	Total Exp. incurred during 2006-07	Total Exp. Expected to be incurred during 2007-08	G.T. of Expenditure (7+8+9)	Percentage (%) of Exp. W.r.t. Col.-6 (Col.10 / Col.6)	Balance required for completion of the Project (6-10)	Funds proposed to be provided in 2008-09	Prioritising Sl.No.	Reasons if any for not providing full fund as per commitment	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)

(A) Projects costing Rs.1.00 crore and above

(B) Projects costing Rs.4.00 crore and above

**ANNEXURE - XXXI ( See Para -19 )****GOVERNMENT GUARANTEE PROVIDED DURING THE YEAR 2004-05 TO 2006-07**

(Rs. in Crore)

Sl. No.	Name of the Deptt.	Name of the Sector	Name of the Organisation	Purpose of Govt. Guarantee	Maximum Amount of Govt. Guarantee Sanctioned	Power sector	Non-Power Sector
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**2004-2005**

1

2

**TOTAL****2005-2006**

1

2

**TOTAL****2006-2007**

1

2

**TOTAL**

**Annexure-XXXII (See para-20)**

**Statement showing details of transfer of funds to Local Bodies Panchayat/  
Panchayat Samiti/ Zilla Parisad/ NAC/ Municipality/ Municipal Corporation under  
Plan/ Non-Plan\***

**Head of Account :**

<b>Sl. No.</b>	<b>Name of the Scheme/ Function</b>	<b>Level of Local Body</b>	<b>Actual 2006-07</b>	<b>Budget Estimates 2007-08</b>	<b>Budget Estimates 2008 09</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>

**ANNEXURE-XXXIII (SEE PARA-24)**

**LIST OF DRAWING AND DISBURSING OFFICERS WITH DEMAND NO. AND HEAD OF ACCOUNT**

Designation of the Controlling Officer (with address)	Designation of the D.D.O.(with address) under the control of the Controlling Officer (including the Controlling Officer)	Demand No. and Major Head of account under which the budget provision is allotted to the D.D.O. by the Controlling Officer	Remarks
1	2	3	4

**FINANCE DEPARTMENT**

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**No.39008 (45)/F., Dt.25.09.07**  
**WM-12/07**

From

Shri R.N.Senapati,  
Principal Secretary to Govt.

To

All Principal Secretaries/Commissioner-Cum-Secretaries/  
Secretaries/Special Secretaries to Govt.

Sub : Display of month-wise releases made by Government of India  
under various schemes in the Finance Department Web-site.

Sir/Madam,

I am to say that information regarding releases made by Government of India under various schemes, are not available at present to the Implementing Departments in time for a number of reasons like non receipt of the sanction order and confirmation regarding credit of the amount in the State Government Account. This causes delay in transfer/release of funds to the Implementing Agencies/field offices for execution of the scheme. The Accountant General also finds it difficult to classify the receipt under the proper Accounting Head.

In order to overcome the aforesaid problems and facilitate timely utilization of Central Assistance, the particulars of release made by Government of India during a particular month will be displayed in the web-site of Finance Department starting from the releases made from the month of April, 2007 onwards.

The information relating to date of receipt of the amount, name of the Ministry/Department of Government of India from which funds are released, scheme for which funds are released with sanction order number and date and the amount released will be indicated in the web- page. It may be noted that in case of non availability of a sanction order, it will not be possible to mention the scheme details and particulars of sanction. On receipt of the same, it will be put up in the web-site. At the first instance, the releases made by Government of India during the period April, 2007 to July, 2007 will be exhibited in the Finance Department web-site. A sample hard copy is enclosed for reference.

Necessary instructions are being issued to the Agency managing the State Government Portal to upload the information in the Finance Department Web-site-<http://www.orissa.gov.in/finance/>

I hope, this small endeavour of this Department will help to bridge the information gap relating to receipt of central assistance under various Government of India Assisted Schemes and help in its timely utilization and proper accounting.

This may be brought to the notice of all concerned.

Yours faithfully,

**Sd/- R.N.Senapati**  
**Principal Secretary to Govt.**

**FINANCE DEPARTMENT**

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**NO.39847 (225)/F., Date : 01.10.07**  
**Bt.-V-42/07**

To

The All Secretaries/  
 All Heads of the Department.

Sub : Absence from duty on maternity ground by Female Contractual  
 Employees engaged in Different Departments of Government.

The Government has adopted contractual mode of engagement of personnel in different Government Establishments on bare administrative necessity after abolition of regular base level vacant entry posts. The policy of Government has been set out in Finance Department Circular No.Bt-V-47/04-55764/F., dated 31.12.2004.

2. In accordance with the above guidelines, various Departments of Government have been making contractual engagement with prior concurrence of Finance Department when there is absolute necessity in the interest of public service.

3. It is found necessary to extend maternity leave to female employees considering the fact that maternity is an inseparable right of a woman irrespective of her employment status. Besides, this benefit has already been extended to Sikhya Sahayaks engaged under Sarba Sikhya Abhijan Scheme in Orissa.

4. Now, the Government, after careful consideration have been pleased to decide that all female employees engaged in Government establishments on contract basis with consolidated remuneration and having less than two surviving children would be eligible to get full consolidated remuneration for a period not exceeding 90 days of her absence from duty on maternity ground on following conditions.

- i. Prior approval of competent authority for remaining absent from duty on maternity ground shall be obtained.
- ii. Detailed address of the employee during pre and post natal period shall be furnished.
- iii. Such contractual, employee resumes duty after expiry of the period of absence from duty on maternity ground.
- iv. A certificate from the treating physician for absence from duty on maternity ground shall be furnished.

**This shall come into force with immediate effect.**

**Sd/- D.P.Das**  
**Special Secretary to Government**



**FINANCE DEPARTMENT**

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No. 39963(45) /F Dt. 1<sup>st</sup> October, 2007  
 Bt-I- 27 /2007

**From**

**Sri R.N. Senapati, IAS,  
 Principal Secretary to Govt.**

**To**

**All Secretaries to Govt. (By Name)**

**Sub:- Proposals for Supplementary Statement of Expenditure for  
 the Financial year, 2007-08.**

Sir,

I am to say that the Supplementary Statement of Expenditure for 2007-08 is likely to be presented in Orissa Legislative Assembly sometime in November, 2007. The Departments of Government are, therefore, required to send proposals for inclusion in the Supplementary Statement of Expenditure strictly in accordance with the guidelines indicated below in order to enable Finance Department to present the Demand for Supplementary Grants in time.

2. Several new Schemes like Gopabandhu Gramina Yojana, Biju KBK Yojana & Biju Gram Jyoti Yojana have been launched. Besides, provision for MLA LAD Fund has been enhanced and additional provision has been made for One Lakh Old Age Pension beneficiaries. The arrear liabilities on account of grant- in-aid salaries, various judicial pronouncements, sanction of D.A. @ 3% w.e.f. 1.1.2006, 5% w.e.f. 1.07.2006 and 6% w.e.f. 1.1.2007 are to be met. An Annual Plan outlay of Rs.5105.00 crore has been approved and budgeted for in 2007-08 which requires mobilization of matching resources from all possible sources.

3. In view of the need to provide resource support for the State's plan outlay and other developmental and welfare oriented expenditure liabilities, changed pattern of financing the loan component of State Plan through Open Market Borrowing as per the recommendation of 12th Finance Commission and rising interest rate, the borrowings are to be limited and there has to be greater reliance on our own resources.

4. It is invariably seen that supplementary provision is being made without due care and caution which results in surrender of funds. Needless to say that these are serious financial irregularities which have been adversely commented upon by C & A.G of India regularly. Supplementary Budget should not be prepared in a routine manner but should receive the personal attention of the concerned Estimating &Controlling Officers so that the proposals would be based on actualneed and are in accordance with the existing policies of the Government. FRBM Act also envisages that Budget provision should be made on realistic assessment basis. Section 8 (3) of the FRBM Act stipulates that shortfall in revenue or excess of expenditure over pre- specified level on account of any new policy decision should be offsetby suitable measures to curtail expenditure or augment revenue. Section 8(5) of the FRBM Act further provides that Supplementary estimate should be accompanied by corresponding curtailment of expenditure to fully offset its fiscal impact in relation to be targets of the annual budget as well as Medium Term Fiscal Plan (MTFP).

5. Keeping in view the above stipulations, Supplementary schedules under Non-Plan and Plan may be furnished in the following cases.

**(i) Recoupment of Advance from OCF**

(a) Sanction of advance from Orissa Contingency Fund (OCF) has been issued from time to time and it is seen that a substantial amount is outstanding for recoupment. In the absence of recoupment, it would not be possible to sanction further advance to meet any urgent requirement.

(b) While submitting the schedule for recoupment of OCF advance, the letter number and date of the sanction order of the OCF advance and detail head of account shall be clearly indicated.

(c) The recoupment of OCF advance has to be made within the available ceiling communicated by the Planning and Co-ordination Department in case of Plan Sector and by Finance Department in case of Non-Plan. If the available ceiling is insufficient, the Administrative Department may approach P & C Department for consideration of additional financial ceiling for the purpose. In case of OCF advance under the Non-Plan, the concerned Departments have to first locate savings within the budgetary allocations available at their disposal and if it is not possible to locate any savings, they may move Finance Department with the schedule for substantive provision for recoupment of the OCF Advance.

**6. Additional Requirements under State Share for Centrally Sponsored Plan Schemes.**

Additional requirements under State share for Centrally Sponsored Plan Schemes should be fully provided subject to the stipulations that concerned Administrative Department must satisfy that they have fully utilized the central share along with the state share provided so far and substantial progress has been made in submission of Utilisation Certificate.

**7. Regularisation of Advance Expenditure incurred by way of Authorisation.**

The proposals for regularization of advance works expenditure of Engineering Departments authorized in absence of adequate budget provision under para 3.7.1 (b) of the OPWD code, if any, should be processed indicating savings/specific source of funding to regularize the advance expenditure by necessary supplementary provision under Non-Plan and Plan.

**8. Diversion of Fund**

Diversion of fund to meet the additional requirement in needy sectors by locating savings or for accounting adjustment without any additional cash outgo, may be proposed. For example:-Transfer of provision from Revenue Account to Capital Account or from Voted to Charged or vice-versa, Accounting adjustment in respect of receipt of External Assistance under direct payment procedure for Externally Aided Projects.

**9. Provision against firm commitment.**

(a) Where Central Assistance has been received or where firm commitment from Central Govt. is available but provision has not been made in the budget estimate for 2007-08, supplementary provision may be proposed for Central Share and State Share. Copies of relevant letters should be placed in the file and such proposals are to be processed through the Planning and Co-ordination Department.

