

**GOVERNMENT OF ODISHA**  
**FINANCE DEPARTMENT**

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No. 11090 /F., Dated, 31<sup>st</sup> March, 2016

FIN-WM-BT-0001-2015

From

**Shri R. Balakrishnan, I.A.S.**  
**Additional Chief Secretary to Government**

To

**Additional Chief Secretaries/  
All Principal Secretaries/  
Secretaries to Government/  
All Heads of Department.**

Sub: **Regulation of Expenditure out of the Vote On Account for 2016-17.**

**Sir/Madam,**

I am directed to say that the Administrative' Departments will be authorized to incur expenditure on existing establishment and on-going scheme during the first two months of the financial year, 2016-17 beginning from 1st April, 2016 to 31st May, 2016 as soon as the Appropriation (Vote on Account) Bill for 2016-17 is passed by the State Legislature and enacted.

**2.** The guiding principles and modalities for sanction and release of funds in terms of the **Vote on Account, 2016-17** are specified below.

**3.** It is necessary to expedite the pace of expenditure during the 1st quarter of the financial year as it is the 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 provision made in the Demand for Grants and Appropriations within the limit of Vote on Account, 2016-17 to the spending Units in the month of April, 2016 itself.**

**4.** Keeping the above mentioned objective in view, while sanctioning funds, the following guidelines are to be observed.

**(i)** Expenditure on creation of capital assets and completion of projects; economy in Non-Plan Revenue Expenditure and the cost of operation of various services should be given top most priority.

(ii) Funds should be released according to a definite action plan for achieving the quantifiable physical target fixed for the year. The Secretaries of Administrative Departments are to review physical achievement against expenditure by 15th of every month against monthly/quarterly targets.

(iii) Statutory dues viz. Sales Tax/VAT, Municipal Tax, compensation for land acquisition etc. as well as electricity dues, water charges and Rents, Rates and Taxes, both current and arrears, should be cleared on the basis of provision made in the Budget, after verification and scrutiny and rebate where-ever available should be availed. If any delayed payment surcharge is levied, it would be the personal responsibility of the concerned Head of Office/DDO. The Administrative Department, Heads of Department and Head of Office are authorised to purchase pre-paid electricity Card/Meter from the Distribution Companies for advance payment of electricity charges which would be adjusted against the actual consumption.

(iv) 1/6<sup>th</sup> of the annual allocation under M.V., Telephone, T.E. and Office Expenses should be distributed.

(v) The maintenance expenditure under Non Plan for Roads & Bridges, Buildings, Urban Water Supply, Rural Water Supply, Major; Medium & Minor Irrigation, Flood Control work etc. should be limited to 1/6<sup>th</sup> of the annual provision and spent according to the Annual Maintenance Plan formulated by the concerned Administrative Department in consultation with Finance Department. Distribution of allocation among the administrative units should be completed by 30<sup>th</sup> April, 2016 in accordance with the approved Annual Maintenance Plan.

(vi) Creation of posts would require prior concurrence of Finance Department. **Permission of the Empowered Committee constituted in terms of Finance Department Resolution No. 22989/F., dated 05.08.2014, would be required for filling up of base level vacant posts meant for direct recruitment.** Proposals for creation and filling up of posts should be made only if the posts are essential for delivery of public services or developmental needs.

(vii) **Purchase of new vehicles** would require prior concurrence of Finance Department. It would be considered only on replacement basis and on the certificate of the Secretary of the Department regarding availability of a Driver whose residual service period should be at least equal to the life period of a new vehicle and deposit of the sale proceeds of the condemned vehicle in Government Account. In terms of Finance Department Office Memorandum No. 27037/F., dated 08.10.2015, the Administrative Departments shall be competent to take a decision at their level for hiring of

private vehicle for official use in substitution of existing Government vehicle after completion of the process of condemnation and auction of old vehicle and deposit of the sale-proceeds in treasury. However, hiring sought without condemnation of existing vehicles and hiring of vehicles for new offices will require prior concurrence of Finance Department.

