

**GOVERNMENT OF ASSAM  
FINANCE (BUDGET) DEPARTMENT  
DISPUR**

No. BB.207/2012/92

Dated Dispur, the 24<sup>th</sup> August, 2016

From : Dr. Ravi Kota, IAS  
Commissioner & Secretary to the Govt. of Assam  
Finance (Budget) Department

To : 1. All Additional Chief Secretaries / Principal Secretaries/ Commissioner & Secretaries/ Secretaries to the Government of Assam.  
2. All Heads of Departments.

**Sub : Communication of Budget Grants for the whole financial year 2016-2017.**

Sir,

I am directed to state that budget for the whole financial year 2016-2017 has been passed by the Assam Legislative Assembly and the Appropriation Act for the year has since been notified. Subject to the observance of prescribed rules and procedures relating to drawal of fund as laid down in this Department's O.M. No. BB.56/93/01 dated 16-06-1993 (**Annexure 1**), No. BB.56/93/157, dated 01-03-1994 (**Annexure 2**) and No. BB.59/98/11, dated 21-05-1998 (**Annexure 3**), Controlling Officers and Drawing and Disbursing Officers are hereby authorized to incur expenditure for the financial year 2016-2017 as per guidelines detailed below read with the relevant provisions of the Assam Fiscal Responsibility and Budget Management Act, 2005 (as amended):

**1. PROCEDURE FOR BUDGET ALLOCATION:**

- (i) **Salary, Wage & Non-Salary (except Pension):** DDO wise distribution of fund for salaries, wages and other non-salary components (except pension) for the entire financial year **2016-2017** under Plan & Non-Plan is required to be issued by the Budget Controlling Officers i.e., Head of the Administrative Department with copy to respective Treasury Officers and Finance (Budget) Department. Where no Heads of Departments exists, it will be issued by the Controlling Officers of the concerned Administrative Department.
- (ii) **Pension:** Budget allotment for expenditure on pension and retirement benefits, old age, literary, sports, artist and freedom fighter's pension are to be communicated by the Pension and Public Grievances Department, Controlling Officers in the Heads of Departments of Social Welfare Department, Education Department, Sports & Youth Welfare Department, Cultural Affairs Department and Chief Minister's Secretariat respectively to all Treasury Officers in a single consolidated letter based on expenditure of previous year and expected number of new pensioners with a copy to Finance (Budget) Department.
- (iii) As regard distribution of budgeted fund by the Controlling Officers, it should be made in a rational manner and Para 7.2 of the Budget Manual of the Government of Assam provides that the Controlling Officers after retaining, if desired, a portion of the grant in their own hand as a reserve, distribute such fund among the DDOs concerned who are subordinate to him in such a manner as he may deem fit.
- (iv) From the current financial year Finance Department has made the respective Budget Grants available online to the Heads of Departments. The Heads of Departments will issue the Budget Allocation for each DDO, only through the online software made available at "[www.finassam.in](http://www.finassam.in)". Allocation to all DDOs should be done in a consolidated manner and not in piecemeal manner. Copies to DDOs, Treasuries and Finance (Budget) Department will be delivered through the software automatically. (For any technical assistance the "Technical Support Group", e-Governance Unit, Finance Department may be consulted in Block F).
- (v) Controlling Officers having office(s) outside the State should send a copy of the Budget allotment for 2016-2017 duly signed with seal, apart from DDOs, to the Pay & Accounts Offices/ Treasuries by post.

**2. ADJUSTMENT OF C.F ADVANCE THAT HAS BEEN ISSUED POST VOTE ON ACCOUNT BUDGET 2016-17**

Actual budget available for distribution shall be the amount arrived at after deducting the following amounts which have already been sanctioned by way of C.F Advance post Vote on Account Budget 2016-17 in respect of the following Departments/ Heads:

Grant No.	Name of Department	Head of Account	Amount (In Lakh)
3	Judicial	2014-00-102-0152-000-05-0 (Non Plan)	2.00
3	Judicial	2014-00-105-0000-000-05-01 (Non Plan)	54.00
17	Judicial	4059-01-101-1483-000-13-99 (Non Plan)	523.00
19	Political	2070-00-105-4691-000-31-99 (Non Plan)	5.00
19	Political	2070-00-105-4691-000-32-99 (Non Plan)	2.00
19	Political	2070-00-800-3305-000-05-01 (Non Plan)	2000.00
29	Health & Family Welfare	2210-02-200-2970-000-32-99 (Non Plan)	136.65
34	Urban Development	6217-60-800-1579-000-18-01 (Plan)	1500.00

Under no circumstances, the amount indicated above, which has been included under Rule 9A of the Assam Contingency Rules, 1950 for regularization of C.F advance granted during the post Vote on Account Budget 2016-17 should be communicated and utilized by these Departments.

