

No.12/9/2009-FR(Pt.1)
GOVERNMENT OF MANIPUR
SECRETARIAT: FINANCE DEPARTMENT
(Resources Section)

OFFICE MEMORANDUM

Imphal, the 14th January, 2010.

Subject: Regulation of release of LOC and CDA

The procedure for release of funds under Letter of Credit (LOC) and Cheque Drawl Authority (CDA) and the formalities required to be completed prior to their release has been under consideration of the State Government. In modification of previous orders issued in this regard, the following procedure and instructions will be followed for the release of LOC and CDA:

1. LOC under Non-Plan

- (a) LOC under Non-Plan will now be released on bi-monthly basis subject to Administrative Departments furnishing the following statements to the Finance Department by the 7th of the month following the month under report:
- i) Monthly Revenue collection statements of the previous month (progressive);
 - ii) Monthly Expenditure Statement (Non-Plan, Plan etc.);
 - iii) Monthly Statement of dues of electricity consumption charges payable to Power Department.
- (b) The Finance Department will *suo-moto* release the first tranche of the LOC due to an Administrative Department immediately after issue of these orders and thereafter the subsequent releases will be based on receipt of the statements contained in para (a) (i), (ii) and (iii) above. The Administrative Departments will make the necessary sub-allocations to the respective offices under them.
- (c) The statements will have to be consolidated by the Administrative Departments in respect of all offices under their respective charge and submitted to the Finance Department with the endorsement of the Administrative Secretary. Piecemeal statements received from Heads of Office and Heads of Departments will not be acted upon by the Finance Department.

2. LOC under Plan

- (a) For schemes under Normal State Plan, the requirement of LOC for sanctions issued within the delegated powers of the Administrative Department, Head of Department and Head of Office will no longer be

necessary. All expenditure to be incurred will have to be submitted to the Treasuries with a copy of the sanction orders duly signed in ~~blue ink~~ by the competent authority with Fully Vouched Contingent Bills. **No Abstract Contingent (AC) Bills will be allowed.**

- (b) All expenditure sanctions will be scrutinized by the concerned departmental AO/FA as per extant instructions of the Finance Department and a certificate to this effect will be incorporated in the sanction orders.
- (c) For schemes under Normal Plan which are sanctioned with the concurrence of the Finance Department, the exemption from the purview of LOC will continue as hitherto before. For such sanctions also AC Bills will not be allowed except with the approval of the Finance Department as per Finance Department's OM no. 1/3/2009-FC dated ~~8.9.2009~~.
- (d) In respect of earmarked schemes of the Plan, namely AIBP, Control of Shifting Cultivation, BADP, Tribal Sub-Plan (TSP), Central Roads Fund (CRF), NSAP, NAPAG, Grant-in-aid under Article 275 (1), JNNURM, BRGF, APDRP, NEGAP, RKVY, SPA, and EAP the provisions contained in paras 2 (a), (b) and (c) above would be applicable **subject to authorization of funds by the Finance Department (Budget Section).**

3. **LOC under Centrally Sponsored Schemes (CSS), Central Plan Schemes (CPS), NLCPR and NEC**

- (a) For schemes under CSS, CPS, NLCPR, NEC etc which are tied to release of funds by the Government of India, the provisions contained in paras 2 (a), (b) and (c) above would be applicable **subject to authorization of funds by the Finance Department (Budget Section).**

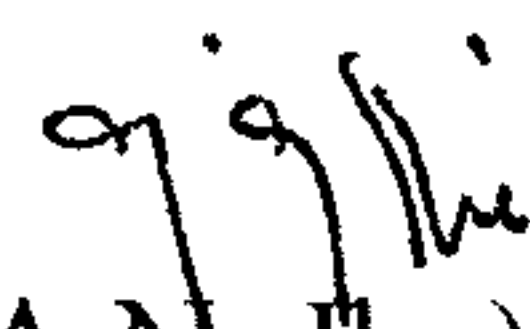
4. **Cheque Drawl Authority (CDA)**

- (a) CDA under Non-Plan and Normal Plan will now be released on bi-monthly basis subject to Administrative Departments furnishing the following statements to the Finance Department by the 7th of the month following the month under report:
 - i) Monthly Revenue collection statements of the previous month (progressive);
 - ii) Monthly Expenditure Statement (Non-Plan, Plan etc.);
 - iii) Monthly statement of Recoveries
 - iv) Monthly Statement of dues of electricity consumption charges payable to Power Department.
- (b) The Finance Department will suo-moto release the first tranche of the CDA due to an Administrative Department immediately after issue of these orders and thereafter the subsequent releases will be based on receipt of the statements contained in para (a) (i), (ii), (iii) and (iv)

above. The Administrative Department will make the sub-allocation to the respective offices under them.

- (c) The statements will have to be consolidated by the Administrative Departments in respect of all offices under their respective charge and submitted to the Finance Department with the endorsement of the Administrative Secretary. Piecemeal statements received from Heads of Office and Heads of Departments will not be acted upon by the Finance Department.
- (d) For wages (of WC/MR) and power purchases, release will be made on monthly basis. The first tranche of the release of CDA for work-charge and muster roll employees will be made 'on account' from the Plan allocation of the departments by the Finance Department and thereafter the Administrative Departments will have to furnish the monthly expenditure statements with the nominal rolls of existing WC and MR employees at least 7 (seven) days before the close of the month for the release to be made by 1st of the following month.
- (e) For earmarked sectors, releases will be made on the basis of quarterly demands to be submitted by Departments and on the basis of funds received from the Government of India and **supported by authorization of funds from Finance Budget.**
- (f) For CSS/CPS/NLCPR/NEC etc, releases will be made on the basis of quarterly demands (or individual proposals) **supported by authorization of funds from Finance Budget.**

These instructions come into force with immediate effect.


(A.N. Jha)

Principal Secretary(Finance), Govt. of Manipur.

Copy to:-

1. Secretary to the Governor, Manipur
2. The Secretary to the Chief Minister, Manipur.
3. The Chief Secretary, Govt. of Manipur.
4. All Principal Secretaries/Commissioners/Secretaries, Govt. of Manipur.
5. The Accountant General, Manipur.
6. All Heads of Departments, Manipur.
7. All Deputy Commissioners, Manipur
8. All Treasury Officers/ Sub-Treasury Officers, Manipur.
9. All officers in Finance Department
10. Order Book/ Guard File.