



सत्यमेव जयते

புதுச்சேரி அரசு

Government of Puducherry

நிதித்துறை FINANCE DEPARTMENT



Compendium of the extant
Orders / Circulars / Instructions
(as on 30-9-2022)

**COMPENDIUM OF
ORDERS AND CIRCULARS**

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FOREWORD

The Rule 7(2) of the Rules of Business of the Government of Puducherry, 1963, states as follows:

(2) Unless the case is fully covered by the powers to sanction expenditure or to appropriate or reappropriate funds conferred by any general or special orders made by the Finance Department, no Department shall, without the previous concurrence of the Finance Department, issue any order, which may.–

(a) involve any abandonment of revenue or involve any expenditure for which no provision has been made in the Appropriation Act; (b) involve any grant of land or assignment of revenue or concession, grant, lease or licence in respect of mineral or forest rights or rights to water power or any easement or privilege; (c) relate to the creation or abolition of posts, fixation of strength of a service; or (d) otherwise have a financial bearing whether involving expenditure or not.

2. The Finance Department thus has the onerous responsibility of ensuring financial propriety and managing public money in compliance with the rules, norms, orders and instructions in force. Towards this, the Finance Department has been issuing various orders, circulars and instructions on various subjects from time to time for guidance of the Administrative Departments, Autonomous Bodies, Public Sector Undertakings(PSUs), Societies, Corporations, Boards, etc.

3. This Compendium is a ready reference of all Orders, Circulars, and Instructions, issued hitherto by the Finance Department, Government of Puducherry, and which are still relevant. These need to be complied with by the Administrative Departments, Autonomous Bodies, PSUs, Societies, Corporations, Boards, Institutions, etc. in all proposals with financial implication, including those flowing from contingent liabilities/guarantees extended by the Government.

4. The Compendium also includes the relevant Orders/OMs of the Government of India, which have been specifically given effect in the Union territory of Puducherry through their communication to all Departments by the Finance Department, Government of Puducherry.

5. The Orders, Circulars and Instructions in this Compendium are in addition to the General Financial Rules, the Delegation of Financial Powers Rules, the CPWD Code/Manual, FR&SR, and the Manuals for Procurement of Works, Goods and Service issued by the Department of Expenditure, Ministry of Finance, Government of India. The Departments shall refer to their latest editions, as and when they become available.

6. All efforts have been taken to make the Compendium as exhaustive as possible. However, if, any order of the Finance Department issued in the past and perceived to be currently in force, has inadvertently not been included in this Compendium, it may be immediately brought to the knowledge of the Finance Department for possible inclusion in the future editions of the Compendium.

7. Some of the orders have been partially modified/amended by other orders issued at a later date. The latter order shall invariably supersede the earlier order. Therefore, the Departments are bound to comply with the latest order on a particular subject matter, even if, an earlier order referring to the same subject has been included in this Compendium for the reason that it has not been fully withdrawn/superseded, and still prevails in the context of a different subject matter.

8. The orders included in the Compendium have been grouped, based on their primary subject matter, into 11 Chapters for the convenience of reference. However, a few of the orders may cut across other Chapters/Subjects. It shall be the responsibility of the Departments to ensure that all relevant orders have been taken into account in processing a proposal with financial implications.

9. During the incorporation of orders in the Compendium, many of the orders had to be retyped/reformatted to ensure clarity and legibility. Due care has been taken to avoid any omissions/mistakes. However, the original orders shall prevail in the event of any difference found between the original orders and the one reproduced in this Compendium.

10. In proposals involving matters coming under the purview of specific Administrative Departments other than the Finance Department, orders/circulars/opinions of those Departments, such as the Law Department for legal matters, the Personnel Department (DP&AR) for service matters, the Transport Department for hiring/maintenance of vehicles, the Information Technology(IT) Department for specifications/ procurement/ maintenance of Information Technology(IT) equipment, the Revenue Department for rent reasonability, *etc.*, shall be additionally applied in dealing with a matter having financial implication.

11. It is earnestly hoped that the Administrative Departments, Autonomous Bodies, PSUs, Societies, Boards, *etc.*, will make full use of this Compendium, and comply with all the extant rules, orders, and instructions, in letter and spirit. This shall vastly improve the financial administration in the Union territory of Puducherry.

12. The Compendium has now been updated to include all the orders and circulars issued by the Finance Department upto 30-09-2022. A few of the orders, which had been issued in the past and remain valid, but got inadvertently left out in the first edition of the Compendium, are also incorporated under appropriate chapter. The Orders/Circulars which may be issued after 30-09-2022 shall be read along with the orders in the present Compendium.

13. The Under Secretaries (Finance) Thiru Arjun Ramakrishnan and Thiru K. Govindarajan and the Budget Officer Thiru U. Ilango deserve full appreciation for their efforts in putting together this Compendium.

PRASHANT GOYAL

Development Commissioner - *cum*-
Principle Secretary (Finance)

30th September, 2022

CHAPTER – I
DELEGATION OF FINANCIAL POWERS

GOVERNMENT OF PUDUCHERRY
ABSTRACT

Finance Department –Redelegation of Financial Powers to Administrative Secretaries for incurring expenditure on maintenance, upkeep and repair of Government Vehicles on proprietary basis and for sanctioning permanent advance for purchase of POL for Vehicles/Generators,under the Delegation of Financial Powers Rules, 1978 – Order issued.

FINANCE DEPARTMENT

G. O. Ms. No. 50 /F3/2022-23 Puducherry, 05-09-2022

READ : (1) G. O. Ms. No. 47/F3/2014, dt. 09-12-2014 of the Finance Department, Puducherry

(2) Circular No. 3007/FD/F3/2020-21, dated 24-09-2020, of the Finance Department, Puducherry

ORDER

1. Financial Powers have been re-delegated to the Secretaries, Heads of Departments and Heads of Offices for incurring expenditure on cost of POL, and maintenance, upkeep and repair charges, for Motor Vehicles, *vide* the order read first, in Sl. No. 10(ii) and 10(iii) respectively of the Annexure – I therein.

2. However, in view of the switching over to the pre-paid digital mode of purchase of POL for Departmental Vehicles/Generators through the Indian Oil Corporation Limited's (IOCL) Fleet Card Programme, *vide* the order read second, the expenditure on cost of POL is currently being incurred by Departments by obtaining sanction for Permanent Advance in respect of the IOCL Fleet Card against each Vehicle/Generator with the concurrence of the Finance Department. The Advance is deposited with the IOCL and periodically recouped by submitting the invoices by the Departments. Accordingly, the financial powers re-delegated *vide* the order read first for incurring expenditure on cost of POL for Government Vehicles/Generators have become redundant. Hence, the provisions need to be amended to keep pace with the changes.

3. Similarly, the maintenance, repairs and servicing of the Departmental Vehicles are currently being carried out predominantly with the Authorized Service Centre of the respective manufacturer and no longer through the Government Automobile Workshop. Hence, many of the proposals for incurring expenditure for the maintenance, upkeep and repairs of Departmental Vehicles have acquired proprietary nature. Therefore, notwithstanding the fact that the financial powers have been re-delegated to the sub-ordinate authorities for incurring expenditure in this regard vide the order read first, proposals for sanctioning expenditure for maintenance, upkeep and repairs of Departmental Vehicles are being referred to the Finance Department for concurrence, being of proprietary nature(Rule 166(iii) of the GFR, 2017).

4. In view of the above, approval of the Hon'ble Lt. Governor has now been obtained under the Rule 13(3) of the Delegation of Financial Powers Rules, 1978, for re-delegation of financial powers to the Administrative Secretaries for the following:

- (i) Administrative Secretaries shall have financial powers for sanctioning Permanent Advance against the IOCL Fleet Card for purchase of POL for Departmental Vehicles/Generators, subject to the ceiling prescribed for each Vehicle/Generator as below:

S. No.	Category	Ceiling (₹)
1	Four-wheelers	20,000
2	Two-wheelers	6,000
3	Generators	5,000

This is however subject to strict compliance with all the instructions contained in para 3 of the order read second.

- (ii) Administrative Secretaries shall have financial powers of **upto ₹ 3.00 Lakh on each occasion** to sanction expenditure towards settlement of work bills in connection with the execution of repairs and maintenance work including replacement of spares to the Departmental Vehicles through the Authorized Service Centres of the respective manufacturers

on proprietary basis, subject to obtaining Rate Reasonability Certificate (RRC) from the Transport Department, Government of Puducherry, and compliance with Rule 166 of the GFR, 2017. The Proprietary Article Certificate required as per the Rule 166(iii) of the GFR, 2017, shall mention the instant order of the Finance Department. The Administrative Secretaries shall however continue to have full powers in regard to repairs and maintenance of Vehicles when the expenditure is incurred on lowest bid basis, vide Sl. No. 10(iii) in Annexure-I of the order read first.

5. The proposals with any deviations from the conditions prescribed herein shall require prior concurrence of the Finance Department.

//BY ORDER OF LIEUTENANT GOVERNOR//

Sd/—

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To

All Secretariat Departments.

All Secretariat Departments/Heads of Departments.

All SAOs/JAOs – for ensuring strict compliance

Copy to:

1. The Director of Accounts and Treasuries, Puducherry.
2. The Deputy Director of Accounts and Treasuries, Karaikal / Mahe / Yanam
3. The Deputy Accountant General, O/o the AG (Audit), Tamil Nadu and Puducherry, Puducherry Branch.
4. The Central Record Branch, Puducherry.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - Delegation of Financial Powers to Administrative Secretaries for incurring Expenditure on Outsourcing of Housekeeping and Sanitation Services, and Security Services in office buildings/ premises of Departments/ Other Government entities through GeM Portal under the Delegation of Financial Powers Rules, 1978

FINANCE DEPARTMENT

G. O. Ms. No.45/F3/2022

Dated 20.8.2022

ORDER

1. In exercise of her powers conferred under Rule 13(3) of the Delegation of Financial Powers Rules, 1978, the Hon'ble Lt. Governor is pleased to redelegate to Administrative Secretaries financial powers of upto ¹ 2 crores each in any financial year (for all four Regions taken together) for incurring expenditure towards Outsourcing of Services of 'Housekeeping & Sanitation' and 'Security', for the purposes of cleaning/maintenance and round-the-clock watch-and-ward duty respectively within the office buildings/premises of Departments/ Government Entities. This shall be subject to strict compliance with the following conditions:

- (i) The procurement of the outsourcing services shall be in strict compliance with all extant GFR norms, relevant directives of the Finance Department, and other codal formalities, as amended from time to time. Further, in compliance with Rule 149(iii) of the GFR, 2017, the e-bids for outsourcing shall only be invited through the GeM portal.
- (ii) This delegation is only for continuing proposals of outsourcing 'Housekeeping & Sanitation' and 'Security' services.
- (iii) The outsourcing (inclusive of both manpower and material) shall be on a deliverables/outcome basis⁵ duly backed by a Service Level Agreement (**SLA**), either the standard SLA specific for each such service provided in the GeM portal, or the modified/customised SLA by the Department/Government Entity to suit its specific requirements⁶.

⁵ Finance Department I.D. Note No. 1412/FD/F3/2021-22, dated 31-12-2021

⁶ Finance Department Circular No. 1412/FD/F3/2022-23, dated 20-07-2022

- (iv) The, bids shall be invited on the GeM portal by consolidating all the offices/units under a Department/Government Entity within a region. i.e. separately for Puducherry, Karaikal, Mahe or Yanam⁷. This is tantamount to one Department/ Government Entity floating a Single Consolidated Bid in a financial year each for the outsourcing of 'Housekeeping & Sanitation Services' and 'Security Services' by consolidating proposals of all offices/establishments under that Department/ Government entity within a region, i.e., separately for Puducherry, Karaikal, Mahe or Yanam. The only exception would be mega-size units, such as the General Hospitals, Medical College, and Engineering College, for which distinct bids could be permitted by the Finance Department based on a specific case, including the area requirements, made by the concerned Department.
- (v) Compliance with the statutory provisions, such as the Minimum Wages notified by the Labour Department, statutory dues remittance as per the EPF/ESI norms, GST payments as per the GST Act, etc. shall be the responsibility of the Service Provider (tender document shall clearly state so) and the concerned jurisdictional/enforcing Department/Agency. The Procuring Department / Government Entity shall, in the tender document, specifically seek a price bid inclusive of all the statutory dues. The Procuring Department shall only be required to endorse a copy of the Work Order to the concerned jurisdictional Department/Agency (Labour Department, Commercial Tax, EPFO, etc.).
- (vi) The minimum qualification/experience for the manpower and quality of materials to be used may be clearly specified in the tender document. Further, while the number of manpower deployed and the quantity of materials used may be sought in the bid submission, the same shall not form the basis of decision-making. The bidders could, if so required, be called to explain how they would handle the scope of the work (buildings and area/units to be covered) at the SLA-prescribed level of benchmarks, with the proposed number of manpower and/or quantity of material used.

⁷ Finance Department I.D. Note/O.M. No. 658/FD/US(FIN-I)/2022, dated 16-03-2022

- (vii) These being routine services, the work award shall be only on **L1** basis.
- (viii) The period of contract shall be not more than two years at a time, or till the necessity therefor ceases, whichever is earlier. The financial limit of ₹ 2 crores for delegation shall be calculated with respect to outsourcing cost for one year.
- (ix) The bids for fresh contracts shall be floated well in advance, at least 4 months, before the end date of the extant service contract to avoid repeated extensions of existing contracts.

2. Cases that will continue requiring the Finance Department's prior clearance:

- (i) In reference to para 1(ii), any fresh case of service outsourcing.
- (ii) In reference to 1(vi) above, any decision to reject a bid on account of dissatisfaction with the number of manpower, or the quantity of materials to be used.
- (iii) Every case of receipt of fewer than four bids, or of a single *resultant* offer.
- (iv) Extension of existing contracts beyond the normal period of contract⁸.
- (v) When total cumulative expenditure for either of the two service categories, for all four regions taken together, exceeds ¹ 2 crores in a financial year.
- (vi) Any proposal deviating from the norms specified in para 1 above.

3. For the time being, all proposals for the outsourcing of services other than in the categories of 'Housekeeping & Sanitation' and 'Security' shall continue to require prior concurrence of the Finance Department.

⁸This also shall be considered only when backed by due reasons recorded under the signature of the secretary of the Administrative Department.

//BY ORDER OF LIEUTENANT GOVERNOR//

Sd/–

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretariat to Departments.

All Secretariat Departments/Heads of Departments/Heads of Autonomous Bodies.

All SAOs/JAOs – for ensuring scrupulous implementation

Copy for information and necessary action to:

1. The Director of Accounts and Treasuries, Puducherry.
2. The Deputy Director of Accounts and Treasuries, Karaikal/Mahe/Yanam.
3. The Deputy Accountant General, O/o the AG (Audit), Tamil Nadu and Puducherry, Puducherry Branch.
4. The Central Record Branch, Puducherryf the Administrative Department.

No. 553/FD/F3/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 10-08-2022

I.D. NOTE

Sub. : FD – Administrative Approval for incurring expenditure – Instructions – Reg.

Ref. : I.D Note No.501/FD/F3/2021-22 dt.25.01.2022 of Finance Department, Puducherry.

Attention is invited to the I.D. Note *vide* reference cited emphasizing the need to obtain prior administrative approval from Finance Department for the proposals where issue of expenditure sanction requires the concurrence of Finance Department as per extant delegation of financial powers.

2. However, it is observed that the Administrative Departments in many instances are incurring expenditure/liability without obtaining prior administrative approval of the Finance Department even when financial powers have not been delegated to Administrative Secretaries to incur such expenditure/liability. This has been viewed adversely by the Chief Secretary.

3. Hence, as per the instructions of the Chief Secretary, it is reiterated that the Administrative Departments shall ensure to take prior administrative approval of Finance Department for all proposals which are beyond the competency of Administrative Secretaries, before incurring the expenditure/liability.

//BY ORDER//

Sd/–

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

1. All Secretariat Departments.
2. All Heads of Departments/Offices.
3. All SAOs/JAOs.
4. The P.S. to the Chief Secretary.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department – Redelegation of Financial Powers to Chief of Government Pharmacy (CGP), Puducherry for incurring Contingent Expenditure on purchase of Petrol, Oil and Lubricant (POL) for Motor Vehicles under Delegation of Financial Powers Rules, 1978 – Amendment – Issued.

FINANCE DEPARTMENT

G. O. Ms. No.28/FD/F3/2022 Puducherry, dated 06-07-2022

READ : (1) G. O. Ms. No. 47/F3/2014, dt. 09-12-2014 of the Finance Department, Puducherry

ORDER

With approval of the competent authority, the item at Sl. No.10 (ii) (a), Col. No.(5) in Annexure – I of the G. O. (1) read above, stands amended as follows:

For	Read
₹ 5,000 per month for each vehicle	₹ 20,000 per month for each vehicle in respect of the Chief of Government Pharmacy (CGP), Puducherry. ₹ 5,000 per month for each vehicle in respect of other Heads of Office.

//BY ORDER OF THE LIEUTENANT GOVERNOR//

Sd/–

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To
All Secretariat to Government.
All Heads of Departments/Offices.

Copy to:

1. The Director, Directorate of Health and Family Welfare Services, Puducherry.
2. The Director of Accounts and Treasuries, Puducherry.
3. The Dy. Accountant General, O/o the AG (Audit), Tamil Nadu and Puducherry, Puducherry Branch.
4. The Central Record Branch, Puducherry.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department – Redelegation of Financial Powers to Administrative Secretaries, Heads of Department and Heads of Offices for incurring Contingent Expenditure on Rent for Ordinary Office Accommodation under Delegation of Financial Powers Rules, 1978 – Amendment – Issued

FINANCE DEPARTMENT

G. O. Ms. No.26/FD/F3/2022 Puducherry, dated 27-06-2022

READ : (1) G. O. Ms. No. 47/F3/2014, dt. 09-12-2014 of the Finance Department, Puducherry

ORDER

In exercise of her powers conferred by the Rule 13(3) of the Delegation of Financial Powers Rules, 1978, the Honourable Lieutenant Governor is pleased to approve the following partial amendment to the G. O. (1) read above:

2. The re-delegation of financial powers in relation to the item of contingent expenditure at Sl. No. 16 (i) (a) in Annexure – I, viz. “16. Rent – (i) Ordinary Office Accommodation – (a) Where the accommodation is utilized for the office”, shall henceforth be exercised as follows:

- (i) Fresh proposals for taking a building/premise on lease for office purpose for the first time by a Department shall be referred to the Finance Department for concurrence, along with the rent reasonability certificate obtained from the Department of Revenue and Disaster Management.
- (ii) Continuing proposals for renewal of lease for existing office accommodation in a private property shall be approved/ sanctioned by the Administrative Secretaries / Heads of Department / Heads of Office, in line with the financial powers already re-delegated vide item 16 (i) (a) of the G.O.Ms. No. 47/FD/F3/2014, dt. 09.12.2014 of the Finance Department, Puducherry. Increase in rent of up to 10% of the rent being paid for at least the previous 3 years may be approved by the Administrative Secretaries only, subject to the rent

reasonableness certified by the Department of Revenue and Disaster Management.

- (iii) Proposals for renewal of lease in cases where the property owner has demanded more than 10% increase in rent after a period of 3 years, shall be referred to the Finance Department for concurrence, after obtaining rent reasonability certificate from the Department of Revenue and Disaster Management.
- (iv) It shall be the responsibility of the owner(s) of the leased buildings/premises to ensure that the buildings are well-maintained and that any refurbishment/repairs are attended to promptly. This shall be definitely ensured at the time of lease renewal, whether with or without rent increase.

//BY ORDER//

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To
All Secretariat to Government.
All Heads of Departments/Offices.

Copy to:

1. All Secretariat Departments.
2. The Director of Accounts and Treasuries, Puducherry.
3. The Deputy Director of Accounts and Treasuries, Karaikal / Mahe / Yanam.
4. The Dy. Accountant General, O/o the AG (Audit), Tamil Nadu and Puducherry, Puducherry Branch.
5. The Central Record Branch, Puducherry.

No. 966/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 18-02-2022

I.D. NOTE / OFFICE MEMORANDUM

Sub. : FD - Hiring of data centre services/cloud services from
NICS I for various departmental applications/projects –
Redelegation of Financial Powers – Orders – Issued.

The proposals relating to sanctioning of expenditure for the hiring of data centre services/cloud services from NICS I are hitherto being referred to Finance Department for concurrence in absence of any specific redelegation of financial powers for the purpose. This has been reviewed.

2. Accordingly, the financial powers are hereby redelegated to the Administrative Secretaries for according expenditure sanctions towards hiring of data centre services/cloud services, from NICS I, in connection with the execution of projects and hosting of departmental applications after getting clearance from IT Department / NIC regarding capacity required and rates for the purpose.

3. This issues with the approval of Hon'ble Lieutenant Governor obtained *vide* I.D.No.966/FD/F3/2021-22, dated 10-02-2022.

Sd/–

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

Copy to:

(A) For information and compliance to–

1. All Administrative Secretaries.
2. All Heads of Departments/Offices.
3. All SAOs/JAOs.

(B) For information to–

1. Secretary to the Lieutenant Governor.
2. P.S. to the Chief Secretary.

No. 902/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 10-02-2022

I.D. NOTE / OFFICE MEMORANDUM

Sub. : FD - Transfer of funds under Centrally Sponsored Schemes from the Consolidated Fund to the Single Nodal Account of the Implementing Departments/Agencies - Delegation of Powers – Reg.

With the approval of the Competent Authority, the following procedure shall be followed henceforth in the sanctioning of proposals for transfer of funds under the Centrally Sponsored Schemes (CSS) - both Central Share and State Share - from the Consolidated Fund (CFP) of the Union Territory to the Single Nodal Account (SNA) of the Implementing Departments/Agencies:

- (i) Proposals for transfer of CSS funds (Central Share or State Share), irrespective of any monetary ceiling, from the CFP to the SNA of the Implementing Departments/Agencies shall be concurred by the Finance Department with the approval of the Finance Secretary.
- (ii) Powers for sanctioning the actual expenditure from the SNA (Central Share or State Share) shall however need to follow the extant delegation of financial powers for Schemes/Works as provided in the Annexure-II to the G.O.Ms.47/FD/F3/2014, dated 09-12-2014, of the Finance Department, Puducherry, as amended from time to time.

3. This issues with the approval of Hon'ble Lieutenant Governor obtained *vide* ID No. 4354/FD/F4/2021-22, dated 04-02-2022.

Sd/–

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To
All Secretariat Departments.
All Heads of Departments/Offices.
All SAOs/JAOs.
The P.S. to the Chief Secretary.

No. 44633/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 10-02-2022

I.D. NOTE / OFFICE MEMORANDUM

Sub. : FD - Sanctioning of proposals involving procurement on
Single Tender/Proprietary basis - Modification of
Procedure - Reg.

Public procurement through an open, transparent and competitive process is a norm that has to be followed. However, in exceptional cases, there is the possibility that only a single bid is received despite efforts made to have vibrant competition. There may also be exceptional cases of procurement of proprietary items (single supplier with no authorized agents). In such cases, the following procedure shall be followed henceforth for the sanctioning:

- (i) Proposals for procurement of goods/services on single tender/proprietary basis up to the monetary limit of ₹ 25.00 lakh shall be concurred by the Finance Department with the approval of the Finance Secretary.
- (ii) Proposals exceeding the limit of ₹ 25.00 lakh shall be Concurred by the Finance Department with the approval of the Hon'ble Lieutenant Governor.

2. While forwarding the proposals to the Finance Department, the Administrative Departments shall however certify that the proposal for seeking financial concurrence for procurement on single tender basis/proprietary basis fulfills the following conditions, as laid down in Rule 173(xx) of GFRs, 2017:

- (a) The procurement was satisfactorily advertised and sufficient time was given for submission of bids or no product alternative to the proprietary item, which meets the requirements, is available in the market, as the case may be;

- (b) The qualification criteria in the tender floated were not restrictive;
and
- (c) Procurement price is reasonable in comparison to market value.

3. This issues with the approval of Hon'ble Lieutenant Governor obtained *vide* I.D. No. 4400/FD/F5/2021-22, dated 07-02-2022.

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To
All Secretariat Departments.
All Heads of Departments/Offices.
All SAOs/JAOs.
The P.S. to the Chief Secretary.

No. 943/FD/F3/2022
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 04-02-2022

I.D. NOTE / MEMORANDUM

Sub.: FD - Issue of financial concurrence for hiring of vehicles for official purposes - Modification of procedure - Reg.

Ref.: ID Note/Memorandum No. 4038/FD/F3/2017-18, dated 05-03-2018 of Finance Department, Puducherry.

* * *

The proposals relating to hiring of private vehicles for official purposes are hitherto being referred to Finance Department for concurrence in accordance with the instructions contained in the ID Note/Memorandum cited above.

2. The matter has been reviewed and accordingly, in supersession of the ID Note/OM cited under reference, it has been decided that the financial powers for according expenditure sanction for hiring of vehicles by the Departments/Offices, for official purposes are hereby re-delegated to the Administrative Secretaries, subject to the following conditions:

- (i) The powers shall be limited only to according sanction for continuing the hiring of vehicle(s) for which the Finance Department had initially given concurrence. The G.O. issued for every sanction shall invariably mention the U.O./I.D. Number of the concurrence of Finance Department obtained at the first instance.
- (ii) Sanction for any new or additional engagement of vehicles shall be issued only with the prior concurrence of Finance Department.

- (iii) The latest guidelines/rates for hiring of vehicles notified by Transport Department shall be adhered to.
- (iv) The delegation will cease to exist if, the Department purchases a new vehicle or recruits more Drivers on temporary/permanent basis.

3. This issues with the approval of Hon'ble Lieutenant Governor obtained *vide* ID No. 943/FD/F3/2021-22, dated 02-02-2022.

Sd/—

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)-II

To

All Secretariat Departments.

All Heads of Departments/Offices.

Copy to :

The Director of Accounts and Treasuries, Puducherry.

The PS to Development Commissioner-*cum*-Principle Secretary (Finance).

No. 501/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 25-01-2022

I.D. NOTE

Sub.: FD - Issue of Administrative Approval for incurring expenditure - Instruction issued - Reg.

The financial powers in respect of incurring expenditure on contingent and miscellaneous items, and projects and works, have been re-delegated to Administrative Secretaries, *vide* the G.O.Ms. No. 47/F3/2014, dated 09-12-2014, of the Finance Department, strictly subject to the limits and conditions stated therein.

2. It is clarified that with regard to powers for according Administrative Approval by the Secretaries, the extent of their financial powers are the same as specified in respect of each item of Annexure-I (contingent and miscellaneous items) and Annexure-II (projects and works) to the said G.O. In other words, the powers for granting administrative approval and expenditure sanction are one and the same.

3. However, it has been observed that in several instances, the Departments are incurring expenditure for different items after obtaining the "administrative approval" of the Administrative Secretary concerned, even when expenditure sanction for such cases is beyond their competence. The files are later moved for expenditure sanction from the Finance Department / Government. It is reiterated that **the Administrative Secretaries are not competent to accord administrative approval in respect of such proposals where they have no powers to accord expenditure sanction.**

4. Therefore, the Departments shall strictly ensure in the future that in respect of any proposal where issue of expenditure sanction requires the concurrence of Finance Department as per the extant delegation of financial powers, prior administrative approval for incurring the expenditure shall be obtained from the Finance Department.

//BY ORDER//

Sd/—

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)-II

To

1. All Secretariat Departments.
2. All Heads of Departments / Offices.

Copy to:

1. The PS to Chief Secretary.
2. The PS to Principle Secretary (Finance).

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance - Delegation of powers to Superintending Engineers/Executive Engineers, Assistant Engineers, Mahe & Yanam and other Assistant Executive Engineers, and Assistant Engineers in the Electricity Department, Puducherry, for sanctioning 'Deposit Works'.

FINANCE DEPARTMENT

G.O. Ms. No. 197/FD/F3/2019-20 Puducherry, dated 24-01-2020

Read : (1) G.O. Ms. No.12/F3/2014, dated 10-06-2014 of Finance Department, Puducherry.

(2) I.D. No.D.18011/ID(P)D/P2/2018-19, dated 17-09-2019 of ID (Power) Department, Puducherry.

In the G.O. read (1) above, powers were delegated to the Superintending Engineers, Executive Engineers, Assistant Executive Engineers, Assistant Engineers of Electricity Department, Puducherry, for sanctioning 'Deposit Works' to the extent indicated therein. The ID (Power) Department *vide* I.D. Note 2nd read above has proposed for enhancement of such financial powers in view of the cost escalation over the period of five years, in order to ensure speedy implementation of the works within the timelines stipulated by Joint Electricity Regulatory Commission for Union Territories. This has been considered by the Government.

3. Accordingly, approval of the Hon'ble Lieutenant-Governor, Puducherry, is hereby conveyed for the enhancement of financial powers delegated to Engineering Officers of Electricity Department for sanctioning Deposit Works as detailed below:

Sl. No.	Designation	Monetary limit up to which the power is delegated for sanctioning Deposit Works
1.	Superintending Engineer - <i>cum</i> - Head of Department	Up to ₹ 50.00 lakh in each case.
2.	Superintending Engineer - Master Plan & Outlying Regions and Superintending Engineer-O&M/ Puducherry Region	Up to ₹ 20.00 lakhs in each case.
3.	Executive Engineers	Up to ₹ 5.00 lakhs in each case.
4.	Assistant Engineers, Mahe/Yanam	Up to ₹ 2.00 lakhs in each case.
5.	Other Assistant Executive Engineers & Assistant Engineers	Up to ₹ 1.00 lakh in each case.

4. The deposit works costing above ₹ 50.00 lakhs and up to ₹ 2.00 crores shall be sanctioned with the approval of Secretary (Power). The cases beyond ₹ 2.00 crores shall be decided by Government as per existing norms being followed by Finance Department.

5. The above delegation of financial powers will be subject to the condition that the sanctioning authority should ensure that all the requirements of Delegation of Financial Power Rules/GFRs, provisions of CPWD Code, regulations of JERC/CERC and all other instructions thereon issued by Government of India/Government of Puducherry are fulfilled before the proposal is finally approved and sanction issued by the authority concerned.

// BY ORDER OF LIEUTENANT GOVERNOR //

Sd/—

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)—II

To

The Superintending Engineer-*cum*-HoD,
Electricity Department,
Puducherry.

Copy to :

1. The Secretary to Government (Power), Puducherry.
2. The Under Secretary to Government (Power), Puducherry,
3. The Director of Accounts & Treasuries, Puducherry.
4. The Deputy Director of Accounts & Treasuries, Karaikal/Mahe/Yanam.
5. The Senior Deputy Accountant-General, AG (Audit) Tamil Nadu & Puducherry.
6. The Central Record Branch, Puducherry / File copy

ANNEXURE-II
15039/150/2018-UT (Coord.)
GOVERNMENT OF INDIA
MINISTRY OF HOME AFFAIRS

North Block, New Delhi

Dated 28th January, 2019

To
The Chief Secretary,
Union Territory of Puducherry,
Puducherry.

Sub. : Enhancement of Financial Powers to Union Territories.

Sir,

In terms of Rule 13(2) of Delegation of Financial Power Rules, 1978, I am directed to convey the approval of the Competent Authority for enhancement of Delegation of Financial Powers to Union Territory Administrations under different categories. Item-wise Financial and Administrative powers delegated to Union Territories are as follows :-

₹ in cr.

Financial Power			
Sl. No.	Items	Existing	Revised
1.	Normal Contract/ Purchase (open or limited tender)	20.00	50.00
2.	Negotiated Contract/ Purchase of store of proprietary nature/Direct emergency purchase/ Single tender including resultant single offer	5.00	10.00
3.	Sanction of Projects (including PPP Projects)	Full Power	100.00*

Administrative Power			
4.	<i>Ex-gratia</i> / Death Compensation due to accidents in course of performance of duties under extraordinary Pension Rules	At present such cases are sent to MHA for decision	Powers will be exercised by Union Territory Administration in consultation with their Finance Department subject to following the extant Government Orders on the subject.

Under Delegation of financial powers up to ₹ 100 cr. to all Union Territories in terms of MoF OM, dated, 05-08-2016, it is clarified that these financial powers are related to issuing Administrative Approval & Expenditure Sanction (AA&ES) of projects (excluding PPP Projects) which have already been appraised and approved by Competent Authority as per the provision of DoE/MoF OM dated 05-08-2016. For appraisal and approval of PPP Projects separate orders issued by the Department of Economic Affairs will apply.

2. The above-mentioned Financial and Administrative power has been delegated, subject to following conditions:-

- (i) All codal formalities should be followed as per the provisions laid down in GFR, DFPR, CPWD Code/Works manual, Economy instructions and other instructions issued by MoF, MHA and MoUD from time to time.
- (ii) Budgetary provision should exist in the financial year concerned.
- (iii) The financial powers including sanction of expenditure on works will be exercised in consultation with Finance Secretary/Finance Department of Union Territory.

3. This issues with the concurrence of IFD/MHA *vide* Diary No. 3435542, dated 05-12-2018 and approval of the Competent Authority.

Yours faithfully,

Sd/—

(JITENDRA AGRAWAL)

Adviser (UT)

Tel. 23093008

Copy for information to :

- (i) PS to HM.
- (ii) PPS to HS.
- (iii) PPS to AS & FA (H).
- (iv) PPS to AS (Union Territories).
- (v) All Officers in Union Territories Division.

ANNEXURE—I
F.No.15039/20/2012-Plg. Cell
GOVERNMENT OF INDIA
MINISTRY OF HOME AFFAIRS

North Block, New Delhi
Dated 12th October, 2017

To,
The Chief Secretary,
Government of Puducherry,
Puducherry.

Sub. : Enhancement of Financial Powers to Union Territories.

In terms of Rule 13(2) of Delegation of Financial Power Rules, 1978, I am directed to convey the approval of the Competent Authority for enhancement of Delegation of Financial Powers to the Government of Puducherry under different categories. Item-wise financial powers delegated to the Government of Puducherry are as follows:-

(₹ in crore)

Sl. No.	Scheme/Project	Existing	Revised
1.	Approval/Sanction of Scheme	50.00	100.00
2.	Sanction of Works	Full powers	Full powers
3.	Normal Contract/Purchase	5.00	20.00
4.	Negotiated/single tender contract/ Indent for stores of proprietary nature/Direct purchase on grounds of emergency	1.00	5.00

2. The above-mentioned financial power has been delegated subject to fulfillment of the following conditions:-

- (i) The conditions laid down in General Financial Rules, 2017 and Delegation of Financial Power Rules, 1978.
- (ii) As per Ministry of Finance, Department of Expenditure's O.M.No. 24(35)/PF-II/2012, dated 5th August, 2016, 'No new scheme or sub-scheme will be initiated without the prior

“in principle” approval of the Department of Expenditure. This will, however, not apply to the announcements made in the Budget Speech for any given year’.

- (iii) The financial power including sanction of expenditure on works will be exercised in consultation with Finance Secretary/ Finance Department of Union Territory.
- (iv) Economy/other instructions issued by Ministry of Finance, Ministry of Urban Development and Ministry of Home Affairs from time to time.

3. This issues with the concurrence of IFD/MHA *vide* Diary No. 3127257, dated 9th October 2017.

Yours faithfully,

Sd/-

(INDU SHEKHAR MISHRA)

Adviser (UT)

Tel.: 23094483

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department – Redelegation of Financial Powers to Director-General of Police, Government of Puducherry, for incurring Contingent Expenditure, POL Charges, Publications, Rent, Purchase of Stationery, Stores, Computer Peripherals and Miscellaneous Expenditure under Delegation of Financial Power Rules, 1978 – Amendment – Issued.

FINANCE DEPARTMENT

G.O. Ms.No.117/2018-19/FD/F3 Puducherry, dated 14-11-2018

Read: G.O. Ms. No.47/F3/2014, dated 09-12-2014 of Finance Department, Puducherry.

ORDER

The Columns (1) to (5) against Sl. No.1-9 (Sl. No. DFPR (1), (5), (10), (15), (16), (21), (22), (26) and (27) appearing in the G.O. (1) read above may be amended to read as follows:-

Sl. No.	Sl.No. of DFPR	Items of Expenditure	Present Financial powers to DGP	Enhanced Financial powers to DGP
(1)	(2)	(3)	(4)	(5)
1.	(1)	Powers of incurring contingent Expenditure		
		(a) Recurring	₹ 30,000 p.a. in each case	₹ 50,000 p.a. in each case
		(b) Non-Recurring	₹ 1,00,000 p.a. in each case	₹ 1,50,000 p.a. in each case
2.	(5)	Fixtures and Furniture purchase and Repairs	₹ 60,000 p.a. per office	₹ 1,00,000 p.a. per office
3.	(10)	(ii) Cost of Petrol, Oil and Lubricants		

(1)	(2)	(3)	(4)	(5)
		(a) for Motor Vehicles other than Motor-cycles, Scooters etc.,	₹ 10,000 p.m. for each vehicle	₹ 13,000 p.m. for each vehicle
		(b) for Motor-cycles, Scooters etc.,	₹ 3,000 p.m. for each vehicle	₹ 3,500 p.m. for each vehicle
		(iii) Maintenance, upkeep and repair charges		
		(a) for Motor Vehicles other than Motor-cycles, Scooters etc.,	(i) Full Powers, if the works are carried out by GAW/Government Corporation (ii) ₹ 10,000 in each case subject to ₹ 50,000 p.a. for each vehicle in other case	Full Powers Full Powers
		(b) Motor cycles, Scooters etc.,	(i) Full Powers, if, the works are carried out by GAW/Government Corporation (ii) ₹ 6,000 in each case subject to ₹ 20,000 p.a. for each case vehicle in other case	Full Powers Full Powers
4.	(15)	Publications		
		(iii) Advertisements in Newspapers	₹ 1,50,000 p.a.	₹ 3,00,000 p.a.
5.	(16)	Rent		
		(i)(a) Where accommodation is utilized for the office	₹ 6,000 per month	₹ 40,000 per month
6.	(21)	Purchase of Stationery/Stores		
		(b) Local purchase of petty stationery stores	₹ 1,00,000 p.a.	₹ 2,00,000 p.a.
7.	(22)	Stores		
		(i) Stores required for works	₹ 1,00,000 for petty works and repairs, in each case	₹ 1,50,000 for petty works and repairs, in each case

(1)	(2)	(3)	(4)	(5)
		(ii) Other Stores <i>i.e.</i> stores required for the working of an estt., including Instruments, equipments and apparatus	₹ 3,00,000 p.a. for each item	₹ 4,00,000 p.a. for each item
8.	(26)	(ii) Computer/Peripherals		
		(a) Hire, upkeep and repairs	Recurring ₹ 30,000 p.m. Non-Recurring ₹ 3,00,000 each occasion	In case of repairs existing powers shall be maintained In case of AMCs ₹ 5.00 lakhs per annum
9.	(27)	Misc. Expenditure		
		(a) Recurring	₹ 50,000 p.a.	₹ 1,00,000 p.a.
		(b) Non-Recurring	₹ 30,000 each occasion	₹ 1,50,000 each occasion

// BY ORDER OF THE LIEUTENANT-GOVERNOR //

Sd/—

(V. JEEVA)

Under Secretary to Government (Finance)

To

All Secretaries to Government.

All Heads of Departments/Offices.

Copy to:

1. The Director-General of Police, Puducherry.
2. The Director of Accounts & Treasuries, Puducherry.
3. The Deputy DAT., Karaikal/Mahe/Yanam.
4. All Secretariat Departments.
5. The Deputy Accountant-General, O/o the AG (Audit), Tamil Nadu & Puducherry, Puducherry Branch.
6. The Central Record Branch, Puducherry.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - Redelegation of Financial Powers to Regional Administrator, Mahe and Yanam for incurring Contingent Expenditure and Miscellaneous Expenditure under Delegation of Financial Powers Rules, 1978 - Amendment - Issued.

FINANCE DEPARTMENT

G.O. Ms No. 37/2017/F3 Puducherry, dated 08-09-2017

Read : (1) G.O. Ms. No.47/F3/2014, dated 09-12-2014 of Finance Department, Pondicherry

* * *

ORDER

The Lieutenant-Governor is pleased to enhance the financial powers of the Regional Administrator, Mahe, & Yanam from ₹ **50.00 lakhs** to ₹ **75.00 lakhs** for incurring Plan and Non-Plan expenditure on Scheme/ Works which are included in the approved Budget of the Department for the Financial Year, subject to adherence to the provisions of General Financial Rules and Delegation of Financial Power Rules, *etc.*,

2. The item at Sl. No. 4 in Annexure-II of the G.O.(1) read above shall stand amended accordingly.

//BY ORDER//

Sd/—

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)-II

To
All Secretaries to the Government.
All Heads of Departments/Offices.

Copy to:

1. The Regional Administrator, Mahe & Yanam.
2. The Director of Accounts and Treasuries, Puducherry.
3. The Director, Planning & Research Department, Puducherry.
4. The Deputy Director of Accounts and Treasuries, Mahe/Yanam.
5. All Secretariat Departments.
6. The Deputy Accountant-General, O/o the A.G. (Audit), Tamil Nadu and Puducherry, Puducherry Branch.
7. The Central Record Branch, Puducherry.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - Redelegation of Financial Powers to Collector, Karaikal.

FINANCE DEPARTMENT

G.O.Ms.No.45/2016/F3 Puducherry, the 21st December, 2016

Read : G.O.Ms No.47, dated 09-12-2014 of Finance
Department, Puducherry.

* * *

ORDER

Powers re-delegated to meet Recurring and Non-Recurring contingent expenditure as at item 1(a) and (b) and cost of fuel, oil, lubricant on account of Motor vehicles under item 10(ii) (a) and maintenance, upkeep and repair charges of each vehicle under item 10(iii) (a) (ii) and stores required for works under item 22(i) and other stores *i.e.*, stores required for the working of an establishment including instruments, equipments and apparatus under item 22(ii) and Miscellaneous Expenditure Recurring at item 27(a) and Miscellaneous Non-Recurring at item 27(b) to the Collector, Karaikal as in Column 4 of the G.O. read above has been re-examined on request from the Collectorate, Karaikal District and Finance Department has decided to enhance powers of Collector, Karaikal on considering the grounds given under:-

(a) District Collector is the complete in-charge of the District.

(b) Enhancement of powers to Regional Collector enables the Regional Head to take decision with minimal time.

(c) Decentralisation of powers to Regional Head would be a tool for smooth functioning of Official Machinery.

Therefore, Hon'ble Lieutenant-Governor is pleased to redelegate 'the enhanced financial powers to Collector, Karaikal', as in Column No. 4 of the Table below:

Sl. No.	Items of Expenditure	Existing Power	Enhanced Power
(1)	(2)	(3)	(4)
1	Powers of incurring contingent Expenditure (a) Recurring	₹ 30,000 p.a. in each case	₹ 1,00,000 p.a. in each case
	(b) Non-Recurring	₹ 1,00,000 in each case	₹ 2,50,000 in each case
10(ii) (a)	Cost of Petrol, Oil and Lubricant	₹ 10,000 p.m. for each vehicle	₹ 20,000 in each case
10(iii) (a) (ii)	Maintenance up-keep and repair charges	₹ 10,000 p.m. in each case subject to ₹ 50,000 p.a. for each vehicle in other case	₹ 50,000 in each case
Store 22.(i)	Stores required for works	Purchase of stores required for petty works and repairs ₹ 1,00,000 in each case in respect of S.E. Elecy., DHFWS, DIG/IGP, I.G. (Prison), DSE & DH & TE	Collector, Karaikal is included as an Exceptional category in column-3. Hence, enhanced power is ₹ 1,00,000 in each case.
22.(ii)	Other stores i.e., stores required for the working of an establishment including instruments, equipments and apparatus	₹ 15.00 lakhs p.a. for each item in respect of DHFWS, Elecy, PWD, DSE & DH & TE	The Collector, Karaikal is included as an Exceptional category in column-3. Hence, enhanced power is ₹ 15,00,000 per annum in each case.
27(a)	Miscellaneous Expenditure - Recurring	₹ 50,000 per annum	₹ 1,00,000 per annum on each individual item.
27(b)	Miscellaneous expenditure - Non - Recurring	₹ 30,000 each occasion	₹ 1,00,000 per annum on each individual item.

Note : 1. 'Per annum in each case' under Recurring contingent expenditure means each type of expenditure.

2. 'Each case' in respect of Non-Recurring contingent expenditure means on each occasion.

3. All other condition stipulated in the G.O. read above shall be adhered to strictly.

//BY ORDER OF THE LIEUTENANT-GOVERNOR//

(Sd/—

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To

All Secretaries to Government/All Secretariat Departments/

All Heads of Departments/Offices.

Copy to :

1. The Director of Accounts and Treasuries, Puducherry.
2. The Deputy Director of Accounts and Treasuries, Karaikal/Mahe/Yanam.
3. The Director, Information Technology Department,
Puducherry - **to be hosted in State Website.**
4. The Website of Finance Department - **to be hosted in the official Website.**

**GOVERNMENT OF PUDUCHERRY
ABSTRACT**

Finance Department - Redelegation of Financial Powers to Secretaries to Government, Special/Additional/Joint/Deputy/Under Secretaries, Heads of Departments and Heads of Offices for incurring Contingent Expenditure and Miscellaneous Expenditure under the Delegation of Financial Powers Rules, 1978 - Orders - Issued.

FINANCE DEPARTMENT

G.O.Ms.No. 47/F3/2014

Puducherry, dated 09-12-2014

READ:(1) G.O.Ms.No. 59/2003/F3, dated 11-02-2003

(2) G.O.Ms.No. 69/2003/F3, dated 23-04-2003

(3) G.O.Ms.No. 82/2003/F3, dated 19-09-2003

(4) G.O.Ms.No. 98/2004/F3, dated 12-01-2004

(5) G.O.Ms.No. 74/2008/F3, dated 15-12-2008

(6) G.O.Ms.No. 54/2011/F3, dated 13-10-2011

(7) G.O.Ms.No. 39/2012/F3, dated 12-11-2012

(8) G.O.Ms.No. 48/2012/F3, dated 31-12-2012

(9) G.O.Ms.No. 58/2013/F3, dated 28-02-2014

(10) G.O.Ms.No. 06/2014/F3, dated 30-04-2014

of the
Finance
Department,
Puducherry.

* * *

ORDER

The Government has issued Orders re-delegating Financial Powers to Secretaries to Government, Heads of Departments and Heads of Offices in the G.Os read above. These Financial Powers were delegated in the year 2003 and subsequently amended/modified in the year 2004, 2008, 2011 and 2012 respectively taking into account of the circumstances prevailing then. The Budget allocations to the Departments have increased to a considerable extent over the years. With a view to minimize the procedural delays and to speed up the process of disposing of routine matters, a review of the existing financial powers was undertaken for granting appropriate financial powers to the officers of various levels.

2. The Lieutenant-Governor, Puducherry, after the review and in exercise of the powers conferred under sub-rule (3) of rule 13 of the Delegation of Financial Powers Rules, 1978, has been pleased to re-delegate his financial powers for incurring

Contingent Expenditure under Schedule-V and Miscellaneous Expenditure under Schedule-VI of Delegation of Financial Powers Rules, 1978 to Secretaries to Government, Special/Additional/Joint/Deputy/Under Secretaries, Head of Departments and Heads of Offices to the extent indicated in the Annexure-I, II & III to this Order, in supersession of the G.Os read above.

3. The re-delegation of Financial Powers made under para 2 above, is without prejudice to the special powers delegated/ re-delegated to some of the Heads of Departments and Heads of Offices by the Government of India and this Union Territory Government from time to time in respect of matters not included in the Annexure-I, II & III to this Order or above the limits indicated in the said Annexure.

4. The Collectors, Puducherry and Karaikal shall exercise powers, similar to that of the Heads of Departments and to the extent given in Column No. 4 of the Annexure-I in respect of Branch Offices/Institutions situated in the respective regions to which separate funds to the region are allocated in the Budget. However, they shall not exercise the special powers delegated to certain Heads of Departments.

//BY ORDER OF THE LIEUTENANT-GOVERNOR//

Sd/—

(P. AUGUSTIN LUCIEN DIAGOU)

Under Secretary to Government (Finance)

To

All Secretaries to Government.

All Secretariat Departments.

All Heads of Departments/Offices.

Copy to :

1. The Director of Accounts & Treasuries, Puducherry.
2. The Deputy Director of Accounts & Treasuries, Karaikal/ Mahe/Yanam.
3. The Deputy Accountant-General, O/o the AG (Audit)-I, Tamil Nadu & Puducherry.
4. The Central Record Branch, Puducherry.

ANNEXURE-I

(G.O. Ms. No.47/F3/2014, dated 09-12-2014)

Redelegation of Powers of the Lieutenant-Governor to Secretaries to Government, Special/Additional/Joint/Deputy/Under Secretaries, Heads of Departments and Heads of Offices for incurring Contingent Expenditure, and Miscellaneous Expenditure under Rule 13 of the Delegation of Financial Powers Rules, 1978.

Sl. No.	Items of Expenditure	Monetary Limit up to which expenditure can be incurred				Rules, Orders Restrictions or Scales subject to which the expenditure shall be incurred
		Secretary	Special Secretary/ Addl. Secretary/ Joint Secretary/ Deputy Secretary/ Heads of Departments in the G.P. of ₹ 6,600 & above	Head of the Offices/ Under Secretary in G.P. of ₹ 4,800 and ₹ 5,400		
(1)	(2)	(3)	(4)	(5)	(6)	
1.	Powers of incurring contingent expenditure					
	(a) Recurring	₹ 3,00,000 per annum in each case	₹ 30,000 per annum in each case	₹ 30,000 per annum in each case		Subject to the conditions laid down in D.F.P. Rules
	(b) Non-Recurring	₹ 5,00,000 in each case	₹ 1,00,000 in each case	₹ 50,000 in each case		Subject to the conditions laid down in D.F.P. Rules
II.	Bicycle					
1.	(a) Purchase	Full Powers	Full Powers	Full Powers	—	
	(b) Repairs	Full Powers	Full Powers	Full Powers	—	
2.	Charges for remittance of Treasure	Nil	Nil	Nil	—	
3.	Conveyance hire	Powers to the extent laid down in Sl. No. 3 of Annexure Schedule-V of D.F.P. Rules, 1978	Powers to the extent laid down in Sl. No. 3 in respect of Non-Gazetted Officers in D.F.P. Rules, 1978	Nil	—	

(1)	(2)	(3)	(4)	(5)	(6)
4.	(i) Electricity, Water Charges, and Gas other than LPG	Full Powers	Full Powers	Full Powers	—
	(ii) LPG	Full Powers	₹10,000 per annum	₹10,000 per annum	—
5.	Fixtures and Furniture Purchase and Repairs	Full Powers	₹ 60,000 per annum per office	₹ 18,000 per annum per office	—
6.	Freight and demurrage/ wharfage charges				
	(i) Freight charges	Full Powers	Full Powers	₹ 1,500 in each case	—
	(ii) Demurrage/ wharfage charges	Full Powers	₹ 600 in each case	₹ 300 in each case	—
7.	Hire of Office furniture, electric fans, heaters, coolers, clocks and call bells	Full Powers	₹ 15,000 per annum per office	₹ 15,000 per annum per office	Subject to the conditions laid down in Col. 3 against Sl. No. 7 of Annexure to Schedule V of D.F.P. Rules, 1978.
8.	Land	Nil	Nil	Nil	—
9.	Legal charges	Full Powers in consultation with Directorate of Prosecution and subject to the conditions laid down in Sl. No. 9 of Annexure to Schedule-V of D.F.P. Rules, 1978	Full Powers in consultation with Directorate of Prosecution and subject to the conditions laid down in Sl. No. 9 of Annexure to Schedule-V of D.F.P. Rules, 1978	Nil	—
	(ii) Other legal charges	(a) Law suits or prosecution cases: Full Powers in case of authorities vested with powers to sanction the institution of suit or prosecution; otherwise ₹ 7,500 in each case in consultation with Directorate of Prosecution. (b) Arbitration cases : Full Powers in case of authorities vested with powers to refer cases to arbitration; Otherwise ₹ 15,000 in each case in consultation with Directorate of Prosecution.			