(b) Probable savings under other schemes alongwith the State matching share where the assistance from Centre is remote should be indicated for diversion so as to avoid unnecessary surrender at the close of the financial year. While processing additional provision for continuing schemes under CP and CSP,

the Administrative Departments should indicate the total allocation of central share so far received, expenditure incurred and utilization certificates submitted for the amounts received upto 31.03.2007, failing which the proposal for additional provision shall not be considered.

(c) Items of expenditure of inevitable and inescapable nature to which Government stand firmly committed at the post-budget stage requiring enhancement of Non-Plan/ State Plan ceiling should be proposed with reference to the particular policy decision or Government order and concurrence of Finance Department and Planning & Coordination Department.

#### **10. Provision of Fund for New Schemes and New Service**

##### **a) New Schemes**

In case of new schemes under Non-Plan, State Plan, Central Plan & Centrally Sponsored Plan, either administratively approved by Government of India or where firm commitment has been received from Government of India for release of funds during 2007-08, provision may be made provided prior concurrence of P & C Department and Finance Department has already been taken. Similarly, additional provision may be made in respect of new schemes announced by State Government like Gopabandhu Gramin Yojana / Biju Gram Jyoti Yojana / Biju KBK Yojana keeping in view the expenditure that can be reasonably incurred during the remaining period of the financial year, after observing the prescribed procedure.

##### **b) New Service**

When re-appropriation is not feasible or a new service is involved, proposal for Supplementary provision shall be taken up, provided that supplementary provision for a "New Service" need not be proposed, if all preliminaries for execution have not been completed and the amount proposed cannot be spent during the balance period of the financial year.

#### **11. Provision under Award of 12th Finance Commission**

It is to be seen that in case of award of 12th Finance Commission if the provision made in the Annual Budget Estimate for 2007-08 either under Non-Plan or Plan is less than the level recommended by the Finance Commission or actual requirement, additional provision may be taken depending on the recommended level and actual requirement, as the case may be.

## **12. Payment of Guaranteed Loans under One Time Settlement Scheme**

The State Government have discharged the liabilities through one-time settlement route due to default in payment of guaranteed loans by some State Government Public Sector Undertakings, Co- operatives etc. These amounts have been paid directly by the Finance Department out of the budget provision made under Demand No. 5 and have been sanctioned as loan to the concerned defaulting organizations. In order to regularize the matter, the concerned Administrative Department will have to submit necessary supplementary proposals under State Plan in the relevant functional head of Account. The amount will be adjusted by contra-credit against the amount already paid and there shall be no Cash-outgo. It will be an accounting adjustment only and will be shown as expenditure under State Plan as loans and advances to the beneficiary organizations under the relevant function/programme.

## **13. Additional Provision for Dearness Allowance**

Additional expenditure towards 5% Dearness Allowance sanctioned w.e.f. 01.07.2006 vide F.D. O.M. No. 26150/F dt. 11.06.2007 being incurred during 2007-08 may be clearly worked out and shortfall, if any, may be indicated to assess the additional Demand. Wherever possible, additional demand may be met from overall savings within own demand of concerned departments. Provision for 6% Dearness Allowances due w.e.f. 01.01.2007 may be proposed by locating savings, if any.

## **14. Arrear Pay and Allowances**

Arrear pay and allowances for those who have already retired or likely to retire by 31.03.2007 but not paid so far should be met out of the existing budget provision at the first instance and any deficit to meet further requirement for the year 2007-08 may be clearly worked out. Finance Department may consider this depending on the availability of the overall resources.

## **15. Additional Provision for Pay**

- (a) It is seen that re-appropriation proposals are being referred to Finance Department for augmentation of funds under the unit "Pay". The Administrative Departments are, therefore, required to clearly work out the shortfall, if any, under "Pay" Head and assess the additional requirement and submit proposal to Finance

Department and P. & C. Department with sufficient justification.

- (b) In certain cases, in lieu of abolition of posts, if fresh creation of posts at consolidated salary has been approved with the concurrence of Finance Department, the consolidated salary requirement on such contract appointees should be separately worked out indicating the details of contractual posts sanctioned, the rate of consolidated salary and the requirement for the current financial year i.e. 2007-08. This should be shown separately as "consolidated pay for contractual appointees". **(Code No.01004)**

**16. Decretal dues and Land Acquisition charges**

- a) A special review of all claims that have gone to Courts or likely to be taken to the Courts shall be conducted for assessing the likely requirements. It is also desirable to provide for unforeseen expenditure arising from Court decree. Amounts required for satisfaction of Court decrees in respect of Land Acquisition Cases, which have no scope for appeal should be proposed for inclusion in the Supplementary Budget under the "charged" section. All proposals for decretal dues should be furnished with sufficient justification with firm decision of Government to implement the orders of the Hon'ble Court without going for further appeal or revision.
- b) Normal Land Acquisition charges for projects/schemes should be proposed in the voted section under the detailed heads meant for the project/scheme. Since delay in payment of decretal dues may lead to further legal complication and payment of penal interest, such payments should be carefully assessed. Non-payment of land acquisition charges for want of provision may also result in delayed execution of projects/schemes for which such requirement should be properly assessed and proposed in the Supplementary Budget.

**17. Additional requirement of Grant-in-Aid salary**

The additional requirement of GIA salary for the current year at the existing rate of DP and DA both under Non-Plan and State Plan in respect of those who are in receipt of the Grant-in-aid may be worked out after taking into account the existing provision. Similarly where all legal forum have been exhausted and the payment is to be made as per the latest direction of the Hon'ble Courts, some provision should be

made to meet the current dues with due regard to the Court order. Since Cabinet has approved the principle of payment of arrear grants- in-aid which is legally payable within a period of ten years, specific provision is also to be made for arrears during 2007-08.

# **18. Provision of House Rent, Municipal Taxes, Electricity Dues and Water Charges**

## **(a) House Rent**

Additional provision for payment of House Rent for Government offices functioning in hired buildings may be proposed as per actual requirement on the basis of sanctioned rent.

## **(b) Municipal Taxes**

It has been brought to the notice of Finance Department that many Govt. organisations are not paying **municipal taxes in time**, as a result, the Urban Local Bodies are facing difficulty in providing basic amenities to the citizens due to paucity of funds. All Administrative Departments and Organisations must see that municipal dues should be paid fully. They should give proposal for such additional requirements which shall be provided after due verification of the claims and payments made earlier.

## **(c) Energy and Water charges**

Similarly, the power distribution companies and Chief Engineer, PH (Urban) are frequently indicating about non-payment of **energy charges and water charges** and about huge outstanding arrears. The Administrative Departments should verify the actual position and assess the actual requirement for additional provision. Wherever possible, equivalent savings should also be located to meet the additional requirement. Additional provision for the purpose would be considered by the Finance Department only after the claims are certified and authenticated for payment by the Secretary of the Department to the effect that the amount proposed is based on the final figure arrived at after the joint verification made by the DDO concerned / Heads of Department and the Executive Engineer of the Distribution companies and Executive Engineer, PH, as the case may be. Similarly, additional provision for payment of municipal taxes would be provided after due verification of the claims and payments made earlier.

**19. Festival Advance**

In view of the revised eligibility norm and upper limit for Festival Advance the Administrative Departments may furnish their additional requirement.

**20. Provision for L.T.C**

All Administrative Departments are required to assess the actual requirement under LTC for the current Financial Year and make necessary provision in Supplementary. They should also locate savings in other units.

**21. Any other item –**

Additional requirement under any other item shall not be entertained without location of savings elsewhere.

**22. Time Schedule**

The Administrative Departments are requested to formulate the supplementary proposals expeditiously in accordance with the guidelines indicated above and submit their proposals to Finance Department as per the time schedule given below.

- a) In case of Non-Plan, the draft schedules should reach Finance Department latest by **12.10.2007** and the Non-Plan schedules duly admitted by Finance Department shall be returned to the Administrative Departments by **27.10.2007**.
- b) The plan schedules should be processed and forwarded to Planning & Co-ordination Department by **12.10.2007**.
- c) The draft schedules under Plan Schemes after the concurrence of Planning and Co-ordination Department should reach Finance Department by **24.10.2007**.
- d) The plan schedules with concurrence of Finance Department shall be returned to Administrative Departments by **27.10.2007**.
- e) Five cyclostyled copies of the Non-Plan and Plan Schedules duly concurred in must reach Finance Department by **27.10.2007**.



23. Unless the schedules duly admitted by Planning and Co-ordination Department and Finance Department are submitted to Finance Department by the due dates as indicated above, it shall not be possible to include the proposals of Administrative Departments in the 1<sup>st</sup> Supplementary Statement of Expenditure. The concerned Administrative Department will be responsible for non inclusion of any supplementary estimate submitted after the date-line indicated above.

24. All Heads of Departments and Controlling Officers are being informed.

25. This circular is being placed in the website of Finance Department at **[www.orissa.gov.in/finance](http://www.orissa.gov.in/finance)**.

Yours faithfully,

**Sd/- R.N.Senapati**  
**Principal Secretary to Govt.**

**TOP PRIORITY**  
**Time Limit**

**FINANCE DEPARTMENT**

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**Memo No. 46655 (235)/F.,      dated 01.12.07**  
**Bt- I –27/ 2007**

**To**

**All Departments of Government.**  
**All Heads of Departments.**

**Sub:- Admissibility of expenditure relating to the provisions made in the Supplementary Statement of Expenditure for the year 2007-08 and Expeditious action to utilize the fund in time etc.**

The undersigned is directed to say that the Demands contained in the Supplementary Statement of Expenditure 2007-08 have been approved by the Legislature and the Appropriation Bill has been enacted. Expenditure in terms of the provision in the Supplementary Statement of Expenditure is now admissible and can be incurred observing all formalities and subject to the restrictions and stipulations contained in FD letter No. 30857(237)/F., Dt.21.07.2007 (Regulation of expenditure out of the Budget for the year 2007-08), No.37889 (230)/F., dt.17.09.2007 (Revised Estimate for 2007-08 and Budget Estimate for 2008-09) .

2. The Administrative Departments are now authorized to incur the aforesaid expenditure as per the following guidelines and time schedules:-

- (i) Advance taken from O.C.F shall be recouped by **12.12.2007** and compliance be reported to F.D by **15.12.2007**.
- (ii) Re-appropriation order should be issued by 12.12.2007 in respect of provision of funds in the Supplementary Statement of expenditure through savings.
- (iii) Wherever Supplementary schedules have been admitted with the stipulations like, subject to Post-Budget scrutiny, release of Central Assistance, prior clearance of P & C Department, Finance Department etc., those have to be complied with before release of additional provision made in the Supplementary Statement of Expenditure.