**3. EXPENDITURE INCURRED OUT OF VOTE ON ACCOUNT BUDGET 2016-17**

The expenditure already incurred out of the provision made in the Vote on Account Budget 2016-17 should first be deducted from the whole year's Budget for 2016-17 passed by the Assembly. The DDOs and Treasury Officers shall invariably deduct the amount already spent from the Vote on Account Budget 2016-17 from the Budget allocation received by them from controlling officers pursuant to this communication.

**4. PROCEDURE FOR ISSUE OF ADMINISTRATIVE APPROVAL/ FINANCIAL SANCTION:**

- (i) All the Administrative departments shall issue Administrative Approval / Financial Sanction, as the case may be as per delegation made in DFP Rules, 1999 (as amended). The relevant provisions regarding Financial Sanction in brief are mentioned at **Annexure 4**.
- (ii) **No liability is to be incurred without approval of competent authority. The Delegated Financial Powers under the Delegation of Financial Power Rules are to be exercised strictly with reference to and within the limits of budget provision/ allocation. Any deviation from this fundamental requirement will be deemed to be a case of gross financial irregularity and shall attract the provisions of the AFRBM Act 2005 (as amended).**
- (iii) No sanction for payment of Grants-in-aid shall be accorded by any authority unless Utilization Certificates and audited statements against the grants sanctioned on any previous occasion has been received by the sanctioning authority from the grantee as required vide Appendix 16 of the Assam Financial Rules (**Copy enclosed as Annexure 5**).
- (iv) Before issuing sanction against the budget provision for central funds of a particular year, departments will download from Finance Department's website the credit confirmation that the concerned Ministry of Central Government has sanctioned and released the corresponding fund.
- (v) Further, it may be noted that in the Budget Speech of Hon'ble Finance Minister, Assam it was announced vide para 15.15 (English version) that an Act called "Assam Public Expenditure Accountability Act" will be brought out for timely execution of the schemes. It was also mentioned that this Act would stipulate that the Senior-most Secretary will be required to explain to the concerned Legislative Committee for any delay in implementation of works beyond reasonable time. In view of above, utmost care may be taken to ensure that all schemes sanctioned now onwards shall be implemented in time

**5. PROCEDURE FOR ISSUE OF FOC:**

- (i) Items of expenditure listed at **Annexure 6** will remain exempted from the purview of FOC (fixation of ceiling) until further orders.
- (ii) Payment of Pay/ Wages of "**Work Charged**" and "**Muster Roll**" employees appointed duly **prior to 01-04-1993 and yet to be absorbed against permanent vacant post** will also be exempted from the purview of Ceiling. It is also hereby clarified that the DDO with cheque drawing authority will draw fund by submitting bills for payment of pay/ wages of the Work Charged Employees and Muster Roll Employees as instructed vide No.BB.9/2007/3, dated 16-08-2007 (**Annexure 7**). Under no circumstance the Department having Work Charged Employees and Muster Roll Employees shall exceed the budget provision in respect of the payment of pay/ wages to the Work Charged/ Muster Roll Employees. Any deviation from this will be viewed as a case of gross financial irregularity.
- (iii) All other items of expenditure not mentioned above will continue to be under the purview of FOC. The validity of FOC issued in a particular month will not be extended under any circumstance beyond the date specified. The issue of FOC will be done by Finance Department only. The route of submission of proposal for issue of FOC is indicated at **Annexure 8**.
- (iv) The Secretaries of Administrative Departments and Heads of Departments while issuing ceiling to its DDOs are to specify the amount against different items of expenditure separately as per object classification. Ceiling

issued to the DDOs by the Controlling Officers shall be strictly within the limits of the DDO-wise budget allocation.

- (v) The online FOC system is already operational. The Administrative Department shall move proposals for FOC to Finance (Budget) Department and Finance (EA) Department as the case may be only through the online software made available at "[www.finassam.in](http://www.finassam.in)". However, this department will soon come up with the process for complete online system whereby the FOC will also be issued by Administrative Department to the Head of Department and by Head of Department to the respective DDOs through the online software made available at "[www.finassam.in](http://www.finassam.in)". (For any technical assistance the "Technical Support Group", e-Governance Unit, Finance Department may be consulted in Block F).

#### **6. REGISTRATION UNDER PFMS PORTAL:**

Public Financial Management System (PFMS) is a web-based online transaction system implemented by Controller General of Accounts, Ministry of Finance. The primary objective of PFMS is to implement an efficient fund flow system and expenditure network. PFMS also provides various stakeholders with a reliable and meaningful management information system & an efficient decision support system.

