

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 34749 /F., Date 24.12.2016
FIN- BUD1-BT-0011/2016

From

Sri. T.K. Pandey, I.A.S.
Principal Secretary to Government.

To

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

Sub : ***Admissibility of Expenditure relating to the provisions made in the Supplementary Statement of Expenditure for the year 2016-17 and expeditious action to utilize the funds in time.***

Sir/Madam,

I am directed to say that the demands contained in the Supplementary Statement of Expenditure 2016-17 have been approved by the Legislature and 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 F.D. Letter No. 14915/F dt.18.05.2016 (Regulation of Expenditure out of the Annual Budget for the year 2016-17) and Letter No. 34048/F dt. 17.12.2016 (Revised Estimate for 2016-17 and Budget Estimate for 2017-18).

2. The Administrative Departments are now authorized to incur the aforesaid expenditure as per the following guidelines and time schedules.

i) Provision has been made for recoupment of advance taken from Odisha Contingency Fund. It should be recouped by **10.01.2017** and compliance reported to Finance Department by **16.01.2017**. The allotment against recoupment of advance from Odisha Contingency Fund is not available for distribution among the Drawing & Disbursing Officers. Only the sanction order in respect of the recoupment is to be

sent to the Principal Accountant General (A&E) Odisha for adjustment of the advance by the administrative Department concerned with a copy to Finance Department.

- ii)** The total allotment including Supplementary provision excluding the provision for recoupment of advance from Odisha Contingency Fund and the provision for accounting adjustment should be distributed among the Drawing & Disbursing Officers through treasury portal by **17.01.2017** and in case of Supplementary linked re-appropriation or additional allotment should be distributed by **31.01.2017**.
- iii)** All Supplementary linked surrender and re-appropriation orders shall be issued centrally at the level of Finance Department in Budget-II Branch and the same should be completed by **04.01.2017**. The surrender and savings located has been frozen in IFMS and no more available for distribution. The concerned Departments are being intimated separately.
- iv)** In the Supplementary Statement of Expenditure, 2016-17 changes have been made in classification of a number of items of expenditure as per advice of the Principal Accountant General (A &E). In such cases, provision in the Revenue Account has been surrendered and substantive provisions has been made in the Capital Account and vice-versa. Accordingly, actual expenditure incurred out of the provision made in 2016-17(BE) is to be written back to the provision made in the Supplementary Statement of Expenditure, 2016-17. Necessary Transfer Entry (TE) suggestion is to be sent by the concerned Administrative Departments for the purpose to the Principal Accountant General (A &E).
- v)** Provision in the Supplementary Statement of Expenditure, 2016-17, has been made in some cases for Accounting Adjustment without cash outgo. Informal consultation with the O/o the accountant General (A&E) and Finance Department is to be made by the Administrative Departments to ensure correctness of the sanction order to be issued. The sanction order should be handed over in the Office of the Principal Accountant General (A&E) to the Senior Accounts Officer in charge of the Books section.
- vi)** The Process of issuance of sanction orders for release of funds as well as surrender of provisions should be completed by **31.01.2017** so as to avoid rush of expenditure in the last month of the financial year.
- vii)** In order to avoid last minute rush, it is hereby indicated that the last date of submission of bills to the Treasuries for the financial year 2016-

17 shall be 15.03.2017 for claims under other contingencies, machinery, equipment, vehicle, share capital, subsidy & loans and **21.03.2017** for other claims.

- viii)** Steps should be taken for full and effective utilization of Supplementary Provision as any unspent balance of Supplementary provision would invite adverse comments from the Audit.
- ix)** Budgetary fund shall, in no case, be transferred to Civil Deposit.
- x)** Wherever Supplementary schedules have been admitted with the stipulations like subject to post budget scrutiny, release of central assistance, prior concurrence of P & C Department, Finance Department etc., there is a mention in the remarks column of the Supplementary Statement of Expenditure, 2016-17, those have to be completed before release of additional provision made in the Supplementary Statement of Expenditure..
- xi)** Top priority shall be given to expedite expenditure in respect of –
 - Central Share and State Share of CSS where the Central Assistance is received
 - Capital Outlay for creation of capital assets
 - Social Sector Expenditure and expenditure for maintenance of capital assets
 - Funds provided for completion of projects under Zero based Investment Review
 - Central Grant under Central Plan where' the Central Assistance is received.
 - Outlays provided for RIDF, EAP and other resource tied up schemes.