- (iv) Top priority should be given to expedite in time under-
  - Capital Outlay
  - Funds provided for Completion of Projects
  - State Share and Central Share of CSP
  - Central Grant under Central Plan
  - Outlays provided for **RIDF/AIBP** and all other resource tied up schemes.
- (v) Surrender of fund wherever felt necessary after proper assessment shall be ensured by **29.02.2008** at the latest but surrender of Fund relating to the augmentation of Fund in the Supplementary has to be ensured by **17.12.2007**.

### **3. Time schedule for allotment, verification, compliance to the report of C & A.G. etc.**

- (i) The Budgetary allotment in respect of Original Budget Provision as well as Supplementary Budget Provision for 2006-07 shall have to be communicated by all Controlling Officers to the concerned DDOs latest **by 31.12.2007**. In special cases, where Funds are being augmented through re-appropriation or on account of Central Assistance received late, the allotment would be accepted by Treasuries latest by **15.02.2008** under these circumstances only. **The allotment issued after 15.02.2008 shall not be acted upon by the Treasury Officers and such bills shall be returned with objections. These date lines are to be strictly enforced and non compliance would result in lapse of fund and cut in the budget provision for 2008-09.**
- (ii) All DDO wise allotments by the Controlling Officers have to be supplied in soft copies to the Director of Treasuries and Inspection, Orissa, Bhubaneswar for feeding into the Central Server located in his Office and **in the absence of such data being fed into the Central Server**, under the Online System of Transaction in the Treasuries, the bills cannot be entertained in the system. Therefore, special care must be taken by all Controlling Officers to supply the soft copies of Budgetary Allotment in all cases to the Director of Treasuries and Inspection, Orissa, Bhubaneswar in order to allow the transaction under the Online System of Treasury transaction. **The concerned Controlling Officer would be responsible for any dislocation arising out of their failure in submission of**

**the Budgetary Allotment Data in soft copies to Director of Treasuries and Inspection Orissa, Bhubaneswar**

- (iii) All Administrative Departments were requested to adhere to the following time schedule for verification and reconciliation of Departmental Receipt and Expenditure figures for 2007-08 with those of A.G (A&E), Orissa, in Finance Department letter No. 31701 (225)/F., dt. 27.7.07.

<b>Month / Quarter</b>	<b>The date fixed for verification</b>
<b>April-June, 2007</b>	<b>31.8.2007</b>
<b>July, 2007</b>	<b>30.9.2007</b>
<b>August, 2007</b>	<b>31.10.2007</b>
<b>September, 2007</b>	<b>30.11.2007</b>
<b>October, 2007</b>	<b>31.12.2007</b>
<b>November, 2007</b>	<b>31.1.2008</b>
<b>December, 2007</b>	<b>28.2.2008</b>
<b>January, 2008</b>	<b>31.3.2008</b>
<b>February, 2008</b>	<b>20.4.2008</b>
<b>March, 2008</b>	<b>05.06.2008</b>

All Administrative Departments are, therefore, requested to direct the Controlling Officer under their Administrative Control to make verification and reconciliation of Departmental Receipt and Expenditure figures with those of A.G (A & E). Orissa as per the above time schedule under intimation to Finance Department. If any misclassification of expenditure and receipt is noticed, the concerned Controlling Officers shall be held responsible and accountable to Public Accounts Committee.

**Sd/- S.K.Mishra**  
**ADDITIONAL SECRETARY TO GOVT.**

**FINANCE DEPARTMENT**

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**Memo No. 46783 /F., Dt.04.12.07**  
**Bt.-I-27/2007**

**CORRIGENDUM**

The first sentence of para 3 (i) of F.D. O.M. No.46655 (235)/F., dt.01.12.2007 should be read as **"The Budgetary allotment in respect of original Budget provision as well as Supplementary Budget provision for 2007-08 shall have to be communicated by all Controlling Officers to the concerned DDOs latest by 31.12.2007"**.

**Sd/- S.Kanungo**  
**Under Secretary to Govt.**

**FINANCE DEPARTMENT**

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**Memo No. 48105 (270) /F., Dt.15.12.07**  
**WMB – 23/07**

To

All Departments of Government,  
 All Heads of Department,  
 Chief Executives of State Public Sector Undertakings.

Sub : Deduction of Tax at source – Income Tax deduction from Salaries under Section 192 of the Income Tax Act, 1961 during the financial year 2007-08.

The undersigned is directed to inform that the circular No.8/07 (F.No.275/192/2007-IT(B) dt.05.12.07 of Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes, New Delhi on Deduction of Income Tax at source from salaries during the financial year 2007-08 can be accessed through the following website.

1. [www.finmin.nic.in](http://www.finmin.nic.in)
2. [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)

This may be brought to the notice of all Drawing and Disbursing Officers under their control who may download the circular from these websites for their guidance and information.

**Sd/- R.N.Das**  
**Under Secretary to Government**

**Top Priority**  
**Deadline cases**

**FINANCE DEPARTMENT**

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No. 786(225) /F.,  
WM-06/2007

Dt.05.01.08

From

**Shri R.N Senapati, 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.30857(237)/F, dt.21.7.2007 & 46655(235/F, dt.1.12.2007.**

**Sir,**

**I am directed** to say that Finance Department have issued instructions to avoid rush of expenditure towards the fag end of the financial year in the circulars under reference and fixed the following deadlines for issue of allotment, surrender of budgeted provision and drawal of funds.

**i) Issue of allotment – By 31.12.2007**

In para 7 of Finance Department Circular No 30857(237)/F, dt.21.7.2007 it was indicated that total allotment including Supplementary provision should be communicated by 31.12.2007 or at the latest by 31.01.2008 in case of re-appropriation or additional allotment. Further it was indicated in para 3(i) of Finance Department Circular No.46655(235/F., dt.1.12.2007 that the Budgetary allotment in respect of original Budget provision as well as Supplementary Provision for 2007-08 shall have to be communicated by all Controlling Officers to the concerned D.D.Os by 31.12.2007 and in case of funds augmented through re-appropriation or on account of late receipt of Central Assistance the allotment would be accepted in Treasuries latest by 15.2.2008.

Some Controlling Officers have not been able to stick to the deadline 31.12.2007. **Therefore, it is now decided that the detailed DDO wise Budget allotments should be supplied by the Controlling**

**Officers in soft copies by 15<sup>th</sup> February, 2008 to the Director of Treasuries & Inspection, Orissa, Bhubaneswar for being fed into the Central server.** Budgetary allotments issued after the stipulated deadline shall not be acted upon by the Treasury Officers except under special circumstances.

**ii) Surrender of provision – By 29<sup>th</sup> February, 2008**

It was indicated in para 7 of Finance Department Circular No.30857(237)/F., dt.21.7.2007 and para 2(v) of Finance Department Circular No.46655(235)/F., dt.1.12.2007 that surrender or Budgetary provision should be completed by 29<sup>th</sup> February, 2008. Surrender of Funds linked to Supplementary provision was required to be made by 17<sup>th</sup> December, 2007 in Para-2(v) of Finance Department Circular No.46655(235)/F., dt.1.12.2007. These deadline are to be followed strictly.

**iii) Last date for submission of bill in Treasury – 10<sup>th</sup> March/15<sup>th</sup> March, 2008.**

It as indicated in para 7 of the Finance Department Circular No. 30857(237)/F., dt.21.7.2007 that last date for submission of bills to the Treasuries in the financial year 2007-08 would be 10<sup>th</sup> March, 2008 for claims under Other Contingency, Machinery, Equipment, Vehicle, Share Capital, subsidy, Loan and 15<sup>th</sup> March, 2008 for other claims.

2. Rush of expenditure in the month of March defeats the objects of efficient and economic use of resources. It may also lead to unproductive and wasteful expenditure. In order to check this unhealthy practice it has been decided to ensure completion of all formalities for sanction and release of funds latest by 15.2.2008 so as to avoid last minute rush and ensure utilization of public funds in a planned and efficient manner.

3. 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 31<sup>st</sup> March, which is technically the end of the current financial year 2007-08, the system would automatically disable all the allotments for 2007-08 across the State as a whole for the financial year 2007-08 and it would not be possible at all to carry out any transaction, relating to the budget of 2007-08 after that time, which is to be accounted for in the financial year 2007-08.

4. It is, therefore, impressed upon all Administrative Departments that the following formalities for sanction/release/drawal of funds should

be completed by the deadlines mentioned below so that budgeted expenditure can be processed for drawal by the OTMS within the timeline indicated above.

- i) Sanction orders for release of funds are to be issued by the respective Administrative Department by 15.2.2008 at the latest. Special care should be taken to ensure that the sanction orders are received by the concerned Controlling Officers and the DDOs in time so that they would be able to complete the formalities like sanction of expenditure for a particular purpose, wherever necessary and submit the bill for drawal in the Treasury/Sub-Treasury within the stipulated deadline.
- ii) **Finance Department will not accept any proposal for sanction of funds and release from Civil Deposit after 20<sup>th</sup> February, 2008.**
- iii) Requisition for Letter of Credit in respect of the Controlling Officers of the Engineering Departments should be furnished to Finance Department by the respective Administrative Departments within 15<sup>th</sup> February, 2008 indicating the requirement of funds for February, 2008 & March, 2008. No request for issue of Letter of Credit will be accepted in Finance Department after 15.02.2008, except in very exceptional cases for which the concerned Departments are to furnish convincing reasons.
- iv) The Controlling Officers are to monitor proper utilization of funds released for maintenance and repair of the Roads, Buildings, PH works, Water Supply etc. by preparing a database of the work done and submit Utilization Certificate along with User's certification in terms of instructions contained in Finance Department Circular No.45495(4) dt.26.9.2005.
- v) **Re appropriation of funds**, if necessary, should be completed by 15.2.2008 as the last date for issue of allotment has been fixed to 15.2.2008. **Treasuries will not accept any allotment after 15.02.2008.**
- vi) Surrender of unutilized budgetary provisions should be made **by 29.2.2008.**
- vii) Controlling Officers are to ensure transmission of the soft copies of DDO wise Allotment Data against Budget provision for 2007-08 to Director of Treasuries & Inspection, Orissa by **15.2.2008**. The concerned Controlling Officers shall be held responsible for any dislocation in Government transactions and lapse of budgeted funds arising out of non-receipt of such data in soft copies by the Director of Treasuries and Inspection, Orissa by 15.2.2008.