All departments receiving Central Funds should compulsorily get themselves registered under PFMS portal of GOI ([www.cpsms.nic.in](http://www.cpsms.nic.in)). In addition all all State Level Missions/Societies/Authorities/Agencies/Bodies implementing the Schemes with the funds received from the Central Government either directly or indirectly shall also register themselves under this portal.

Controller General of Accounts, Government of India has deputed a team of personnel headquartered in SPMU of PFMS in Finance Department, Government of Assam. Assistance of these personnel may be sought for any support in this regard.

#### **7. PERMISSION FOR A. C. DRAWAL :**

- (i) Permission for AC drawals will not be entertained normally. Only under exceptional circumstances, the proposals for AC drawals will be entertained subject to adherence to provisions laid down in Rule 21 of the Contingency Manual. Before submitting proposal, the Senior most Secretary of the Administrative department shall personally satisfy himself about the non-pendency of the D. C. C. Bills of earlier drawals in A. C. Bills as well as DDO's capability to submit the DCC bills against the AC drawals by 10<sup>th</sup> of succeeding month.
- (ii) The Administrative Department shall move proposals for AC drawals to Finance (Audit & Fund) Department with following information and documents:
- Copy of relevant sanction order.
  - Detail justification necessitating drawal of fund in A. C. Bill.
  - A Certificate from the Senior most Secretary of the Department to the effect that no D. C. C. Bill is pending for regularization of earlier A. C. Bill drawals and that the proposed AC drawal will be regularized by DDO by submission of DCC bill by 10<sup>th</sup> of succeeding month.

#### **8. DIRECT CREDIT INTO ACCOUNT BY ECS:**

- (i) While submitting bills including salary bills, the DDOs are required to indicate Detail Classification of Heads as per budget document as the Computer System will not entertain any claim without the Detail Classification of Heads.
- (ii) As State of Assam has already been saturated with 100% opening of PMJDY accounts, henceforth all payments made by the government shall be directly credited into the accounts of the payees through Electronic Clearing System (ECS). Payments in cash or any other bank instrument like cheques / demand drafts / banker's cheques / DCRs / transfer to current accounts etc. will not be permissible save with the specific exemption by the Finance Department.

#### **9. SUBMISSION OF MONTHLY ACCOUNTS TO A. G.**

The Administrative Departments shall ensure that all the Accounts Rendering Units (ARU) have submitted their monthly accounts to A. G. by 10<sup>th</sup> of the following month. Default in submission of monthly accounts will lead to seizure of DDO power automatically and Administrative Department will be held responsible for the lapse on behalf of their DDOs.

#### **10. NON UTILIZATION/ UNDER UTILIZATION OF THE BUDGET GRANT**

Actual expenditure against some of the grants during the preceding years reveals that the grants provided in the Budget has not been utilized fully by the Departments particularly under the Plan Head. Hence it is impressed upon all the Departments to ensure that budgeted grants do not get lapsed at the end of the financial year to ensure the maximum benefit.

## 11. RECONCILIATION OF EXPENDITURE

The Budget Controlling officers are advised to arrange reconciliation of expenditure with the expenditure booked by A.G. strictly as per calendar fixed by the office of the A.G, Assam. A.G is reporting time and again the non reconciliation by some of the Departments. Hence, it is impressed upon Seniormost Secretary of the department to ensure arranging the reconciliation in a regular and routine manner to avoid future complications in accountancy and book-keeping.

## 12. SURRENDER OF SAVINGS

Para 11.17 of the Budget Manual of the Government of Assam stipulates submission of a statement of anticipated savings by all controlling officers so as to reach the Finance (Budget) Department not later than 15<sup>th</sup> February of each year. But in practice it is observed that most of the Department do not either submit it timely or submit on a very later date thereby frustrating the very purpose of the surrender of savings. Hence, it is impressed upon all the Seniormost Secretary of the Departments to ensure adherence to the said provision of rule scrupulously.

## 13. C.F ADVANCE/ SUPPLEMENTARY DEMAND

Contingency fund is created to meet the unforeseen expenditure of urgent in nature which cannot be deferred till additional fund is provided through S.D. But of late it has been observed that a tendency has grown on the part of the Department to move for the C.F advances even for the trivial matters. Such practices should be avoided and proposal for C.F advance should be submitted after proper examination of the merit of the case in hand and having satisfied that there is no scope to meet the requirement by reorientation of the existing grant by exploring possibility of reappropriation.

Similarly, demand for supplementary grant should be submitted only after the Seniormost Secretary is satisfied to the effect that the required amount cannot be accommodated through reappropriation and the requirement is such that it cannot be deferred to the next financial year and the additional amount will be fully utilized within the current financial year.

