

GOVERNMENT OF ASSAM
PLANNING & DEVELOPMENT DEPARTMENT
DISPUR: GUWAHATI -781006.

No.PDP. 57/2010/24

Dated Dispur, the 10th October 2011.

From : P.P.Varma,
Addl. Chief Secretary to the Government of Assam.

To : The Addl. Chief Secretary/ Principal Secretary/Commissioner &
Secretary/Secretary to the Government of Assam,
.....Department.

Sub : Delegation of powers for clearing the proposals for sanction, re-
appropriation, administrative approval etc.

Sir,

Planning & Development Department has always been making endeavour to ensure that the plan proposals received from various departments are cleared as early as possible and that there is no delay in the process of such clearance which might result into lower plan expenditure. It is observed that during this year, because of the elections and subsequent finalization of the budget for the year 2011-12 in July, 2011, the departments are not been able to submit proposals to the P & D Department. This matter has been reviewed and it is felt that some steps are necessary to be taken to ensure full utilization of funds in time. Accordingly it is proposed to delegate the powers for clearing the proposals for sanction, administrative approval etc. and for this purpose the following procedures are prescribed to be followed with effect from 10th October, 2011:-

1. All proposals relating to TSP, SCSP and autonomous councils, including those of BTC, as per existing instructions are not to be sent to the P&D Dept. and are to be referred to the WPT & BC Dept. Similarly the proposals for Hill Councils are to be referred to Hill Areas Department and do not require any consultation with P&D Dept. Similarly the proposals relating to RIDF, EAP and Finance Commission award are to be sent to Finance Dept. for their approval and not required to be referred to the P&D Dept.
2. Now onwards no plan proposals for A/A or sanctions shall be required to be sent to the P&D Department except the following:-

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- (a) Proposals for a new scheme which was not included in the annual plan document for 2011-12 approved by the Planning Commission/budget for 2011-12.
 - (b) Proposals relating to re-appropriation of funds.
 - (c) All new proposals for A/A, which are likely to be completed in more than one year and would need funds in the years beyond 2011-12.
 - (d) Proposals relating to funds under NLCPR, NEC, ACA/SPA.
3. The proposals for centrally earmarked funds received from various ministries which were earlier referred to P&D Dept. for approval, shall also **now onward not required to be referred to P&D Dept.** The concerned departments will approve these proposals in accordance with the guidelines issued by the Govt. of India and corresponding State share shall also be approved by them in proportion to the share of Govt. of India released during the year.
4. For the purpose of the above decentralization, the following guidelines will have to be followed by all the Secretaries of the concerned departments:-
- (i) All proposals of the State Plan shall have to be approved by the Minister i/c of the department and a list of all such approved proposals i.e. the priority list, shall be furnished to the P&D Dept.
 - (ii) Centrally sponsored schemes shall be sanctioned and implemented strictly in accordance with the guidelines of the Govt. of India and the share of such schemes for various councils including councils of sixth schedule areas shall have to be decided by the concerned departments.
 - (iii) The senior most Secretary of the department will be responsible for ensuring that the expenditure during the year does not exceed the **total plan allocation for the department made by the P&D Department.** Further the senior most Secretary will also ensure that the budgeted amount for any particular scheme/work is not exceeded as far as sanctioned expenditure for the year for that scheme is concerned.
 - (iv) In case, any re-appropriation is considered necessary by the Dept. **the proposal must invariably be submitted to the P&D Department with full justification.** Normally P&D Department would not allow re-appropriation from the funds allocated for the State Share for CSS, State specific schemes, AVY etc. schemes which are of high priority for the

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State. The Secretaries of the departments would therefore carefully recommend any re-appropriation from such funds, with full justification.

