GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

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No. 6106 /F., Dated 6/3/2017
FIN-TRY-BT-0001/2017

From

Shri Tuhin Kanta Pandey, I.A.S
Principal Secretary to Government.

To

The 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, 2016-17.*

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.3897/F, dt. 11.02.2017.

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.14915/F., dt.18.05.2016 and No.3897/F., dt. 11.02.2017.

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.3897/F., dt. 11.02.2017. 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

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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.	15.03.2017 No Treasury shall entertain any of these Bills, after 15.03.2017 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.	21.03.2017
(iii)	All other bills except the categories enumerated at (i) above.	21.03.2017 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.	27.03.2017
(v)	Presentation of fresh bills relating to :- ▪ *Relief expenditure,* ▪ *Energy charges/ Telephone charges,* ▪ *House Building/ Vehicle/ Medical Advance,* ▪ *Old age pension,* ▪ *Mid-day meal,* ▪ *Police /Fire Service / Jails Organization,* ▪ *Home Election (Department),* ▪ *State Election Commission and other Election related bills*	27.03.2017
(vi)	Claims relating to Centrally Sponsored Schemes (CSS) which are now part of the State Plan/ CP/CSP Schemes, the Central Assistance for which is received on or after 21.03.2017	27.03.2017
(vii)	Bills relating to IAY 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.	27.03.2017

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 31.03.2017. Where the provision is not likely to be spent by 31.03.2017, 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 2016-17 should be deposited in Government Account within 31.03.2017. 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 31.03.2017 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 31st March 2017, which is technically the end of the current financial year 2016-17, the system would automatically disable all the allotments for 2016-17 across the State as a whole for the financial year 2016-17 and it would not be possible at all to carry out any transaction, relating to the Budget of 2016-17 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 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 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 31st March, 2017 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 31st March, 2017 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 payees would be able to en-cash the cheques before 31st March, 2017.***

(iii) ***The cash transactions pertaining to the current financial year are to be completed within 31st March, 2017 by all means.*** Since e-Disbursement is being made through the payment platform of Reserve Bank of India in all the Treasuries / Sub-Treasuries, the Bills approved for payment can only be en-cashed on the subsequent working day (T+1). ***As such, Bills and claims involving electronic disbursement need be submitted in the Treasuries by the prescribed dates so that, electronic advice for payment can be issued before 29th March, 2017 so as to ensure payment to the beneficiary account by 31st March, 2017.***

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 DDO's Bank Account, the D.D.Os

must record a certificate on the body of the bills presented after 31st March, 2017 as follows:

(i) *"the money drawn in cash/bank drafts or by transfer to DDO's Bank Account upto the period 31.03.2017 has been disbursed by now except Rs. __________ which would be disbursed by 29.04.2017 at the latest".*

(ii) Similarly, while presenting the pay bill for April, 2017 to be paid on or after 01.05.2017, 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 31.03.2017 have been fully disbursed and no amount is lying un-disbursed with him".

(iii) While presenting the pay bill for the month of *May, 2017* 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 2017-18, 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 17.04.2017 in the enclosed proforma (at Annexure-'A') to the Collector of the District by 24.04.2017 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 2017 but have not disbursed it by 17.04.2017. 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,

Pandey

Principal Secretary to Government

Memo No 6107 /F., dt. 6/3/2017

Copy forwarded to Private Secretary to Chief Secretary / Development Commissioner-cum-ACS /Principal Secretary to Chief Minister for kind information of Chief Secretary / Development Commissioner-cum-ACS/ Principal Secretary to Chief Minister.

Additional Secretary to Government

Memo No 6108 /F., dt. 6/3/2017

Copy forwarded to All Revenue Divisional Commissioners/All Collectors/Director of Treasuries and Inspection, Odihsa, Bhubaneswar/Financial Adviser and Chief Accounts Officer, Balimela/ Rengali (Left Bank)/Rengali (Right Bank)/Upper Kolab/ Indravati/ Subarnarekha/ Samal/ Mahanadi-Birupa Barrage Project/ Kanupur Irrigation Project/Lower Indra/ Lower Suktel/ Anandapur Barrage Project/ Asst. Financial Adviser & Chief Accounts Officer, Hirakud for information and necessary action.