(1)	(2)	(3)	(4)	(5)	(6)
	(iii) Reimbursement of legal expenses incurred by Government Servants in cases arising out of their official duties.	These Powers shall be exercised subjects to such orders as the President may issue from time to time and in consultation with Directorate of Prosecution.			
10.	Motor Vehicles (i) Purchase	Nil	Nil	Nil	—
	(ii) Cost of Petrol, Oil and Lubricant (a) for Motor Vehicles other than Motor-cycles, Scooters, etc.,	Full Powers	₹ 10,000 per month for each vehicle	₹ 5,000 per month for each vehicle	Subject to the condition that there will not be any increase in the quota of POL, fixed for the vehicles.
	(b) for Motor-cycles, Scooters, etc.,	Full Powers	₹ 3,000 per month for each vehicle	₹ 1,500 per month for each vehicle	—
	(iii) Maintenance, upkeep and repair Charges- (a) for Motor Vehicles other than, Scooters, Motor-cycles etc.,	Full Powers	(i) Full Powers, if, the works are carried out by Government Automobile Workshop/ Government Corporation (ii) ₹ 10,000 in each case subject to ₹ 50,000 per annum for each vehicle in other case.	(i) Full Powers, if, the works are carried out by Government Automobile Workshop/ Government Corporation (ii) ₹ 6,000 in each case subject to ₹ 20,000 per annum for each vehicle in other case.	— Subject to the condition that Rate Reasonableness Certificate should be obtained from the Government Automobile Workshop.
	(b) Motor-cycles, Scooters etc.,	Full Powers	(i) Full Powers, if, the works are carried out by Government Automobile Workshop/ Government Corporation.	(i) Full Powers, if, the works are carried out by Government Automobile Workshop/ Government Corporation.	—

(1)	(2)	(3)	(4)	(5)	(6)
			(ii) ₹ 6,000 in each case subject to ₹ 20,000 per annum for each vehicle in other case.	(ii) ₹ 1,500 in each case subject to ₹ 3,000 per annum for each vehicle in other case.	Subject to the condition that Rate Reasonableness Certificate should be obtained from the Government Automobile Workshop.
11.	Municipal rates and taxes	Full Powers	Full Powers	Full Powers	—
12.	Petty works and repairs (i) Execution of petty works and special repairs to Government owned buildings including sanitary fittings, water supply and electric installations in such buildings and repairs to such installations	₹ 5,00,000 in each case	₹ 2,00,000 each case in respect of Director of School Education, Director of Higher and Technical Education, S.E. (Elec.), DHFWS, Chief Engineer, PWD, DGP/IGP, and IG Prisons. ₹ 1,00,000 in each case in respect of other Heads of Department	₹ 30,000 each case	In exercising these powers the provisions of Rules 126 & 133 of G.F. Rules 2005 shall be observed.
	(ii) Ordinary repairs to Government buildings	Full Powers	₹ 1,00,000 in each case	₹ 1,00,000 in each case	—
	(iii) Repairs and alterations to hired and requisitioned buildings				

(1)	(2)	(3)	(4)	(5)	(6)
	(a) Non-Recurring	₹ 3,00,000 per annum	₹ 50,000 per annum	₹ 50,000 per annum	—
	(b) Recurring	₹ 60,000 per annum	₹ 20,000 per annum	₹ 20,000 per annum	—
13.	Postal and Telegraph charges				
	(i) Charges for the issue of letters, telegrams, etc.,	Full Powers	Full Powers	Full Powers	—
	(ii) Commission on Money Orders	Powers to the extent indicated in D.F.P. Rules, 1978	Powers to the extent indicated in D.F.P. Rules, 1978	Powers to the extent indicated in D.F.P. Rules, 1978	—
14.	Printing and Binding	Full Powers where the Printing is executed through the Directorate of Stationery and Printing. In other cases ₹ 6,00,000 per annum.	Full Powers where the Printing is executed through the Directorate of Stationery and Printing. In other cases ₹ 2,50,000 per annum.	₹ 1,00,000 per annum for printing any matter in the regional language	Subject to the conditions laid down Col. 3 against Sl. No. 14 of Annexure to Schedule-V of D.F.P. Rules, 1978.
15.	Publications				
	(i) Official publications	Full Powers	Full Powers	Full Powers	—
	(ii) Non-Official publications	Full Powers	Full Powers	Full Powers	This powers will not extend to purchase of non-official publications such as magazines of purely recreational nature.
	(iii) Advertisements in Newspapers	₹ 12,00,000 per annum.	₹ 1,50,000 per annum.	₹ 50,000 per annum.	—

(1)	(2)	(3)	(4)	(5)	(6)
16.	Rent (i) Ordinary office accommodation (a) Where the accommodation is utilized for the office	Full Powers	₹ 6,000 per month.	₹ 5,000 per month.	Subject to the conditions laid down Col. 3 against Sl. No. 16 of Annexure to Schedule-V of D.F.P. Rules, 1978.
	(b) Where the accommodation is used partly as office and partly as residence	Full Powers	₹ 6,000 per month.	₹ 3,000 per month.	-do-
	(ii) for residential and other purposes	Full Powers	Nil	Nil	-do-
17.	Repairs to and removal of machinery (Where the expenditure is not of a capital nature)	Full Powers	₹ 25,000 each case.	₹ 15,000 each case.	—
18.	Reward, fees, bonus, etc. (other than fees or honoraria granted to Government Servants under the Service Rules)	Nil	Nil	Nil	—
19.	Special charges relating to particular Department	Full Powers	Nil	Nil	—
20.	Staff paid from contingencies	Nil	Nil	Nil	—

(1)	(2)	(3)	(4)	(5)	(6)
21.	(a) Purchase of stationery stores mentioned in the leis under Appendix 9 to compilation of the G.F. rules.	Nil	Nil	Nil	—
	(b) Local Purchase of petty stationery stores	₹ 3,00,000 per annum	₹ 1,00,000 per annum	₹ 50,000 per annum	Subject to the conditions laid down in Col. 3 against Sl. No. 21 of Annexure to Schedule-V of D.F.P.Rules, 1978.
	(c) Local purchases of Rubber stamps and Office Seals	Full Powers	Full Powers	₹ 10,000 per annum	
22.	Stores (i) Stores required for works	Full Powers	(a) Purchase of stores required for petty works and repairs; ₹ 1,00,000 in each case in respect of S.E. (Elec). DHFWS, DGP/IGP, IG Prison, Director of School Education and Director of Higher and Technical Education. (b) ₹ 10,000 in each case in respect of other Heads of Departments	(a) ₹ 50,000 in each case in respect of Electricity, Police and Health. (b) ₹ 10,000 in each case in respect of other Head of Office.	—

(1)	(2)	(3)	(4)	(5)	(6)
	(ii) Other stores <i>i.e.</i> , stores required for the working of an establish- ment including instructions, equipments and apparatus	Full Powers	(a) ₹ 15,00,000 per annum for each item in respect of DHFWS, Chief Engineer, PWD, S.E.(Elec). Director of School Education and Director of Higher and Technical Education	(a) ₹ 10,000 for each item up to ₹ 1,00,000 per annum.	—
			(b) ₹ 3,00,000 per annum for each item, DGP/GP, Director, Agriculture, Fisheries and Industries.	(b) Director, Indian System of Medicine and Homeopathy, Head of Offices under the control of DHFWS/PWD/ Elec./ Director of School Education and Director of Higher & Technical Education ₹ 30,000 at a time up to ₹ 6,00,000 per annum for each item.	—
			(c) For other Heads of Departments ₹ 30,000 at a time up to ₹ 3,00,000 per annum for each item.	(c) Head of Office (GAW) ₹ 15,000 at a time up to ₹ 3,00,000 per annum for each item	—
			(d) Full powers to Director of Animal Husbandry for purchase of Stores (Medicines) from Government Institutions/ Government undertakings	(d) For other Head of Offices ₹ 6,000 at a time and up to ₹ 60,000 per annum for each item.	—

(1)	(2)	(3)	(4)	(5)	(6)
23.	Supply of uniforms, badges and other articles of clothing, etc., and washing allowance.	Full Powers	Full Powers	Full Powers	Orders of Government should be followed with reference to scales and rates
24.	Telephone charges				
	(i) Rent and other charges	Full Powers	Full Powers	Full Powers	—
	(ii) New connection	Full Powers	Nil	Nil	—
	(iii) Shifting of telephone	Full Powers	Full Powers	Full Powers	—
25.	Tents and camp furniture	Full Powers	Full Powers	Full Powers	—
26.	(i) All office equipments including typewriters, intercom equipments, electronic stencil cutters, Dictaphones, tape-recorders, photocopier, copying machines addressographs, filing and indexing system				
	(a) Purchase	Full Powers	Nil	Nil	—
	(b) Hire, upkeep and repairs	Full Powers	Recurring ₹ 30,000 per month Non-Recurring ₹ 3,00,000 each occasion	Recurring ₹ 15,000 per month Non-Recurring ₹ 1,50,000 each occasion	These powers shall be exercised subject to the observance of general conditions

(1)	(2)	(3)	(4)	(5)	(6)
	(c) Maintenance of plain paper copier machine	Full Powers	Full Powers	Full Powers	—
	(ii) Computers/peripherals				
	(a) Purchase	Nil	Nil	Nil	—
	(b) Hire, upkeep and repairs	Full Powers	Recurring ₹ 30,000 per month Non-Recurring ₹ 3,00,000 each occasion	Recurring ₹ 15,000 per month Non-Recurring ₹ 1,50,000 each occasion	These powers shall be exercised subject to the observance of general conditions
	(c) Hire and maintenance of computers of all kinds	Full Powers	Full Powers	Full Powers	Reasonableness of the Maintenance charges has to be got certified by the IT Department.
	(iii) Purchase of calculators	Full Powers	Full Powers	Full Powers	—
27.	Miscellaneous Expenditure				
	(a) Recurring	₹ 1,50,000 per annum	₹ 50,000 per annum	₹ 30,000 per annum	Subject to the conditions stipulated in Schedule-VI of D.F.P. Rules.
	(b) Non-Recurring	₹ 3,00,000 each occasion	₹ 30,000 each occasion	₹ 30,000 each occasion	—

Note : Heads of Departments drawing Grade Pay of ₹ 4,800 and ₹ 5,400 shall exercise powers indicated in Col. No. 5 only.

Sd/—

Under Secretary to Government (Finance)

ANNEXURE-II

(G.O. Ms. No. 47/F3/2014, dated 09-12-2014)

Redelegation of Powers of the Lieutenant-Governor to Secretaries to Government, Heads of Departments and Heads of Offices for incurring Non-Plan and Plan Expenditure on Scheme/Works which are included in the approved Budget of the Department for the Financial Year.

Sl. No.	Designation	Monetary limit up to which powers is delegated for Scheme/Works included in the Budget
(1)	(2)	(3)
1.	Secretaries to Government	₹ 2.00 crore (Rupees Two crore only).
2.	Collectors of Puducherry and Karaikal.	₹ 1.00 crore (Rupees One crore only).
3.	Heads of Department of Field Departments (Pay in the Pay Scale with GP of ₹ 6,600 and above).	₹ 50.00 lakh (Rupees Fifty lakh only).
4.	Regional Administrator, Mahe and Yanam.	₹ 50.00 lakh (Rupees Fifty lakh only).
5.	(i) Finance Department with the approval of the Finance Minister/Chief Minister.	Above ₹ 2.00 crore and up to ₹ 10.00 crore.
	(ii) Finance Department with the approval of Lieutenant-Governor (Without Standing Finance Committee appraisal).	Above ₹ 10.00 crore and up to ₹ 25.00 crore.
	(iii) Finance Department appraised by Empowered Finance Committee/Standing Finance Committee with the approval of Lieutenant-Governor.	Above ₹ 25.00 crore and up to ₹ 50.00 crore.
6.	Secretaries shall exercise powers of granting Administrative approval for projects and works up to ₹ 2.00 crore. All projects and works above ₹ 2.00 crore shall be referred to Finance Department with Administrative approval of the Minister in-charge of the subject.	

Sd/—

Under Secretary to Government (Finance)

ANNEXURE – III

(G.O. Ms. No. 47/F3/2014, dated 09-12-2014)

Powers For Sanctioning advances / Loans / Withdrawal

Sl. No.	Details of advances/ loans/withdrawal	Sanctioning Authority
(1)	(2)	(3)
1.	All temporary advances (Advance draws under Projects / Works Schemes and Contingent expenses).	Secretary to Government subject to monetary ceiling delegated for Projects/ Works/Schemes and contingent expenses.
2.	G.P.F. advance/withdrawal	[Head of Department declared under Rule 3(1) (f) of DFP Rules, 1978.
3.	HBA/MCA/PCA (Fund availability shall be ascertained from the Budget Officer, Finance Department.)	
4.	Festival/Flood/Drought/Cyclone advances.	Head of Office, as per rules.

Sd/–

Under Secretary to Government (Finance)

No. 12266/FD/2011
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 25-01-2011

OFFICE MEMORANDUM

Sub. : Constitution of the Standing Finance Committee to Examine the proposal of Plan Schemes/Projects, consequent on the enhanced financial powers to the Administrator for appraisal and approval – Reg.

Ref. : G.O.Ms.No.55/F3/2010 dt.18.11.2010 of Finance Department, Chief Secretariat, Puducherry.

With reference to the above, the departments who are having proposals amounting more than 25 crores are hereby instructed to submit the memorandum in the prescribed proforma enclosed in order to put up the same before the standing Finance Committee for approval. When a Department wants to put up a proposal to standing Finance Committee, proposals should be sent along with the filled-up proforma to the standing Finance Committee.

Sd/–

(R. SMITHA)

Joint Secretary to Government (Finance)

To

1. The Secretariat Departments.
2. The Collector, Karaikal.
3. The Regional Administrator, Mahe/Yanam.
4. All Heads of Departments.

Copy to:

P.S./P.A. to Chief Secretary/Principal Secretary/Secretaries/Special Secretaries, Puducherry.

28. The Chief Engineer, Public Works Department, Puducherry

FORMAT OF SFC / EFC MEMORANDUM

1. STATEMENT OF PROPOSAL

- (i) Reasons and justification for proposals
- (ii) How the need has arisen
- (iii) What are the other alternatives.
- (iv) Ultimate objective sought to be achieved
- (v) What is the plan provision for the proposal
- (vi) Has the proposal been gone into by other departments concerned or by an committee (Department or Legislative) and what are the findings?

2. ECONOMICS OF THE PROPOSAL

- (i) What detailed studies have been made for establishing its need, its economics and other relevant aspects?
- (ii) In case its nature is commercial what is the cost/benefit ratio, its Economic Rate of Return (E.R.R.) and its Financial Rate of Return (F.R.R.)
- (iii) In case its nature is non-commercial what is the social cost Benefit analysis.
- (iv) What are the future financial implications after completion (including staff costs, operational costs and other costs).

3. EXPENDITURE INVOLVED

- (i) What is the total expenditure (non-recurring and recurring).
- (ii) What will be the year wise expenditure till completion.
- (iii) Details of buget provision, if no provision has been made, how funds are proposed to be arranged?
- (iv) Has any expenditure been incurred already?
- (v) Does proposal involve obtaining of loan (negotiated or otherwise), if yes details thereof (including necessary clearances and availability of credit facility etc.,).

4. PROGRAMME SCHEDULE

- (i) Has the implementarion schedule been worked out in all its details?
If so, add PERT chart giving detailed time schedules for various activities particularly the following components:-
 - (a) Land Acquisition
 - (b) Construction of buildings
 - (c) Other civil works
 - (d) Procurement of Plant and machinery and other equipments
 - (e) Manpower
- (ii) Target date for completion
- (iii) Expected date for commencement of benefits

5. ADD FOLLOWING STATEMENTS

- (i) Statement showing detailed cost benefit analysis and / or social cost benefit analysis.
- (ii) PERT chart with detailed completion schedule for various activities / components.
- (iii) Number of posts requied and the pay scales, together with basis adopted for staffing, both in current year and future years.
- (iv) Item wise details of expenditure on Building/Roads/other civil works etc., along with its basis and phasing.
- (v) Break up of total expenditure on various components viz. Land/ Building/Plant and Machinery/Equipment/Roads/Other civil works etc.,

6.SUPPLEMENTARY INFORMATION IF ANY

7. POINTS ON WHICH DECISION/SANCTION ARE NEEDED.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - Constitution of the Standing Finance Committee to examine the proposals of Plan Schemes/Projects, consequent on the enhanced financial powers to the Administrator for appraisal and approval - Reg.

FINANCE DEPARTMENT

G.O.Ms.No.55/F3/2010

Puducherry, dated 18-11-2010.

READ: Letter No.15039/28/09-Plg. Cell, dated 29-09-2010 of MHA., Government of India, New Delhi.

The Lieutenant-Governor, Puducherry, is pleased to constitute Standing Finance Committee (SFC) under the Chairmanship of Chief Secretary to Government as mentioned below to examine the proposal of Plan Schemes/Projects, consequent on the enhanced financial powers to the Administrator from the existing of ₹ 25.00 crore to ₹ 50.00 crores and to examine the case by case received from the Departments concerned subject to fulfillment of the conditions laid down in GFR, 2005 and Delegation of Financial Power Rules, 1978 and the instructions/guidelines issued by Ministry of Finance from time to time.

Chief Secretary to Government	Chairman
Principal Secretary (Finance)	Member
Secretary (Planning)	Member
Secretary of the Concerned Department	Member
Director (Planning)	Member
Joint Secretary (Finance)/ Under Secretary (Finance)	Member- Secretary

Apart from the abovesaid Members, the Chairman of the Committee/Chief Secretary or Principal Secretary (Finance) may suggest to include the representative of any other Department as Member for the proposed Committee.

2. The above delegation for sanction of schemes/projects is subject to observance of the following conditions:-

- (a) The scheme is included in the Five year Plan/Annual Plan approved by the Planning Commission.
- (b) Detailed schemes as formulated by the Union Territory Government or executing Agency are technically scrutinized and cleared by the technical advisers of the territory.
- (c) Financial scrutiny of the schemes is carried out by the Finance Secretary.
- (d) Administrative Approval/Expenditure sanction of the schemes would be issued by Administrator in consultation with the Finance Secretary.
- (e) Necessary Budget provision has been included in the Budget for the relevant year.
- (f) The financing pattern of the schemes should be approved by the Planning Commission.
- (g) The new schemes would require the approval of the Competent Authority before sent the proposal to SFC.

//BY ORDER OF THE LIEUTENANT-GOVERNOR//

Sd/-

(R. SMITHA)

Joint Secretary to Government (Finance)

To

The Chairman and Members of the Committee.

Copy to:

- 1. All Secretaries to Government, Chief Secretariat, Puducherry.
- 2. The Collector, Karaikal.
- 3. The Private Secretary to Chief Minister.
- 4. The Private Secretary to all Ministers, Puducherry.
- 5. The Senior P.A. to Deputy Speaker.
- 6. All Secretariat Departments, Puducherry.
- 7. All Heads of Departments, Puducherry.
- 8. The Regional Administrator, Mahe/Yanam.
- 9. Stock file.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - Redelegation of financial powers under Delegation of Financial Rules, 1978 of incurring expenditure on light refreshment and other such hospitalities - Orders - Issued - Reg.

FINANCE DEPARTMENT

G.O. Ms. No.39/FD/F3/2021 Puducherry, dated 18-10-2021

READ: G.O. Ms. No.21/FD/F3/2010, dated 18-05-2010 of Finance Department, Puducherry.

ORDER

In exercise of the powers conferred under sub-rule of 3 rule 13 of DFPRs, 1978 and in partial modification of the G.O. read above, the Lieutenant-Governor, Puducherry, is pleased to redelegate her financial powers for incurring expenditure under Schedule VI of DFPRs, 1978, in respect of light refreshments during formal Inter-departmental and other meetings or conferences and other such hospitalities, to the Private Secretary to Chief Minister, till the post of Secretary to Chief Minister is filled up and subject to the extant rules and the general conditions/instructions issued by the Government of India from time to time.

//BY ORDER OF THE LIEUTENANT-GOVERNOR//

Sd/—

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To

The Private Secretary to Chief Minister,
Office of the Council of Ministers, Puducherry.

Copy to :

1. The Director of Accounts and Treasuries, Puducherry.
2. All Secretariat Departments, Puducherry.
3. The Deputy Accountant-General (Civil Audit), TN & PDY, DAT Complex, Puducherry.
4. The Central Record Branch, DAT Complex, Puducherry.
5. The G.O. file/Stock file.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - Redelegation of financial powers under delegation of Financial Powers Rules, 1978 for incurring expenditure on light refreshment and other such hospitalities - Orders - Issued - Reg.

FINANCE DEPARTMENT

G.O. Ms.No. 21/FD/F3/2010

Puducherry, dated 18-05-2010

ORDER

In exercise of the powers conferred under sub-rule 3 of rule 13 of DFPRs, ₹ 1978, the Lieutenant-Governor, Puducherry, is pleased to re-delegate his financial powers for incurring expenditure under Schedule-VI of DFPR, ₹ 1978, in respect of light refreshments during formal Inter-departmental and other meetings or conferences and other such hospitalities, to the Secretary, Legislative Assembly Department and the Secretary to Chief Minister respectively, subject to the general conditions/instructions issued by the Government of India from time to time.

// BY ORDER OF THE LIEUTENANT-GOVERNOR //

Sd/—

(VANAJA NAIR. R)

Under Secretary to Government (Finance)

To

1. The Secretary, Legislative Assembly Department, Puducherry.
2. The Secretary to Chief Minister, Council of Ministers, Puducherry.

Copy to :

1. The Director of Accounts and Treasuries, Puducherry.
2. All Secretariat Departments, Puducherry.
3. The Senior Deputy Accountant-General (Civil Audit), Tamil Nadu. and Puducherry, DAT Complex, Puducherry.
4. The Central Record Branch, Chief Secretariat, Puducherry.
5. The G.O. file/Stock file.
6. Copy to: File No. 31261/F3/2010.

GOVERNMENT OF PONDICHERRY

ABSTRACT

Finance Department - Delegation of Financial Power Rules, 1978 - Declaration of Heads of Departments under Rule 3 (1) (f) - Orders - Issued.

FINANCE DEPARTMENT

G.O. Ms. No. 9/99/F4

Pondicherry, dated 01-02-1999

READ:(1) Government of India, Ministry of Home Affairs letter No.V.13014/41/97-GP dated 30-10-98 read with Ministry's letter No. 11011/39/00-Finance-II, dated 30-01-1980.

(2) G.O.Ms. No. 13/96/F3, dated 12-03-1996 of the Finance Department.

ORDER

In accordance with the orders communicated in in the Government of India's letters read (1) above, the following officers of this Administration are declared as Heads of Departments in terms of rule 3(1) (f) of the Delegation of Financial Powers Rules, 1978:

1. Development Commissioner
2. All Secretaries to Government
(Drawing pay in the revised Scale of ₹ 12,000-16,500 and above)

2. Orders already communicated in the G.O. read (2) above is hereby superseded.

//BY ORDER OF LIEUTENANT-GOVERNOR//

Sd/-

(C. KANNIAPPAN)

Deputy Secretary to Government

To

All Secretaries to Government, Pondicherry.

All Joint Secretaries / Deputy Secretaries / Under Secretaries to Government, Pondicherry.

Copy to :

All Secretariat Departments.

The Director of Accounts and Treasuries, Pondicherry.

The Audit-General Office at Pondicherry.

The Regional Executive Officer, Karaikal/Mahe/Yanam.

**GOVERNMENT OF PONDICHERRY
CHIEF SECRETARIAT (FINANCE)**

No. F.G.17012/98/F3.

Pondicherry, dated 08-01-1998

I.D. NOTE

Sub. : Purchase of diet and non-dietary articles for hospital, schools, hostals *etc.*, of the Directorates of Health, Education, Adi-Dravidar Welfare, Social Welfare, Women and Child Welfare and Tail *etc.*,

It may be recalled that by G.O.No. 72/F3/95 dt. 22.12.95, Secretaries to Government have been delegated with full power for purchase of stores under item 22(ii)- 'other stores i.e. stores required for the working of the establishment including instruments, equipments, apparatus'. This delegation of full powers to the Secretaries to incur, contingent expenditure was done with a view to expediting decisions on the proposals of the different departments. However, it is observed that files for purchase of diet and non-dietary items for the various establishments under the departments of Health, Education, Social Welfare *etc.* are being referred to the Finance Department for financial concurrence. Therefore, it is clarified that Secretaries who have been delegated with full powers for purchase as mentioned above need not refer such files to the Finance Department for concurrence.

//BY ORDER//

Sd/—

(S.V. KALYANA RAMAN)

Deputy Secretary to Government (FIN.)

To
All Secretaries to Departments.
All Deputy/Under Secretaries to Government
Private Secretaries to Chief Secretary

**GOVERNMENT OF PONDICHERRY
FINANCE DEPARTMENT**

No. G.17012/96/F3.

Pondicherry, dated 26-05-1996

MEMORANDUM

Sub. : Delegation of powers to Secretaries to Government as Heads of Departments.

Ref. : Memorandum No.G.17012/96/F3, dated 23-04-1996.

Attention is invited to Memorandum of even number, dated 23-4-1996 regarding the procedure for sanction of Overtime Allowance. The matter has been reviewed by the Chief Secretary and it has been decided that sanction of Overtime Allowance may be accorded by the Secretaries to Government as Heads of Departments. However, they may keep the relevant rules, guidelines and instructions of the Government and the considerations of economy in mind and obtain the prior concurrence of the Finance Department in all cases of sanction of Overtime Allowance.

2. The statement of Competent Authorities mentioned in the memorandum dated 23-04-1996 is, consequently amended as follows:

<u>Item</u>	<u>Competent Authority</u>
1. Sanction of Overtime Allowance.	Secretary to Government, with concurrence of Finance Department

//BY ORDER//

Sd/—
(S.V. KALYANA RAMAN)
Deputy Secretary to Government

To
All Secretaries and Secretariat Departments.

No. G. 17012/96/F3
GOVERNMENT OF PONDICHERRY
FINANCE DEPARTMENT

Pondicherry, dated 23-04-1996

MEMORANDUM

Sub. : Delegation of Powers to Secretaries to Government as
Heads of Departments.

By order No. 15036/1/96-GP dated 1-3-1996, Government of India have declared Secretaries to Government of Pondicherry as Heads of Departments under rule 3(1) (f) of the Delegation of Financial Powers Rules. In this context, the following procedural clarifications are furnished for the smooth discharge of work in the Chief Secretariat :

- (1) Proposals for sanction of Overtime Allowance and honorarium and proposals for permission to take vehicles on official duties to Madras, Karaikal, Mahe and Yanam as well as to areas other than the above may be sanctioned at the level of Secretaries as Head of Departments after obtaining the approval of the Chief Secretary and subject to the rules and guidelines.
- (2) The applications for advances and withdrawal from General Provident Fund may be sanctioned by the respective administrative Secretaries. Such cases need not be referred to Finance Department. Printed / Cyclostyled Forms may be used for the purpose of communication of such sanction.
- (3) Proposals for sanction of motor-cycle advance may be sanctioned by the respective administrative Secretaries, subject to the availability of funds being certified by the Budget Officer in the Finance Department.
- (4) Proposals under Medical Reimbursement Rules may be sanctioned by the respective administrative Secretaries, subject to the requirement of the relevant rules and orders on the subject.

A statement of the Competent Authority for sanctioning the above matters is enclosed for ready reference.

//BY ORDER//

Sd/-

(S.V. KALYANA RAMAN)

To **Deputy Secretary to Government (Finance)**
All Secretariat Departments.

SANCTIONING AUTHORITIES IN CHIEF SECRETARIAT

Sl. No.	Item	Competent Authority
1.	Sanction of Overtime Allowance	Secretary to Government, with the approval of Finance Department.
2.	Sanction of Honorarium under F.R. 46	Secretary to Government, with the approval of Chief Secretary.
3.	Permission to take vehicle on duty to Madras/Karaikal/Mahe/Yanam	Secretary to Government, with the approval of Chief Secretary.
4.	Permission to take vehicle outside the Jurisdiction other than Madras/Karaikal/Mahe/Yanam.	Chief Secretary
5.	G.P.F. Advances/Withdrawals	Secretary to Government as Head of Department.
6.	House Building Advances	Secretary (Housing)
7.	Loans for Motor Vehicles/Scooters	Secretary to Government as Head of Department* (*Cases involving relaxation of rules would be sanctioned with the approval of Chief Secretary).
8.	Cases under Medical Reimbursement	Secretary to Government as Head of Department.

CHAPTER – II

**SUBMISSION OF FILES TO THE FINANCE
DEPARTMENT**

No. 691/FD/F3/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 20-08-2022

CIRCULAR

Sub. : Departments to respond in a timely manner to the queries raised by the Finance Department on Files

It has been observed that in several instances the Administrative Departments are not properly replying to the queries raised on files by the Finance Department, or replying after undue delay. This leads to unwarranted delays in decision-making.

2. In order to remedy this scenario, a few of the common queries/ deficiencies frequently raised on files by the Finance Department, along with suggested approach are highlighted hereunder:

S.No.	Query	Suggestion
(a)	Specific Queries raised by the Finance Department at the time of the earlier proposal (which was conditionally approved) have not been fully answered/ replies furnished.	Please carefully read the queries and answer them <i>specifically and directly</i> . Please do not evade any question to avoid repeated references.
(b)	File not submitted through the Secretariat/Nodal Department by Field Offices/ Autonomous Bodies with due examination of the replies furnished to the queries of FD, or approval of the Minister-in-charge is not obtained (required for all cases of A/A and E/S above ₹ 2 Cr).	Please do the needful.

- (c) Approval of ADW&STW Please do the needful.
Department not obtained
although the use of funds
under the SCSP Head is
involved.
- (d) Proposal not vetted by the Accounts Officer (*where
SAO/JAO is posted*) Such vetting is a pre-requisite.
- (e) Checklists/ Certificates Please read each point of the
(such as that for fund checklist carefully and address it
availability, Grants-in-aid specifically. Do not merely attach
checklist, SNA certificates documents to the checklist
for state-funded schemes, (summary of the response on the
CSS Proforma for transfer of body of the checklist).
CSS funds from Treasury to
SNA, etc.) not enclosed/
partly filled/ answered
casually.
- (f) Decision sought, financial Please clearly state. Financial
implication, and/or the implication till the project
purpose for which the file completion stage (not just for
submitted to the Finance current financial year) needs to be
Department is not clearly stated.
mentioned.
- (g) The file may be processed The Administrative Secretaries
under the delegated powers may carefully understand the
of the Administrative powers delegated to them and duly
Secretary. exercise them.
- (h) The proposal not continued Splitting of files and without
in the same file in which linking with Administrative approval
the previous sanction/ file or the approval of previous
administrative approval such proposal are not acceptable.
provided; or The previous FY/
Sanctions file is not enclosed
as the Link File.

- (i) Errors are pointed out by Finance in application/ process, etc. Please segregate in two cases, where the error is inadvertent and can be administratively relaxed by competent authority, and where it cannot be allowed. Admit the error category and submit it on file for a suitable decision. In case of any emergency/ urgency, with little time for retendering, the same may be clearly stated while resubmitting the file to Finance.
- (j) Important aspects of the Tender/RFP/EOI document not brought on the main notesheet while submitting the file to FD for A/A. Please ensure strict compliance with the FD Circular No. 673/FD/ F3/2022-23 dated 10.08.2022.
- (k) Proposal submitted for ex-post facto sanction without an explanatory Note from the concerned Administrative Secretary. Please ensure strict compliance with the FD Memo No. 3011/FD/ F3/A2/2021-22 dated 30.11.2021.

3. All FD queries raised on the files, not limited to the ones mentioned above, are to be responded to by the Administrative Departments within a maximum of 10 calendar days of being raised by CS/ FD, and if this cannot be done for any reason, the concerned HOD or the officer in complete awareness of the proposal shall discuss the file with the Finance Secretary, after prior scheduling of a discussion. The Finance Secretary would be additionally available in his Chamber on every Friday from 9.30 am to 10.30 am and hence all Administrative Secretaries would be welcome to walk into his chamber (without the need for any prior appointment) to discuss any pending proposal.

4. It is hoped that this *modus vivendi* will considerably ease the bottlenecks in the approval/disposal of files.

//BY ORDER//

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To
All Secretaries / HEAD of DEPARTMENT / Heads of Offices/Heads of
Autonomous Bodies.
All Secretariat Departments.
All SAOs/JAOs

Copy to, with a request to bring to the kind notice of the Hon'ble LG,
Hon'ble CM, Hon'ble Ministers, and the Chief Secretary:

The PS to Hon'ble LG/ Hon'ble CM/ Hon'ble Ministers/ Chief Secretary

No. 673/FD/F3/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 10-08-2022

CIRCULAR

Sub. : Administrative Departments to exercise due care in the preparation of Tender Documents – Concurrence of Finance Department not to be construed as vetting of the Tender Document

Ref. : Circular No. 748/FD/F3/2022-23, dt. 06/07/2022 of the Finance Department, Puducherry

Attention is invited to the circular cited under reference, wherein all Government Departments/Autonomous Bodies have been instructed to henceforth undertake Procurement in strict compliance with the GFR and Department of Expenditure, Ministry of Finance, Government of India (**DOE**) Manuals on Procurement of Goods, Works and Services, and the orders/circulars issued by the Finance Department.

2. The Departments may, if necessitated, *supplement* the DOE manuals to suit their local/ specialized needs, by issuing their detailed manuals or instructions including customized formats, Standard Bidding Documents and Schedule of Procurement Powers as guidance for their own procuring officers.

3. While submitting the procurement proposal to the Finance Department for Administrative Approval (**A/A**), the Department shall bring out the following *on the main notesheet* for due examination:

- (i) Scope of the work
- (ii) Technical and Financial Eligibility Criteria of the bidders
- (iii) Bid Variable/ Evaluation Criteria for Award of Procurement
- (iv) Expected Cost and the Timeline of the Procurement
- (v) Responsibility of the Contractor/ Operator and Government Obligations
- (vi) Rationale for deviations from Standard Conditions and/or Special Conditions of Contract, if any
- (vii) Mechanism to Handle Disputes
- (viii) Service Level Agreement (**SLA**), if any
- (ix) Composition of the Tender Committee (**TC**) to evaluate the bids

4. However, the concurrence accorded by the Finance Department towards A/A for the procurement shall not be construed as vetting of the tender/ Expression of Interest (**EOI**)/Request for Proposal (**RFP**) document by the Finance Department. The responsibility for detailed vetting of the tender/RFP documents shall lie with the Procuring Department. Therefore, concurrence by the Finance Department for A/A shall not constitute any limitation on further examination, if necessitated, of the proposal by the Finance Department at the stage of expenditure sanction (**E/S**).

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretaries/ Head of Departments/Heads of Offices/Heads of Autonomous Bodies

All Secretariat Departments

All SAOs/JAOs for scrupulous implementation

Copy for information to:

The P.S. to the Chief Secretary

No. 779/FD/F3/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 10-08-2022

I.D. NOTE

Sub. : Finance Department – Files that can be returned at the level of Under Secretary(Finance) – Reg.

The files/proposals received by Finance Department which are deficient/ unprocessable on the following grounds can be returned to the Departments concerned at the level of Under Secretary (Finance):

1. Files not submitted through the proper channel: eg; not submitted through the Nodal Department, or not submitted through the Secretariat Department.
2. Files with clear procedural lapses, such as:
 - a) Not obtained the approval of the Minister in charge.
 - b) Not vetted by the Accounts Officer
 - c) Not obtained the clearance of ADW&STW Department when the use of SCSP funds is involved
 - d) Lacking updated Grant-in-aid Checklist, Fund Availability Certificate, CSS Proforma, etc.
 - e) Proposals processed on new files (previous files, such as those where administrative approval was taken, or where last such proposal was handled are not enclosed)
3. Files which can be processed at the level of the Administrative Departments due to clear delegation of financial powers to Secretaries/HODs.
4. Files submitted to Finance Department without clearly mentioning the purpose for which the file has been submitted.

//BY ORDER OF DC-*cum*-Pr. SECRETARY(FINANCE)//

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

The Under Secretary(Finance) - I and II.

Copy to

All Sections of Finance Department

(F2/F3/F4/F5)

**No. 681/FD/US(FIN)-I/2022
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Puducherry, dated 26-04-2022

OFFICE MEMORANDUM

Sub. : Consolidated Proposals from the Administrative Departments for seeking Sanction for Continuance of Temporary Posts and Engagement of FTCL/PTCL

Administrative Departments have hitherto been submitting multiple files for obtaining concurrence/sanction for the continuance of temporary posts and engagement of full-time / part-time casual labourers (FTCL/PTCL). In order to have a holistic view of such proposals and streamline the process of obtaining sanction for continuance of posts/engagement, the following instructions are hereby issued:

2. Every Administrative Department shall send **only a single consolidated file each time** as follows (total 3 files by a Department in a financial year):

- (1) **Sanction for Continuance of Temporary Posts** – the file to be submitted to the Finance Department between 15th November and 1st February for the continuance of sanctions expiring on 28th February.
- (2) **Sanction for Continuance of Engagement of FTCL/PTCL** - the file to be submitted to the Finance Department between 15th November and 1st February for the continuance of sanctions expiring on 28th February.
- (3) **Sanction for Continuance of Engagement of FTCL/PTCL** - the file to be submitted to the Finance Department between 15th May and 1st August for the continuance of sanctions expiring on 31st August.

3. Further, the consolidated proposal sent each time by the Department shall be as follows:

I. Sanction for Continuance of Temporary Posts

(1) The Note File shall include the following:

- (a) The number and category of posts for which sanction for continuance is sought.
- (b) Certification that sanctions for all the temporary posts in the Department have been consolidated into the single proposal, and no further sanction will be sought for any additional post(s) via separate proposal(s).
- (c) Certification that all the details sought by the Finance Department as per the Annexure – I have been enclosed in the Correspondence File.
- (d) Accurate references for the Annexure – I in the Correspondence File.
- (e) Certification that adequate funds have been made available in the budget of the Department and/or sufficient funds will be made available in the budget of the Department in the succeeding financial year.
- (f) Approval of the Administrative Secretary and the Minister in charge.

(2) The Correspondence File shall enclose the following:

- (a) Annexure – I duly filled in, and signed by the Accounts Officer and the Director/Head of the Department.
- (b) Copies of all the relevant G.Os and the other documents sought as per the Annexure - I, serially numbered in the Correspondence File and duly referenced in the Annexure – I.

II. Sanction for Continuance of Engagement of FTCL/PTCL

(1) The Note File shall include the following:

- (a) The number and category of staff for which sanction for continuance of engagement is sought.
- (b) Certification that sanctions for the continuous engagement of all the FTCL/PTCL/Similar Categories of Staff engaged under the Department have been consolidated into the single proposal, and no further sanction will be sought for any additional engagement via separate proposal(s).
- (c) Certification that all the details sought by the Finance Department as per the Annexure – II have been enclosed in the Correspondence File.

- (d) Accurate references for the Annexure – II in the Correspondence File.
- (e) Certification that the engagement of the FTCL/PTCL are in strict accordance with the “The Government of Puducherry Casual Labourers (Engagement and Regularisation Scheme, 2009”, notified by the DP&AR on 27.02.2009.
- (f) Certification that adequate funds have been made available in the budget of the Department and/or sufficient funds will be made available in the budget of the Department in the succeeding financial year.
- (g) Approval of the Administrative Secretary and the Minister in charge.

(2) The Correspondence File shall enclose the following:

- (a) Annexure – II duly filled in, and signed by the Accounts Officer and the Director/Head of the Department.
- (b) Copies of all the relevant G.Os/file approvals and the other documents sought as per the Annexure - II, serially numbered in the Correspondence File and duly referenced in the Annexure – II.

4. In respect of the sanction for the continuance of the temporary posts, for which the Lt. Governor is the competent authority, the Finance Department shall accord concurrence for the consolidated proposal submitted by the Administrative Departments and obtain the approval of the competent authority for the continuance sanction.

5. The Administrative Department shall ensure compliance with the above instructions scrupulously.

//BY ORDER//

Sd/–

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

Enclosed: Annexures I and II
All Secretariat Departments.
All Heads of Directorates/Offices.
All SAOs/JAOs. in Departments/Offices.

Copy to:

The P.S. to the Chief Secretary.

Annexure-I
Sanction for continuance of Temporary Posts
(O.M.No.681/FD/US(FIN)-I/2022, dated 26/04/2022)

Name of the Department :

Period for which sanction for continuance of posts sought :

S. No.	Name of the Post with Group (A/B/C) and Level of pay as per 7 th CPC	No. of Posts	Date of Creation of Posts	G.O. by which the Posts were created (G.O.No, Date, Reference to the copy of the G.O.) (G.O. copy to be attached)	G.O. by which sanction for continuance was last obtained (G.O.No, Date, Reference to the copy of the G.O.) (G.O. copy to be attached)	No. of Posts Currently filled up	Duties performed by the Posts (To be enclosed as separate annexure and reference provided)	No. of Posts currently vacant & date from which vacant	Steps taken to fill up the vacancies (To be enclosed as separate annexure and reference provided)	Necessity/ Justification for the Continuance of the Posts, especially for posts currently vacant	Any other Valid Remarks

(Accounts Officer)

(Director / Head of the Department)

Annexure-II
Sanction for continuance of Engagement of FTCL/PTCL/Similar Categories of Staff
(O.M.No.681/FD/US(FIN)-I/2022, dated 26/04/2022)

Name of the Department :

Period for which sanction for continuance sought :

S. No.	Name of the Category of Staff [FTCL/ PTCL/ Others (specify)]	No. of Staff	Date from which continuously engaged	G.O. by which initially engaged (G.O.No, Date, Reference to the copy of the G.O.) (G.O. copy to be attached)	G.O. by which the sanction for continuance was last obtained (G.O.No, Date Reference to the copy of the G.O.) (G.O. copy to be attached)	No. of Staff Currently engaged	Duties performed by the Staff (To be enclosed as separate annexure and reference provided)	No. of Posts currently vacant since the last approval & date from which vacant	Whether the engagement is in accordance with the G.O. dt 27.02.2009 of the DPAR on engagement of FTCL/PTCL	Any other Valid Remarks

(Accounts Officer)

(Director / Head of the Department)

**No. 658/FD/US(FIN-I)/2022
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Puducherry, dated 16-03-2022

I.D. NOTE / OFFICE MEMORANDUM

Sub. : Consolidated Proposals for Obtaining Sanction in Cases of Similar Nature of Expenditure/Continuance - Instruction - Issued.

Attention is invited to rule 157 of the General Financial Rules, which states that a demand for goods and services should not be divided into small quantities to make piecemeal purchases to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand. This is critical for financial propriety and expenditure control.

2. It has however been noted in several instances that the Administrative Departments are sending proposals for concurrence to the Finance Department in a piecemeal manner.

3. In all cases, where the Departments have hitherto been seeking sanctions/approvals for similar items of expenditure/continuance in a number of separate files, a consolidated proposal shall henceforth be mooted out for the same, and the procurement shall also be made by following necessary codal formalities.

4. Some instances of the splitting of proposals are as under:

- (i) Sanctions for schemes/works by limiting each proposal to under ₹ 2 crore.
- (ii) Procurement of Annual Maintenance Services (AMC) for several units of the same item such as generators, air-conditioners, computers, *etc.* installed in various offices/ sub-divisions of the Department, or on the pretext of different dates for renewal of AMC, *etc.*
- (iii) Seeking sanctions for continuance of temporary posts.
- (iv) Payments of fees/licence fees, *etc.*

5. A consolidated proposal shall be submitted in such cases, and procurement shall also be done through one tender. These consolidated proposals may ideally encompass procurement/sanction of similar items for the complete financial year, although the period of contract, the schedule of payment, *etc.* may vary among the constituent units. The Administrative Secretary may then release payments as per payment schedule, once the Finance Department has approved the consolidated proposal. In fact, over a period of time, the Department may move towards a same date for renewals/sanctions, and a uniform schedule of payment.

//BY ORDER//

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretaries to Government/All Secretariat Departments.

All Heads of Directorates/Offices.

All Heads of Public Sector Undertakings/Autonomous Bodies/Societies/Corporations.

All SAOs/JAOs.

No. 1802/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 21-02-2022

ID NOTE / OFFICE MEMORANDUM

Sub. : Processing of proposals having financial implications for
the Government-Instructions.

It has come to notice that various Government Departments/ Other entities are issuing orders having financial implications for the Government, without even consulting the Finance Department. In this context, attention is drawn to the provisions under Rule 7(2) (a), rule 7(2) (b), rule 7(2) (d), and rule 28 of the Rules of Business of the Government of Puducherry that mandate prior concurrence of the Finance Department before issuing any order involving any abandonment/assignment of Revenue or otherwise have a recurring/ non-recurring financial expenditure is involved, such as that flowing from a contingent liability created on the Government from a explicit/ implicit guarantee.

2. The Administrative Departments/ Other Government entities, including Societies/Boards/PSUs, shall therefore ensure that prior concurrence of the Finance Department is taken before issuing any orders that involve additional levy and reduction/abolition/assigning of revenue - tax/non-tax proposals, fixation of fees/ other charges,etc. which will create financial implications for the Government. Accordingly, all PPP projects would also need prior Finance concurrence since they create

long-term financial commitment on behalf of the Government. The only exception would be cases where the financial powers are explicitly delegated by the Finance Department or where a Society/Board/PSU is financially self-sufficient and does not needs any grant-in-aid or other financial support from the Government.

Sd/-
(PRASHANT GOYAL)

Principal Secretary to Government(Finance)

Copy to:

(A) For information and compliance to:

1. All Administrative Secretaries
2. All Heads of Departments/Offices
3. All SAOs/JAOs

(B) For information to:

1. Secretary to Lieutenant-Governor
2. P.S. to the Chief Secretary

No. 3011/FD/F3/A2/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 30-11-2021

I.D. NOTE / MEMORANDUM

Sub.: FD - Proposals seeking *ex-post facto* approval/concurrence -
Instructions - Issued.

The Administrative Departments/Heads of Departments shall take note that proposals referred to Finance Department seeking *expost facto* approval / concurrence henceforth shall need to be accompanied by a Note from the concerned Administrative Secretary stating the reasons for not taking prior approval before incurring the expenditure.

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretariat Departments.

All Heads of Departments.

Copy to :

(1) The Under Secretary (Finance)-II.

(2) PS to Development Commissioner-*cum*-Principle Secretary (Finance).

PRO FORMA

Checklist for sending proposals to Finance Department seeking of concurrence of expenditure sanctions / advance drawals.

1. Description of the proposal :
2. Head of Account under which expenditure sanction sought for. :
3. Total Amount of Funds provided in the B.E./Vote of Account of the Financial year under the concerned Head of Account. :
4. Total amount for which sanctions issued so far under various powers. :
5. Balance funds available (3-4) :
6. Amount involved in the present proposal :
7. Balance available (5-6) :
8. Whether any advance drawn earlier for this purpose? If so G.O. No. date, amount and adjustment details thereof may be furnished. :
9. Whether Outstanding Balance of Account (OBA) pending with Department, if any for adjustment? If so No. of OBAs and total amount due for adjustment also may be furnished. :
10. Reasons for the OBA pendency and what action has been taken by the Department for settling the OBA may be furnished. :
11. Whether any audit paras pending? If so, details may be furnished. :

Signature of Head of Department / Head of Office

No.634/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 02-11-2021

I.D. NOTE

Sub. : Instructions for referring files to Finance Department -Reg.

It has been noticed that in many instances, files of routine nature referred to Finance Department are being directly submitted to Finance Secretary by the Administrative Departments at the Tapal stage itself which adds to avoidable delay in processing of files.

The Administrative Departments may ensure that henceforth files/ proposals of routine nature intended to be referred to Finance Department shall be marked to Under Secretary (Finance) or simply 'Finance Department', after obtaining the approval of Administrative Secretary/Minister as the case may be. The practice of marking routine files directly to Finance Secretary at the Tapal stage may be avoided.

//BY ORDER//

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

For necessary action:

All Secretariat Departments.

All Heads of Departments.

Copy to :

- (1) The Under Secretary(Finance)-II, Puducherry.
- (2) PS to Development Commissioner-*cum*-Principal Secretary (Finance).

No. 28712/FD/F3/2011
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 09-08-2011

CIRCULAR

Sub. : FD - Checklist for sending proposables to Finance
Department seeking concurrence of expenditure sanctions
- Reg.

Of late, it is seen that proposals seeking financial concurrence are bereft of the required details especially fund position. The Department which is seeking the expenditure sanction with or without advance drawal should invariably give particulars in the format/check list enclosed so as to avoid undue delays in processing of files in Finance Department. Also it is emphasised that Audit objections raised relevant to the proposal or schemes concerned may also be taken into consideration and full fledged proposals be sent while seeking expenditure sanction.

2. The Departments are requested to send a copy of the reply furnished in respect of audit paras to the Finance sections dealing with the departments concerned duly enclosing a copy of the relevant audit observation.

3. The above guidelines may be scrupulously followed with immediate effect for smooth functioning.

4. It is however clarified that if any incomplete proposal has been received in Finance Department as on date, a maximum time of one week will be given to comply by the Department, after which the proposal will be returned without approval.

//BY ORDER OF SECRETARY (FINANCE)//

Sd/-

(VANAJA NAIR. R)

Under Secretary to Government (Finance)

Encl. : As above

- (1) All Heads of Departments/Heads of Offices.
- (2) All Secretariat Departments.

Copy to :

P.A. to Secretary (Finance).

CHAPTER – III
**PROCUREMENT OF WORKS, GOODS AND
SERVICES**

**GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

No. 726/FD/F3/2022-23

Puducherry, dated 16-09-2022

CIRCULAR

Sub. : Insertion of Clause in the Contract Agreement towards
Inter-se Priority of Arbitration over Courts in Resolution
of Disputes.

Ref. : Office Memorandum No. 726/FD/F3/2022, dated 10-08-2022,
of the Finance Department, Puducherry.

1. It has been observed that while the Departments and Government Entities have started using the Model Arbitration Agreement, as mandated by the order cited under reference, in the contract agreements being signed by them, they are also referring to the jurisdiction of Courts in the contract agreement. This creates some ambiguity over the *inter-se* priority between Arbitration and Courts in the resolution of disputes arising during the contract tenure.

2. Section 8 of the Arbitration and Reconciliation Act, 1996 settles this issue by making it abundantly clear that any Judicial Authority *shall* refer the parties in dispute to arbitration unless it finds *prima facie* that no valid arbitration agreement exists. With the model Arbitration Agreement getting inserted in all contract agreements, the ambiguity is largely tackled. However, *in limited cases left* where a court dispute may still arise, there is a need to eradicate the ambiguity over the court jurisdiction. Hence, to handle this ambiguity of jurisdiction, **the following clause shall be inserted in the contract agreement in addition to the clause containing the 'Model Arbitration Agreement':**

"All legal proceedings arising out of and in connection with this Agreement shall be subject to the jurisdiction of the courts of Puducherry and the High Court of Madras, Chennai, irrespective of the place of performance/ execution of the Agreement."

3. The above clause has been duly vetted by the Law Department,
Puducherry.

//BY ORDER//

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

For compliance:

All Secretariat Departments/All Secretaries/HoDs/Heads of
Autonomous Bodies.

All SAOs/JAOs for ensuring faithful compliance.

The P.S. to the Chief Secretary - for kind information.

The PS to the Law Secretary.

No. 726/FD/F3/2022
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 10-08-2022.

OFFICE MEMORANDUM

Sub. : Model Arbitration Clause for inclusion in Contract Agreements
by the Departments / Autonomous Bodies.

Ref. : O.M. No. 4571A/FD/US(FIN)-I/2022, dated 22-04-2022.

In supersession of the O.M. cited under reference, the model Arbitration Agreement to be incorporated in all Contract Agreements by Administrative Departments / Autonomous Bodies has been updated and enclosed herewith as **Model-I**.

2. This updated model Arbitration Agreement shall be incorporated in all RFP/ Tender documents floated by the Departments/ Autonomous Bodies from the date of issue of this O.M.

3. A model Supplementary Arbitration Agreement to be signed by the Contracting Parties for being incorporated as a part and parcel of the existing Main Contract Agreement already signed by a Department / Autonomous Body has also been amended/updated, and enclosed herewith as **Model-II**. However, in case Model-II agreement has already been incorporated in pursuance of the O.M. cited under reference, no further action needs to be taken at this stage. In case Arbitration is necessitated in such contracts, the incorporated fee structure would be communicated to the arbitrator at the stage of appointment.

4. The fees to be paid to the Arbitrators shall be as per the **Annexure** to Model-I and Model-II.

5. The model Arbitration agreement (**Model-I**), Supplementary Agreement (**Model-II**), and the Fee Structure for the Arbitrators have been finalized in due consultation with the Law Department, Govt. of Puducherry.

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

Enclosure: As above.

All Secretaries to Government/Law Secretary/HODs/HOOs/Heads of Autonomous Bodies.

All Secretariat Departments.

All SAOs/ JAOs for scrupulous implementation.

Copy to:

The P.S. to the Chief Secretary.

Model-I

Chapter..... : Arbitration

[as a separate chapter in any fresh contract agreement – to be incorporated as part of the RFP/ tender document itself]

The parties agree that any mutual dispute with regards to terms of this Contract shall be handled through Arbitration, as per the following terms, between them:

- (I) THAT, the parties agree that any dispute or difference whatsoever arising between the parties out of/under or in connection with or relating to the construction, meaning, scope, operation, or effect of the contract or the validity or the breach thereof shall be referred to a Sole Arbitrator as appointed under clause (IV) hereinbelow, and that the award made in pursuance thereof shall be binding on the parties;
- (II) AND THAT, the parties agree that in respect of those matters, as are not defined in the terms and conditions of the main contract, or in this Arbitration Agreement, the same shall be decided and settled by the Sole Arbitrator in accordance with the Arbitration and Conciliation Act, 1996 and the amendments thereof as in operation on the date of execution of the Contract;
- (III) AND THAT, the parties agree that the place of Arbitration shall be at Pondicherry in the Union Territory of Puducherry;
- (IV) AND THAT, whenever the parties decide to resort to Arbitration for dispute resolution, the Secretary to the Government of Puducherry.....[Name of concerned Department] and the Law Secretary to the Government of Puducherry shall be the authority to appoint the Sole Arbitrator from amongst a panel of Arbitrators maintained by the Government of Puducherry, and such appointment shall be binding on both the parties:

Provided that before approaching the authorities for appointment of Sole Arbitrator, the parties shall make a sincere attempt to resolve their dispute, within a time period of 3 months, through mutual conciliation, and if so felt necessary by the parties under the supervisory guidance of the Secretary.....[Name of concerned Department];

- (V) AND THAT, all costs relating to the Arbitration proceedings, shall be borne equally by both the parties;
- (VI) AND THAT, the parties agree that the language for making all submissions and evidence will be presented in ENGLISH during the proceedings;
- (VII) AND THAT, it is agreed between the parties that they shall extend their fullest support and co-operation to the Sole Arbitrator and not seek adjournment of the Arbitration proceedings, without explaining the reasons therefor, in writing, in advance, for seeking of such adjournment, and further that there shall not be more than two such adjournments granted, even when there exists a valid reason for seeking such adjournment. And it is further agreed that the parties should cooperate in completing the arbitration process and the broader dispute resolution within 6 months or at most with an extension, on mutual consent, of another 6 months;
- (VIII) AND THAT, it is agreed by the parties hereto that, in so far as there is an arbitral award for payment of money, the Sole Arbitrator may include in the sum for which the award is made, interest at the RBI repo rate, as on the date on which the cause of action arose, plus 2%, on the whole, or any part of the money, for the whole or any part of the period, between the date on which the cause of action arose and the date on which the award is made:

Provided that, on the sum so directed to be paid by an arbitral award, there shall be no interest payable for three months commencing from the date of award, but thereafter, interest shall be payable at RBI repo rate plus 4% for such period of delay, till the date of payment;
- (IX) The Arbitrator shall record, in writing, the arguments of the two parties on each of the points of dispute and pass a speaking order thereon.
- (X) The fees payable to the Sole Arbitrator as agreed upon by the Parties to the Contract shall be as prescribed in the Annexure appended to this Contract, which forms part and parcel of this Contract.

ANNEXURE

Sum in Dispute	Fee fixed for Arbitrator
Upto ₹ 5,00,000	₹ 45,000
Above ₹ 5,00,000 and upto ₹ 20,00,000	₹ 45,000 plus 3.5 percent of the claim amount over and above ₹ 5,00,000
Above ₹ 20,00,000 and upto ₹ 1,00,00,000	₹ 97,500 plus 3 percent of the claim amount over and above ₹ 20,00,000
Above ₹ 1,00,00,000 and upto ₹ 10,00,00,000	₹ 3,37,500 plus 1 percent of the claim amount over and above ₹ 1,00,00,000
Above ₹ 10,00,00,000 and upto ₹ 20,00,00,000	₹ 12,37,500 plus 0.75 percent of the claim amount over and above ₹ 10,00,00,000
Above ₹ 20,00,00,000	₹ 19,87,500 plus 0.5 percent of the claim amount over and above ₹ 20,00,00,000 with a ceiling of ₹ 30,00,000

Model-II

Supplementary Arbitration Agreement

[as a supplementary agreement annexed to the contract agreement in an already signed contract agreement]

This Deed of Agreement made on the day of, 2022,
BETWEEN the President of India represented by Shri.
.....(Name) S/o.
....., the
.....(Designation),.....(Office),
.....(Place),

BEING THE PARTY OF THE FIRST PART:

AND

M/s.(Firm name)
represented by Shri.....(Name of the
Contractor), S/o....., having an office
at....., (Place) BEING THE PARTY OF THE
SECOND PART:

WHEREAS, the Party of the FIRST PART has agreed with the
Party of the SECOND PART to abide by the Terms and Conditions of
this ARBITRATION AGREEMENT:

AND NOW, THEREFORE, this INDENTURE WITNESSETH and
the parties hereto have agreed as follows:

- (I) THAT, the parties hereto have entered into a Contract on
.....[Date of signing the main contract]
for.....[Name of Project/ work] and are
bound by the terms and conditions as stipulated in the said
Contract including the 'Clauses of the Contract' as appended
to the said contract;
- (II) AND THAT, this AGREEMENT shall form part and parcel of
the said contract executed on theday of.....,
[Month][Year];

- (III) AND THAT, the parties agree that any dispute or difference whatsoever arising between the parties out of/under or in connection with or relating to the construction, meaning, scope, operation, or effect of the contract or the validity or the breach thereof shall be referred to a Sole Arbitrator as appointed under clause (VI) herein below, and that the award made in pursuance thereof shall be binding on the parties;
- (IV) AND THAT, the parties agree that in respect of those matters, as are not defined in the terms and conditions of the main contract, or in this Arbitration Agreement, the same shall be decided and settled by the Sole Arbitrator in accordance with the Arbitration and Conciliation Act, 1996 and the amendments thereof as in operation on the date of execution of the Contract;
- (V) AND THAT, the parties agree that the place of Arbitration shall be at Pondicherry in the Union Territory of Puducherry;
- (VI) AND THAT, whenever the parties decide to resort to Arbitration for dispute resolution, the Secretary to the Government of Puducherry.....[Name of concerned Department] and the Law Secretary to the Government of Puducherry shall be the authority to appoint the Sole Arbitrator from amongst a panel of Arbitrators maintained by the Government of Puducherry, and such appointment shall be binding on both the parties:
- Provided that before approaching the authorities for appointment of Sole Arbitrator, the parties shall make a sincere attempt to resolve their dispute, within a time period of 3 months, through mutual conciliation, and if so felt necessary by the parties under the supervisory guidance of the Secretary.....[Name of concerned Department];
- (VII) AND THAT, all costs relating to the Arbitration proceedings, shall be borne equally by both the parties;
- (VIII) AND THAT, the parties agree that the language for making all submissions and evidence will be presented in ENGLISH during the proceedings;

- (IX) AND THAT, it is agreed between the parties that they shall extend their fullest support and co-operation to the Sole Arbitrator and not seek adjournment of the Arbitration proceedings, without explaining the reasons therefor, in writing, in advance, for seeking of such adjournment, and further that there shall not be more than two such adjournments granted, even when there exists a valid reason for seeking such adjournment. And it is further agreed that the parties should cooperate in completing the arbitration process and the broader dispute resolution within 6 months or at most with an extension, on mutual consent, of another 6 months;
- (X) AND THAT, it is agreed by the parties hereto that, in so far as there is an arbitral award for payment of money, the Sole Arbitrator may include in the sum for which the award is made, interest at the RBI repo rate, as on the date on which the cause of action arose, plus 2%, on the whole, or any part of the money, for the whole or any part of the period, between the date on which the cause of action arose and the date on which the award is made:
- Provided that, on the sum so directed to be paid by an arbitral award, there shall be no interest payable for three months commencing from the date of award, but thereafter, interest shall be payable at RBI repo rate plus 4% for such period of delay, till the date of payment;
- (XI) The Arbitrator shall record, in writing, the arguments of the two parties on each of the points of dispute and pass a speaking order thereon.
- (XII) AND THAT, in so far as Arbitration is concerned, the terms and conditions of this supplementary Arbitration Agreement shall prevail over anything to the contrary that may be spelled out in the main contract as referred to in clause (I) above.
- (XIII) The fees payable to the Sole Arbitrator as agreed upon by the Parties to the Contract shall be as prescribed in the Annexure appended to Contract, which forms part and parcel of this Contract.

