



Government of Odisha

**CONSOLIDATED GUIDELINES FOR IMPLEMENTATION
OF "SPECIAL PROBLEM FUND"**

**(With relevant extracts of Rules & Procedures for sanction
Of Special Problem Fund, 2003 issued by erstwhile
Planning & Coordination Department)**

September, 2021

Planning & Convergence Department

Consolidated Guidelines for sanction of SPF Funds

C O N T E N T S

Sl. No.	Subject	Page No.
1.	Objectives	1
2.	Provision of Fund	1
3.	Admissibility	1-2
4.	Inadmissibility	2
5.	Illustrative List	2
6.	Financial Limit	2
7.	Selection of Projects	3
8.	Sanction and Release of Funds	3
9.	Executing Agency	3-4
10.	Utilisation of Funds	5
11.	Prorata Charges	5
12.	Accounting Procedure	5-6
13.	Administrative Approval for Execution of Projects	6
14.	Diversion of Funds	7
15.	Monitoring & Supervision	7-8
16.	Important Conditions	8
17.	Clarification	8
18.	Implementation Arrangements Summarised	9
19.	Annexure –I	10-11
20.	Annexure –II (F.D. O.M. No.32152/F., dated 15.12.2015) Sub - Drawal from Personal Deposit / Personal Ledger Accounts by means of Electronic Cheques in place of Physical Cheques	13-22
21.	Annexure –III (F.D. O.M. No.11437/F., dated 08.04.2021) Sub- Process Re-engineering in transfer of PL funds from one account across the treasury and transfer of funds from PL Account to Executing Agencies under Public Works Division of Works and Forest Divisions of Forest & Environment Department	23-28

CONSOLIDATED GUIDELINES FOR SANCTION OF FUNDS UNDER THE SCHEME OF SPECIAL PROBLEM FUNDS

1. Objectives:

The scheme of “Special Problem Funds” has been introduced in the State during the year 1997-98. The scheme aims at taking up small and essential projects of local importance involving special nature of problems in the absence of which the development process will remain incomplete. For example, works of the nature of providing missing links to the existing development infrastructure as well as repair modernization and expansion works particularly for purposes of improvement of existing educational institutions both Government as well as Private, roads, culverts, bridges, embankments, public religious places, cultural organizations as well as construction of new projects which will contribute to the overall development of community and wellbeing of the general public for which funds are not available otherwise, can be taken up through funds under the scheme (SPF Guideline-2003-Para-Objective).

2. Provision of Fund:

Funds for the scheme of “Special Problem Fund” shall be provided in the State Plan budget of the Planning and Convergence Department in the form of Grant-in-Aid each year. The Guidelines laid down here under shall be applicable to sanction and utilization of funds under the scheme provided in the State Budget from 2021-22 and onwards. However, the Guidelines shall also apply to the unutilized balance of the previous year’s sanction under the scheme for which no work orders have been issued so far due to some reason or other (SPF Guideline-2003- Para-Provision of Fund).

3. Admissibility:

A project shall be considered admissible for sanction of grant-in-aid under the scheme if (SPF Guideline-2003- Para-Admissibility).

- (i) It is a project of developmental nature.
- (ii) It comes under district sector schemes / subjects.
- (iii) It does not invite recurring expenditure.
- (iv) It creates useful community asset and benefits the community at large.

- (v) It preserves and renovates ancient monuments and religious institutions belonging to the public.
- (vi) It is a programme of preventive, curative, protective and / or productive in nature.

4. Inadmissibility:

A project shall be considered inadmissible for sanction of grant-in-aid under the scheme if (Para-4 of SPF Guideline-2003- Para- Inadmissibility).

- (i) It is a programme of non-developmental nature or inconsequential for well being of the community.
- (ii) It is covered under State / Central sector schemes / projects under implementation.
- (iii) It creates liabilities for the future.
- (iv) It benefits an individual and not the public at large.
- (v) A construction work is taken up on a land not owned by the public / a land under dispute / a land of different kissam.
- (vi) It is a project belonging to a professional / business association or religious organization except renovation / reconstruction of ancient monuments / religious institutions.
- (vii) The grant-in-aid is proposed to be utilized for construction of office buildings / staff quarters, purchase of furniture/ vehicles/ equipments/ books / stationery / expenditure on repair and maintenance/ entertainment activities, etc.
- (viii) It is a proposal involving contingent expenditure / a proposal for discharge of financial liabilities already incurred.

5. Illustrative List:

A list of projects admissible under the scheme and another inadmissible are appended to these Guidelines vide **Annexure I**. These lists are only illustrative but not exhaustive. Due care shall therefore be taken in selecting a project so as to achieve the ultimate objectives of the scheme.

6. Financial Limit:

Keeping in view the meagre resource position of the State and small budgetary provisions, the maximum ceiling limit for a project under the scheme has been fixed at Rs.10.00 lakh. However, Government may relax this ceiling limit in exceptional cases (SPF Guideline-2003- Para-Financial Limit).

7. Selection of Projects:

Hon'ble Ministers, MLAs, other public representatives, Senior Officers of the State Government and the District Collectors may recommend projects involving special nature of problems based on their field visits and interaction with the local public to be taken up under the scheme. All such project proposals received in the Planning and Convergence Department shall be examined, and projects confirming to the guidelines shall be short listed indicating the details of the projects, the amount proposed and the recommending authority. The shortlisted projects obtained shall be placed before the Government for their prioritization and approval (SPF Guideline-2003- Para-Selection of Projects).

8. Sanction and Release of Funds:

Once the priority list of projects is approved by the Government, the projects in order of their priority shall be sanctioned keeping in view the provision of funds available under the scheme in the State budget. Requisite funds relating to such projects pertaining to a district shall be released to the District Rural Development Agency (DRDA) of that district / other Government Departments / Govt. Agencies (SPF Guideline-2003- Para-Sanction and Release of Funds).