- viii) **The last date for submission of bills requiring payment incash or by transfer credit in respect of claims under Other Contingency, Machinery, Equipment, Vehicle, Share Capital, Subsidy, Loan is fixed to 10<sup>th</sup> March, 2008 and 15<sup>th</sup> March, 2008 is the last date for submission of bills relating to other claims involving payment in cash or by transfer credit.**
- ix) **The Administrative Department and the Controlling Officers should scrupulously adhere to the following expenditure targets :-**
- Non Plan Revenue Expenditure as stipulated by the 12<sup>th</sup> Finance Commission including the Grants for maintenance of Roads & Bridges, Non Residential & Residential Buildings provided in the Budget of different Departments should be fully spent.
  - Provisions for Non-Plan Revenue Expenditure including the Finance Commission Grants for Health & Education Sectors as provided in the budget of 2007-08 should be utilized fully.
  - Grants to Urban Local Bodies and PRIs on the recommendation of 12<sup>th</sup> Finance Commission should also be transferred to the concerned Local Bodies in full.
  - Under State Plan, the 12<sup>th</sup> Finance Commission grant for Chilka Lake, Sewerage System for Bhubanewar, Heritage Conservation and maintenance of Forests should be fully utilized.
  - **Sanction & release of funds for these purposes should be given top priority so as to reach the targeted level of expenditure fixed by the 12<sup>th</sup> Finance Commission failing which the State Government will stand to lose a substantial amount of grant.**
  - **However, there will be no relaxation in the deadline for issue of allotments, re-appropriations (31.12.2007/15.02.2008) and submission of bills (10.3.2008/15.3.2008) in these cases.** The concerned Department should take advance action in this regard.
- x) **The Budgetary provision for Relief Expenditure should be released fully in time by issue of allotment according to the deadline fixed i.e 31.12.2007/15.02.2008. The drawal of funds as per the allotment issued should be ensured by presentation of bills in the Treasury (by 15.3.2008) and filing of requisition for LC (by 15.2.2008) as per the deadlines stipulated above.**
- xi) **Budgeted funds shall not be allowed to be transferred to Civil Deposit under any circumstances and 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.

- xii) Money after drawal from Bank/Treasury should not be kept outside Public Account.

**5. Timely verification and reconciliation of expenditure for 2007-08**

The deadline fixed for verification / reconciliation of expenditure for 2007-08 as indicated in FD Circular No.46655(235)/F dated 1.12.2007 should be strictly followed.

6. Keeping in view the difficulties faced in the past, observations made in the Reports of Comptroller & Auditor General of India for different years and the concern expressed by Public Accounts Committee on rush of expenditure towards fag end of the financial year, belated surrenders, non release of budgeted funds in time etc., the Action Points and Deadlines have been indicated in the preceding paragraphs to ensure fiscal accountability at all levels. The concerned Controlling Officers are to be held accountable in case of violation of these instructions.

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

Yours faithfully,

**Sd/-R.N.Senapati**  
**Principal Secretary to Government**

**FINANCE DEPARTMENT**

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**No.2232 (22)/F., dt.16.01.08**  
**WMB-2/07**

From

Shri R.N.Senapati, IAS,  
 Principal Secretary to Government.

To

The Principal Secretaries/  
 Commissioner-cum-Secretaries/  
 Secretaries to Government  
 Home Department, G.A. Department,  
 Revenue & Disaster Management Deptt.,  
 Commerce Department, Works Deptt.,  
 FS & CW Deptt., S & ME Deptt.,  
 ST & SC Dev. & Minority & Backward  
 Classes Welfare Deptt., H & FW Deptt.,  
 H & UD Deptt., L & E Deptt., P.R. Deptt.,  
 W.R. Deptt., Transport Deptt.,  
 F & E Deptt., Agriculture Deptt.,  
 Steel & Mines Deptt., R.D. Deptt.,  
 T & H Deptt., T & C Deptt., F&ARD Deptt. and  
 Cooperation Department.

Sub :- Need to accelerate the pace of capital expenditure to utilize the provision made in BE & Supplementary Statement of Expenditure 2007-08.

Sir/Madam,

I am directed to say that the monthly Civil Accounts for November, 2007 received from the Account General (A&E), Orissa, reveal that the Capital Expenditure during 2007-08 (upto November, 2007) is Rs.659.89 Crore against the Budget Estimate of Rs.1913.77 Crore which works out to 34.48% of the BE. The Department-wise provision for Capital Expenditure made in the BE 2007-08 is indicated in Annexure-I.

It is needless to say that in the Supplementary Statement of Expenditure Rs.1273.31 Crore has been provided for capital expenditure. The Department-wise provision is indicated in Annexure-II.

Substantial, provisions have been made for Capital Expenditure under the Schemes AIBP, Central Road Fund Works. RIDF and EAPs. The Departments implementing these schemes would have to gear up their efforts to utilize the provisions, so that Capital Expenditure contributing to economic growth can be augmented substantially.

I would, therefore, request you to kindly look into the matter personally and instruct the Controlling Officers of your Departments to ensure that the provisions made in the Budget Estimate and the Supplementary Statement of Expenditure 2007-08, placed at their disposal, can be utilized fully and properly with emphasis on completion of incomplete projects/works, so that socio-economic benefits of the Government Programmes actually trickle down to people at large.

Yours faithfully,

**Sd/- R.N.Senapati**  
**Principal Secretary to Government**

**Top Priority**  
**Deadline cases**

**FINANCE DEPARTMENT**

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**No. ~~6981~~ (237)/F., Dated 18.02.08**  
**WN-7/2008**

**From**

**Shri R.N.Senapati, IAS,**  
**Principal Secretary to Government.**

**To**

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

**Sub : Revised 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 Nos.30857 (237)/F., Dt.21.07.2007, 46655 (235)/F., Dt.01.12.2007 & 786 (225)/F., dt.05.01.2008.

Sir,

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

Keeping in view the difficulties faced by different Departments on the above score and the time required for feeding of allotment in OTMSto exercise checks against provisions of funds, the following deadlinesare revised and further extended as indicated below :-

<b>Sl.No.</b>	<b>Items</b>	<b>Previous Deadline with Ref. to F.D. Letter No.</b>	<b>Revised Deadline</b>
1	Issue of Sanction Orders and release of funds	<b>15.02.2008</b> (Para-2 & 4 (i) of Letter No.786(225)/F., dt.05.01.08)	<b>29.02.2008</b>
2	Concurrence of F.D. for Sanction and release of	<b>20.02.2008</b> (Para-4 (ii) of Letter No.786(225)/F., dt.05.01.08)	<b>29.02.2008</b>

	funds from Civil Deposit.		
3	Requisition for L.C.	<b>15.02.2008</b> (Para-4 (iii) of Letter No.786(225)/F., dt.05.01.08)	<b>29.02.2008</b>
4	Re-appropriation of funds and issue of allotment	<b>15.02.2008</b> (Para-4 (v) of Letter No.786(225)/F., dt.05.01.08)	<b>29.02.2008</b>
5	Surrender of un-utilised funds	<b>29.02.2008</b> (Para- 4 (vi) of Letter No.786(225)/F., dt.05.01.08)	<b>05.03.2008</b>
6	Submission of Soft copies of Allotment Data to DT & I (O)	<b>15.02.2008</b> (Para-4 (vii) of Letter No.786(225)/F., dt.05.01.08)	<b>29.02.2008</b>

2. I would, therefore, request you kindly to take timely steps for sanction, release, re-appropriation and surrender of funds by the revised deadlines stipulated above so as to ensure, submission of bills in the Treasuries by the deadlines stipulated in Finance Department Circular No.30857(237)/F., dated 21.07.2007 and No. 786(225)/F., dated 05.01.2008. It should be noted that there will not be any further relaxation in the deadlines indicated above under any circumstances whatsoever in the interest of fiscal discipline and effective financial management.

Yours faithfully,

**Sd/-R.N.Senapati**  
**Principal Secretary to Government**

## *MISCELLANEOUS MATTERS*

## **FINANCE DEPARTMENT**

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### **OFFICE MEMORANDUM**

**Bhubaneswar, the 25<sup>th</sup> May, 2007.**

No. Loans-03/2007 - 23997/F., In partial modification of Para 4(iii) of the Finance Department Office Memorandum No.33311/F., dt.12.07.2005 the loan and guarantee ledgers as referred in serial (i) and (ii) of the said memorandum shall be vetted by the Director, Institutional Finance and Ex-officio Additional Secretary to Government, Finance Department instead of the Joint Secretary (Budget), Finance Department as contained in the aforesaid Office Memorandum. The other points contained in the original Office Memorandum shall remain unaltered. This will come into force with immediate effect.

By Order of the Principal  
Secretary

Sd/-R.K.Mishra,  
Director, I.F. & Ex-officio  
Addl. Secretary to Government



**FINANCE DEPARTMENT**

**NO.XIV-AUD-01/03-3959/F, BBSR, Dt.31.05.07**

From Sri Priyabrata Mishra.  
Examiner of Local Accounts-cum-Spl. Secy. to Govt.

To All District Audit Officers,  
Local Fund Audit.

Sub : Timely submission of monthly tour programmes, tour dairies & tour particulars of the District Audit Officers alongwith approved tour programmes of the Audit Superintendents.

Sir,

With reference to the captioned subject, it is needless to mention here that Govt. had issued circulars/ instructions from time to time regarding timely submission of monthly tour programmes of the D.A.Os etc. But it is a matter of great regret that these instructions instead of being strictly adhered to are observed in breach. Hence, after careful consideration of all the aspects, the Govt. have been pleased to decide as follows :

- I) The district Audit Officers are directed to submit their tour programmes for the month to the Deputy Examiner in his name for necessary approval on or before 25<sup>th</sup> of the preceding month positively.
- II) As reiterated in this Deptt. Letter No.7748/F dated 25.09.06, the D.A.Os are once again instructed to chalk out their monthly tour programmes in consultations with the Audit Superintendents under their control in such a systematic and scientific manner that optimum utility of the supervisory personnel can be well derived.
- III) The approved monthly tour programmes of the Audit Superintendents under your control should also be submitted to the Deputy Examiner by the aforesaid dateline positively.
- IV) No-tours should be undertaken without prior approval of the competent authority except for surprise inspections and emergent occasions where the deviation intimation with reasons should be sent to the Deputy Examiner on the same day or the next day.
- V) The above mentioned instructions should be followed scrupulously. Any deviation in this regard will be viewed seriously and the tour particulars of the defaulters will not be countersigned for drawal as well.

The receipt of the letter may please be acknowledged.

Yours faithfully,

**Sd/-P.Mishra**

**Examiner of Local Accounts-cum-Special Secretary to Government**

**FINANCE DEPARTMENT**

No. 4809 (11) /F., Dt.27.06.07  
**XIV-AUD-25/2007**

To

The Principal Secretary/Commissioner-cum-  
Secretary/Secretary to Govt.

Panchayati Raj Deptt.

ST & SC Development Deptt.

School & Mass Education Deptt.

Agriculture Deptt.

Industries Deptt.

Water Resources Deptt.

Fisheries & Animal Resources Dev. Deptt.

Science & Technology Deptt.

Housing & Urban Dev. Deptt.

