

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 11410 /F.,
FIN-TRY-MISC-0003-2022

Dt. 15/04/2023

OFFICE MEMORANDUM

Sub: Online preparation and submission of Utilization Certificate to the Grant-in-Aid Sanctioning Authority and Accountant-General (A&E), Odisha.

Utilization Certificate (UC) is a financial statement reflecting the details of utilization against a Grant-in-Aid (GIA)/grant sanctioned and disbursed to the institutions/ organizations (including Public Sector Undertakings). It is the responsibility of the grant sanctioning authority to obtain the Utilization Certificate from the concerned DDO for onward transmission of the same to O/o the Accountant General (A&E), Odisha, Bhubaneswar. The detailed procedure for sanction of GIA, maintenance of accounts thereof and submission of Utilization Certificate is outlined in Finance Department Office Memorandum No. 21241/F, dated 17.07.2014. The prescribed format for submission of UC has been further revised in F.D. Corrigendum No. 13012/F, Date 28.04.2021.

The present system of preparation and submission of Utilization Certificate (UC) is based on manual preparation and transmission of information from DDO to Controlling Officer and from Controlling Officer to Administrative Department and subsequently to Accountant General (A&E), Odisha. Due to manual processing, the following difficulties are also noticed in the process of submission of Utilization Certificate:-

- a. Lack of proper monitoring and tracking mechanism
- b. Incorrect mapping of sanction orders against vouchers
- c. Misplacement of Utilization Certificate submitted
- d. Repetition of the same activity at multiple stages leading to redundancy.

To overcome the above deficiencies and to make the process of UC preparation and submission seamless, an online facility has been developed and deployed in IFMS for use by all stakeholders. Henceforth, the GIA/grant drawing DDOs can prepare and submit UCs online to

their respective Departments through concerned Heads of Department for final submission to the office of the Accountant General (A&E), Odisha.

Online preparation and submission of UC, where, the Grant-in-Aid has been sanctioned in IFMS:

Functionality has been developed in IFMS for preparation and submission of UC by DDOs based on the sanction and drawl details already available in the system. In other words, where the financial sanction order for the Grant-in-Aid has been prepared and approved in IFMS and subsequently drawal has been made using online bill from the Treasury, information such as; name of the scheme, amount sanctioned and disbursed to the grantee/s etc. are recorded during the process of transaction in IFMS database.

In such case, the DDO or the Designated Officer responsible for submission of UC can login into the UC module of the IFMS application and chose the scheme, sanction order and grantee name for automatic population of the information relating to the grant-in-aid disbursement. The utilization details of the above grant will be entered by the designated officer/DDO. The scanned copy of the document containing information about the actual achievement made out of the grants sanctioned in prescribed format (Annexure-VII as mentioned under Point No. 5 (3) (ii) of F.D. O.M. 21241 dated 17.07. 2014) will be uploaded against the amount for which the utilization is submitted.

After making necessary entries and uploading of the required documents, the DDO/Designated Officer will take a printout of the UC to be submitted and process it in the official record for approval of the Competent Authority, before online submission. Upon receipt of approval from the Competent Authority, the DDO/ Designated Officer will forward the utilization certificate details prepared in IFMS to the Controlling Officer. She/He will also send a forwarding letter along with copy of the UC generated from the IFMS in e-despatch for information of the Controlling Officer. SMS will also be sent from the IFMS to the registered mobile number of the Controlling Officer intimating the fact of submission of the UC.

The Controlling Officer or any other Designated Officer will login to UC module of the IFMS and verify the utilization submitted by Drawing Disbursing Officer. On acceptance of the utilization details submitted by

the Drawing Disbursing Officer, the Controlling Officer or any other Designated Officer will take the printout of the acceptance report and process it in the office record for obtaining approval of the Competent Authority. On receipt of the approval from the appropriate authority the Designated Officer shall use his/her DSC/e-signature for digitally signing the UC and forward it to the Grant Sanctioning Department. SMS will also be sent from the IFMS to the registered mobile number of the concerned Officer in the Department intimating the fact of submission of utilization certificate.

The competent Authority/Officer of the Grant Sanctioning Department or any other Designated Officer will login to UC module of the IFMS and verify the utilization submitted by the Controlling Officer. On acceptance of the utilization details submitted by the Controlling Officer, the Departmental Officer or any other Designated Officer will take the printout of the acceptance report and process it in the office record for obtaining approval of the Competent Authority. On receipt of the approval from the appropriate authority, the Designated Officer shall use his/her DSC/e-signature for digitally signing the UC and forward it to the Office of the Accountant General (A & E), Odisha.