As soon as the projects and its Executing Agencies are approved by the Collector, the Project Director DRDA is to prepare the sanction order and after approval by the Collector shall release SPF Funds equivalent to the tentatively approved cost to the concerned Executing Agencies forthwith (P&C Deptt Letter No-13043 dt- 19.12.2013). The PD, DRDA is to release the SPF fund to the executing agency through their PL Account or Govt. Account in case of Public Works and Forest Divisions. A copy of Sanction Order is to be forwarded to Deputy Director, (P&S) DPMU for maintaining Database.

9. Executing Agency:

As soon as the sanction order is received from Government in Planning and Convergence Department, the Project Director, DRDA shall follow the established procedures of the State Government, process the projects, select the

executing agencies with the approval of the Collector¹. For projects located in rural areas, the procedure followed by DRDAs shall be followed which lays down that executants shall be selected by the Pallisabha. However, Pallisabha has to keep these guidelines in view in selecting an executant established procedures of the Government shall be followed when execution of a project is entrusted to an organisation under a line Department. As regards work/projects relating to urban areas priority would be given to urban local bodies on their recommendations, such works can be entrusted to Government line Departments or to a registered non-Government agency having adequate professional expertise, proven track record.

Non-governmental bodies / Institutions will also be eligible to receive this grant subject to fulfilment of the criteria of eligibility. They shall be entrusted with execution of simple type of projects / works subject to the modalities and procedures prescribed by the Government in P&C Department from time to time and to be followed by the concerned Collectors in accordance to the established procedure of the State. The Managing Committees of the concerned institutions can be entrusted with the execution of such works. When no such agency is available, other Government Agencies may be considered as executants to be decided by the concerned Collectors. Besides, projects involving special technical know-how and / or requiring sophisticated equipment for its execution may not be entrusted to any non-Governmental institutions. While entrusting a work to a non-Governmental institution, due care has to be taken to ensure fairness and transparency in expenditure and accountability to Government. In the event of such projects being executed by any NGO, the procedure for execution will be according to their established rules and principles, subject to transparency and accountability and verification by Government agency. The voluntary organisation shall execute an agreement as per established procedure of the State Government in P.R. / H&UD Departments. All the work / Projects executed by any agency will be subject to strict supervision / monitoring by Government / District Collectors / PD, DRDAs /PD, DUDAs and District Level Officers.

¹Earlier the DD, DPMU process the project proposals select the executing agencies with the approval of the Collector (after received from P&C Department)

10. Utilization of Funds:

The Executing Agency has to furnish Quarterly Progress Reports to the DRDA as well as to the Deputy Director, (P&S) District Planning Monitoring Units of the concerned district for effective monitoring of the progress of work.

11. Prorata Charges:

Execution of projects / works under the scheme of Special Problem Fund through different agencies and through organizations under the state Government shall be exempted from payment of prorata charges². However, the Executing Agencies like Odisha Bridge and Construction Corporation (OB&CC), Odisha Police Housing and Welfare Corporation (OPH&WC), Odisha Industrial Infrastructural Development Corporation (OIIDC), Odisha Construction Corporation (OCC) and Odisha Tourism Development Corporation (OTDC) etc are allowed for inclusion of overhead and supervision charges and incentive charges as allowed vide FD Circular No- 25217/F Dt- 30.07.2018 in respect of State Government Works allotted for execution and P & C Deptt Letter no- 9263 (30) dt- 14.09.2020 circulated to all Collectors (SPF Guideline-2003- Para-Prorata Charges).

12. Accounting Procedure:

A: DRDA

- i. The Planning & Convergence Department will sanction the funds under the scheme as Grant-In-Aid in form of Special Problem Fund to the DRDAs. The amount of grant-in-aid received by the district will be drawn by the concerned DRDA in grant-in-aid bills and kept in their P.L. Account till the amount is fully spent. The Collectors shall be the counter signing officers of these bills. On approval of the Sanction Order by the Collector, the P.D. DRDA shall release funds to the Executing Agencies through their PL Account or Government Account in case of

² SPF Guideline-2003 pro-rata charges exempted from all works implemented under SPF.

Public Works or Forest Divisions as the case may be³ guidelines in this regard have been issued by Finance Department O.M. No.32152/F dated 15.12.2015 (**Annexure-II**) & Finance Department O.M. No.11437/F dated 8.4.2021 (**Annexure-III**).

ii. On completion of the projects in the field, the DRDA will collect Utilisation Certificates in OGFR-7 (A) in token of full or part utilisation of the funds for the project and submit the same with counter signature of the Collector under intimation to the DD, (P&S) DPMUs and P&C Department. Separate registered is to be maintained by the DRDA for SPF funds received during a year in respect of each project sanctioned by the Government, apart from maintaining their usual cash and account records and made available for inspection of higher authorities.

iii. The PD, DRDA / PD, DUDA is responsible to comply with all matters related to Audit and Reply to all Assembly Questions.

B- DPMUs:-

i The Deputy Director, (P&S) DPMU, is to facilitate and co-ordinate with PD, DRDA / PD DUDA in obtaining the utilisation certificate from the executing agencies and ensure submission of UCs / Audit related matters to P & C Department in time.

13. Administrative Approval for Execution of Projects:

As per Circular No- 11672 Dt- 19.11.2020, the Government have been pleased to delegate the Financial Power for accordance of Administrative Approval as follows⁴.

	Existing		Revised	
Special Problem Funds	Name of the Authority	Project Cost	Name of the Authority	Project Cost
	Collector	UptoRs 50.00 Lakh	Collector	Full Power
	BDO / PD, DUDA	UptoRs 10.00 Lakh	BDO/ Executive Officer of ULB	UptoRs 10.00 Lakh

³ Previously on receipt of sanction order taking the approval of Collector fund was being released by DRDA to executing agencies

⁴ Rules and procedure for sanction of funds under SPF-2003 and Para-IV of Simplification of SPF Guideline vide P&C Deptt. letter no. 13043 dated 19.12.2013

14. Diversion of funds:

- i. In case, it is not possible to implement a project and no expenditure has been incurred within three months from the date of issue of work order for reasons not due to the Government, the funds in question shall have to be diverted for some other project as the delegation of power for diversion/ substitution of projects under Special Problem Fund to Collectors with the stipulation that the Collectors can substitute a non-starter project by a project of similar nature within the original sanctioned cost of the projects to be substituted after receiving such proposal from Honourable MLAs (Letter No- 13167 dt- 22.12.2020).
- ii. In view of this, all possible care shall have to be taken by the district administration to resolve problems coming on the way, if any, and implement the projects in time. Under compelling circumstances, the District Collector has to furnish a detailed report and refer the matter to the Government in P & C Department for necessary diversion of the funds in question.

