

**GOVERNMENT OF ODISHA  
FINANCE DEPARTMENT**

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No. 5276 /F.,  
FIN-TRY-BT-0001/2017

Dated:- 28.02.2018

From

**Sri Tuhin Kanta Pandey, IAS  
Principal Secretary to Government.**

To

**The Additional Chief Secretaries/  
Principal Secretaries/  
Commissioner-cum-Secretaries/  
Secretaries to Government.  
All Heads of Department.**

**Sub: *Measures to prevent rush of expenditure towards the fag end of the Financial Year, 2017-18.***

**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 submission of proposal to Finance Department for release of funds in letter No.3494/F, dt. 08.02.2018.

2. The Administrative Departments were requested to take timely steps for sanction, release, re-appropriation and surrender of funds by the revised deadlines so as to ensure submission of bills in the Treasuries in time as per the deadlines stipulated vide Finance Department Circular No. 8728/F, dtd-31.3.2017 and No. 3494/F., dt.08.02.2018.

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. 3494/F., dated 08.02.2018. In view of administrative convenience and the necessity to regulate the submission of different kinds of bills/ claims in the Treasuries in a phased manner, the deadlines so fixed for presentation of bills/ claims in the Treasuries are now revised and mentioned below.

Sl. No.	Items	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 Co-operatives, Industrial Enterprises, Public Sector Undertakings in shape of loan or Share Capital Investment and subsidy.	15.03.2018 No Treasury shall entertain any of these Bills, after 15.03.2018 on any account.
(ii)	Re-submission of bills after due compliance, in respect of items as mentioned at (i) above which were objected to earlier.	21.03.2018
(iii)	All other bills except the categories enumerated at (i) above	21.03.2018 Extension of this deadline would not be allowed on any account whatsoever.
(iv)	Resubmission of bills after due compliance except those mentioned at (i) which were objected to earlier.	26.03.2018
(v)	Presentation of fresh bills relating to :- <ul style="list-style-type: none"> <li>▪ <i>Relief expenditure,</i></li> <li>▪ <i>Energy charges/ Telephone charges,</i></li> <li>▪ <i>House Building/ Vehicle/ Medical Advance,</i></li> <li>▪ <i>Old age pension/ Disability Pension/widow Pension,</i></li> <li>▪ <i>Pre-Matric/Post Matric Scholarship</i></li> <li>▪ <i>Mid-day meal,</i></li> <li>▪ <i>Police/ Fire Service/ Jails Organisation,</i></li> <li>▪ <i>Home Election (Department),</i></li> <li>▪ <i>State Election Commission and other Election related bills</i></li> </ul>	26.03.2018
(vi)	Claims relating to Centrally Sector Schemes and Centrally Sponsored Schemes (CSS) , the Central Assistance for which is received on or after 21.03.2018	27.03.2018
(vii)	Bills relating to PMAY and ITDP etc. which are 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.	27.03.2018

These deadlines are to be followed scrupulously. Accordingly, necessary expenditure sanction for these items/ claims should be issued on or before the dead line for submission of bills. The last date for issue of sanction order for incurring expenditure on these items is the last date for submission of the related bills in the Treasury/ Sub-Treasury concerned.

4. (i) Budgetary funds should not be transferred to Civil Deposit.

(ii) No. bill/ 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 31.03.2018. Where the provision is not likely to be spent by 31.03.2018, the provision shall be surrendered under intimation to Finance Department in time. Un-spent balance of funds drawn out of the Budget Provision for the year 2017-18 should be deposited in Government Account within 31.03.2018. 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, Externally Aided Projects, Rural Electrification i.e. (Biju Gramya Jyoti, Biju Saharanchala Bidyutikaran Yojana), BKVY, Dietary charges of Hospitals and Jails, Old Age Pension before the deadline.