Health & Family Welfare Deptt.

Forest & Environment Deptt.

Sub : Submission of compliance notes on the C & AG's Reports for the  
years 1997-98, 1998-99, 1999-2000 and 2000-2001.

Sir,

I directed to say that comptroller & Auditor General of India in their report for years 1997-1998 to 2000-2001 (Civil) has pointed out some financial irregularities and lapses in the maintenance of accounts of the sub-ordinate Office functioning under the administrative control of the Department as per list enclosed in Appendix. It is pointed out that during the course of audit of autonomous bodies. Accountant General Audit found that grants sanctioned in a financial year have not been utilized in the same year fully and it is also seen that unspent balances are not being refunded to Govt. Treasury and are being carried over to subsequent years as a matter of routine. It is a gross violation of General Financial Rules. During these years from 1997-98, 1998-99, 1999-2000 and 2000-2001, no. of institutions as per list enclosed in the Xerox copy of the CAG Report have acted in this irregular manner which needs to be stopped immediately. Hence it has become imperative that the Administrative Deptt. must issue necessary instruction to the offices under their control in the manner mentioned above impressing that the funds allocated in a particular year should be spent in the same year. Any unspent balance should be refunded back to the Treasury and Finance Deptt. should be intimated of the surrender of the savings. Compliance to the observation of

A.G. in the paras enclosed herewith may be sent to Finance Deptt. for compilation of the same and re-submission to the A.G. and O.L.A.

Yours faithfully,

**Sd/-**

**Deputy Secretary to Govt.**

## FINANCE DEPARTMENT

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NO.XIV-AUD-25/2007- 5621/ Dt. 31.7.2007

To

**The Principal Secretaries / Commissioner-cum- Secretaries/  
Secretaries / Special Secretaries to Govt. All Departments**

**Sub: Compliance to persistent Audit objections relating to  
utilization of Grant-in-Aid by different Autonomous Bodies.**

**Ref:- Finance Department letter no. 4809 (11)/F dt. 27.06.2007.**

**Sir,**

I am directed to invite a reference to the persistent irregularities pointed out in C & AG Reports (Civil) for the years 1997-98, 1998-99, 1999-2000 & 2000-01, in respect of unutilized balance of Grant-in-aid to Autonomous Bodies, in violation of the procedure laid down in Orissa General Financial Rules, volume-I Compliance to these Audit observation were called for from the Administrative Department in letter No. 4809(11)/F dt, 27.6.2007.

2. Audit findings pertaining to the accounts of autonomous bodies like **Panchayat Samities, DRDAs, Urban Local Bodies, ITDAs, OPEPA, etc under the Administrative Departments like Panchayat Raj, School & Mass Education, ST & SC Development, Fisheries & ARD, Housing & Urban Development, Health & F.W., Agriculture, Industry, Forest & Environment, Water Resources and Science & Technology** under Section 14 of Comptroller & Auditor General (Duties, Power and Conditions of Service) Act, 1971, have brought to light huge unspent balances of grant received by these Autonomous Bodies. ( The audit objections have been incorporated in para no. 6.1.(b) for the year 1997-98, para no. 5.1.2. for the year 1998-99, para no. 6.1.2. for the year 1999-2000 and para no. 5.1.2 for the year 2000-01 in reports of C& AG (Civil), India). In accordance with the extant Financial Rules of Government the grant should be utilized within the financial year during which the grant was sanctioned or within one year from the date of sanction. The upspent balances of any are to be funded to Government Treasury immediately adjusted against the next year's grant thereafter unless permitted by Government for utilization in subsequent year. While sanctioning recurring grants it should be clearly stated in the sanction order that unspent balance of the previous year's grant has either been surrendered or taken in to account in sanctioning the subsequent grant. These provisions were not followed by the grantee autonomous bodies and the grant sanctioning authorities scrupulously. The unspent balances are being carried over to subsequent year in a

routine manner in violation of the provisions of Orissa General Financial Rules. The unspent balances for the years covered in the audit report are detailed below which speak of the magnitude of the irregularities pointed out by audit.

Year of Report	Para No.	Amount of unspent balances carried over to subsequent year (Rs. In Crore)	No. of Autonomous Bodies
1997-1998	6.1 (b) (i)	298.34	110
1998-1999	5.1.2.(i)	178.17	151
1999-2000	6.1.2.(i)	119.17	102
2000-2001	5.1.2 (i)	171.11	113

3. In course of audit it was further noticed that the autonomous bodies are not maintaining the prescribed register of grant-in-aid to record expenditure incurred sanction-wise and scheme wise for each year against the funds received. As a result, the periods to which the unspent balances relate and reasons for non-utilisation of grant-in-aid could not be explained by the autonomous bodies. This may lead to diversion of funds for other purposes.

4. Further it is observed by Audit inspite of procedure laid down in Orissa Zilla Parisada and Panchayat Samity. Accounting Procedure Rules, 1961, generally payment of advance in huge amounts are made which are to be promptly adjusted by subsequent vouchers. In case vouchers for adjustment has not been furnished steps should be taken to recover the amount in order to avoid loss to the state exchequer with lapse of time. No compliance on these two types of common irregularities detected in these reports of C & AG (Civil) has been received from any of the Autonomous Bodies.

5. The provision relating to sanction and payment of grant-in-aid as laid down on the OGFR is extracted and enclosed as the annexure.

6. It is therefore impressed on all grant sanctioning Authorities that they should follow the provisions of OGFR and Orissa Treasury Code and the DDOs and the Controlling Officer are also required to see that the grant should be utilized within the financial year in which the grant was sanctioned or within one year from the date of sanction. The unspent balances of the grant-in-aid should be refunded to Government Treasury within the financial year or special permission may be obtained from the Government for utilisation of unspent balance in subsequent year. The unspent balances should not be carried over to subsequent years in a routine manner. The prescribed register of grant-in-aid should be maintained properly to record the expenditure incurred sanction wise and scheme-wise for each year against the funds

received. As regards outstanding advances of different Zilla Parishads and Panchayat Samities, the provisions of Orissa Zilla Parishada and Accounting Procedure Rules, 1961 should be strictly followed. Steps should be taken to adjust or recover the outstanding advances from the persons responsible to avoid possible loss or misappropriation with lapse of time.

7. These instruction should be circulated among all Heads of Departments, grant sanctioning Authorities and DDOs. Administrative Departments through the FAs & FAs should keep watch over sanction and utilization of grant-in-aid provided in the Demand of the Department by putting in place a suitable monitoring mechanism in order to enforce accountability of the grantee institutions for grant sanctioned to them.

Yours faithfully,

**Sd/-P Mishra**  
**Special Secretary to Government**

## **ANNEXURE**

### **SECTION III-GRANTS-IN-AID, CONTRIBUTIONS ETC;**

#### **GRANTS TO PUBLIC BODIES, INSTITUTIONS ETC.**

170. The sanction necessary for payment of grants-in-aid or contributions to educational and other institutions, local bodies and Co- operative Societies and of educational scholarships is regulated by departmental rules or orders. A few rules on the subject are contained in Appendix 10. The procedure regarding disbursement of grants-in-aid contributions, scholarships etc at the treasury is contained in Subsidiary Rules 350-354 of the Orissa Treasury Code, Volume I and orders of Government issued from time to time. Certain essential instructions supplementing the rules in the Orissa Treasury Code are given in Appendix 10. The following instructions are issued for the general guidance of subordinate authorities in the matter of according sanctions for grants-in-aid.

171.(1) (a) Before any grants-in-aid is sanctioned by any Department of Government in favour of any private individual or local body or institution for specific purpose, the Administrative Departments should, well in advance, take steps to provide funds., such provision for all non- recurring grants of Rs. 5,000 or above in each individual case and for all recurring grants irrespective of the amount, being made with the approval of the Legislature.

(b) Grant should be made available as far as possible on the basis of specific schemes drawn up in sufficient detail and duly approved by Government. Periodically reports indicating the expenditure on each of the objects as detailed in the scheme should be called for and scrutinized in order to check whether there is variation or unauthorized diversion of funds.

(c) Unless any case Government direct otherwise, every order sanctioning a grant should specify clearly the object for which it is given and the conditions, in any, attached to the grant. In case of non- recurring grants for specified objects the order should also specify the time limit within which the grant of each instalment of it is to be spent.

(d) Before sanctioning grants-in-aid for any specific purpose, an undertaking should be obtained from the grantee to the effect that no such grant has been received from any other source for the same purpose.

(e) Every sanction order should indicate clearly (i) whether the grant has been sanctioned on a recurring or non-recurring basis and (ii) the designation of the countersigning authority;

(2) Unless it is otherwise ordered by Government every grant made for specific subject to the implied conditions:-

- (i) that the grant will be spent upon the object within a reasonable time, if no time-limit has been fixed by sanctioning authority, and
- (ii) that any portion of the amount which is not ultimately required for expenditure upon that object should be duly surrendered to Government.

(3) (a) The expression 'reasonable time' occurring in sub-rule(2) above should ordinarily be interpreted to mean one year from the date of issue of the letter sanctioning the grant even though the period extends beyond the financial year. However, except in respect of sanctions, which require the entire grant to be utilized during a financial year, only so much of the grant should be paid during the financial year as is likely to be expended during that year but the amount remaining unspent at the end of the year need not be refunded at the close of the financial year. Immediately on the expiry of the period of one year from the date of sanction, any unspent balance out of the grant should be duly surrendered to Government. In respect of sanctions which require the grant to be utilized during a financial year, the unspent balance thereof should be surrendered to Government at the end of the financial year, or may be adjusted by the sanctioning authority against the next year's grant, if any. In cases where grants are in the nature of reimbursement of expenditure already incurred, the expenditure incurred within a period of one year the date of issue of the sanction should only be taken into account in sanctioning the grant. When recurring grants-in-aid are sanctioned to the same institution for the same purpose, it should be clearly stated in each sanction order that the unspent balance of the previous year's grant has either been surrendered to Government or that it has been taken into account in sanctioning the subsequent grant. The procedure to be followed in sanctioning grants-in-aid in sanctioning the subsequent grant. The procedure to be followed in sanctioning grants-in-aid to small institution which are entirely or mainly financed by Government and to local bodies is contained in Appendix 10.

(b) The authority signing or countersigning a bill for grants-in-aid under subsidiary rule 351 of the Orissa Treasury Code should see that the money is not drawn in advance of requirements. There should be no occasion for a rush for payment of these grants in the month of March.