**(viii)** Concurrence of Finance Department would not be necessary for purchase of machinery and equipment if it is within the overall limit of the Vote On Account provision.

Priority  
areas of  
expen-  
diture

**5.** While releasing funds, priority should be given for programmes/schemes where expenditure is reimbursable, completion of the incomplete projects under the Zero Based Investment Review and State's Own Flagship Programme e.g.- (i) EAP, RIDF and other Resource Tied up schemes under State Plan, (ii) CP, CSS& CSP schemes, (iii) State's own plan schemes like Biju KBK, Gopabandhu Gramin Yojana, Biju Gram Jyoti, Biju Saharanchal Bidyutikaran Yojana, Mo Kudia, Biju-Kandhamal 0 Gajapati Yojana, Madhubabu Pension Yojana, Scheme for utilization of ground water in drought prone areas and Construction of Check Dams, Biju Setu Yojana, Mega Lift Scheme etc., (iv) Relief expenditure.

Submi-  
sion of  
Utilisation  
Certificate

**6.** While scrutinizing proposal for sanction of expenditure during the year 2016-17, the progress of submission of Utilization Certificate in respect of expenditure incurred up to the preceding month and expenditure incurred during 2015-16 should be reviewed by the Administrative Departments. It should be ensured that the implementing agencies utilize the scheme funds transferred to them. **Before releasing money to the implementing agencies it should be ensured that the implementing agencies have utilized the funds transferred to them in the previous years and the same has not been lying unutilized and parked by the implementing agencies in Bank Account. The time limit for submission of Utilization Certificate in respect of grant in aid provided by State Government and grants received from Government of India as indicated in Finance Department O.M. No.21241/F., dated 17.07.2014 is to be scrupulously adhered to.** The Financial Advisors and Assistant Financial Advisors are required to enforce the discipline while concurring in the proposal for sanction of grant-in-aid.

Even  
pacing of  
expen-  
diture

**7.** The flow of expenditure should be evenly paced and commensurate with the revenue receipts. However, it is noticed that expenditure pattern is skewed and back-loaded. Therefore, it is necessary to formulate quarterly and monthly expenditure plans from the beginning of the year to avoid rush of expenditure towards the year-end. In order to achieve this objective, early part of the financial year would accelerate the pace of expenditure in the 1st

three quarters. The expenditure in the last quarter of the financial year and in the month of March ought to be within 40% and 15% respectively of the Annual Budget provision. This necessitates expeditious sanction and allotment of funds.

Sanction &  
Release of  
Funds from  
Vote on  
Account

**8. Expenditure is to be incurred only on existing establishments and ongoing schemes and programmes.** The Administrative Departments are requested to follow the instructions mentioned below, while allocating funds and incurring expenditure in respect of each unit of appropriation out of the provision made in the Demand for Grants and Appropriations and limit indicated in the Vote on Account 2016-17. It must be ensured that no expenditure on a new scheme/programme is incurred until the Demands for the whole year are passed by the Legislative Assembly and the related Appropriation Bill is enacted.

**(I) The expenditure under a minor head should ordinarily be limited to 1/6<sup>th</sup> of the provision under Non-Plan and Plan made for the financial year, 2016-17, in the Demand for Grants and Appropriations. However, in case of Calamity Relief, Election expenditure and other emergent expenditure, the limit of 1/6<sup>th</sup> of the provision can be exceeded within the overall limit of appropriation indicated in the Vote on Account, 2016-17 in the respective Demand for Grants.** In all such cases, it can be exceeded in the functional major/minor heads subject to the overall limit indicated in the Appropriation Act for Vote on Account, 2016-17, **with prior concurrence of Financial Advisor/A.F.A of the Department.**

**(II)** Detail unit of appropriation like Pay, DA, HRA etc. have been indicated below the minor head. The details of the provision below the minor head up-to the unit of appropriation has been made available through the Budget Interface and Works expenditure module and placed in the Treasury portal (<http://www.odishatreasury.gov.in>. [www.ifmsodisha.gov.in](http://www.ifmsodisha.gov.in) ). Accordingly, the Administrative Departments/Controlling Officers need to assess their requirements under each unit of appropriation and issue allotment order to concerned DDOs. For assessment of the requirement under different units of appropriation, the following procedure shall be adopted.