15. Monitoring & Supervision:

A.DRDA:-

- i. The PD, DRDAs / PD, DUDAs shall be primarily responsible for establishing effective coordination and linkage for smooth and timely implementation of projects under the scheme, for their supervision and monitoring.
- ii. The PD, DRDAs / PD, DUDAs are to submit MPR and QPR to Planning and Convergence Department / Panchayati Raj & Drinking Water Department / H&UD Deptt respectively.
- iii. The District Collector will periodically review the progress of work and utilisation of funds under the scheme overall and effectively supervise and monitor the progress of work under the scheme. For this purpose, the Project Director, DRDA and the Deputy Director, District Planning Monitoring Unit shall provide requisite support and assistance to the Collector.

B-DPMUs:-

- i. The Deputy Director, (P&S) DPMUs are responsible for maintaining data base / review of the progress of the projects under the supervision of District Collector / PD, DRDA as well as ensure submission of Quarterly Progress

Report and Monthly Progress Report by DRDAs to Planning and Convergence Department.

- ii. The DPMUs to ensure submission of reply to Assembly Questions by DRDA to P & C Deptt.

16. Important Conditions:

With a view to ensuring effective utilisation of the grant-in-aid, timely flow of benefits and uniform spread of work programme over time and space the following procedures shall be followed for sanction of funds and execution of projects under the scheme:

- (i) Grants out of Special Problem Fund shall ordinarily be given in fresh proposals emanating from the grass root level. The project shall be original in nature and proposals for completion of incomplete projects or for part of any continuing project funded otherwise shall not ordinarily be entertained.
- (ii) A project sanctioned by the Government shall be completed within the year of allotment.
- (iii) No fresh grant-in-aid shall be sanctioned for a project if the previous grant-in-aid sanctioned, if any, has not been fully utilized and utilisation certificate furnished.
- (iv) In case, any project taken up initially under the scheme remains incomplete due to dearth of funds, the additional requirement of fund for its completion may be considered on priority basis subject to that the total sanction does not exceed the ceiling limit.
- (v) It should be ensured that after completion of project, the asset created out of SPF is to be handed over to the User Agency for further maintenance and upkeep of the project.
- (vi) The asset created under the scheme, should ordinarily belong to the Department concerned to which it belongs and in case no Department is available it will be vested to DRDA who will transfer it to the Panchayati Raj Institutions / Urban Local Bodies.
- (vii) As soon as a work under the Scheme is completed, it should be put to public use. For greater public awareness, for all works executed under SPF a plaque (stone/metal) carrying the inscription of 'Special Problem Fund' indicating the cost involved, the commencement, completion of the project should be permanently erected. The cost of plaque is inclusive in project cost.

17. Clarification:

In case there is any doubt regarding implementation of the scheme, the matter may be referred to the Government in P & C Department whose decision will be final.

18. Implementation Arrangements Summarised

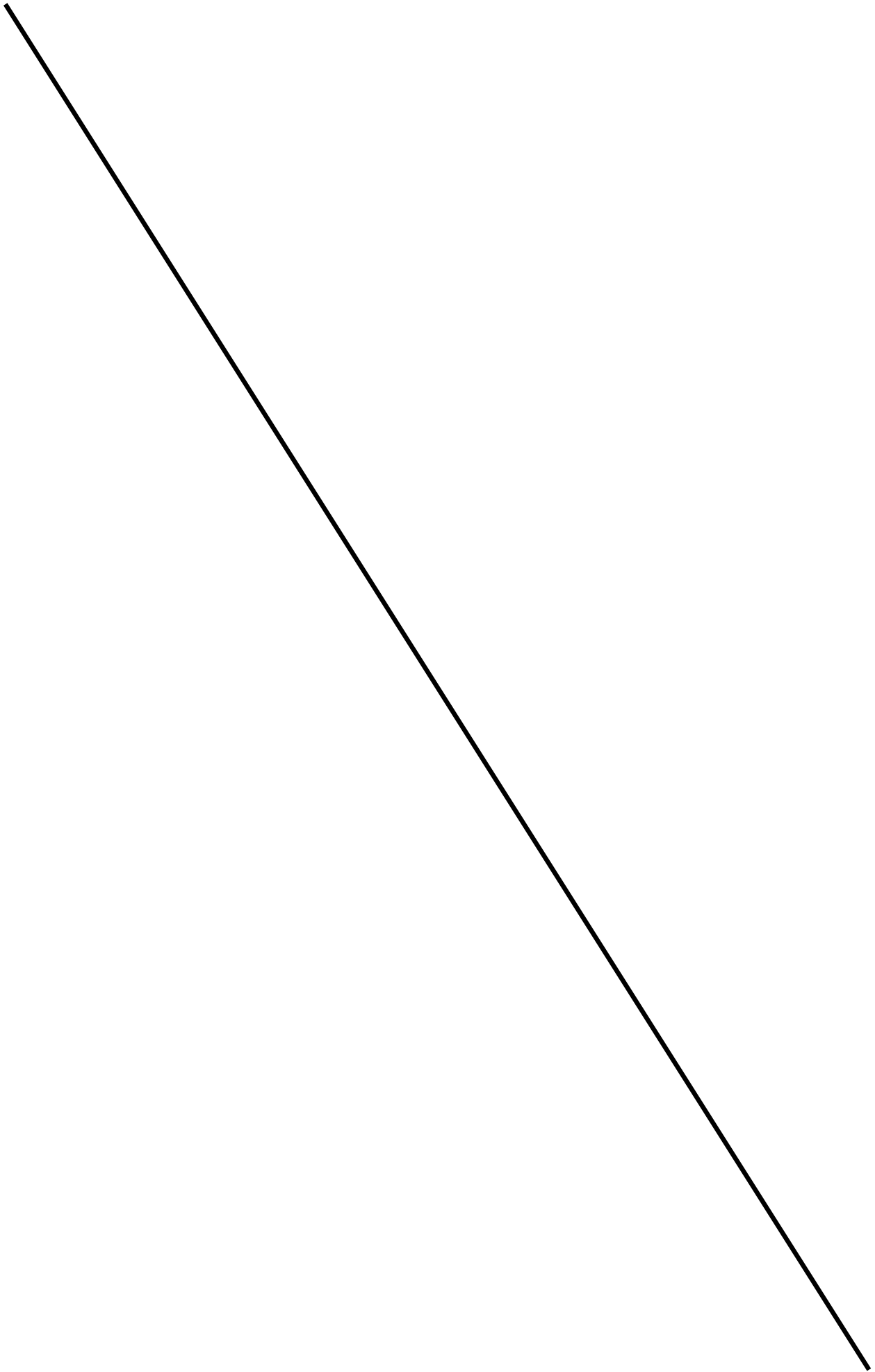
<i>Referral Paras</i>	<i>Revised Provision</i>
Para-13	a) Collector to have full powers for administrative approval of projects irrespective of the cost. b) Now Administrative Approval up to Rs.10.00 lakh will be accorded by BDO/ Executive Officer of the ULBs for projects executed by Blocks/ ULBs as before under intimation to PD, DRDA/ DUDA.
Para-8 and Para-12	Communication of sanction and release of funds to Executing Agency by DRDA
Para-14	Delegation of power for diversion/ substitution of projects under Special Problem Fund to Collectors with the stipulation that the Collectors can substitute a non-starter project by a project of similar nature within the original sanctioned cost of the projects to be substituted after receiving such proposal from Hon'ble MLAs.