2. Expenditure for Centrally Sponsored Schemes (CSS) :

- i)** The Administrative Departments are required to limit the expenditure under different CSS, commensurate with the availability of Central Share as per the allocation of funds made by Government of India and the corresponding State Share due as per the financing pattern of the scheme.
- ii)** **Expenditure against these schemes to be made against availability of central assistance and the corresponding State Share only during 2016-17. Expenditure without**

availability of central assistance would require prior concurrence of Finance Department. The Administrative Departments are required to furnish such proposals to Finance Department clearly indicating the emergent need for incurring the expenditure pending receipt of central assistance, steps taken by them to obtain central assistance and whether there is any unspent balance out of the funds released in the previous years.

4. SR-242 of O.T.C. Vol-I mandates that money should not be drawn from the Treasury unless it is required for immediate disbursement. **In case of funds transferred to implementing agencies, it is to be ensured that funds are drawn and transferred only for actual expenditure and not for parking in Bank Account.**

5. The time schedule for issuance of allotment, verification & reconciliation of expenditure etc.

- i)** The detailed DDO-wise Budget Allotments in respect of the provisions made in the Supplementary Statement of Expenditure 2016-17 is to be distributed through IFMS Portal- <https://www.odishatreasury.gov.in> in order to enable the Treasuries/Special Treasuries/ Sub Treasuries to check the bills against budgetary allotment through IFMS. The allotment relating to object heads and detailed heads should be distributed through the Odisha Treasury Portal by 17.01.2017 in case of re-appropriation of funds by 30.01.2017. The Treasuries and Sub-Treasuries should, therefore, insist on full accounting classification i.e. detailed description from Major Head to object head / detailed head in the Bills presented for drawl.
- ii)** All Administrative Departments are requested to strictly follow the monitoring mechanism for ensuring submission of Utilization Certificate by the Grantee Institutions in respect of financial assistance/Grant-in-Aid as communicated in Finance Department OM No.21241/F., dt.17.07.2014 and letter No29549/F, dt.20.10.2014. The FA/AFA of the concerned Administrative Department shall ensure submission of Utilization Certificate by the Grantee Institutions in respect of previous financial assistance/Grant-in-Aid within the

stipulated time before release of subsequent instalments of financial assistance/Grant-in-Aid to the respective Grantee Institutions.

- iii)** All Administrative Departments are requested to adhere to the following time schedule for online verification and reconciliation of Departmental Receipt and Expenditure Figures for 2016-17 with those of AG (A&E), Odisha using IFMS as communicated in Finance Department letter No.23871/F., dt.31.08.16

Month of the Account	Uploading of Data iOTMS/iFMS by	Cut-off date for of alternation
November, 2016	30.12.2016	12.01.2017
December, 2016	30.01.2017	13.02.2017
January, 2017	02.03.2017	13.03.2017
February, 2017	31.03.2017	12.04.2017
March (P), 2017	18.05.2017	27.05.2017

6. Administrative Departments, are, therefore, requested to direct the Controlling Officers under their administrative control to complete verification and reconciliation of Departmental Receipt & Expenditure figures with those of AG (A&E), Odisha as per the above time schedule under intimation to Finance Department. If any misclassification of expenditure and receipt is noticed and as a result there is excess expenditure over the approved grant and appropriation the concerned Controlling Officers shall be held responsible and accountable to Public Accounts Committee.

I would therefore, request you to kindly adhere to the above guidelines and utilise the Annual and Supplementary Budget provision, carry out the verification and reconciliation of expenditure and receipts so as to keep the expenditure within the approved grants and appropriations and ensure proper classification of receipts.

Yours faithfully,

Sd/-

(T.K. Pandey)

Principal Secretary to Government