Additional Secretary to Government

Memo No. 6109 /F., dt. 6/3/2017

Copy forwarded to Director, Madhusudan Das Regional Academy of Financial Management, Bhubaneswar/ Director General, Gopabandhu Academy of Administration, Bhubaneswar/ Director, Revenue Officers' Training Institute, Bhubaneswar/ Principal, Secretariat Training Institute, Bhubaneswar/ Principal, Odisha Shorthand & Typewriting Institute, Bhubaneswar for information and necessary action.

Additional Secretary to Government

Memo No. 6110 /F., dt. 6/3/2017

Copy forwarded to All Officers and Branches of Finance Department for information and necessary action.

Additional Secretary to Government

Memo No. 6111 /F., dt. 6/3/2017

Copy forwarded to Chief General Manager, State Bank of India, Local Head Office, 111/1, Pandit Jawaharlal Nehru Marg, Bhubaneswar/ Regional Manager, State Bank of India, Bhubaneswar/ Berhampur/ Sambalpur/ Chief Regional Manager, United Bank of India, Zonal Office, 13, Forest Park, Bhubaneswar/Regional Manager, UCO Bank Building, 3rd Floor, C-2, Ashok Nagar, Unit-II, Bhubaneswar/ Regional Manager, Central Bank of India, 94, Janpath, Unit-III, Bhubaneswar/ Zonal Manger, Bank of India, Odisha Zone, Zonal Office, 98 Kharvel Nagar, Ground Floor, Keshari Talkies Complex, Bhubaneswar/ Regional Manager, Indian Bank, Regional Office, 117/118 Station Square, Bhubaneswar/ Chief Managing Director, Allahabad Bank, Regional Office, 3/1B, IRC Village, Nayapalli, Bhubaneswar/ Deputy General Manager, Andhra Bank , Zonal Office, M/14, Baramunda, Bhubaneswar/ Divisional Manager, Canara Bank, Red Cross Bhawan, Sachivalaya Marg, Bhubaneswar/ Regional Manager, Indian Overseas Bank, Regional Office, B/2, West Saheed Nagar Bhubaneswar/Deputy General Manager, Punjab National Bank, Circle Office, Deen Dayal Bhawan, 4th Floor, Ashok Nagar, Bhubaneswar/Regional Manager, Union Bank of India, Regional Office, 3/1A, Civic Centre, IRC Village, Bhubaneswar for information and necessary action.

Additional Secretary to Government

Memo No. 6112 /F., dt. 6/3/2017

Copy forwarded to all Treasury Officers/Sub-Treasury Officers for information and necessary action.

The instructions and stipulations indicated above should be enforced strictly and any deviation noticed will be viewed seriously.

Additional Secretary to Government

Memo No. 6113 /F Dated 6/3/2017

Copy forwarded to the Head, State Portal Group, IT Centre, Odisha Secretariat for hosting in the Odisha Government website www.odisha.gov.in/finance Finance Department.

Additional Secretary to Government

Annexure-'A'

Cash Balance Report of DDOs as on 17.04.2017

Name & Designation of the D.D.O.	Name of the Heads of Department/Administrative Department	Un-disbursed amount out of money drawn before 01.03.2017	Un-disbursed amount out of money drawn in March, 2017	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 unauthorized 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

DIRECTORATE OF LOCAL FUND AUDIT, ODISHA

TREASURY AND ACCOUNTS BHAWAN, UNIT-III,

KHARAVEL NAGAR, BHUBANESWAR,

Ph-(0674)2391704, e-mail ID-dirlfaodisha@gmail.com

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Memo No ....2820........./DLFA Dt. ....10.03.17..........

DLFA-HE-(I)-334/2015

Copy forwarded to all the District Audit Officers, Local Fund Audit in the state and Audit Officer, Local Fund Audit, Bhubaneswar for information and necessary action.

10/3/17

Assistant Director

Memo No ....2821........./DLFA Dt. ....10.03.17..........

Copy forwarded to the Assistant Director-cum-D.D.O./Accounts Assistant/Sri Dasmat Murmu, Junior Assistant/ A.F.A. Section of this Directorate for information and necessary action.

10/3/17

Assistant Director