IN WITNESS WHEREOF, Shri....., for and on behalf of the President of India **being the Party of the FIRST PART** AND the Contractor, Shri/ Ms..... of M/s.....for and on behalf of the **Party of the SECOND PART** above named, have set their hands on the date as aforementioned.

(PARTY OF THE FIRST PART) (PARTY OF THE SECOND PART)

WITNESSES:

1.

2.

WITNESSES:

1.

2.

ANNEXURE

Sum in Dispute	Fee fixed for Arbitrator
Upto ₹ 5,00,000	₹ 45,000
Above ₹ 5,00,000 and upto ₹ 20,00,000	₹ 45,000 plus 3.5 percent of the claim amount over and above ₹ 5,00,000
Above ₹ 20,00,000 and upto ₹ 1,00,00,000	₹ 97,500 plus 3 percent of the claim amount over and above ₹ 20,00,000
Above ₹ 1,00,00,000 and upto ₹ 10,00,00,000	₹ 3,37,500 plus 1 percent of the claim amount over and above ₹ 1,00,00,000
Above ₹ 10,00,00,000 and upto ₹ 20,00,00,000	₹ 12,37,500 plus 0.75 percent of the claim amount over and above ₹ 10,00,00,000
Above ₹ 20,00,00,000	₹ 19,87,500 plus 0.5 percent of the claim amount over and above ₹ 20,00,00,000 with a ceiling of ₹ 30,00,000

**GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

No. 673/FD/F3/2022-23

Puducherry, dated 24-08-2022

CIRCULAR

Sub. : Insertion of Clause in the Tender/Bid/RFP Document towards mandatory furnishing of GST Particulars by Contractors/ Service Providers.

1. In pursuance of the order dated 16-08-2022 of the Hon'ble Supreme Court of India in the SLP (C) No. 4960 of 2021 (*Union of India & Ors. vs. Bharat Forge Ltd. & Anr.*)(copy enclosed), it is hereby instructed that all the Departments/Autonomous Bodies shall henceforth incorporate the following clause in Tender/Bid/RFP Document:

"The Contractor/Service Provider shall mandatorily furnish the following documents to the Commissioner, Commercial Tax:

- (i) Copy of the Work Order.
- (ii) HSN³ Code of Goods and Service Accounts Code of Services which shall be supplied during the execution of the Contract.
- (iii) GST Rate at which the GST would be paid to the Commercial Tax Department against each of the items in (ii) above.

The information shall be submitted to the Commissioner, Commercial Tax, with a copy to the Procuring/Government Entity, within 15 calendar days of receipt of the Work Order."

³ HSN (Harmonized System of Nomenclature) Code and Service Accounts Code are used for classifying goods and services respectively under the GST.

2. The Departments/Autonomous Bodies shall also submit a copy of the Work Order by which the Contract is awarded⁴, to the concerned jurisdictional GST Authority, within 7 calendar days of award of the Contract.

//BY ORDER//

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

Enclosed: As stated.

All Secretariat Departments/HoDs/Heads of Autonomous Bodies.

All SAOs/JAOs.

The P.S. to the Chief Secretary - for kind information.

⁴O.M.No.3057/DC/2022, dated 10-08-2022, of the Finance Department, Puducherry.

No. 3057/DC/2022
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 10-08-2022

OFFICE MEMORANDUM

Sub. : Promoting Competition in the Procurement of Goods and Services.

Ref. : 1. Circular No. 748/FD/F3/2022-23, dated 06-07-2022, of the Finance Department, Government of Puducherry.

2. I.D. Note/ Office Memorandum No. 44633/FD/F3/2021-22, dated 10-02-2022, of the Finance Department, Government of Puducherry (**page 5 of the FD Compendium**).

It has been observed that several bids received in response to the tenders floated by the Departments for procurements are being rejected on the grounds of non-fulfillment of pre-qualification/ eligibility criteria (both technical eligibility and financial eligibility) and other tender conditions. Consequently, the tenders are being finalized with only a few qualified bids, thereby curbing effective competition, and resulting in financial implications for the Government through the possibility of accepting relatively higher L1 rates. The Government ends up being disadvantaged, and it also discourages the otherwise qualified bidders from participating in future procurement processes.

2. In view of the above, and with a view to ensuring complete transparency in procurement, the following guidelines are hereby issued with the approval of the Competent Authority for strict adherence by Departments/Offices in processing tenders for procurements:

(a) Pre-qualification Criteria/Eligibility Criteria:

- (i) The Bid Documents shall be based on the Standard Bidding Documents (**SBDs**) relevant to the value range and category of procurement. To ensure uniformity, the standard provisions of the SBD/Standard RFP Document are to be used unaltered. The SBD should be placed on the website of the Department/ Agency/ Society to give predictability to potential bidders. Any

modification to suit the unique requirements of a specific procurement shall feature as Special Conditions of Contract (**SCC**), and approval of the competent authority be taken, with requisite justification, to include them at the stage of seeking administrative approval.

For goods and services, the model tender documents issued by the Department of Expenditure (**DoE**), Ministry of Finance, Government of India, for Procurement of goods (<https://doe.gov.in/divisions/model-tender-document-procurement-goods>) and Procurement of Non-Consultancy Services (<https://www.doe.gov.in/divisions/model-tender-document-procurement-non-consultancy-services>) shall be used as the SBDs. For works, the SBD of CPWD shall be followed.

- (ii) The procurement of Goods/Services/Works shall be in accordance with the GFR, generic guidelines of the DoE's Manuals of Procurement⁹ (available on the websites of the DoE, as well as that of the Finance Department, Puducherry, as already communicated *vide* the Circular first cited) and the orders/circulars issued by the Finance Department. These Manuals have now been updated incorporating all the CVC guidelines relating to procurements, and the updated versions were released by the Government of India on 01-07-2022.
- (iii) It shall be ensured that the bid document, including the pre-qualification/eligibility criteria, performance criteria, and evaluation criteria, is exhaustive, self-contained, and worded clearly such that the subjectivity in interpretation is obviated. The specifications, evaluation, and exclusion criteria, should be lucidly highlighted leaving no room for complaints. This will bring in much-needed transparency. The pre-qualification criteria shall be neither very stringent to curb competition nor very lax to facilitate even bidders who lack the requisite competency to undertake a work/supply. The DOE's model tender documents provide adequate guidance in this regard.

⁹The Departments may, if necessitated, *supplement* these manuals to suit their local/ specialized needs, by issuing their detailed manuals or instructions including customized formats, Standard Bidding Documents and Schedule of Procurement Powers as guidance for their own procuring officers.

- (iv) All essential information, which a bidder needs for submitting a responsive bid, should be clearly spelled out in the bid document in simple language. This will enable the prospective bidders to formulate and send their competitive bids with confidence¹⁰. A carefully prepared tender document avoids delays and complaints. Hence, it is worth spending time and effort on this even in times of emergency. A nodal person may be indicated in the tender documents who can be contacted by potential bidders for routine clarifications. Substantive clarifications, if any, should be duly notified for one and all.
- (v) The acceptance/rejection of any bid should not be arbitrary but on justified grounds as per the laid down criteria. The clause, ordinarily inserted in all tender documents that the tendering authority may reject any tender application without assigning any reason, does not mean that the tender accepting authority is free to take a decision in an arbitrary manner. The tendering authority is bound to record, on the file note sheet, clear, logical reasons for any action of rejection/recall of tenders, reasons for rejecting some bids (the same would be communicated to the affected bidders in writing, and posted on the Department's website), and reasons for acceptance of a bid, based on some relaxations.

(b) Cases of Single Tender:

- (i) In case of receipt of a single bid only, under GEM-based tender or under an open e-bidding route, or when only one technically qualified bidder is left at the end of such process, the financial bid may still be opened for evaluation and award of contract. However, in keeping with GFR Rule 173(xx), prior to opening the financial bid, the Administrative Secretary shall ascertain that—
 - (a) the technical and financial qualification criteria were not unduly restrictive, which prevented at least 3 bidders from being eligible to submit bids;
 - (b) the procurement was satisfactorily advertised and sufficient time was given for submission of bids; and
 - (c) the prices are reasonable in comparison to market rates.

¹⁰It may be kept in view that the bidders spend a lot of time and energy, besides financial cost, in preparing the bids and, thereafter in following up with the tendering authority for submitting various clarifications and presentations.

In case the financial quote received in case of a single bid happens to be more than the market rate/ estimated cost¹¹, and need is felt for price negotiation with the single bidder, the same may be undertaken by a committee of officers, including at least one officer with an understanding of issues involved but from a different Department.

- (ii) If it is assessed that the technical and financial qualification criteria were overly restrictive, or there was any unreasonable/unrealistic condition in the tender which prevented more than one bidder from becoming eligible, then bids shall be re-invited by relaxing those conditions.

(c) Seeking clarification post-receipt of bids:

On the opening of technical bids after receipt of tenders, it may happen that the documents submitted by bidders are either incomplete or inadvertently left out. Strictly speaking, this is the result of oversight/careless attitude of the bidders, and bids could be rejected as 'non-responsive'. However, this stand may not be in the best interest of the Government, since it would result in only a limited number of bidders qualifying, and could even necessitate re-tendering in case no bidder qualifies. Re-tendering is, however, associated with time-induced cost overruns, besides loss of opportunity cost from the delayed realization of project/work benefits. Hence, as a balance, the following norms should be strictly followed while calling for tender:

- (i) While the documents required to be submitted would be listed out in all the relevant paras in the tender document, a separate para explicitly listing at one place all the documents required to be submitted shall be added to the tender document. In fact, where technically feasible, the online bids be received such that the bid cannot be submitted without enclosing all documents listed (system will generate alerts and not allow the bids to be submitted without all the requisite documents).
- (ii) In case some document is still left out or a wrong one is uploaded, a notice (including through email of the bidder) shall be issued asking the bidder to furnish the required documents.

¹¹The price reasonability comparison with market rates shall be undertaken even when more than one bid is received.

The concerned Department/Office may, if required, also obtain clarifications on the documents submitted with the technical bid to enable the bidders to complete the documentation, *i.e.*, supply missing documents, withdrawal of conditions, if any, in deviation with the tender conditions, and specify the facts clearly. However, not more than 7 working days would be given to bidders for this purpose. In case of emergency/ urgency, for reasons to be recorded in writing, this opportunity period could be further shortened. The action shall be undertaken such that no undue advantage is extended to one or few bidders.

- (iii) During seeking clarifications, a bidder shall not be allowed to contradict an already submitted document/fact. The clarification will be sought only on conditions laid down in the tender documents, and in no case would any tender eligibility criteria be relaxed to make bidders eligible. Hence, no facts/ documents that relate to a period after the last date and time of the original submission of bids shall be considered.
- (iv) The financial bid shall be opened only after the technical evaluation is completed and technically qualified bidders have been declared. No clarification shall ever be sought on the financial bid or any part of the technical bid after the financial bid is opened.

The tender evaluation committee's Minutes should clearly record the process of clarification.

(d) Need to have a Local/Branch Office:

It is noticed that a very large number of bidders are getting rejected at the time of processing of bids, due to the condition laid down in the bid document that the seller/service provider must have a local/ branch office in the State/ UT of Consignee. This restrictive condition greatly hinders competition and adds costs to the Government. Therefore, Departments/Offices shall henceforth strictly follow the instructions below in this regard:

- (i) For procurement of goods including stores, machinery, and equipment, the condition of a local office shall not be imposed in the bid document that the seller/supplier must have a local/ branch office in Puducherry/Karaikal/Mahe/Yanam. For goods of value above ₹ 5 lakh, the mandatory provision in the GeM

portal of obtaining the Electronic Performance Bank Guarantee (**EBPG**), ensures that the interests of the buyer are adequately protected during the purchase and the warranty period. Even for goods of value lesser than ₹ 5 lakh, the buyer department may, where felt necessary, insist on EPBG by adding a suitable clause in the bid-specific Additional Terms and Conditions (**ATC**).

- (ii) For procurement of Annual Maintenance Contract (**AMC**) service, the buyer Department/Office shall not impose the condition that the service provider must have an office/branch located in Puducherry/Karaikal/Mahe/Yanam. However, the buyer procuring the AMC service may lay down a suitable condition, as part of the Service Level Agreement (**SLA**) in ATC that any servicing or repairs must be attended to by the AMC service provider within a specified number of hours from the time of the complaint, failing which certain pre-prescribed penalties would be levied, and in case of repeated failures, even the contract could be terminated.
- (iii) In the case of AMC of critical equipment/ machine, such as medical equipment, a lift in a multi-story building, a local office could be insisted. However, the bidder should be allowed to open such an office, within 15 days of being declared a winner in a tender.
- (iv) There is no need for a local office where the services are outsourced and the personnel from the winning bidder are physically present on the office premises. However, in case a replacement is warranted the tender document may obligate the service provider to undertake the same within a 15 days period.

(e) Ensuring Statutory Compliances:

The bid may seek the registration details of the bidder with the Commercial Taxes Department (say GSTIN for GST payment), electricity/ water connection number, EPF/ ESI registration number, etc., and specifically, list out all the statutory norms to be complied so that they are duly factored in the price bids. However, the *onus* of compliance with laws relating to the regulatory

norms shall be exclusively handled by the concerned enforcing Department and the procuring entity shall not be required to analyze the same. *E.g.*, the tender condition would only specify that the contractor/ service provider shall comply with all labour laws, including those on minimum wage payment, EPF payments, *etc.* and the Department shall not sit in judgment/ enforcement over them. The procuring Department shall however forward a copy of the work order, along with the registration details of the winning bidder, to the concerned Department, such as Labour, Commercial Taxes, *etc.* for due compliance/ enforcement at their end.

(f) Multiple Bids with same L1 Rate:

To deal with the procurement of Goods/Services with Price as the Bid Parameter, and when multiple bids are received with the same L1 quote, the tender document may clearly state that the decision from among L1 bidders shall be undertaken by giving 30% weightage each to each bidder's length of experience and satisfactory performance, and 20% weightage each to staff strength and turnover (anywhere in India) of bidders, as judged by the Tender Evaluation Committee.

(g) Knowledge of Local Language:

A few cases have come to notice where the bids have been rejected on grounds of residency of a person outside the UT of Puducherry and Tamil Nadu, under the presumption that such a person would not know the Tamil/Telugu/Malayalam language. Such a rejection is unjustifiable since to know Tamil/Telugu/Malayalam one need not necessarily be residing in Puducherry or Tamil Nadu. However, the requirement of knowing Tamil/Telugu/Malayalam language could be brought in, for reasons to be recorded in writing, in cases where the job/ task cannot be undertaken in absence of knowing the local language. The same should be specifically highlighted while seeking administrative approval.

(h) Publicity for Call of Tenders:

For adequate publicity and to attract more bids, the tender notifications (**NIT**) shall be mandatorily *published* in the Central Public Procurement Portal (**CPPP**) of the Government of India

(<https://eprocure.gov.in>), the e-tender portal of the Government of Puducherry (<https://pudutenders.gov.in>), and Department's own website. The publication requires only log-in credentials of procuring entity and no fee is payable for the same. However, both the CPPP publication and Department's own website publication may clearly state in bold that the submission of e-bid shall be available on <https://pudutenders.gov.in> only. The Departments may further maintain a database of contractors (this will keep expanding), with a sound track record of performance, for various categories of works so that they can additionally be informed of every new NIT through their email ID. All these measures, in addition to publishing the NIT in newspapers as per the existing practice, would ensure publicity without adding to cost in any manner.

3. These instructions shall be scrupulously followed by all Departments/Offices, including Autonomous Bodies/Societies/Corporations/PSUs/Institutions under the control of the Government of Puducherry.

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

All Secretaries/ HoDs/Heads of Offices/Heads of Autonomous Bodies.

All Secretariat Departments.

All SAOs/JAOs for scrupulous implementation.

Copy for information to:

The P.S. to the Chief Secretary.

No. C 31011/14/A3/2022-CVO/2438
GOVERNMENT OF PUDUCHERRY
CHIEF VIGILANCE OFFICE
CHIEF SECRETARIAT

Puducherry, dated 13-09-2022

CIRCULAR

Sub. : CVO – Manual on procurement of Goods, Services, Works and Consultancy incorporating CVC guidelines released–Reg.

Ref. : Circular No. 14-07-2022, dt. 11-07-2022 of Central Vigilance Commission, New Delhi.

The Central Vigilance Commission and the D/o. Expenditure, Ministry of Finance have issued guidelines on public procurement from time to time. However, for the sake of uniformity and to avoid multiplicity of authorities for issuance of guidelines on procurement related issues, updated manuals have been released by the D/o.Expenditure, Ministry of Finance after taking into consideration, all the guidelines issued by the Commission in this connection.

2. The updated manuals viz. (i) Manual on procurement of Goods (ii) Manual on Procurement of Works and (iii) Manual on procurement of consultancy and other Services, assimilating / merging the guidelines issued by CVC are now available in the CVC website viz. www.cvc.gov.in under the head “Guidelines” and sub-head “Tender Guidelines”. It is also available in the website of Finance Department, Puducherry, viz. <https://finance.py.gov.in> under the head “Documents”. All the earlier guidelines of CVC on public procurement have been consequently withdrawn.

3. Central Vigilance Commission has desired *vide* Circular cited above that the Chief Vigilance Officer to bring the updated manuals to the notice of all concerned. Hence, all the Departments and its attached

offices, Local bodies, Autonomous bodies shall henceforth strictly follow the guidelines laid down in the three Manuals (updated version) for all procurements concerning Goods, Services and Works.

4. This may be read in continuation of the Circular No. 748/FD/F3/2022-23, dated 06-07-2022 of Finance Department, Government of Puducherry.

//ORDER//

Sd/-

(M. KANNAN)

UNDER SECRETARY TO GOVERNMENT (VIGILANCE)

To

Secretaries of Government (Vigilance), Chief Secretariat, Puducherry.

**No. F.1/1/2021-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION**

264-C North Block,
New Delhi, dated 4th August 2022

OFFICE MEMORANDUM

Sub. : Updated Manuals for Procurement of Goods, Services and Works.

The undersigned is directed to forward copies of the following three updated Procurement Manuals:

- (a) Manual for Procurement of Goods,
- (b) Manual for Procurement of Works,
- (c) Manual for Procurement of Consultancy & Other Services.

These Manuals were comprehensively revised and issued in 2017 & 2019; they have been recently updated and the updated version was issued on 01-07-2022.

2. Instructions on procurement and the GFR amendments issued by Department of Expenditure from time to time, since issuance of last Procurement Manuals, have been incorporated in the current editions. Instructions relating to Public Procurement (Preference to Make-in-India) Order and the Order giving preference to Micro and Small Enterprises (MSEs) and certain other procurement related instructions have been also updated. Further, all erstwhile procurement related instructions issued by Central Vigilance Commission (CVC) have been subsumed into these Procurement Manuals. *Vide* OM No. 022/VGL/032 (Circular No. 14-07-22), CVC has also advised that all earlier instructions issued by CVC on public procurement have been withdrawn and all organizations are required to update/align their procurement guidelines/manuals in line with manuals issued by Department of Expenditure.

3. These Manuals are a standard reference document for public procurement across all Ministries/Departments/their attached & subordinate offices/autonomous bodies and Central Public Sector

Enterprise (CPSEs) *etc.* They are to be taken as generic guidelines, which are necessarily broad in nature, except to the extent mentioned in para 5 of this OM.

4. Ministries/Departments *etc.* may supplement these manuals to suit their local/specialized needs, by issuing their own detailed manuals or instructions including customized formats, Standard Bidding Documents and Schedule of Procurement Powers as guidance for their own procuring officers.

5. Certain instructions containing “shall” in the Manual for Procurement of Works are mandatory (indicated at the end of respective paragraphs) both for Ministries/Departments *etc.* as well as CPSEs. Any deviation from these instructions shall require relaxation from this Department (for Ministries/Departments *etc.*) or from the Board of Directors (for CPSEs).

6. These Manuals are also available on the website of Department of Expenditure.

7. It is requested that above may be informed to all organizations under your control including autoumous bodies as well as CPSEs.

Sd/-

(KANWALPREET)

Director (Procurement Policy)

Tel. : 23093811

e-mail: kanwal.irss@gov.in

To

Secretaries of all Central Government Ministries/Departments.
Financial Advisers of Central Government Ministries/Departments.

Copy to:

- (1) Secretary, Department of Public Enterprises (with a request for also reiterating these instructions for compliance of all CPSEs in this regard).
- (2) Chief Secretaries of States and Union Territories : for information.

No. 748/FD/F3/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 06-07-2022

CIRCULAR

Sub. : Finance Department - Manuals on Public Procurement updated by Department of Expenditure, Ministry of Finance, Government of India, incorporating all the CVC guidelines.

The Department of Expenditure, Ministry of Finance, Government of India (DOE), in consultation with the Central Vigilance Commission (CVC), has updated the three Manuals on Public Procurement: (i) Manual on Procurement of Goods, (ii) Manual on Procurement of Works, (iii) Manual on Procurement of Consultancy & Other Services, wherein all the CVC guidelines on public procurement have been merged.

2. These updated Manuals have been released by the Government of India on 1st July 2022, and have been uploaded in the website of DOE. They have also been made available on the website of Finance Department, Puducherry under the 'Documents' tab.

3. All the earlier guidelines of the CVC on public procurement have consequently been withdrawn. The CVC has directed all organizations to update/align their procurement guidelines/manuals in line with the above Manuals of DOE.

4. All Departments/Offices/Autonomous Bodies of the Government of Puducherry shall henceforth strictly follow the guidelines as per the three Manuals in their updated versions for all procurements concerning works, goods, services, and consultancy & Non-Consultancy services.

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretaries to Government.

All Secretariat Departments.

All HoDs/Head of Offices/Heads of Autonomous Bodies.

All SAOs/JAOs.

The P.S. to the Chief Secretary - for kind information.

No. 1412/FD/F3/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 20-07-2022

CIRCULAR

Sub. : Customization of Service Level Agreements (SLAs) for the Bids floated in GeM portal to suit the Specific Requirements of Procuring Departments.

Ref. : 1. I.D. Note No. 1412/FD/F3/2022-23, dt. 31-12-2021 of the Finance Department, Puducherry (page 60/ FD Compendium).
2. I.D. Note / O.M. of Even No., dt. 08-03-2022 of the Finance Department, Puducherry (page 60 / FD Compendium).

Attention is invited to the orders cited under reference, wherein all Government Departments/Autonomous Bodies have been instructed to incorporate SLAs, with clearly laid down performance norms and quantified financial/non-financial penalties for poor service delivery, in the Bid Documents for all outsourcing procurements such as Housekeeping & Sanitation Services, Security Services and Manpower Outsourcing Services.

2. Standard SLAs, specific to each Service category, are already provided in the GeM portal, and constitute a part of the GeM Bid Document. The standard SLAs for procurement of Housekeeping Services, Security Services and Manpower Services have been uploaded on the Finance Department website (finance.py.gov.in).

3. However, the procuring Departments/Offices may customize the SLAs to suit their specific requirements for any procurement through the GeM portal. This can be done by uploading such custom requirements in the form of 'Buyer Uploaded ATC Document' under the 'Buyer Added Bid Specific ATC' in the Bid. Therein, the Procuring Entity may list out the additional norms on service quality and/ or amend the standard SLAs.

4. While submitting the file to the Finance Department for concurrence towards Administrative Approval, a copy of the standard SLA document as well as the 'Buyer Uploaded ATC Document', if any to be uploaded, shall be invariably enclosed in the file and mentioned on the notesheet with the corresponding reference.

Sd/—

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretariat Departments.

All HoDs/Head of Offices/Heads of Autonomous Bodies.

All SAOs/JAOs.

The P.S. to the Chief Secretary - for kind information.

No. 1412/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 08-03-2022

I. D. NOTE / OFFICE MEMORANDUM

Sub. : Finance Department - Outsourcing of Services on the basis of deliverables - Instructions - Issued.

Ref. : I.D. Note of even No. dated 31-12-2021.

In continuation to the I. D. Note cited under reference on the subject above, the Departments may ensure that the bids floated on the GeM portal for procurement of services on the basis of deliverables shall incorporate specific quality benchmarks and penalty clauses.

2. If required, the Electricity Department, Puducherry, which recently awarded one such contract through GeM portal, may be consulted.

//BY ORDER//

Sd/-
(K. GOVINDARAJAN)
Under Secretary to Government (Finance)

To

All Secretariat Departments.
All Heads of Departments/Offices.
All SAOs/JAOs.
The P.S. to the Chief Secretary.

No. 1412/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 31-12-2021

I.D. NOTE

**Sub. : Finance Department - Outsourcing of Services on the basis
of deliverables - Instructions - Issued.**

The tenders/bids for outsourcing of services, such as Housekeeping, Maintenance/AMC, Security, etc. are being invited by the Departments, based on an internal assessment of the number of manpower required. There is no scientific basis for fixing the manpower strength. In process, the quality of service delivered and efficiency is not given the due consideration. This often results in receipt of two or more bids, at par with negligible or zero service charges.

2. Hence, instead of prescribing the manpower, bids may be invited for outsourcing the services. An explicit Service Level Agreement (SLA) with clearly laid down quality norms and quantified financial/non-financial penalties for poor quality delivery may be made part of an integral part of tender documents. Care may be taken to ensure that the SLA parameters are manageable in number, and are objectively and easily measurable, while the penalties to be levied are objectively quantified to avoid discretions. Concurrently, for maintenance/housekeeping, the floor area of office premises; for security services, the number of entrances/checkpoints to the building, etc. may be clearly stated in the tender document. In the outsourcing of the service, the number of manpower will be decided by the bidders as per their assessment but to assist in monitoring the same would need to be stated by the bidders in their bids while submitting their bids. The invited bids would be inclusive of the cost of both the manpower and material.

3. This shall come into force for all tenders floated on the GeM Portal on or after **01-01-2022**.

//BY ORDER//

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To
All Secretariat Departments.
All Heads of Departments/Offices.

Copy to:

- (1) The Under Secretary (Finance)-I.
- (2) The PS to Chief Secretary.
- (3) The PS to Development Commissioner-cum-Principal Secretary (Finance).

**No. F.9/4/2020-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION**

264-C, North Block, New Delhi.

30th December, 2021.

OFFICE MEMORANDUM

Sub. : Performance Security.

The undersigned is directed to refer to this Department's OM of even number dated 12-11-2020 (copy enclosed) regarding the subject cited above and to say that it has been decided to extend the validity of the said OM dated 12-11-2020 regarding "Performance Security" till 31-03-2023.

2. This OM is also available on the website of Department of Expenditure; www.doe.gov.in → Notification → Circular → Procurement Policy OM.

Encl. : As above.

Sd/-
(KANWALPREET)
Director (Procurement Policy)
Tel.: 23093811
e-mail: kanwal.irss@gov.in

To

Secretaries of All Central Government Ministries / Departments.

Copy to:

Secretary, Department of Public Enterprises (DPE) — with a request to issue same instructions to all Central Public Sector Undertakings (CPSUs).

**No. F.9/4/2020-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION**

512, Lok Nayak Bhawan, New Delhi
Dated the 12th November 2020

OFFICE MEMORANDUM

Sub. : Performance Security.

As per Rule 171 of General Financial Rules (GFRs) 2017, Performance Security is to be obtained from the successful bidder awarded the contract for an amount of five to ten percent of the value of the contract to ensure due performance of the contract. Similar provisions also exist in the Manual for Procurement of Works, 2019 and Manual for Procurement of Consultancy and other Services, 2017 issued by this Department.

2. The Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among many commercial entities and contractors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of contractors to bid in tenders and hence, reduce competition. Requests are being received for reduction in quantum of Security Deposits in the Government contracts.

3. In view of all above, it is decided to reduce **Performance Security from existing 5-10% to 3% of the value of the contract** for all existing contracts. However, the benefit of the reduced Performance Security will not be given in the contracts under dispute, wherein, Arbitration/Court proceedings have been already started or are contemplated.

4. Further, all tenders/contracts issued/concluded till 31-12-2021 should also have the provision of reduced Performance Security.

5. In all contracts where Performance Security has been reduced to 3% in view of above stipulations, the reduced percentage of Performance Security shall continue for the entire duration of the contract and there should be no subsequent increase of Performance Security even beyond 31-12-2021.

Similarly, in all contracts entered into with the reduced percentage of Performance Security of 3%, there will be no subsequent increase in Performance Security even beyond 31-12-2021.

6. Wherever, there is compelling circumstances to ask for Performance Security in excess of three percent as stipulated above, the same should be done only with the approval of the next higher authority to the authority competent to finalise the particular tender, or the Secretary of the Ministry/Department, whichever is lower. Specific reasons justifying the exception shall be recorded.

7. These instructions will be applicable for all kinds of procurements viz., Goods, Consultancy, Works, Non-consulting Services, etc. and are issued under rule 6(1) of the GFRs, 2017.

Sd/-

(KOTLURU NARAYANA REDDY)

Deputy Secretary to the Government of India

Tel. : 24621305

e-mail : kn.reddy@gov.in

To

All the Secretaries and Financial Advisers to Government of India.

Copy to:

Secretary, Department of Public Enterprises with a request to issue the same instructions to Central Public Sector Undertakings (CPSUs).

No. 16016/FD/F3/2018 (Vol. II)
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 04-06-2021

I.D. NOTE / OFFICE MEMORANDUM

Sub. : Finance Department - Instructions of Government of India regarding reduction in quantum of various deposits which Contractors are required to make in Government Contracts, as a step to address the slowdown in economy due to pandemic
- Communicated.

The following Office Memorandums of Government of India, Ministry of Finance, Department of Expenditure are communicated herewith for information and necessary action :

Sl. No.	O.M. No. and Date	Subject
1.	No. F. 9/4/2020-PPD dated 12-11-2020	<u>Performance Security :</u> Reduction in Performance Security from existing 5-10% to 3% of the value of the contract. Applicable for all existing contracts (except contracts under Arbitration/Court proceedings) and all tenders/contracts issued/concluded till 31-12-2021.
2.	F. 9/4/2020-PPD dated 12-11-2020	<u>Bid Security/Earnest Money Deposit :</u> No provisions regarding Bid Security should be kept in the Bid Documents in future and only provisions for Bid Security Declaration should be kept in the Bid Documents. Applicable for all tenders/contracts issued till 31-12-2021.
3.	No. F. 9/4/2020-PPD dated 12-11-2020	<u>Additional Performance Security in case of Abnormally Low Bids (ALBs) :</u> No provision should be kept in the Bid Documents regarding Additional Security Deposit /Bank Guarantee (BG) in case of abnormally Low Bids.

// BY ORDER //

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

Encl. : As above.

To

All Secretariat Departments.

All Heads of Departments/Offices.

All PSUs/Local Bodies of Puducherry Union Territory.

**No. F.9 /4/2020-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION**

512, Lok Nayak Bhawan, New Delhi
Dated the 12th November 2020

OFFICE MEMORANDUM

Sub. : Bid Security/Earnest Money Deposit.

The Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among many commercial entities and contractors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of contractors to bid in tenders and hence, reduce competition. Requests are being received for reduction in quantum of Security Deposits in the Government contracts.

2. As per rule 170 of General Financial Rules (GFRs), 2017, Micro and Small Enterprises (MSEs) and the firms registered with concerned Ministries/Departments are exempted from submission of Bid Security. Further, *in lieu of* Bid Security, Ministries/Departments may ask bidders to sign "Bid Security Declaration" accepting that if they withdraw or modify their bids during period of validity, *etc.*, they will be suspended for the time specified in the tender documents. Similar provisions also exist in the Manuals for Procurement of Works, 2019 and Manual for Procurement of Consultancy and other Services, 2017.

3. In this context, it is noted that Bid Security (also known as Earnest Money Deposit) is still being taken from the contractors by the various Ministries/Departments, though the relaxations have already been provided in General Financial Rules (GFRs), 2017.

4. In view of above, it is reiterated that notwithstanding anything contained in rule 171 of GFRs, 2017 or any other rule or any provision contained in the Procurement Manuals, **no provisions regarding Bid Security should be kept in the Bid Documents in future and only provision for Bid Security Declaration should be kept in the Bid Documents.**

5. Wherever, there are compelling circumstances to ask for Bid Security, the same should be done only with the approval of the next higher authority to the authority competent to finalise the particular tender or the Secretary of the Ministry/Department, whichever is lower.

6. The above instructions will be applicable for all the tenders issued till 31-12-2021.

7. These instructions will be applicable for all kinds of procurements viz., Goods, Consultancy, Works, Non-consulting Services, etc. and are issued under rule 6(1) of the GFRs, 2017.

Sd/-

(KOTLURU NARAYANA REDDY)

Deputy Secretary to the Government of India.

Tel. : 24621305

e-mail: kn.reddy@gov.in

To

All the Secretaries and Financial Advisers to Government of India.

Copy to:

Secretary, Department of Public Enterprises with a request to issue the same instructions to Central Public Sector Undertakings (CPSUs).

**No. F.9/4/2020-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION**

512, Lok Nayak Bhawan, New Delhi

Dated the 12th November 2010

OFFICE MEMORANDUM

Sub. : Additional Performance Security in case of Abnormally Low Bids (ALBs).

The Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among many commercial entities and contractors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of contractors to bid in tenders and hence, reduce competition. Requests are being received for reduction in quantum of Security Deposits in the Government contracts.

2. In this context, it is noted that Additional Performance Security in case of Abnormally Low Bids (ALBs) is being taken from the contractors by various Ministries/Departments though there is no provision for the same in General Financial Rules, (GFRs), 2017 or the Manuals for Procurement issued by this Department.

3. As per para 7.5.7 of the Manual for Procurement of Goods, 2017 issued by this Department, *an Abnormally Low Bid is one in which the bid price, in combination with other elements of the Bid, appears so low that it raises material concerns as to the capability of the bidder to perform the contract at the offered price. Procuring Entity may in such cases seek written clarifications from the bidder, including detailed price analyses of its bid price in relation to scope, schedule, allocation of risks and responsibilities, and any other requirements of the bids document. If, after evaluating the price analyses, Procuring Entity determines that the bidder has substantially failed to demonstrate its capability to deliver the contract at the offered price, the Procuring Entity may reject the bid/proposal. However, it would not be advisable to fix a normative percentage below the estimated cost, which would be automatically be considered as an abnormally low bid. Due care should be taken while formulating the specifications at the time of preparation of bid document so as to have a safe guard against the submission of abnormally low bid from the bidder.*

4. In view of above, **it is reiterated that no provisions should be kept in the Bid Documents regarding Additional Security Deposit/Bank Guarantee (BG) in case of Abnormally Low Bids.**

5. Wherever, there are compelling circumstances to ask for Additional Security Deposit/Bank Guarantee (BG) in case of ALBs, the same should be taken only with the approval of the next higher authority to the authority competent to finalise the particular tender, or the Secretary of the Ministry/ Department, whichever is lower.

6. These instructions will be applicable for all kinds of procurements viz. Goods, Consultancy, Works, Non-consulting Services, *etc.*

Sd/-
(KOTLURU NARAYANA REDDY)
Deputy Secretary to the Government of India
Tel. : 24621305
e-mail : kn.reddy@gov.in

To
All the Secretaries and Financial Advisers to Government of India.

Copy to :
Secretary, Department of Public Enterprises with a request to issue the same instructions to Central Public Sector Undertakings (CPSUs).

**No. 4192/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Puducherry, dated 27-12-2021

I.D. NOTE / MEMORANDUM

Sub. : Floating of Tender in Advance for Completion of Formalities in Time for a Fresh Contract and Avoidance of *ex-post facto* Sanction - Reg.

The Finance Department has been receiving several proposals from the Administrative Departments, seeking *ex-post facto* expenditure sanction on the grounds that the Department extended the period of a contract beyond the normal contract period as the fresh tender could not be concluded in time. In some cases, on the same plea, extension in contract tenure is sought to complete the process of tendering.

2. Such extension of contract results in payment to the contractor as a *fait accompli*, and prevents any meaningful scrutiny of such proposals by the Finance Department.

3. Therefore, the Departments/Offices/PSUs/Bodies/Societies of the Government of Puducherry shall henceforth notify a fresh tender at least 4 months in advance of the currency of any existing tender, so that due scrutiny can be completed and the new contractor is in place by the time of the expiry of the existing contract. The Finance Department shall in future be constrained to return back all proposals not in compliance with this instruction.

4. The exceptions, if any, to be sought should also come to the Finance Department, with due justification from the Secretary of the Department, at least 3 months in advance of the expiry of the normal contract period.

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)-I

To

1. All Secretariat Departments.
2. All Heads of Departments/Offices.
3. All PSUs/Bodies/Societies of Government of Puducherry.

Copy to:

1. The PS to Chief Secretary, Puducherry.
2. The PS to D.C./Pr. Secretary (Finance).

No. 635/FD/F3/2022
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 01-09-2022

OFFICE MEMORANDUM

Sub. : Revised Notification of Discount Rate for Life Cycle Cost Based Procurement of Works/ Goods/Services.

Ref. : I.D. Note /O.M. No. 635/FD/F3/2021-22, dated 22-11-2021 of the Finance Department, Puducherry.

1. Attention is invited to Rule 136(iii) of the GFR, 2017, wherein it has been advised that the Life Cycle Costing (**LCC**) principle may be considered in the procurement and other decisions relating to projects/ works, and other proposals involving a time-dispersed series of payments and/or revenue recoveries/earnings. Attention is also invited to the Finance Department I.D. Note/O.M. cited under reference, wherein all Departments/ Autonomous Bodies have been advised that in the procurement of capital goods, which have a useful life of greater than or equal to five years, the bids received for the product shall be evaluated on the LCC-basis. The LCC captures not just the upfront capital cost but also the cost of Annual Maintenance Contract (**AMC**)/ Spares, etc. A discount rate of 7% was prescribed therein for discounting all the costs to be incurred over the whole life cycle of the product to assess their net present value (**NPV**). The discount rate is also required to assess the NPV of time-dispersed receipts by the Government of Puducherry, say in case the Government land/building is leased to a private party.

2. The interest rates in an economy, however, keep varying, and a fixed discount rate, such as the extant rate of 7%, may soon become anachronistic with time, as has happened in the current situation when interest rates have suddenly risen for various reasons, including external geo-political situation.

3. As part of financial sector reforms, RBI has deregulated the Bank interest rates, and hence depending on the efficiency of Banking operations, the interest rates vary significantly from Bank to Bank. Hence, relying on interest rate of any one Bank for setting up of a reliable benchmark for the discount rates is not feasible any more. A sound and reasonable basis for assessment of discount rate would be the *opportunity cost of funds for the UT Government*

from time-dispersed payments/receipts. The most transparent benchmark in this regard is the market cost of borrowing of funds¹ by the Government of Puducherry. However, the Government of Puducherry is an episodic borrower² and the last market cost of its borrowing may not be reflective of the current market rates, which vary with the bimonthly repo rates announced by the RBI. Hence, a correlated interest rate benchmark that is linked to latest market borrowing cost is required.

4. The most common benchmark rate for Government market borrowing in India is the 10-year Government of India security (**G-Sec**) used by the Centre to borrow as per a pre-notified calendar. The GOI borrowing is undertaken almost all round the year. The State borrowing security (**State Development Loan**) rate from open market at same time and same tenor of 10-year is typically 50 bps above the 10-year G-Sec.

5. Hence, the Departments/Autonomous Bodies shall henceforth adopt a **discount rate equal to the 10-year G-Sec rate/yield, as on the last date of receipt of the bids/tenders, plus 0.5%**, for calculating the NPV in all LCC-based procurements of works/goods/services. The latest 10-year G-Sec rate can be gauged from a simple web search. However, in case of any doubt the tendering authority could seek the latest 10-year G-Sec rate from the Finance Department, Government of Puducherry.

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

All Secretariat Departments.

All HODs/Heads of Autonomous Bodies.

All SAOs/JAOs.

Copy to:

The P.S. to the Chief Secretary.

¹The UT Puducherry has been running a perpetually deficit budget, and borrows from the market as per the borrowing limits authorised by the Ministry of Finance. In case of a delayed payment by the Government, it can defer its borrowing to a later date and in case of delayed receipts, it has to accelerate its borrowing.

²Puducherry does not follow a pre-notified calendar of borrowing and decides to borrow episodically based on its cash position, and the expenditure needs.

No. 635/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 22-11-2021

I.D. NOTE / MEMORANDUM

Sub. : Life Cycle Cost Approach of procurement - Instructions -
Issued.

It is brought to the notice of all concerned that in instances where a proprietary good is purchased, the Government Department has to necessarily depend on the proprietor/Original Equipment Manufacturer for the maintenance of the good/equipment and supply of spares for that good. Hence, there is an opportunity for the bidders to quote relatively low rates to emerge as the L1 bidder but, thereafter, charge high cost for maintenance and spares. This proves financially costly to the Government in the long-run and undermines the basic principle of L1 as mandated by the GFRs.

2. In order to discourage such unfair practices and to ensure that every procurement indeed adheres to the principles of cost competitiveness and is transparent, all Departments/PSUs/Autonomous Bodies are hereby advised that in the procurement of capital goods, which have a long life of greater than or equal to five years, the bids shall be evaluated on the basis of the Life Cycle cost of the product, *i.e.* the cost to the Government over the full useful life of the product including procurement, installation, operation, maintenance, spares and repairs. Hence, while procuring such goods, the L1 should be identified based on not just the upfront capital cost, but, the cost of annual maintenance and expected spares and consumables over the useful life time of the good. The useful life will be declared in the bid document and all these costs would be taken year-wise from the bidders at stage of tender/inviting quotations and converted to Net Present Value at discount rate of 7% (the approximate borrowing cost of 10 year SDL). The bidder would be bound by tender documents to supply spares/consumables and undertake maintenance at indicated rates.

3. This issues with the approval of the Hon'ble Lieutenant Governor
vide ID No. 3770/FC/FD/F4/A1/2021-22 dated
22-10-2021.

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To
All Secretariat Departments.
All Heads of Departments/Head of Offices.
All PSUs/Autonomous Bodies.

**No. F.1/9/2021-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION**

264–C, North Block, New Delhi
29th October, 2021

OFFICE MEMORANDUM

Sub. : Insertion of rule 227A in General Financial Rules (GFRs), 2017- Arbitration Awards.

The Cabinet Committee on Economic Affairs (CCEA) on 30-08-2016 and 20-11-2019 had considered the proposals of the NITI Aayog and approved measures for improved liquidity in construction sector. NITI Aayog *vide* their D.O. No. N-14070/14/2020-PPPAU dated 07-10-2021 has asked this Department to incorporate decisions of CCEA regarding arbitration awards under GFRs. In this context, a new Rule 227A, as under, is hereby inserted into GFRs, 2017:

Rule 227A Arbitration Awards

- (i) In cases, where the Ministry/Department has challenged an Arbitral Award and, as a result, the amount of the Arbitral Award has not been paid, 75% of the arbitral award (which may include interest up to date of the Award) shall be paid by the Ministry/Department to the contractor/concessionaire against a Bank Guarantee (BG). The BG shall only be for the said 75% of the Arbitral Award as above and not for the interest which may become payable to the Ministry/Department should the subsequent Court order require refund of the said amount.
- (ii) The payment may be made into a designated Escrow Account with the stipulation that the proceeds will be used first, for payment of lenders' dues, second, for completion of the project and then for completion of other projects of

the same Ministry/Department as mutually agreed/decided. Any balance remaining in the Escrow Account subsequent to settlement of lenders' dues and completion of projects of the Ministry/Department may be allowed to be used by the contractor/concessionaire with the prior approval of the lead banker and the Ministry/Department. If, otherwise eligible and subject to contractual provisions, retention money and other amounts withheld may also be released against BG.

2. This OM is also available on website of Department of Expenditure; www.doe.gov.in→ Notification→ Circular→ Procurement Policy OM. Hindi version of this OM will follow.

Sd/-

(KAMWALPREET)

Director

Ph. No. 23093811

e-mail: kanwal.irss@nic.in

To

- (i) Secretaries to all the Central Government Ministries/Departments.
- (ii) Financial Advisors of all Central Government Ministries/Departments.

**No. F.1/1/2021-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION**

264-C, North Block, New Delhi.
29th October, 2021.

Sub. : General Instructions on Procurement and Project Management.

It has always been a concern and challenge for the Government and its agencies to execute public projects on time, within the approved cost and with good quality. As the Government strives to step up the pace of economic development, the role of procedure and rules, and the incentives and disincentives they create, warrants careful examination.

2. The Central Vigilance Commission (CVC) and the Comptroller and Auditor General (CAG) are among the institutions which have, at various times, had occasion to comment on procurement and project management. Taking cognizance of these issues, CVC issued a Concept Paper on Alternative Procurement Strategy suggesting various reforms. Later after elaborate consultations with various stakeholders and a reform workshop held on 18-12-2020, CVC prepared Draft Guidelines on "Reforms in Public Procurement and Project Management". The Draft Guidelines *inter alia* stated: "Endeavour should be to explore the possibility of employing alternative procurement methods and other emerging trends apart from regularly used methods of procurement".

Separately, the CAG held a workshop on 27th February, 2020, soliciting ideas to improve procurement and project management. In that workshop, the then CAG himself observed: "It is also important to examine the information available with the decision maker at the time of taking the procurement decision. *Post facto* wisdom is easy and costs of indecision high". He hoped that the "focus of the presentations would be on discussing the challenges faced in procurement, especially that of adhering to the L1 requirement and related quality issues and new mechanisms/ strategies of procurement to overcome these challenges".

The National Institution for Transforming India (NITI) Aayog also prepared in August, 2020 a detailed paper entitled "Indian Public Procurement: Alternative Strategies and Way Forward" with various proposals.

3. A common theme arising in all these deliberations was a need to improve procurement and project management rules and procedures, to update them to present day needs, and empower those implementing projects to take better decisions, while adhering to probity and fairness. The fact that two premier institutions overseeing probity and accountability and India's premier policy think-tank felt the need to improve public procurement and project management procedures indicates the importance of the issue.

4. The Draft Guidelines prepared under the aegis of the CVC provided a sound platform for initiating reforms for empowering executing agencies and officers to take effective decisions in public interest, not only without favour, but, also without fear. These Draft Guidelines were considered by the Committee of Secretaries, and it was decided that the Department of Expenditure (DoE) would consider and issue guidelines, after soliciting and incorporating comments from Ministries/Departments. Comments were solicited from all Ministries/Departments and after due and detailed consideration of the comments received, instructions as contained in the subsequent paragraphs are being issued for compliance. While the primary source of these instructions is the Draft Guidelines prepared by the CVC, the views expressed in the CAG's workshop, by NITI Aayog, and in other comments received have also been duly considered and incorporated wherever appropriate.

5. The instructions below are "general instructions" within the meaning of Rule 6(1) of the GFRs. They shall prevail in case of any general or case-specific conflict with the existing provisions of the Manual for Procurement of Goods, 2017, Manual for Procurement of Consultancy and other Services 2017, Manual for Procurement of Works 2019 or any other instruction issued by DoE in the past. For the purpose of these instructions:

- (i) Instructions containing 'may' are to be considered desirable or good practices which procuring entities/project executing agencies are encouraged to implement but, not mandatory.
- (ii) Instructions containing 'should' are required to be followed in general. However, there may be circumstances where it may not be practical/desirable to implement them. In such cases, the concerned officer/agency may deviate by recording reasons in writing for not implementing the same.

- (iii) Instructions containing 'shall' are mandatory; any deviation shall require relaxation of rules from the DoE (for Ministries/ Departments, *etc.*) or from the Board of Directors (for Central Public Sector Enterprises).
- (iv) Instructions containing "allowed" indicate an optional course of action to be decided upon on merits.
- (v) "Procuring Entity" or "Project Executing Authority" or "Project Executing Agency" means, Central Government Ministries/ Departments, Attached/Subordinate Bodies including Autonomous Bodies or Central Public Sector Enterprises (CPSEs) (*etc.*) executing projects/works.
- (vi) "Public Authority" means, the client organization, which may be asking a "Procuring Entity" or "Project Executing Authority" or "Project Executing Agency" to execute a project or work on their behalf. For example, in case, a University executes the works through Central Public Works Department (CPWD), then the said university will be the public authority and CPWD will be the Procuring Entity or Project Executing Authority or Project Executing Agency. (The public authority and the project executing authority may also be the same.)

6. Feasibility Study/Ground Survey

Before undertaking a project Feasibility study/Preliminary Project Report (PPR) may be prepared by the Project Executing Agency as prescribed in Para 2.2.1 of the Manual for Procurement of Works, 2019 (*hereinafter called Manual*). A presentation on the findings of the Feasibility study/PPR may be made by a team (which may include engineers/ consultants/outside experts, finance officers, *etc.*) before the public authority/or designated Competent Authority. This is to provide an opportunity to the public authority to have an overall assessment of the situation, appraisal of various options as well as likely challenges and mitigation measures. In the case of very large projects, such presentation may be made to the Head of the public authority. The record of discussions during the presentation may become part of the Detailed Project Report (DPR) and tender file/project record.

7. Detailed Project Report (DPR)

7.1 As prescribed in Para 2.4 of the Manual, once the project is considered viable and the competent public authority gives approval, a DPR/Detailed Estimate should be prepared with due care and accuracy, using latest technological tools collecting all relevant ground information including consultation with the field units, wherever applicable.

7.2 Presentation may be made about the DPR before the public authority, for projects above a threshold value, as decided by Project Executing Authorities. The presentation may include salient features of the project including general layout, architectural drawings, broad specifications, cash flow (over the life of the project), composition of the project team, quality management plan for the project, important milestones in the project execution, obligations of the authority and the contractor/concessionaire (hereinafter referred to as “contractor”) and possible risks and mitigation measures. In the case of very large projects such presentation may be made to the Head of the public authority. The record of discussions during the presentation shall become part of tender file/project record.

7.3. Wherever Consultants are appointed for preparation of DPR, field units of the public authorities should also be associated with the process. The inputs from these field units can be useful in proposing best solutions for design and execution of the work as they are the custodian of legacy data, which may not be available with the consultants, as they may not be operating regularly in that geographical region.

7.4. Endeavour may be made to enlarge the base of the ‘Schedule of Rates’ published by various organizations to bring a maximum number of items under its ambit. For non-scheduled items, rates may be finalized by a Committee constituted by the organization concerned/consultants as the case may be.

8. Availability of Land and Statutory Clearances

8.1 It is desirable to have 100% of the required land in possession before award of contract; however, it may not always be possible to have the entire land due to prevailing circumstances. Also, it may not be prudent to put the entire process of award of contract on hold for want of the remaining portion of land, which in the assessment of public authority or the project executing authority, could possibly be acquired in a targeted manner after award of the contract, without affecting progress.

8.2 Minimum necessary encumbrance free land should be available before award of contract. The minimum may be determined based on the circumstances of each case or General Guidelines, issued by the concerned authorities. Only such land, non availability of which, will prevent essential components of work from execution, should be insisted upon.

8.3 Time taken in grant of statutory and other clearances also contributes to the time and cost of public projects. These clearances are required to achieve specific objectives like concern for the environment, aviation safety, preservation of national heritage, conservation of forest and wildlife, *etc.* Public Authorities/Project Executing Authorities should plan for obtaining all necessary clearances quickly and closely monitor the progress.

9. Pre-Tender activities

9.1 Architectural and structural drawings: Architectural and structural drawings (fit for construction) are among the core requirements for projects. Finalization of these drawings at the earliest, preferably at the time of preparation of the cost estimate itself, can help to determine quantities of various items of the work. Adverse consequences of not preparing these drawings before invitation of tenders may manifest in the form of delay in execution of the work and deviations in quantities of the items of work. Hence, approved architectural and structural drawings should be available before invitation of tenders. Fit for construction (sometimes called Good for construction) drawings means, the architectural and structural drawings approved by the Project Executing Authority as well as by the authority governing the extant rules/laws, including byelaws, such as Local Authorities.

9.2 **Pre-Notice Inviting Tender (NIT) Conference:** In complex and innovative procurement cases or where the procuring entity may not have the required knowledge to formulate tender provisions, a Pre-NIT conference may help the procuring entity in obtaining inputs from the industry. Such conferences should be widely publicised so that different potential suppliers can attend.

9.3 Empanelment of contractors: Public authorities may empanel/ register contractors of those specific goods and services which are required by them regularly. Performance of such empanelled contractors should be reviewed periodically. The list of registered contractors shall be updated on a regular basis. The category/class of contractors may be upgraded/downgraded or contractors may be delisted based on their performance. Empanelment of contractors shall be done in a fair and equitable manner, preferably online after giving due publicity. The practice of inviting bids for works tenders only from empanelled contractors may be confined to tenders up to certain threshold value, as decided by the Project Executing Authorities.

10. Tender documents

10.1 The tender document is the fundamental document in the public procurement process as after award of the contract, it becomes part of the contract agreement. All necessary provisions governing the contract should be clearly provided in the tender document. Examples are technical specifications, drawings, commercial terms and conditions including payment terms, obligations of the procuring entity and the contractor, timeframe/milestones for execution of the project, tax implications, compliance framework for statutory and other norms, reporting on progress/quality of the work, dispute resolution. Provisions/Clauses in the tender document should be clear to avoid differences in interpretation and possible time overrun, cost overrun and quality compromises. Comprehensive survey and soil investigation report, area grading and mapping of underground facilities, where project is to be executed, may be made available and made part of tender document. Model Tender Documents issued by the DoE may be used, with due customisation.

10.2 In tenders containing General Conditions of Contract (GCC), additional/special conditions to be incorporated in the tender document, shall be need based and specific. The GCCs should not be altered and changes, if any, in conditions of contract should only be made through the Special Conditions of Contract.