**(a) Allotments should be distributed to meet the requirement for a period of two months only for each unit of appropriation.**

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

**i) Pay** - 1/6<sup>th</sup> of the provision for 2016-17 should be distributed. Arrear Pay on account of Pay revision and D.P where salary is being drawn in the pre-revised scale is to be met out of the provision for 'Pay'.

**ii) D.A at the prevailing rate should be worked out, on the requirement under Pay or Pay & D.P as the case may be.**

**iii) H.R.A.** - As per the admissible rate for two months.

**iv)** Un-utilized leave salary of retired Government Servants and those retiring between 01.04.2016 to 31.05.2016 should also be paid in full.

**v)** Depending on urgency, arrear salary as well as grants-in-aid salary may be released within 1/6<sup>th</sup> provision.

**(c)** For non-salary components unit-wise provision should be estimated by taking 10% increase over the expenditure made in the year 2015-16 excluding the provision for non-recurring expenditure like purchase of vehicles and contingencies etc. The recurring expenditure under non-salary components is to be considered while calculating 1/6<sup>th</sup> of the unit-wise provision for the year 2016-17 for distribution.

**i)** While calculating 1/6<sup>th</sup> of the Budget provision under Non-Plan and Plan, the sectoral allocation i.e. provision made under NP/SP (including CSS)/CP/CSP should be calculated separately. Expenditure is to be incurred only on existing establishments and ongoing schemes and programmes.

**ii)** Expenditure for the continuing CP/CSS included in State Plan/CSP Schemes out of the Vote On Account, 2016-17, only should be considered, subject to the limit of Vote on Account and receipt of Central Assistance. The state share is to be released in accordance with receipt of Central Assistance. **However, in case of urgent necessity for release of funds for continuing schemes, the Administrative Departments can incur expenditure upto the limit of 1/6<sup>th</sup> of the provision under the respective scheme** in anticipation of receipt of Central Assistance upto **31.05.2016** with concurrence of the Financial Advisor/A.F.A of the Department.

**Illustration:** *In case of a CSS/CSP scheme with financing pattern of CS:SS - 60:40, if the budget provision is Rs.50.00 crore, on receipt of CS of Rs.30.00 crore, SS of Rs.20.00 crore would be released.*

**iii)** Prior concurrence of Finance Department and Planning & Convergence Department would be necessary for Prior concurrence of Finance Department and Planning & Convergence Department would be necessary for release of funds in case of items of expenditure reserved for post budget scrutiny.

**iv) The Administrative Departments including those covered under the Cash Management System can sanction expenditure on existing schemes when the scope of the scheme is proposed to be substantially altered and for cost estimate of projects/schemes are to be revised, only after completion of the process of appraisal and approval by the competent authority as prescribed in Finance Department O.M. No.1068/F dated 10.01.2013 read with Rule-17-A of the Delegation of Financial Power Rules, 1978 and the Demands for the whole year are voted by the Legislative Assembly and the related Appropriation Bill is enacted.**

**9. (i)** Instructions have been issued to all Departments vide Finance Department Letter No. 7704/F., dated 28.03.2016 to complete the process of distribution of allotments to the DDOs within the limit of expenditure mentioned in the Vote on Account, 2016-17, through Odisha Treasury Portal <http://odishatreasury.gov.in /www.ifmsodisha.gov.in>) by 31.03.2016. The detailed DDO-wise Budget Allotments should be distributed forthwith through Odisha Treasury Portal (<http://odishatreasury.gov.in /www.ifmsodisha.gov.in>) **if not already done**, in order to enable the Treasuries/Special Treasuries/Sub Treasuries to check the bills against budgetary allotment through iOTMS. The DDOs need not wait for ink-signed copy of the allotment.

