

**GOVERNMENT OF ORISSA
FINANCE DEPARTMENT**

No. WM-16/08/20519(225)/F Dt. 15.4.08

From

**Shri R. N. Senapati, I.A.S.,
Principal Secretary to Government.**

To

**All Principal Secretaries/
Commissioner-cum- Secretaries/
Secretaries to Government
All Heads of Departments.**

Sub : Procedure for regulating release of funds from Civil Deposit during 2008-2009.

Sir/Madam,

I am directed to say that in a number of cases, funds which were sanctioned for expenditure could not be drawn in cash and were kept in Civil Deposit under the Head of Account "8443-Civil Deposit-800 other deposits". These funds should be withdrawn and utilized for the purpose for which those were sanctioned in a gradual manner so as not to affect the Ways & Means position as well as implementation of budgeted programmes of the Government in 2008-09. Civil Deposit releases would have direct effect on liquidity and resources as these are carried over expenditure from earlier financial years. **The balance available in Civil Deposit should not be treated as free resource available for expenditure and no drawal or expenditure commitment shall be made in violation of the instructions contained herein.** In order to regulate withdrawal of funds from Civil Deposit so as not to strain the Ways & Means position of the State Government, the following guidelines should be followed by all Departments and Sub-ordinate offices during the year 2008-2009.

2. i) Withdrawal of advance compensation money deposited by Collectors under the Minor Heads – "111- Other Departmental Deposits" and "117-Deposits for Work Done for Public Bodies or Private Individuals" under the Major Head "8443-Civil Deposit" will be made by the depositor.

ii) In case of all other claims the procedure of drawal shall be as follows:-

a) Where the amount of Civil Deposit in a particular case does not exceed Rs.10.00 lakh, the Head of Department may sanction withdrawal from Civil Deposit without referring the matter to the Administrative Department for approval.

b) Where the amount of Civil Deposit exceeds Rs.10.00 lakh but does not exceed Rs.200.00 lakh, the Administrative Department may sanction withdrawal from Civil Deposit without referring the matter to the Finance Department.

c) **Where the amount of Civil Deposit exceeds Rs.200.00 lakh, the sanction of withdrawal from the Civil Deposit would be accorded by the Administrative Department only after obtaining concurrence of the Finance Department.**

d) However the restriction at clause (c) above will not apply to withdrawals from Civil Deposit made out of the budgetary provisions for ACA for KBK, Centrally Sponsored Non-Plan Scheme for Modernization of State Police Force/ Modernization of Prison Administration/OBB/Extended OBB Schemes and Programmes / Schemes under Grants recommended by the 12th Finance Commission. The Administrative Departments are

authorized to allow release of funds for these Schemes/Programmes with the concurrence of their Financial Advisors/Asst. Financial Advisors and ensure submission of U.C in the prescribed format within the time limit indicated by Government of India. Health and Family Welfare Department are authorized to draw the fund from civil deposits in respect of Civil Deposit made in 2005-06, 2006-07 and 2007-08 for Equipment, Medicine, Bedding, and Clothing etc without any reference to Finance Department.

e) **The above authorization under clauses (a) and (b) does not cover cases where funds have been drawn and kept in Civil Deposit by augmenting provision through re-appropriation. Similarly such authorization is not applicable to cases where Finance Department had made some specific stipulations while concurring in the proposal to keep the amount in Civil Deposit. In all such cases, prior concurrence of the Finance Department would be necessary.**

f) **Release of funds relating to Central Plan Schemes, Centrally Sponsored Plan Schemes and State Plan (EAP) from Civil Deposit shall in all cases be referred to the Finance Department, irrespective of the amount involved. While referring such cases the Administrative Department should specifically indicate if Central Assistance/Additional Central Assistance for EAP due has been released by the Government of India in respect of the CP/CSP/State Plan (EAP) Schemes. Further it should be indicated by the Administrative Deptt. if the withdrawal sought for will ensure further release of Central Assistance/Central Share/Additional Central Assistance for EAP under the respective Central Plan/Centrally Sponsored Plan/State Plan(EAP) Schemes. All such proposals for release must also indicate the upto date position of Central Assistance/Additional Central Assistance for EAP received, expenditure incurred and U.C./Reimbursement Claims submitted.**

g) **Notwithstanding anything contained hereinbefore, funds which are lying in Civil Deposit for more than three years should not be drawn without concurrence of Finance Deptt. Such unspent balances lying for more than three years should be allowed to lie over. No expenditure commitment should be made for such funds. However, funds relating to ACA for KBK, Modernization of State Police Force, Modernization of Prison Administration and OBB/Extended OBB Schemes may be released from Civil Deposit by the Administrative Departments with the concurrence of their Financial Advisors/AFAs even if the deposits are more than three years old.** Similarly any amount kept in Civil Deposit for more than 3 years, relating to relief expenditure, for which no expenditure commitment has been made and there is no further need for expenditure, will however be allowed to be withdrawn and deposited by transfer credit under the Minor Head "911-Deduct Recoveries of Overpayment" below the Major Head/Sub-Major Head from which the amount was originally drawn. This will enable the unspent amount of Relief Funds to revert back to CRF/NCCF as the case may be. Such withdrawals would be allowed by the Revenue and Disaster Management Department with the concurrence of their FA/AFA, on the recommendations of the Special Relief Commissioner, Orissa. Concurrence of Finance Department is not necessary in this case.