ANNEXURE – I

Admissible & Inadmissible List of Projects under the Scheme of Special Problem Fund

<i>List of Admissible Projects</i>	<i>List of Inadmissible Projects</i>
<ol style="list-style-type: none"> 1. Electrification of Harijanbastees/Tribal habitations/Girls' High Schools/Primary Schools. 2. Road to Harijanbastees/Tribal habitations. 3. Construction of Working women hostels for SCs/STs. 4. Protection of old cultural / heritage buildings. 5. Expansion / Renovation of State level Government/ Non-government Cultural/Sports Institutions. 6. Small works to provide missing links viz. Culverts, bridges, deep cause way and Cross drainage works to make existing roads operational. 7. Construction of passenger rest-sheds. 8. Completion of incomplete rooms / additional class rooms for Schools. 9. Provision of urinals, lavatories, tube wells in Primary Schools and Girls' High Schools. 10. Projects encouraging promotion of science / information technology / biotechnology/other modern technology for improving the skill of students in schools and colleges. 11. Extension to existing PHC / Sub-centre buildings and Construction of labour room, operation theatre and indoor wards in existing PHCs. 12. Provision of X-Ray machines in hospitals / Air Conditioners in operation theatres. 13. Construction and extension of Government Ayurvedic / Homeopathic 	<ol style="list-style-type: none"> 1. Construction and repair of National High Way/State High way/ District roads. 2. Major Bridges. 3. Construction and repair of roads in urban / cantonment areas and those coming under the schemes of NREP, JRY and PMGSY. 4. Major and Medium irrigation Projects. 5. Construction of staff quarters. 6. Contingent expenses like purchase of furniture, laboratory equipment, library books, sports equipment, medicines, vehicle, radio, television set etc. 7. A project of routine repair / maintenance nature or a project requiring recurring expenditure or a project inviting future liabilities. 8. A project benefiting an individual and not the community at large. 9. Payment of honorarium, financial assistance or subsidy of any kind. 10. Repayment of loan clearance of arrears and liabilities, purchase of land, payment of compensation. 11. Surveys, studies, evaluation and research projects. 12. Construction of office buildings, staff quarters of Government / Non-Government organizations. 13. Works relating to commercial organizations/ service associations. 14. Construction of Memorials and Memorial buildings.

<p>dispensaries.</p> <p>14. Water supply works in problem villages and urban local bodies in cost sharing basis.</p> <p>15. Development of infrastructure facilities at places of tourist importance.</p> <p>16. Construction of public library buildings/ Bhagabatghars.</p> <p>17. Renovation / reconstruction / repair of Old religious monuments / cultural / Sports institutions.</p> <p>18. Proposal for encouraging State level Sports activities / representations.</p> <p>19. Construction of public owned Kalyan Mandap on cost sharing basis.</p> <p>20. Projects aiming at environmental protection.</p> <p>21. Installation of electric crematorium.</p> <p>22. Installation of mobile towers (S.O. No.4706 dt. 31.03.2021).</p>	
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**GOVERNMENT OF ODISHA
FINANCE DEPARTEMNT**

No. 32152 /F, Dt. 15.12.2015
TRY-MISC-20/14

OFFICE MEMORANDUM

Sub: Drawal from Personal Deposit/Personal Ledger Accounts-by means of Electronic Cheques in place of Physical Cheques.

The Treasuries and Sub-Treasuries act as bankers in respect of funds of Local Bodies, Zilla Parishads, Panchayat Sammittis, State and District Level Statutory and Autonomous Bodies who keep their funds with the Treasuries. The Administrators of the Personal Deposit/Personal Ledger Accounts pay money into these accounts without specification of detail items and withdraw money through cheques signed by them.

2.1 The Administrators of the Personal Deposit/Personal Ledger Accounts make payment to their employees, vendors, suppliers and contractors through cheque. The payees of such cheques are required to present the cheque through their Banker in the concerned Treasuries where the Personal Deposit/Personal Ledger Accounts is maintained. This requires physical movement of the instrument and also takes time.

2.2 Besides, the Administrators have to withdraw money for expenditure by themselves through cheques payable in their favour and draw the amount either in cash or through credit to their account with any bank. In this case, the money is either drawn in cash or kept in their bank account for disbursement.

2.3 There are also occasions when a payment is to be made from one Personal Deposit/Personal Ledger Account to another and both the funds are lodged in the Treasury, it is not necessary that the money should be actually drawn in cash from the Treasury and again repaid into it. In such cases, the amount is to be paid by transfer credit. In the automated Integrated Financial Management System, the accounts of Treasuries and Sub-Treasuries are being maintained in a common platform and centralised database" which is capable of handling such transfer credits and facilitate the required transaction in a cashless manner.