10.3 Identification of milestones may be done in an optimal and sequential manner and the same may be stipulated in the tender document along with enabling provisions.

10.4 Payment terms prescribed in the tender document should be such that the payment made to contractors at every stage is commensurate to quantum of work done, subject to any requirements for initial mobilisation.

10.5 Procuring entities may issue instructions regarding appropriate delegation of authority for approval of deviations, variations and changes in the scope of the contract.

10.6 Provision of price variation, wherever considered appropriate, as well as methodology for calculation of the same shall be clearly stipulated in the tender document.

10.7 Quality Assurance Plan (QAP) may be incorporated in the tender document/contract. Schedule of visit by various levels of officials should also form part of the QAP.

10.8 Technical and Financial eligibility Criteria for the bidders are important in the public procurement process. They shall be clear and fair, having regard to the specific circumstances of the procurement. Appropriate parameters should be prescribed in the eligibility criteria for bidders, to enable selection of the right type of bidders in public interest, balancing considerations of quality, time and cost.

10.9 Open online tendering should be the default method to ensure efficiency of procurement. Public authorities should also keep the experience criteria broad based so that bidders with experience in similar nature of works in various sectors can participate.

10.10 Pre-bid conference may be conducted for large value tenders by Procuring Entities. The Place and time of pre-bid conferences should be mentioned in the tender document and/or publicized through the website of the procuring entity and/or through newspaper publication.

11. Project Management

11.1 The quality of project works significantly depends on supervision and monitoring. For completion of the projects within the stipulated time and cost and with specified quality standards, periodical review should be done by various levels of the officers.

11.2 Information Technology (IT) enabled project management systems can help in improving efficiency, transparency and aid faster decision making in execution of projects. These systems may be used for maintenance of records for the progress of work (including hindrance register), variations, *etc.*, wherein reasons for delays are also to be captured on real time basis. Such systems may be used for capturing progress and quality of work, site records/photographs/videos, *etc.* including geo tagging.

11.3 Wherever applicable, the role of the Project Management Consultant (PMC) should be clearly defined in the contracts. Deployment of the PMC does not absolve the project executing authority of the responsibility to supervise the quality and timelines of the project.

11.4 The credentials and deployment schedule of key and other technical personnel to be engaged by PMC on the work should be taken along with the bid. During execution, adherence to deployment of key and other technical personnel as per the schedule of deployment should be ensured.

11.5 Execution of the work shall primarily be the responsibility of the officials designated with such responsibility. However, for large contracts, Senior Officers shall also review the progress and quality of the work at various stages of construction. To this effect, presentations on the project performance may be made periodically before the Senior Officers depending upon the value of the project and progress of the project *vis-à-vis* schedule. Project Executing Authorities should put in place detailed instructions in this regard.

11.6 Project Executing Authorities should put in place a system for capturing the photographs and videos of important and critical activities of construction. This may be implemented in projects above a threshold value or, if possible, in all projects. Such photos/videos may be uploaded in IT based project monitoring system to facilitate monitoring the progress and quality of work as well as assessment of delay in execution of work by stakeholders and senior management. Apart from this, photographs and videos may serve as permanent record of the project for posterity in case, needed for any eventuality including litigation or enquiry/investigation.

11.7 **Sub-contracting:** As per Para 6.1.6 of the Manual, the works contract may provide for the contractor to get specified works executed from sub-contractors included in the pre-qualification application or later agreed to by the Procuring Entity, with a caveat that the responsibility for all sub-contract work rests with the prime contractor. Sub-contracting may be for specialized items of work, such as reinforced earth retaining walls, pre-stressing works, and so on. Procurement of material, hiring of equipment or engagement of labour will not mean sub-contracting. The total value of sub-contracted work should not exceed the percentage of the contract price specified in the contract (say 25%). Sub-contracting by the contractor without the approval of the Procuring Entity shall be a breach of contract, unless explicitly permitted in the contract.

11.8 Rejection of Single Bid: It has become a practice among some procuring entities to routinely assume that open tenders which result in single bids are not acceptable and to go for retender as a 'safe' course of action. This is not correct. Rebidding has costs: firstly, the actual costs of retendering; secondly, the delay in execution of the work with consequent delay in the attainment of the purpose for which the procurement is being done; and thirdly, the possibility that the rebid may result in a higher bid.

Lack of competition shall not be determined solely on the basis of the number of Bidders. Even when only one Bid is submitted, the process should be considered valid, provided, following conditions are satisfied:

- (i) the procurement was satisfactorily advertised and sufficient time was given for submission of bids;
- (ii) the qualification criteria were not unduly restrictive; and
- (iii) prices are reasonable in comparison to market values.

11.9 Electronic-Measurement Books (e-MBs): Project Executing Authorities should, as early as possible, implement e-MBs and the same should be integrated with IT based project monitoring system, being used by the procuring entities.

11.10 Extension of time for completion of projects: Procuring entity may put in place a graded authority structure whereby, extension of time for completion of contract, beyond a specified threshold value of contract, may be granted by the next higher authority.

11.11 Delay in taking timely decisions: Delay in decision making by the officials of the Project Executing Authority on various changes in the project scheme arising out of emerging situations during execution of the work is also one of the contributors to the delay in completion of projects. Sometimes timely decisions on these changes are so crucial that the next step could only be taken after addressing the change. Delay in decisions by the Project Executing Authority can also lead to litigation due to inadequate utilization/idling of resources of the contractor. There is frequently a feeling among officials that indecision is safe while a decision may lead to adverse consequences for the decision maker. Therefore, there is a need for Project Executing Authorities to put in place a system of resolution of the issues coupled with timelines for various levels to take decisions.

11.12 Project Executing Authorities may review the flow chart of decision making and remove *redundancies* for faster decision making. They may also fix timelines for taking decisions on variations, extra items and changes in scope and specifications, *etc.* to avoid delay and litigation arising out of delayed decisions.

11.13 **Awarding of works in stalled contracts:** It is noted that in cases, where a contractor abandons or stops the work mid-way, either due to insolvency or a dispute or other reason, engagement of the new contractor takes considerable time and in the meanwhile public money is locked up in assets which cannot be utilized, apart from inconvenience and loss of amenities to the general public due to such half completed works. Notwithstanding anything in the GFR or the Manual, procuring entities should devise methods (including limited/single tenders) to deal with part completed contracts, wherever the work is abandoned by the contractor mid-way. However, for issuance of limited/single tenders in such cases, at least 20%, of work should have been billed by the contractor who has abandoned the work. Procurement approval of such limited/single tender should be at the next higher level or such level as may be prescribed.

12. Delay in payment to the contractors

12.1 Delay in eligible payments to contractors leads to delay in execution of projects, cost overruns and disputes. Hence, *ad hoc* payments of not less than 75% of eligible running account bill / due stage payment, shall be made within 10 working days of the submission of the bill. This period of 10 days is for completion of all processes including *prima facie* scrutiny and certification by the Engineer in-charge (as declared by procuring entities). The remaining payment is also to be made after final checking of the bill within 28 working days of submission of bill by the contractor. In case, the payment has not been released within 10 working days as prescribed above, it shall be made as soon as possible, and after payment a written explanation for the delay shall be submitted to the next higher authority within three working days.

12.2 Public authorities may put in place a provision for payment of interest in case of delayed payment of bills by more than 30 working days after submission of bill by the contractor. Where interest is to be paid, the rate of interest should be the rate of interest on General Provident Fund.

12.3 In case of unwarranted discretionary delays in payments, including failure to authorise / make *ad hoc* payments as prescribed in para 12.1 above, responsibility shall be fixed on the concerned officers. Project Executing Authorities should have a system to monitor delays in payments and to identify such unwarranted delays.

12.4 The Final bill should also be paid to the contractor within three months after completion of work.

12.5 All Project Executing Authorities implementing works contracts involving aggregate payments of more than ₹ 100 crore per annum shall have an online system for monitoring of the bills submitted by contractors. Such system shall have the facility for contractors to track the status of their bills. It shall be mandatory for all contractors' bills to be entered into the system with date of submission and date of payment. Such system shall be put in place within one year of issue of these instructions.

13. Engineering, Procurement and Construction (EPC) contracts

13.1 In EPC contracts, since primary responsibility to execute the work lies with the EPC contractor, success of the project also depends upon the quality of the tender document wherein, enough clarity on the broad framework for execution of the work and the obligations of the contractor needs to be built in.

13.2 Milestones for payment to the contractor should be fixed in a manner that facilitates smooth cash flow for the contractor as well as for progress of the work. Milestones fixed should avoid excessive front loading or back loading, *i.e.*, amount of payment should be commensurate with stage-wise quantum of work / cost incurred. Milestones for payment to the contractor should also be linked with the deliverables.

13.3 In case of EPC contracts, only general arrangement drawings and architectural control parameters should be part of the EPC tender document. In case of EPC contracts, timelines for submission of drawings by the contractors and approval thereof by the Competent Authority should be clearly prescribed in the tender document, wherein, damages for non-adherence of such timelines in this regard may also be incorporated.

13.4 EPC contracts shall specify broad technical specifications and key output parameters. Over-specification of design may lead to increase in cost. Technical specifications shall be framed in such a manner to allow sufficient freedom to the contractor to optimize design. Provisions on the following should be included in commercial conditions:

- (i) Limitation of liability for procuring entity as well as contractor.
- (ii) Deviation limits and procedure for change of scope.
- (iii) Contract closing timelines and procedure to ensure timely closing of the contract.
- (iv) Performance parameters and liquidated damages for shortfall in performance.
- (v) Risk matrix and responsibilities of the contractor and the procuring entity.

In addition, a latent defect period beyond the defect liability period may be included to protect the procuring entity and public authority interest in case of any design / engineering defect after the defect liability period is over, wherever appropriate.

13.5 To mitigate the risk involved in the methodology proposed by the contractor, the Project Executing Authority shall either have an in-house engineering, quality assurance and project management expert or alternatively hire an experienced engineer to intensively examine the proposal submitted by the contractor. Project Executing Authorities are to ensure that optimal technological solutions are provided by the contractor.

13.6 To ensure quality, regular inspection and quality checks must be carried out. The Project Executing Authority shall carry out stage inspections in manufacturing of critical equipment / critical activities of the project.

14. Substitution of key personnel during execution of consultancy contract

- (i) Quality in consultancy contracts is largely dependent upon deployment and performance of key personnel, during execution of the contract.
- (ii) The following conditions should be incorporated in Tender Documents for procurement of Consultancy Services:
 - (a) Substitution of key personnel can be allowed in compelling or unavoidable situations only and the substitute shall be of equivalent or higher credentials. Such substitution may ordinarily be limited to not more than 30% of total key personnel, subject to equally, or better, qualified and experienced personnel being provided to the satisfaction of the procuring entity.
 - (b) Replacement of first 10% of key personnel will be subject to reduction of remuneration. The remuneration is to be reduced, say, by 5% of the remuneration which would have been paid to the original personnel, from the date of the replacement till completion of contract.
 - (c) In case of the next 10% replacement, the reduction in remuneration may be equal to (say) 10% (ten percent) and for the third 10% replacement such reduction may be equal to (say) 15% (fifteen percent). In case such percentages are not relevant, or for some other practical considerations, for a particular contract, the procuring entity may formulate a suitable mechanism following the above logic, which should be specified in the tender documents.
- (iii) Public authorities may make use of IT enabled systems at the designated place of deployment to ensure presence of key personnel as per the schedule of deployment.

15. Additional Methods of Procurement

15.1 Fixed Budget–based Selection (FBS) for consultancy services:

15.1.1 GFRs, 2017 provide three methods for selection/evaluation of consultancy proposals viz. Quality and Cost Based Selection (QCBS), Least Cost System (LCS) and Single Source Selection (SSS). The Fixed Budget-based Selection (FBS) method is hereby also allowed for selection of consultants. Under this method, cost of the consulting services shall be specified as a fixed budget in the tender document itself. FBS may be used when:

- (i) the type of consulting service required is simple and / or repetitive and can be precisely defined; and
- (ii) the budget can be reasonably estimated and set based on credible cost estimates and/or previous selections which have been successfully executed; and
- (iii) the budget is sufficient for the consultant to perform the assignment.

15.1.2 *Under FBS, the selection of the consultant shall be made by one of the following two methods:-*

- (i) By a competitive selection process, based only on quality, using specific marking criteria for quality in the manner indicated in rule 192(i) of the GFRs. The proposal with the highest technical score that meets the fixed budget requirement shall be considered for placement of contract.
- (ii) In cases of repetitive or multiple assignments, by empanelling suitable Consultants, through an open advertised process with specified quality criteria. Thereafter, selection of a specific Consultant for a specific assignment from such panel shall be based on overall considerations of public interest including

timeliness, practicability, number of other assignments already given to that consultant in the past, etc. In such cases the budget for each assignment shall also be fixed by the procuring entity.

15.2 Quality-cum-Cost Based Selection (QCBS) for Works and Non-consultancy Services:

15.2.1 *Procuring entities are hereby allowed to use QCBS for procurement of works and non-consultancy services in the following cases:*

- (i) where the procurement has been declared to be a Quality Oriented Procurement (QOP) by the Competent Authority or
- (ii) for procurement of Non-Consulting Services, where estimated value of procurement (including all taxes and option clause) does not exceed ₹ 10 crore.

Note: In cases where estimated value was less than ₹ 10 crore, but on tendering, following QCBS process, it is proposed to place contract for more than ₹ 10 crore, the following procedure shall be adopted:

- (a) *In case, the difference between estimated value (including taxes, etc. as above) and value of the proposed contract (including taxes, etc.) is less than 10% of the estimated value, there will be no bar on placement of contract.*
- (b) *In all other cases, the procurement process is to be scrapped and restarted either as QOP or on non-QCBS basis.*

The principles of QCBS shall be as provided in rule 192(i), (ii) and (iii) of the GFRs. However, the maximum weight of the non-financial parameters shall in no case exceed 30%.

15.2.2 *The Competent Authority for allowing QCBS shall be as follows:*

- (i) For declaring a procurement as QOP:
 - (a) Where the procuring entity / project executing authority is covered by rule 1 of GFRs, The Secretary of the Ministry / Department, to which the procuring entity belongs.
 - (b) Where the procuring entity is a CPSE, the Board of Directors of the CPSE.
- (ii) For Non-consulting Services not exceeding ₹10 crore in value:
 - (a) Where the procuring entity is covered by Rule 1 of GFR, by the officer or authority two levels above the officer/authority competent to finalize the particular procurement, or the Secretary of the Ministry/Department whichever is lower.
 - (b) Where the procuring entity is a CPSE, the authority or officer two levels above the officer competent to finalize the particular procurement, or the Board of Directors of the CPSE whichever is lower.

15.2.3 *In all cases of QOP, a Special Technical Committee (STC) shall be constituted with the following composition:-*

- (i) Two or more persons who have expert knowledge and / or long experience relevant to the procurement in question;
- (ii) One or more persons with extensive experience in handling public projects and / or public finance in the Government or State / Central Public Sector;
- (iii) One or more persons with experience in financial management / financial administration / audit / accountancy;
- (iv) Not more than one Member representing the procuring entity who may *inter alia* provide administrative support to the Committee.
- (v) Any person who is a Member of the STC shall not associate himself in any manner with any bidder for the procurement concerned.

- (vi) The persons referred to in sub paras (i) to (iii) shall be persons not working under the Competent Authority specified in para 15.2.2 and shall not belong to any organization under the control of, or receiving funding from, the procuring entity or the Ministry/Department to which such procuring entity belongs.

15.2.4 The names of Members of the Special Technical Committee shall be decided either by the Competent Authority specified in para 15.2.2 above or by any other authority to whom such power is delegated by the Competent Authority; however, powers shall not be delegated to the officer or authority competent to finalize the particular procurement. Sitting fee may be paid to the Members of the STC. Incidental costs including travel shall be paid by the procuring entity.

15.2.5 *The STC shall make specific recommendations on the following matters:-*

- (i) The weight to be given to non-financial parameters (not exceeding 30%).
- (ii) The specific quality/technical parameters, their weights, their scoring methodology, the minimum qualification score, *etc.* and other relevant criteria necessary for ensuring fair and transparent quality/technical evaluation of the bids.

The recommendations of the STC shall be followed except where there are special grounds in public interest for deviating from them. However, every case of deviation from the recommendations of the STC shall require approval of the Competent Authority specified in para 15.2.2(i) above who approved the declaration of the procurement as QOP.

15.2.6 In respect of QCBS for Non-Consultancy Services not exceeding ₹ 10 crore, a Technical Committee shall be constituted to carry out functions mentioned in para 15.2.5 *in lieu* of the STC.

The composition of the Technical Committee shall follow the provisions of para 15.2.3 (i) to (v). The provisions of 15.2.3 (vi) shall however not be applicable in such cases.

15.2.7 Grounds for Declaring a Procurement to be Quality Oriented Procurement: A procurement should be declared as a QOP only if, there is enough justification in terms of value addition or enhancement of delivery or paramount importance of quality. reasons for not adopting two cover / pre-qualification-based / least cost system shall be documented.

15.2.8 Tender Documents — Fixing / Selection of the Evaluation/ Qualification Criteria:

- (i) To ensure quality, some of the criteria used in marking may be made mandatory and if, a bidder does not meet those, then bids shall not be evaluated further.
- (ii) Weightage may also be given for timely completion of past projects of similar nature by the bidder.
- (iii) In all cases of QOP, a pre-bid meeting shall be held in which the technical criteria including the marking scheme shall be discussed with the potential bidders. If, any changes in the criteria are necessitated by such consultation, such changes shall require the recommendation of the STC. In Non-Consultancy Services, pre-bid meetings may be held at the discretion of the public authority.

15.2.9 Fixing of Scoring / Marking Criteria:

- (i) The scoring should not be a variable that relies on the subjective opinion of the evaluating panel. The marking scheme should enable achievement of almost similar scores irrespective of the persons / experts being involved in the evaluation process.

When the outcomes are consistent for the available information, the QCBS parameters are more reliable. Unambiguous description and criteria help to avoid grey areas so as to ensure that there is only one possible score for the item. As far as possible, the criteria should be so specific and clear that bidders can self-mark their own bids.

- (ii) It is better to specify minimum marks for meeting the qualifying criteria specified.
- (iii) Examples of fixed quality parameters that ought not to be considered for relative scoring include organizations' ISO/Standards' accreditation, *etc.* These are required to establish the credentials of the service provider, but, cannot be used for relative comparison between various bidders.
- (iv) Bidders should be asked to produce certificates for the past performance. A format may be given in the tender itself outlining the contract details, completion, sustainability of service, *etc.* and bidders may be asked to fill it and give evidence to that effect.
- (v) Bidders may be asked to submit a detailed presentation on their proposals in the form of soft copy along with the bid so as to facilitate better understanding of their proposal and to ensure commitment.
- (vi) Besides the Bill of Quantity (BoQ) output criteria for payment, Key Performance Indicators (KPIs) may be specified with minimum achievement levels for payment so as to ensure quality compliance.

15.2.10 *Evaluation of QCBS Bids*: For evaluation, a suitable Committee shall be constituted. However, members of the STC shall not be involved.

15.2.11 *Joint ventures in QCBS*:

- (i) In conventional tenders, some bidders adopt "name borrowing" and Joint Ventures (JV) often do not function in letter and spirit. This results in lack of quality and accountability. JVs often end in one-sided participation, diluting the essence of the tender evaluation during its performance. Since quality is given weightage in the evaluation itself, in QCBS procurement,

it is even more important to guard against such tendencies. Therefore, Joint Ventures may be avoided in QCBS procurements as far as possible. Joint Ventures could, however, become necessary in high technology or innovative projects where a single entity may not be able to execute the work alone.

- (ii) If, JVs are allowed, adequate safeguards should be provided. Since weightage for quality / experience influences the award itself, measures should be taken to ensure that all the JV partners are present and deliver services all through the contract period. An Implementation Board with participation of all JV partners may be provided for wherein, the Project Manager from the procuring entity shall also be allowed audience when required. Meeting of JV partners with the Project Executing Authority for quarterly progress review may be made as a criterion linked to achievement of key dates or even payment.

16. Arbitration and dispute resolution

16.1 During operation of the contracts, issues and disputes arising due to lack of clarity in the contract become the root cause for litigation. Litigation has adverse implications on the timelines and overall cost of the project. Before resorting to arbitration / litigation, the parties may opt for mutual discussion, mediation, and conciliation for the resolution of disputes.

16.2 Arbitration/Court awards should be critically reviewed. In cases where there is a decision against Government/Public Sector Enterprise (PSE), the decision to appeal should not be taken in a routine manner, but, only when the case genuinely merits going for the appeal and there are high chances of winning in the Court/Higher Court. There is a perception that such appeals, *etc.* are sometimes resorted to postpone the problem and defer personal accountability. Casual appealing in Arbitration/Court cases has resulted in payment of heavy damages/compensation/additional interest cost, thereby causing more harm to the exchequer, in addition to tarnishing the image of the Government.

16.3 The procuring entity should monitor the success rate of appealing against Arbitration awards. There should be a clear delegation to empower officials to accept Arbitration/Court orders. A special Board/

Committee may be set up to review the case before an appeal is filed against an order. Arbitration/Court awards should not be routinely appealed without due application of mind on all facts and circumstances including realistic probability of success. The Board / Committee or other authority deciding on the matter shall clarify that it has considered both legal merits and the practical chances of success and after considering the cost of, and arising through, litigation / appeal / further litigation as the case may be, it is satisfied that such litigation / appeal / further litigation cost is likely to be financially beneficial compared to accepting the Arbitration/Court Award.

16.4 Statistics have shown that in cases where the Arbitration Award is challenged, a large majority of cases are decided in favour of the contractor. In such cases, the amount becomes payable with interest, at a rate which is often far higher than the Government's cost of funds. This results in huge financial losses to the Government. Hence, in aggregate, it is in public interest to take the risk of paying a substantial part of the award amount subject to the result of the litigation, even if, in some rare cases of insolvency, *etc.* recovery of the amount in case of success may become difficult. Instructions have been issued in this matter in the past, but, have not been fully complied with. The GFRs have now been amended accordingly.

16.5 All procuring entities and public authorities are required to comply with rule 227A of GFRs. The only circumstances in which such payment need not be made is where the contractor declines, or is unable, to provide the requisite Bank Guarantee and/or fails to open escrow account as required. Persons responsible for not adhering to the rule 227A of the GFRs are liable to be held personally accountable for the additional interest arising, in the event of the final Court order going against the procuring entity.

17. Aligning the interest of stakeholders

17.1 The incentive structure for all the key stakeholders of public procurement ought to be such that the system itself will ensure timely delivery of the projects/works in a qualitative manner within approved cost. A balanced framework and work culture, where risks and rewards are properly shared amongst stakeholders and timely completion of quality projects is the common goal, can be the bedrock of efficient project management. An incentive structure, which may include pecuniary as well as non-pecuniary aspects (including public

recognition), linked with measurable parameters of outcome/output, can help align the interests of stakeholders. An ethics-based regime, wherein, integrity of all the stakeholders is nurtured, can help increase efficiency in all aspects of project management.

17.2 Public authorities may devise strategies to provide incentives to contractors/concessionaires/consultants/architects/other stakeholders by various means, including bonus, better rating and recognition for early/ timely and quality completion of projects. Similar strategies may be devised for recognition of engineers/officers/other team members for early/ timely and quality completion of the projects. The practice of mentioning the names of contractor and the project in-charge publicly at work sites may be implemented. Such recognition may be in a form which has long shelf life so as to associate the contractor and project in-charge with the life of the project.

17.3 "Coming together is a beginning; keeping together is progress; working together is success." It is an accepted fact that the success of any project is dependent on a well-co-ordinated team working towards a common goal. For successful execution of any project within specified time, cost and quality, the interest of all the stakeholders needs to be aligned. Coordinated efforts of all stakeholders such as contractors, consultants, public authority and Project Executing Authority and public representatives will bring about the best possible outcome.

Sd/-

(KANWALPREET)

Director (Procurement Policy)

Tel.: 23093811

e-mail: kanwal.irss@gov.in

To

- (i) Secretaries to All Central Government Ministries/ Departments.
- (ii) Secretary, Department of Public Enterprises with a request for reiterating these instructions to all Central Public Sector Enterprises.

Copy to:

- (i) Cabinet Secretary.
- (ii) Secretary, Central Vigilance Commission.

ACKNOWLEDGMENTS

The valuable contribution of the following persons at various stages and/or different aspects of preparation of these instructions are gratefully acknowledged:-

1. Shri Rajiv Mehrishi, formerly Comptroller and Auditor-General of India
2. Shri Sanjay Kothari, formerly Central Vigilance Commissioner
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4. Shri Suresh N Patel, Vigilance Commissioner, CVC
5. Shri Amitabh Kant, CEO, NITI Aayog
6. Shri Otem Dai, Secretary, CVC
7. Smt. Mahua Pal, Deputy CAG
8. Shri P Daniel, Additional Secretary, CVC
9. Shri Sudhir Kumar, Additional Secretary, CVC
10. Shri Shailendra Kumar, Chief Technical Examiner, CVC
11. Ms. M. Janaki, Director, CVC
12. Ms. Wormila Jasmine Keishing, Deputy Secretary, CVC
13. Shri Sandeep Verma, Government of Rajasthan
14. Shri Jebaselwin Gladson, Chennai Metro Rail Ltd.,
15. Smt. Anuradha Thakur, Additional Secretary, Cabinet Secretariat
16. Shri Devendra Dhagarra, Deputy Adviser, NITI Aayog
17. Shri Chandrasekhar Jain, Consultant, NITI Aayog
18. Shri Sanjay Aggarwal, Adviser, DoE
19. Shri Kanwalpreet, Director, DoE
20. Shri Girish Bhatnagar, Consultant, DoE
21. Shri Shanker Lal, World Bank

**GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

No. 3007/FD/F3/2020-21

Puducherry, dated 14-10-2020

I.D. NOTE

Sub. : Finance Department - Purchase of POL products through "Xtra Power Fleet Card" of Indian Oil Corporation - Clarification - Issued.

Ref. : Circular No. 3007/FD/F3/2020-21, dated 24-09-2020 of Finance Department, Puducherry.

Kind Attention is invited to the reference cited wherein instructions for purchase of POL products through "Xtra Power Fleet Card Programme" of IOC have been issued.

2. In pursuance of the Circular, queries are being raised by the Departments as to whether No Objection Certificate from the concerned Co-operative Institutions is to be obtained before switching over to the Fleet Card Programme. In this regard, as already mentioned at para 3(iv) of the Circular cited, it is reiterated that settling the dues with the Co-operative Institutions may be dealt with separately and switching over to the Fleet Card Programme is NOT conditional on obtaining NOC.

3. Hence, the Departments may take necessary action to immediately switch over to 'Fleet Card Programme' in order to avoid the difficulties in purchase of POL products.

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretariat Departments.

All Heads of Departments/Offices.

**GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

No. 3007/FD/F3/2020-21

Puducherry, dated 24-09-2020

CIRCULAR

Sub. : Finance Department - Purchase of POL products for the Department vehicles/generators through "Xtra Power Fleet Card" of Indian Oil Corporation - Instructions Issued.

Ref. : 1. G. O. Ms. No. 7/Tr. Sectt./201, dated 17-09-2013 of Transport Secretariat, Puducherry.

2. I.D. No. 41311/FD/F3/2013, dated 03-12-2013 of Finance Department, Puducherry.

3. Circular No. DAT/B&A/Perm. Adv/Veh./2013-14/05, dated 21-04-2014 of DAT, Puducherry.

It is stated that the existing system of purchase of POL products from Co-operative Institutions/PSUs on credit basis, introduced *vide* G.O. 1st cited could not be continued in view of the insufficiency of funds being faced by the Co-operative Institutions/PSUs for supplying POL products on credit basis. Therefore, it is now decided to switch over to the pre-paid digital mode of fuelling through Indian Oil Corporation's XTRA POWER Fleet Card.

2. The salient aspects of the Fleet Card Programme are as follows:

- The Xtra Power Fleet Card is a smart chip based Fleet Card Program where the Department has to apply for a Customer ID for grouping and enroll each vehicle for the Fleet Card.
- The application format is available in IOC website which can be downloaded and the details of the Department and vehicles which are owned by the Department may be filled in and submit the same in their retail outlet along with a copy of registration certificate of the vehicle and TAN Number attested by the concerned authority.
- Based on the application and other documents, IOC issues smart chip based Fleet Card along with Indent Book of their stores.

- The Fleet Card is transacted in any of the Indian oil retail outlets wherever the Xtra power facility is available, M/s. Amudhasurabi and the Pondicherry Co-op. Building Centre are having this facility.
- Whenever the need for the POL products arises, the Indent Book needs to be sent to the retail outlets of the Petrol Bunk, duly mentioning the vehicle number, litres, sign by the concerned authority with official seal of the Department.
- Based on the indent book, the outlet will supply the POL products by swiping the card for making payment and accordingly the amount is transferred to Bank account of their stores immediately and also invoice is issued along with slips of delivery point and POS machine for the transactions.
- The amount for fuel will be operated from the permanent advance amount sanctioned to the Department concerned which in turn deposits in the IOC account.
- This pre-paid amount will be recouped by submitting the invoice issued during each transaction to DAT for recharging the permanent advance and IOC account.
- There will be a SMS for every transaction through the cards. Reports can be generated online instantly for any vehicle / any period.
- Loyalty incentives @ 0.75% of the amount recharged, which can be used for purchasing fuel.

3. The Head of Departments/Offices of Puducherry Administration are therefore requested to switch over to the Fleet Card Programme of Indian Oil Corporation subject to the following:

- (i) Each Department / Sub-office shall obtain a single Fleet Card for operation of all vehicles/generator of the particular Department / Sub-office. Purchase of POL products may be made through any retail outlet of IOC having the Fleet Card facility, preferably owned by one of the Co-operatives.
- (ii) The Department / Sub-offices having 3 or more vehicles and likely to face difficulties in the managing operation of vehicles with single Fleet Card may opt for 2 or more Fleet Cards by suitably grouping the vehicles to be mapped with each card.

- (iii) The Permanent advance sanctioned earlier for each departmental vehicle / generator shall be surrendered and fresh sanction for Permanent advance for the Fleet Card Programme shall be obtained based on the average bimonthly consumption of each vehicle/generator for the past 12 months as envisaged *vide* G.O. Ms. No.7/Tr.Sectt./2013, dated 17-09-2013 of Transport Secretariat, Puducherry.
- (iv) While switching over to the Fleet Card Programme, the Departments shall also settle the POL dues pending with Co-operative Institutions as indicated in I.D. Note No.D-26015/1/2019/TD(SW), dated 26-05-2020 of Transport Department, Puducherry.
- (v) The instructions of Finance Department and DAT issued *vide* reference 2nd and 3rd cited regarding drawal of Permanent advance for purchase of POL products for Government vehicles shall be adhered to.

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretariat Departments.

All Heads of Departments/Offices.

No.1401/FD/F3/2019-20
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 31-01-2020

I.D. NOTE/OFFICE MEMORANDUM

Sub. : Finance Department – Procurement outside GeM/
e-procurement Portal — Compliance to the instructions of
the Ministry of Home Affairs — Reg.

Ref. : Letter No.15041/05/2019,UTS-I, dated 29-11-2019 of the
Ministry of Home Affairs, Government of India.

In compliance to the instructions of Ministry of Home Affairs,
Government of India on zero tolerance towards corruption, *vide* reference
cited, the Government Departments are hereby directed to ensure that the
procurement of services and goods in respect of their Department are
made only through GeM, in respect of items available on GeM. In case of
procurement outside GeM, it must be ensured that all the bids are through
e-procurement portal.

2. The exceptional cases of **procurement outside GeM/
e-procurement** which are not in accordance with GFR provisions shall
be done only with the prior approval of Chief Secretary, Puducherry.

3. The above instructions shall also apply to the PSUs/Autonomous
Institutions of this Administration.

//BY ORDER//

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To

1. All Secretaries to Government, Puducherry.
2. All Secretariat Departments.
3. All Heads of Departments/Offices.

No.F.1/26/2018-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION

Room: No. 512, Lok Nayak Bhawan,
New Delhi dated the 2nd April, 2019.

OFFICE MEMORANDUM

Sub. : Replacement of name of erstwhile DGS&D (Directorate—General of Supplies & Disposals) by GeM (Government e-Marketplace) in General Financial Rules (GFRs), 2017 - Reg.

The undersigned is directed to refer Supply Division, Department of Commerce (DoC) OM No 1(1)/2018-Pol. dated 20.08.2018 proposing changes in GFRs, 2017 and to say that the proposal of DoC has been examined and it has been decided with the approval of Finance Minister to make changes to the GFRs, 2017 as tabulated below:

Sl. No	Existing Provisions of GFRs, 2017	Amended Rule
1.	<p>Rule. 147: Powers for procurement of goods:</p> <p>The Ministries or Departments have been delegated full powers to make their own arrangements for procurement of goods. In case, however, a Ministry or Department does not have the required expertise, it may project its indent to the Central Purchase Organisation (e.g. DGS & D) with the apporval of Competent Authority. The indent Form to be utilized for this purpose will be as per the standard Form evolved by the Central Purchase Organisation.</p>	<p>Rule 147: Powers for procurement of goods:</p> <p>The Ministries or Departments have been delegated full powers to make their own arrangements for procurement of goods and services, that are not available on GeM. Common use Goods and Services available on GeM are required to be procured mandatorily through GeM as per Rule 149.</p>

Sl. No	Existing Provisions of GFRs, 2017	Amended Rule
2.	<p>Rule 149 Government e-Marketplace (GeM)</p> <p>DGS & D or any other agency authorized by the Government will host an online Government e-Marketplace (GeM) for common use Goods and services. DGS & D will ensure adequate publicity including periodic advertisement of the items to be procured through GeM for the prospective suppliers. The Procurement of Goods and Services by Ministries or Departments will be mandatory for Goods or Services available on GeM. The credentials of suppliers on GeM shall be certified by DGS&D. The procuring authorities will certify the reasonability of rates. The GeM portal shall be utilized by the Government buyers for direct on-line purchases as under:</p> <p>(i) Up to Rs.50,000/- through any of the available suppliers on the GeM meeting, the requisite quality, specification and delivery period.</p> <p>(ii) Above Rs.50,000/- and up to Rs.30,00,000/- through the GeM Seller having lowest price amongst the available sellers, of at least three different manufacturers. on GeM, meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by The Buyer if, decided by the Competent Authority.</p>	<p>Rule 149 Government e-Marketplace (GeM) :</p> <p>Government of India has established the Government e-Marketplace (GeM) for common use Goods and Services. GeM SPV will ensure adequate publicity including periodic advertisement of the items to be procured through GeM for the prospective suppliers. The Procurement of Goods and Services by Ministries or Departments will be mandatory for Goods or Services available on GeM. The credentials of suppliers on GeM shall be certified by GeM SPV. The procuring authorities will certify the reasonability of rates. The GeM portal shall be utilized by the Government buyers for direct on-line purchases as under:</p> <p>(i) Up to Rs.25,000 through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.</p> <p>(ii) Above Rs.25,000 and up to Rs.5,00,000 through the GeM Seller having lowest price amongst the available sellers (excluding Automobiles where current limit of 30 lakh will continue), of at least three different manufacturers on GeM, meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM can be</p>

Sl. No	Existing Provisions of GFRs, 2017	Amended Rule
	<p>(iii) Above Rs.30,00,000/- through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM.</p>	<p>used by the Buyers even for procurements less than Rs 5,00,000.</p> <p>(iii) Above Rs.5,00,000 through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM (excluding Automobiles where current limit of 30 lakh will continue).</p> <p><i>Note : There is no change in clauses (iv) to (viii).</i></p>
3.	<p>Rule 150: Registration of Suppliers:</p> <p>(i) With a view to establishing reliable sources for procurement of goods commonly required for Government use, the Central Purchase Organisation (e.g. DGS&D) will prepare and maintain item-wise lists of eligible and capable suppliers. Such approved suppliers will be known as "Registered Suppliers. All Ministries or Departments may utilise these lists as and when necessary. Such registered suppliers are <i>prima facie</i> eligible for consideration for procurement of goods through Limited Tender Enquiry. They are also ordinarily exempted from furnishing bid security along with their bids. A Head of Department may also register suppliers of goods which are specifically required by that Department or Office, periodically.</p>	<p>Rule 150: Registration of Suppliers:</p> <p>(i) For goods and services not available on GeM, Head of Ministry/Department may also .register suppliers of goods and services which are specifically required by that Department or Office, periodically. Registration of the supplier should be done following a fair, transparent and reasonable procedure' and after giving due publicity. Such registered suppliers should be boarded on GeM as and when the item or service gets listed on GeM.</p>

Sl. No	Existing Provisions of GFRs, 2017	Amended Rule
	<p>Registration of the supplier should be done following a fair, transparent and reasonable procedure and after giving due publicity.</p> <p>(v) The list of registered suppliers for the subject matter of procurement be exhibited on the Central Public Procurement Portal and websites of the Procuring Entity / e-Procurement / portals.</p>	<p>(v) The list of registered suppliers for the subject matter of procurement be exhibited on websites of the Procuring Entity/ e-Procurement portals.</p> <p><i>Note: There is no change in clauses (ii) to (iv).</i></p>
4.	<p>Rule 155: Purchase of goods by Purchase Committee:</p> <p>Purchase of goods costing above Rs. 25,000 (Rupees twenty-five thousand only) and up to Rs.2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The Committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the Committee will jointly record a certificate as under:</p> <p>"Certified that we, members of the Purchase Committee are jointly and individually satisfied that the</p>	<p>Rule 155: Purchase of goods by Purchase Committee:</p> <p>In case a certain item is not available on the GeM portal. Purchase of goods costing above Rs. 25,000 (Rupees twenty-five thousand only) and up to Rs.2,50,000 (Rupees two lakh and fifty thousand only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The Committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the Committee will jointly record a certificate as under:</p> <p>"Certified that we, members of the purchase Committee are jointly and individually satisfied that the</p>

Sl. No	Existing Provisions of GFRs, 2017	Amended Rule
	goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question, and it is not debarred by Department of Commerce or Ministry/Department concerned."	goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question, and it is not debarred by Department of Commerce or Ministry/ Department concerned.
5.	Rule 225 (xiii): Copies of all contracts and agreements for purchases of the value of Rupees Twenty-five Lakhs and above, and of all rate and running contracts entered into by Civil Departments of the Government other than the Departments like the Directorate-General of Supplies and Disposals for which a special audit procedure exists, should be sent to the Audit Officer and / or the Accounts Officer as the case may be.	Rule 225 (xiii) Copies of all contracts and agreements for purchases of the value of Rupees Twenty-five lakhs and above entered into by Civil Departments of the Government should be sent to the Audit Officer and or the Accounts Officer as the case may be.

2. It has been also decided to delete Rules 148,156,159(iv),160(iii), 173 (xv) and 174(iv) of GFRs, 2017 related to rate contracts.
3. This OM is also available on our website www.doe.gov.in → Notification → Circular → Procurement Policy OM.
4. Hindi version of this OM will follow.

Sd/-

(K. NARAYANA REDDY)

Under Secretary to the Government of India

Telefax : - 24621305

e-mail : kn.reddy@nic.in

To

- (i) Secretaries to All Central Government Ministries / Departments
- (ii) Financial Advisor of All Central Government Ministries / Departments.

**No.F6/1/2018-PPD
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PROCUREMENT POLICY DIVISION**

Room No. 516, Lok Nayak Bhawan,
New Delhi, dated the 19th January, 2018

OFFICE MEMORANDUM

Sub. : Procurement through Government e-Marketplace
(GeM) – Reg.

The undersigned is directed to refer to Ministry of Science and Technology (MST) OM No. MST/PRAO/Estt./22-38/2017-18/1952, dated 12.01.2018 forwarding the minutes of the Standing Committee of MST on GeM, wherein, it was pointed out that there is divergence between Rule 149 and Rule 154 & 155 of General Financial Rules (GFRs). In this regard, it is clarified that Rule 149 of GFR provides for the mandatory procurement of common use Goods and Services by Ministries or Departments for Goods or Services available on GeM. Hence, only in case of goods and services (of required specification or within required delivery period, *etc.*) are not available on GeM, the procuring entity can resort to Rules 154 and 155 of GFRs *i.e.*, procurement without quotation or procurement on the recommendations of a duly constituted Local Purchase Committee.

2. This issues with the approval of JS(PF C-II).

Sd/-

(K. NARAYANA REDDY)

Under Secretary to the Government of India

Tel. No. : 24621305

e-mail : kn.reddy@nic.in

To

Financial Advisor, Ministry of Science and Technology, New Delhi.

Copy to

- (i) Secretaries to All Central Government Ministries / Departments
- (ii) Financial Advisor of All Central Government Ministries / Departments.

No. 16016/FD/F3/2017
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 22-12-2017.

I.D. NOTE/OFFICE MEMORANDUM

Sub. : FD-Appointment of Nodal Officer to monitor the procurements through Govt. e-Marketplace Portal-Reg.

Ref. : 1) ID Note/O.M. No. 16016/FD/F3/2017 dated 21-07-2017 of Finance Department, Puducherry.
2) e-mail communication dated 17-10-2017 received from the Additional CEO, GeM, Government of India.

Attention is drawn to the reference 1st cited wherein, instructions have been issued to all Government Departments to procure all common use Goods and Services mandatorily through Government e-Marketplace in terms of rule 149 of GFRs, 2017.

2. The Additional CEO, GeM, Government of India *vide* reference 2nd cited has communicated the activities to be taken on priority for the active use of Gen Portal which *inter alia* includes appointment of a Nodal Officer for each State/Union Territory to monitor the procurements through Government e-Marketplace.

3. Accordingly, it is decided that the Director, Directorate of Information and Technology, Puducherry, will function as the Nodal Officer for procurements through GeM Portal in the Union territory of Puducherry.

4. The Nodal Officer so assigned will coordinate with Authorities concerned with Government e-Marketplace for measures to be taken for effective use of the portal and participation of all Government Department/all Government Institutions and Autonomous Bodies besides imparting of adequate training to the Departmental Officials and all other stakeholders on the functionalities of GeM Portal.

//BY ORDER//

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government(Finance)

To

The Director,
Directorate of Information Technology,
Puducherry.

Copy to :

1. The Additional CEO, Government e-Marketplace, Government of India, New Delhi.
2. The Secretary (IT), Chief Secretariat, Puducherry.
3. All Secretaries/Special Secretaries to Government Puducherry.
4. The Collector, Karaikal.
5. The Regional Administrator, Mahe/Yanam.
6. The PS to Chief Secretary, Puducherry.
7. All Secretariat Departments.
8. All Heads of Departments/Heads of Offices.
9. The Director of Accounts and Treasuries, Puducherry/ Karaikal/Mahe/Yanam.
10. Stock File/Spare.

No.16016/FD/F3/2017
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 21-07-2017

I.D. NOTE / OFFICE MEMORANDUM

Sub. : Utilization of GeM (Government e-Marketplace) while procuring goods and services by Departments in terms of Rule 149 of GFR, 2017 Reg.

Ref : I.D. Note No.1606/FD/F3/2017 dt.06.07.2017 of Finance Department, Puducherry.

General Finance Rules, 2017 has been introduced by Government of India, Ministry of Finance, Department of Expenditure vide their O.M. No.14(3)72015- E.II(A) dt.08.03.2017 which has been communicated *vide* reference cited for implementation in this Administration.

2. Attention is invited to Rule 149 of GFRs, 2017 which stipulates that the procurement of Goods and Services by Ministries or Departments will be mandatory for Goods and Services available on Government e-Marketplace (GeM). In tune with this Rule provision, Government of Puducherry has already signed a Memorandum of Understanding with the Government e-Marketplace, Department of Commerce, Government of India to onboard with GeM Portal.

3. The detailed instructions for use of user organization registration, supplier registration, listing of product, terms and conditions, online bidding, reverse auction, demand aggregation, call centre, *etc.* are available in the GeM Portal available under the url : <http://gem.gov.in>.

4. All the Government Departments are, therefore, directed to procure all common use Goods and Services including computer/hardware, software and accessories mandatorily through Government e-Market place in accordance with rule 149 of GFRs, 2017, with the approval of Competent Authority to whom the power for such procurement has been delegated. In case of non-availability of the required items in the GeM Portal, the concerned Head of Department/Head of Office shall place on record, a specific certification that the particular item is not available for procurement in the GeM Portal, before resorting to other means of procurement.

-//BY ORDER//-

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To

All Secretariat Departments.

All Heads of Departments/Offices.

All Heads of Autonomous Institutions/Boards/Corporations/Societies.

IMPORTANT

No. G.24011/3/2017-18/F1(B)
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 24th October, 2017

I.D. NOTE

Sub. : Finance Department- Distortion of budget and expenditure management by Awarding of Works without call of tender on Nomination basis -Instructions for strict compliance of GFRs, 2017 and provisions of CPWD Manual - Issued.

Ref. : I.D.Note No.6351/PW/CE/SAO/PO/BCV1A/2016-17, dated 05.09.2017 of the PWD, Puducherry.

Rule 21 of GFRs, 2017 states that every officer incurring or authorizing expenditure from public moneys should be guided by high standards of financial propriety and every officer should also enforce financial order and strict economy and see that all relevant financial rules and regulations are observed by his own office and by subordinate officers. **Rule 22 of GFRs, 2017** on 'Expenditure from Public Funds' also states that 'no authority may incur any expenditure or enter into any liability involving expenditure unless the same has been sanctioned by a Competent Authority'. **Rule 57** assigns the responsibility for control of expenditure against the budget on the concerned Department and that such control shall be exercised through the Head of .Department (*i.e.* .Chief Engineer, in the present case) and other Controlling Officers if any, and Disbursing Officers subordinate to them.

Rule 136 of GFRs,2017 also stipulates that no works shall be commenced or liability incurred in connection with it until administrative approval and sanction to incur expenditure has been obtained from the appropriate authority in each case, a properly detailed design and estimates containing the detailed specifications and quantities of items have been prepared on the basis of Schedule of Rates and sanctioned, funds to cover the charge during the year has been provided in the Budget by Competent Authority and tenders invited and processed in accordance with rules'.

2. In the light of the letter and spirit of the above provisions, the proposal received from the Public Works Department *vide* reference cited, seeking additional funds towards settlement of pending payment to the Contractors to a tune of ₹ 115.00 crores has been analyzed examined in detail and the following glaring discrepancies have been noticed:

- (i) Non-building category works have been awarded without call of tender on nomination-basis by PWD for which they are not empowered to do so.
- (ii) More than 70% of the liability works have been awarded on nomination basis without call of tender.
- (iii) Most of the works have been split-up into more number of works for smaller amount in order to avoid getting approval/sanction of the higher authorities and/or to facilitate award of work on nomination basis.
- (iv) Majority of the works / routine works have been taken up on nomination basis without any urgency involved in the works in violation of CPWD Manual.
- (v) No grouping of works have been done.
- (vi) For most of the works awarded on nomination basis for which liability is shown (i) approval of the Competent Authority is yet to be obtained (ii) bills are yet to be submitted (iii) estimate is yet to be submitted or (iv) estimate is yet to be prepared.
- (vii) In few cases, it is noticed that the works started on urgency grounds through nomination basis, is yet to be completed even after lapse of several months.
- (viii) Majority of the works have been awarded without call of tenders / with call of tenders, without ascertaining fund/budget availability for the (a) current proposal (b) ongoing works and (c) completed works for which payment is pending.
- (ix) The Department has taken up works without budget availability and through nomination basis, as a matter of routine, without any concern for prudent expenditure /budget management.
- (x) Classification of expenditure under Revenue and Capital, depending upon the nature of work has not been properly done.

(xi) The reason for the huge pending liability is mainly due to lack of planning and budgetary management by the concerned authorities in the Public Works Department and lack of appropriate monitoring and review.

3. The above deviations would attract serious audit objections and could also lead to filing of more number of arbitration cases for payment of award in such works, adding to the financial burden of the Government. In view of the above and in order to execute the works, as per the guidelines of CPWD Manual without any deviation and to ensure financial prudence and proper budget / expenditure management, the following instructions are issued for strict adherence.

- (a) The Department should submit an Annual Action Plan during submission of Budget Estimate every year factoring the liability for ongoing and completed works. The works should be strictly executed as per Annual Action Plan and in strict compliance of GFRs provisions and provisions of CPWD Manual.
- (b) No works shall be commenced or liability incurred in connection with it until administrative approval and sanction to incur expenditure has been obtained from the appropriate authority in each case, a properly detailed design and estimates containing the detailed specifications and quantities of items have been prepared on the basis of Schedule of Rates and sanctioned by the Competent Authority, funds to cover the charge during the year has been provided in the Budget by Competent Authority and tenders invited and processed in accordance with rules (GFR-136)
- (c) In order to prevent acquisition of new liabilities without budgetary support, any proposal for new works should be referred to Finance Department along with details of liability for ongoing works / completed works / works already sanctioned and the fund availability in the budget.
- (d) Proper expenditure classification should be done under revenue and capital head, depending upon the nature of works as per the guidelines of CPWD Manual and provision under GFRs.
- (e) Smaller works should be grouped together and tendered for awarding works at competitive rate.

- (f) Works should not be split up into more number of smaller works for smaller amount, so as to get the approval of lower authority in violation of the financial procedure or to award the work on nomination basis.
- (g) No work should be awarded without call of tender / quotation. In the case of urgent and emergent works, where award of work is necessary without call of tenders, then provisions of section 14 of CPWD Works. Manual, 2014 should be strictly followed.
- (h) If, award of works without call of tenders are necessary during emergency situation / urgency, then a certificate to that effect (*i.e.* necessity and urgency) must be obtained from the next higher authority before commencement of the work. *i.e.* If, Executive Engineer is awarding the work, the Department Head *viz.* Chief Engineer, PWD, should certify the necessity and urgency of the work. Similarly, if, Chief Engineer awards nomination work, then such certificate must be obtained from Secretary (Works). The Award and execution of works without such certificate of necessity and urgency from the Chief Engineer / Secretary (Works) would make the Divisional Engineer solely accountable and liable for his/her actions.
- (i) If, any Arbitration/Court case arises from nomination works or by non-adherence of codal provisions or on account of violation of agreement conditions in execution of works (*viz.* by way of additional or extra items beyond the scope of the estimate), then the Officers responsible for award of such works shall be held accountable and liable for the commissions and omissions. Responsibility will also be fixed on the Officers who have not properly defended such Arbitration/Court cases.
- (j) Instructions issued by PWD *vide* Circular No. . 544/PW/CE/ Works/Tech.Cir/ 2007-08, dated 08.05.2007 in the matter of. Arbitration cases should be strictly followed.
- (k) The Accounts Officers in the Chief Engineer Office and other Divisional Offices shall ensure strict compliance of these instructions both at the time of scrutiny of work proposals and at the time of preparation / settlement of bills.

4. The instructions issued under para-3 may be communicated to Chief Engineer, PWD and all the Divisional Engineers working under his control and in PSUs/ Boards/ Other Autonomous Bodies, for strict compliance, to promote financial discipline, administrative due diligence and effective public fund management in execution of public works.

Sd/-

(Dr. V. CANDAVELOU)

Commissioner-cum- Secretary to Government (Finance)

To

The Secretary to Government (Works)
Chief Secretariat
Puducherry.

Copy for information / necessary action to :

1. The Chief Engineer, Public Works Department, Puducherry
2. All the Superintending Engineers & Executive Engineers, Public Works Department, Puducherry/ Karaikal /Mahe/Yanam.
3. All PSUs / Boards with Engineering wing & involved in project/Civil works.
4. The Director, Directorate of Accounts & Treasuries, Puducherry
5. The Director (Planning), Government of Puducherry
6. The Under Secretary to Government (Finance), Puducherry for uploading on Finance Department's website.
7. The Under Secretary to Government (Vigilance), Puducherry
8. All the Deputy Directors, DAT, Karaikal/ Mahe/Yanam
9. All Sections of Finance Department, Chief Secretariat, Puducherry

GOVERNMENT OF PUDUCHERRY
ABSTRACT

PRD - Setting up of Public Private Partnership (PPP) Cell in the Planning and Research Department-Notifying the Planning and Research Department as Nodal Department and Secretary(Planning) as Nodal Officer - Order - Issued.

PLANNING AND RESEARCH DEPARTMENT

G.O.MS.No. 7/2012/PRD/PF, Puducherry, dated 11-10-2012.

Read: ID Note No. 75/1/2012/PRD/DD(PF)PPP,
dated 20-9-2012 of Planning and Research
Department, Puducherry.

ORDER

His Excellency the Lieutenant-Governor is pleased to notify that the Planning and Research Department, Puducherry, as Nodal Department and Secretary (Planning) as Nodal Officer for implementing the Public Private Partnership Programmes in the Union territory of Puducherry. Approval is also accorded for setting up of Public Private Partnership (PPP) Cell in the Planning and Research Department.

The functions of the Public Private Partnership Cell would be as follows

- a. To identify, conceptualize and create a shelf of projects in consultation with the line Departments and recommend approval of suitable projects for implementation on PPP route.
- b. To assist different Government Departments in preparing the pre feasibilities reports through Consultants.
- c. To assist the respective Departments in preparing the Detailed Project Reports.
- d. To appoint/select consultants to develop the projects in consultation with the concerned Department.
- e. To help respective Departments to conduct the bidding process for selection of developers.
- f. To interact with the Government of India and other funding agencies for obtaining their support.

- g. To act as a Nodal Agency for capacity building for PPP in the State, conduct/recommend exposure visits and training programmes on PPP.
- h. To develop internal evaluation guidelines in consultation with the respective Departments to evaluate and assist the projects whether the projects are to be funded by the State Government, or implemented with Private Sector participation.
- i. To recommend projects to Government of India for grants under Viability Gap Funding Scheme.
- j. To inspect, visit, review and monitor any PPP project under implementation in the State.

//BY ORDER OF THE LIEUTENANT-GOVERNOR//

Sd/-
(A.S. VIJAYALAKSHMI)
Deputy Secretary to Government

To

Director, Planning and Research Department, Puducherry.

Copy to:

- 1. All Secretaries / Special Secretaries to Government
- 2. Private Secretary to Chief Minister
- 3. All Private Secretaries to Ministers
- 4. All Additional Secretaries / Joint Secretaries/Deputy Secretaries/Under Secretaries to Government
- 5. Collector, Puducherry / Karaikal.
- 6. All Heads of Departments / Offices.
- 7. Regional Administrator, Mahe / Yanam.
- 8. The Director of Stationery and Printing, Puducherry - with a request to arrange for publishing this in the next issue of Gazette and send 50 copies to this Department.
- 9. Central Record Branch, Puducherry.
- 10. Establishment Section, Planning and Research, Department, Puducherry.
- 11. Web Manager, Planning and Research Department, Puducherry.

**No. G-25015 PA US(F)/2000
GOVERNMENT OF PONDICHERRY
FINANCE DEPARTMENT**

Pondicherry, dated 17-1-2001

CIRCULAR

Sub. : Entrusting of construction as a deposit work to P.W.D. –Reg.

In the meeting of the Committee on Public Accounts, 1999 as held on 17-2-2000 and 18-2-2000 to record evidence of the Departmental witness on paragraphs contained in the report of the C & AG for the years 1991-92 to 1994-95. The Principal Accountant-General has suggested that the Government construction works would be done by the Public Works Department directly from the funds drawn from the budget and the Departments should not deposit the money with the PWD to carry out construction work.

Hence, the Departments are requested not to entrust the construction works to the PWD to be taken up by them as deposit works. The PWD would themselves draw the money from the budget head concerned. Finance Department will not give concurrence for the proposals seeking sanction for placing money with PWD as deposit work.

Sd/-

(A. RAMALINGAM)

Budget Officer

Copy to:

All Secretariat Departments.

All Heads of Departments.