In case the Controlling Officer/ Grant Sanctioning Department is not satisfied with the utilization details submitted by respective down the line hierarchy he/she can remit the UC back to the concerned officer after recording the reasons in the system. The grounds for such return of the UC should be mentioned clearly and unambiguously. A printout of the objection memo may be generated from IFMS and processed in the office file for the approval of the Competent Authority. After receiving necessary approval, the UC details submitted by the DDO/Controlling Officer will be returned along with a written intimation in e-despatch. SMS will be provided to the Controlling Officer or the Drawing Disbursing Officers as the case may be in their registered mobile number.

The O/o the Accountant General (A&E), Odisha will also have the privilege of accepting or returning/objectioning the UC submitted by the Controlling Officer. In case of objection, the reasons should be clearly mentioned. The objected utilization details can be re-submitted in the online process following the process adopted earlier.

Partial submission of UC:

UC details can also be submitted partially against any specific drawl. In other words, if the grantee has submitted partial utilization details to the DDO, he/she without waiting for further voucher/s can submit a partial UC to the Controlling Officer. The Utilization details for the remaining amount will be submitted as and when the vouchers are received from the grantee. However, the time stipulated at the time of sanction of the grant-in-aid should be adhered to.

Refund of unutilized grant:

In case a particular grant remains partially or wholly unutilized, the money can be deposited bank to the Government Treasury as per the established procedure. The details of the deposit or refund such as, Challan number, date etc. should be mentioned at the time of submission of the online UC.

Tracking of the amount for which UC is required:

IFMS will track the amount for which UC is required to be submitted against a particular scheme and sanction order. The amount of UC submitted will be automatically deducted from the sanctioned amount. The system will not allow to enter any additional voucher/challan details, when the utilization submitted is equal to the sanctioned amount.

Online submission of UC against sanction orders or bills prepared manually or outside IFMS:

The information relating to the grant-in-aid drawn or the sanction orders prepared outside the IFMS will not be available in the database of the system. However, efforts have been made to obtain the information relating to such drawls from the O/o the Accountant General. For the purpose of online submission of UC, such grants-in-aid have been classified as 'Grants pertaining to legacy period'. The information relating to sanction/drawl details can be entered by the user in the system. Other remaining functionalities for preparation and transmission of UC remain same.

Implementation Plan:

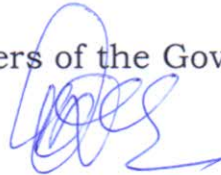
The procedure contained in the memorandum will be applicable with immediate effect. Necessary training of the Users/Stakeholders at the level of Department/Controlling Officer/DDO for online submission of Utilization Certificate will be provided by concerned drawing treasuries. Treasuries will set up dedicated Helpdesk to provide support and handholding to all concerned Users of the new facility. The Directorate of Treasuries & Inspection, Odisha will provide necessary support to the treasuries and monitor the overall implementation process in the State.

Deemed Amendment:

The existing provisions of the Odisha Treasury Code, OGFR and other notifications issued by the State Government from time to time, are deemed to be amended to operationalize the new process of Online preparation and submission of UC to the Grant-in-Aid Sanctioning Authority and Accountant General. Formal amendment to the Odisha Treasury Code will follow.

The operational process for preparation and submission of UCs in respect of GIA/Grants is outlined in the "**Annexure**".

By orders of the Governor,



Principal Secretary to Government

Memo No. 11411 /F, dated 15/04/2023

Copy forwarded to the Private Secretaries to Chief Minister / Minister, Finance & Excise for kind information of Hon'ble Chief Minister/ Minister, Finance & Excise.

Sd/-
15.04.2023
Under Secretary to Government

Memo No. 11412 /F, dated 15/04/2023

Copy forwarded to the Private Secretaries to Chief Secretary/D.C.-cum-Additional Chief Secretary/APC-cum-Additional Chief Secretary/Principal Secretary, Finance Department for kind information of Chief Secretary/D.C.-cum-Additional Chief Secretary/ Agriculture Production Commissioner/ Principal Secretary, Finance Department.

Sd/-
15.04.2023
Under Secretary to Government

Memo No. 11413 /F, dated 15/04/2023

Copy forwarded to the Principal Accountant General (A&E), Odisha, Bhubaneswar/ Deputy Accountant General, Puri, Odisha for information and necessary action.