(4) Before a grant is paid to any public body or institution, the sanctioning authority should, as far as possible, insist on obtaining an

audited statement of the account of the body or institution concerned in order to see that the grants-in-aid is justified by the financial position of the guarantee and to ensure that any previous grant was spent for the purpose for which it was intended. It is not essential for this purpose, however, that the accounts should be audited in every case by any of the audit agencies of the State Government or the Accountant General, Orissa, and it will be sufficient, therefore, if the accounts are certified as correct by a Registered Accountant or other recognized body of auditors. In the case of small institutions, which cannot afford to obtain the services of Registered Accountant or other registered body of auditors, the sanctioning authority may exercise its discretion of exempting any such institution from submission of accounts audited in this manner.

The authority sanctioning a grant while communicating the sanction to the Accountant-General should state whether the audited statement of accounts has been received when required or whether the grantee has been exempted from submitting the statement.

NOTE 1- This order applies both to the non-official and to semi-official institutions such as public clubs. etc.

NOTE 2 – A target date should be prescribed for submission of audited statements of accounts by the grantee-institutions to the sanctioning authorities concerned and for submission of utilization certificate to the Accountant – General

(5) The following conditions should be observed in the matter of sanction of grants in aid which result in the creation or acquisition of permanent or semi-permanent assets :-

- (i) The grantee institutions should maintain a register in form No. O.G.F.R. 30 –A of the permanent and semi-permanent assets acquired wholly or substantially out of Government grants. The register should be maintained by the grantee institutions separately in respect of each sanctioning authority and a copy thereof furnished to the sanctioning authority annually.

(F.D.O.M. No. Codes -55/80-55088-F, -dated the 30<sup>th</sup> October 1980)

- (ii) The sanctioning authorities should also maintain block accounts of permanent and semi-permanent assets acquired wholly or substantially out of Government grants in Form No. O.G.F.R.31. This record is of a permanent nature and should be posted from the annual return furnished by the grantee institutions.



- (iii) The Register of Assets and the Register of Block Accounts maintained by the grantee institutions and the sanctioning authorities respectively should be open to scrutiny by audit.
- (iv) An undertaking should be obtained by the sanctioning authorities from the grantee institutions to the effect that they (the institutions) agree to be governed by the conditions of the grants which result in the creation or acquisition of permanent or semi-permanent assets.
- (v) In respect of grants to non-government or quasi- Government bodies or institutions the assets should not, without prior sanction of Government be disposed of encumbered or utilized for purpose other than those for which grants are sanctioned. This condition may be laid down in the orders sanctioning grants-in-aid.

NOTE- Assets for the above purpose should mean (a) immovable property and (b) movable property of a capital nature where the value exceeds Rs. 1,000.

(6) With regard to the accounts of all institutions the audit of which is conducted by the Examiners of Local Accounts, Orissa, either under the provisions of Local Fund Audit Act, 1948 or under any other law in force or under specific orders of Government, the Examiner, Local Accounts concerned will be the only competent agency responsible to issue audit certificate to the respective Accountant General irrespective of the extent of amounts of grants received by those institutions. Where the accounts are not audited by the Examiner, Local Accounts but by another Head of the Audit Organisation under the State Government, the latter will be responsible to furnish the certificate.

Before sanctioning grants-in-aid to private institutions of sum of Rs. 10,000 or more the sanctioning authority should ensure that proper arrangement is made for the audit of the accounts of the grantee by the Examiner, Local Accounts or the internal Audit Organisation-in-charge, if any, as the case may be.

172.(a) The accounts of institutions who received grants-in-aid in excess of Rs. 50,000 recurring or Rs. 1,00,000 non-recurring during a year will be open for a test check by the Accountant-General, Orissa at his discretion. All sanctions to grants-in-aid should, therefore, be issued by the competent authorities with the specific conditions laid down therein that the accounts of the grantee receiving the grant together with all relevant papers should be open for a test check by the Accountant-General at his discretion if the total amount received by way of grants-in-aid during a year exceeds the limits as above.

This however, shall not be construed to mean that the accounts of such institutions would not be checked by any internal audit agency of the State Government, or a Registered Accountant of other registered body of auditors as may be required under the rules and orders issued by the Government.

(F.D.O.M. No. Codes -148/65-2055/F, (1<sup>st</sup> dated the 24<sup>th</sup> May 1965)

(b) With a view to enable the Accountant-General to decide whether to take up an audit in a particular case or not copies of all audit reports on the accounts of the institutions receiving grants (both conditional and unconditional) or extracts thereof relating to grants-in-aid should be furnished to the Accountant-General by the authorities concerned.

Even in respect of unconditional grant-in-aid Government reserve the right to have the accounts of the recipient body audited by the Accountant-General on their own initiative, if and when occasion demands, to satisfy themselves generally regarding the manner in which the affairs of the recipient body are being managed.

Any audit in pursuance of these provisions will be undertaken by the Accountant-General in consultation with the Administrative Department concerned who will make necessary arrangements with the institution for the conduct of such audit.

( c) The monetary limits prescribed above shall not, however, be treated as in way fettering the discretion of Accountant-General in approaching the State Government, if in any very special case he considers that an audit of the recipients, books, even when the amount is less , is called for.

(d) Grants-in-aid sanctioned in favour of Panchayat Samities and Zilla Parishads irrespective of the amount of grant will be subject to testcheck by the Accountant-General.

(F.D.O.M. No. Codes-20/72-6475-F, dated 22<sup>nd</sup> February 1972)

173. In cases in which conditions are attached to the utilization of a grant in the form of specification of particular objects of expenditure or the time within which the money must be spent, or otherwise, the Departmental officer on whose signature or counter-signature the grants-in-aid bill was drawn should be primarily responsible for certifying to the Accountant-General, where necessary, the fulfillment of the conditions attaching to the grant, unless there is any special rule or order to the contrary. The certificate should be furnished in duplicate in Form O.G.F.R. 7A so as to reach the Administrative Department by the 1<sup>st</sup> June of the succeeding year of expenditure. One copy of the certificate shall be retained in the Administrative Department and

another copy shall be sent to the Accountant-General, Orissa, by the 30<sup>th</sup> June of that year. Before recording the certificate, the certifying officer should take steps to satisfy himself that the conditions on which the grant was sanctioned have been or are being fulfilled. For this purpose he may require the submission to him at suitable intervals of such reports, statements, etc. in respect of the expenditure from the grant as may be considered necessary. Where the accounts of expenditure from the grant are inspected or audited locally, the inspection or audit report, as the case may be, will either include a certificate that the conditions attaching to the grant have been or are being fulfilled or will give details of the reaches of those conditions. Extracts of such Inspection or Audit Reports should invariably be sent to the respective Heads of Departments and the Administrative Departments of Government and to the Accountant – General, Orissa by the Head of the Audit Organisation concerned.

(F.D.M.O. No. Codes-23/63-19937-F, dated the 31<sup>st</sup> May 1963)

### **EXPENDITURE FROM DISCRETIONARY GRANTS**

174. When under orders of competent authority, an allotment for discretionary grants is placed at the disposal of a particular officer, the expenditure from such grants will be regulated by general or special order of the State Government, specifying the objects for which the grants can be made and any other condition that should apply to them. Such grants must be non-recurring i.e., not involving any future commitments.

NOTE – The General orders in respect of expenditure from discretionary grants are given in Appendix 12.

### **OTHER GRANTS**

175. Grants, subventions, etc., other than dealt with in the foregoing rules, can be made only under special orders of Government.

## **SECTION IV- COMPENSATION TO CIVIL OFFICERS FOR LOSS OF PROPERTY**

### **(a) DUE TO SERIOUS INTERNAL DISURBANCES DIRECTED AGAINST GOVERNMENT**

176.(1) Compensation will be restricted to cases of loss or damage or destruction of the property of a Government servant on duty where such

loss, damage or destruction has arisen out of internal disturbances directed against Government, Where such loss, damage or destruction is not so connected no compensation will be payable.

(2) Where the loss, damage or destruction has happened partly on account of such disturbances against Government and partly through other agencies compensation should still be paid where the main cause of loss, damage or destruction was on account of the anti-Government disturbances. Cases might occur where in pursuance of the anti-Government demonstration, the property has been removed by the demonstrators to another place and destroyed by accident or by a third party. In such cases compensation will only be paid so long as the damage or destruction arises out of events connected with the disturbances. The sanctioning authority should also satisfy itself that the officer. ....

**No.Loans-03/2007 - 33493/F.,**

**FINANCE DEPARTMENT**

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**OFFICE MEMORANDUM**

**Bhubaneswar, the 13<sup>th</sup> August, 2007.**

In supersession of this Department Office Memorandum No. 23997/F., dt. 25.05.2007, the Special Officer-cum-Joint Secretary to Government (Joint Secretary, Budget) Finance Department is hereby authorized to vet the loan and guarantee legers as referred to in Para – 4(i) and (ii) of Finance Department Office Memorandum No.33311/F., dt.12.07.2005.

2. Other instructions contained in the Office Memorandum No.33311/F dt.12.07.2005 shall remain unaltered.

3. This will come into force with immediate effect.

By Order of the Principal  
Secretary

**Sd/-S.K.Mishra,  
Addl. Secretary to Government**

**FINANCE DEPARTMENT**  
**No. 6197 (13) /F., Dt.18.08.07**  
**XIV-AUD-14/07**

From Sri G.C.Panda  
D.E.-cum-Deputy Secretary to Government

To All District Audit Officers,  
Local Fund Audit.

Sub : Days allowed for review of D.A.Rs (Test Audit) on the accounts of pre-audit Blocks.

Ref :- This Deptt. Order No.11000/F., Dt.13.12.2002

Sir,

I directed to say that as per the decision of the Examiner of Local Accounts, test audit on the accounts of the Panchayat Samitis, those are under pre-audit system, is being conducted according to the guidelines issued for the purpose vide this Deptt. Order No.11000/F dt.13.12.2002. For conducting test audit, 12 days in terms of party has been allowed for one years pre-audited accounts excluding transit, but no time has been prescribed for review of D.A.R. thereon in the aforesaid guidelines. As a result of this no uniformity is being maintained at the District Audit Office level in consumption of days for review of D.A.Rs for one year's accounts. The days vary from 1 to 3days as seen from the Annual Audit Programmes for the year 2007-08 submitted by different D.A.Os.

In order to bring uniformity in providing days for review, it is now decided that one day per year of pre-audited accounts is allowed for the purpose.

This order will take immediate effect.

Yours faithfully,

**Sd/- G.C.Panda**  
**D.E.-cum-Deputy Secretary to Govt.**

## **FINANCE DEPARTMENT**

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### **NOTIFICATION**

**Bhubaneswar, the 1<sup>st</sup> September, 2007**

No.MDRAFM-23/2007 – 36304/F., Pursuant to Rule 20 of Orissa Service Code Volume-I read with Rule 2(xv) of Orissa Government Financial Rules, Volume-I, the State Government hereby declare the Director, Madhusudan Das Regional Academy of Financial Management, Bhubaneswar as Head of the Department to enable him to discharge the duties and responsibilities of Heads of the Departments as per above codal provisions with immediate effect.