All Sections in Finance Department.

To:

The Principal Accountant-General(Audit I), Tamil Nadu and Pondicherry,
EVR Building, 474, Anna Salai, Nanadanam, Chennai – 600 035.

CHAPTER – IV
GRANTS-IN-AID / AUTONOMOUS BODIES

No. 468/FD/F2/A1/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 01-07-2022

I.D. NOTE / MEMORANDUM

Sub. : Finance Department–Monitoring and utilization of funds released under GIA through State PFMS-Certificates to be furnished alongwith proposal seeking GIA from the Government.

Ref. : G.O.Ms.No.03/FD(W&M)/2022,dt.13-04-2022 of the Finance Department, Puducherry.

Reference is invited to the G.O. cited above, wherein the procedure for monitoring and utilization of funds released under Grant-in-Aid, through State PFMS set up has been communicated. A SNA account had to be consequently opened within 30-04-2022 by all the Societies / Institutions / Corporations / Boards, *etc.*

2. Accordingly all the Societies / Institutions / Corporations / Boards, *etc.* seeking Grant-in-aid from the Government, are hereby instructed to furnish the Certificates-I and II enclosed herewith to the Finance Department on or before **08-07-2022**, and also in all the proposals seeking release of GIA from the Government, failing which no proposals shall be entertained.

//BY ORDER//

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

Encl: As above.

To

1. All Secretariat Departments / Head of Departments concerned, Puducherry.
2. All PSUs / Corporations / Societies / Boards / Autonomous Bodies of U.T of Puducherry.

CERTIFICATE-I

Certified that all the bank accounts operated by the [Name of the Society/Board/Institution/Corporation] have been closed and a Single Nodal Account (SNA) has been opened at [Name of the Bank] on, in accordance with the Order of the Finance Department, Puducherry, *vide* G.O.Ms.No.03/FD(W&M)/2022, dated 13-04-2022. The details of SNA are as follows:

- (i) Name of the Bank & Branch.
- (ii) Savings Bank Account No.
- (iii) IFSC Code.
- (iv) Available Closing Balance as on date.

It is further confirmed that there is absolutely no other Bank Account left today other than the aforesaid SNA.

Accounts Officer Head of the Society/Board/Institution/Corporation

Countersigned

NODAL DEPARTMENT

(on the letterhead of Bank, indicating Branch clearly)

CERTIFICATE-II

It is hereby certified that the [Name of Society/Board/ Institution/Corporation] has opened a Single Nodal Account (SNA) bearing No. with us on, in accordance with the Order of the Finance Department, Puducherry, vide G.O.Ms.No.03/FD(W&M)/2022, dated 13-04-2022.

2. The said account has become fully operationalized through the Bank system as per these instructions of 13-04-2022 with effect from

OR

The said account has become fully operationalized manually as per these instructions of 13.04.2022 with effect from Further, we commit to making it fully operational through the Bank system by

Senior Manager

Name of the Bank

Date :

No. 635/FD/F2/2022
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 11-05-2022

OFFICE MEMORANDUM

Sub. : Instructions on Appointment of Annual External and Tax Auditors for Autonomous Bodies/Societies/PSUs/Corporations, etc.

Ref. : I.D.Note/ Memorandum No. 635/FD/F3/2021-22, dated 03-12-2021¹

Attention is invited to the memorandum cited under reference wherein it was directed that the Autonomous Bodies/Societies/PSUs/Corporations, etc. under the control of the Government of Puducherry, shall henceforth appoint their annual auditors only from the list of empanelled Auditors maintained by the CAG. In this regard, it is clarified that the CAG empanelled auditors for the UT of Puducherry, or nearby regions of Tamil Nadu, such as Villupuram, Cuddalore, etc., but having branch office in Puducherry, empanelled auditors in Tamil Nadu but with branch offices in Kumbakonam (nearest station for Karaikal), empanelled auditors in Kerala but with branch offices in Kannur (nearest station for Mahe), and empanelled auditors in Andhra Pradesh but with branch offices in Kakinada (nearest station for Yanam), may also be considered for appointment as Auditors by the Autonomous Bodies/Societies/Boards/Corporations, etc. The latest station-wise list may be obtained from the Finance Department, Puducherry, by email to: usfin.pon@nic.in

2. However, there is a huge backlog of audits in many of the Autonomous Bodies/Societies/Boards/Corporations, etc., and the same has been adversely commented on by the office of CAG. The quality of audits also leaves much to be desired. Further, there is a clear conflict of interest in the Government agency to be audited, appointing its own auditor and paying for its services. Hence, the Government has decided that the appointment of annual auditors (external auditor² and tax auditor) for the Government entities shall henceforth be done by the Finance Department, and the payment of auditors' fees shall also be made from the Government budget.

¹ In a version of the instant O.M. circulated earlier, the date of the order cited has been wrongly given as 03-12-2022. The typographical error is regretted.

² May please note that an external auditor is not the same as a Statutory Auditor. The latter is appointed by CAG directly. The former will be appointed only in cases where there is no statutory audit by CAG.

3. Accordingly, all Autonomous Bodies/Societies/PSUs/Corporations, *etc.* **shall submit necessary proposals, with all relevant information/particulars furnished as per Annexure - I, through their Nodal Departments, at least one month before the due date of external audit**, for the appointment of an external auditor and tax auditor, to the Finance Department. Such proposals shall comprise of a list of three Auditors selected from the list of CAG empanelled auditors, along with their willingness letters and fees quoted by the Auditors, and a certificate duly attested by the Head of the Department that the Auditors selected have not been engaged by the institution for more than two preceding accounting years/financial years **(FY)**. The Finance Department may normally choose and appoint the annual auditor from the list of the three Auditors suggested, and finalise the fee to be paid to the auditor. The fee payment thereof shall also be authorised against a suitable head in the Budget in the Demand of the concerned Department. The auditor fee shall henceforth be borne by the Government only. In case any CAG empanelled auditor refuses to undertake the audit of an entity, the name of the auditor may be communicated to the Finance Department.

4. The Finance Department has meanwhile held consultations with CAG-empanelled auditors regarding suggestions for improving the quality and depth of audits for the Government entities.

Based on the feedback received from the auditots, the following additional instructions are hereby issued:

- (i) The Autonomous Bodies/Societies/PSUs/Corporations, *etc.* shall strictly adhere to the timelines laid down for the completion of the audit under the respective statutes applicable to them. An indicative list of the timelines to be complied with, under the different Statutes, is furnished in Annexure-II. Further, all the Auditee Entities shall comply with the Income Tax Return filing compliances/MCA Filing compliances/Society Return filing compliances within the due dates.
- (ii) To address the pendency in the compiling of annual accounts in Autonomous Bodies/Societies/PSUs/Corporations, *etc.*, well-qualified accounting professionals may be engaged on a contract/retainer basis. For relatively smaller entities, the same professional may be allowed to take up the work in more than one entity.

- (iii) The same audit firm shall not be appointed as both the Internal Auditor and the External Auditor or Tax Auditor for a particular entity for the same accounting year. However, external Auditor and tax auditor can be the same for that entity.
- (iv) External Auditors/Tax Auditors may be appointed by the entity for a continuous period of 3 years (not beyond) to ensure continuity in the filing of returns and ensuring tax compliance.
- (v) While calling Expression of Interest (**Eoi**) to appoint the external auditors/tax auditors, the Government entity shall provide basic information as indicated in **Annexure-III** to the prospective auditors.
- (vi) Whenever there are changes in the constitution of the Board of Directors, the concerned entity shall ensure timely generation of DIN for the new Directors, and duly intimate/register the changes with the Ministry of Corporate Affairs (**MCA**).

5. The Administrative Departments/Autonomous Bodies/Societies/PSUs/Corporations, etc., shall ensure strict compliance with the above instructions. Any delay in providing information to the Finance Department, as per para 3 above, shall be viewed adversely.

6. As regards the Cooperative Societies, Secretary (Cooperation) shall undertake the same task as proposed for the Finance Department here, and direct the payment of the fees of external auditors and tax auditors from the appropriate head of the Cooperative Department. In the case of smaller Cooperative Societies, the same auditor may be tasked with the audit of more than one society to create a sizeable volume of work.

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Secretaries to Government/Special Secretary (Cooperation)/
All Secretariat Departments.

All Heads of Directorates/Offices.

All Heads of PSUs/Autonomous Bodies/Societies/Boards/Corporations.

The P.S. to the Chief Secretary.

Annexure-I

Information to be provided by Societies/Boards/PSUs/Corporations while forwarding the list of External Auditors/Tax Auditors for appointment by the Finance Department:

Sl. No.	Information Sought
1.	Name & Designation of Accounts Head
2.	Designation of other Accounts Officers (only for filled up posts)
3.	Financial Statements, including Balance Sheet, Profit & Loss Statement, Cashflow Statement, <i>etc.</i> completed till which FY.
4.	Name of Internal Auditor, if any
5.	Internal audit completed till which FY
6.	Name of Company Secretary, if any
7.	External Audit completed till which FY (attach a copy of the report)
8.	Fee Paid to External Auditor for the FY ₹
9.	Has the last Auditor Financial Statement Report been shared with proposed Auditors? Yes/No
10.	Name of the last External Auditor
11.	Last External Auditor continuing since which FY?
12.	Was External Auditor also used for Compilation of Accounts? Yes/No
13.	Were any specific parameters and issues spelt out for last to the Auditor?
14.	Have recommendations of the last statutory/external auditor been approved by Board?
15.	Name of Tax Auditor

Sl. No.	Information Sought
16.	Tax Auditor since which FY
17.	Last Tax Audit done for which FY
18.	Last Tax Audit Filed for which FY
19.	TDS Exemption last claimed for which FY
20.	Fee Paid to Tax Auditor for that FY ₹
21.	Has Director Identification Number (DIN) been obtained for all Directors?
22.	Has Digital Signature Certificate (DSC) been taken for all Directors?
23.	Have changes in the latest constitution of the Board been registered with MCA?
24.	Annual renewal of KYC norms of Directors done for which FY
25.	Revenue/Gross Receipts for the year (₹)
26.	Expenses/Outgo for the Year (₹)
27.	Approximate Number of Bank Transactions <ul style="list-style-type: none"> – Receipts – Payments
28.	Approximate Number of cash Transactions <ul style="list-style-type: none"> – Receipts – Payments
29.	Attach the names of External, Tax, and Internal auditors in last 10 financial years.

Annexure-II

Timelines for Compliance under the different Statutes

(1) Under the Companies Act, 2013	
Particulars	Due Date
Annual KYC of Directors	30 th September of Every year
Appointment / Changes in Directors	Within 30 Days from the Change
Annual General Meeting for Adoption of ' Audited ' Accounts	6 months from the close of the Financial year
Filing of E-Form AOC-4	30 days from the date of the Annual General Meeting
Filing of E-Form MGT-7/7A	60 days from the date of its Annual General Meeting
Other Information based forms/ Event Based Filings	As prescribed for the relevant event
(2) Under Income Tax Act, 1961	
Particulars	Due Date
Filing of Tax Audit Report, Wherever applicable	31 th September
Filing of Income Tax Returns, Where Tax Audit is applicable and where Accounts of the Assesse is subject to Audit under Any law	31 st October
Filing of Income Tax Returns- Other Cases	30 st July
(3) Under Societies Registration Act	
Particulars	Due Date
Annual list of managing body to be filed	Within 14 days from the Date on which the AGM is to be held

Annexure–III

Basic information to be shared by the Autonomous Bodies/Societies/ PSUs/Corporations, *etc.* while calling Expression of Interest (Eoi) to appoint auditors:

Revenue / Gross Receipts for the year (₹)	
Expenses / Outgo for the year (₹)	
Approximate Number of Bank Transactions	
- Receipts	
- Payments	
Approximate Number of Cash Transactions	
- Receipts	
- Payments	

**No. 662/FD/US(FIN)-I/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Puducherry, dated 08-04-2022

CIRCULAR

Sub. : Furnishing of Utilization Certificates in Grant-in-Aid proposals by Departments.

With regard to the furnishing of utilization Certificates under the rule 238 of the General Financial Rules, 2017, at the time of seeking fresh Grants-in-aid from the Government, the Administrative Departments/Autonomous Bodies/Societies/Corporations/PSUs shall strictly ensure the following in all Grant-in-Aid proposals before submitting to the Finance Department for concurrence:

- (1) The Utilization Certificates are signed on every page by both the Accounts Officer and the Head of the Institution, and counter-signed by the Director/Head of the Department.
 - (2) The Utilization Certificates in original are enclosed in the files.
2. The above instructions are in addition to the GFR norms on utilization Certificates under the rule 238 of the GFRS, 2017, which shall necessarily be complied with by the Departments/Autonomous Bodies/Societies/Corporations/PSUs seeking Grants-in-Aid from the Government of Puducherry.
3. Any GIA proposal not in compliance with these instructions shall henceforth be summarily returned by the Finance Department.

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary To Government (Finance)

To

All Secretariat Departments

All Heads of Directorates/Offices

All Heads of Public Sector Undertakings/Autonomous Bodies/Societies/Corporations

All SAOs/JAOs

.... for strict compliance

No. 4451/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 16-02-2022

I.D. NOTE / OFFICE MEMORANDUM

Sub. : FD - Processing of Grant-in-Aid proposals - Revised
Procedure for the Release of Grants-in-Aid - Reg.

The following procedure shall be followed for the release of Grant-in-Aid (salaries/wages under 36-GIA and routine administrative expenses under 31-GIA) to the Autonomous Bodies/Societies/Corporations/Boards (except the PSUs/Commercial Undertakings) of the Government of Puducherry, with effect from 01.04.2022:

- (1) Twice in a financial year only, once in April (immediately after the Vote-on-Account is passed) and then in September, the grantee Institutions, through their Administrative Departments shall, submit proposals for obtaining block expenditure sanction for receiving Grant-in-Aid in respect of salaries/wages under the Head 36-GIA and routine administrative expenses under the Head 31-GIA. Each proposal shall be strictly for block sanction for a period of six months (March - August & September - February, respectively). The proposals for capital expenditure (35-GIA) may however be submitted as and when the need arises.
- (2) Every proposal for Grant-in-Aid shall be accompanied by a Checklist as per the format enclosed, with the requisite particulars duly furnished (in complete manner), and duly certified by the Accounts Officer and the Head of the Institution. The checklist shall be countersigned by the Head of the Department.
- (3) Every proposal seeking Grant-in-Aid under 36-GIA shall only be for salaries/wages to the employees appointed or engaged with the due and prior approval of the Government. Towards this, salary statement in detail for the staff of the Institution with their mode of engagement [regular/contractual/other (to be specified)], and month-wise requirement of funds shall be furnished along with the proposal. As regards 31-GIA for routine administrative expenses, the detailed break-up of each item of expenditure, with justification, shall be provided.

- (4) The Finance Department shall process the six-monthly block expenditure sanction proposals, and obtain in each case, the prior approval of the Hon'ble Lieutenant-Governor, being the Competent Authority to sanction Grant-in-Aid under rule 20 of the GFRs. The continued approval for H1 of the Financial Year shall be subject to passage of regular Budget before the Vote-on-Account lapses, *i.e.*, expenditure cannot be incurred beyond the Vote-on-Account period unless the regular Budget is passed.
- (5) Based on the block sanction thus obtained, the Administrative Secretaries shall ensure release of salaries/wages under 36-GIA to the grantee Institutions on monthly basis, and the routine administrative expenses under 31-GIA as per the monthly payment schedule, which was submitted as per para (3) above. Prior approval of the Administrative Secretary shall however be taken in each case. This will ensure timely payment of salaries to the employees of these Institutions, just as for regular Government employees.
- (6) It shall be the responsibility of the Administrative Secretaries to ensure that the release of the Grant is only for the purpose(s) for which it was sanctioned, and also that the Grants are released as per the break-up approved by Hon'ble Lieutenant-Governor in the half-yearly block sanction. The Administrative Secretaries shall also ensure compliance with GFRs in expenditure being incurred by the grantee Bodies/Institutions under 31-GIA and 36-GIA.
- (7) At the time of the submission of the next proposal (in September 2022), the Administrative Department shall enclose a compliance certificate to the effect that Grant-in-Aid sanctioned previously (*i.e.*, in April 2022) has been released as per the clause (6) above, and GFRs norms followed, duly certified by the Administrative Secretary. The same shall be verified by the Finance Department, before submitting the proposal to Hon'ble Lieutenant-Governor for approval of the next instalment of the block sanction of Grant-in-Aid for H2 of the Financial Year.
- (8) The procedure set out in the clauses (1) to (7) above shall apply only for grantee Institutions other than Commercial Undertakings/ PSUs. The Commercial undertakings/PSUs shall submit GIA proposals as and when need arises, for prior approval of the Hon'ble Lieutenant-Governor in each case.

(9) The current practice of obtaining *post-facto* approvals by the Departments from the Hon'ble Lieutenant-Governor on quarterly basis for the Grants-in-Aid received in the previous quarter is hereby dispensed with.

2. This issues with the approval of the Hon'ble Lieutenant-Governor obtained *vide* ID No. 4451/FD/F3/2021-22 dt.08/02/2022.

Sd/-

(K.GOVINDARAJAN)

Under Secretary to Government (Finance)

Enclosed: As Stated

To

All Administrative Secretaries

All Secretariat Departments

All Heads of Departments/Offices

All Societies/Boards/PSUs/Corporations

SAOs/JAOs of all Departments/Institutions

**CHECK-LIST TO BE FURNISHED ALONG WITH PROPOSAL SEEKING BLOCK
SANCTION FOR GRANTS-IN-AID FROM THE GOVERNMENT
(Annexure to I.D. Note. No. 4451/FD/F3/2021-22 dt. 16.02.2022)**

1. Name of the Organization seeking Grant-in-aid :
2. Whether copy of Articles of Association/ Bye-laws of the organization enclosed? :
3. Date of last Governing Body/Board Meeting along-with copy of Minutes :
4. Amount of Grant-in-aid requested :
5. Whether recurring or non-recurring :
6. (a) Nature of the expenditure (Capital/Revenue) :
 b) Give detailed break-up of expenditure (including for salary/wages/capital/ other expenditure) :
 c) Whether salary statement in detail for the staff of the institution with their mode of engagement and month-wise requirement of funds has been enclosed? :
7. Whether Budget provision has been made in the current FY? (copy should be enclosed) :
8. Amount of GIA received in the previous 3 years (GIA-31, GIA-35, GIA-36) :
9. Amount spent out of GIA and details of unspent amount, if any, Including during the last 3 FYs :
10. Details of all Bank Accounts, whether Saving/ Current account along with current outstanding balance (to be attached as Annexure to the Checklist) (Please indicate in which account GIA funds are parked) :
11. Whether interest or other earnings against GIA released was remitted to the Consolidated Fund of Puducherry? If so, details thereof :
12. Whether Utilisation Certificate submitted in respect of GIA received during the previous year/occasion(s)? (copy should be furnished) :
13. Whether Certificate to the effect that the
 (a) GIA released was utilized only for the purpose for which it was sanctioned, and
 (b) expenditure incurred strictly as per GFR, is enclosed?

Signature
(Accounts Officer)

Signature
(Head of Institution)

14. a) Name of the Auditor :
b) Auditing since which year
c) Is the Auditor CAG-empanelled
d) Audited statement of accounts enclosed till which year ?
15. Why are the accounts not audited :
till previous financial year? (if applicable)
16. Details of pending audit paras if any :
(both internal & CAG audit) and the action taken thereon.
(Shall be furnished as Annexure to Check-list)
17. Source(s) of income to the Organization/ PSU :
i. Internally generated income
(a) Source(s) :
(b) Income :
ii. Other Resources :
iii. Revenue target fixed for internal resources
iv. Outstanding receivables :
(liabilities to be recovered by organisation as on date)
v. Outstanding payables :
(liability to be paid by Organisation as on date)
18. In case of PSUs
i. Accumulated loss, if any, :
ii. Action taken for improving the :
performance and the target achieved so far, (copy of minutes of Board meeting if any in this regard and ATR may be furnished)
19. Whether the Compliance Certificate to the :
effect that GIA sanctioned previously has been released for the purpose it was sanctioned and GFR norms followed, is enclosed?

Signature
(Accounts Officer)

COUNTERSIGNED

(Head of Department)

Signature
(Head of Institution)

**F. No. 15020/32/2021-Plg. Cell
GOVERNMENT OF INDIA
MINISTRY OF HOME AFFAIRS
UT-DIVISION, PLANNING CELL**

North Block, New Delhi
Dated, the 19th January, 2022

To
The Chief Secretary
Government of Puducherry
Puducherry

*Sub. : Recovery of Interest / Other Earnings on unspent
balances / lying with the Implementing Agency.*

Sir,

I am directed to enclose herewith Department of Economic Affairs (MoF) OM No. 17(1)-B(PD)/2021-NTR, dated 24-06-2021 on the subject mentioned above and to request to review the unspent balances and the recovery made on interest / accrued income and that of unspent balances of discontinued / completed schemes and projects, if any, lying with Government of Puducherry under Demand No. 58, Transfers to Puducherry.

2. In this regard, it is informed that as per Rule 230(8) of GFR, all interest and other earnings against Grants-in-aid released to any grantee institutions should be mandatorily remitted to the Consolidated Fund of India immediately after finalization of accounts. Such advance should not be allowed to be adjusted against future releases.

3. It is, therefore, requested to furnish action taken in the matter latest by 20-01-2022.

Yours faithfully,
Sd/-
(PRAVEEN KUMAR RAI)
Director (UT)
Tel. No. 23093265

Encl: As above.

**F. No. 17(1)-B(PD)/2021-NTR
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
(BUDGET DIVISION)**

Room No. 237, North Block,
New Delhi, the 24th June, 2021.

OFFICE MEMORANDUM

Sub. : Recovery of Interest/Other Earnings on unspent
balances lying with the Implementing Agencies (IA).

Reference is invited for various guidelines issued by Ministry of Finance have issued guidelines from time to time regarding efficient cash management system in Central Government to avoid cash flow mismatch and reduce float in the system. Accordingly, releases to various Implementing Agencies (IA) have to be restricted/rationalized keeping in view the unspent balances and interest lying with the Implementing Agencies without adversely affecting the smooth implementation of schemes/projects and the principle of "just in time" release should be applied for releases in all respect to the extent possible.

2. Non-Tax Revenue forms an important source of revenue for Government of India, and the interest on unspent balance being an indelible part of NTR receipts, such interest receipts need to be deposited in Consolidated Fund of India on timely basis and cannot be adjusted against future receipts. This is as per Rule 230(8) of GFR, "**All interest and other earnings against Grants-in-aid released to any grantee institutions should be mandatorily remitted to the Consolidated Fund of India immediately after finalization of accounts. Such advance should not be allowed to be adjusted against future releases**".

3. It is therefore requested that the unspent balances lying with the Implementing agencies with the help of PrCCAs/CCAs/CAs are reviewed and recovery of interest/accrued income and that of unspent balances of discontinued/completed schemes and projects

ensured in a time bound manner. The action taken may kindly be intimated to this office at the earliest.

4. This issues with the approval of Joint Secretary (Budget).

Sd/-
(PARVEEN SINGH)
Under Secretary (Budget)

To
The FAs of Ministries and Departments (As per the list attached).

**GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

No.735/F2/A1/2021

Puducherry, dated 08-12-2021

I.D. NOTE/MEMORANDUM

Sub.: Finance Department - Revised Check list to be furnished along with proposal seeking GIA from the Government - Modified- Regarding.

The Secretariat Departments/Nodal Departments concerned are requested that Revised Check list under Rule 230 of General Financial Rules, 2017 as modified, should be furnished henceforth while sending proposals seeking Grant-in-aid from the Government. The modified Check list is enclosed as Annexure.

2. The Checklist shall be filled in carefully and accurately, and generic phrases such as 'N.A.' or 'Not Applicable' avoided. Finance Department will be constrained to return those Grant-in-Aid files where the particulars in the Checklist are furnished only partially or incomplete.

End : As above.

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

1. The concerned Secretariat Departments, Puducherry.
2. The concerned Head of Departments of Union Territory of Puducherry.
3. All PSUs/Corporations/Societies/Boards/Autonomous Bodies of Union Territory of Puducherry.

ANNEXURE
CHECK-LIST TO BE FURNISHED ALONG WITH PROPOSAL SEEKING
GRANTS-IN-AID FROM THE GOVERNMENT
(See Rule 230 of General Financial Rules, 2017)

1. Name of the Organization seeking Grant-in-aid :
2. Whether copy of Articles of Association/
Bye-laws of the organization enclosed? :
3. Date of last Governing Body/Board Meeting :
along with copy of Minutes
4. Amount of Grant-in-aid requested :
5. Whether recurring or non-recurring :
6. (a) Nature of the expenditure :
(Capital/Revenue/Share Capital)
b) Give detailed break-up of expenditure :
7. Whether Budget provision has been made? :
(copy should be enclosed)
8. Amount of GIA received in the previous year :
9. Amount spent and details of unspent amount, if any
10. Details of all Bank Accounts, whether Saving/ :
Current account along with current outstanding
balance (to be attached as Annexure to the Checklist)
11. Whether interest or other earnings against :
GIA released was remitted to the Consolidated
Fund of Puducherry? If so, details thereof
12. Whether Utilisation Certificate submitted :
in respect of GIA received during the previous
year/occasion(s)? (copy should be furnished)
13. Whether Certificate to the effect that the :
GIA released was utilized only for the purpose
for which it was sanctioned, is enclosed?

Signature
(Accounts Officer)

Signature
(Head of Institution)

14. Audited statement of accounts enclosed till which year?
15. Why are the accounts not audited till previous financial year? (if applicable)
16. Details of pending audit paras if any (both internal & CAG audit) and the action taken thereon. (May be furnished as Annexure to Check-list)
17. Source of income to the Organization/ PSU
 - i. Internally generated income
 - (a) Source(s)
 - (b) Income
 - ii. Other Resources
 - iii. Revenue target fixed for internal resources
 - iv. Outstanding receivables (liabilities to be recovered by organisation as on date)
 - v. Outstanding payables (liability to be paid by Organisation as on date)
18. In case of PSUs
 - i. Accumulated loss, if any,
 - ii. Action taken for improving the performance and the target achieved so far (copy of minutes of Board meeting if any in this regard and ATR may be furnished)

Signature
(Accounts Officer)

Signature
(Head of Institution)

COUNTERSIGNED
(Head of Department)

No. 635/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry dated 03-12-2021

I.D.NOTE / MEMORANDUM

Sub.: Finance Department - Appointment of Annual Auditors for
Autonomous Bodies / Societies / Boards / Corporations, *etc.* -
Instructions - Reg.

On scrutiny of proposals received in the Finance Department, Puducherry, for release of Grants-in-Aid(GIA) for various purposes to the Autonomous Bodies / Societies/ Boards / Corporations, *etc.*, it has been noticed that there is no transparency in the appointment of Annual Auditors by these organizations. Also, there is no mechanism currently to ensure the quality of the audit.

2. It is therefore decided that the Autonomous Bodies / Societies / Boards/ Corporations, *etc.*, under the control of Government of Puducherry shall henceforth appoint their Annual Auditors only from the list of empanelled Auditors maintained by the Comptroller and Auditor-General of India (CAG), as updated from time to time. The current panel for 2021-22 of the CAG-empanelled Auditors for the Puducherry, Kumbakonam (nearest station for Karalkal), Kannur (nearest station for Mahe) and Kakinada (nearest station for Yanam) regions is uploaded on the website of the Finance Department, and can be accessed at the link below:

<https://finance.py.gov.in/list-cag-empanelled-auditors>

3. As the list of empanelled Auditors is updated by CAG office every year, it shall be ensured that an Audit Firm at the time of their appointment is empanelled by the CAG as on that date. For this purpose, the latest list of the CAG-empanelled Auditors uploaded on the Finance Department website may be referred to.

4. Autonomous Bodies / Societies / Boards / Corporations, *etc.* shall ensure that a same Audit firm is not engaged by them continuously for more than three accounting years. Any relaxation in this regard shall require prior concurrence of the Finance Department and shall be only on exceptional grounds with proper and sufficient justification.

5. The name of the Auditor appointed and the fees payable to the Auditor shall be communicated to the Finance Department, Puducherry, within 15 days of such appointment, for further intimation to the Office of the CAG.

6. The above instructions shall apply to all Autonomous Bodies / Societies / Corporations under the control of the Government of Puducherry, whether receiving Grants-in-Aid from the Government or not, except those Corporations / PSUs for whom the Auditors are directly appointed by the Comptroller and Auditor-General of India (CAG) under the relevant provisions of the CAG (DPC) Act, 1971 and the Companies Act, 2013,

7. In this context, attention is also invited to Rule 237 of the General Financial Rules (GFRs), 2017, which prescribes the time schedule for the audit of accounts of the Autonomous Bodies including PSUs/Corporations/Societies/Boards, *etc.* Accordingly, every Autonomous Body should complete its accounts within a period of three months (by 30th June) after the closure of the accounting year and make them available for auditing. Auditing of the accounts and furnishing of replies to the audit objections, if any, together with printing of reports shall be completed within the next six months, so that the audited accounts are laid before the Legislative Assembly within nine months (by 31st December) after the close of accounting year. **Many organizations are lagging behind in the audit schedule and they should come up with a clear plan, with the approval of the Administrative Secretary, to clear the backlog.**

8. As per rule 238 (2) of the GFRs, 2017, release of Grants-in-Aid in excess of seventy-five percent of the total amount provisioned for a particular financial year shall be done only after utilization certificates and the annual audited statement relating to Grants-in-Aid released in the preceding year are submitted to the satisfaction of the Finance Department.

9. The abovesaid instructions / rules should be strictly followed in future.

//BY ORDER //

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

1. All Societies/Boards/Corporations/PSUs
2. All Heads of Departments Concerned
3. SAOs/JAOs of all Departments / Institutions - for strict compliance

Copy to:

1. The Secretaries to Government Concerned, Puducherry
2. The PS to Chief Secretary to Government Puducherry.
3. The Secretariat Departments Concerned

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - Extension of revised pay scales recommended by Seventh Central Pay Commission to the employees of educational institutions run by various Societies/Autonomous Bodies of the Government of Puducherry - Orders Issued.

FINANCE DEPARTMENT

G.O. Ms. No. 169/F3/2019-20

Puducherry, dated 29-08-2019

Read : (1) G.O. Ms. No. 27/F3/2016 dt.17.09,2016 and
(2) G.O. Ms. No.29/F3/2016 dt.17,09.2016 of Finance Department, Puducherry

ORDER

Approval of Hon'ble Lieutenant-Governor is hereby conveyed for the extension of revised pay scales applicable as per CCS (Revised Pay) Rules, 2016/UGC Regulations/AICTE Regulations notified by Government of India following the recommendations of Seventh Central Pay Commission to the Teaching/Other equivalent and Non-teaching cadres of the following educational institutions run by various Societies/Autonomous Bodies of the Government of Puducherry :

Sl. No.	Name of the Institution	Administrative Department
1.	Indira Gandhi Government Medical College and Research Institute,Puducherry.	Health
2.	Mahatma Gandhi Postgraduate Institute of Dental Sciences, Puducherry.	Health
3.	Pandit Jawaharlal Nehru College of Agriculture Research Institute, Karaikal	Agriculture
4.	Rajiv Gandhi Insittue of Veterinary Education and Research, Puducherry.	Animal Husbandry
5.	Bharathiar Palkalakoodam, Puducherry	Art and Culture
6.	Pondicherry Institute of Linguistics and culture Puducherry.	Art and Culture
7.	Mother Theresa Postgraduate and Research Institute of Health Sciences, Puducherry.	Health
8.	Pondicherry Intitute of Post Matric Techincal Education(PIPMATE), Puducherry.	Higher Education
9.	Rajiv Gandhi Ayurvedic College, Mahe	Health
10.	District Institute of Eudcation and Traning (DIET), Puducherry.	School Education

Sl. No.	Name of the Institution	Administrative Department
11.	Pondicherry Institute of Hotel Management and Catering Technology, Puducherry.	Tourism
12.	Pondicherry Engineering College, Puducherry	Higher Education
13.	Perunthalaivar Kamarajar Institute of Engineering and Technology, Karaikal	Higher Education
14.	Pondicherry Society for Higher Education (PONSHE), Puducherry.	Higher Education

2. The approval is subject to the following:

- (i) The revised Pay Scales shall be effective from 01.01.2016, but, monetary benefit with effect from the month of August 2019.
- (ii) The Administrative Departments/Institutions concerned shall examine the applicability of revised Pay Scales in the light of CCS(Revised Pay) Rules, 2016/ UGC Regulations/AICTE Regulations, as the case may be, to the Teaching/Non-teaching employees based on their service conditions, recruitment rules and pattern followed during Sixth CPC and take a cautious decision accordingly before granting the revised Pay Scales.
- (iii) This G.O. shall serve only for the purpose of grant of revised Pay Scales and allowances applicable consequent on the implementation of Seventh CPC recommendations. Changes In service conditions if any, to the employees of these institutions by virtue of CCS(Revised Pay) Rules, 2016/UGC Regulations/AICTE Regulations shall be examined and decided by the concerned Administrative Department separately.
- (iv) The orders of Government of India on revision of rates of allowances as per Seventh CPC recommendations which are specifically communicated by Finance Department, Puducherry, for implementation to the employees of this Administration shall only be extended to the eligible employees of Educational Institutions run by various Societies/Autonomous Bodies. In respect of other allowances, *status quo* shall be maintained until further orders thereof from Finance Department, Puducherry.

- (v) The Administrative. Departments/Institutions concerned shall ensure availability of sufficient funds in the budget to meet out the additional financial implications on account of grant of revised Pay Scales.
- (vi) The Educational Institutions run by various Societies/Autonomous Bodies shall extend the revised Pay Scales as per recommendations of Seventh Central Pay Commission to its employees after obtaining the approval of Governing Body/Board

//BY ORDER//

Sd/-

(V. JEEVA)

Under Secretary to Government (Finance)

To

The Administrative Departments/Institutions Concerned.

Copy to:

- 1) The Secretary to the Lieutenant-Governor, Puducherry,
- 2) Finance Department (Budget)/F2 Section, Puducherry.
- 3) The Under Secretary (Higher Education), Chief Secretariat, Puducherry.
- 4) The Secretariat Departments concerned.
- 5) The Collector, Karaikal/ Regional Administrator, Mahe/Yanam
- 6) The Director of Accounts & Treasuries, Puducherry/Karaikal/Mahe/Yanam
- 7) The Principal Accountant-General (Audit), Chennai-35.
- 8) The Deputy Accountant-General, DAT Complex, Puducherry
- 9) G.O. File/Spare.

No.40.38/ED/F3/2017-18
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 06-02-2018

CIRCULAR

Sub.: FD- Statutory Cheque drawing powers In Autonomous
Bodies/ Institutions- Instructions for strict compliance
- Regarding

The Government, from time to time, has issued instructions, while dealing with matter involving public money, to follow proper financial system and procedure in accordance with respective financial rules in force viz., GFRs, 2017, DFP Rules, 1978 and Central Government Account (Receipts and Payments) Rules, 1983 by all Departments, *etc.*,. These rules are also applicable for Autonomous Bodies, Boards/ Societies/Corporation, *etc.*,.

2. In sequel to the above and to stream line the day to day administration of Autonomous Bodies/ Organization and Institutions, the Cheque Drawing Power shall not be vested with anyone other than the Managing Director/Chief Executive Officer of the organization or anyone of the Gazetted Officer deputed from Government.. Besides, the cheque shall be co-signed jointly by anyone of the officials of the Autonothous Organizations/Societies.

3. It is noted that in some Government Institutions/Organizations, the Non-official Chairman is discharging such function *i.e.* Cheque drawing power either solely or jointly, which Is strictly prohibited under the provisions of Rule (2)(xii) of GFRs, 2017 and 2(g) of Central Government Account(Receipts and Payments) Rules, 1983. Hence, the Non-official Chairman/Members of Public Sector Undertakings/ Autonomous Institutions/Societies, if, they are discharging such function *i. e.* Cheque drawing powers, shall Immediately cease to exercise such power.

4. All the Administrative Secretaries, Heads of Departments and Heads of Autonomous Institutions shall strictly follow the above instructions. scrupulously.

//BY ORDER//

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To

All Secretaries to Govt./All Secretariat Departments

All Heads of Departments/Offices.

Heads of all PSUs/Boards/Societies/Committees/

Agencies/Local Bodies and other Autonomous Institutions

No.41256/F2/A3/2015
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT
CHIEF SECRETARIAT

Puducherry dated, 01-06-2015.

CIRCULAR

Sub. : Finance Department - Grants-in-Aid Submission of Annual
Audit Report of Accounts -Instructions-Reg.

On scrutiny of proposals received in Finance Department, Puducherry, for release of Grants-in-Aid for various purposes to the PSUs/ Corporation/Societies/Boards, *etc.*, it has been noticed that many institutions do not furnish the Annual reports and Audited Accounts for the previous years, due to non-completion of the Audit Compliance report in time Last year, Finance Department has issued the circular in this regard, even after that many Departments have not fulfilled the requirement of General Financial Rules in connection with sanction of Grants-in-Aid.

2. As per rule 212(1) of General Financial Rules, the release of the Grants-in-aid in excess of 75% of the total amount sanctioned for the subsequent financial year shall be done only after the Utilization Certificate and the Annual Audited Statement relating to grants-in-aid released in the preceding year, are submitted to the satisfaction of the Department concerned.

3. Also, as per the rule 212 (2)(i) of General Financial Rules, the annual reports and accounts of Private and Voluntary Organizations receiving recurring Grants-in-Aid to the tune of Rupees Twenty-five lakhs and above should be laid on the Table of the House within nine months of the close of the succeeding Financial year of the Grantee Organization.

4. Hence, it is reiterated that all PSUs/Corporation/Societies/Boards, *etc.*, should follow the abovesaid General Financial Rules provisions and the Annual Accounts of the Institution should be completed within the prescribed time-limit. Any proposal submitted to this Department for approval of grants-in-aid for first or next instalments without the compliance report of Annual Accounts of the previous years, will not be considered for concurrence/approval.

5. Therefore, while presenting the proposals for sanction of grants-in-aid to Finance Department, the following should be placed in the file for perusal.

- 1) Audit Report for the Annual Accounts of Previous year(s).
- 2) Utilization Certificates of the previous due period in the prescribed formats duly countersigned.
- 3) Check - list for the release of Grant-in-Aid .
- 4) Salary statement In detail for the staff of the institutions and month-wise requirement of funds
- 5) Expenditure Statement in detail for office contingencies.
- 6) Revenue accrued / collected by the grantee Institution.

6. It is therefore, Instructed that **necessary advance action should be taken to complete the Annual Audit Statement for 2014-15,in time.**

7. The abovesaid instructions/rules should scrupulously be followed in future.

// BY ORDER //

Sd/-

(P. AUGUSTIN LUCIEN DIAGOU)

Under Secretary to Government (Finance)

To

1. All PSUs/Corporation/Societiest/Boards, (As per mailing list).
2. All Heads of Departments Concerned.
3. SAOs/JAOs of all Departments/Insititutions-for strict compliance.

Copy to

1. The Secretary to Government Concerned, Puducherry.
2. The Secretariat Departments Concerned.
"with a request to thoroughly scrutinize the proposals of Grants-in-Aid and ensure that the propasals are in complete shape, as per the guidelines issued above".
3. Budget Officer/D.D (Ways and Means) / All Section Heads of Finance Department.

CHAPTER – V
**ECONOMY AND EXPENDITURE
MANAGEMENT**

No.G.12011/FD/F3/2018
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated, 01-10-2020

I.D. NOTE OFFICE MEMORANDUM

Sub. : Finance Department - Orders of Government of India - Communicated.

A Copy of each of the Office Memorandum on the subject indicated below is communicated for information and necessary action.

Sl. No	Reference No. & Date	Issued by	Subject
1.	No.7(2)/E.Coord/ 2020 dated 2nd September 2020	Government of India, Ministry of Finance Department of Expenditure, New Delhi	Economy Instructions on Printing Activities
2.	No. (2)/E.Coord/ 2020 dated 4th September 2020	Government of India, Ministry of Finance, Department of Expenditure, New Delhi	Expenditure Management on further Economic Measures

//BY ORDER/ /

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To
All Secretaries to Government/All Secretariat Departments/
All Heads of Departments/Offices.

Copy to:

1. The Director of Accounts and Treasuries, Puducherry
2. The Deputy Director of Accounts and Treasuries, Karaikal/ Mahe/Yanam.
3. The Director, Information & Technology Department, Puducherry
- to upload the O.M. in State Website.
4. The Website of Finance Department.

**No. 7(2)/E.Coord/2020
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE**

North Block, New Delhi
Dated 2nd September, 2020

OFFICE MEMORANDUM

Sub. : Economy Instructions - Printing activities

As the world is increasingly moving towards adopting digital force multipliers for productivity and given the fact that using technological innovations for planning, scheduling and forecasting is known to be economical, efficient and effective, the Government of India has decided that there will be no further activities towards printing wall calendars, desktop calendars, diaries, festival greeting cards and similar materials by all Ministries/Departments/Autonomous Bodies and other organs of the Government. All such activities including materials which were earlier printed in physical format shall be done digitally online. The printing of Coffee Table books is also banned and appropriate use of e-Books is encouraged. Therefore, all concerned are directed to make efforts to adopt innovative means to use digital or online method, for the above activities.

2. This issues with the approval of Secretary (Expenditure) and will come into force with immediate effect.

Sd/-

(THANGLEMLIAN)

Joint Secretary to the Government of India

All Secretaries of the Government of India

Copy to:-

1. Principal Secretary to the Prime Minister
2. Cabinet Secretary
3. CEO, NITI Aayog
4. All the Financial Advisors
5. Secretary, Department of Public Enterprises — with a request to reiterate the same to all PSEs
6. Secretary, Department of Financial Services — with a request to reiterate the same to all Public Sector Banks.

**F.No.7(2)/E.Coord/2020
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE**

North Block New Delhi
Dated: 4th September 2020

OFFICE MEMORANDUM

Sub. : Expenditure Management — Further Economy Measures

With a view to improving the quality of public expenditure, containing non-developmental expenditure and ensuring availability of adequate resources for meeting the needs of critical priority schemes, Ministry of Finance, has from time to time issued 'instructions on Expenditure Management. In the context of the present fiscal situation and the consequent pressure on Government resources, there is a need for further economy and rationalization of non-priority expenditure, while protecting and preserving priority expenditure. With this objective, the following economy instructions, will come into force with immediate effect.

1. Administrative Expenditure

All Ministries/Departments including Attached Offices/ Subordinate Offices and Autonomous Bodies shall observe the following instructions for curtailing Administrative Expenditure.

- a) No printing/publishing of books, publications, documents, *etc.* will be done on imported paper, except where printing is done abroad by Indian Missions, *etc.*
- b) Expenditure on functions such as celebrations of Foundation Day, *etc.* should be discouraged or if, felt necessary be appropriately curtailed. In any case, travel for such functions and provision of bags or mementoes should be avoided.
- c) Consultancy Assignments - All Ministries/Departments may carry out a review of the individual Consultants appointed in their respective Ministries/Departments in consonance with the provisions of GFRs and

reduce the number of Consultants to the minimum requirement. Due economy may be observed while determining the fees of the Consultants and care may be taken that such fees are not disproportionate to the quality and quantity of work to be carried out by the Consultants.

2. Creation of Posts

- a) There will be a ban on creation of new posts, except with the approval of Department of Expenditure, in Ministries/Departments, Attached Offices, Subordinate Offices, Statutory Bodies and Autonomous Bodies.
 - b) This ban will cover all creation of posts under powers which have been delegated to any organization regardless of the source of: such authority or power.
 - c) If, any posts have been created after 01-07-2020 under delegated powers or authority, without approval of Department of Expenditure and have not yet been filled, then such posts shall not be filled. If, it is deemed absolutely essential to fill them, proposals may be sent for approval of Department of Expenditure.
3. Secretaries of the Ministries/Departments, being the Chief Accounting Authorities as per rule 70 of GFRs, shall be fully charged with the responsibility of ensuring compliance of the above instructions. Financial Advisers shall assist respective Departments in securing compliance with these measures.

Sd/-

(Dr. T. V. SOMANATHAN)

Secretary to Government (Expenditure)

To

All Secretaries of the Government of India

Copy to:-

1. Principal Secretary to the Prime Minister
2. Principal Advisor to the Prime Minister
3. Cabinet Secretary
4. CEO, NITI Aayog
5. All the Financial Advisors

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(BUDGET SECTION)**

No. G. 24011/2/2017-18/F1(B)

Puducherry, dated : 03-08-2018

CIRCULAR

Sub. : Finance Department (Budget) - Expenditure management
- instructions - Issued.

The Lieutenant Governor, Puducherry, while according assent to the Appropriation Bill (No. II) 2018 (Bill No. 3 of 2018), has directed that the following Instructions on expenditure management be strictly complied with by all Administrative Departments (Autonomous Bodies / PSUs / Boards/Societies, *etc.* :-

- i) The implementation of any new announcements shall be strictly subject to availability of funds/resources either through additional resource mobilization (ARM) or matching savings.
- ii) The delegation/redelegation of powers to subordinate authorities done vide G.O.Ms. No. 47/F3/201, dated 09/12/2014 in terms of rule 13 of DFPRs deals with incurring of contingent expenditure (Schedule-V) and miscellaneous expenditure (Schedule-VI) only. The power to sanction Grants-in-Aid (GIA) under rule 20 of Delegation of Financial Power Rules, 1978 rests with the Lieutenant Governor (Administrator) and the same has not been delegated to any subordinate authorities. Hence, the Administrative Departments shall obtain annual block sanction for release of Grant-in-Aid to Autonomous Bodies/PSUs/Boards/Societies, *etc.* as per provisions of rule 20 of DFPRs, 1978 and the Finance Department shall release the grants only after such block sanction is obtained.
- iii) All PSUs/Autonomous Bodies and all GIA receiving institutions shall strictly follow the provisions of GFRs, 2017 and other instructions that are issued by the Government from time to time. These Bodies must also submit proper UCs in time and finalise the audit of accounts as per Rules.

iv) The instructions issued by the Finance Department *vide* Circular No.C. 24011/1/2017-18/F1 (B), dated 02/01/2018 on expenditure management and economy measures shall be strictly followed by all the Department in the Government and by all the PSUs/Autonomous Bodies and grant receiving institutions.

v) The enhancement of financial powers to Government of Puducherry under DFPRs, 1978 conveyed vide MHA's Lr. No. 15039/20/2012-Plg. Cell dated 12/10/2017 for sanction of schemes/works, purchases and contracts, shall be exercised only with due approval of Administrator / Lieutenant Governor (as the same have not been redelagated to any other authority).

2. All the Heads of Departments/Secretariat Departments Managing Directors/Chief Executives of PSUs/Autonomous Bodies/Boards/Societies/ Co-operative Institutions, *etc.*, are therefore, directed to strictly comply with the above instructions on expenditure management. Further, all Heads of Departments shall process their expenditure sanction proposals in accordance with the instructions.

Sd/-

(Dr. V. CANDAVELOU)

Commissioner-cum-Secretary to Government (Finance)

To

1. All Secretaries to Government.
2. All Heads of Departments.
3. The Chief Executives / Managing Directors of Public Sector Undertakings/ Autonomous Bodies / Co-op. Institutions / Other Bodies receiving Grant-in-Aid from Government.

Copy to :-

1. OSD to Lieutenant-Governor, Puducherry.
2. OSD to Chief Minister, Puducherry.
3. PS to Chief Secretary, Puducherry.

No.G24011/1/2017-18/F1(B)
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated the 2nd January, 2018.

CIRCULAR

**Sub. : Finance Department - Expenditure Management-
Economy Measures and Rationalization of Expenditure
to face the emerging financial challenges - Reg.**

Government of India has been time and again stressing the need to curb unproductive expenditure, especially the Revenue expenditure associated with non-productive consumptions which does not translate into durable economic assets/infrastructure. The sharp increase in the committed expenditure of the Government of Puducherry due to revision of Pay and Pension, and Dearness Allowance / Dearness Relief rates, gradual increase in borrowings to meet developmental needs leading to high debt servicing obligations, increased cost of power purchase, etc, have necessitated to prune the unproductive expenditure and to put in place appropriate economy measures. for strict observance by all the stakeholders in the Government including PSUs and all Autonomous Organizations under the administrative control of the Union territory Government in order to ensure both the financial stability and credit of the Union territory of Puducherry.

2. Therefore, in view of the current tight financial scenario, in addition to the various measures already in force, it is necessary to strictly follow the below listed expenditure control and rationalization measures to ensure the financial stability and credit of the Union territory of Puducherry:

(a) Ex-post facto approval

(i) It is noted that various Departments / Autonomous Bodies, as a matter of routine are following *ex-post facto* approval route to bypass budget / expenditure controls (*i.e.* to execute the scheme or work without budget allocation or sufficient funds in the relevant Head) leading to liability and a fait accompli situation, which cannot be reversed. Such actions in the current financial scenario would undermine the financial discipline and fiscal prudence. Therefore, any award of works, execution of schemes and procurements of goods and services shall

have to be done with the prior administrative approval and expenditure sanction of the Expenditure Sanctioning Authority based on fund availability and fund certification, in strict compliance with GFRs provisions.

(ii) No fresh financial commitments should be made on items which are not provided for in the approved budget. Similarly, PSUs/Corporations/Boards and other Autonomous Bodies should not create any contingent liability on the Government through loans obtained by them directly from the Banks / Financial Institutions.

(b) Public Works

In order to prevent creation of new liabilities without budgetary support, any proposal for new works should be referred to Finance Department along with details of liability for ongoing works/completed works/works already sanctioned and the fund availability in the budget. No tenders should be floated without administrative approval based on fund availability and fund certification by the Department/Finance Department, as the case may be.

(c) Office expenses

(i) A moderate 10% cut in the expenditure on office expenses including telephone charges, fuel expenses, refreshments, *etc.*

(d) Staff car

(i) Purchase of new vehicles against the replacement of condemned vehicle should be deferred except essential utility vehicles, such as ambulance, fire tenders, *etc.*

(ii) Outsourcing of vehicles should be curtailed. Staff cars should be parked near office buildings so as to reduce the dead mileage to the maximum extent possible. These vehicles should not be allowed to be parked at the residence of the Drivers under any circumstance.

(e) Procurement of Goods and Services

(i) Restrictions on purchase of banned items would continue. However, necessary exemption can be taken in the case of Centrally Sponsored Schemes (CSS)/Central Sector Schemes or other approved schemes which specifically permit the procurement of such items for implementation of the Scheme.

(ii) All the procurements of goods and services should be made through GeM Portal, as per MHA's letter No.15039/168/2017-UT (Coord) dated 04-10-2017 and as per the guidelines issued by Finance Department *vide* I.D.Note dated 21-09-2017. Procurement through GeM is mandatory, if, the goods and services are available on GeM portal. This will help to procure goods and services at a lower/competitive price through a fair and transparent manner in compliance with rule 149 of GFRs,2017.

(f) Festival, Fairs and Exhibitions

The practice of holding meetings, conferences, functions, *etc.*, at hotels may be discontinued. Further, the conduct of events / shows which is not part of any approved scheme/ programme may be avoided.

(g) Air travel

Air travel to be restricted to Economy Class and the tickets to be procured in the lowest fare available in Economy class. The officers may be advised to book the air tickets directly from the Airlines website, as far as possible.

(h) Save electricity

Expenditure on consumption of electricity should be reduced by a minimum of 5% by all offices and public buildings with reference to the consumption during the corresponding month of the previous year, through efficient utilization and saving of power, like by switching off lights and other appliances including ACs / fans / computers, *etc.*, when officers are not in the office room or when not required. Likewise, PWD / Electricity Department / All Local Bodies should ensure that public lighting systems are properly switched off during day times.

(i) Creation and filling up of posts

(i) The ban on creation of new posts shall continue.

(ii) There shall be restrictions on filling up of direct recruitment vacancies. However, the vacancies in Technical and Non-Technical operational posts arising in the normal course can be filled up by transfer, promotion, deputation, adjustment of staff rendered surplus, leave vacancies, *etc.*, Approval of Chief Secretary should be invariably obtained through Finance Department for any relaxation of this restriction.

(iii) Large number of staff may be rendered surplus as a result of completion of certain schemes / projects and there is often considerable pressure for carrying such surplus staff indefinitely on the pay roll. Such cases should be subjected to strict scrutiny and their continuance should not be allowed indefinitely.

(iv) Surplus staffs available in various Departments and Organizations due to winding up of certain activities of the Departments must be suitably redeployed in the other Departments, where it is essentially required through work study review.

(j) Casual Labour

The engagement of voucher paid staff for routine official work should be avoided.

(k) Travelling Allowance

Deputation for training courses involving course fee and for which TA/ DA has to be paid by the Government may be curtailed.

(l) Acquisition of Land

Land should be procured or acquired strictly in conformity with the requirement of building programme. Mere purchase or acquisition of land with a view to taking up construction of buildings in distant or indefinite future should be avoided. No projects should be started without land availability and budget allocation and without the explicit approval of the Planning and Finance Departments.

(m) Public Sector Undertakings

(i) The release of funds to the Government Undertakings/ Autonomous Bodies should be strictly according to budget provision and immediate needs and after full justification for release with reference to existing instructions on the subject. The Administrative Departments shall have to satisfy themselves on the proper utilization of funds by the organizations for the purpose for which it was released and ensure

proper submission of UCs duly certified by the Director / Secretary of the Department concerned. The Departments should also ensure the timely completion of accounts and audit by the PSUs and its submission to the Deputy Accountant-General, C&AG Office, Puducherry.

(ii) No engagement of staffs in PSUs/Corporations/Boards/other Autonomous Bodies, shall be made without the approval of Government.

(iii) The Administrative Departments shall ensure that all Grant-in-aid institutions under their control increase their receipts/revenues through efficient management and operations and bring down costs through reduction in manpower or discontinuing loss making ventures.

(iv) It is noticed that Departments implementing schemes through PSUs / Boards/Societies/Other Autonomous Bodies are drawing funds from the Consolidated Fund and allowing the Autonomous Bodies to park the same in bank accounts without utilization for a long time. In such cases, as there is no immediate need for utilization, such cash balances must be maintained in the Government account (Civil Deposits), as per Circular issued by DD (Ways & Means).

(v) All PSUs/Corporations/Boards/Other Autonomous Bodies shall strictly align their financial rules and practices in conformity with the rules and practices existing in the Government, through necessary amendments in the Memorandum of Association/Articles of Association/Bye-laws/Rules//Regulations, *etc.* and pending amendment of these documents, the financial rules and practices existing in the Government shall apply *mutatis mutandis* to all PSUs/ Boards / Societies/Corporations / Autonomous Bodies, *etc.* under the control of Government of Puducherry.

(n) Rushing of Expenditure

(i) Rush of expenditure on procurement should be avoided during the last quarter of the fiscal year and in particular the last month of the year so as to ensure that all procedures are complied with and there is no infructuous or wasteful expenditure or parking of funds. Officers in-charge are advised to specially monitor! this aspect during their reviews.

(ii) In the last month of the financial year, payments should be made only for the goods and services actually procured and for reimbursement of expenditure already incurred. Hence, no amount should be released in advance (in the last month) with exception of the following:

- * Advance payment to contractors under terms of duly executed contracts so that Government would not renege on its legal. or contractual obligations.

- * Any loans or advances to Governments servarits, *etc.* or private individuals as a measure of relief and rehabilitation as per service conditions or on compassionate grounds.

- * Any other exceptional case with the approval of the concerned administrative Secretary. However, a list of such cases may be sent by Head of Department to the Finance Department by 30th April of the following year for information.