In order to minimise handling of cash, eliminate physical movement of paper based instruments for payment and save the manpower and time consumed for processing of the instrument and making disbursement to the person entitled to receive the payment, the State Government have decided to replace the existing mode of withdrawal from Personal Deposit/Personal Ledger Accounts by physical cheques and introduce the system of direct disbursement to the payee's account through electronic cheques and at the same time facilitate electronic transfer of funds between one Deposit Account to another.

3. The procedure for withdrawal of funds from the Personal Deposit/Personal Ledger Accounts by means of electronic cheques and direct disbursement to the payees account, electronic transfer of funds between one Deposit Account to another is outlined below:

3.1 User ID Password and creation of Administrator Code

3.1.1 Each Administrator of Personal Deposit Account will be given separate User ID and Password to operate the P.L. Account Interface of IFMS.

3.1.2 The User ID and Password will be issued by the District/Special Treasury Officers to the Administrator of Personal Deposit Account.

3.1.3 The Personal Deposit Administrators should submit an application form for User ID and Password as annexed in **Annexure-I** along with relevant documents.

3.1.4 In case, the Personal Deposit Administrator is placed in account with a Sub-Treasury, he/she should submit the application form for User ID and Password to the Sub-Treasury Officer who after verification will forward the same to the District Treasury Officer.

3.1.5 The District Treasury Officer on receipt of the forms from the Sub-Treasury Officer will create the User ID and Password for the Personal Deposit Administrator within three working days.

3.2 Surrender of physical cheques :

All the Personal Deposit Administrators before migrating to the new system of electronic cheque are required to submit the unused cheques and leaflets to the concerned Treasury after cancellation of the unused cheques as per the prescribed procedure. The Treasury Officers are required to ensure that they receive all the unused cheque books from the P. D. Administrators before processing their electronic cheque.

3.3 Validation of balance available in the PL account by the Administrator and Treasury Officers/Sub-Treasury Officer:

3.3.1 Passbooks are maintained to verify the Personal Ledger Account balance in the books of the Personal Deposit Administrator with that of the Treasury Officer.

3.3.2 After the introduction of Odisha Treasury Management System (OTMS), these balances have been captured in the Treasury Application system.

3.3.3 The Administrator of Personal Ledger Account, therefore, needs to verify, the balance available in the Online P.L. Transaction Module against the balance noted in the passbook.

3.3.4 In case of any discrepancy, the same should be brought to the notice of the Treasury Officer and the Directorate of Treasuries immediately.

3.4 Procedure for generation of electronic cheques for withdrawal and transfer:

3.4.1 The Personal Deposit Administrator will generate virtual cheque book from the system which would contain 100 (one hundred) leafs having unique serial numbers using his/her User ID & Password.

3.4.2 The virtual cheque book can only be generated after at least 90 (ninety) leafs of the previously issued cheque book is exhausted.

3.4.3 The Administrator Code and financial year will appear as a prefix to the cheque number.

3.4.4 Each electronic cheque number will be unique and will be in the format at **Annexure-III**.

3.4.5 The Personal Deposit Administrator-wise cheque issue and encashment data will be available in the concerned Treasury /Sub-Treasury with which it is placed in account.

3.5 Responsibility of the P.L. Administrators:

3.5.1 The P.L. Administrators will collect the following bank related information from the payees before drawal of entitlement and other payments etc. in the prescribed form as in **Annexure-II**.

- i. Beneficiary Name
- ii. Account type
- iii. Beneficiary's Bank Account No. & **Indian Financial System Code (IFSC) Code.**
- iv. Magnetic Ink Character Recognition(MICR) Code
- v. Mobile Number
- vi. E-mail ID (optional).
- vii. A cancelled cheque is to be obtained in token of correct Bank Account No, IFS Code and MICR Code.

3.5.2 The Personal Deposit Administrator must create the master list of beneficiaries before approval of electronic cheque in favour of any payee. After receiving the necessary document relating to Bank details of the payee, he/she shall enter all the information collected in the Treasury Portal for creating the beneficiary master.

3.6 Maker and approver of cheques:

3.6.1 The electronic cheque will be prepared in the O/o the Personal Deposit Administrator by an authorised officer/official using his/her credentials. The information such as: gross amount of the claim, by transfer, if any and the net amount paid to the payee will be entered by the concerned officials or the maker of the cheque and shall be forwarded to the approver which should be the Personal Deposit Administrator himself.

3.6.2 The Administrator of the P.L. Account will approve the electronic cheque and forward the same to the Treasury to which it is attached for onward processing.

3.6.3 The electronic cheque submitted by the Personal Deposit Administrator to the Treasury online will be received automatically. As a token of such receipt in the online, the IFMS will generate a Cheque Receipt ID which would be available on the body of the cheque.

3.6.4 The Personal Deposit Administrator will take a printout of electronic cheque from the system as provided in **Annexure - IV** and shall submit it to the Treasury under his/her signature in the Book of Drawal as per the usual process.

3.7 Transfer of fund from one P. L. Operator to another P. L. Operator through electronic cheque:

3.7.1. Hitherto the payment from one P.L. Operator to another P.L. Operator was possible within the jurisdiction of same District / Special Treasury through chalans. However, the electronic cheques in IFMS will extend the facility for transfer of funds from one Personal Deposit Administrator to another Personal Deposit Administrator irrespective of the fact that the Personal Deposit Administrator to whom the fund is transferred is located within the jurisdiction of the concerned Treasury or not. In other words, the Personal Deposit Administrator of a Special Treasury can transfer fund to the Personal Deposit Administrator under the jurisdiction of District Treasury or any Sub-Treasury and vice versa.

3.7.2 In case of transfer of fund by Personal Ledger Account operator of one Treasury to another Personal Ledger Account operator under jurisdiction of separate Treasury, the following process would be followed:

On issue of cheque, Personal Ledger Account balance of the Administrator would be reduced and following would be the account entries in the initiator Treasury.

