

GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

No.**5792(226)**/F Dated the **01.03.2014**
FIN-TRY-BT-0002/2014

From

Shri U.N. Behera, I.A.S.
Additional Chief Secretary to Government

To

**Addl. 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 2013-14.**

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.4249/F; dt.14.02.2014.

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.14140/F; dt. 10.04.2013, No. 37201/F; dt. 16.12.2013 and No. 4249/F; dt. 14.02.2014.

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. No.4249/F; dt.14.02.2014. 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 as enumerated below, which should be strictly adhered to.

Sl. No.	Item	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 Cooperatives, Industrial Enterprises, Public Sector Undertakings in shape of loan or Share Capital Investment and subsidy.	14.03.2014 No Treasury shall entertain any of these Bills, after 14.03.2014 on any account
(ii)	Re-submission of bills/cheque after due compliance, in respect of items as mentioned at (i) above which were objected to earlier.	20.03.2014
(iii)	All other bills / cheques except the categories enumerated at (i) above.	18.03.2014 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.	21.03.2014
(v)	Presentation of fresh bills involving payment in cash / bank draft relating to :- Relief expenditure Energy charges, Telephone charges, House Building Advance, Vehicle Advance, Medical Advance, Old age pension, Mid-day meal, Police Organisation, Fire Service Organisation, Jails, Home Election (Department), State Election Commission and other Election related bills, 13th Finance Commission Grants	25.03.2014
(vi)	Claims relating CP/ CSP Schemes the Central Assistance for which is received on after 15.03.2013	25.03.2014
(vii)	Bills relating to SGRY, IAY, SGSY and ITDP to be paid by transfer credit to P.L. Account of the concerned DRDAs / ITDAs and all other bills which are passed for payment by transfer credit to deposit heads	25.03.2014

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

(ii) No bill/cheque/ claim of any kind should be present to the Treasury/Spl. Treasury/Sub-Treasury if the money to be withdrawn cannot be spent on or before 31.03.2014. Where the provision is not likely to be spent by 31.03.2014, the provision shall be surrendered under the intimation to Finance Department in time. Unspent balance of funds drawn out of the budget provision for the year 2013-14 should be deposited in Government Account within 31.03.2014. Such un-spent balances should, on no account, be carried over to the next financial year, as it will deflate the expenditure of 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, Schemes funded by ACA for KBK, Externally Aided Projects, Rural Electrification i.e. (Biju Gramya Jyoti, Biju Saharanchala Bidyutikaran Yojana), BKVY, Dietary charges of Hospitals and Jails, Old Age Pension and 13th Finance Commission Grants 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 shall the accounts of any Treasury/Spl. Treasury/Sub- Treasury be kept open beyond 31.03.2014 with a view to accommodating transactions of the current financial year. Under the Integrated Odisha Treasury Management System (iOTMS), all the Treasuries are connected to the Central Location at the Directorate of Treasuries & Inspection, Odisha, Bhubaneswar and the transactions are controlled by the System itself. The iOTMS does not provide for any backlog processing of transactions at any stage. As such exactly after 12.00 Midnight of 31st March 2014, which is technically the end of the current financial year 2012-13, the system would automatically disable all the allotments for 2013-14 across the State. as a whole for the financial year 2013-14 and it would not be possible at all to carry out any transaction, relating to the Budget of 2013-14 after that time, which is to be accounted for in the financial year 2013-14. 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 31st 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 encashed as their computerised 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 31st March, 2014 as the centralized payment procedure of the Banks under the Core Banking System may not accept the last minute transactions. Besides, the e-disbursement system will also not be able to complete the cash transaction by 31st March 2014, in such cases.

(iii) The cash transactions pertaining to the current financial year are to be completed within 31st March, 2014 by all means. Since e-Disbursement is being made through the payment platform of Reserve Bank of India in all Treasuries/Sub-Treasuries, the Bills approved for payment can only be encashed on the subsequent working day(T +1). As such, Bills involving electronic disbursement need be submitted in the Treasuries by the prescribed dates so that, electronic advice for payment can be issued by 29th March, 2014 so as to ensure payment to the beneficiary account by 31st March, 2014.

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. 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, the D.D.Os must record a certificate on the body of the bills presented after 31st March, 2014 as follows:

That "the money drawn in cash/bank drafts upto the period 31.03.2013 has been disbursed by now except Rs._____ which would be disbursed by 30.04.2014 at the latest. Similarly, while presenting the pay bill for April 2014 to be paid on or after 01.05.2014, the D.D.O. must record a certificate that "all money drawn in cash/bank draft up to the period 31.03. 2014 have been fully disbursed and no amount is lying undisbursed with him".

While presenting the pay bill for the month of May, 2014 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".

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 16.04.2014 in the enclosed proforma (at Annexure-'A') to the Collector of the District by 22.04.2014 and the Collector in turn will report directly to Finance Department (Ways & Means Branch) the name of DDOs who have drawn money up to 31st March 2014 but have not disbursed it by 16.04.2014. A copy of such report should also be endorsed to the concerned Heads of Department.

8. Instruction 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 unauthorised Bank accounts must also be strictly followed. It is reiterated that in case any D.D.O. is found to have kept Govt. money in the Bank or Post office after drawal from Treasury/Bank without specific prior approval of the Govt. in Finance Department, he/she shall be held personally liable. While scrutinising the bills to be presented during 2014-15, 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.

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/-

(U.N.Behera)

Addl. Chief Secretary to Government

Annexure-‘A’

Cash Balance Report of DDOs as on 16.04.2014

Name & Designation of the D.D.O.	Name of the Heads of Department/ Administrative Department	Un-disbursed amount out of money drawn before 01.03.2014	Un-disbursed amount out of money drawn in March, 2014	Total amount of un-disbursed money	Break-up of the un-disbursed amount i.e. whether kept in cash/ /B.D./ Banker's cheque /DCR or in unauthorised Bank Account	Reasons for drawal & retention of the un-disbursed amount in violation of SR 242 of OTC Vol.1
1	2	3	4	5	6	7

Signature
Designation of D.D.O.