(o) Achievements of revenue targets

The Departments should carefully monitor the targets towards revenue receipts fixed for the financial year and ensure that there is no shortfall in the collection. Where the scales of fees / receipts have not been revised for some time, these should be revised immediately taking into account the increase in costs

(p) PFMS

Departments / Autonomous Bodies receiving fund directly from Ministries of the Government of India through PFMS for implementation of Central Sector Schemes, should immediately intimate the details of receipt of funds to Planning Department and Finance Department.

3. These instructions are only illustrative and not exhaustive. The Departments are free to adopt other austerity measures in areas of their choice.

4. This Circular shall *mutatis mutandis* apply to all the PSUs, Corporations, Boards, Societies and other Autonomous Bodies under the Government of Puducherry, irrespective of whether they receive any Grant-in-Aid From Government or not. The Managing Directors/ Chief Executive Officers shall be responsible for strict compliance of provisions of GFR, 2017 and instructions contained in this Circular.

5. Secretaries/Heads of Departments /Heads of Offices and Accounts Officers shall be individually and collectively responsible for ensuring strict compliance of the contents of this Circular. Finance Department will also scrutinize the budget proposals of the various Departments taking into account these economy measures and Director of Accounts and Treasuries shall apply necessary control to ensure the compliance of this Circular.

Sd/-

(Dr. V. CANDAVELOU)

Commissioner-cum-Secretary To Government(Finance)

To

1. All Secretaries / Special Secretaries, Chief Secretariat, Puducherry.
2. All Additional / Joint / Deputy / Under Secretaries, Chief Secretariat, Puducherry.
3. All the Heads of Departments (As per list)
4. All Public Sector Undertakings / Autonomous Institutions (As per List).

No.D.26017/1/2002/F3
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 19-01-2004.

OFFICE MEMORANDUM

Sub.: Finance Department-Economy in public-Ban in purchase of vehicles/Office furniture and office equipments- Relaxations-Reg.

Ref. : 1. This Department's O.M.of even No. Dt. 21.10.2002
2. This Department's I.D.Note of even No. Dt. 21.10.2003

Finance Department in its O.M. dated 21.10.2002 referred to above, issued instructions to the Government Departments, Public Sector Undertakings, Boards, Government funded Autonomous Societies, imposing total ban on purchase of vehicles, office furniture and office equipments including Photo/Digital copier, fax machines, *etc.*, except computers and its accessories as a part of austerity measures observed by this Administration. Later, the Secretaries to Government have also been requested to examine the cases of relaxation of ban on purchase of office furniture with reference to the actual requirements and functional necessity and submit proposals to Chief Secretary to decide the same on case by case basis, *vide* I.D. Note under reference (2) cited.

2. A question has arisen whether the term vehicle would cover operative vehicles also. It is, therefore, clarified that operational vehicles, such as tractors, dosers, poclains, tippers and such other vehicles which do not come under the category of staff cars, do not come under ban imposed in the O.M. first cited.

3. Proposals for purchase of office equipments like photocopier, fax machine, *etc.*, in relaxation of the ban imposed are received from time to time for submission to the Lieutenant-Governor. It has been decided that such cases would be decided by the Chief Secretary. The Secretaries to Government are, therefore requested to examine proposals for purchase

of office equipments including photo/digital copiers, fax machines, *etc.*, In relaxation of the ban order based on the assessment of their need and submit proposals to the Chief Secretary to Government with full justification in deserving cases for according approval and then sanction may be accorded with the concurrence of the Finance Department

//BY ORDER//

Sd/-

(S. VENKATANATHAN)

Under Secretary to Government (Finance)

To

1. All Secretaries to Government/Secretariat Departments
2. All Heads of Departments/Officers

D-26017/1/2002/F3
GOVERNMENT OF PONDICHERRY
FINANCE DEPARTMENT

Pondicherry, the 21-10-2002

OFFICE MEMORANDUM

Sub. : Finance Department - Economy of Public Expenditure
Instructions - Issued

As a part of austerity measures observed by this Administration the following instructions are issued for bringing out economy in public expenditure with immediate effect. These instructions shall apply to the Government Departments, Public Sector Undertakings, Boards, Government funded Autonomous Societies.

- (i) A total ban on purchase of vehicles is imposed. Purchase of replacement vehicles for Raj Nivas, Office of Council of Ministers, Legislative Assembly Secretariat, ambulances for Health Department, vehicle meant for law and orders maintenance and fire engines/feeders for Fire Service Department shall be exempted.
- (ii) A total ban is imposed on the purchase of office furniture and office equipments including photo/digital copier, fax machines, *etc.*, except computers and it is accessories.

The Heads of Department and Heads of Public Sector undertaking Boards, Societies funded by the Government are requested to acknowledge the receipt of this Office Memorandum and to follow the above instructions scrupulously.

//BY ORDER//

Sd/-
(K. RAJAN)

Under Secretary to Government

To
All Secretaries/Secretariat Departments.
The Director of Accounts and Treasuries, Pondicherry.
All Heads of Departments/Offices/Heads of Public Sector
Undertaking/ Boards/Societies funded by the Government.

CHAPTER – VI
**ENGAGEMENT ON CONTRACT/
CONSULTANCY/TEMPORARY/CASUAL
LABOURER BASIS**

No. G. 24011/2/2015-16/F1 (B)
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated : 19-11-2015

CIRCULAR

*Sub: Finance Department (Budget)-Engagement of Medical
Officers/Assistant Professors on contract basis-
claiming of remuneration-Instructions-Issued*

It has been brought to the notice of the Finance Department that some Departments in the Union territory of Puducherry, particularly, Directorate of Health and Family Welfare Services and Law College have been claiming remuneration in respect of the Medical Officers/Assistant Professors, who have been engaged on contractual basis, under the "Salary" head, which is not correct. The Pay and Allowances can be claimed under the salary head, only in respect of the Government servants who have been appointed on regular Pay Scales.

2. As per Government of India's Order No. 6 under rule No. 8 of the Delegation of Financial Powers Rules 1978, the expenditure relating to "*all types of remunerations for payment of professional and special services*" have to be booked under the object head 28-Professional Services. Therefore, the above Departments are requested that the remuneration in respect of Medical Officers/Assistant Professors engaged on contractual basis, shall be claimed under the object head "28-Professional Services" from the financial year 2016-17 onwards and to provide necessary allocation accordingly, while furnishing budgetary details to the Finance Department for B.E. 2016-17.

3. If, any other Departments, other than the above Departments, have engaged professionals in their Department on contractual basis and claiming their remuneration under the Salary head, in such cases, they are also requested to book the expenditure as stated in para 2 above.

4. This issues with the approval of Finance Secretary.

Sd/-
(V. PONNUSAMY)
Budget Officer

To

All the Heads of Departments.

Copy to

All Sections of Finance Department, Chief Secretariat, Puducherry.

**No. 463241FD/F3/2014
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Puducherry, dated 11-09-2014

I.D. NOTE/MEMORANDUM

Sub.: Finance Department - Formulation of Uniform Procedure and Guidelines for the engagement of retired Government officials as Consultants in Government Departments - Issued.

The His Excellency the Lieutenant Governor, Puducherry, in one of the proposals of Finance Department for extension of period of engagement of a retired Government official as Consultant had directed to evolve a scheme for engagement of Consultants. In Government Departments in this Administration in consonance with the pattern followed by Departments/Ministries of Government of India. This was examined in detail taking into account all relevant aspects and the Scheme of engagement of retired Government officials as Consultants/Employees on contract basis in Government Departments of this Union territory of Puducherry shall henceforth be regulated as per the following guidelines :

(i) General Conditions

As per the provisions of GFRs (Rules 163-177) and Department of Personnel and Training, New Delhi guidelines, the consultancy assignment to be awarded for a specific Job than be resorted to only in a situation requiring higher quality services for which the concerned Department does not have requisite expertise. While engaging Consultants due economy shall be observed while determining their fees and such fees may not be disproportionate to the work to be carried out by Consultants. So, also engagement of consultant should not be allowed for routine day to day work for which the Department has regular staff support. However, retired Government officials with expertise in establishment/accounts, etc. may with the approval of Competent Authority, be engaged in Government Departments where regular arrangement could not be made immediately due to circumstances beyond their control.

(ii) Period of Engagement

Consultants (Retired Government officials) shall be engaged for a minimum period required. The maximum period of engagement shall be for a period of 2 to 5 years. The initial engagement for a retired Government official as Consultant shall be for a period of six months and shall be extended in six monthly period not exceeding a maximum of 2 to 5 years. The initial term of appointment and subsequent extension(s) if any, shall be decided on case to case basis depending upon the specific job of a specialized nature with the recommendation of Consultancy Evaluation Committee of the Department concerned, constituted for this purpose and its review report with the approval of Competent Authority viz., the Lieutenant Governor, Puducherry.

The appointment of Consultant may either on full-time or part-time basis and in the case of full-time Consultants, they shall not be permitted to take up any other assignment during the period of Consultancy.

The appointment of Consultants shall be of a temporary (non-official) nature against the specific jobs and the appointment can be cancelled at any time by the Department without assigning any reason.

(iii) Qualification and Experience

This shall depend upon the exact requirement of the concerned Government Departments for engagement of Consultant.

(iv) Age-Limit

The maximum age-limit for the Consultants will be 65 years. No retired Government Servant should be engaged as a Consultant beyond the age of 65 years.

(v) Procedure

The Government Department desirous of engaging retired Government officials as Consultants shall prepare terms and conditions for the work to be done by engaging Consultant in terms of the provisions given in GFRs and invite applications in the *pro forma* given in Annexure-I and place the same on official Website of Government of Puducherry.

All the applications received in response to the Notification shall be scrutinized and shortlisted by the concerned Departments as per their requirement and in the light of consultancy guidelines. Thereafter, the concerned Department would submit a proposal before the Consultancy Evaluation Committee of the concerned administrative Department.

The composition of Consultancy Evaluation Committee of concerned Department shall be as under :

- (i) Secretary of the concerned Department : Chairman
- (ii) Joint Secretary/Deputy Secretary/Under Secretary of the concerned Department : Member
- (iii) Head of Department : Member

After approval of the Consultancy Evaluation Committee, the concerned Administrative Department will thereafter, obtain the approval of the Competent Authority viz, the Lieutenant-Governor with the concurrence of Finance Department before issuing offer of appointment to the candidate as Consultant on the recommendation of Consultancy Evaluation Committee.

(vi) Fee

The Consultancy Fee fixed by the Department concerned shall be proportionate to the work to be carried out. The amount of Consultancy fee for the retired Government officials shall not exceed the ceiling of **Last Pay Drawn minus Pension and Dearness Allowance**.

The retired Government officials appointed as Consultants shall however continue to draw pension and dearness relief on pension during the period of his/her engagement as Consultant.

(vii) Allowances

The Consultants shall not be entitled to any allowance such as Dearness Allowance, Residential, Telephone, Transport Facility, Residential Accommodation, Personal Staff, Medical Reimbursement, Insurance, etc. However, they will be entitled for Travelling Allowance on official tour at the rates applicable to a Government Officer holding equivalent post on regular basis. His/Her engagement as Consultant shall not be considered as a case of reemployment.

(viii) Leave

Consultants shall be eligible for 12 days leave in a calendar year on *pro rata* basis. Therefore, a Consultant shall not draw any remuneration in case of his/her absence beyond 12 days in a year (calculated on a *pro rata* basis). His/Her unavailed leave in a calendar year cannot be carried forward to next year as well as not entitled for encashment of unavailed leave, The Government Department would be free to terminate the services in case of absence of a Consultant by more than 15 days beyond the entitled leave in a calendar year.

(ix) Agreement

An agreement shall be executed with the Consultant so engaged in the *Pro forma* given in Annexure II.

(x) Existing Consultants

The existing Consultants (retired Government officials) in Government Departments will continue as per their existing entitlements / remuneration till they complete their sanctioned tenures.

In case, the Consultants want to be considered for selection under the new guidelines, then on expiry of their consultancy tenure or before, they will have to apply a fresh for appointment of Consultants and consequently compete with other applicants to be considered for selection for appointment as consultants after following the due procedure as per the new guidelines, However, for determining the maximum period of engagement *i.e.* five years, the services earlier rendered by these Consultants will be counted.

(xi) Relaxation

In exceptional cases, the Competent Authority, the Lieutenant-Governor shall relax any of the conditions of the above guidelines of the scheme of engagement of Consultant(s) especially in cases of highly specialized requirement in the interest of public service.

2. The above guidelines shall take effect from the date of issue of this I.D. Note/Memorandum.

3. The above guidelines shall not apply to the External Professionals, Consultancy firms, individual Consultants being engaged for specific assignments such as preparation of DPRs, *etc.* under various Schemes/ Projects. For such cases, the provisions given under procurement of Services (Rule 163/177) of GFRs, 2005 shall be followed scrupulously.

4. The Secretariat Departments, Heads of Departments and Heads of Public Sector Undertakings, Boards and Societies, *etc.*, funded by the Government are requested to follow the above instructions strictly.

//BY ORDER OF THE LIEUTENANT GOVERNOR//

Sd/-

(P. AUGUSTIN LUCIEN DIAGOU)

Under Secretary To Government (Finance)

Encl.: As above.

To

All Secretariat Departments

All Heads of Departments/Offices

All Heads of Autonomous Bodies/Boards/Corporations/Societies
funded by the Government of Puducherry.

ANNEXURE - I
PRO FORMA
APPLICATION FOR ENGAGEMENT OF RETIRED GOVERNMENT
OFFICIALS AS CONSULTANTS IN GOVERNMENT
DEPARTMENTS/AUTONOMOUS BODIES

1. Name :
2. Date of Birth :
3. Address for Communication :
4. Contact Number :
5. E-mail ID :
6. Particulars of Government Service :
 - 6.1. Date of Joining in Govt. Service :
 - 6.2. Date of retirement and the post:
in which retired
 - 6.3. Name of the Department/ :
Organization from which retired.
 - 6.4. Last Pay drawn :
(Copy of PPO to be enclosed)
7. Educational Qualification :
8. Details of knowledge in Computer :
9. Brief particulars of experience with :
nature of duties performed
(starting from last appointment)

Recent
passport size
photo to be
pasted here

Sl.No.	Name of the Ministry/Department	Period		Post held	Nature of work
		From	To		

10. Additional information if any, in :
support of the suitability of the post.

DECLARATION

I hereby declare that the particulars furnished above are true and correct to the best of my knowledge and belief. I further declare that I was clear from vigilance angle at the time of retirement.

Place :

Signature of Applicant

Date :

ANNEXURE - II

PRO FORMA FOR AGREEMENT TO BE EXECUTED WITH THE CONSULANT ENGAGED ON CONTRACT BASIS

This AGREEMENT on this day BETWEEN the PRESIDENT OF INDIA through the Secretary/Head of Department concerned (hereinafter called the Employer which expression shall unless excluded by or repugnant to the context, be deemed to include his Successors in office and assigns) of the one part and Mr./Ms. (Name and address) (hereinafter called the Appointee) of the other part.

WHEREAS, the Employer is desirous to have the services of the Appointee to engage him/her as full-time/part-time Consultant on contract basis in the Department, Government of Puducherry (hereinafter called the said Department) and he/she shall attend the works pertaining to (Nature of works) and also any other assigned by the employer.

AND WHEREAS, the Appointee having agreed to take up the assignment as full-time/part-time Consultant on contract basis and having reported for duty on and the Employer willing to engage the Appointee in the aforesaid capacity for a period of six months or till the necessity therefore ceases, whichever is earlier on the terms and conditions hereafter appearing.

NOW, THEREFORE THIS AGREEMENT as under :

- (i) The consultancy service will be on full-time/part-time basis.
- (ii) The engagement will be for a period of six months from the date of engagement.
- (iii) The Apointee will be paid a total fee of Rs..... (Rupees in words.....) per month.
- (iv) T.A./D.A on official tour will be paid as per the entitlement to his/her counterpart in Government.
- (v) The Appointee is entitled for leave of 12 days in a Calendar year on *pro-rata* bais.

(vi) All expense towards stamp duty, etc. on this agreement shall be borne by the Employer.

(vii) He/She will report to the (Officer concerned).

IN WITNESS WHEREOF, the parties hereto have signed the Agreement the day and year first above written.

Witnesses :

1.

Head of Department concerned
For and on behalf of President
of India (Employer)

2.

Consultant (Appointee)

No.22161/FD/F3/2014
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 05-09-2014

CIRCULAR

Sub : FD - Claiming of salary/wages for the temporary posts
void of approval for creatio/continuance-Instructions -
Issued.

The continuance of the temporary posts existing in Government Departments have to be reviewed once in six months in accordance with the extant orders issued by the DP&AR. Depending upon the necessity or otherwise of the posts, approval of Competent Authority/ concurrence of Finance Department for the continued engagement of the temporary posts has to be obtained by the Administrative Departments for a period of six months each time or till the necessity ceases whichever is earlier, before commencement of the further period of engagement. However, it is noted that many of the Departments are initiating proposals for the continued engagement on temporary posts only on expiry of the previous period of engagement and the delay in obtaining approval for continuations into several weeks and even months.

2. Instances have also come to the notice that engagement on temporary/daily rated/consolidated basis is being done in certain Autonomous Bodies/Grantee Institutions of this Administrations by creating the required posts by getting the consent of its Governing Body without obtaining approval of Government. As per G.O. Ms. No.66/F3/2008, dated 24.10.2008 issued by the Finance Department, Puducherry, creation of posts in Autonomous Institutions should be strictly as per Government norms and approval of Government should be obtained prior to creation.

3. In order to streamline the above lapses/irregularities the following instructions are issued for strict compliance of all **Heads of Departments/ Autonomous Bodies/ Grantee Institutions/ Societies/ Boards/ Corporations/Local Bodies:**

- (i) Approval of Government for the continuance of Temporary posts should be obtained before commencement of the period of engagement by submitting necessary proposals well in advance with all relevant particulars. The salary/wages bills in respect of the temporary posts should not be claimed in the absence of approval for the continuance of the posts. In the case of Full time or part time Casual Labourers, the Department should categorically mention the date of Ratification order of the Seniority lists approved by the Administrator in terms of the Government of Puduchery Casual Labourers (Engagement and Regularisation) Scheme, 2009.
- (ii) All engagement of employees/creation/continuance of posts should be done only with the prior approval of Government. As far as Grantee Institutions are concerned, the respective Administrative Departments are, *inter alia*, responsible for getting the approval for the creation/continuance of posts, as the said Institutions are fully funded by Government through Administrative Department.

4. The Directorate of Accounts and Treasuries/Competitive Authorities concerned shall ensure not to admit the salary/wages bills in respect of the temporary posts of Government Departments/Grantee Institutions/Local Bodies void of approval of Government for creation/continuance.

Sd/-

(CHANDRAKER BHARTI)

Secretary to Government (Finance)

To

- 1. All Secretariat Departments.
- 2. All Heads of Departments/Autonomous Bodies/Grantee Institutions/Boards/Corporations/Societies/Local Bodies.
- 3. All Heads of Offices.

Copy to:

- 1. The Director of Accounts and Treasuries, Puducherry.
- 2. The Deputy Director of Accounts and Treasuries, Karaikal/Mahe/Yanam.

No : 496/FD/F2/A3/2014
GOVERNMENT OF PONDICHERRY
FINANCE DEPARTMENT

Pondicherry, dated 03-06-2014

CIRCULAR

Sub.: Finance Department - Irregular appointments/
engagement of Casual Labourers in various Corporations/
Societies/Boards and other Autonomous Bodies
Instructions - issued

Ref.: G.O.Ms.No. 22, dated 27-02-2009 of the Department
of Personnel and Administrative Reforms (PW),
Puducherry.

With an aim to regulate the engagement of Casual Labours in various Department/Autonomous Bodies, the Government of Puducherry has implemented the Scheme. "The Government of Puducherry Casual Labours (Engagement of Regulation) Scheme 2009" *vide* In the G.O.cited wherein, following instructions one issued.

- (i) No casual labourer will be engaged for attending to work of a regular nature, for which a regular post exists or can be created.
- (ii) Engagement of full-time Casual labourer, shall be made only with the approval of the Government of Puducherry.
- (iii) No casual labourer full-time or part-time, shall be recruited for work of a regular nature, for which posts in regular Pay Scales exist or can be created after the prescribed procedure of work study, *etc.*, No re-engagement of casual labourers, by whatever designations can be done except in accordance with the provision, of the scheme. Violation of this provision constitutes a sufficient ground for making adverse entry in the

performance Appraisal/Confidential Reports of the concerned officials, besides initiation of suitable disciplinary action against them.

- (iv) In future engagement of part-time casual labourers is strictly banned and all such part-time engagements should henceforth be out sourced.

2. Eventhough, specific instructions have been issued. It is brought to the notice that persons are being engaged in various Officers/Corporation/Societies/Boards either as casual labourers or other designation without approval of the Government. Hence, all Heads of Departments and all Heads of Autonomous Bodies such as Corporation/Societies/Boards, *etc.*, are hereby instructed not to engage any persons in their Department/Institutions without approval of the Government.

3. Further, all Accounts Officers/DDO's/Competitive Authorities concerned should ensure that pay/wages shall not be claimed for the irregular engagements/engagement of person without approval of the Government after issue of G.O.cited.

4. All Heads of Departments should also issue strict instructions to the Authorities concerned in his regard.

//BY ORDER//

Sd/-

(P. AUGUSTIN LUCIEN DIAGOU)

Under Secretary to Government(Finance)

To

All Heads of Departments concerned.

No : G.20013/2/2021-22/F3(B)
GOVERNMENT OF PONDICHERRY
FINANCE DEPARTMENT

Pondicherry, dated 25-10-2002

OFFICE MEMORANDUM

Sub.: Finance Department - obtaining the approval of the Lieutenant-Governor for the proposals relating to engagement of employer on daily wages, part-time basis and engagements of staff on consolidated basis-instructions issued.

As per the existing instructions, engagements of casual workers of daily wages by the Government Departments and Autonomous Bodies and Public Sector Undertakings should get the concurrence of Finance Department not only for the initial engagement but also for their continued engagement every six months. Further, when an employee ceases to be a casual worker, on and on ground, his/her place shall not be substituted by engaging a new employee. Departments should also get the approval of Finance Department for the engagement of part-time employees beyond existing strength.

2. Now, it has been ordered by the Lieutenant-Governor that in respect of proposals relating to engagement of casual labourers on daily wages and consolidated payment basis prior approval of the Lieutenant-Governor has to be obtained after getting the concurrence of Finance.

3. Similarly, for the engagement of persons on part-time basis beyond the existing strength of a Department, prior approval of the Lieutenant-Governor has to be obtained after getting the concurrence of Finance. However, in respect of the proposals for continuance of the existing casual worker beyond the period every six months concurrence of Finance should be obtained and need not get the approval of the Lieutenant-Governor.

4. The above instructions are also applicable to Public Sector Undertakings, Statutory Boards and Government funded Autonomous Institutions registered under the Societies Registration Act, These instruction should be followed strictly by Heads of Departments. Public Sector Undertakings Boards and other Autonomous Institutions.

5. The Heads of Department shall take note of the instructions by Government contained in G.O.Ms.No. 77, dated 28-9-1988 regarding the ban, engagement of persons on daily wages for carrying out work which are norms to be done by an employee borne on regular establishment.

6. The receipt of this O.M. may be acknowledged.

//BY ORDER//

Sd/-

(K. RAJAN)

Under Secretary to Government

To

1. All Secretaries to Government.
2. All Heads of Departments/Offices//Secretariat Departments.
3. The Director of Accounts and Treasuries, Pondicherry.
4. The Public Sector Undertakings/Aotonomous Institutions/Boards.

CHAPTER – VII
BUDGET

BUDGET–MOST IMMEDIATE

**No.G.24011/1/2022-23/F1(B)
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Puducherry, the 07-07-2022.

CIRCULAR

Sub. : Finance Department (Budget) -Provision for preparing DPR-Reg.

Ref. : Circular of even number, dt. 01-07-2022.

In pursuance of the deliberations in the Plan Board meeting held on 6th July 2022 under the Chairmanship of the Hon'ble Lieutenant Governor, the Heads of Departments may furnish their urgent requirement of funds for preparing Detailed Project Report (DPR) of any Project proposed to be undertaken during the financial year 2022-23. This may be submitted along with the Budget break-up details for 2022-23, *vide* Circular cited under reference. However, the request for additional funds would be entertained only when the associated Scheme/Project does not allow any expenditure for DPR preparation.

2. If such proposals are submitted, the Budget section will try to find some other appropriate head to provide funds for DPR preparation.

3. The Budget section will explore the feasibility of providing funds for the aforesaid purpose separately. The concerned Head of Department would ensure that the funds, if any allocated for the aforesaid purpose, are utilized specifically for that purpose only and no proposal for re-appropriation/modification of funds is forwarded by the Department.

4. This may please to be given **Top Priority**.

//BY ORDER//

Sd/-
(U. ILANGO)
Budget Officer

To
All Heads of Departments.

Copy for information to:

1. Secretary to Hon'ble Lieutenant Governor, Puducherry.
2. P.S. to Chief Secretary, Chief Secretariat, Puducherry.
3. P.S. to D.C.-*cum*-Pr. Secy. (Finance), Chief Secretariat, Puducherry.

BUDGET

**GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Lr.No.G. 24011/1/2022-23/F1(B) Puducherry, dated 09-06-2022

CIRCULAR

Sub. : Finance Department (Budget) – Flow of funds for on-going Centrally Sponsored Schemes (CSS) and on-going Projects under Negotiation Loan – Reg.

Instances have come to notice that some CSS implementing Departments of Union Territory of Puducherry are not able to withdraw/ transfer the funds received from concerned Ministry of Government of India as Central Share against CSS schemes to the Single Nodal Account (SNA) concerned in time, due to insufficient funds in the relevant Head of Account under Vote on Account / Budget Estimate and with no scope for modification within the Demand.

2. Similarly, some Departments who have availed Negotiated Loan for the on-going Projects are not able to draw funds due to insufficient provision in the relevant Head of Account under Vote on Account/ Budget Estimate.

3. It is therefore requested that such cases may be brought to the notice of the Budget Section, Finance Department along with copies of sanction orders issued by the Government of India and credit confirmation letter from DAT (for CSS). Similarly, you may submit details for fund drawal from Negotiated Loan.

4. The Finance Department will arrange for provision of funds for such cases. The approval of the Hon'ble Lieutenant Governor has already been obtained for this purpose.

5. The required particulars shall reach the Budget Section on or before 15-06-2022. If there are no such cases, a “Nil” report may invariably sent for records.

6. This may please be given **Top priority**.

//BY ORDER//

Sd/-
(U. ILANGO)
Budget Officer

To :
All Secretaries.
All Heads of Departments.
All SAOs/JAOs.

Copy for information to:

No.G.20013/2/2021-22/F1(B)
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, the 16-11-2021.

CIRCULAR

Sub. : Finance-Budget-Modification of funds-instructions - Issued

Ref. : Circular No. G.20013/2/2015-16/F1(B), dated 18-10-2021
of the Finance Department, Puducherry.

Of late, a number of proposals are being received in Finance Department(Budget) from many Departments seeking modification of funds as a routine manner, some of the Departments are sending proposal within a week's time after communication of Budget Estimate / Revised Estimate. This leads to number of avoidable audit queries.

2. Therefore, the Departments concerned are advised to take much care while finalizing the Budget proposals by providing realistic allocation under appropriate Heads to avoid modification proposals . While referring the files to the Budget Section for modification, it should contain detailed justification for modification and explain the likely impact of the modification on the borrowing head, including settlement of accumulated liabilities, if any, against that head. Further, the Department while sending the modification proposals, the following certificate should be appended without fail.

- (i) The borrowing head from which funds are proposed to be transferred out has adequate surplus and additional funds will not be sought for the same later in the financial year.
 - (ii) No funds were transferred out of the receiving head earlier in the financial year.
3. In order to ensure financial discipline and to avoid audit criticism, henceforth issue of modification of funds shall be

restricted to a maximum of three occasions in a particular Financial year, *i.e.*, in the month of July, October and March of each financial year. Exceptional cases would be considered beyond these subject to a detained justification from the Secretary of the Department.

4. All the Head of Departments are hereby informed to adhere to the above instructions strictly without any deviation.

Sd/-

(U. ILANGO)

Budget Officer

To

All Heads of Departments

Copy to :

1. All Secretaries to Government, Puducherry.
2. The Under Secretary (Finance)-I&II, Puducherry.

No.1-4/EDP
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 03-04-2018

OFFICE MEMORANDUM

Sub.: Finance Department (Budget) - Effective
implementation of BEAMS-Reg.

BEAMS software has been introduced w.e.f. 01-11-2017 with a view to effectively monitor and regulate expenditure of the Government. However, some past instances have come to notice some Departments have booked expenditure in excess of allocation and some Departments have by-passed the BEAMS procedure which is a matter of serious concern.

2. In view the above, it is incumbent on the Directorate of Accounts and Treasuries and its branch offices at Karaikal, Mahe and Yanam to ensure that all the bills/claims are processed through BEAMS only, and no manual processing is permitted; The financial year 2018-19 has just commenced and it is imperative for all the stakeholders, and DAT in particular, to strictly follow the Standard Operating Procedure (SOP) of BEAMS. The important Instructions to be strictly followed by DAT as per SOP is reproduced hereunder:-

- (i) The DAT shall receive the Bills only with a valid Authorisation slip generated under BEAMS and scan them and process the bills through the BEAT module.
- (ii) Bills/Claims, if any, are found to be incorrect the bill should be returned to the DDO for correction with an advice to resubmit with fresh authorisation slip and on no account, the DAT shall make corrections in the bill.
- (iii) The DAT shall furnish details of expenditure along with relevant token No. to Budget Section every month by 10th without fail. The DAT shall personally responsible for submission of this report and failure to do so will be viewed seriously.

- (iv) The DAT shall use the BEAMS data only for completion of account of Consolidated fund and Public Account.
- (v) The DAT shall ensure that the total expenditure under BEAMS tallies with the account of DAT, and discrepancies shall be sorted out before 5th of the succeeding month.

3. As the Directorate of Accounts and Treasuries, and its Branch Offices being the final authority to pass bill/ claims, the pay section Superintendents and Junior/Senior Accounts Officers in DAT are primarily responsible for strict adherence to the Beams procedure and they shall be held accountable for any deviation/violation. In order to ensure 100% accuracy in expenditure accounts from 01.04.2018, the DAT shall hold fortnightly meetings and rectify discrepancies then and there. Beams supporting team of Budget Section may also be invited for the meeting to sort out issues on the spot.

4. It has also come to notice that the expenditure details on debt servicing are not uploaded in BEAMS every month. The DAT shall ensure that the debt servicing particulars are entered promptly and the Junior Accounts Officer of the concerned section is primarily responsible to ensure this and lapses in this regard will be viewed very seriously. The updating / uploading of debt servicing expenditure in BEAMS shall be the sole responsibility of DAT. The DAT shall arrange for refresher training in BEAMS procedure in consultation with Budget Section, for DAT Officers whenever necessary.

5. The issue of letter of credit to PWD / Port shall be dispensed with immediately and the payment be made directly to the concerned Contractors / Parties through ECS after obtaining a debit advice from the Division of PWD concerned till the integration of BEAMS with the payment portal of SBI by PWD. Instructions in this regard are being issued separately.

6. Incidentally, instances have come to the notice that the retirement benefits are not given according to the PPO seniority and while old cases are still pending, certain new cases of retirements are settled forthwith causing a feeling of discrimination to some retired employees. The DAT shall ensure that retirement benefits are released as per PPO seniority and not through any random settlement.

7. The above instructions may be circulated to all pay sections/Junior Accounts Officers/Senior Accounts Officers for strict compliance. Any lapse/irregularities on the part of the Directorate of Accounts and Treasuries in booking of expenditure through BEAMS will render the officers concerned in DAT liable for disciplinary action.

//BY ORDER OF SECRETARY(FINANCE)//

Sd/-
(V. RAVISANKAR)
Budget Officer

To

1. The Director of Accounts and Treasuries, Puducherry.
2. The Deputy Director of Accounts and Treasuries, Karaikal/ Mahe/ Yanam.
3. The Under Secretary to Government(Finance) / The Officer on Special Duty (Finance) / The Deputy Director (Ways & Means).
4. The Director of Planning and Department, Puducherry.

**No 1-4/2018/EDP
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT
(BUDGET SECTION)**

Puducherry, dated 03-04-2018

OFFICE MEMORANDUM

Sub.: Dispensing with the procedure of issue of Letter of Credit -
Revised procedure -Reg.

Frequent instances of non-utilisation/delayed utilisation of Letter of Credit (LoC) issued to Public Works Department/ Port have been noticed in the past. In some cases, revalidation of LoC was given and still there was a large difference between the LoC issued by DAT and the LoC actually utilized. This obviously causes undue hardship in finalization of DAT expenditure figures and sometimes results in uncertainty in cash balance especially at the close of financial year. Meanwhile, much emphasis is laid on digital transactions in Government.

2. Accordingly, the revised procedure for payment by PWD, *in lieu* of Letter of Credit (LoC), is communicated as under:-

- (i) The Divisional Officers (Executive Engineers) shall after duly verifying and ensuring of the correctness of bills/claims (including part bills), shall prepare the debit note incorporating the details of the party viz, name, Bank account details, amount to be paid, etc. and forward the same along with BEAMS authorisation slip to the DAT for payment. The debit advice shall be jointly signed by the Junior Accounts Officer/Divisional Accountant and Executive Engineer of the Division concerned.
- (ii) The DAT, on receipt of the debit advice shall immediately arrange to make payment to the payee through ECS under intimation to the Executive Engineer concerned.

- (iii) In respect of Negotiated Loan, the DD(Ways & Means)- shall intimate the DAT, the project-wise amount to be released based on the receipt of quantum of loan under intimation to the PWD. The PWD shall immediately arrange to furnish the debit advice on the same lines as indicated at (i) above and the DAT shall make necessary payment directly to the party through ECS under intimation to DD (Ways & Means).

3. The above procedure shall be scrupulously followed until the BEAMS software is integrated with the payment portal of SBI, by PWD.

//BY ORDER OF SECRETARY (FINANCE)//

Sd/-
(V. RAVISANKAR)
Budget Officer

To

1. The Director of Accounts and Treasuries, Puducherry.
2. The Deputy Director of Accounts and Treasuries, Karaikal/Mahe/ Yanam.
3. The Chief Engineer, PWD, Puducherry.____ This may be circulated to the
Executive Engineers of all
Divisions of PWD for compliance.
4. The Director / Executive Engineer, Port Department, Puducherry.

No. G. 20013/2/2015-16/F1 (B)
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated : 28-03-2016

CIRCULAR

It has been observed that very often many Departments are submitting proposals for authorization of funds as a matter of routine. Issue of authorization for meeting the expenditure over and above the allocation made in the grants is not an approved form/method provided in the GFRs.

2. In this regard, attention of the Controlling Officers/Heads of Departments is hereby drawn to the provisions/instruction made/issued in Rule 42 to 64 on the Budget Formulation and Implementation under Chapter 3 of GFRs, the relevant portion from which is extracted hereunder for ready reference.

Rule 52 (3);

“No expenditure shall be incurred which may have the effect of exceeding the total grant or appropriation authorized by Parliament/Legislative Assembly by law for a financial year, except after obtaining a supplementary Contingency Fund. Since voted and charged portions as also the revenue and capital sections of a Grant/Appropriation are distinct and re-appropriation *inter se* is not permissible, an excess in any one portion or section is treated as an excess in the Grant/Appropriation”

3. The Controlling Officers/ Heads of Departments should follow the procedure given in Appendix 6 of the GFRs in connection with the Demands for Supplementary Grants when an excess over the sanctioned grant or Appropriation arise owing to either:

- a. An unforeseen emergency or
- b. Under estimated or insufficient allocation are the factors leading to the growth or expenditure.

4. When a need arises to incur unforeseen expenditure in excess of the sanctioned grant or appropriation or on a 'New Service' not provided in the budget and there is not sufficient time for the voting of the supplementary Demand and the passing of the connected appropriation bill before close of the financial year an advance from the contingency fund set up under Article 267(1) of the constitution shall be obtained before incurring the expenditure as per Rule 61 of the GFRs.

5. In view of the above, the Heads of Departments/Controlling Officers are advised to follow the instructions contained in GFRs while sending the proposals to the Finance Department for provision of additional fund and not to resort to the method of issue of authorization which is not an approved form or method under GFRs.

Sd/-
(CHANDRAKER BHARTI)
Secretary to Government (Finance)

To

The Heads of Departments as per Mailing list.

Copy to

1. The Commissioner-*cum*-Secretaries/Secretaries/Special Secretaries to Government, Puducherry.
2. The Under Secretary 1 (Finance), Chief Secretariat, Puducherry.
3. The Under Secretary 2 (Finance), Chief Secretariat, Puducherry.
4. The Director of Accounts and Treasuries, Puducherry.
5. The Deputy Director of Accounts and Treasuries, Puducherry/Karaikal/Mahe/Yanam.
6. All the SAOs./JAOs, Puducherry/Karaikal/Mahe/Yanam.
7. The Superintendents (F2, F3, F4, F5), Chief Secretariat, Puducherry.

No. G. 24011/2/2008/F1 (B)
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated : 02-12-2006

I.D. NOTE

Sub.: Finance Department (Budget)-Re-Appropriation/
Modification of funds-Instructions-Reg.

Off late, the Finance Department is receiving a number of files seeking modification of funds both under plan and non-plan sector. On examination of the proposals it is seen that the Departments are not furnishing proper reasons for modification of *funds for* both head of accounts *i.e.*, for the head from which the amount is proposed to be transferred and the head of account in which additional funds are required.

2. Further, modification proposals are received from the Departments without the approval of the Hon'ble Ministers concerned which in turn put them in dark about the schemes Implemented under their control. Hence, it is requested that the modification proposals of both under plan and non-plan involving funds more than ₹ 5.00 lakhs should invariably be get approved by the Minister-in-charge of the Department concerned before it is referred to the Finance Department.

3. The practices of getting approval from the Planning and Research Department in respect of modification of funds under plan sector and approval of the Adi Dravidar Welfare Department for modification of funds under SCSP sector shall continue to be in force.

4. Above all, the Heads of Departments are requested strictly to follow the instructions contained in Rule 10 of the Delegation of Financial Powers Rules, 1978, before sending the modification proposals to the Finance Department.

//BY ORDER OF THE SECRETARY TO
GOVERNMENT(FINANCE)//

Sd/-
(K. SAYYANARAYANA)
Budget Officer

To :
The Joint Secretary to Government(Planning)
Puducherry.

CHAPTER – VIII
WAYS AND MEANS

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT**

No. 2-2/FD(W&M)/2022

Puducherry, dated 10-08-2022

OFFICE MEMORANDUM

Sub. : FD (W&M) – State Expenditure Budget Management -
Procedure for monitoring and utilization of funds released under
Grant-in-Aid (GIA) through State PFMS setup – Clarification –
Issued.

Ref. : G.O.Ms.No.03/FD(W&M)/2022, dated 13-04-2022 of the
Finance Department, Puducherry.

Some Departments / Organisations have sought certain relaxations from the Finance Department in context of the aforesaid G.O., under reference, due to the varied nature of Accounts maintained by them. These issues have been carefully examined and a detailed clarification is given below:

Sl. No.	Purpose of the Accounts	Clarification Issued
1.	CPF / GPF	The said accounts are exempted from SNA as per circular dt. 13-04-22.
2.	Security Deposits	The Organisation shall be permitted to open a Holding Account in the same branch/ bank of SNA and the same may be linked to SNA. However, interest accrued on the funds shall be credited to the Salary component of SNA.
3.	Exam Fee	These accounts shall be closed. However, the SSM may create a specific component namely "Exam fee" under SNA similar to that of "Capital Assets". Funds received against Exam Fee shall be credited into the component "Exam Fee" and the payment shall be made as per the guidelines of concerned Boards with the approval of the

Sl. No.	Purpose of the Accounts	Clarification Issued
		Administrative Secretary. Any interest realized on Exam fee shall however be credited into the Salary Component of SNA.
4.	Escrow Account for GeM portal	However, payment to supplier shall be made from SNA under the component "General Administration" towards procurement of goods. Hence, the said account shall be closed.
5.	Central Sector Schemes / Centrally Sponsored Schemes	As these accounts are opened as per the GoI's guidelines and integrated with Central PFMS, the same shall be exempted provided the scheme is a continuing scheme. Otherwise, the Organisation shall utilise the funds once before 31 st October, 2022 or remit back the residual fund to the concerned Ministry. No further continuation of accounts shall be permitted.
6.	Hostel / Mess Fees	Since Hostel / Mess fees collected from the Students is utilised towards maintenance of the Hostel and provision of foods, the same may be exempted from SNA, provided the fund is self sufficient to meet the expenses. Otherwise, the Organisation shall be permitted to open a Holding Account in the same branch/ bank of SNA and the same shall be linked to SNA and the interest accrued on the funds shall be credited to the Salary component of SNA.

2. This issues with the approval of the Principal Secretary
(Finance), Puducherry.

Sd/-

(U. ILANGO)

Deputy Director (Ways and Means)

All the Secretaries to Government/Heads of Department/
Autonomous Bodies, Puducherry.

Copy to:

The Director of Accounts & Treasuries.

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT**

G.O.Ms. No. 35/FD(W&M)/2022 Puducherry, dated 13-07-2022

ORDER

Sub.: FD(W&M) – Procedure for release of Centrally Sponsored Schemes funds from State Treasury to the respective Single Nodal Agency Account.

The Department of Expenditure (**DoE**), Ministry of Finance, *vide* OM dated 23-03-2021 has instructed the State Governments/Union Territories (**UTs**) to open a Single Nodal Agency (**SNA**) Account in any Scheduled Commercial Banks for implementing the Centrally Sponsored Schemes (**CSS**). Further, this SNA account has to be seamlessly integrated on *online* basis with the Government of India (**Gol**)'s Public Financial Management System (**PFMS**) platform for releasing and monitoring the utilisation of funds under CSS. The concerned Gol Ministries/Departments release the Central share of funds for a CSS to the UT Treasury Account held in the Reserve Bank of India, and this central share has to be transferred from Treasury Account to the respective SNA account within 21 days from the date of receipt of funds from the concerned Ministries/ Departments. Also, the corresponding State's share should be released no later than 40 days after the release of central funds into the State Treasury account.

2. It is noted that during the closing of FY 2021-22, the Central share of CSS funds amounting to ₹ 14.96 crore remained lying in the State Treasury and were not transferred to the respective SNA account due to the following reasons:

- (i) Non-provision of sufficient funds under the Budget Head.
- (ii) Non-issuance of Government Sanction order by the Department for drawal of CSS funds.
- (iii) Non-presentation of bills by the CSS implementing Department (even though expenditure sanction was issued).

This is leading to a situation where Puducherry is falling short of utilisation of funds potentially available under CSS for it.

3. Meanwhile, the Ministry of Finance *vide* OM dated 20-05-2022 has directed that henceforth the Central share released to a State/UT during a Financial Year (**FY**) under a CSS but not released further from State Treasury to the SNA account by the close of the FY *i.e.*, by 31st March, shall need to be returned to the Consolidated Fund of India (CFI). For FY 2021-22, as a one-time relaxation, DoE *vide* its OM dated 07.07.2022 has permitted the States/UTs to transfer any pending central share of CSS, released prior to 31st March 2022, to the SNA account by 20th July 2022, failing which such central share has to be returned to the CFI by the States/UTs, through an RBI advice.

4. Therefore, to ensure 100% usage of central funds already released by Gol and to get fresh installments under CSS without any delay, it has been decided to designate the Director of Accounts & Treasuries, as the focal person to manage the transfer of Central and State share to SNA. Hereafter, even pending a formal proposal from the concerned Department, the DAT is hereby authorised to call the DDOs, to prepare and present the bill against the respective Budget head. Consequently, the entire unspent amount currently lying in the

State Treasury would be transferred by DAT to the respective SNA account immediately, by passing of bills against the fund available in the Budget of the Department. If the fund is not available in the relevant Budget Head, the transfer shall be permitted through BEAMS by the Budget Officer by treating the expenditure as having been effected under the Note to Appendix 10 of GFR provisions. Subsequently, the concerned Department has to obtain the necessary ex-post facto sanction¹ by submitting a detailed proposal to the Finance Department, Government of Puducherry, within a week such fund transfer to the SNA. The corresponding State share would also be transferred by DAT to the respective SNA account the moment the Department informs, or even otherwise by DAT at her level, when 80% of a Central share installment gets used by the Department. For this purpose, the DAT shall keep a continuous vigil on the CSS fund transfer to State Treasury by the GoI, and on expenditure booked by the Department against funds available in SNA. While transferring any fund to SNA, the DAT shall keep the Finance Department and concerned Department fully informed in each case of transfer.

5. Hence, any CSS fund henceforth received from GoI as the Central share of CSS shall be transferred to the SNA account by the DAT by advising the concerned DDOs to present the bill on or before the 20th day of receipt of such fund, and the *corresponding* State's share shall be transferred by her after utilization of 80% of the *concerned*

¹ Even if funds are not available in the budget head, the ex-post facto approval shall be moved by the Department in anticipation of funds being made available in ensuing BE/RE.

installment of Central funds. However, if any central share is received late in a FY, at a stage when the RE is already approved by the Government and where even after permissible reappropriation of funds, there are not enough funds in the respective Budget head, the DAT shall transfer the fund to the respective SNA account on 1st of April of next FY².

6. In case of an expenditure allowed under the Note to Appendix-10 GFR, the concerned Departments would need to provide adequate funds under the respective Head in the BE/RE of that FY. The Budget Officer would also cross-check this fact. The release *via* this route shall be regularised by the Department by seeking *ex-post facto* sanction as explained in paras 4 and 5 above.

7. The Administrative Secretaries shall be responsible for regularisation, as highlighted in para 6, before the close of FY, and also seeking *ex-post facto* approval from the Finance Department for any amount transferred to SNA. The Administrative Secretaries shall thus be responsible for the timely utilisation of such funds transferred to SNA and for the drawal of subsequent installments of Central funds from GoI in a timely manner. The Departments may take note of the fact that as per the new DoE guidelines the Central Ministries/ Departments shall not transfer more than 25% of the presumptive annual allocation of UT in one go, and there is only a common kitty under which the concerned Ministry/Department releases Central share to all States/UTs against a CSS. Hence, unless our UT is prompt with

² The expenditure allowed under Appendix 10 GFR without formal legislative appropriation cannot be carried to next FY.

seeking and spending funds, the other States/UTs may well utilise the funds available in the kitty leaving little for Puducherry.

//BY ORDER OF THE HON'BLE LIEUTENANT-GOVERNOR//

Sd/-
(PRASHANT GOYAL)
**Development Commissioner-cum-
Principal Secretary (Finance)**

To :

All the Secretaries to Government/Heads of Departments /Autonomous Bodies, Puducherry.

Copy for information:

1. The Secretary to Hon'ble Lieutenant Governor.
2. The Private Secretary to the Chief Minister.
3. The Private Secretary to the Chief Secretary.

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT**

No. 2-2/FD(W&M)/2022

Puducherry, dated 20-05-2022

OFFICE MEMORANDUM

Sub.: FD (W&M) – State Expenditure Budget Management -
Procedure for monitoring and utilization of funds released
under Grant-in-Aid (GIA) through State PFMS setup.

Ref. : G.O.Ms.No.03/FD(W&M)/2022, dated 13-04-2022 of the
Finance Department, Puducherry.

In pursuance of the advice of the Government of India and the validation of the SNA Model1 on PFMS by some more banks, the latest updated list of Banks which could be considered for opening of SNA by the Local Bodies / Societies / Boards / Corporations / Educational Institutions, *etc.* is as under:

- (i) SBI
- (ii) Canara Bank
- (iii) ICICI Bank
- (iv) Axis Bank
- (v) Indian Bank
- (vi) HDFC Bank and
- (vii) Punjab and Sind Bank

The services of other SCBs, which are also developing such systems could be utilised, as and when such services get rolled out. The updated position in regards to Banks which are ready to implement State PFMS Scheme (Model 1) can be viewed from the home page of PFMS portal (www.pfms.nic.in).

2. This issues with the approval of the Principal Secretary (Finance), Puducherry.

Sd/-

(U. ILANGO)

Deputy Director (Ways and Means)

To :

All the Secretaries to Government/Heads of Department/
Autonomous Bodies, Puducherry.

CERTIFICATE

Certified that all the bank accounts operated by the Institution (Name of the Institution) have been closed and a Single Nodal Account (SNA) has been opened at (Name of the Bank) on, in accordance with the Order of the Finance Department, Puducherry, *vide* G.O. Ms. No. 03/FD(W&M)/2022, dated 13-04-2022. The details of SNA are as follows:

- (i) Name of the Bank & Branch
- (ii) Savings Bank Account No.
- (iii) IFSC Code
- (iv) Available Balance as on date

It is confirmed that there is no other Bank Account is left today other than the aforesaid SNA.

ACCOUNTS OFFICER

HEAD OF THE INSTITUTION

Countersigned

NODAL DEPARTMENT

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(WAYS AND MEANS)**

No.18-3/FD (W&M)/2021-22

Puducherry, the 18-04-2022

ORDER

Sub: Procedure for availing of Negotiated Loan (NLs) from NABARD, SIDBI, HUDCO, PFC, REC, *etc.*, and for External Aided Projects (EAPs) through WB, ADB, AFD, *etc.*

1. It has been brought to the notice of the Finance Department (Ways and Means) that the current procedure for availing NL/ EAP financing for project implementation entails the Departments seeking clearance from multiple levels (Planning and Research Department for the feasibility of the project, Budget Section for the funds' availability and the FD(W&M)'s clearance) before submitting a request for the Administrative Approval (**A/A**) from the Hon'ble Lieutenant-Governor. The project is then sent to the concerned Financial Institutions (**FIs**) for acceptance before it is resubmitted to the HLG again for the Expenditure Sanction (**E/S**). The invitation of bids follows this. This process involves back and forth movement of the file and takes six months to one year before the project implementation can commence. Often the fund flow gets stalled mid-way during construction/implementation. This leads to the delayed realization of benefits, cost over-runs, and arbitration disputes, wherein, the Department often ends upon the losing side. Hence, there is a need to streamline the procedure for availing of NL/EAP.

- (i) The Department, before processing the project for availing NL, shall undertake the following steps, wherever required/ applicable:
 - (a) Prepare a Project Feasibility Report (from a Consultant in complex/sensitive projects such as Irrigation, Bridges, *etc.*, and in-house for routine projects).
 - (b) Prepare a Detailed Project Report (DPR) (from a Consultant, or internally depending on the complexity of the project), in keeping with the norms of the concerned FI.

- (c) Seek Environmental Clearance from Centre/ Union Territory Government.
 - (d) Seek Puducherry Planning Authority approval for building construction projects.
 - (e) Undertake land acquisition to the extent possible (normally at least 80-90%).
 - (f) Acquire Inter-State approvals.
 - (g) Build Public consensus, if any, objections anticipated, such as for sewerage projects.
 - (h) Assess the need for appointing a Competent Project Management consulted to oversee the end-to-end project completion, including DPR preparation, drafting the tender documents, monitoring the project completion, and overseeing the maintenance phase, if, the same is contemplated in the Scope of work.
- (ii) The Department shall prioritize the project under NABARD/ SIDBI funding (SIDBI financing is on the same terms and conditions as those of NABARD) if, either of them is willing to finance the project under the RIDF window. Only thereafter, other Financial Institutions (**FIs**), such as HUDCO, PFC, REC, EAP (WB, ADB, AIIB, NDB, JICA, KFW, AFD, *etc.*) may be approached, to fully understand their terms and conditions of financing.
- (iii) The Departments may, at their level, initiate informal discussion, based on the DPR, with domestic FIs, or they could do so with the support of FD(W&M). However, for EAPs, FD(W&M) shall be mandatorily involved in any discussions since, multiple issues, such as choice of currency, tenure of loan, fixed/floating rate options, exchange rate impacts, other terms and conditions, including Technical Assistance and safeguards (standards on environmental, labour, extensive public consultations, *etc.*), *etc.* are involved and these could impact the financial viability of the project significantly. The communication with the Department of Economic Affairs, Ministry of Finance, Government of India, shall be handled exclusively at the level of the Finance Department, based on a holistic evaluation of all terms and conditions of the loan.

- (iv) After informal discussions as per (iii) above, the Department shall seek formal in-principle approval of the FI/ EAP partner, by forwarding the DPR to them through FD(W&M) (all documents in (i) above will need to be submitted). The expected start and completion dates would also be mentioned. The approval from the Standing Finance Committee shall be obtained before forwarding the proposal to FI/ EAP partner in cases where the project cost exceeds ₹ 25 crores.
- (v) On formal in-principle approval as per (iv) above, the concerned Administrative Secretariat shall at its level submit the proposal, to HLG for seeking A/A and E/S simultaneously. Revised E/S will however be needed if, the project cost rises beyond the 10% permitted by the CPWD manual.
- (vi) After informal in-principle acceptance of the proposal by the financing partner, the Department would float a tender, in parallel to remain ready for project implementation. However, the Work Order shall be issued by Department only after formal A/A and E/S have been obtained and the FD, thereafter, confirms the funds' availability.
- (vii) After obtaining the A/A and E/S from the HLG, a copy of the Order shall be forwarded to the FI through FD(W&M), for issuance of detailed sanction letter. Subsequently, based on the Finance Department's indication of funds availability, the work order would be immediately issued by the Department, and expenditure booking may commence.

2. After the issue of the work order, the Departments would approach FI/EAP partner, through FD(W&M) for the release of funds. The Department shall also request for availing mobilization advance from the FI/ EAP partner, if, contemplated in the tender document. To minimize the interest burden on the Government, fund disbursement shall be sought just at the right time. The disbursed amount shall be utilized within five working days of its receipt (hence, further funds can be claimed only when the bills are due for payment).

3. The FD(W&M) would endeavour to ensure that there is minimal delay in fund release from the FI/EAP partner and the fund availability to the project (in Vote of Account/BE/RE) continues unhindered, once the project's implementation has commenced.

4. For the release of State's share, the Administrative Department shall directly address the DAT, on submission of the BEAMS Authorisation Slip.
5. At each stage of seeking funds through FD(W&M), the Department/ Implementing Agency shall indicate the actual date of start of the project and the likely completion date, with detailed justification for the delay, if any, in the expected date of project completion. The Department shall furnish a progress report to FD(W&M), on a quarterly basis, for further forwarding the same to the concerned FI/ EAP partner.
6. The Department shall furnish the Project Completion Report to FD(W&M) within 15 days from the date of completion of the project for onward transmission to FIs/EAP partner.
7. In the case of Autonomous Societies/Bodies availing loans, all proposals must be routed through the Administrative Department. The Department shall, in accordance with the GFR provisions, expeditiously release the loan so availed, from a FI/EAP partner to the Autonomous Societies/Bodies, as Grant-in-Aid/Loan, as the case may be, towards the Creation of Capital Assets.
8. These Guidelines supersede all previous Orders issued in the context of NL and EAP financed projects.
9. The Administrative/Implementing Departments shall be responsible for any non-compliance with the Guidelines enunciated in this Order.

// By order //

Sd/-

(U.ILANGO)

Deputy Director (Ways and Means)

To:

1. All Secretaries /Special Secretary to Government.
2. All Heads of Departments.
3. All Joint /Deputy/Under Secretaries to Government.
4. All SAOs/ JAOs
5. PS to Chief Secretary to Government

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(WAYS AND MEANS)**

No. 18-3/FD(W&M)/2017-18

Puducherry, the 13-07-2017.