Sd/-
15.04.2023
Under Secretary to Government

Memo No. 11414 /F, dated 15/04/2023

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

Sd/-
15.04.2023
Under Secretary to Government

Memo No. 11415 /F, dt. 15/04/2023

Copy forwarded to All Departments of Government/ All Heads of Departments/All Revenue Divisional Commissioners/All Collectors/ Financial Advisor and Chief Accounts Officer for information and necessary action.

Sd/-
15.04.2023
Under Secretary to Government

Memo No. 11416 /F, dated 15/04/2023

Copy forwarded to all Public Sector Undertakings/Cooperative Institutions for information & necessary action.

SK 15.04.2023
Under Secretary to Government

Memo No. 11417 /F, dated 15/04/2023

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

SK 15.04.2023
Under Secretary to Government

Memo No. 11418 /F, dated 15/04/2023

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

SK 15.04.2023
Under Secretary to Government

Memo No. 11419 /F, dated 15/04/2023

Copy forwarded to Sri Tapan Kumar Pattnaik, Sub-Nodal Officer, FID, Finance Department with a request to upload the copy of the circular in Finance Department website (www.odisha.gov.in/finance).

SK 15.04.2023
Under Secretary to Government

Memo No. 11420 /F, dated 15/04/2023

Copy forwarded to Director of Printing & Stationery & Publication, Odisha, Cuttack (deputydirectorpp@rediffmail.com) for information & necessary action with request to publish the Order in the Odisha Gazette and 02 copies to this Department.

SK 15.04.2023
Under Secretary to Government

OPERATING PROCESS FOR PREPARATION AND SUBMISSION OF UC IN RESPECT OF GRANT-IN-AID/GRANT USING THE ONLINE FACILITY OF IFMS

In order to automate the extant process for preparation and submission of UC to reduce pendency and to onboard a smart UC tracking-cum-monitoring mechanism, IFMS, Odisha has been enabled to generate and submit UC online.

A. UC w.r.t. drawal made against online sanction order (non-Legacy period)

B. UC w.r.t. drawal made against offline/manual sanction order (legacy period)

A. Utilization Certificate pertaining to Non-Legacy Period

Role of DDO/UC Submitting User

i. For preparation of UC, the drawing DDO/UC submitting user w.r.t. the GIA/grants will login into the UC Application of IFMS and choose Non-legacy in the application Menu. After choosing Non-Legacy Menu, the DDO/UC submitting user will select the Sub Menu "UC Details Capture".

ii. After selecting Name of Scheme and Grantee, system will populate details of pending UCs against the said Grantee under the designated scheme.

iii. The DDO/ UC submitting user will go through the UC details populated in the system and enter the amount for which he/she intends to submit UC under the field "Current UC".

iv. After entry of the current UC amount, he/she will save the amount and again go to the Sub Menu "UC Details Capture" for updating voucher/Challan-wise amount against which current UC is to be submitted and to save the voucher/challan details.

v. Challan Details are required to be entered in case any drawn amount is deposited back through Treasury Challan without being spent/utilized.

vi. With successful entry of the current UC amount, the DDO/ UC submitting user will click on Sub Menu "UC Submission" available under Menu "Non-Legacy".

vii. In this "UC Submission" link, the DDO/ UC submitting user will again verify the current UC amount along with voucher/challan details entered in the system before clicking on "Forward and Submit" button for submitting the same to the concerned Controlling Officer (CO) which is already mapped in the IFMS UC Application.

viii. However, in case of any modification, that the drawing DDO/ UC submitting user intends to make before submitting the same to CO, he/she will update the same under Sub Menu "UC Details Capture" only.

ix. The DDO/ UC submitting user has the facility for uploading any additional documents, if required in the system.

x. After successfully submitting the UC to respective Controlling Officer, the DDO/ UC submitting user will click on Sub Menu "State UC Certificate" under the Main Menu "Certificate Generation" to generate the UC in IFMS as per the prescribed format.

xi. The DDO/ UC submitting user will download the UC report and put signature with date for onward transmission to the CO.

xii. In case of rejection/revert of any forwarded UC by the CO/Department/AG (O), the DDO/ UC submitting user concerned will refer to the grounds of rejection as mentioned by the CO in the remarks column to make good of the deficiency for re-submission of the UC.

xiii. Once UC Module of IFMS is enabled to accept DSC/e-Sign, there will not be any requirement of downloading, signing and transmitting hard copy of the UC report. The system will be completely online and seamless.

xiv. The DDO/ UC submitting user can also track the status of submitted UC through the Menu "UC Submission Track Status" available in the Module.