The detailed provision made in the Demand for Grants and Appropriations and the limit of expenditure indicated in the Vote on Account, 2016-17 will be made available in the Budget Interface and works expenditure module of IFMS Portal ([www.odishatreasury.gov.in /www.ifmsodisha.gov.in](http://www.odishatreasury.gov.in /www.ifmsodisha.gov.in)) enabling Administrative Departments to distribute the allotments within the limit of expenditure mentioned in the Vote on Account.

Accordingly, the Treasury Portal should capture the unit-wise expenditure allowed against the provision made in the Demand for Grants and Appropriations and the limit of expenditure indicated in Vote on Account, 2016-17 and account for the expenditure against these units against the provisions made for the whole year after the Annual Budget, 2016-17 is passed by the Legislative Assembly and the related Appropriation Bill is enacted. The Treasuries and Sub-Treasuries should, therefore, **insist**

**on full accounting classification i.e, detailed description from Major Head to Unit of appropriation in the Bills presented for drawal.**

**(ii)** Allotment for Works Expenditure of Forest & Environment, Rural Development, Water Resources, Housing & Urban Development, Energy & Works Department against Budget provision, N.H. Credit and Deposits, based on budgetary allotment and accounts of the Division / Project, drawn through cheques, would continue to be routed through Works Expenditure module of the Treasury Portal and regulated by Finance Department Circular No. 28777(6)/F dated 24.06.2011. The Controlling Officers are advised to distribute budgetary allotment in respect of works expenditure to the Divisions/projects through Works Expenditure module of the Treasury Portal.

**(iii)** Separate expenditure sanction would also be necessary in case of Works expenditure/projects governed by Public Works Department Code, in terms of the provisions contained in Rule-17 (d) of the Delegation of Financial Powers Rules, 1978 as amended from time to time.

**(iv)** Guidelines for utilization of provisions made for different works under plan schemes of Works, Rural Development, Housing & Urban Development and Water Resources Department and construction of buildings issued vide Finance Department O.M No. 15744/F dated 05.04.2012 should be followed scrupulously for release of the budgetary allocation for these works.

#### **10. Central Plan, Centrally Sponsored Schemes (CSS) and Centrally Sponsored Plan Schemes:**

CP/CSS/  
CSP  
Schemes

**(i)** Normally, expenditure for these schemes is to be made against availability of Central Assistance only, during 2016-17 for continuing schemes.

**(ii)** **However, in case of urgent necessity for release of funds for continuing schemes, the Administrative Departments can incur expenditure upto the limit of 1/6th of the provision under the respective scheme** in anticipation of receipt of Central Assistance up to **31.05.2016** with concurrence of the F.A./A.F.A of the Departments.

**(iii)** The Administrative Departments should furnish Utilization Certificate & Statement of Expenditure in time to the respective line Ministries of Government of India in order to obtain the Central Assistance due.

**(iv)** To facilitate monitoring of the receipt and utilization of central assistance, the sanction order for Centrally Sponsored Schemes (CSS) should be issued in respect, of the total provision under CSS, inclusive of the State Share (indicating the proportionate State Share) and the drawal should be made for the CSS as a whole.