CIRCULAR

*Sub. : FD(W&M) - Engagement of external agency for
consultancy services for new projects - Reg.*

Of late, it is noticed that some Government Departments engage external agencies like HUDCO for preparation of Detailed Project Report (DPR) for undertaking new works/projects. The external agencies charge about 2.5% of the total project cost as consultancy fee. It is also noticed that external agencies are engaged for consultancy even for some ordinary/routine works/projects for which the PWD is having adequate expertise and accessibility of preparing DPR. The expenditure on consultancy is on the rise and is totally avoidable given the present financial condition of the Union Territory, M/s. HUDCO has recently sent a list of huge outstanding payments of consultancy services extended to some Government Departments and has requested for early settlement.

2. All the Head of Departments are, therefore, requested to avoid engagement of external/private consultancy services and utilize the service of PWD as far as possible to prepare DPRs. In case of any unavoidable unique nature of projects which require some technical expertise for preparation of DPR, the approval of FD(W&M) should invariably be taken prior to availing of such consultancy services. In such cases, the departments should obtain 'NoC' from the PWD to the effect that the PWD is not having the required technical expertise to prepare the DPR. Finance Department will not be in a position to consider any proposal for ratification of engagement of consultancy without its prior approval and the Heads of Departments concerned will be held solely accountable for the commission / omission on this count.

3. The above instructions are also applicable to the Autonomous Bodies / PSUs which receive grant-in-aid from the Government.

//BY ORDER OF THE COMMISSIONER-CUM-SECRETARY
(FINANCE)//

Sd/-

(V. RAVISANKAR)

Deputy Director (Ways and Means)

To

1. All Secretaries to Govt.
2. All Heads of Departments.
3. All Autonomous Bodies/PSUs.

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(WAYS AND MEANS)**

No. 18-3/FD(W&M)/2015-16

Puducherry, dated 28-3-2016.

CIRCULAR

Sub. : FD(W&M) - Drawal of funds sanctioned under Negotiated Loan and released as Grant-in-aid-Instructions-Issued.

The proposals for availing Negotiated Loan (NL) from the Central Financial Institutions like HDUCO, NABARD, PFC, *etc*, in respect of the projects submitted by the Local Bodies/Societies/Autonomous Bodies through their respective Nodal (Administrative) Departments, are processed by FD(W&M) and after fulfillment of all the formalities, the FD(W&M) avail the NL from these Institutions, which are duly credited into Government Account. Thereafter, the Nodal (Administrative) Departments are required to draw the same and release it as Grant-in-aid to the Local Bodies/Societies/Autonomous Bodies concerned, under intimation to this / Department. No amount can be drawn from the Government Account for the project sanctioned under NL, without availing the part/full NL, even if, budget provision exists therefor.

2. Recently, it has come to notice that in the last financial year, a Nodal Department has drawn the entire funds as per the provisions made in the budget under NL, towards a project sanctioned by HUDCO Ltd., and released it as Grant-in-Aid to the Autonomous Body concerned, when actually only a part amount of loan has been availed from HUDCO Ltd., causing avoidable drain on the cash balance of the Government and affecting expenditure planning by the Government.

3. It is therefore impressed upon all concerned that whenever NL is proposed to be released as GIA for creation of capital assets to any Local Bodies/Societies/Autonomous Institutions, such proposals are required to be referred to the FD(W&M) by the Departments concerned and got cleared, before issue of G.O. and the fact that the proposal has been cleared by FD(W&M) should also be duly incorporated therein.

4. The Director of Accounts and Treasuries, Puducherry and the Deputy Director of Accounts and Treasuries, Karaikal, Mahe and Yanam, on their part, should invariably **ensure** the clearance of such proposals by FD(W&M) before admitting the bills, presented for release as GIA under NL.

Sd/-

(CHANDRAKER BHARTI)

Secretary to Government (Finance)

To

All Heads of Departments/Sectt. Departments.

The Director of Accounts & Treasuries, Puducherry.

The Deputy Director of Accounts & Treasuries, Karaikal/Mahe/Yanam.

The Cheif Executives of all Local Bodies/Societies/Autonomous Institutions.

Copy to :

The Under Secretary to Government (Finance), Puducherry.

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT**

G.O.Ms. No. 03/FD(W&M)/2022 Puducherry, dated 13-04-2022

ORDER

Sub.: FD (W&M)– State Expenditure Budget Management -
Procedure for monitoring and utilization of funds released
under Grant-in-Aid (GIA) through State PFMS setup.

With a view to having more effective cash management and to ensure transparency in the Public Expenditure Management, the Government of India has directed the State Governments/ Union Territories to open a Single Nodal Account (**SNA**) in any Scheduled Commercial Bank for the release of funds and for monitoring the utilization of funds released under Centrally Sponsored Schemes through Public Financial Management System (**PFMS**) platform. Further, with a view to facilitating the immediate transfer of funds by the Government and improving the expenditure by cutting out avoidable delays, the Government of India has been insisting that the State Governments adopt the PFMS platform for the release of State's share/ grant to the various organizations under their control. Hence, the need has arisen to adopt a similar platform, such as PFMS, for the release of funds from the UT Consolidated Fund, as a grant or otherwise, and which are kept in Bank Accounts by Autonomous Organisations, such as Local Bodies/ Societies/ Boards/ Corporations/ Educational Institutions, *etc.* before their final usage for the intended purpose. This will also help counter the problem of the Local Bodies /Societies / Boards / Corporations / Educational Institutions, *etc.*, availing grants from the Government of Puducherry and not clearing the Outstanding Book Advance and furnishing the Utilization Certificate on time, thereby inviting serious Audit objections from CAG.

2. Hence, in compliance with the Government of India directives, and in deference to the CAG objections, the Union Territory Government has decided to adopt the following procedure for releasing and monitoring the utilization of funds with effect from 01.04.2022:

- (i) Each Autonomous Organisation shall open a Single SNA in form of a Savings Bank Account in any of the Scheduled

Commercial Banks (**SCBs**). **They are barred from maintaining a Bank account other than the SNA for any purpose whether for receipt of grant from the Government or for their own receipts.** At present five Banks namely, SBI, PNB, ICICI, Canara Bank, and Axis Bank have developed a full-fledged system for implementing SNA for State-linked Schemes and are integrated with the PFMS Portal, and services of any of them may be availed. The services of other SCBs, which are also developing such systems could be utilised, as and when such services get rolled out.

- (ii) The Autonomous Organisations **shall transfer** their entire current unspent balance available in various Bank accounts maintained by them to the SNA, not later than 30th April, 2022. All the existing accounts of these organisations shall be closed thereafter. subsequent funds will be released to the Autonomous Bodies only after they have complied with these guidelines.
- (iii) For the purpose of interfacing the banking system of the respective Autonomous Organisations for release of funds from Consolidated Fund of Puducherry, the organisations may after opening of SNA intimate the Bank account details along with the IFSC Code to the Director of Accounts and Treasuries (**DAT**), Puducherry, since, she will function as the State Scheme Manager (**SSM**) for the release of grants and their utilisation.
- (iv) The SSM shall create and register the names of the Autonomous Organisations along with the specific components, such as Salaries, Capital Assets, General Administration, Subsidy/Loan, *etc.*, against which the grant is released by the UTP, on the IT platform of the SCBs. The SSM shall, based on the concurrence of the Finance Department for a proposal from the concerned Administrative Department to release additional GIA (GIA General/ GIA Salary/ GIA Capital Asset/ GIA Loan, *etc.*), assign/ enhance the corresponding spending limit against that GIA component. It is informed that under the General Administration components there may be some sub-components such as Imprest, GST, Telephone Charges, Water tax, Electricity payment, Purchase of consumables, *etc.* Likewise, under Salary components,

there may be sub-components such as Wages, IT, PF, Insurance, *etc.* For the Loan component, the sub-components will be "Loan to beneficiaries" and "Repayment of loan to Nodal Corporation / Government". For assigning spending limits against each of these sub-components except Wages, the Autonomous Organisations would be free to do the needful through the IT setup of their Bank. However, in the case of the sub-component "Wages", the SSM alone will be permitted to fix the sub-limits, again in accordance with the specific approval of the Finance Department. The system will however not permit the Autonomous Organisations to incur expenditure beyond the limit assigned under the main component/ sub-component.

- (v) The SSM would define the level of hierarchy for each Autonomous Organisation as one-to-one/ one-to-many. The latter would apply to organisations, such as the PIPMATE and PONSHE, which have many sub-agencies for each of whom the SSM has to register the Bank account details. However, PIPMATE and PONSHE shall be free to assign the sub-limits for each of their sub-agencies.
- (vi) Before making any payment to the payees such as employees, vendors, beneficiaries, *etc.*, the Autonomous Organisations have to pre-validate the accounts details of such payees in the banking system. For this, they have to register the Bank accounts details of each of the payees in the banking system. *E.g.* If, the Organisation's account and payee's account are in the same Bank, then the agency Bank will immediately validate the same. If, the Organisation's account and payee's account are in different banks, then the agency bank, with the help of the PFMS, will do the validation of the payee's account. Once the validation process is completed, a unique ID is created for each payee. Using this ID alone, the Organisation would be able to make payments to the payee.
- (vii) **The entire self-revenue generation by the Autonomous Organisations shall also need to be deposited in the SNA.** The SSM would be able to view the increase in the volume of the cash balance and be able to assign spending limits against the incremental cash balance.
 - (a) For those Organisations for which the source of revenue is not a repayment of a loan, such as an education loan, term loan, *etc.* earlier extended by the

organisation, the SSM is permitted to increase the limit under the Salary component to the extent of revenue earned at the request of the organisation, to the extent of actual revenue received.

- (b) If, the Organisation deals in extending loans, the banking system will provide two options - salary component and the Loan component, against the utilisation of the revenues earned. The Autonomous Organisations borrow from the Nodal Corporations/ Government at a nominal rate of interest (say 5%) and after adding administrative costs (say 2%), it releases the loan to the beneficiaries at an enhanced rate of interest (say 7%). The nominal rate of interest and the principal amount so received from the beneficiary has to be paid back to the concerned Nodal Corporation/ Government. Hence, the SSM shall assign the revenue earned on the above item to the sub-component "Repayment of Loan" under the Loan Component. Whereas, the interest received against the administrative costs (say 2%) from the beneficiaries shall be assigned to the Salary Component by the SSM. However, if, the Organisation earns the revenue against any other Head, such as against building fund, donation, *etc.*, the SSM shall need the prior approval of the Finance Department to assign the revenue, in whole or part, to any other component than the salary or loan. Again, if the organisation proposes to transfer the funds from one component to another, the SSM shall need the prior approval of FD to effect such changes. The entire process would be available through a workflow in the proposed IT system.
- (viii) **The Autonomous Organisations shall not transfer the fund from SNA to any other bank account of the Autonomous Bodies** without the approval of the Finance Department. To earn additional interest, the organisations are permitted to deposit the idle amount in the form of a Sweeping Account (with the same branch of their agency Bank alone) by fixing the threshold limit for each component. The interest so earned on the deposits shall be credited into the Salary component by the SSM.

- (ix) The organisations shall be permitted to open a separate Bank account called Holding Account, linked to the SNA, in the form of a current account (non-interest bearing account), in the same branch of their agency Bank for holding the tax/statutory deductions, such as EPF, Income tax, Gratuity, *etc.* The Holding Account would be permitted to make a payment outside of SNA through cheques or internet banking to effect the statutory payments with the challan details being captured simultaneously. The maximum time for which money can be held in a Holding Account shall be fourteen days, after which the money shall be credited back to the concerned SNA.
- (x) All Security Deposits held by the organisations, which are liable to be refunded, can be maintained in their respective Holding account and the same may be linked to SNA. The funds so deposited under the account may be refunded to the depositor – contractor, student, *etc.*, as and when requested. Further, the interest earned on such accounts has to be deposited in SNA and the same shall be utilised for Salary purposes alone. However, other accounts namely, Provident Funds, and Insurance Funds that belong to the employees can be maintained separately by the organisations. However, to create a transparent process these would also need to be linked to SNA. The interest earned on such accounts belongs to employees and may be credited to the same account. Also, payments can be made through cheques or internet banking. Further, it is advised that the amounts parked in the Pension Funds may be transferred to the Pension Fund Regulatory Body or NPS so that the interest liability on such funds is taken care of.
- (xi) The process needs to be set up on or before 30th April 2022 and hence, the approval of the Governing Body, if required, to amend the Bye-laws for this process may be obtained on an *ex-post-facto* basis.

3. The agency Banks would provide a dashboard along with other details required by the SSM. The Nodal Officer of the concerned Bank (Annexure) would also be available to give hands-on training, if ,and when required, to the Autonomous Organisations. In case of any problems that cannot be resolved at the level of agency Banks, the organisations would be free to approach the Nodal Officer in the Office of SSM.

4. This would apply to all Autonomous organisations, which seek a GIA from the UT Government. In case of any specific requirements of an organisation, the Departments / Organisations may bring it to the immediate notice of the Finance Department.

//BY ORDER OF THE HON'BLE LIEUTENANT-GOVERNOR//

Sd/-
(PRASHANT GOYAL)
**Development Commissioner-cum-
Principal Secretary (Finance)**

To :
All the Secretaries to Government/Heads of Departments /Autonomous Bodies, Puducherry.

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(WAYS AND MEANS)**

No. 2-2/FD (W & M)/2021-22 Puducherry, the January 4, 2022

CIRCULAR

Sub.: FD (W&M)-Receipt of the Funds From Government of India (GoI) under Central Sector Schemes/Centrally Sponsored Schemes and depositing of the same in separate Bank account-Reg.

Ref.: The Department's Circular of even No. dated 18th June, 2021.

Kind attention is invited to the reference second cited above. Wherein, Heads of the Department implementing the Centrally Sponsored Schemes were directed to open a Single Nodal Account (SNA) in the form of a savings Bank Account in any Nationalised Bank having robust IT systems and extensive branch network.

2. The Ministry of Finance (MoF), *vide* OM, dated 24-03-2021 (Annex-I) has informed that the embargo on further allocation of Government business to Private Sector Banks has been lifted. The MoF has clarified that the objective is to boost the ease of doing business and ease of living for the public, including retails customers, small and medium enterprises, as also for larger corporate, with regard to their Government related banking transactions, such as taxes and other revenue payment facilities, and other transactions. Further, Reserve Bank of India, *vide* circular, dated 15-12-2021 (Annex-II) has informed that in consultation with the Department of Financial Services, Ministry of Finance that scheduled payments Banks and scheduled small finance Banks are also eligible to conduct Government agency business, subject to executing an agreement with RBI.

3. It is, therefore, informed that the Departments shall consider opening of Savings Bank Account in any Banks, viz., Public Sector Banks/ Private Sector Banks/ Scheduled Small Finance Banks, which is beneficial to the Department such as offering higher interest rate for savings account, immediate disbursement to the targeted beneficiaries, adapting newer technologies in the Banking sector, etc, to facilitate the implementation of Central Sector Schemes/Centrally Sponsored Schemes.

4. The Heads of Departments would make a considered decision and which shall be brought to the notice of the Finance Department by 31-01-2022. This decision would be annually reviewed before the beginning of each financial year and intimated to the Finance Department by 15th March of each year.

//BY ORDER OF THE DEVELOPMENT COMMISSIONER-CUM-
PRINCIPLE SECRETARY TO GOVERNMENT (FINANCE)//

Sd/-
(U. ILANGO)
Budget Officer

Encl: Annex (I & II)

To

- 1.All Heads of Departments.
- 2.All Secretariat Departments.

Copy to:

1. The Director of Accounts and Treasuries, Puducherry.
2. The Under Secretary (Finance), Chief Secretariat, Puducherry.
3. Private Secretary to Chief Secretary to Government
4. Private Secretary to Development Commissioner-cum-Principle Secretary to Government (Finance).

OFFICE OF CONTROLLER-GENERAL OF ACCOUNTS
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
Mabalekha Niyantrak Bhawan
E-Block, GPO Complex, INA
NEW DELHI-110 023

e-mail : sao-rbd@nic.in

No. R-23001/I/2021-GBA-CGA/243-292, dated, 24th March 2021

OFFICE MEMORANDUM

Sub: Allocation of Government Business to Private Sector
Banks-regarding.

In continuation of this office OM No. S-11012/3(1)/Ref. Case/2010/RBD/1119-1179, dated 30th June 2015 regarding embargo on further allocation of Government agency business to Private Sector Banks, it is to inform that now, the Department of Financial Services (DFS) *vide* letter, dated 24th February 2021 has decided with the approval of Hon'ble Finance Minister to lift the said embargo. Accordingly, now, there is no bar on RBI for authorization of Private Sector Banks for extending Government business including Government agency business.

2. Further, the DFS has clarified that the decision has been taken to ensure a level playing field to all public sector and private sector Banks. Enhancement of customers convenience, enabling innovation and latest technology in banking sector, and spurring of competition for higher efficiency and increase in standards of customer service, ultimately leading to all-round value creation. The objective is to boost the case of doing business and case of living for the public, including retails customers, small and medium enterprises as also for larger corporate, with regard to their Government related banking transactions such as taxes and other revenue payment facilities and many other transactions.

3. DFS has clarified that if, the Private Sector Banks lag in performance *viz-a-viz* the Public Sector Banks in the achievement of implementation of Social Sector Government initiatives through Banks,

their performance on a matrix of various Government initiatives and schemes may be reviewed from time to time by the Government in consultation with RBI. In case, it is found that there is adverse performance by any Private Sector Bank in the future, then the permission to the concerned Bank to undertake Government business could be potentially withdrawn after giving due opportunity to the Bank to correct the imbalance.

4. The criteria matrix for initial selection of new Private Sector Banks (except those which are already authorized by RBI and criteria for periodical performance evaluation of all Private Sector Banks is being prepared in consultation with field formations and will be circulated shortly.

Sd/-

(ALOK RANJAN)

Joint Controller-General of Accounts (GBA)

To

1. All Pr. CCAs/CCAs/CAs (holding independent)
2. Jt. Controller-General of Defence Accounts, O/o. the Controller General of Defence Accounts, Ulan Batar Road, Palam, Delhi Cantr-110 010.
3. Director (Finance), Railway Board, Ministry of Railways, Rail Bhawan, New Delhi.
4. Sr. Deputy Director-General (Accounts), Department of Posts, Dak Bhawan, Sardar Patel Chowk, Parliament Street, New Delhi.
5. Deputy Director-General , (Accounts), Department of Telecommunications, Sanchar Bhawan, New Delhi.

Copy to :

1. The Deputy Comptroller & Auditor-General of India, Pocket-9, Deen Dayal Upadhyay Marg, New Delhi-110 002.
2. Shri Anshuman Sharma, Director (BO. II), Ministry of Finance, Department of Financial Services, Jeevan Deep Building, New Delhi.
3. Chief. General Manager in-charge, DGBA, RBI, Opposite Mumbai Central Railway Station, Mumbai-400 008.
4. Sr. AO (ITD) with the request to upload the OM on CGA's website.



www.rbi.org.in

RBI/2021-22/140

CO DGBA.GBD.No. S1112/42-01-033/2021-2022

December 15, 2021

Dear Sir/Madam

Government Agency Business Arrangement–Appointment of Scheduled Private Sector Banks as Agency Banks of Reserve Bank of India (RBI)

Please refer to RBI Circular RBI/2021-22/36; CO.DGBA.GBD. No. S77/42.01.033/2021-22, dated May 10, 2021 on the captioned subject.

2. It has now been decided in consultation with the Department of Financial Services, Ministry of Finance, Government of India, to make Scheduled Payments Banks and Scheduled Small Finance Banks eligible to conduct Government agency business any payment Bank or Small Finance Bank that intends to undertake Government agency business may be appointed as agent of RBI upon execution of an agreement with RBI, provided that the overarching regulatory framework prescribed for these Banks is complied with.

3. All the instructions/conditions prescribed in our aforesaid Circular, dated May 10, 2021 will henceforth be applicable to the Scheduled payments Banks and Scheduled Small Finance Banks also.

Yours faithfully

(R. KAMALAKANNAN)
Chief General Manager

सरकारी और बैंक लेखा विभाग, केन्द्रीय कार्यालय, मुंबई स्टेट रेलवे स्टेशन के सामने, चौथी मंजिल, भायल्ला, मुंबई - 400 008
Department of Government and Bank Accounts, Central Office, Opp. Mumbai Central Railway Station, 4th Floor, Byculla, Mumbai - 400 008
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RESERVE BANK OF INDIA
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RBI/2021-22/36

CO.DGBA.GBD.No.S77/42.01.033/2021-22

May 10, 2021

All Scheduled Commercial Banks in India

Dear Sir/Madam

Government Agency Business Arrangement–Appointment of Scheduled Private Sector Bank as Agency Banks of Reserve Bank of India (RBI)

Please refer to RBI Circular RBI/2011-2012/377: DGBA.GAD.No. H-5029/42.01.033/2011-12, dated January 31, 2012 on the captioned subject.

2. In this regard, it is informed that the embargo put in place from September 2012 by Department of Financial Services (DFS), Ministry of Finance (MoF) on further allocation of Government business to Private Sector Banks has since been lifted by them *vide* their communication, dated February 24, 2021.

3. Based on the above developments, the existing guidelines on appointment of Scheduled Private Sector Banks as Agency Banks of RBI have been reviewed and the revised guidelines/framework for authorising Scheduled Private Sector Banks as Agency Banks of RBI for conduct of Government Business attracting agency commission are as follows:

(i) For existing Private Sector Agency Banks (already having agency banking agreement with RBI):

- (a) Such existing Private Sector Agency Bank with whom RBI already has agency banking agreement and who are authorized to do Government agency business for Civil/Non-Civil Ministry/Department (for Central Government)

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Department of Government and Bank Accounts, Central Office, Opp. Mumbai Central Railway Station, 4th Floor, Byculla, Mumbai - 400 008
Telephone: (022) 23015214 / 23061678 Fax No. (022) 23008184 / 23008126 / 23010095, e-mail: govtandbank@rbi.org.in

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or concerned Department of a State Government (for State Government) may continue to do these Government Agency business for Central and/or State Governments without taking any fresh approval from RBI.

- (b) For the purpose of undertaking fresh/additional Government agency business by these existing Private Sector Agency Banks, after obtaining approval from O/o the CGA (for Central Government) or the Finance Department of the State Government (for State Government) they need to obtain approval from DGBA, CO as per the Circular no. RBI/2011-2012/377; DGBA.GAD.No.H-5029/42.01.033/2011-12, dated January 31, 2012.

(ii) For other Private Sector Banks (not having agency banking agreement with RBI)

Scheduled Private Sector Banks, not having agency agreement with RBI, but, intend to handle Government agency business, may be appointed as agents of RBI upon execution of an agreement with RBI. This will be subject to the condition that the concerned Bank is not under Prompt Corrective Action (PCA) framework or moratorium at the time of making the application or signing of the agreement with RBI.

(iii) The choice of accrediting an agency Bank (including Scheduled Private Sector agency Bank) for any particular Government agency business rests solely with the concerned Central Government Departments / State Governments. Further, Government Departments/ State Governments have the option to discontinue the arrangement after giving notice to the concerned agency Banks, keeping RBI informed.

(iv) The procedure to be followed to accredit an agency Bank (including scheduled private sector agency Bank) will be as under:

- (a) **For Central Government/Union Territory business:** For Central Government/Union Territory business, the concerned Civil/Non-Civil Ministry/Department may work out the arrangement with the agency Bank and send the proposal of accreditation of the agency Bank/providing new/additional Government agency business to the O/o CGA for examination. The O/o CGA will forward their recommendation on the proposal to DGBA CO and on consideration, RBI will formally authorise the agency Bank as accredited Bank/for providing the new/additional Government agency business to the concerned Civil/Non-civil Ministry/Department.

- (b) **For State Government business:** The concerned Department of the State Government may work out the arrangement and approach the Finance Department of the State Government, which will recommend the proposal for accreditation of the agency Bank /providing new / additional Government agency

business to the concerned Regional Director of RBI, who will forward the case with his/her comments to the DGBA, CO for approval and further action. On consideration, RBI will formally authorise the agency Bank as accredited Bank/for providing the new/additional Government agency business to the concerned State Government.

(v) Once RBI authorises, a Bank for any Government business, separate approval from RBI with regard to mode (physical or e-mode) and area of operations is not required and the same will be decided by the O/o CGA (for Central Government) or the Finance Department of the State Government, keeping RBI informed in the matter.

(vi) It may please be noted that performance of the agency Banks, on a matrix of various Government initiatives and Schemes, may be reviewed from time to time by the Government in consultation with RBI based on which the permission given to the concerned Bank to undertake Government business could be potentially withdrawn.

4. The revised guidelines come into effect from the date of the circular.

Yours faithfully

(R. KAMALAKANNAN)

Chief General Manager

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(WAYS AND MEANS)**

No. 2-2/FD(W&M)/2021-22 Puducherry, the 22nd July, 2021.

CIRCULAR

Sub.: FD (W&M) - Receipt of funds from Government of India (GoI) under Centrally Sponsored Schemes and depositing of the same in separate Bank account - Reg.

Ref. : This Department's circular of even No. dated 18th June 2021.

In continuation of the circular under reference cited, a copy of the letter, dated 23-03-2021 received from the Department of Expenditure, Ministry of Finance, Government of India regarding the procedure for release of funds under the Centrally Sponsored Schemes (CSS) covering various aspects like designation of Single Nodal Agency (SNA), opening of Bank Account and other related matters is forwarded herewith for compliance.

//BY ORDER OF THE SECRETARY TO
GOVERNMENT (FINANCE)//

Sd/-
(U. ILANGO)

Deputy Director (Ways & Means)

To

1. All Heads of Departments.
2. All Secretariat Departments.

Copy to :

1. The Director of Accounts and Treasuries, Puducherry.
2. The Under Secretary (Finance), } *with a request to host the*
Chief Secretariat, Puducherry } *Circular in the FD portal*

**F.No. 1(13)PFMS/FCD/2020
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PFMS DIVISION**

Block No. 11, 5th Floor,
CGO Complex, Lodhi Road,
New Delhi, dated 23-03-2021

OFFICE MEMORANDUM

Sub. : Procedure for release of funds under the Centrally Sponsored Scheme (CSS) and monitoring utilization of the funds released

The General Financial Rule 232(V) prescribes the release of funds to the State Governments and monitoring utilization of funds through PFMS. For better monitoring of availability and utilization of funds released to the States under the Centrally Sponsored Schemes (CSS) and to reduce float, the Department of Expenditure *vide* letter of even number, dated 16.12.2020 had shared a draft modified procedure for release of funds under CSS with all the State Governments and Ministries/Departments of the Government of India to seek their comments. The comments received from the State Governments and Ministries/Departments of the Government of India were considered and the procedure has been suitably modified.

With a view to have more effective cash management and bring more efficiency in the public expenditure management, it has been decided that the following procedure will be followed by all the State Governments and Ministries/Departments of the Government of India regarding release and monitoring utilization of funds under CSS with effect from 1st July, 2021:

1. Every State Government will designate a Single Nodal Agency (SNA) for implementing each CSS. The SNA will open a Single Nodal Account for each CSS at the State level in a Scheduled Commercial Bank authorized to conduct Government business by the State Government.

2. In case of Umbrella Schemes which have multiple sub-schemes, if needed, the State Government may designate separate SNAs for sub-schemes of the Umbrella Scheme with separate Single Nodal Accounts.

3. Implementing Agencies (IAs) down the ladder should use the SNA's account with clearly defined drawing limits set for that account. However, depending on operational requirements, zero-balance subsidiary accounts for each Scheme may also be opened for the IAs either in the same branch of the selected Bank or in different branches.

4. All zero balance subsidiary accounts will have allocated drawing limits to be decided by the SNA concerned from time to time and will draw on the real time basis from the Single Nodal Accounts of the Scheme as and when payment are to be made to beneficiaries, vendors, *etc.* The available drawing limit will get reduced by the extent of utilization.

5. For seamless management of funds, the main account and all zero balance subsidiary accounts and all zero balance subsidiary accounts should preferably be maintained with the same Bank. However, State Government may choose different Banks for opening Single Nodal Accounts of different CSS.

6. Only Banks having a robust IT Systems and extensive branch network should be chosen for opening the Single Nodal Accounts of each CSS. The Bank chosen should have the facility to open the required number of subsidiary zero balance accounts and a robust MIS for handling accounting and reconciliation at each level. The Bank should also provide a user friendly dashboard to officers at various levels to monitor utilization of funds by IAs.

7. The Bank's software system should be able to monitor the drawing limits of the IAs who should be able to draw funds on real time basis from the SNA's account as and when payments are to be made. The selected Bank should ensure proper training and capacity building of Branch Managers and other staff for smooth operation of these accounts.

8. The Ministries/Departments will release the central share for each CSS to the State Government's Account held in the Reserve Bank of India (RBI) for further release to the SNA's Accounts.

9. Funds will be released to the States strictly on the basis of balance funds of the CSS (Central and State share) available in the State Treasury and Bank accounts of the SNA as per PFMS or Scheme-specific portals fully integrated with PFMS in consonance with rule 232(V) of the General Financial Rules, 2017.

10. The SNAs shall ensure that the interest earned from the funds released should be mandatorily remitted to the respective consolidated Funds on *pro-rata* basis in terms of Rules 230(8) of GFR, 2017. Interest earned should be clearly and separately depicted in PFMS, Scheme-specific portals integrated with PFMS and in MIS provided by the Banks.

11. Except in case of Schemes/Sub-schemes having no State share, states will maintain separate budget lines for Central and State share under each CSS in their Detailed Demand for Grants (DDG), and make necessary provision of the State shares in the State's budget. While releasing funds to SNA, State's Integrated Financial Management Information System (IFMIS) should provide these budget heads and the same should be captured in PFMS through treasury integration.

12. In the beginning of a financial year, the Ministries/Departments will release not more than 25% of the amount earmarked for a State for a CSS for the financial year. Additional Central share (not more than 25% at a time) will be released upon transfer of the stipulated State share to the Single Nodal Accounts and utilization of at least 75% of the funds released earlier (both Central and State share) and compliance of the conditions of previous sanction. However, this provision will not be applicable in case of Schemes where a different quantum of release has been approved by the Cabinet.

13. After opening of Single Nodal Accounts of the Scheme and before opening zero balance subsidiary accounts of IAs or assigning them drawing rights from SNA's accounts, the IAs at all levels shall return all unspent amounts lying in their accounts to the Single Nodal Accounts to the SNA. It will be the responsibility of the State Government

concerned to ensure that the entire unspent amount is returned by all the IAs to the Single Nodal Account of the SNA concerned. For this, the State Governments will work out the modalities and the timeliness and will work out Central and State share in the amount so available with IAs. SNAs will keep a record of unspent balance lying in the account of IAs and the amount refunded by IAs.

14. Refund of balance amount by IAs and the amount available in the SNA's accounts should be taken into account by the program division of the Ministry/Department while releasing funds under the Scheme. Concerned SNAs shall keep a record of the unspent amount lying in the account IAs to be deposited in the Single Nodal Account while assigning drawing rights to IAs.

15. Ministries/Departments will ensure that releases under all CSS are made strictly as per the actual requirement on the ground, without resulting in any material float with the implementing agencies at any level.

16. The State Government will transfer the Central share received in its account in the RBI to the concerned SNA's account within a period of 21 days of its receipt. The Central share shall not be diverted to the Personal Deposit (PD) account or any other account by the State Government. Corresponding State share should be released as early as possible and not later than 40 days of release of the Central share. The funds will be maintained by the SNA in the Single Nodal Account of each CSS. State Governments/SNAs/IAs shall not transfer scheme released funds to any other Bank account, except for actual payments under the Scheme.

17. State Government will register the SNAs and all IAs on PFMS and use the unique PFMS ID assigned to the SNA and IAs for all payments to them. Bank accounts of the SNAs, IAs, vendors and other organizations receiving funds will also be mapped in PFMS.

18. Payments will be made from the zero balance subsidiary accounts up to the drawing limit assigned to such accounts from time to time. Transaction in each Subsidiary Account will be settled with the Single Nodal Account daily through the Core Banking Solution (CBS) on the basis of payments made during the day.

19. SNAs and IAs will mandatorily use the EAT module of PFMS or integrate their systems with the PFMS to ensure that information on PFMS is updated by each IA at least once every day.

20. SNAs will keep all the funds received in the Single Nodal Accounts only and shall not divert the same to Fixed Deposits/Flexi-Account/Multi-Option Deposit Account/Corporate Liquid Term Deposit (CLTD) Account *etc.,*.

21. The State IFMIS should be able to capture Scheme component-wise expenditure along with PFMS Scheme Code and Unique Code of the Agencies incurring the expenditure. State Government will ensure daily uploading/sharing of data by the State IFMIS/Treasury applications on PFMS. PFMS will act as a facilitator for payment, tracking and monitoring of fund flow.

22. Release of funds by the Ministries/Departments to State towards the end of the financial year should be avoided to prevent accumulation of unspent balances with States. Ministries/Departments will arrange to complete the release well in time so that states have ample time to seek supplementary appropriations from their respective legislatures, if required, and account for all the releases in the same financial year.

23. In case of CSS having no State share and where as per the Scheme guidelines, funds are released by the Central Ministry/Department directly to the Districts/Gram Panchayats/Implementing Agencies, the requirement of notifying a Single Nodal Agency and opening of a Single Nodal Account at the State level may be waived by the Secretary of the Central Ministry/Department concerned in consultation with the Financial Adviser.

24. UTs without legislature work directly in PFMS. Therefore, there is no need for them to open a Single Nodal Account. They will ensure that the funds are released to the vendors/beneficiaries 'just in time'. In case, funds are to be released to any agency as per Scheme Guidelines, provision of Rule 230 (vii) of GRF 2017 will be strictly followed to avoid parking of funds with agencies.

25. Ministries/Departments shall undertake monthly review of the release of funds (both the Central and State share) from the State Treasury to the SNA, utilization of funds by SNAs and IAs and outputs/outcomes *vis-a-vis* the targets for each CSS.

This issues with the approval of the Secretary (Expenditure) and shall supersede all earlier guideliness on this subject.

Sd/-
(SUBHASH CHANDRA MEENA)
Director (FCD)
011-24368543
e-mail: subhash.meena@nic.in

To

1. All Secretaries to the Government of India
2. All Financial Advisors to the Government of India
3. All pr. CCAs/CCAs of all Ministries/Departments

Copy to :

1. PSO to Secretary (Expenditure)
2. PPS to CGA
3. Sr. PPS to Addl. Secretary (Expenditure)
4. PSO to Addl. Secretary (pers)
5. Sr. PPS to JS (PFC-II)
6. Sr. PPS to JS(PF-S)

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(WAYS AND MEANS)**

No. 2-2/FD (W&M)/ 2021-22 Puducherry, the 18th June, 2021

CIRUCULAR

Sub. : FD (W&M) - Receipt of funds from Government of India (Gol) under Centrally Sponsored Schemes and depositing of the same in a separate Bank account - Reg.

Ref. : 1. Letter No.F.1(13)PFMS/FCD/2020, dated 23.3.2021 of the Department of Expenditure, Ministry of Finance, Government of India, New Delhi.

2. Circular No. DAT/B&A/CSS/PFMS/2021-22/26, dated 9.6.2021 of the Directorate of Accounts and Treasuries, Puducherry.

Kind attention is invited to the Directorate of Accounts and Treasuries circular cited under reference, wherein, the Director of Accounts and Treasuries has forwarded the OM, dated 23.3.2021 of the Department of Expenditure, Ministry of Finance, Government of India, New Delhi regarding the revised procedure on release of funds under Centrally Sponsored Schemes with effect from 01-07-2021.

In pursuance of the said circular, the Heads of Departments are hereby permitted to open a separate Bank account for each Centrally Sponsored Schemes implemented in the Union territory of Puducherry, subject to the following terms and conditions:

(i) The Department shall open a savings Bank account in any Nationalized Bank and the same should be jointly operated by the Head of the Department and the Senior / Junior Accounts Officer. In the case of vacant / absence of an Accounts Officer, an Officer, not below the rank of Superintendent, may be permitted to operate the said account.

(ii) Only Banks having a robust IT systems and extensive branch network should be chosen for opening the Single Nodal Account of each CSS. The Bank chosen should have the facility to open the required number of subsidiary zero balance accounts and a robust MIS for handling accounting and reconciliation at each level. The Bank should also provide a user friendly dashboard to officers at various levels to monitor utilization of funds by IAs.

(iii) The Bank's software system should be able to monitor the drawing limits of the IAs who should be able to draw funds on real time basis from the SNAs accounts as and when payments are to be made. The selected Bank should ensure proper training and capacity building of Branch Managers and other staff for smooth operation of these accounts.

(iv) Drawal of funds may be made in accordance with the delegation of Financial powers / as per the guidelines of GoI, if any, under the respective Scheme.

(v) All transactions may be made through e-mode only.

(vi) Change of Bank/Branch if any, in future should be made with the prior clearance of FD(W&M) immediately.

(vii) Any change in the guidelines prescribed in the maintaining of the Accounts should be reported to FD(W&M), for issue of revised orders.

(viii) The Account should be operated only for the said purpose and in case of closure of the Scheme, the Bank accounts should be closed and reported to FD(W&M).

(ix) The Accounts are liable to be audited by the Director of Accounts & Treasuries, Puducherry periodically.

(x) The details of the receipt and expenditure under this account shall be informed to the DAT and the Budget Section, FD on quarterly basis.

(xi) If, approval for opening of Bank account for any Centrally Sponsored Scheme as already been obtained from Finance Department (W&M), no separate account is required to be opened again. The Department should however ensure that the Bank has robust IT system to handle the work.

//BY ORDER OF SECRETARY TO GOVERNMENT(FINANCE)//

Sd/-

(V. VASUDEVAN)

Deputy Director (Ways & Means)

To:

The Head of Departments/Implementing Agencies of Centrally Sponsored Schemes, Puducherry.

Copy to :

1. The Director, Planning and Research Department, Puducherry.

2. The Under Secretary, Finance Department, Puducherry -
with a request to host the circular in the FD portal.

3. The Director of Accounts and Treasuries, Puducherry.

4. The Budget Officer, Finance Department, Puducherry.

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(WAYS and MEANS)**

No. 2-2/ FD(W&M)/2015-16, Puducherry, the 17-3-2016

CIRCULAR

Sub. : Finance Department (W&M)-Crediting of interest accrued on CSS funds into Government Account-Instructions-Issued.

Ref. : Circular No. 2-2/FD(W&M)/2012-13, dated 03-01-2013 of the Finance Department, (Ways and Means), Puducherry.

Kind attention is invited to the reference cited above (copy enclosed), wherein, *interalia*, the Departments have been instructed to remit the interest accrued on CSS funds released by Government of India, into the Government Account under the Head of Account "0049-Interest Receipts-04-Interest Receipts of State/UT Governments-110-Interest realized on Investment of cash balances".

2. The Head of the Departments/Chief Executives of Government undertakings who are operating CSS funds are therefore, directed to ensure that the interest accrued up to 31-03-2016 on the CSS funds received by them either directly or through Government of Puducherry is remitted into the said Head of Account by **15th April, 2016**, without fail. This is also applicable to those Societies/Boards/Autonomous Bodies/Public Sector Undertakings which avail Grant-in-aid from the Government.

3. Non-compliance will be viewed seriously and the Officers responsible for implementation of the Schemes will be held accountable therefor.

Sd/-
(CHANDRAKER BHARTI)
**Development Commissioner
-cum- Secretary (Finance).**

To

1. All Secretaries/Special Secretary to Government.
2. All Heads of Departments.
3. All Additional /Joint/ Under Secretaries to Government, Puducherry.
4. All Heads of the Societies/Boards/Autonomous Bodies / Public Sector Undertakings.
5. The Director of Accounts and Treasuries, Puducherry.
6. The Deputy Director of Accounts and Treasuries, Karaikal, Mahe, Yanam.
7. The Principal Accountant-General (Civil Audit), T & P, Chennai.
8. The Deputy Accountant-General (Civil Audit), T & P, Puducherry - 605 001.

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT
(WAY AND MEANS)**

No. 7-1/FD(W&M)2018-19

Puducherry, the February 08, 2019

I.D. NOTE

Sub. : Finance Department (W&M) - Prompt repayment of principal and interest on loans availed by Public Sector Undertakings / Autonomous Bodies, *etc.*, - Instructions - Issued.

Instance have come to the notice of the Government about default on repayment of loan taken by certain Public Sector Undertakings / Autonomous Bodies from Central Financial Institutions. Particularly, the Puducherry Backward Classes and Minorities Development Corporation (PBC&MDC) has defaulted on repayment of loan to the extent of Rs.7.05 Crore to National Backward Classes and Financial Development Corporation (NBC&FDC) and the NBC&FDC has issued legal notice to the Government demanding repayment of the same failing which would invite further legal action. The Puducherry Corporation for Development of Women and Differently Abled Persons (PCDW&DAP) has also certain dues to be paid to the National Handicapped Finance and Development Corporation and the Central Corporation has demanded immediate repayment.

2. The Government has taken a serious view of the non-repayment of loans to the lending institutions by certain PSUs/Autonomous Bodies and diversion of the recoveries for purposes, other than repayment of loan.

3. The Chief Executives / Managing Directors of all Public Sector Undertakings / Autonomous Bodies /Boards / Co-op. Societies *etc.*, Under the control of the Government of Puducherry are, therefore, directed to ensure that the repayment of principal and interest are

regularly made to the lending Institutions as per repayment schedule and the amount of loan / EMI being recovered from the beneficiaries, shall not be diverted to any other purpose and should be used for repayment of loans only. Any lapse will be viewed seriously and the Chief Executive Officers / Managing Directors will be held personally responsible for non-compliance.

Sd/-

(Dr. V. CANAVELOU)

**Commissioner-cum-
Secretary to Govt. (Finance)**

To:

1. The Chief Executive Officers / Managing Directors of all PSUS / Autonomous Bodies / Boards / Co-op. Societies, *etc.*
2. All Heads of Departments

Copy to:

1. All Secretaries to Government
2. PS to the Chief Secretary

**GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT
(WAYS AND MEANS)**

No.: 2-2/FD(W&M)/2011, Puducherry, the 3rd October 2011.

CIRCULAR

Sub: Finance Department (Ways and Means)-Receipt of public money and remittance into Public Account of Government of Puducherry - General instructions- Issued.

Ref: 1. Lr. No.Pr.AG(Civil Audit)/ECPA - IV/PA/AAL/2010-11/25, dt. 16.05.2011 of the Office of the Principal Accountant-General (Civil Audit), T & P, Puducherry - 605 001.

2. Minutes, dated 24.05.2011 of Finance Department (Ways and Means), Chief Secretariat, Puducherry.

The Office of the Principal Accountant-General (Civil Audit), T&P, Puducherry, has brought to the notice of the Government that the Land Acquisition Officers of Puducherry and Mahe have been keeping the compensation amounts payable to the land owners received from various Government Departments in the Savings Bank Accounts maintained in Nationalized Banks and paid to the land owners, through cheque, even after maintaining of a separate Public Account by the Government of Puducherry with Reserve Bank of India, with effect from 17-12-2007.

2. Consequently, a review was made on 19.05.2011 and a decision was taken to close the Savings Bank Accounts hitherto maintained by all Land Acquisition Officers and to deposit the Government moneys into the Public Account of Government of Puducherry.

3. Now, it has become necessary to issue general instructions to the Land Acquisition Officers of this Union Territory in this regard.

4. Henceforth, all Land Acquisition Officers of this Union Territory are instructed not to open/operate any Savings Bank

Account to deposit the compensation amount sanctioned by Government for disbursement to the land owners. Instead, they shall receive and deposit the same only into the Public Account of Government of Puducherry, under the Head of Account "8443-Civil Deposits 800 - Other Deposits", which could, then, however, be drawn and paid to the land owners, as per normal procedure of withdrawal under deposits.

5. These instructions should be adhered to in future.

Sd/-

RAAJIV YADUVANSHI

Secretary to Government (Finance).

To

1. The Deputy Collector (North), Puducherry.
2. The Deputy Collector (South), Puducherry.
3. The Land Acquisition Officer, CULAW, Puducherry.
4. The Deputy Collector (Revenue), Karaikal.
5. The Regional Administrator-*cum*-Land Acquisition Officer, Mahe/ Yanam.

Copy to:

1. The Secretary to Government (Revenue), Puducherry.
2. All Secretaries/Special Secretaries to Government.
3. The District Collector, Puducherry/Karaikal.
4. The Principal Accountant-General.(Civil Audit), Tamil Nadu & Puducherry, Chennai.
5. The Deputy Accountant-General (Civil Audit), T&P, Puducherry - 605 001.
6. The Joint / Under Secretary to Government, Finance Department, Puducherry.
7. All Heads of Departments/Offices.
8. The Director of Accounts & Treasuries, Puducherry.
9. The Deputy Director of Accounts & Treasuries, Karaikal/Mahe/ Yanam.

CHAPTER – IX
DIRECTORATE OF ACCOUNTS AND
TREASURIES (DAT)

GOVERNMENT OF PONDICHERRY
ABSTRACT

Finance Department – Constitution of Apex Committee, Monitoring Committee and Audit Committees for reviewing timely furnishing of explanatory notes to Public Accounts Committee / Committee on Public Undertakings – Orders – Issued

FINANCE DEPARTMENT

G.O.MS.No. 43/FD/F2/A2/2022-23 Puducherry, dated 17-08-2022.

*Read : D.O Letter No.PAG(Au-II)/BOP/DP Cell/2022-23/328
dated 26-07-2022 of the Principal Accountant
General (Audit-II), Tamilnadu and Puducherry.*

* * *

ORDER

The Departments / Public Sector Undertakings need to promptly reply to audit queries / objections and take urgent remedial action on the objections included in the audit report. The Principal Accountant General in his letter cited above has reported that in Puducherry replies to 4395 paras in Inspection Reports (from the year 1988-89) and 109 Explanatory Notes to paragraphs included in Audit Reports are pending. Further, the accounts of Public Sector Undertakings, Autonomous Bodies and Local Bodies are also pending for many years.

2. Based on the High Powered Committee Report (1993), the Principal Accountant General, Tamilnadu and Puducherry, sought timely furnishing of explanatory notes to Public Accounts Committee / Committee on Public undertakings and further follow up. He also outlined the need for Monitoring Committee, in each Department of Government and Audit Committees, for timely furnishing of replies by Departments / Field Offices, settlement of Audit paras and timely finalization of accounts.

3. The Government has therefore decided to form the following Committees:-

(i) The Audit Committee

(i)	Secretary to Government of the Department concerned	Chairman
(ii)	Head of the Department concerned	Member
(iii)	Head of the executive of the Public Sector Undertakings concerned	Member
(iv)	Senior Accounts Officer / Junior Accounts Officer concerned	Member

The Audit Committees shall meet at least once every quarter to review the progress in disposal of pending Inspections Reports, audit matters pertaining to Departments and Public Sector Undertakings / Autonomous Bodies / Local Bodies under the control of the Administrative Secretary concerned, follow up action on Audit Reports and Explanatory Notes to the PAC / COPU, *etc.*

(ii) The Monitoring Committee

(i)	Secretary to Government of the Department concerned	Chairman
(ii)	Finance Secretary or his nominee	Member
(iii)	Head of the Department concerned	Member
(iv)	Head of the executive of the Public Sector Undertakings concerned	Member

The Monitoring Committee shall meet at least once every quarter to review the follow up action on the Audit reports and the explanatory notes to Public Accounts Committee / Committee on Public Undertakings in respect of the Head of the Departments concerned and the Public Sector Undertakings / Autonomous Bodies / Local Bodies under the control of the Department.

(i) The Apex Committee

(i) Chief Secretary to Government	Chairman
(ii) Finance Secretary to Government	Member
(iii) All Secretaries to Government	Members
(iv) Head of the executive of the Public Sector Undertakings concerned	Member

The Apex Committee shall meet at least once every half year and review audit matters pertaining to Government Departments as well as Public Sector Undertakings/ Autonomous Bodies / Local Bodies.

-// BY ORDER //-

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)-II

To

1. The Principal Accountant General (Audit-II), Tamilnadu and Puducherry
2. All Secretaries to Government
3. All Heads of Departments
4. All Public Sector Undertakings /Autonomous Bodies / Local Bodies

Copy to :

The F3 Section, Finance Department, Puducherry –

With a request to upload the Order in the Finance Department Website

GOVERNMENT OF PUDUCHERRY
DIRECTORATE OF ACCOUNTS AND TREASURIES

No.DAT/B&A/TE/RBI E-Kuber/2021-22/57 Puducherry, the 11-03-2022.

MEMORANDUM

Sub. : DAT - B&A - Instructions for submission of bills and payment through RBI e-kuber ECS mode on 31st March 2022- Reg.

Ref. : Lr. No. CHN.IBD.ASD.No.S-952/04.01.001/2021-22, dated 28.02.2022 of Assistant General Manager, Reserve Bank of India, Chennai 600 001.

Attention of all the Head of Departments is drawn on the subject mentioned above.

The Reserve Bank of India, Chennai, in its letter referred above has stated that all e-payment files received from the Government system after cut-off time *i.e.*, 23.00 hours are usually re-scheduled for processing/accounting on the next working day by e-kuber system of RBI. However, this approach is not to be adopted for March 31 since, re-scheduling of payments meant for current FY to the next working day would lead to accounting of such payments in the next FY thus causing budgetary and accounting mismatch problems.

Hence, in order to avoid such problems, RBI has made special arrangements only for March 31, 2022 as follows:

“All e-payments files received in RBI SFTP server up to 23.00 hours on March 31, 2022 will be processed and accounted on the same day as hitherto.

Government may please ensure that all e-payment files meant for FY 2021-22 are sent to e-kuber well in advance by 22.30 hours itself on March 31, 2022 to avoid last rush and pile-up of large number of files in e-kuber system.”

In this regard, it is informed that after receiving the bills from Departments, the auditors of this Directorate have to pre-audit the bills and check the correctness of the bills with necessary expenditure sanctions and budget provisions provided in the respective Head of accounts. Since, last minute rush of bills is expected this year also, this Directorate may face hardship in

adhering to the RBI guidelines.

In order to comply with the RBI guidelines, this Directorate will receive the bills up to 18.30 hours only on March 31, 2022 and will not be entertained after the stipulated time. Further, the BEAMS authorisation slips for booking of expenditure will be stopped by 18.00 hours on March 31, 2022.

Hence, the Head of Departments may instruct their respective DDOs and sub-offices to strictly follow the above timings and make suitable arrangements to get the expenditure sanctions at the earliest and prepare the bills in order to book the expenditure for the CFY 2021-22. Any lapse on the part of the Department for not adhering to the above schedule of time will be viewed seriously.

As this Directorate has to follow the RBI guidelines strictly, this Directorate may not be in a position to receive the bills after the stipulated time of 18.30 hours on March 31, 2022. Accordingly, all files requiring concurrence from Finance Department should be submitted not later than 16.00 hours on March 31, 2022.

This is issued with the approval of the Development Commissioner-*cum*-Principal Secretary to Government Finance.

Sd/-
(S. PRABAVADY)
Director

To
All Head of Departments.

Copy to :

1. The Budget Officer.
2. The DDAT Karaikal/Mahe/Yanam.

Copy submitted to:

1. The Secretaries/Special Secretaries/Deputy Secretaries/Under Secretaries to Government, Puducherry
2. The Secretary to Lieutenant-Governor, Puducherry
3. The District Collector, Karaikal
4. The Regional Administrators, Mahe/Yanam.
5. The OSD to Chief Minister/Home Minister, Puducherry
6. The Private Secretary to Speaker/All Ministers/P.A. to Deputy Speaker, Puducherry.
7. The Private Secretary to Chief Secretary, Puducherry
8. The Private Secretary to Development Commissioner-*cum*-Principal Secretary to Government (Finance), Puducherry.

**GOVERNMENT OF PUDUCHERRY
DIRECTORATE OF ACCOUNTS AND TREASURIES
PUDUCHERRY**

No.001-A/A1/WA/DAT/2022/42

Dated: 09-03-2022.

CIRCULAR

Sub.: DAT - Works Audit - Auditing of final bills of PWD
Divisions Communication of procedures/guidelines- Reg.

Of late, it is observed that the works side final bills received from various Divisions of the PWD concerned are found incomplete in various aspects viz., claim bill form last page not filled-in properly, supplemental agreement not furnished in respect of the cases containing EIS & SIS, Final EOT not obtained in time extension case, connected M. Books not found in full shape and other required documents relevant to the bills also not furnished. Since most of the final bills are being presented belatedly for the works completed cases after a period of seven to eight years which leads to unnecessary delay in payment to Contractors for settlement of final bill & for release of Security Deposit in time. This will create unnecessary delay in auditing and passing of Work side bills in- Works Audit Section. On scrutiny, most of the final bills received by the section are returned to the PWD Divisions concerned for want of required documents with other remarks which leads duplication of auditing work.

In order to avoid delay in passing of work side bills, the detailed procedure / guidelines as per CPWD Manual (already hosted in DAT's website during 2019) is enclosed herewith in Annexure - I. In addition, a check list format is also enclosed in Annexure- II to be duly filled-in by the Divisional Accountant for verification while presenting the bill to this Directorate.

Therefore, the Executive Engineers of PWD Divisions and PORT Department are hereby requested to follow the guidelines as per CPWD Manual with regard to preparation / submission of work side bills so as to avoid unnecessary delay in passing of final bills in future.

Note: For ECS Bills: Divisional Accountants may be directed to include the details of **Name of the Work / Head of Account / Claim number of the Part Bill** in Advice Slip while presenting the bill.

Sd/-
Director

Encl: Annexure I & II.

To

The Executive Engineer,
SBD-I/SBD-II/B&R(South)/ B&R(North)/ B&R(Central)/
Irrigation /Public Health /National Highways Divisions,
Public Works Department, Puducherry and
Port Department, Puducherry.

Copy to:

1. The Chief Engineer, PWD, Puducherry.
 2. The Under Secretary (Works),
Chief Secretariat, Puducherry.
 3. The Under Secretary (Finance),
Chief Secretariat, Puducherry.
- } for information.

ANNEXURE-I

WORK BILL

All work bills shall be presented with the Measurement Book, Agreement Copy, Technical sanction and Expenditure sanction.

- ◆ Measurement Book is a permanent record and it should be produced to the Court of Law in case of necessity such as Arbitration.
- ◆ **Technical sanction as per CPWD manual is required.**
- ◆ Date of commencement of work as per agreement shall be indicated.
- ◆ Date of completion of work as per agreement shall be indicated.
- ◆ Date of actual commencement of work shall be indicated.
- ◆ Date of actual completion of work shall be indicated.
- ◆ If, the work has been extended beyond the date of completion as per the agreement whether final Extension of Time (EoT) was granted by the proper authority.
- ◆ **Expenditure sanction issued by the Competent Authority shall be furnished.**
- ◆ Amount provided in the expenditure sanction for the work shall be indicated.
- ◆ Check measurement by Assistant Engineer (50%) and Executive Engineer (10%)
- ◆ Work Completion Certificate.
- ◆ Measurement Books are under the personal custody of JE/AE/EE.
- ◆ Deviated item statement / Extra item statement / Substituted item statement has to be approved by the Competent Authority and supplemental agreement is to be prepared.
- ◆ In respect of earth work - Measurement Book maintenance is compulsory and is check measurement is 100%.

- ◆ Contractor's signature to be obtained in the Measurement Book after each set of measurement as a token of his acceptance of the measurement recorded.
- ◆ **Recoveries to be effected such as Security Deposit/ Income-tax/Water Charges etc.,**
- ◆ Nature of Tender/Tendered amount/Amount put of tender/ Tender percentage shall be mentioned.
- ◆ Approval of Tender by the Competent Authority.
- ◆ **For non-engagement of Technically qualified person/ Engineer for supervision of work, recovery is to be effected as per the rate stipulated in the agreement.**
- ◆ Approval of Competent Authority for deviation in respect of absurdly high/low rated item.
- ◆ **Test certificate should be produced for the materials used by the contractor.**

DAT Website - under: ACTS & RULES.

