GOVERNMENT OF MANIPUR
FINANCE DEPARTMENT
(Finance Commission Cell)

OFFICE MEMORNANDUM
Imphal, the 8th September,2009.

Subject:- **Drawal of funds through A.C. bills – Instructions thereof**

No. 1/3/2009-FC: The issue of drawal of Abstract Contingent (AC) Bills by Departments and inordinate delay in settling accounts by way of submission of Detailed Countersigned Contingent (DCC) Bills has been brought to the notice of the Government by the Accountant General. As on march 31, 2009, Departments had outstanding AC Bills of staggering amounts which were not settled. Under Rule 309 of Central Treasury Rules, "a certificate shall be attached to every abstract contingent bill to the effect that the detailed countersigned contingent bills have been submitted to the controlling officer in respect of abstract contingent bills drawn more than a month before the date of that bill." In other words, every AC Bill drawal has to be settled within one month and no other AC bill should be drawn till such time as the earlier AC bill has been settled. The fact that there are a large number of outstanding AC Bills still to be adjusted indicates incorrect certification by the Departmental officers. Failure to submit DCC bills render the compilation of accounts difficult and preclude meaningful audit to scrutinize with accuracy the relevant transaction(s). In order to regulate misuse of the mechanism of AC Bills to draw Government funds and to ensure timely submission of DCC bills and reconciliation of accounts, it has been decided to regulate the drawal on AC Bills henceforth as per the following guidelines:-

i. No AC bill shall be drawn by any department without prior approval of the Finance Department

ii. Proposal for drawal of funds through A.C. bills will be strictly linked to the performance of department(s) in submission of D.C.C. bills. The departments, while making proposal for drawal of funds through AC bills, are therefore required to furnish the status of submission of DCC bills to the Accountant General in respect of funds drawn through AC bills in the past. All proposals of departments for drawal of funds through A.C. bills will henceforth be supported by a statement on the status of submission of DCC bills as given below:

(Amount in Rupees)

Year of drawal	Amount drawn through AC bills	Amount lying in 8449	Amount deposited to work agencies	Others (2)-(3)-(4)	Value of completed work	Value of works not completed	Amount for which DCC bills have been submitted	Amount for which DCC bills have not been submitted to AG) (2)-(8)	Reason for non-submission of DCC bills
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9	(10)

iii. All Departments are required to immediately reconcile their figures on pending DCC bills with those of the Accountant General and take steps to settles the DCC bills.

iv. In respect of outstanding AC Bills for construction work, the Departments will immediately obtain detailed vouchers for the works executed. In respect of balance work a commitment should be obtained in writing from the Chief Executive of the work agency on the time required for completing the work and the submission of detailed vouchers. In cases where work has not been completed on account of cost escalation, the work agency should forthwith furnish detailed vouchers for the portion of work completed with the original sanctioned amount. Similarly, if only a portion of the total cost of work was deposited, the work agency should furnish forthwith the detailed vouchers for the amount deposited.

v. In respect of funds drawn on AC bill but deposited and remaining in MH-8449-Other Deposits, the Departments will furnish a detailed note giving reasons for non-drawl of the amount. Further proposals of such departments for drawl on AC bill will be entertained on satisfying the condition that the work could not be taken up due to compelling exigencies beyond the administrative control of the department.

vi. No AC bill drawl will be permitted for beneficiary oriented schemes, purchases, grants to agencies/organizations/individuals, advances for travel, board and lodging, contingencies in general. Such proposals ought to be drawn on fully-vouched bills giving details of selected beneficiaries, receipt of purchased goods etc or on grant-in-aid bills from grant-in-aid head of account or on advances bill, as the case may be.

vii. In respect of construction work, the departments in their proposal for expenditure sanction to the Finance department will clearly indicate quarterly requirement of funds for the financial year for any given work. AC bill drawl will be permitted for not more than 40 percent of the sanctioned amount and the remaining amount for the financial year will be allowed to be drawn in two equal subsequent installments subject to the work agency furnishing detailed vouchers for the first installment of funds. In case of failure of the work agency to do so within time schedule in the financial year it will be the sole responsibility of the department for any lapse of funds.

These instructions shall take immediate effect.

(A. N. Jha)
Principal Secretary(Finance)
Government of Manipur.

Copy to: -

1. The Secretary to the Governor of Manipur, Raj Bhavan, Imphal.
2. The Secretary to the Chief Minister, Government of Manipur.
3. The P.S. to the Chief Secretary, Government of Manipur.
4. The Accountant General, Manipur, Imphal.
5. All Principal Secretaries, Government of Manipur.
6. All Commissioners/Secretaries, Government of Manipur.
7. All Heads of Department, Manipur.
8. The Director of Treasuries & Accounts, Manipur.
9. The Director of Vigilance, Manipur.
10. All Treasury Officers/Sub-Treasury Officers, Manipur.
11. Order Book/Guard File.