Payment

8443/8448-00-xxx-yyyy-zzzzz-abc Rs.500

Receipt

8782-00-110-xxxx-yyyyy-zzz Rs.500

In the destination Treasury, Personal Ledger Account balance of the Administrator would be increased and following would be the entry in the account.

Receipt

8443/8448-00-xxx-yyyy-zzzzz-abc Rs.500

Refund of Receipt

8782-00-110-xxxx-yyyyy-zzz Rs.500

3.8 Submission to Treasury

3.8.1 The print copy or the hard copy of the cheque will be submitted to the Treasury by the P. L. Administrator through their authorised persons in the prescribed manner.

3.8.2 On receipt of the hard copy of electronic cheque, the Treasury will enter the Cheque Receipt ID of the electronic cheque mentioned on the body of the cheque in the Treasury Application system.

3.8.3 The information entered by the Personal Deposit Administrator will be available in the Treasury screen for necessary cross examination.

3.9 Checks to be applied in the Treasury:

3.9.1 The Treasury will process the electronic cheques in the usual process with due diligence.

3.9.2 The Treasury will approve the cheque only after examining the available balance in the Personal Ledger Account of the Administrator

3.9.3 The Pay Order of the cheque will be prepared in the electronic system and will also be noted manually on the print copy of the cheque by the Treasury officials.

3.10 Pay order of the Treasury Officer and advice to CePC:

3.10.1 After due verification, the Treasury Officer will issue necessary pay order.

3.10.2 The approval of the electronic cheque should be made in the Treasury Application and would also be noted physically in the print copy of the electronic cheque under the signature of the Treasury Officer.

3.10.3 The Treasury will generate P.L. advice separately from the Treasury Application of the IFMS.

3.10.4 The print copy of the advice generated along with the physical copy of the Electronic cheque will be available with the Treasury Officer for verification and approval of the advice.

3.10.5 Once the Treasury Officer approves the P.L. advice, the same shall be available with the CePC located in the Directorate of Treasuries.

4. Action at CePC level :

4.1 The CePC will verify the status of the P.L. advice generated from different Treasuries in the IFMS using due diligence. After necessary verification, the cePC will generate a consolidated electronic advice in the IFMS.

4.2 The CePC cell of the Directorate of Treasuries will generate the payment advice in the IFMS server using the appropriate credentials i.e. login ID or DSC, as the case may be. The E-Kuber portal of RBI will receive the e-Payment file from the IFMS, Odisha through an automated Secured File Transfer Protocol (SFTP). In this process, there will not be any manual intervention. In other words, the file generated by the CePC would be

automatically placed in the desired location of the IFMS server. The file will also be digitally signed by the IFMS server. The E-Kuber portal will sense and pull the payment file of IFMS server and verify the digital signature of IFMS server for further processing at their end.

4.3 Issue of acknowledgement by E-Kuber : Once a payment file is received by E-Kuber portal, it will submit an acknowledgement to the IFMS system of the State. This acknowledgement can be of two kinds : (a) 'ack' file or (b) 'exp' file. The 'ack' file may have 'accp' status or an 'rjct' status. The 'accp' status indicates that all records in the file are examined and accepted for processing. The 'rjct' status implies that some of the records in the file have technical problems or the header of the file does not tally with the detailed contents of the file. An 'exp' file indicates that the payment file sent from the IFMS could not be read by the E-Kuber system because of structural or signature issues.

4.4 Follow up action to be taken by CePC in case of exp and 'rjct' file : An 'rjct' file will require further verification at the CePC end and will be made available to the respective state holder as the case may be for necessary modification. An 'exp' file will be re-generated by the CePC for further submission to the E-Kuber.

4.5 Submission of scrolls by E-Kuber : The debit and credit scrolls are to be submitted by the E-Kuber of RBI to the IFMS system of State Treasury. These scrolls are submitted by way of following notifications: (1) Debit Notification (DN), (2) Return Notification (RN) & (3) Credit Notification (CN). A 'Debit Notification' is essentially a debit/payment scroll indicating the instances of individual beneficiary-wise debit from the Government account maintained with RBI. The E-Kuber of RBI will submit the day-end debit notification containing all debits from the Government account for which it has received the advice from CePC during the course of the time. A Return Notification is a credit scroll indicating the list of individual failed payments which have been reported by the Banks to the RBI in the NEFT platform against the payment file processed for the day. A Credit Notification is also a credit scroll containing the list of failed payments which were earlier reported as success by default. In other words, if for some technical reasons, the Banks could not report the instance of failed payment during the course of NEFT cycle for the day and are reporting the same to the RBI in the subsequent days, it will be reported by E-Kuber to the IFMS system of State Treasury through credit notification.

4.6 CePC will generate multiple payment advice from 11 AM to 4 PM on every working day. In the initial phase, as has been advised by RBI, a single payment file will contain a maximum 5,000 number of beneficiaries.

4.7 The provision relating to the transactions made through E-Kuber shall be applicable to all payment processes in respect of the Personal Deposit Administrator.

4.8 Consolidated advice to E-Kuber :

The consolidated advice will be placed in a designated location of IFMS server for onward transmission to E-Kuber.

4.9 Receipt of scroll and treasury/administrator-wise segregation:

4.9.1 On receipt of payment scroll and failed payment from the E-Kuber, the IFMS will automatically prepare the Treasury Accounts indicating the debit of the P. L. Account.

4.9.2 In case of failure/failed payment, separate individual chalan will be generated on the basis of the credit / return scroll received from the E-Kuber to be credited to the designated suspense account in "8658 PAO Suspense-102-Suspense Account (Civil)-2771-Un-credited Items under e-Payments-79018-Unsuccessful e- Payments-936- Failed e- Payments".

5. Accounting at the treasury level:

5.1 The Treasury Account will be automatically prepared on receipt of scrolls from E-Kuber.

5.2 It will be the responsibility of the Treasury to verify whether all the P.L. advice made in respect of P.L. Account has been included in the system generated accounts.

5.3 In case of any mistake or variation, the same should be brought to the notice of the system support provider and the Directorate of Treasuries.