Role of Controlling Officer

i. The Controlling Officer will login into the UC Application of IFMS and choose Non-Legacy in the Application Menu. After choosing Non-Legacy Menu, the CO will select Sub Menu "UC Details Submission" to find the UCs submitted by different DDOs for approval

ii. The CO will verify the UC amount along with voucher/challan details entered in the system by the DDO. If the CO finds everything is correct/in order, he/she will click on "Forward and Submit" button for submission of the same to the Department which is already mapped in the IFMS UC Application.

iii. In case of any deficiency is noticed in the UC submitted by the DDO, the CO will reject/revert the same to the concerned DDO for necessary correction. While rejecting, the CO will mention the grounds of rejection in the Remarks column which is mandatory in case of any rejection/revert of the UC at CO level.

iv. The CO can also initiate an UC at his/her level by following the same process adopted by the DDO which is mentioned above under the heading "Role of DDO".

v. After successfully capturing the UC details in IFMS, the CO will submit the same to the Department online.

vi. Then he/she will download the UC report and put signature with date for onward transmission of the same to the Department till use of DSC/e-Sign for approval of UC.

vii. The CO can also track the status of submitted UC through the Menu "UC Submission Track Status" available in the Module.

Role of Department

i. The Department User/Approver will login into the UC Application of IFMS and choose Non-legacy in the application Menu. After choosing Non-Legacy Menu, the User will select Sub Menu "UC Details Submission" to find the UCs submitted by different COs for approval.

ii. The Department User will verify UC amount along with voucher/challan details entered in the system and verified by the CO. If everything is found to be correct/in order, he/she will click on "Forward and Submit" button for submission of the same to the AG(O).

iii. In case of any deficiency noticed in the UC submitted by the CO, the same will be rejected/reverted. While rejecting, the Department User will mention the grounds of rejection in the remarks column which is mandatory. Once the UC is rejected at Department level, it will be reverted to the UC submitting DDO in IFMS. The intermediary CO will get the information regarding rejection/revert of UC from the Status Report available under the Menu "UC Submission Track Status".

iv. The Department User can also initiate an UC at his/her level by following the same process adopted by the DDO/CO for capturing UC details in IFMS.

v. After successfully capturing the UC details in IFMS, the User under the Department will submit the same to AG (O).

vi. Then he/she will download the UC report and put signature with date for onward transmission to the office of the AG (O) until use of DSC/e-Sign for approval of UC.

vii. The Department can also track the status of submitted UC through the Menu "UC Submission Track Status" available in the Module.

Role of Office of the Accountant General, Odisha

i. The AG (O) User will be provided with an interface in IFMS to access the UC Module. AG (O) User will login into the UC Application of IFMS and choose Non-legacy in the application Menu. After choosing Non-Legacy Menu, the User will select Sub Menu "UC Details Submission" to find the UCs submitted by different Departments for approval

ii. The AG (O) User will verify UC amount along with voucher/challan details entered in the system and verified by the Department. If everything is found to be correct/in order, AG (O) User will accept that UC and update its acceptance in the system.

iii. Once the UC is accepted by AG (O), the flow will be completed and it will disappear from pending list of UCs maintained at the level of AG (O).

iv. In case of any deficiency noticed by the AG (O) User, the same will be rejected/reverted. While rejecting, the AG (O) User will mention the grounds of rejection in the remarks column which is mandatory. Once the UC is rejected at AG (O) level, it will be reverted to the UC submitting DDO in IFMS. The intermediary Department/CO will get the information regarding rejection of the UC from the Status Report available under the Menu "UC Submission Track Status".

B. Utilization Certificate pertaining to Legacy Period

For preparation of UC with respect to Legacy period, the users under all hierarchical levels i.e., DDO/Controlling Officer/Department/AG (O) will login into the UC Application of IFMS and choose Legacy in the application Menu.

In case the legacy data pertains to the manual period, the user has to enter all the information such as sanction order number & date, chart of accounts, sanctioned amount to DDO/Grantee, voucher/challan details, UC amount etc. in the Sub Menu "UC Details Capture". Other remaining functionalities for generation and submission of UC w.r.t. the users of all levels will be same as the process pertaining to the Non-Legacy Period outlined above.