

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 35024/F Date: 17.10.2019
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From

**Shri Ashok K. K. Meena, IAS
Principal Secretary to Government**

To

**The Principal Secretary to Government/
Rural Development Department.
Water Resources Department
Housing & Urban Development Department/
Commissioner-cum-Secretary to Government
Works Department**

Sub: **Submission of Annual Maintenance Plan-reg.**

Sir,

I am directed to say that the practice for preparation of Annual Maintenance Plan for the Engineering Departments was introduced from the financial year 2010-11 in terms of paragraph-12 (x) of Finance Department Letter No-49427/F Dt.9.10.2009.

2. The instructions laid down in the letter required the Administrative Departments concerned (Works Department, R.D. Department, H & U.D. Department and Water Resources Department) to put in place appropriate institutional reforms for effective and productive utilization of the budgeted provision for Operations & Maintenance (O&M) through bringing out Annual Maintenance Plans (AMPs) setting out, inter alia, the following:

- (i) Principles and criteria to be followed for allocation of the budgeted provision for O&M amount towards the functional and administrative units in charge of maintenance of capital assets. Amounts allocated for routine and periodic maintenance should be separately indicated. Besides, sums earmarked, if any, for special repairs of capital assets of high priority should also be separately shown.
- (ii) Unit wise allocation of O & M funds on the basis of the agreed norms.

(iii) Monitoring and oversight arrangements for ensuring regular upkeep and maintenance of capital assets.

3. Such annual maintenance plans to be formulated by the Departments concerned are required to be submitted to Finance Department for vetting before incurring O&M expenditure. Subsequently, instructions and guidelines are issued every year for preparation of Annual Maintenance Plan (AMP) in the budget circulars for preparation of Annual Budget.

4. As such, expenditure for maintenance of Capital assets is required to be incurred as per the Annual Maintenance Plan(AMP) formulated by Administrative Department duly approved by Finance Department. The guidelines for preparation of Annual Maintenance Plan for the year 2019-20 were issued by Finance Department in letter no-35653/F Dt. 15.11.2018. Subsequently, the Administrative Departments were given a timeline of 20th August,2019 for submission of Annual Maintenance Plan in terms of para-3(v) of the circular on regulation of expenditure out of Annual Budget for the year 2019-20 issued vide Finance Department Letter No.26069/F Dated 31.7.2019.

5. However, it is noticed that the Annual Maintenance Plan (AMP) for FY 2019-20 has not yet been prepared and submitted by the concerned Departments to Finance Department for vetting. It is further noticed that O&M expenditure is being incurred by the concerned Departments without approval of Annual Maintenance Plan by Finance Department, which violates the instructions laid down in the aforesaid letters of Finance Department.

It is therefore, requested that the concerned Administrative Departments should take immediate steps to prepare the Annual Maintenance Plan pertaining to their Department and get it vetted by Finance Department before incurring any O&M expenditure. Any O&M expenditure without approved Annual Maintenance Plan would be treated as unauthorized expenditure and personal responsibility will be fixed on the erring Officers.

Yours faithfully,

Sd/-
Principal Secretary to Government