ANNEXURE-II
CHECK LIST

(Put tick marks)

Sl. No.	Particulars	Yes (/)	No (X)
1.	Technical Sanction		
2.	Sanction copy (G.O)		
3.	Original Agreement		
4.	Supplemental Agreement (EIS/SIS)		
5.	DIS/EIS/SIS		
6.	Final EOT		
7.	Test reports (Water/Steel/Cement/Bitumen)		
8.	Check measurement statement		
9.	Certificate for engagement of Technical Assistant.		
10.	Page-wise total break-up both in M.Book & bill		
11.	Whether all correction attestation obtained, if, any correction made in the bill or M.Book		
12.	Whether Agreement has been signed by the Competent Authority.		
13.	Whether Head of Account is correctly mentioned in the bill.		

DIVISIONAL ACCOUNTANT

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - NPS - Amendment in National Pension System (NPS) with effective from 01-04-2019 - Orders - issued.

FINANCE DEPARTMENT

G.O.Ms.No. 157 / FD/F3/A2/2019. Puducherry, dated 29-07-2019.

Read : 1. G.O.Ms.No. 137/2004/F4, dated 12-11-2004 of Finance Department, Puducherry.

2. Notification dated 31-01-2019 of Department of Financial Services, Ministry of Finance, Government of India.

ORDER

1. Recorded.
2. A copy of the Notification read above is forwarded herewith for information and Implementation with effect from 01-04-2019.

//By Order//

Sd/-

(V. JEEVA)

Under Secretary to Government (Finance)

To

All Secretariat Departments.

All Heads of Departments/Offices in Puducherry/

Karaikal/Mahe and Yanam.

Copy to :

1. The Director of Accounts and Treasuries, Puducherry.
2. The Sr. Dy. Accountant General, Puducherry Branch, Kumarakurupallam, Puducherry.
3. The Dy. Director of Accounts and Treasuries, Karaikal, Mahe and Yanam.
4. The Central Records Branch, Puducherry.
5. The Director, Information Technology Department, Puducherry - to be hosted in State Website.
6. The Website of Finance Department - to be hosted in the Official Website.
7. Stock File.

MINISTRY OF FINANCE
(Department of Financial Services)

NOTIFICATION

New Delhi, the 31st January, 2019

F. No. 1/3/2016-PR.— In partial modification of para 1 (i) of Ministry of Finance's Gazette Notification No. 5/7/2003-ECB-PR, dated 22nd December, 2003, based on the Government's decision on 6th December, 2018 on the recommendations of a Committee set up to suggest measures for streamlining the implementation of National Pension System (NPS), the Central Government makes the following amendments in the said notification, namely :—

(1) In para 1 (i) of the said notification, for the words "The monthly contribution would be 10 percent of the salary and DA to be paid by the employee and matched by the Central Government", the words "The monthly contribution would be 10 percent of the Basic Pay plus Dearness Allowance (DA) to be paid by the employee and 14 percent of the Basic Pay plus DA by the Central Government" shall be substituted.

(2) The following provisions shall be inserted after para 1 (v) of the said notification, namely:-

**CHOICE OF PENSION FUND AND INVESTMENT PATTERN
IN TIER-I OF NPS AS UNDER:**

(vi) **Choice of Pension Fund:** As in the case of subscribers in the private sector, the Government subscribers may also be allowed to choose anyone of the pension funds including Private sector pension funds. They could change their option once in a year. However, the current provision of combination of the Public-Sector Pension Funds will be available as the default option for both existing as well as new Government subscribers.

(vii) **Choice of Investment pattern:** The following options for investment choices may be offered to Government employees:-

(a) The existing scheme in which funds are allocated by the PFRDA among the three Public Sector Undertaking Fund Managers based on their past performance in accordance with

the guidelines of PFRDA for Government employees may continue as default scheme for both existing and new subscribers.

(b) Government employees who prefer a fixed return with minimum amount of risk may be given an option to invest 100% of the funds in Government securities (Scheme G).

(c) Government employees who prefer higher returns may be given the options of the following two Life Cycle based schemes.

(A) Conservative Life Cycle Fund with maximum exposure to equity capped at 25% - LC-25.

(B) Moderate Life Cycle Fund with maximum exposure to equity capped at 50% - LC-50.

(viii) Implementation of choices to the legacy corpus:

Transfer of a huge legacy corpus of more than ₹ 1 lakh crore in respect of the Government sector subscribers from the existing Pension Fund Managers is likely to impact the market. It may be practically difficult for the PFRDA to allow Government subscribers to change the Pension Funds or investment pattern in respect of the accumulated corpus, in one go. Therefore, for the present, change in the Pension Funds or investment pattern may be allowed in respect of incremental flows only.

(ix) Transfer of legacy corpus in a reasonable time frame: PFRDA may draw up a scheme for transfer of accumulated corpus as per new choices of Government subscribers in a reasonable time frame of say five years. Once PFRDA draws up this scheme, change in the Pension Funds or investment pattern may be allowed in respect of the accumulated corpus in accordance with that scheme.

COMPENSATION FOR NON-DEPOSIT OR DELAYED DEPOSIT OF CONTRIBUTIONS DURING 2004-2012:

(x) In all cases, where the NPS contributions were deducted from the salary of the Government employee but the amount was not remitted to CRA system or was remitted late, the amount may be credited to the NPS account of the employee along with interest for the period from the date on which the deductions were made till the date the amount was credited to the NPS account of the employee, as per the rates applicable to GPF from time to time, compounded annually.

(xi) **In all cases where the NPS contributions were not deducted from the salary of the Government employee for any period during 2004-2012**, the employee may be given an option to deposit the amount of employee contribution now. In case he opts to deposit the contributions now, the amount may be deposited in one lump sum or in monthly installments. The amount of installment may be deducted from the salary of the Government employee and deposited in his NPS account. The same may qualify for tax concessions under the Income Tax Act as applicable to the mandatory contributions of the employee.

(xii) **In all cases where the Government contributions were not remitted to CRA system or were remitted late (irrespective whether the employee contributions were deducted or not)**, the amount of Government contributions may be credited to the NPS account of the employee along with interest for the period from the date on which the Government contributions were due till the date the amount is actually credited to the NPS account of the employee, as per the rates applicable to GPF from time to time. Instructions to this effect may be issued by the Department of Expenditure / Controller General of Accounts. All such cases of delay may be resolved within a period of three months.

2. The above provisions shall come into force with effect from 1st April, 2019.

Sd/-

(MADNESH KUMAR MISHRA)

Joint Secretary

Note : The main notification was published in the Gazette of India, Extraordinary, Part-I, Section 1, *vide* Notification No. 5/7/2003-PR, dated the 22nd December, 2003.

//Authorized for issue//

**GOVERNMENT OF PUDUCHERRY
DIRECTORATE OF ACCOUNTS AND TREASURIES**

No.DAT/B&A(General/2018-19/152, Puducherry, dated 28-09-2018

CIRCULAR

Sub: DAT-Effecting GST TDS in the Bills-Reg.

The TDS provision under the Puducherry Goods and Services Act, 2017 has been brought in to effect from 1st October, 2018 *vide* G.O. Ms. No. 47, dated 25-09-2018 of the Commercial Taxes Secretariat, Puducherry.

1. As per the section 51 of the Puducherry Goods and Services Act, 2017 read with the relevant provisions of the Central Goods and Services Tax Act, 2017 the Drawing and Disbursing Officers (DDOs) of a Department or establishment of the Central Government or State Government, Local Authority, Governmental Agencies or such persons or category of persons as may be notified by the Government are required to deduct TDS from the payment made or credited to the supplier of taxable goods or services or both, where, the total value of such supply, under a contract, exceeds two lakh and fifty thousand rupees. This value shall exclude the taxes leviable under GST".

3. The rate of GST TDS shall be 1% CGST and 1% SGST (Total: 2%) on the amount paid/credited in respect of intra-State supply (supply within a state) and 2% IGST on the amount paid/credited in respect of inter-State supply (supply from one State to another).

4. All DDOs are hereby requested that while presenting the bills to the DAT for payments in respect of supplies where the total value of the contract exceeds two lakh and fifty thousand rupees. GST TDS amount shall be shown separately. The procedure so far adopted by the DDOs in (he payment of Income-tax TDS may be followed in the TDS on GST also. The amount of GST TDS credited to the DDOs Bank account by DAT may be utilized for making deposit and payment while filing, the GST TDS return in FORM GSTR-7.

5. The DDOs should maintain a Register as per *pro forma* given below to keep record of all TDS deductions made during the month. This Record will be helpful at the time of filing Monthly Return (FORM GSTR-7).

Record to be maintained by the DDO for filing of GSTR 7

Sl. No.	GSTIN the Deductive	Trade Name	Amount paid to be Deductive on which tax in deducted	Integrated Tax	Central Tax	State/UT Tax	Total

Sd/-
(P. RAMANI)
Director.

To
All Heads of Departments,
Government of Puducherry,
Puducherry.

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department - Constitution of Committee for clearing the pending OBA items for more than 10 years in various Departments-Orders-Issued.

FINANCE DEPARTMENT

G.O.Ms.No. 98/F2/2018-19. Puducherry, dated 14-08-2018.

Read : Letter No.DAT/OBA/Audit/18-19/137, dated 25-06-2018 of Director of Accounts & Treasuries, Puducherry.

ORDER

The Office of the Principal Accountant-General (Audit) while conducting audit in the Directorate of Accounts & Treasuries, Puducherry, has observed that there was 143 OBA items amounting to 3.11 crores pertaining to various Departments for the period of more than 10 years and the pending cases may be cleared on the basis of non-traceable of bills / vouchers after obtaining relevant orders or instructions from the Committee constituted for this purpose to avoid unnecessary exhibition of huge pendency.

2. As suggested by the Audit, the Government is pleased to constitute a Committee for clearing the pending OBA items for more than 10 years in various Departments of the Union Territory of Puducherry.

3. The Composition of the Committee is as follows:-

- | | | |
|---|-----|------------------|
| (i) Director of Accounts & Treasuries | . . | Chairman |
| (ii) Deputy Director of Accounts & Treasuries | . . | Member |
| (iii) Heads of Departments/Offices concerned | . . | Member |
| (iv) SAO/JAO of the HoD/Offices concerned | . . | Member-Secretary |

4. The Committee shall examine the pending cases of OBA items for more than 10 years considering the facts of non-availability / non-traceable of Bills / Vouchers / BDR/BTR, *etc.*, of the Departments / Offices concerned. The Committee shall issue necessary orders / instructions on the pending OBA items for more than 10 years of the Departments/Offices concerned after examination and on satisfaction of the Committee.

5. The concerned Head of Department/Office shall arrange / organize the schedule of meeting after getting approval of the Chairman of the Committee and the data/details required for clearing the pending OBA items for more than 10 years shall be submitted to the Committee, while meeting.

6. Necessary proposal alongwith the orders/instructions of the Committee shall be submitted to Finance Department by the Department/Office concerned for approval/concurrence for clearing and pending OBA items for more than 10 years.

//By Order//

Sd/-

(V. JEEVA)

Under Secretary to Government

To

1. The Chairman / Members of the Committee.
2. All Secretaries to Government concerned.
3. All Heads of Departments / Offices concerned.

Copy to :

1. The Under Secretary to Government (Finance-II),
Finance Department, Puducherry.
2. The Director of Accounts & Treasuries.
3. The Principal Accountant-General (Audit), Tamilnadu &
Puducherry.

**GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT
FINANCE DEPARTMENT**

No. FD/4407/F3/2009.

Puducherry, dated 20-10-2009.

CIRCULAR

Sub.: New Pension System (NPS) - Extension of the Scheme to the employees of Autonomous Bodies/PSUs - Reg.

The Government of India has introduced the New Pension System (NPS) for new entrants to services in the Central Government with effect from 1-1-2004. This New Pension System is a Defined Contribution Pension System and has been adopted by the Government of Puducherry for its employees appointed on or after 1-1-2004. The Government of India constituted the Pension Fund Regulatory and Development Authority (PFRDA) to implement the NPS which in turn has appointed five intermediaries as follows:

- (i) New Pension System (NPS) Trust - Responsible for security and management of individual assets,
- (ii) National Securities Depository Limited (NSDL) - Central Record keeping Agency (CRA) - Responsible for record keeping,
- (iii) Pension Fund Managers - SBI, UTI, LIC - Responsible for investment,
- (iv) Trustee Bank-Responsible for financial transaction,
- (v) Custodian - Stock Holding Corporation of India Limited - Responsible for holding stock.

On the basis of the approval of the Government of Puducherry communicated to the PFRDA to extend the CRA facilities to cover the Government employees and Autonomous Bodies/PSUs under it, agreements were already executed with CRA and NPS Trust on the condition that each such Autonomous Body/PSUs shall bear the cost of record keeping, *etc.*, charged by the CRA for maintenance of accounts, *etc.*

2. The Autonomous Bodies, Public Sector Undertakings of the Government of Puducherry intending to extend the New Pension System to its employees may avail these facilities from 1-1-2004 onwards in accordance with the scheme notified in Finance Department's G.O. Ms. No.137/2004/F4 dated 12-11-2004 and orders issued from time to time by the Government/PFRDA. For the guidance of all Autonomous Bodies/PSUs, it is clarified that the New Pension System introduced by the Government for its employees is in substitution of the old Pension Scheme as under CCS (Pension) Rules, 1972. Hence, only such of those institutions which are already and continued to follow such scheme upto 31-12-2003 shall be allowed to adopt the New Pension System for its employees appointed in such institutions on or after 01-01-2004 and those institutions which adopted CPF/EPF Scheme shall NOT switch over to NPS.

3. For enrolment under this scheme, the Director of Accounts and Treasuries may be approached through their Administrative Department enclosing the resolutions adopted in their Governing Body for adoption of NPS to its employees.

Sd/-

(NUTAN GUHA BISWAS)

Secretary to Government (Finance)

No. G. 19011/F2/2000 (11)
GOVERNMENT OF PONDICHERRY
FINANCE DEPARTMENT

Pondicherry, dt. 16-05-2000

OFFICE MEMORANDUM

Sub. : Introduction of pension scheme on Government of India pattern for the employees of Autonomous Bodies under various Ministries/Departments of Government of India - Reg.

A copy of the Office Memorandum No. 19011/6/2000-Fin. II, dated 4-4-2000 received from Ministry of Home Affairs, New Delhi together with D.O. Letter No. 25(1)/EV/2000, dated 16-3-2000 of Ministry of Finance, Department of Expenditure is forwarded herewith for information and strict compliance.

Sd/-

(K. RAJAN)

Under Secretary to Government

To

All Autonomous Bodies/Corporations/Societies/Boards.

Copy of the Office Memorandum No. 19011/6/2000-Fin. II, dated 4-4-2000 received from P.K. Swain, DFA(Pers.), Government of India/Bharat Sarkar, Ministry of Home Affairs/Grih Mantralaya, New Delhi.

Sub. : Introduction of pension scheme on Government of India pattern for the employees of Autonomous Bodies under various Ministries/Departments of Government of India - Regarding.

A copy of Ministry of Finance, Department of Expenditure D.O.No.25(1)EV/2000, dated 16th March, 2000 on the above subject is sent herewith for information and necessary action.

2. It is requested that the necessary information relating to their organisation/office asked for therein, may kindly be sent to Fin.II Section, MHA urgently. Even 'nil' reply may please be forwarded.

Hindi version will follow :

Copy of the D.O. Letter No. 25(1)/EV/2000, dated 16th March, 2000 received from Usha Mathur, Joint Secretary, Government of India, Ministry of Finance, Department of Expenditure, New Delhi.

Dear Shri Ray,

The Department of Expenditure has been receiving a number of proposals regarding introduction of pension scheme on GOI pattern for the employees of Autonomous Bodies under various Ministries/ Departments of the Government of India. Such proposals have not been approved mainly for the reasons given below:-

- (i) The cost of introduction of pension scheme is much higher than the CPF Scheme. The cost of pension scheme keeps on increasing with every increase/revision in the Scales of Pay/Pensionary benefits recommended by the Successive Pay Commissions set up by the Government.
- (ii) While the CPF is a one-time payment, pension is a life-long commitment on the part of the Government.
- (iii) For servicing a pension scheme, a Pension Fund has to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the Fund.
- (iv) In case of winding up of the organisation, the Government may have to take over the entire liability of the Pension Fund.
- (v) Any cut-off date fixed by the Government is not likely to be accepted by the employees who retired prior to the cut-off date.

2. Apart from the above, the recurring financial implications of introduction of pension scheme in Autonomous Bodies are likely to be very substantial, particularly after acceptance of the recommendations of the Fifth Central Pay Commission, involving a significant liberalisation of the provisions relating to pension, gratuity, commutation of pension, family pension, *etc.*

3. We have, however come across a number of cases where pension scheme on GOI pattern has been allowed for the employees of Autonomous Bodies either with the approval of the Internal Finance

Division or with the approval of the Financial Adviser of the Ministry/ Department concerned without obtaining this Department's concurrence. In one such case, the Department concerned is now faced with a situation where the Pension Fund set up for the employees of an Autonomous Body has become unviable; there being no possibility of disbursing pension to the pensioners without seeking Government's support in the form of grants-in-aid.

4. In view of the above, we have been advising Autonomous Bodies under various Ministries/Departments of the Government of India to continue to follow the CPF Scheme or the Autonomous Bodies, if they so desire, may work out an annuity scheme through the Life Insurance Corporation of India based on voluntary contributions by the employees and without any contribution from the Government or the employees may join the pension scheme introduced by the Ministry of Labour for the PF subscribers. It may please be noted that introduction of pension scheme on GOI pattern to the employees of Autonomous Bodies should not be agreed to as a rule; any exception in this regard should be referred to this Department.

With regards,

Yours sincerely,
Sd/-
(USHA MATHUR)

Shri P. Ray
Financial Adviser
Ministry of Home Affairs
North Block, New Delhi

CHAPTER – X
ACCOUNTS OFFICERS

No.7804/FD/F2/A2/2011
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 18-03-2022

CIRCULAR

Sub.: Annual Performance Assessment Report (APAR) for
DDAT / SAO and JAO – Instructions - Issued – Reg.

The Finance Department being the cadre controlling Authority for Accounts cadre has decided to modify the existing format of APAR of Deputy Director of Accounts and Treasuries / Senior Accounts Officer and Junior Accounts Officer by providing an additional column to record the comments and final grading by the Acceptance Authority. The Departments / Offices are accordingly required to follow the following guidelines in respect of the APAR of the Accounts cadre :

- I. If, presently the review is by an officer below the Administrative Secretary, the Administrative Secretary shall act as the Accepting Authority, for the Accounts Officers posted in a Department.
- II. If, presently the review is by Administrative Secretary, Secretary (Finance) shall be the Accepting Authority, for the Accounts Officer posted in a Department.
- III. For Deputy Director of Accounts and Treasuries / SAO and JAO posted in DAT, Puducherry, the Secretary (Finance) shall be the Reviewing and Accepting Authority.

2. The Director of Stationery and Printing, Puducherry, is hereby instructed to accordingly print and stock sufficient number of APAR Forms for the Officers in Accounts cadre viz. Deputy Director of Accounts and Treasuries / Senior Accounts Officer and Junior Accounts Officer for supply to the indenting offices. The Heads of Departments/Offices may make arrangements to get sufficient APAR Forms for the Accounts cadre working under their

control from the Director of Stationery and Printing, Puducherry, for reporting, reviewing and accepting strictly as per this new format. The APAR Forms in the existing old format would no longer be taken into account with immediate effect.

3. This modified arrangement shall come into force with respect to APAR of the current financial year 2021-22.

//BY ORDER//

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

Copy to:

1. All Secretaries / Special Secretaries
2. All Heads of Departments / Offices concerned Puducherry / Karaikal / Mane / Yanam
3. All DDAT / SAO / JAO
4. The F3 Section, Finance Department, Puducherry-To upload the circular on the official website of the Finance Department

Copy for information and necessary action to :

The Director of Stationery and Printing, Puducherry.

No. 324/F2/FD/2015
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 08-10-2020

I.D.NOTE

Sub. : Finance Department - Procedures to be followed
for scrutiny of finance proposals - Instructions - Issued
- Reg.

In the meeting of Accounts Officers conducted by the Secretary (Finance) on 28-09-2020, it was observed that since the SAO post is vacant in a Department, financial proposals are not routed through the existing JAO which renders it difficult for the JAO to furnish adequate replies to queries from the Budget Section / DAT regarding expenditure, etc. In this regard, it is instructed that wherever there is an SAO vacancy, the JAO posted in that Department may hold the additional charge of the SAO also. As such, all proposals related to both Schemes and finance should be routed through the present Accounts Officer irrespective of the cadre whether SAO or JAO.

2. The above instructions should scrupulously be followed in future,

//BY ORDER//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government (Finance)

To

All Heads of Departments / Offices,
Puducherry / Karaikal / Mahe / Yanam

Copy to:-

The Private Secretary to Chief Minister,
Office of the Council of Ministers, Puducherry.

No. 324/F2/A2/2015
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 18-06-2015

CIRCULAR

Sub.: Finance Department – Procedures to be followed for
obtaining concurrence/approval of finance proposal –
Instructions – Issued – Reg.

Instances have come to notice that many Departments have sent the finance proposals seeking concurrence/approval of the Finance Department without quoting the provisions under General Financial Rules (GFRs) and Delegation of Financial Powers Rules. In this regard, the Secretary to Government (Finance) had convened a meeting with the Senior Accounts Officers and Junior Accounts Officers. In the meeting, most of the Accounts Officers stated that the proposals for expenditure sanctions have been mooted out without their consultation/views, by the Head of Department/Office itself. It is also noticed that most of the Accounts Officers are unaware of the proposals which are sent to the Government for approval/sanction.

2. It may be appreciated that SAOs/JAOs are extension of Finance Department in the various line Departments and they are supposed to examine all financial proposals at initial stage before send to Government. As such, all the Head of Departments/Offices are requested that henceforth, all the financial proposals, such as all expenditure sanctions, sanction for grant-in-aid, modification in budget, and other proposals needing concurrence of Finance Department *etc.*, which are to be submitted to the Finance Department for concurrence/approval should be routed through the concerned Accounts Officers and to ensure that the GFRs/Delegation of Financial Powers Rules and Office Memorandum/guidelines issued in this regard, are followed scrupulously without lapse and also to mention the Rule/Provisions in the file under which the proposals have been prepared. This also applies to the proposals emanating from the Public Sector Undertaking's/Societies/Corporations *etc.*,

3. Moreover, it is instructed that the financial proposals which are to be sanctioned by the Head of Department/Office themselves under the powers vested with them, should also be viewed/vetted and concurred by the concerned Accounts Officers, in future.

4. Development Commissioner-*cum*-Secretary (Finance) has already sent an advance e-mail to all Secretaries/Head of Departments on 12-06-2015 in this regard.

5. Therefore, all the Heads of Departments/Nodal Department for Public Sector Undertakings are requested to strictly comply with the above instructions/guidelines and to submit the proposals to Finance Department after examination and with the observation of concerned Accounts Officers of the Department, so that the Finance Department could admit the files for processing. In the absence of the above, the Finance Department will refer back the proposal to Department for compliance/re-submission.

//BY ORDER//

Sd/-

(P. AUGUSTIN LUCIEN DIAGOU)

Under Secretary To Government (Finance)

To

1. All Heads of Departments/Offices
2. Collector, Puducherry and Karaikal
3. All Autonomous Bodies/Societies/Undertakings/Corporations
4. The Senior Deputy Accountant-General, Office of the A.G.,
Tamil Nadu and Puducherry, Puducherry Branch, Kumaragurupallam,
Puducherry.

Copy to:

1. All Commissioners/Secretaries to Government
2. e-mail to all concern
3. All Superintendents of Finance Department
4. Regional Administrator, Mahe/Yanam

CHAPTER – XI
MISCELLANEOUS

GOVERNMENT OF PUDUCHERRY

ABSTRACT

Finance Department –Shifting of the E-Procurement Cell, Chief Secretariat, from the administrative control of the Chief Vigilance Office to the Finance Department.

FINANCE DEPARTMENT

G.O.Ms.No. 51 / F3/2022.

Puducherry, dated 05-09-2022.

ORDER

1. The E-Procurement Cell was established in the Chief Secretariat, Puducherry, under the administrative control of the Chief Vigilance Office (**CVO**) for the exclusive purpose of imparting training and hand-holding support to the Departmental users and to the bidders in the use of the e-procurement portal (<https://pudutenders.gov.in>), as per the e-Procurement Mission Mode Project guidelines of the Ministry of Commerce and Industry, Government of India.

2. With the revised Manuals for Procurement of Goods, Works and Services issued by the Department of Expenditure, Ministry of Finance, Government of India in July 2022, there are no longer any separate Chief Vigilance Commission (**CVC**) norms for public procurement. The Manuals of the Ministry of Finance are now the single point of reference for all matters governing public procurement. In further continuation of the same, it is necessary that the subject of “procurement” is handled exclusively by the Finance Department to ensure uniformity and consistency in the public procurement norms.

3. Hence, with the approval of the Competent Authority, the e-Procurement Cell, Chief Secretariat, shall henceforth function under the administrative control of the Finance Department, to handle all the matters relating to e-procurement/e-auction and also the GeM procurements.

4. For the purpose of furnishing the Quarterly Progress Report (**QPR**) in respect of high value procurements to the CVC, the required information shall be shared by the e-Procurement Cell to the CVO at the necessary intervals after due countercheck through employment of e-Procurement software.

//BY ORDER OF Hon'ble LIEUTENANT GOVERNOR//

Sd/—

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To
All Secretaries to Government.
All Secretariat Departments.

Copy to:

1. The Director of Accounts and Treasuries, Puducherry.
2. The Deputy Directors of Accounts and Treasuries, Karaikal / Mahe / Yanam
3. The Deputy Accountant-General, O/o the AG (Audit), Tamil Nadu and Puducherry, Puducherry Branch.
4. The Central Record Branch, Puducherry.

No.280/FD/F3/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 06-06-2022

CIRCULAR

Sub. : Finance Department – Instructions issued for Banning
usage of Single Use Plastic items in the Govt.
Departments/Institutions – Reg.

As per the decision of the State Level Task Force on Single Use Plastic Chaired by the Chief Secretary in its meeting on 17.05.2022, all the Departments/Institutions under the Govt.of Puducherry are hereby instructed not to purchase the following Single Use Plastic items which have been duly banned in the Union Territory of Puducherry.

Items banned
<ol style="list-style-type: none">1. Plastic Carry bags2. Plastic Flag3. Plastic straw4. Water Pouches5. Plastic sheets used for spreading on dining table6. Plastic sheet pouches used for cooked food wrapping.7. Plastic/ Thermocol plates8. Plastic / Thermocol cups9. Ear buds with plastic sticks10. Balloons with plastic sticks11. Candies with plastic sticks12. Ice Cream with plastic sticks13. Thermocol Decoration14. Flexi banner lesser than 100 micron thickness.15. Non oven bag lesser than 60 gsm16. Plastic spoon / fork / stirrers17. Wrapping packaging films.

2. In case of any violation, the concerned Officer who has approved the purchase of these items shall be held responsible and shall personally bear the expenses incurred on the Single Use Plastic items purchased.

3. The DAT shall not admit any bills henceforth for settlement of expenses incurred by any Department/Institution against the purchase of these items

4. This comes into effect from July 1st, 2022.

//By Order//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government(Finance)

To

All Secretariat Departments

All Heads of Departments/Offices/Institutions

The DAT, Puducherry / Karaikal / Mahe / Yanam.

Copy to:

The P.S. to Hon'ble Lt.Governor, Puducherry.

The P.S. to Hon'ble Chief Minister, Puducherry.

**No.659/FD/US(FIN-I)/2022-23
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Puducherry, dated 01-04-2022

I.D. NOTE/OFFICE MEMORANDUM

Sub. : Communication of Sanctions when the advice of the
Finance Department is overruled

In accordance with the Rule 25 of the Delegation of Financial Powers Rules 1978, Government Orders (GOs) issued for Expenditure Sanction with the concurrence of the Finance Department mandatorily contain the clause:

“This issues with the concurrence of the Finance Department vide its I.D.Note. No...../FC/....., dated”(The acronym ‘FC’ in the clause stands for ‘Financial Concurrence’)

2. Now, in line with the Government of India’s Decision (1) under the said Rule, it is directed that in all cases where the Competent Authority has overruled the advice of the Finance Department and accorded approval for issue of expenditure sanction, the aforementioned clause in the GOs shall be as follows:

“This sanction issues with the approval of the Competent Authority. The advice of the Finance Department was conveyed vide I.D.No. .../AC/...., dated” (The acronym ‘AC’ shall stand for ‘Advice Conveyed’)

//By Order//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government(Finance)

To

1. All Secretaries to Government
2. All Special/Additional/Joint/Deputy/Under Secretaries to Government
3. The Director, Directorate of Accounts & Treasuries (DAT), Puducherry/DDATs, Karaikal/Mahe/Yanam

4. The Sr. Dy. Accountant-General, O/o the A.G. Tamil Nadu & Puducherry, DAT Complex, Puducherry

5. All SAOs/JAOs

Copy to:

1. The Secretary to the Lt. Governor
2. The P.S. to the Chief Minister
3. The P.S. to the Chief Secretary

GOVERNMENT OF PUDUCHERRY

FINANCE DEPARTMENT

No. 1011 /F3/FD/2016.

Dated, the 22nd August, 2016.

CIRCULAR

Sub.: Correct indication of Finance Concurrence in the order of Expenditure Sanction - Regarding.

In the recent past, Finance Department has noted that Departments are indicating erroneous date of concurrence of Finance Department in the expenditure sanctions issued, wrongly indicating concurrence when such proposal has not been duly concurred by Finance Department. Actual date of concurrence differs in as much as the date of concurrence indicated in order pre-runs to actual date of concurrence.

2. The matter has been examined in F3 unit of Finance Department and decided to follow an alphabetic indicator to determine actual date of concurrence.

(a) Actual date of Finance Concurrence is nothing but the date noted by the respective Finance Unit on receipt of file/proposal concurred by Secretary (Finance).

3. It is decided to follow the below noted alphabetic indicator to determine the actual date of concurrence.

(a) PRO - means Provisional.

(b) FC - Finance Concurrence.

(c) RET - Returned.

4. Respective units of Finance Department shall indicate in the margin of note sheet that the date on which the file is submitted to Secretary (Finance) through Under Secretary (Finance) for concurrence or otherwise in the following format.

For example :

File Number : 1234

Date of submission : 1.9.2016

Dealing Finance Unit : F3/A1

Format : I.D. Note No. 1234/PRO/FD/F3/A1/2016, dated 01.09.2016.

5. On receipt of file from Secretary (Finance) where proposal is concurred or otherwise,

(a) In the event of approval of proposal/concurrence by Secretary (Finance),

The following format be followed :

For example :

Date of receipt of file from Secretary (Finance) : 03.09.2016

I.D. Note No. 1234/EC/FD/F3/A1/2016, dated 03.09.2016.

(b) If, file is returned to the Department with the approval of Secretary (Finance) for reexamination of the proposal.

I.D. Note No. 1234/RET/FD/F3/A1/2016, dated 03.09.2016.

6. Respective pay section in the DAT is to ensure whether Finance concurrence (*i.e.* FC) is indicated in the G.O. as shown above at the format given in 5(a) before passing the bill, otherwise the bill shall not be passed for payment. Any lapse on the part of officials in the DAT on this point will be viewed seriously.

Sd/-

(P. AUGUSTINE LUCIEN DIAGOU)

Under Secretary to Government (Finance)

To

1. All Units of Finance Department.
2. The Directorate of Accounts and Treasuries, Puducherry.

Copy to :

1. The Under Secretary (Finance)-II, Finance Department, Puducherry.
2. The Budget Officer (F-1), Chief Secretariat, Puducherry.
3. The Dy. Director, Ways & Means, Chief Secretariat, Puducherry.

No. 2407/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 03-03-2022

I.D. NOTE/OFFICE MEMORANDUM

Sub. : Finance - Modification of Instructions regarding Booking of Air Tickets on Government account - Reg.

Ref. : 1. Office Memorandum No. 19024/03/2021-E.IV dt.31.12.2021 of Department of Expenditure, Ministry of Finance, Govt. of India.

2. Office Memorandum No. 19024/03/2021- E.IV dt.16.02.2021 of Department of Expenditure, Ministry of Finance, Govt. of India.

3. I. D. Note/Office Memorandum No.2407/FD/F3/2021-22, dt.08.02.2022 of the Finance Department, Govt. of Puducherry.

Consequent to the orders of the Govt. of India cited first and second under reference, and in supersession of the I. D. Note cited third under reference and of all other orders and instructions issued so far in this regard, the following instructions are issued for booking of tickets for air travel where the Government of Puducherry bears the cost of air passage.

2. Air travel, both domestic (including LTC) and International travel, can be made by any airlines henceforth. The restriction for performing air travel only by Air India is removed.

3. Booking shall be made through the Airlines providing the "Best available airfare" on the date of booking in the appropriate class. "Best available airfare" shall mean the best fare available after taking into consideration factors such as the departure/arrival/ time of the flight and its suitability in accordance with the tour plan of the officer/official, and the duration of the flight(direct flight may be preferred over connecting/hopping flight).

4. A Self-declaration Certificate for completion of journey in the enclosed pro forma shall be produced along with the TA claim. The condition of submission of Boarding Pass along with settlement of TA claim is dispenses with.

- 5 (i) If, the officers/officials book tickets by paying from their pockets and the claim reimbursement, the flight ticket shall be booked through either of the following two means:
- (a) Directly from the website/app of the Airline (no proof of fare comparison is required for the setting of the TA claim), or
 - (b) Through the website/app of any online travel portal, provided the fare in this case is cheaper when compared to the fare available on the Airline website/app. (Proof of fare comparison between the website/app of the travel portal from which the booking is done and the website of the Airline shall be furnished at the time of submitting the TA claim.)
- 5(ii). The prevailing mode of booking tickets on credit basis may continue, subject to the condition that the ticket fare, including the service charges and/or GST, if any, does not exceed the fare for the same flight available directly on the website of the Airline. Proof of fare comparison between the Airline website and the actual ticket booked shall be submitted with the TA claim.

//BY ORDER OF THE LIEUTENANT-GOVERNOR//

Sd/-

(ARJUN RAMAKRISHNAN)

Under Secretary to Government(Finance)

Encl.: As stated.

To

All Secretaries to Government/All Secretariat Departments

All Heads of Departments/Offices

All Heads of PSUs/Autonomous Bodies/Corporations/Societies

All SAOs/JAOs

Copy to:

1. The Director of Accounts & Treasuries, Puducherry

2. The Deputy Director of Accounts & Treasuries, Karaikal/Mahe/Yanam.

PRO FORMA
Self-declaration Certificate for Completion of Journey
(Annexure to O.M.2407/FD/F3/2021-22 dt. 03..2022)

1. I (Name of the employee.....)
hereby declare and certify that:
2. I have actually performed the onward journey
from.....to.....on.....(date) and return
journey from.....to.....on.....for the purpose
of Tour/Training.

OR

3. I/We have actually performed the onward journey
from.....to.....on.....(date) and return journey
from.....to.....on.....for the purpose of Trans-
fer/LTC/Retirement. The particulars of the self and family mem-
bers who have performed journey either with the Government ser-
vant or separately are as under:-

S.No.	Name	Age	Relationship with Govt. servant

4. In case, the above declaration given by me is not found true at
any stage, I shall be liable to disciplinary action under Central
Civil Services (Classification, Control and Appeal) Rules,1965,
as amended from time to time.

(Signature)

Name of the Government Servant.....

Designation.....

Name of the Department.....

To

The HoD/Head of Office/DDO concerned.

No.2012/FD/F3/2021-22
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dt.21-12-2021

I. D. NOTE

Sub. : Finance Department - Premature Condemnation of Vehicles - Instructions of Government of India - Communicated for Compliance.

Ref. : Lr.No.U-13034/35/2019-CPD(Pudu) dt. 04.10.2021 of Ministry of Home Affairs, Government of India.

The Ministry of Home Affairs, Government of India vide reference cited (copy enclosed) has communicated the following observations/remarks made by Department of Expenditure, Ministry of Finance in a proposal relating to premature condemnation of vehicles belonging to School Education Department, Puducherry and directed the Government of Puducherry to process and send such proposals of pre-mature condemnation of vehicles without delay:

“The condemnation processes have been initiated approximately 8 years after the date of vehicles kept on off-road condition. Unserved vehicles kept idle for such a long period would have no depreciation value and in turn result to loss of monetary value to the Government”

2. The Administrative Departments/Heads of Departments shall ensure strict compliance with the above of the Ministry of Home Affairs, Government of India and proposals relating to condemnation/premature condemnation of vehicles, if any, should be submitted to the Government within 2 months of a vehicle going off road.

//BY ORDER//

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)-II

Encl.: Above.

To

All Secretariat Departments

All Heads of Departments/Offices.

Copy to

The Under Secretary(Finance)-I.

No.U-13034/35/2019-CPD(Pudu)
GOVERNMENT OF INDIA
MINISTRY OF HOME AFFAIRS

North Block, New Delhi.
Dated on 13th October, 2021

The Chief Secretary,
Government of UT of Puducherry.
Chief Secretariat,
Puducherry.

Sub. : Premature condemnation of 08 Nos. of vehicles belonging
to Education Department, Puducherry-regarding

I am directed to refer to the Government of Puducherry's letter No.05/DSE/DIS-I/Stores/2019-20 dated 03/09/2019, 07/DSE/DIS-II/Stores/2013-14 dated 03/09/2019, 6097/CEO/DIS-III/SV/MCPYS3261/2012-13, dated 03/09/2019, 5-1/DSE/STC/2016, dated 25/09/2019 and 5820/DSE/SW/ES/2019-20//2, dated 25/07//2019 on the above mentioned subject and to say that the matter was examined and processed in this Ministry in consultation with Department of Expenditure, Ministry of Finance, Government of India.

2. The proposal for premature condemnation of below mentioned 08 vehicles belonging to Education Department of Government of Union territory of Puducherry has been approved subject to disposal of vehicles as per GFRs provisions.

S.No.	Registration No. and Make
1.	PY-01-5820 Mahindra jeep
2.	PY-Q-8759 Mahindra jeep
3.	PYZ-8933-Bullet Motor Cycle
4.	PY-01-G-7227 (Mahindra Jeep)
5.	PYZ-8546 (Mahindra & Mahindra Mini closed Bus
6.	PYZ-8846(Bullet Motor Cycle)
7.	PYS-3261Bullet Motor Cycle)
8.	PYS-8848(Bullet Motor Cycle)

3. Department of Expenditure, Ministry of Finance, Government of India has observed in their remark "that the condemnation process have been initiated approximately 8 years after the date of vehicles kept on off-road condition. Unserved vehicles kept idle for such a long period would have no depreciation value and in return result to loss of monetary value to the Government".

4. Keeping in view of above, Government of Puducherry is requested to process and send such proposals of premature condemnations of vehicles without delay.

Yours faithfully,

Sd/-

(RAVI RANJAN)

Deputy Commandant

Tel.-23093265

F. No. 36255/FD/F3/2012-13
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT

Puducherry, dated 30-04-2013

CIRCULAR

Sub.: FD - Condemnation/Disposal of Government
vehicles Revised guidelines - Issued - Reg.

The revised guidelines for Condemnation/disposal of Government vehicles issued by the Govt. of India, Ministry of Finance, Department of Expenditure, New Delhi under 13 in Annexure-VII of Delegation of Financial Powers, 1978 is communicated as follows for strict compliance :-

(a) the lives of various types of vehicles, in terms of distance run (in kilometers) and length of use (in years) whichever is reached later, have been fixed as under :-

Type of vehicle	Kilometers	Year
(i) Heavy Commercial motor vehicles	4,00,000	10
(ii) Motor vehicles fitted with engines upto 20 HP (RAC)	1,50,000	6½
(iii) Motor cycle fitted with engines of 3.5 HP (RAC) or above	1,20,000	7
(iv) Motor cycle fitted with engines of less than 3.5 HP (RAC)	1,20,000	6

(b) the life of a tractor shall be taken as 10.000 hours or 10 years, whichever is reached later.

(c) A vehicle should be condemned only after a certificate has been obtained from Executive Engineer, or Officer-in-charge, Govt. Automobile Workshop, Puducherry, to the effect that the vehicle is not fit for any further economical use.

2. The conditions prescribed in the GFR, 2005 for auctioning the condemned vehicles should be followed scrupulously and timely action may be taken for condemning the vehicle in the interest of public service.

//BY ORDER OF THE SECRETARY TO GOVERNMENT
(FINANCE)//

Sd/-
(VANAJA NAIR. R)
Under Secretary to Government (Finance)

To

All Secretariat Departments/Heads of Departments

Copy to :

1. The Executed Engineer,
Govt. Automobile Workshop, Puducherry.
2. The Director of Accounts and Treasuries,
Puducherry.
3. The Deputy Director of Accounts and Treasuries,
Karaikal / Mahe / Yanam.

**No. G 12011/1/2010/F3
GOVERNMENT OF PUDUCHERRY
FINANCE DEPARTMENT**

Puducherry, dated 23-03-2017

CIRCULAR

Sub. : Finance Department - Amendment to the provisions of General Provident Fund (Central Services) Rules 1960 - Liberalization of provisions for drawal of advance/withdrawals from the fund by the subscribers - Communicated.

A Copy of each of the Office Memorandum on the subjects indicated below is communicated for information and necessary action.

Sl. No.	Reference No. & Date	Issued by	Subject
1	O.M. No. 3/21/2017-P&PW(F)(i), dated 7 th March, 2017	Government of India Ministry of Personnel, Public Grievances and Pensions, Department of Pension and Pensioners' Welfare New Delhi.	Amendment to the provision of Central GPF (Central Service) Rules 1960- Liberalization of provisions for drawal of advance from the Fund by the subscribers.

Sl. No.	Reference No. & Date	Issued by	Subject
2	O.M. No. 3/21/2017-P&PW(F)(ii), dated 7 th March, 2017	Government of India Ministry of Personnel, Public Grievances and Pensions, Department of Pension and Pensioners' Welfare New Delhi.	Amendment to the provision of Central GPF (Central Services) Rules 1960- Liberalization of provisions for withdrawals from the Fund by the subscribers.

Sd/-

(K. GOVINDARAJAN)

Under Secretary to Government (Finance)

To

All Secretaries to Governments/All Secretariat Departments/
All Heads of Departments/Offices.

Copy to :

1. The Director of Accounts and Treasuries, Puducherry.
2. The Deputy Director of Accounts and Treasuries, Karaikal/ Mahe/Yanam
3. The Director, Information and Technology Department Puducherry - to be hosted in State Web Site.
4. The Web Site of Finance Department - to be hosted in the official Web Site.

No. 3/2/2017-P&W(F)(i)
MINISTRY OF PERSONNEL, PG & PENSIONS
DEPARTMENT OF PENSION & PENSIONERS' WELFARE
DESK-F

3rd Floor, Lok Nayak Bhavan,
Khan Market, New Delhi- 110 003
Dated 7th March, 2017.

OFFICE MEMORANDUM

Sub.: Amendment to the provisions of General Provident Fund (Central Services) Rules, 1960-liberalization of provisions for drawal of advance from the Fund by the subscribers-Reg.

The General Provident Fund (Central Service) Rules came into force in 1960, rule 12 of the said rules provide for drawal of advance by the subscribers, to be sanctioned by the Competent Authority for reasons indicated in the rules. Some amendments have been made from time to time to address the concerns raised by the subscribers. However, the provisions, largely remain restrictive. There is a felt need to liberalize provisions, raise limits and simplify the procedure.

2. The provisions in the rules have now been reviewed and it has been decided to permit the subscriber to prefer an advance from General Provident Fund (Central Services) rules 1960, for the following purposes:

- (i) Illness of self, family members or dependants,
- (ii) Education of family members or dependant of the subscriber. Education will include primary, secondary and higher education, covering all streams and Educational institutions,
- (iii) Obligatory Expenses viz., betrothal, marriage, funerals, or other ceremonies,
- (iv) Cost of Legal proceedings,
- (v) Cost of defence,
- (vi) Purchase of consumer durables,
- (vii) Pilgrimage and visiting places of eminence. This will include any travel and tourism related activities.

3. It has been decided to enhance the limit of advance up to 12 months of pay or three-fourth of the amount at credit, whichever is less. Amount of advance will be recoverable in a maximum of 60 installments. The advance may be sanctioned by the declared Head of Office.

4. The declared Head of Department is competent to sanction an advance from the fund for reasons not covered above.

5. Maximum time-limit of fifteen days is being prescribed for sanction and payment of an advance from the Fund. In case of emergencies like illness, etc., the time-limit may be restricted to seven days.

6. In all the above cases of advance, no documentary proof is required to be furnished by the subscriber. A simple declaration by the subscriber explaining the reasons for advance would be sufficient.

7. Necessary amendment to the GPF (Central Services) Rules, 1960, giving effect to the above provisions will be issued in due course.

8. In so far as persons serving in Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor-General of India.

9. This issues with approval of Department of Expenditure, vide their ID No. 4(1)/E-V/2017 dated 28.02.2017.

10. Hindi version of this OM will follow

Sd/-
(SUJASHA CHOUDHURY)
Director

To

1. All Ministries/Departments (As per Standard Mailing list)
2. Office of C&AG, DDU Marg, New Delhi.
3. Copy to NIC Cell for uploading on the website of the Department.

//COPY AUTHORISED FOR ISSUE//

Sd/-
(L.C. LOVA RAJU)
Superintendent
Finance Department, Puducherry.

No. 3/2/2017- P & PW(F)(ii)
MINISTRY OF PERSONNEL, PG & PENSIONS
DEPARTMENT OF PENSION & PENSIONERS' WELFARE
DESK-F

3rd Floor, Lok Nayak Bhavan,
Khan Market, New Delhi- 110 003
Dated 7th March, 2017.

OFFICE MEMORANDUM

Sub. : Amendment to the provisions of General Provident Fund (Central Service) Rules, 1960- liberalization of provisions for withdrawals from the Fund by the subscriber-Reg.

The General Provident Fund (Central Services) Rules came into force in 1960 and rule 15 of the said rules provide for withdrawals by the subscribers. Some amendments have been made from time to time to address the concerns raised by the subscribers. However, the provisions, largely remain restrictive. There is a felt need to liberalize provisions, raise limits and simplify the procedure.

2. The provisions in the rules have been reviewed and it has now been decided to permit withdrawals from the fund by the subscriber for the following purposes.

- (i) *Education*-This will include Primary, Secondary and Higher education covering all streams and institutions,
- (ii) Obligatory Expenses viz. betrothal, marriage, funerals, or other ceremonies of self or family members and dependants,
- (iii) Illness of self, family members or dependants,
- (iv) Purchase of consumer durables.

3. It has been decided to permit withdrawal of up to twelve months pay or three-fourth of the amount standing at credit, whichever is less. For illness, the withdrawal may be allowed up to 90% of the amount standing at credit of the subscriber. A subscriber may seek withdrawal after completion of ten years of service.

- (v) Housing including building or acquiring a suitable house or a ready built flat for his residence,
- (vi) Repayment of outstanding housing loan,
- (vii) Purchase of house site for building a house,
- (viii) Constructing a house on a site acquired,
- (ix) Reconstructing or making additions on a house already acquired,
- (x) Renovating, additions or alterations of ancestral house.

4. A subscriber may be allowed to withdraw up to ninety percent of the amount standing at credit for the above purposes. It is also decided do away with the present instructions which lay down that subsequent to the sale of house for which GPF withdrawal has been availed, the amount withdrawal has to be deposited back. GPF withdrawal for housing purpose will no longer be linked with the limits prescribed under HBA rules. A subscriber may be permitted to avail the facility at any time during his service.

- (xi) Purchase of motor car/motorcycle/scooter, *etc.*, or repayment of loan already taken for the purpose,
- (xii) Extensive repairs/overhauling of motor car,
- (xiii) Making deposit to book a motor car/motorcycle/scooter, moped, *etc.*

5. A subscriber may be permitted to withdraw three-fourth of the amount standing at credit or cost of the vehicle, whichever is less for the above purposes. Withdrawal for the above purpose will be permitted after completion of 10 years of service.

6. Presently, withdrawal of up to 90% of balance without assigning reasons is allowed for Government Servants who are due for retirement on superannuation within a year. It is proposed that this may be allowed for up to two years before superannuation.

7. In all cases of withdrawal from the fund by the subscriber, the declared Head of Department is competent to sanction withdrawal. No documentary proof will be required to be furnished by the subscriber. A simple Declaration Form by the subscriber explaining the reasons for withdrawal would be sufficient.

8. As per the GPF(CSs) Rules, 1960, no time-limit has been prescribed for sanction and payment of withdrawal amount. Therefore, it has been decided to prescribe a maximum time-limit of fifteen days for sanction and payment of withdrawal from the Fund. In case of emergencies like illness, *etc.*, the time-limit may be restricted to seven days.

9. Necessary amendment to the GPF (Central Services) Rules, 1960, giving effect to the above provisions will be issued in due course.

10. In so far as persons serving in Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor-General of India.

11. This issues with approval of Department of Expenditure, *vide* their ID No. 4(1)/E-V/2017, dated 28-02-2017.

12. Hindi Version of this OM will follow.

Sd/-
(SUJASHA CHOUDHURY)
Director

To

1. All Ministries/Departments (As per Standard Mailing list)
2. Office of C&AG, DOU Marg, New Delhi.
3. Copy to NIC Cell for uploading on the website of the Department.

// COPY AUTHORISED FOR ISSUE//

Sd/-
(L.C. LOVA RAJU)
Superintendent
Finance Department, Puducherry.

No. G. 17012/1/2005/F3
GOVERNMENT OF PONDICHERRY
FINANCE DEPARTMENT

Pondicherry, dated 20-09-2005.

I.D. NOTE/MEMORANDUM

Sub.: Simplifying the procedure in regard to sanction of
General Provident Fund Advance/Withdrawal-Issue of
Instruction-Reg.

* * *

According to General Provident Fund Rules, 1963, the Officers who are declared as Heads of Departments under rule 3(I) (f) of Delegation of Financial Powers Rules, 1978 are the Competent Authorities to sanction advances/withdrawals from GPF. As the Secretaries to Government are busy with various activities, and may also be on tour away from Head Quarters, this procedure may result in delay in the sanctioning of advance/withdrawal from the GPF account of Government Officials which may cause, hardship to the Applicants/Government Servants. As such in the interest of public and also due to administrative reasons the Joint Secretary/Deputy Secretary/Under Secretaries to Government may be allowed to issue the sanctions of GPF advances/withdrawals at their level after proper scrutiny and at the end of the month, a consolidated proposal may be submitted to the Secretaries concerned for ratification of the sanctions for the drawal of advances/withdrawals issued.

2. In order to avoid delay and with a view to have a uniform simplified procedure the Heads of Offices are instructed that they may, hereafter, send the proposals for the sanction of advance/part-final withdrawal from the GPF account of their staff members direct to the Secretariat Department in the

I.D.Note form in duplicate and not through the Head of Department. The Secretariat Department will return one copy of the note to the Head of Office along with the sanctions. The Joint Secretary/Deputy Secretary/Under Secretaries to Government may submit a consolidated proposal at the end of the month to the Secretary to Government for ratification of the sanction orders issued.

//BY ORDER//

Sd/-
(S. VENKATANATHAN)
Under Secretary to Government (Finance)

To

1. All Secretariat Departments.
2. All Heads of Departments.
3. All Heads of Offices in Pondicherry/Karaikal/Mahe/Yanam.
4. The Director of Accounts and Treasuries, Pondicherry, Karaikal/Mahe/Yanam.

Copy to :

1. The Regional Administrator, Karaikal/Mahe/Yanam.
2. The Central Record Branch, Pondicherry.
3. GPF Stock File.

GOVERNMENT OF PONDICHERRY
ABSTRACT

Remuneration to the Government Officers holding charge of Chairman/Managing Director in Government owned/Financed Corporations/Autonomous Bodies, Boards, etc.-Revision of limit of remuneration-Orders-Issued.

FINANCE DEPARTMENT

G.O.MS.No. 75/99/F3, Pondicherry, dated 21-12-1999.

- Read :* 1. Memorandum No. 34-20/91-Ind.B, dated 15.5.91 of Development Department (Industries), Pondicherry.
2. U.O. Note/Memorandum No. 1-113/91/F6, dated 21-5-91 of Finance Department, Pondicherry.

ORDER

In the references above cited, Officers in this Administration who were holding charge of the post of the Chairman/Managing Directors, etc. in the Corporations, Boards, etc. which are financed wholly or substantially by Government grant/loan, have been permitted to accept a remuneration of Rs. 500 per month per organisation provided the Statutes / By-laws of that organisation permitted it.

2. The question of upward revision of the above limit has been under consideration for some time. Accordingly, in modification of all previous orders issued on the subject, approval of the Lieutenant Governor is accorded to the acceptance of a maximum amount of Rs. 1,500/- per month per organisation as remuneration by the Government Officers who are in addition to his ordinary duties holding charge of the post of Chairman/Managing Directors, etc. of the Government owned/financed Corporations/Companies/Autonomous Bodies/Boards on the following conditions:

- (i) The remuneration shall be treated as "Fees" under SR 12;

- (ii) The Officer shall not accept remuneration from more than three organisations at a time;
 - (iii) The decision making authority of the organisation concerned may approve the grant of remuneration and the amount of remuneration to the Officer within the limit prescribed above provided that the Article of Association/Act of such organisations permits it.
3. The revised rate is effective w.e.f. 01.01.1999.

//BY ORDER OF THE LIETUTENANT-GOVERNOR//

Sd/-
(K. RAJAN)
Under Secretary to Government. (Finance)

To
All Secretaries to Government
All Secretariat Departments
All Heads of Departments
All Government owned Financial Corporations/Companies/
Autonomous Bodies/Boards

No. 1-57/95/F.1
GOVERNMENT OF PONDICHERRY
CHIEF SECRETARIAT (FINANCE)

Pondicherry, dated 18-11-1997.

I.D. Note

Sub. : Drawal of advances under GFR 258.

As you are aware, advances to Government Servants and others for special departmental purposes are being agreed to by the Finance Department on the merits of each case. Attention of the Heads of Departments is drawn to the decision of the Government of India in O.M. No. F 11(1)-E-II(a)/88, dated 29.11.90 under which guidelines for advance payments and settlement have been laid down. The present practice of giving concurrence for proposals for drawal of advance has been reviewed in the Finance Department. From the point of view of simplification of work and enabling the delegated levels to exercise their powers. It has been decided that Heads of Departments may regulate the drawal of advances in accordance with the provisions of GFR 258 and the instructions issued thereunder by the Government. However, it is clarified that the power of sanctioning such advance in justified cases is limited to their relevant power for sanctioning of such expenditure. Any proposal involving amount higher than the sanctioning powers of the Heads of Departments will continue to be referred to the Finance Department for concurrence for expenditure sanction as well as drawal of advances. If any. Further, it is also clarified that this power of Heads of Department can be exercised only by such **Heads of Departments who have been declared as Heads of Departments under rule 3-(I) (f) of the**

Delegation of Financial Powers Rules.

The Director of Accounts and Treasuries will ensure that the advances sanctioned from time to time will be settled in accordance with the provisions of the General Financial Rules and the Instructions issued thereunder.

Sd/-

(V.V. BHATT)

Secretary to Government(Finance)

To

All ~~Secretaries / Joint Secretaries~~ /Deputy Secretaries /Finance
Under Secretaries to Government, Finance.

=====

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~~127/4 350 Cps. (366) 25-4-2022.~~



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