**11. Budgetary funds will in no case be transferred to Civil Deposit.**

**12.** Cash Management System was introduced in 10 key spending Departments in 2010-11 and extended to 5 more Departments during 2011-12. It was further extended to 3 more Departments in 2012-13. **For these 18 Departments, the minimum level of expenditure up to the 3<sup>rd</sup> quarter i.e. 60%, not only under Non Plan, State Plan, CP CSS & CSP taken together but also under State Plan alone under the Cash Management System is non-negotiable. Besides, the Works, H&UD, Water Resources; Rural Development, Forest & Environment Departments and Department of Agriculture & Farmers' Empowerment are required to incur expenditure to the extent of 25%, 15% and 20% of the Gross provision in the Budget Estimates in the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Quarters respectively, taking into consideration their working season. Separate instructions will be issued by Finance Department in this regard. Failure to reach the prescribed level of expenditure will result in resumption of the shortfall by Finance Department. The enhanced delegation for sanction of funds by the Administrative Departments covered under the Cash Management System is indicated below:**

Cash  
Management  
System for  
18 Deptts.

Enhanced  
Delegation  
for  
sanction of  
funds  
under Cash  
Management  
System

**(i)** The Administrative Departments are authorized to sanction expenditure under Non-Plan, State Plan including Centrally Sponsored Schemes (CSS) and Centrally Sponsored Plan Schemes and Central Plan Schemes up to the limit of the Monthly Expenditure Plan (MEP) for April & May, 2016 including expenditure for grants and subsidies, **subject to the procedure and limit of expenditure indicated in paragraph-8 in respect of sanction/release of funds from Vote on Account.**

**(ii) Central Plan and Centrally Sponsored Schemes (CSS) and Centrally Sponsored Plan Schemes :** Normally, expenditure for these schemes is to be made against availability of Central Assistance only, during 2016-17 for continuing schemes. However, in case of urgent necessity for release of funds for continuing schemes, the Administrative Departments can incur expenditure upto the limit of 1/6<sup>th</sup> of the provision under the respective scheme in anticipation of receipt of Central Assistance up to **31.05.2016** with concurrence of the Financial Advisor/A.F.A of the Department.



The sanction order for Centrally Sponsored Schemes (CSS) and Centrally Sponsored Schemes (CSS), the Central Share of which is routed through the State Budget, should be issued in respect of the total provision under Centrally Sponsored Schemes (CSS) inclusive of the State Share (indicating the proportionate State Share) and the drawal should be made accordingly.

**(iii)** In case of EAPs in the pipe line, expenditure should be incurred only if agreement with the Donor Agency has been signed and the date of effect of the agreement has been notified.

**(iv)** The Administrative Departments would obtain approval of Project Approval Committee/Empowered Committee for sanction of the entire provision made in their Demand for Grant for share capital/loan/Grant in Aid/Subsidy to PSUs and Co-operatives, in one go, by June, 2016 and then release the amount at their level subject to recovery of outstanding Government dues and opening of Escrow Account.

**(v)** Release of funds in respect of schemes/provisions reserved for Post Budget Scrutiny would only require prior approval of Finance Department/ Planning & Convergence Department as the case may be.

**13. (I) General limit of sanction :** The Administrative Departments not covered under the Cash Management System are authorized to sanction expenditure up to Rs.1500.00 lakh at a time under Non Plan and Rs.30000.00 lakh under Plan **subject to the procedure and limit of expenditure indicated in paragraph - 8 in respect of sanction / release of funds from Vote On Account.** Sanction of expenditure exceeding these limits would require prior concurrence of Finance Department.

General  
limit of  
Sanction

**(II) Full power for sanction of expenditure in specific cases :** Notwithstanding the limits indicated at Sub-Para (I) above but **subject to the procedure and limit of expenditure indicated in paragraph - 8 in respect of sanction/release of funds from Vote on Account,** the Administrative Departments are fully empowered to sanction expenditure for:

**(a)** Provisions made under Non-Plan and Plan against Relief expenditure, Grant-in-aid (salary) for Aided Educational Institutions, Scholarship and Stipend to SC & ST Students, SOAP, NOAP, ODP, Modernization of State Police Force (including advance payment to Ordnance Factories for procurement of arms and ammunitions) and other Security related expenditure.