2. He is authorized to discharge the administrative and financial power of Heads of the Department in accordance with the Delegation of Financial Power Rules, 1978.

3. The Finance Department shall continue to be the budget controlling authority in respect of Madhusudan Das Regional Academy of Financial management, Bhubaneswar.

By Order of the Governor

**Sd/- D.P.Das**  
**Special Secretary to Government**

## FINANCE DEPARTMENT

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**Memo No. GIS-II-1178/07 – 44674 (370)/F., Dt.16.11.07**

To

All Departments of Government/  
All Heads of Departments/  
All Revenue Divisional Commissioners/  
All Collectors/  
Registrar, Utkal University, Vani Vihar, Bhubaneswar/  
Registrar, Sambalpur University, Jyotivihar, Sambalpur/  
Registrar, Berhampur University, Bhanjavihar, Berhampur/  
Registrar, Orissa University of Agriculture & Technology,  
Bhubaneswar/  
Secretary, Board of Secondary Education, Orissa, Cuttack/  
Secretary, Council of Higher Secondary Education, Orissa,  
Bhubaneswar/  
All Executive Officers of Municipal Corporations/Municipalities/  
NACs of the State.

**Sub : Deposit of premium in favour of the employees under GIS and sanction of assured sum to the legal heir(s) of the deceased employees for premature death of the employees while in service.**

It has come to the notice of Government that in several cases the Drawing and Disbursing Officer of the establishment and the employees concerned do not take timely action for sanction and deposit of required amount of premium under the GIS after enhancement/fixation of pay of the employees on promotion, revision of pay, sanction of increment etc. As a result, large number of death cases under short deposit are referred to Finance Department for sanction and payment of full benefits to the legal heir(s) of the deceased employees. Besides, some legal heir(s) of the deceased employee are filing cases in different Courts with claims for full benefits under the scheme even if timely deposit of the required amount of premium has not been made during the life time of the deceased employees.

Sanction of the sum assured under G.I.S. is interlinked with timely deposit of required amount of premium prior to the death of the employee. It is, therefore, the exclusive responsibility of the D.D.O. to ensure that up-to-date and timely deposits are made in respect of each employee working in the establishment concerned under the G.I.S. This is absolutely necessary to provide financial protection to the family



members of the employee concerned in case of his/her sad and sudden demise while in service.

With a view to avoiding any lapse on this account with necessary scrutiny and adequate vigilance, the Government, after careful consideration, have been pleased to decide that the D.D.O. henceforward, shall submit a certificate in the pay bill every month that the required premium amount in respect of all the employees of his establishment under the G.I.S. has been sanctioned and deducted from the salary of each employee in whose favour the pay of the month is being drawn and its timely deposit shall be ensured by him. The concerned D.D.O. shall be squarely responsible for non-deposit of G.I.S. premium at enhanced rate. In case of any liability accruing to the State for non-deposit of the enhanced premium in time, the same would be recovered from the concerned D.D.O.

The above procedure shall be effective from 01.01.2008 and in the salary bill for the month of December, 2007 drawn in January, 2008.

**Sd/- R.N.Senapati**  
**Principal Secretary to Government.**

## **FINANCE DEPARTMENT**

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**L.No. 10493 /F, BHUBANESWAR, DATE :31.12.2007**  
**XIV-AUD-43/2007**

### **NOTIFICATION**

In exercise of the powers conferred by sub-section (2) of section – 4 of the Orissa Local Fund Audit Act, 1948 read with the Orissa Local Fund Audit (Amendment) Act, 1976, the State Government do hereby empower the following officers to exercise the powers under section-9 of the said Act in respect of Municipalities, Notified Area Councils, Panchayat Samities, Universities, Non-Government Aided Educational Institutions and other institutions subject to statutory audit in accordance with the provisions of the said Act, against any particular individual relating to any one Audit Report to the extent of revised amount mentioned against each :

- |  |   |
|--|---|
| (i) Assistant Examiner of Local Accounts | In all cases where the amount involved does not exceed Rs.50,000/-                          |
| (ii) Deputy Examiner of Local Accounts   | In all cases where the amount involved exceed Rs.50,000/- but does not exceed Rs.1,50,000/- |
| (iii) Examiner of Local Accounts         | In all cases where the amount involved exceed Rs.1, 50,000/-                                |

This supersedes the earlier Notifications in this matter and will come in to force with immediate effect.

**By Order of the Governor**

**Sd/-Priyabrata Mishra**  
**Examiner-cum-Special Secretary to Govt.**

## **FINANCE DEPARTMENT**

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### **NOTIFICATION**

**No. 355 /F. Dt.11.01.2008**  
**LFA-TP-II-6/2007**

In exercise of the powers conferred by the proviso to Article 309 of the Constitution of India, the Governor of Orissa is pleased to make the following rules for regulating the method of recruitment and the conditions of service of persons appointed as Audit Officers in Local Fund Audit, namely :-

1. Short title and commencement :- (1) These rules may be called the Orissa Local Fund Audit (Audit Officers) Rules, 2007.

(2) They shall come into force on the date of their publication in the Orissa Gazette.

2. Definitions :- (1) In these rules, unless the context otherwise requires,

- (a) "Commission" means the Orissa Public Service Commission;
- (b) "Government" means the Government of Orissa;
- (c) "Department" means Finance Department of the Government;
- (d) "Secretary" means the Secretary of the Department;
- (e) "Service" means the Orissa Local Fund Audit (Audit Officers) Group B, Service;
- (f) "Scheduled Castes" and "Scheduled Tribes" shall mean such castes and tribes as may be notified from time to time by the President of India under Article 341 and Article 342 respectively of the Constitution of India;
- (g) "Selection Board" means the Board constituted under rule 5; and
- (h) "Year" means the calendar year

(2) All other words and expressions used but not defined in these rules, unless the context otherwise requires, shall have the same meaning as respectively assigned to them in the Orissa Service Code.

3. Composition of the Service :- The Service shall consist of such number of permanent and temporary posts of Audit Officers as the Government may direct from time to time, by Resolution.

4. Recruitment to the Service :- (1) Recruitment to the service shall be made by ways of promotion from the cadre of Audit Superintendents of Local Fund Audit Organisation in accordance with rule 7 to 11.

(2) No person shall be eligible for promotion to the Service unless, he has completed 20 years of service in the cadre of Audit Superintendent (Local Fund Audit) and Auditor (Local Fund Audit) taken together out of which a person shall have minimum of 5 years of experience in the grade of Audit Superintendent (Local Fund Audit) on the 1<sup>st</sup> day of January of the year in which the Selection Board meets.

5. Constitution of Selection Board :- There shall be constituted a Selection Board consisting of the following members to prepare the select list of Officers for promotion to the service, namely :-

- |  |                    |
|--|--------------------|
| (i) Secretary, Finance Department  | - Chairman         |
| (ii) Examiner of Local Accounts-cum-<br>Additional Secretary, Finance Deptt.                       | - Member           |
| (iii) Deputy Examiner of Local<br>Accounts-cum-Deputy -<br>Secretary in charge of<br>establishment | - Member Secretary |

6. Meeting of the Selection Board :- The Selection Board constituted under rule 5 shall ordinarily meet once in a year.

7. Preparation of Select List :- (1) The Selection Board shall prepare the list of Audit Superintendents (Local Fund Audit) to be considered for promotion to the service.

(2) The Selection Board while preparing the select list shall follow the provision laid down in the Orissa Civil Services (Zone of Consideration for promotion) Rules, 1988, the Orissa Civil services (Criteria for promotion) Rules, 1992 and the Orissa Civil Services (Criteria for Selection for Appointment including Promotion) Rules 2003.

8. Filling up of reserved vacancies:- Notwithstanding anything contained in these rules, reservation of vacancies to be filled up by persons belonging to Scheduled Caste and Scheduled Tribe shall be as per the provisions contained in the Orissa Reservation of Vacancies in

the Services and posts (for Scheduled Caste and Scheduled Tribe) Act, 1975 and the Rules framed there-under.

9. Consultation with the Commission :- (1) The list prepared by the Selection Board under rule 7 for filling up the vacancies to the service shall be referred to the Commission by the Government for concurrence together with the following documents, namely :-

- (i) The relevant record of Officers who are included in the list in order of their seniority coming within the zone of consideration.
- (ii) The relevant record of Officer who are not considered by the Selection Board alongwith the reason in detail regarding their unsuitability.

(2) The Commission shall consider the list alongwith the documents received under sub-rule (1) and shall furnish its recommendations to the Government.

10. Final Select list :- (1) The recommendations of the Commission in respect of reference made to it under sub-rule (1) of rule 9 shall be considered by Government and the list approved by Government shall form the final select list.

(2) The list referred to under sub-rule (1) shall ordinarily be in force for a period of one year from the date of its approval by the Government.

Provided that the Government may, in consultation with the Commission for grave lapse in the conduct or deterioration in the standard of performance of duties on the part of any officer included in the select list, not appoint him to the service.

11. Appointment – Appointment to the service shall be made in the order in which their names appear in the final select list on adhoc basis.

12. Probation : (1) Every Officer appointed on promotion to the service shall be on probation for a period of one year.

(2) Government may, for good and sufficient reasons extend the period of Probation or terminate the period of probation of an Officer.

(3) The period of adhoc appointment made under rule 11 shall not count towards probation and seniority.

(4) Government may dispense with the service of an officer appointed on probation or revert him to his substantive appointment, during or at the end of the period of his probation, if the officer failed to discharge his duty satisfactorily or is found to be otherwise unfit for

permanent appointment to the service in consultation with the Commission.

13. Confirmation in the Service :- On successful completion of the period of probation, an officer shall be confirmed against a substantive post.

14. Seniority :- The inter-se-seniority of officers appointed to the service shall be in the order in which their names are arranged in the select list approved by Government under rule 10.

15. Relaxation :- Where the State Government are of the opinion that it is necessary or expedient to do so, they may, by order, and for reasons to be recorded in writing, relax any of the provisions of these rules in consultation with the Commission in the interest of public service.

16. Interpretation :- If any question arises relating to interpretation of these rules, it shall be referred to Government for decision.

17. Repeal and Saving :- Any rule corresponding to these rules in force immediately before commencement of these rules are hereby repealed;

Provided that save as otherwise provided in these rules, any order or action taken under the said rules so repealed shall be deemed to have been made or taken under the corresponding provisions of these rules.

18. Power to issue instruction – The Government may issue instructions from time to time not inconsistent with the provisions of these rules as they may consider necessary in order to regulate the matters not specifically covered by the provisions of these rules.

ORDER – Ordered that the Notification be published in an extraordinary issue of the Orissa Gazette.