3. It has been noticed that some Departments in anticipation of concurrence of Finance Department for release of funds from Civil Deposit have gone ahead with contracts/work orders. They should not create any liability on these accounts without seeking permission for withdrawal from Civil Deposit.

4. Proposal for sanction of withdrawal from Civil Deposit shall in all cases be accompanied by detailed information as indicated in the Annexure. The Drawing Officer while furnishing proposal must record a certificate to the effect that he has personally verified the correctness of deposit and that he shall be personally responsible for any double drawal or

wrong drawal. Such certificate shall be recorded while furnishing information by the DDO in the Annexure, as well as on the body of the bill to be presented to the Treasury. In the sanction/release order, it is to be clearly mentioned as to whether the same has been duly concurred in by the Head of the Department/Administrative Department/Finance Department, as the case may be, in which case the Memo No./UOR No. is to be invariably quoted.

5. All proposals of release from Civil Deposit when referred to Finance Deptt. should invariably have the detailed comments of the F.A./A.F.A. of the Administrative Department. They should always ensure that the amount proposed for withdrawal from Civil Deposit is to be utilized for the purpose for which it was sanctioned. No deviation should be made from this cardinal principle of public expenditure. The F.A./A.F.A. of the Deptt. should indicate in the file, the amount lodged in Civil Deposit, the amount withdrawn earlier, the balance left un-drawn and urgency of release. Besides, it should be stated if the amount will be utilized for the purpose it was sanctioned. Similarly the delegation made vide para 2 (ii) (a) & (b) may be exercised in consultation with the F.A./A.F.A. or F.A. and C.A.O./Accounts Officer as the case may be.

6. It may kindly be noted that each deposit is a separate case for withdrawal from Civil Deposit and cases of deposits should not be clubbed together while referring the file to Finance Department. As each deposit is identified by a Treasury Challan Number, the amount to be withdrawn should always be mentioned with reference to the particular Treasury Challan Number in the proposal for withdrawal which should also be quoted invariably in the release order.

7. Withdrawal from Civil Deposit should not be made unless money is immediately required for disbursement. Heads of Departments and the Administrative Departments should permit release from Civil Deposit considering the urgency and necessity of withdrawal in each case and after ascertaining that all procedures necessary to be completed before incurring expenditure have been duly completed. If after drawing fund from Civil Deposit, the money has been kept idle for more than 7 days, the concerned DDO shall be personally liable for the loss sustained by Government, which will be recovered from his personal entitlements including his retirement benefits.

8. It is hereby made clear that it is the full responsibility of the authorities sanctioning withdrawal of funds from Civil Deposit with regard to its correctness, genuine necessity of drawal and observance of prescribed procedure. Concurrence of Finance Department is with reference to the monetary limit for drawal, but Finance Department has no material at their end to dispute the claim made by the Administrative Department regarding the correctness and genuineness.

9. This supersedes all previous instructions issued by Finance Department relating to release of funds from Civil Deposit.

10. All Drawing and Disbursing Officers under your administrative control may be instructed accordingly.

Yours faithfully,

Sd/-

Principal Secretary to Government

Memo No. 20520(60)/F Dtd 15.4.08

Copy along-with Annexure forwarded to all Officers of Finance Department for information and necessary action. Proposals may be scrutinized keeping in view the necessity of the expenditure and completion of all required formalities etc. Clearance of Ways & Means Branch may be taken in the matter of release of funds from Civil Deposit. It is requested that the proposals may be scrutinized keeping in view the desirability and necessity of purchase and completion of the formalities etc. before recommending the release to Ways & Means Branch of Finance Department.

Sd/-

Under Secretary to Government

Memo No. 20521(60)/F Dtd 15.4.08

Copy along with Annexure forwarded to all Branches of Finance Department for information & necessary action.

Sd/-

Under Secretary to Government

Memo No. 20522/F Dtd 15.4.08

Copy alongwith Annexure forwarded to the Director of Treasuries and Inspection, Orissa for information & necessary action.

Sd/-

Under Secretary to Government

Memo No. 20523(170) /F Dtd 15.4.08

Copy along with Annexure forwarded to all Treasuries/Special Treasuries/Sub-Treasuries for information & necessary action.

Sd/-

Under Secretary to Government