6. Posting in the Personal Ledger Account:

6.1 The payment relating to P.L. Account will be automatically posted in their Personal Ledger Account.

6.2 The Personal Deposit Administrator shall generate report from the IFMS in hardcopy to maintain the record of P.L. Account.

6.3 In case of any disagreement of the system generate report with the register of the Personal Ledger Account, the Administrator shall intimate the fact to the Treasury and the system support provider for necessary correction.

7. Updation of passbook and online verification by administrator :

7.1 The P.L. passbook shall be automatically updated in the Online P.L. Module.

7.2 The Administrator can verify the P.L. balance online and should also take the printouts in hard form for the purpose of official record and production before the authorities as and when required.

7.3 The Administrator should also verify the system generated reports against the other records which is available in his/her office to ascertain the correctness of the posting in the passbook.

8. Generation of plus minus memorandum :

8.1 The IFMS application will generate plus minus memo in the form of reports to be available at the end of the P. L. Administrators, Treasury officers and A.G (A&E), Odisha at their end .

8.2 The P. L. Administrators and the Treasury Officers are required to take printout of such plus minus memos and forward the same to the A.G (A&E), Odisha in the usual process after verification under their signature.

9. Submission of monthly accounts by administrator to Accountant General (A & E) Odisha:

9.1 The Online P.L. Module will generate the monthly account in respect of the Personal Deposit Administrator in the prescribed format notified by Finance Department in Notification No.23337/F, dt. 26.08.2015. The format of the account to be generated is enclosed in the **Annexure- V**.

9.2 The Personal Deposit Administrator are required to take printouts of the account and submit the same to the A.G.(A&E), Odisha along with supporting documents such as vouchers and chalangans etc.

10. Annual Balance Certificate:

10.1 The Online P. L. Module will generate the Annual Balance Certificate in the interface of the P.L. Administrators.

10.2 The Administrators are required to verify the Annual Balance Certificate and submit it electronically as well as in hard form after taking printout to the Treasury to which they are attached.

10.3 In case, the Annual Balance Certificate is submitted to a Sub-Treasury, the same should be forwarded by the Sub-Treasury Officer to the District Treasury Officer.

10.4 The District Treasury Officer after necessary verification shall forward the Annual Balance Certificate with necessary counter signature to the A.G (A&E), Odisha after the closure of every financial year.

10.5 The system also provided facility for electronic transmission of Annual Balance Certificate.

10.6 In case, the Annual Balance Certificate is not submitted by the Personal Deposit Administrators to the Treasury after the closure of the financial year, the system will have the functionality to stop issuance of any further electronic cheque.

11. Implementation plan :

11.1 The On line Personal Deposit Module will be mandatorily implemented from 1st of December, 2015.

11.2 No Personal Deposit Administrator can issue physical cheques after the implementation of the module.

11.3 The Treasury Officers will provide them necessary handholding and technical support.

12. Deemed amendment to Odisha Treasury Code : The existing provisions of the Odisha Treasury Code would be deemed to be amended to operationalize the Personal Ledger Account interface of IFMS. Formal amendment to Odisha Treasury Code will follow.

13. Relaxations and modification in case of difficulty in implementation : In case of any break down of the online system due to natural calamity or disasters or for any other reason, the Personal Deposit Administrator can use the physical cheque for drawal of funds from the Treasury after obtaining necessary permission from Government in Finance Department.

Sd/-
(R. Balakrishnan)
Additional Chief Secretary to Government

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 11437 /F., Dt. 08.04.2021

FIN-TRY-MISC-0015-2020

OFFICE MEMORANDUM

Sub: Process Re-engineering in transfer of P.L. funds from one account to another across the treasury and transfer of funds from P.L. Account to Executing Agencies under Public Works Division of Works and Forest Divisions of Forest & Environment Department.

Banking deposit accounts are maintained in Treasuries and Sub Treasuries by Local Bodies, Zilla Parishads, Panchayat Samitis, State and District level Statutory and Autonomous Bodies as well as State declared Special Purpose Vehicle (SPV) like Odisha Mineral Bearing Area Development Corporation (OMBADC). The Administrators of such banking account known as Personal Deposit/Personal Ledger Accounts make payment to their employees, vendors, suppliers and contractors through electronic cheque using IFMS platform which is guided by Finance Department Office Memorandum No. 32152/F, dated 15.12.2015.

Administrators of P.L. Accounts transmit fund to different Works/forest Divisions for execution of developmental works. Presently, to facilitate such transfer, P.D. Administrators draw money from their P.L Account through electronic Cheques and credit the same to the Bank account of concerned Works/Forest divisions. The concerned Divisions have to again withdraw the money from their Bank Account and deposit the same with Treasury in shape of challan to make the fund available under their Deposit head to carry out the Deposit work.

In this process, due to non-availability of an automated process of fund transfer along with appropriate accounting adjustment cash transactions takes place leading to delay in execution of development work. Further, it also leads to unnecessary cash outgo from Government Account and may remain parked there till not deposited by the concerned authorities in their Deposit head in the Treasury.

To overcome such difficulties, necessary customization has been made in IFMS to facilitate an automated process for transfer of fund from the P.L. Account of an Administrator to respective Executing Agencies under Works and Forest & Environment Department along with accounting adjustment by reflecting the transferred fund in their Consolidated Treasury Receipt (CTR).

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Henceforth, the PD Administrators shall follow the new automated process for transfer of fund from their P.L. Account to Deposit Account of respective Executing Agencies. The operational process for such automated fund flow along with role and responsibility of PD Administrator and Treasury in the process are outlined and attached as "**Annexure-I**".


(Ashok K. Meena)

Principal Secretary to Government

Agt

ANNEXURE- I

OPERATING PROCESS FOR AUTOMATED FUND FLOW FROM P.L ACCOUNT OF P.D ADMINISTRATORS TO DEPOSIT ACCOUNT OF PUBLIC WORKS/ FOREST DIVISIONS.