By Order of the Governor

**Sd/- R.N. Senapati**  
**Principal Secretary to Government**

*OMITTED FROM 2005-06*

## **FINANCE DEPARTMENT**

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### **NOTIFICATION**

**Bhubaneswar, the, 17<sup>th</sup> September, 2005.**

No.44451/F., - In exercise of the Powers conferred by the proviso to article 309 of the Constitution of India, the Governor of Orissa is pleased to make the following rules further to amend the Orissa Civil Services (Pension) Rules 1992, namely: -

1.(1) These rules may be called the Orissa Civil Services ( Pension) Amendment Rules, 2005.

(2) They shall be deemed to have come into force with effect from the 1<sup>st</sup> day of January, 2005.

2. In the Orissa Civil Services (Pension) Rules, 1992, after sub - rule (3) of rule 3 the following sub-rule shall be added namely :-

“(4) Notwithstanding any thing contained in these rules, all persons appointed under the Government of Orissa with effect from 1<sup>st</sup> day of January 2005 shall not be eligible for Pension as defined under sub-rule (1) of rule 3 of the said rules but shall be covered by the defined contribution Pension Scheme as specified below:

- (i) The monthly contribution would be 10% of the salary and Dearness allowance to be paid by the employee and the Government would also provide a matching contribution. The contribution so made would be deposited in a non-withdrawalable pension tier-I account. Such funds will be invested by pension fund managers as approved by Pension Fund Regulatory and Development Authority (PFRDA) under different categories of scheme which would be a mix of debt and equity. The fund managers would give out easily understood information about the performance of different investment schemes so that individual Government employee would be able to make informed choices about which scheme to choose.
- (ii) In addition to the above provision, each individual may also have a voluntary tier -II withdrawalable account at his option. This option is provided as General Provident Fund will be withdrawn for employees recruited to the State



Government Service with effect from 1<sup>st</sup> January, 2005. Government will make no contribution into this account. In tier -II system, the individual may subscribe 10% of his salary and these assets would be managed through exactly the above procedure. However, the employee would be free to withdraw part or all of second tier of his money at any time. This withdrawable account does not constitute pension investment and would attract no special tax treatment.

- (iii) At the time of retirement, Government servant will receive the lump sum amount of 60% deposited in pension tier -I account as pension wealth and it is mandatory to the Government servant to invest 40% of his pension wealth to purchase an annuity from an Insurance Regulatory and Development Authority – regulated life insurance company. The annuity shall provide for pension for the life time of the employee and his dependent parents and his spouse at the time of retirement. The individual would receive lump-sum of the remaining pension wealth, which he would be free to utilise in any manner. Individuals would have the flexibility to leave the pension system prior to age of 58 years or 60 years as the case may be. In such case the mandatory annuitisation would be 80% of the pension wealth.

**By Order of the Governor**

**Sd/- Sarat Chandran  
Principal Secretary to Government**

**FINANCE DEPARTMENT**

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**No.Pen-40/2005-48972(265)/F.,**

**Bhubaneswar, dated the 24<sup>th</sup> Oct.,05**

**From Shri D. P. Das, IAS,  
Addl. Secretary to Government.**

**To All Principal Secretaries/  
All Commissioner-cum-Secretaries/  
Special Secretaries/  
All Heads of Departments/ All Collectors.**

**Sub: Introduction of new re-structured defined contribution Pension Scheme for new entrants in government service/Autonomous Bodies/ Local Bodies/ Aided Educational Institutions etc. with effect from 01.01.2005.**

Sir,

I am directed to say that in tune with Central Government pattern, State Government have introduced a new re-structured defined contribution Pension Scheme for new entrants in the State Government service with effect from 01.01.2005 by amending the relevant provisions of OCS(Pension) Rules,1992 and notified the same vide Finance Department Notification No. 44451 dated. 17.09.2005 (copy enclosed). As per the said scheme, all new entrants in Government service with effect from 01.01.2005 will not be entitled for pension as per OCS(Pension) Rules,1992 and they will be enrolled under the above new pension scheme. At present employees of many autonomous bodies, Universities, other Aided Institutions are continuing with the old pension scheme more or less similar to Government employees. The State Government are contributing fully/substantially to meet pension liability of such institutions. As the government servant entering Government service on or after 01.01.2005 will cease to be enrolled under the old pension scheme and will be enrolled under new pension scheme, the same scheme will be equally applicable to the employees of other autonomous bodies, Universities, Local Bodies, 'Aided Institutions which are depending on Government for aid/assistance for pension liability.

As such, it is requested that steps may immediately be taken by all Departments to issue necessary guidelines for introduction of the new structured defined Contribution Pension Scheme for the employees of above category of Institutions, entering in service on or after 01.01.2005 with suitable amendment of relevant statute, Resolutions and Government orders accordingly.

Yours faithfully

**Sd/- D.P. Das  
Addl. Secretary to Government**

**FINANCE DEPARTMENT**

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**No.Pen-120/2005-48974(235)/F.,**

**Bhubaneswar, dated the 24<sup>th</sup> October,2005**

**To**

**All Departments of Government  
All Heads of Departments**

**Sub: Introduction of new restructured defined contribution Pension Scheme for new entrants in State Government service with effect from 01.01.2005.**

Sir,

The undersigned is directed to say that the Government in Finance Department have introduced a new restructured defined contribution pension scheme for new entrants in the State Government service with effect from 01.01.2005 vide this Department Notification No.44451/F., dt.17.09.2005. In order to allocate funds in the current Supplementary Budget and budget for the year 2006-2007 towards matching contribution of State Government on the employees share, detailed informations in respect of the employees joined in Government service in the different offices of State Government on or after 01.01.2005 need be furnished.

It is, therefore, requested that consolidated information in the prescribed proforma (enclosed) in respect of the employees joined in different Government offices (Office wise) on or after 01.01.2005 may pleased be furnished to Finance Department through their Administrative Departments immediately.

Yours faithfully

**Sd/- D.P.Das  
Additional Secretary to Government**

**INFORMATION IN RESPECT OF THE EMPLOYEES JOINED IN GOVERNMENT SERVICE ON OR AFTER 01.01.2005**

01. Name of the Office/Establishment :  
 02. Name of the Administrative Department :

Sl. No.	Details of the Post.	Name of the incumbent.	Total present Basic pay and D.A. f the Employee.	Date of joining.	10% of basic plus D.A. contributed or likely to contribute towards employees contribution per month.	Equal Matching share to be borne by Govt. per month as per the new scheme and the amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)

*OMITTED FROM 2006-07*

**No. TRA-3/06 – 32608/F.,**

**FINANCE DEPARTMENT**

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**OFFICE MEMORANDUM**

Bhubaneswar, dated the 29.07.06

Sub : Scheme for payment of pensions to State Government Pensioners by Public Sector Banks – Designation of S.B.I., Jeypore Branch as the Focal Branch (Link Branch) for accepting pension payment scrolls of State Pensioners.

The undersigned is directed to invite a reference to this Deptt. O.M.No. TRA-44/77-45339/F., dt.02.09.1977 and to say that Finance Department have been pleased to designate State Bank of India, Jeypore Branch at Jeypore Dist. Koraput as Focal Branch (Link Branch) and to authorise it to accept the Pension payment scrolls from the branches of Public Sector Banks at Jeypore Centre for submission to the Spl. Treasury, Jeypore.

**Sd/- U.Sahu**

**SPECIAL SECRETARY TO GOVERNMENT**

**No. TRA-3/06 – 35985/F.,**

**FINANCE DEPARTMENT**

**\*\*\***

**OFFICE MEMORANDUM**

**Bhubaneswar, dated the 24<sup>th</sup> August, 2006.**

Sub : Scheme for payment of pensions to State Government Pensioners by Public Sector Banks – Designation of S.B.I., Deogarh Branch as the Focal Branch (Link Branch) for accepting pension payment scrolls of State Pensioners.

The undersigned is directed to invite a reference to this Deptt. O.M.No. TRA-44/77-45339/F., dt.02.09.1977 and to say that Finance Department have been pleased to designate State Bank of India, Deogarh Branch at Deogarh Dist. Deogarh as Focal Branch (Link Branch) and to authorise it to accept the Pension payment scrolls from the branches of Public Sector Banks at Deogarh Centre for submission to the Dist. Treasury, Deogarh.

**Sd/- K.C.Badu**

**SPECIAL SECRETARY TO GOVERNMENT**

**FINANCE DEPARTMENT**

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**No. TRC-50/2006 – 1179 (52)/F., Bhubaneswar, Dtd.09.01.07**

**OFFICE MEMORANDUM**

**From**

**Shri P.K.Biswal,  
Deputy Secretary to Government/**

**To**

**The Principal Secretaries/  
Commissioner-cum-Secretaries/  
Secretaries/Special Secretaries of  
all Departments of Government**

**Sub : Opening of Bank Account for salary payment to Govt.  
Employees.**

Sir,

In invite a reference to this Department Letter No. 33071(45)/F., dt.01.08.2006 on the above subject, I am directed to say that the Asst. General manager, UCO Bank, Orissa Secretariat Branch, Bhubaneswar has accepted the proposals of Government in Finance Department for not charging cheque issue charges vide his letter No. Misc/135/2006-07 dt.02.01.2007. A copy of the said letter is enclosed for reference.

Yours faithfully,

**Sd/ P.K.Biswal  
Deputy Secretary To Government**



**UCO BANK**

ORISSA GOVT. SECRETARIAT BRANCH (0664), BHUBANESWAR-751001

Ph. 2390533, 22392917, 2322863, Fax:2393499

E.Mail:ucogovsecbsr@ sify.com

**Ref.: MISC/135/2006-07**

**Date :2.1.2007**

To  
Shri K.C.Badu, I.A.S.  
Special Secretary to Govt.  
Finance Department  
Bhubaneswar

Sir,  
Sub : Realisation of cheque issue charges on current account of D.D.Os  
Kindly refer your letter no.51278 dated 18.12.2006  
With reference to above, we would like to inform you that, till now the Bank has not charged any cheque issue charges on issue of Cheque books to CA a/c of DDOs.  
However sometimes our computer system has debited certain amounts by defaults, which was reversed when brought to our notice by the respective DDOs.  
As regards to charging to individual a/c, we have only contemplated the same as a follow up to your letter no.33071 dated 1.8.06 which is yet to be implemented.  
Basing on the suggestion made by you on your letter no.51278, we have not charged any service charge on cheque issued for salaries etc.  
We assure you that your suggestion in the captioned letter has been accepted by us.  
This is for your kind information.

Yours faithfully

ASST. GENERAL MANAGER

PREPARED BY :-  
FINANCE INFORMATION DIVISION, FINANCE DEPARTMENT