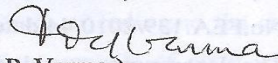
- (v) For the continuing schemes which need more than one year time to be completed, the Secretary of the ^{dept} would ensure that the funds are provided in each year, till its completion, on first priority basis.
- (vi) While considering any new schemes for sanction, which need more than one year to complete, the departmental Secretary will invariably refer the same to the P&D Department for A/A with information regarding expected time of completion and yearwise phasing of fund requirement .
- (vii) Any revision of the estimates for the projects, which have not been completed in the stipulated time, shall invariably be referred to the P&D Dept. with reason for delay and justification for the cost escalation.
- (vii) Regarding the release of State share the department would ensure that the quantum of State share should be in proportion to the funds earmarked and received from the Govt. of India or expected to be received from the Govt. of India during the year.
- (viii) **All proposals concerning creation of posts, engagement of daily wagefs and purchase of vehicles shall invariably be referred to the P&D Dept.** Office expenses and contingency shall not be sanctioned beyond the limits prescribed by the Finance Department's letter No.FEA.139/2010/44 dated 20th June, 2011 (copy enclosed at annex. A).
- (ix) The departments would submit a monthly report of the sanctions issued by them, ceiling received by them and ceiling dispatched to the field offices by the Director concerned. The first report for this purpose should be made available to the P&D Department by 5th November, 2011 and thereafter by 5th of every month of the financial year 2011-12.
- (x) The first report to be submitted to the P&D by 5th November, 2011 shall also indicate the amount drawn by each department out of the plan funds during the year 2010-11 and the amount unspent and kept in RD/DCR. However this report shall not be required to be submitted every month.
- (xi) In case these reports are not received from any department, P&D will take latest position of sanction, release of funds etc. as available in their last report in consideration for taking decision regarding reorientation of the sectoral allocation for the year 2011-12. The reorientation is expected to be

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done by the end of November, 2011 and therefore all Secretaries would ensure that the report due on 5th November, 2011 is submitted to the P & D Department in time.

5. The above procedure would come into force from 10th October, 2011 and if any reference to the P&D Department is made by any department in spite of the above procedure, P & D would not be responsible for delay in approvals etc. for this reason. P&D Dept. would extend assistance in clarifying any matter to any department, if so desired by them, but such references will have to be categorical about the issue on which advice of the P&D Dept. is sought. In such cases the files with necessary information would be endorsed to the Addl. Chief Secretary/ Principal Secretary/ Secretary, P&D Dept., as the case may be, by the senior most Secretary of the Department. P&D Dept. would reserve the right to make any query on such references and shall not be answerable for the delay that might be caused due to such queries.
6. This order would remain in force till 31st March, 2012 and its impact would be assessed by the P & D Department during this period in a suitable manner for further extension/modification/discontinuation of the above procedure in future.
7. A list of important check points, which is not exhaustive, is enclosed as Annexure-B for your ready reference to deal with the plan proposals.

Yours faithfully,


(P. P. Varma)

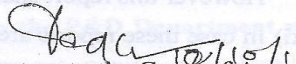
Addl. Chief Secretary to the Govt. of Assam. 10/10/11

Memo. No.PDP. 57/2010/24-A

Dated Dispur, the 10th October 2011.

Copy to:

1. Principal Secretary to Chief Minister for information of Hon'ble Chief Minister, Assam
2. P.S. to Minister.....
3. Principal Secretary to the Govt. of Assam, Finance Department


Addl. Chief Secretary to the Govt. of Assam. 10/10/11

Annex - A

GOVERNMENT OF ASSAM
FINANCE (ECONOMIC AFFAIRS) DEPARTMENT

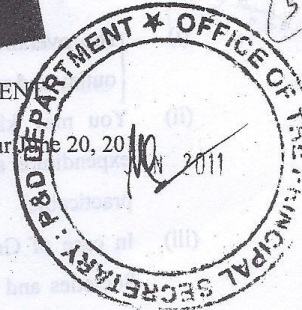
No.FEA.139/2010/44

Dated Disput, June 20, 2011

From: Shri H.S. Das, IAS
Principal Secretary to the Government of Assam,
Finance Department.

To: ✓ The Principal Secretary to the Government of Assam,
Planning and Development Department.

Sub: Reorientation of Sectoral Allocation of the Annual Plan 2011-12 to achieve
fiscal target as per Assam FRBM Act.



Sir,

You are aware that the Deputy Chairman - CM level discussions held recently at New Delhi has finalized the plan size of Assam at Rs 9000.00 crore for 2011-12. It has been observed from our past experience that the line Departments while submitting plan proposals allocate more funds under revenue head than under capital head as a result of which the revenue deficit goes beyond the targets stipulated under the AFRBM Act. At present, in view of accelerating the development process, the capital expenditures require to be enhanced under Plan during 2011-12. In this connection, I would like to point out that already we have transferred all plan posts to non-plan revenue head reducing the salary expenditure to almost minimum level under plan. Moreover, the 13th FC has laid down conditionalities for eliminating revenue deficit by 2011-12 and reducing fiscal deficit to 3% of GSDP by 2011-12 failing which the state will forfeit Debt Relief and State Specific Grants recommended by 13th Finance Commission. I would also like to mention that the entry tax proceeds for current year has been indicated in the BCR. Therefore, Planning Commission advised at the time of resource discussion to administer the trade development fund with the proceeds of entry tax, as per direction of the Hon'ble Supreme Court, within the State Plan.