(iv) Under no circumstances 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. (i) The time schedule set out above must be adhered to without any deviation. Under no circumstances, the accounts of any Treasury/Spl. Treasury/Sub-Treasury can be kept open beyond 31.03.2018 with a view to accommodating transactions of the current financial year. Under the Integrated Financial Management System (IFMS), all the Treasuries are connected to the Central Location at the Directorate of Treasuries & Inspection, Odisha, Bhubaneswar through intranet and the controlling officers and Drawing & Disbursing Officers have access to the system (IFMS) through the Budget Interface. Works and Forest Expenditure Modules of the Treasury Portal (internet). The transactions are made through System. The IFMS 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 2018, which is technically the end of the current financial year 2017-18, the system would automatically disable all the allotments for 2017-18 across the State as a whole for the financial year 2017-18 and it would not be possible at all to carry out any transaction, relating to the Budget of 2017-18 after that. The 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, Odisha.

(ii) In previous financial years, on 31<sup>st</sup> March, a number of Bills/ Cheques which were passed by the Treasuries/Sub-Treasuries in the late hours and sent to the respective Banks for payment could not be en-cashed as their computerized system did not admit the last minute transactions. ***The concerned Departments should, therefore, take advance action in this regard and advise the Controlling Officers & DDOs to avoid submission of bills in the Treasuries after the deadlines and ensure encashment of all claims presented in the Treasury/Bank***

*before 31<sup>st</sup> March, 2018 as the centralized and computerized payment Platform of the R.B.I and Core Banking System of Agency Banks may not accept the last minute transactions. Besides, the e-disbursement system will also not be able to complete the cash transaction by 31<sup>st</sup> March, 2018 in such cases. The Cheque drawing DDOs of Forest and Engineering Departments are also advised to ensure issue of all cheques sufficiently ahead so that the payment would be processed through the e-Kuber Platform of R.B.I. for settlement through National Electronic Fund Transfer (NEFT) before closure of the Financial Year 2017-18.*

(iii) *The cash transactions pertaining to the current financial year are to be completed within 31<sup>st</sup> March, 2018 by all means. Since e-Disbursement is being processed on the e-Kuber Platform of R.B.I and the payment settlements take place through NEFT, bills and electronic cheques approved by the Treasuries / Sub-Treasuries and Cheque Drawing DDOs can be encashed till the last cycle of NEFT, which normally ends at 8.00 P.M. in every day. Accordingly, the last advise of Treasuries must be generated by 5.00 P.M. on 31<sup>st</sup> March 2018.*

6. 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 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 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 and the DDOs Bank Account, the D.D.Os must record a certificate on the body of the bills presented after 31st March 2018 as follows:

(i) *"the money drawn in cash/bank drafts or by transfer to DDO's Bank Account upto the period 31.03.2018 has been disbursed by now except Rs. \_\_\_\_\_ which would be disbursed by 30.04.2018 at the latest",*

(ii) Similarly, while presenting the pay bill for April, 2018 to be paid on or after 01.05.2018, the D.D.O. must record a certificate that:

*"all money drawn in cash/bank draft and by transfer to DDO's Bank Account up to the period 31.03.2018 have been fully disbursed and no amount is lying un-disbursed with him".*

(iii) While presenting the pay bill for the month of May, 2018 onwards, the D.D.O. must record a certificate to the effect that:

*"the money drawn in shape of cash/bank draft and by transfer to DDO's Bank Account 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".*

While scrutinizing the bills to be presented during 2018-19, 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.

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 16.04.2018 in the enclosed proforma (at Annexure-‘A’) to the Collector of the District by 23.04.2018 and the Collector in turn will report directly to Finance Department (Ways & Means Branch) the name of DDOs who have drawn money up to 31<sup>st</sup> March 2018 but have not disbursed it by 16.04.2018. A copy of such report should also be endorsed to the concerned Heads of Department.*

8. 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.

9. The D.D.Os under the administrative control of the Departments may be instructed to strictly follow these instructions.

I would, therefore, request you kindly to take timely steps for drawal of funds by the deadlines stipulated above in the interest of fiscal discipline and effective financial management. It should be noted that there will not be further relaxation in the deadlines indicated above under any circumstances whatsoever.

**Yours faithfully,**

**Sd/-**

**Principal Secretary to Government**

Cash Balance Report of DDOs as on 16.04.2018

<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 01.03.2018</b>	<b>Un-disbursed amount out of money drawn in March, 2018</b>	<b>Total amount of un-disbursed money</b>	<b>Breakup 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