**(b)** All resource-tied up schemes, Biju KBK, Biju Gram Jyoti, Biju Saharanchal Bidyutikaran Yojana, Biju Kandhamala O Gajapati Yojana, Gopabandhu Gramin Yojana, Jalanidhi and Madhubabu Pension Yojana under State Plan.

**(c) (i) Central Plan and Centrally Sponsored Schemes (CSS) and Centrally Sponsored Plan Schemes: Normally, expenditure for these schemes is to be made against availability of Central Assistance only, during 2016-17 for continuing schemes. However, in case of urgent necessity for release of funds for continuing schemes, the Administrative Departments can incur expenditure upto the limit of 1/6<sup>th</sup> of the provision under the respective scheme in anticipation of receipt of Central Assistance up to 31.05.2016 with concurrence of the Financial Advisor/A.F.A of the Departments.**

**(ii)** The sanction order for Centrally Sponsored Schemes (CSS) and Centrally Sponsored Schemes (CSS), the Central Share of which is routed through the State Budget, should be issued in respect of the total provision under Centrally Sponsored Schemes (CSS) inclusive of the State Share (indicating the proportionate State Share) and the drawal should be made accordingly.

**(d)** In case of EAPs in the pipe line, expenditure should be incurred only if agreement with the Donor Agency has been signed and the date of effect of the agreement has been notified.

Release to  
PSUs/Co-  
operatives

**14.** The Administrative Departments not covered under the Cash Management System are authorized to sanction:

**(i)** Share Capital/Loan to PSUs/Co-operatives subject to recovery of outstanding Government dues, opening up of Escrow Account and with prior approval of the Project Approval Committee and the Empowered Committee, in one go, within 30th June, 2016 in respect of the entire provision made for the purpose in their Demand for Grant, as the case may be and within the limit indicated in Para 13(I) above.

**(ii)** Grant-in-aid and subsidy to PSUs/Co-operatives shall also be made by the Administrative Departments subject to adjustment of outstanding Government dues, opening up of Escrow Account and within the limit indicated in Para -13 (I) above.

**15.** In case any Administrative Department, including those under the Cash Management System, intends to grant any relief to any PSU/Co-operative in recovery of outstanding Government dues while releasing Share

capital/loan or subsidy, prior concurrence of Finance Department would be necessary.

**16. All Administrative Departments including those covered under the Cash Management System would be required to obtain prior approval of Finance Department/Planning and Convergence Department as the case may be before releasing funds in respect of schemes/provisions reserved for Post Budget Scrutiny.**

**17. All Administrative Departments including those covered under the Cash Management System can sanction expenditure on existing schemes when the scope of the scheme is proposed to be substantially altered and/ or cost estimate of projects/schemes are to be revised, within the general limit of sanction prescribed in paragraph 12 & 13, only after completion of the process of appraisal and approval by the competent authority as prescribed in Finance Department O.M. No.1068/F dated 10.01.2013 read with Rule-17-A of the Delegation of Financial Power Rules,1978 and after the Demands for the whole year are passed by Legislative Assembly and Appropriation Act is enacted. It must be ensured that no expenditure on a New scheme/programme is incurred until the Demands for the whole year are passed by the Legislative Assembly and the related Appropriation Bill is enacted.**

**18.** Cases of expenditure sanction which require prior approval of Finance Department in the light of the guidelines set out in the foregoing paragraphs are listed out at **Annexure-I** for the sake of clarity.

**19. (i)** As envisaged under S.R. 242 of O.T.C. Vol.-I, money should not be drawn from the Treasury unless it is required for immediate disbursement. The system of electronic disbursement of Government payments directly to the beneficiary account has been introduced vide Finance Department O.M. No. 27444/F dated 26.7.2012 with the objective of direct payment to the beneficiaries and vendors and to prevent parking of funds in bank accounts by the DDOs. Instances have come to the notice of Government that money drawn by the DDOs is being kept unutilized for indefinite period. This adversely affects the Ways and Means position of the State. Drawal and retention of funds results in deferment/ deprivation of the expenditure on priority items which are linked with developmental activities. In order to prevent drawal of money and retention thereof in shape of cash/bank draft, the DDOs must record a certificate on the body of the bills presented after 31st March, 2016 as follows:

*"the money drawn in cash/bank drafts up to the period 31.03.2016 has been disbursed by now except Rs. \_\_\_\_\_ which would be disbursed by 30.04.2016 at the latest".*

**(ii)** Similarly, while presenting the pay bill for April, 2016 to be paid on or after 01.05.2016, the D.O.O. must record a certificate that:

*"all money drawn in cash/ bank draft up to the period 31.03. 2016 have been fully disbursed and no amount is lying un-disbursed with him".*

**(iii)** While presenting the pay bill for the month of May, 2016 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".*

**(iv)** While scrutinizing the bills to be presented during 2016-17, 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.

**(v)** 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 of the State. **The DDOs shall therefore furnish a cash balance report as on 30.04.2016 in the enclosed Proforma (at Annexure-II) to the Collector of the District by 07.05.2016 and the Collector in turn will report directly to Finance Department (Ways & Means Branch) by 14.05.2016, the name of DDOs who have drawn money up to 31st March 2016 but have not disbursed it by 30.04.2016. A copy of such report should also be endorsed to the concerned Heads of Department.**

**(vi)** Instructions 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 un-authorized Bank accounts must also be strictly followed. **It has been reiterated in Finance Department Circular No. 32215/F., dated 21.11.2014 that if any such instance of un- authorized parking of money is noticed, the concerned**

**DDO shall be liable for disciplinary action under Rule-15 of the OCS (CC&A) Rules, 1962.** As per instructions issued vide Finance Department Circular No. 32215/F., dated 21.11.2014, the Heads of Department and Collectors shall cause enquiry into the matter of unauthorized parking of Government money in bank accounts after obtaining information from the Treasury Officers/ Drawing and Disbursing Officers/ Autonomous Agencies of the Districts. In case, instances of irregularity are found, the matter should be reported to respective Heads of the Department/ Administrative Department. They should take disciplinary action against the Officer committing such irregularity under intimation to Finance Department and ensure that funds are drawn and transferred to implementing agencies only for actual expenditure and not for parking in Bank Account. The Drawing & Disbursing Officers shall strictly follow these instructions.

Administrative Departments are to sanction and release funds for expenditure out of the Vote on Account 2016-17 in accordance with the aforesaid instructions.

Yours faithfully,

**Sd/-**

**(R. Balakrishnan)**

**Additional Chief Secretary to Government**

**Annexure-I****CASES REQUIRING PRIOR APPROVAL OF FINANCE DEPARTMENT**

<b>Sl. No.</b>	<b>Subject/Item</b>	<b>Paragraph</b>
1.	Creation/filling up of posts	<b>4 (vi)</b>
2.	Purchase of new vehicles & hiring of vehicles	<b>4 (vii)</b>
3.	Items of expenditure reserved for Post Budget scrutiny	<b>8 (II)(c)(iii),12(v) &amp; 16</b>
4.	Sanction of expenditure exceeding Rs. 1500 lakh under Non-Plan and Rs. 3000 lakh under Plan in case of Departments not covered under Cash Management System subject to the limits of Expenditure indicated at Para-8.	<b>13 (I)</b>
5.	Release of Share Capital/Loan/Grant in Aid/subsidy to PSUs/Co-operatives exceeding the limit specified in para-13(I)	<b>14 (i) &amp; (ii)</b>
6.	Any relief to PSUs/Co-operatives in recovery of outstanding Govt. dues while sanctioning share capital, loan or subsidy	<b>15</b>

**Annexure-II****CASH BALANCE REPROT OF DDOS AS ON 30.04.2016**

<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 before 01.03.2016</b>	<b>Un-disbursed amount out of money drawn in March, 2016</b>	<b>Total amount 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 unauthorised 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