## 14. PAYMENT OF ARREAR REVISED PAY W.E.F. 01-10-2007 to 31-03-2008

Budget provision has been centrally made under the Major Head 2075-00-800-3888-000-01-13 for payment of pay revision arrear for the period from 01-10-2007 to 31-03-2008. In this connection the following guidelines/ instructions are issued:-

- a) DDO's after proper scrutiny of the arrear bills and having satisfied themselves about the correctness and authenticity of the bills shall submit the bill(s) to the Treasury without indicating budget allotment. The Head of Account 2075-00-800-3888-000-01-13 should be noted on the bills instead of service head.
- b) Treasury Officers are allowed to accept and pass such bills for payment of arrear salary without insisting on separate budget allotment provided on scrutiny, the bills are otherwise found in order.
- c) Director of Accounts & Treasuries, Assam shall watch the daily expenditure on this Account through CTMIS and devise a mechanism to stop acceptance of the bills by the Treasuries immediately after the provision of Rs 20000.00(L) made in this regard is exhausted. The onus of reconciliation of expenditure booked by the O/o of the A.G (A&E), Assam under this sub detailed head shall lie with the Directorate of Accounts & Treasuries, Assam.

## 15. PERCENTAGE UTILISATION IN Q<sub>1</sub>, Q<sub>2</sub>, Q<sub>3</sub> & Q<sub>4</sub>:

The Administrative Departments shall ensure utilization of plan fund as under:

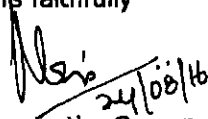
1 <sup>st</sup> Quarter ending in June	}	(Already covered partly under Vote on Account Budget 2016-17)
2 <sup>nd</sup> Quarter ending in September		25%
3 <sup>rd</sup> Quarter ending in December	:	40%
4 <sup>th</sup> Quarter ending in March	:	35% (In January -15% In February - 15% and balance in March - 5%)

Failure to utilize plan fund as per above schedule will lead to lapse of fund for that quarter/ period, and no proposal for restoration of lapsed fund will be entertained.

**16. SUBMISSION OF MONTHLY EXPENDITURE:**

All the Budget Controlling Officers are required to keep close watch on the progressive expenditure against the Budget provision and submit monthly expenditure statement in a consolidated manner to Finance (Budget) Department before 20<sup>th</sup> day of next month for the previous month. Failure of submission of monthly expenditure by any Administrative Department will be taken as a defaulter while releasing fund through Ceiling.

Yours faithfully

  
24/08/16  
Commissioner & Secretary to the Government of Assam  
Finance (Budget) Department

Memo No. BB.207/2012/ 92 -A

Dated Dispur, the 24<sup>th</sup> August, 2016

**Copy to:**

1. The Commissioner & Secretary to Hon'ble Chief Minister for appraisal of Hon'ble Chief Minister, Assam.
2. The Principal Secretary, Assam Legislative Assembly, for information and necessary action.
3. The Registrar, Gauhati High Court, Guwahati- 781001.
4. The Principal Accountant General (A & E), Assam, Maidamgaon, Beltola, Guwahati- 781029.
5. The Principal Accountant General (Audit), Assam, Maidamgaon, Beltola- 781029.
6. The Staff Officer to Chief Secretary for appraisal of Chief Secretary.
7. All Deputy Commissioners/ Sub-Divisional Officers.
8. All Treasury Officers. They shall ensure that the above guidelines are scrupulously followed and Ceiling allotment issued by the Finance Department and the respective Administrative Department is not exceeded any way by the DDO concerned:
9. P. S. to Ministers/ Minister of State, Assam, Dispur.
10. All Administrative Departments for information and necessary action.
11. All Control Branches of Finance Department.
12. The Principal Secretary, Karbi Anglong Autonomous Council, Diphu / North Cachar Hills Autonomous Council, Haflong / Bodoland Territorial Council, Kokrajhar.
13. The Liaison Officer, Assam House, Kolkata/ Assam House, New Delhi/ Assam House, Mumbai.
14. The Caretaker, Assam House, Shillong.
15. All Senior Financial Adviser/ Financial Adviser of Administrative Departments. They shall ensure that the above guidelines are scrupulously followed and Ceiling allotment issued by the Finance Department and the respective Administrative Department is not exceeded any way by the DDO concerned.
16. All Sr. Finance & Accounts Officers/ Finance & Accounts Officers of all Heads of Departments. They shall ensure that the above guidelines are scrupulously followed and Ceiling allotment issued by the Finance Department and the respective Administrative Department is not exceeded any way by the DDO concerned.

By orders etc.

  
24/8/16  
Director  
Finance (Budget) Department