Role of P.D. Administrator

- i. After receipt of approved Detailed Project Report (DPR) and fund requisition statement from respective Executing Agencies, the Administrator will issue sanction order for necessary transfer of fund. Sanction order will contain the details of By Transfer to be made in favour of Public Works/ Forest Divisions.
- ii. The Administrator will issue electronic cheques in the online P.L. interface of IFMS for transfer crediting the amount in favour of the respective Executing Agencies.
- iii. For online transfer of fund, the P.L. operator will login to the P.L. Application of IFMS and will choose and save the Payment Type/Cheque Type as "Transfer to Work Operator".
- iv. Upon saving Payment/Cheque Type along with Scheme Id. from which fund needs to be transferred and amount, concerned Operator will choose the Executing Agency to whom the fund needs to be transferred by selecting Work Operator Details Menu in the system.
- v. For the convenience of the Operator in choosing the agency facility for short listing and searching an agency on the basis of its attached treasury is available in IFMS. The operator will first choose Parent Treasury (District/Special Treasury) and Treasury (District/Special/Sub Treasury) to find the desired Executing Agency which is attached to that treasury.
- vi. The P.L. Operator will forward the electronic payment request generated at his level in IFMS to the "Approver". The P.L. Approver will approve the payment request and generate electronic cheque for transfer of fund in favour of the desired Executing Agency.
- vii. The authorised officer will take a print out of the electronic cheque and submit the same to treasury along with submission of e-Book of Drawal as per the usual process.
- viii. After the electronic cheque is approved and advised at the level of treasury, the fund will be seamlessly transferred in favour of the concerned Executing Agency and it will be reflected in the CTR of concerned Executing Agency maintained in the destination treasury.
- ix. After the e-cheque is approved for payment by treasury, the fund transferring P.L. Administrator shall log into P.L. Application by using the IFMS User credential and choose the e-Cheque Reference Id. of concerned cheque from the "Task List". He/ She will take a print out of

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the Beneficiary Details of that e-cheque reflecting the status of payment as complete.

- x. The Administrator will send the print copy along with a forwarding letter to the concerned Executing Agency under Works/ Forest Division confirming the transfer of funds thereby.
- xi. IFMS is customized to generate a fund transfer/expenditure report at the level of concerned transferring Administrator showing the details of Beneficiary-wise/Operator-wise status of expenditure. In case of fund transfer to Works/Forest Divisions, the CTR details will also be available for the Administrators in the system generated report.

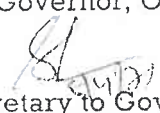
Role of Treasury

- i. The concerned Treasury will receive the P.L. cheques and after due verification, the electronic cheque will be approved in the treasury application as per extant procedure.
- ii. The Treasury will generate P.L. advice separately from the treasury application of IFMS
- iii. Upon approval and subsequent advice generation w.r.t. the e-Cheque, the concerned P.L. Payment Head of Account (HoA) 8443/8448-00-xxx-yyyy-zzzzz-abc is debited in the initiator treasury where the P.L. Account is maintained. Simultaneously, a virtual Challan worth the e-Cheque amount is generated in the Receipt side of the same initiator treasury under the HoA8782-00-110-xxxx-yyyyy-zzz. The credit entry shall appear in the system generated "Schedule of Receipt". The operation of Head 8782-00-110 is applicable only in case of inter-Treasury transfer. In case of intra-Treasury transfer, the P.L. Account Head 8443/8448 shall be debited and 8782-00-102/103 Head shall be credited.
- iv. In the destination Treasury where the concerned Executing agency is mapped, a virtual 'refund of receipt' bill will be generated under the HoA 8782-00-110-xxxx-yyyyy-zzz. The remittance transferred in favour of the Executing Agency will be reflected as deposit under the Head of Account 8782-00-102-1683-91028-690 in case of Public Works Division & under HOA 8782-00-103-1683-91014-000 in case of Forest Division by generating virtual challan in an automated process. Treasury will provide CTR to concerned Public Work/ Forest Division accordingly.
- v. The concerned Public work Division/Forest Division will create necessary deposit balance under Part-III Deposit Work using the Works Module of IFMS and WAMIS as per the extant process of "Deposit of Work".

Agut


Memo No. 11438 /F, dated 08.04.2021

Copy forwarded to the Private Secretary to Secretary to Governor, Odisha for kind information of Secretary to Governor.


Under Secretary to Government

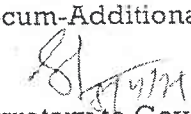
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Under Secretary to Government

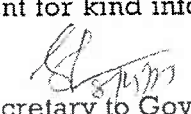
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Under Secretary to Government

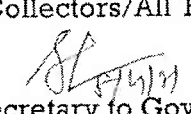
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Copy forwarded to the DC-cum-Additional Chief Secretary, Planning & Convergence Department/ Additional Chief Secretary, Forest & Environment Department/ Commissioner-cum-Secretary, Works Department for kind information and necessary action.


Under Secretary to Government

Memo No. 11442 /F, dated 08.04.2021


Copy forwarded to the Secretary Odisha Legislative Assembly/ All Departments of Government/All Heads of Department/All Collectors/All RDCs for kind information and necessary action.


Under Secretary to Government

Memo No. 11443 /F, dated 08.04.2021

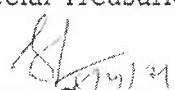
Copy forwarded to the Principal Accountant General (A&E), Odisha, Bhubaneswar / Deputy Accountant General, Odisha, Puri / Accountant General

(G&SSA), Odisha, Bhubaneswar/ Accountant General (E & RSAudit), Odisha, Bhubaneswar for information and immediate necessary action.


Under Secretary to Government


Memo No. 11444 /F, dated 08.04.2021

Copy forwarded to Directorate of Treasuries and Inspection, Odisha, Bhubaneswar / All Treasury Officers of District Treasuries and Special Treasuries / Sub-Treasuries for information and immediate necessary action.


Under Secretary to Government

Memo No. 11445 /F, dated 08.04.2021


Copy forwarded to all Branches of Finance Department for information.


Under Secretary to Government

Memo No. 11446 /F, dated 08.04.2021

Copy forwarded to the Head of Portal Group, I.T. Centre, Secretariat, Odisha for information and necessary action.

He / She is requested to launch this Resolution in the Website (www.orissa.gov.nic.in/finance/index.html) of Finance Department for General Information.


Under Secretary to Government