In view of the above and also to facilitate preparation of a realistic budget keeping in view the requirements of the 13th Finance Commission conditionalities and FRBM Act, I would like to request you to kindly take into account the following imperatives while making the sectoral allocation for 2011-12 Annual Plan -

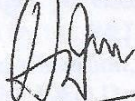
- (i) The overall plan revenue expenditure may be limited to 20% of the Plan outlay and remaining 80% may be allocated for capital expenditure. ✓
- (ii) You may kindly advise the line departments to minimize their revenue expenditure and maximize capital expenditure under State Plan as far as practicable. ✓
- (iii) In case of Grants-in-aid, which is by definition a revenue expenditure, to Societies and other autonomous bodies, line departments may be advised to indicate how much of the Grants-in-aid is meant for revenue expenditure and how much is for capital expenditure so that this information can be reflected in the budget documents. ✓
- (iv) Rs.648.87 crore, which is the budget estimate for collection of entry tax for the year 2011-12 may be kept aside from Rs.9000 crore Plan outlay and not distributed to the line departments for reasons mentioned above. This amount will be budgeted under the Finance Department's Plan Head of Accounts for operation of the trade development fund as per Supreme Court's directions. Details of this will be communicated to you shortly.
- (v) 2011-12 Plan resources include an amount of Rs.800 crore as SPA. Out of this, Rs.300 crore is earmarked for the ongoing schemes/projects and remaining Rs.500 crore is untied fund. New schemes/projects may be taken up or part of the State share against various Centrally Sponsored Schemes may be made available out of this untied fund.
- (vi) An amount of Rs.747.50 crore has been provided by the Planning Commission as Additional Central Assistance against AIBP, although they did not specify any amount against our request for raising and strengthening of old embankments under Water Resource Department. You may provide some fund to Water Resource Department for this purpose out of the ACA for AIBP.
- (vii) In course of discussions with Hon'ble Chief Minister, Deputy Chairman, Planning Commission suggested that old schemes which have outlived their utility may be dropped and some new innovative schemes may be taken up in their place. You may, therefore, advise the line departments to scale down the outlay against those schemes whose utility have diminished over the years and drop those schemes which have completely outlived their utility.

Annexure - A

- (viii) The line departments may be advised to give priority to prepare adequate budget provisions for State shares against various centrally sponsored schemes so that the State can maximize receipts of Central fund against CSS.

Thanking you,

Yours faithfully,



(H.S. Das)

20/06/2011

Principal Secretary to the Government of Assam,
Finance Department, Dispur.

Memo No.FEA. 139/2010/44-A

Dated Dispur June 20, 2011

Copy to: -

1. The Chief Secretary, Assam, Dispur, Guwahati for favour of information.
2. The Principal Secretary to the Hon'ble Chief Minister for favour of information.

(H.S. Das)

Principal Secretary to the Government of Assam,
Finance Department, Dispur.

Annexure-B

Check points for dealing with plan proposals:

1. The total amount involved in the budget provision of the department should be checked vis a vis the plan allocation made by the P&D Department.
2. If the budget provision are less than the allocation, steps should be taken to correct the position through SD in consultation with P&D Deptt .
- 3.If the budget provisions are more than the plan allocation , decision should be taken to reduce the sanction amount of any scheme as may be decided by the department. The position should be informed to P&D Department also.
4. All funds lying in RD /DCR should put to use as first priority and subsequent fund may be released only after the full utilization of fund in RD and DCR.
5. (a) The State Share should not be sanctioned and released till the Central Share is sanctioned and released .The release of State Share should be strictly in proportion to the Central Share received.
- 5(b) The sanction for any scheme must not exceed the amount provided in the budget for the said scheme.
- 5(c) in case it is felt necessary to provide more funds to a particular scheme than the budgeted amount , a suitable re-appropriation proposal shall be submitted to P&D Department.
- 5(d) In case of any important urgent requirement the department should reprioritize their schemes and allocation therefore with the approval of the Minister concerned. Only if such reprioritization is not possible , the department may move CF proposal to the P&D Department with adequate justification and reason for not going for re appropriation
6. After the sanction of the scheme, Finance Department may be moved for release of fund, as early as possible and with all necessary records as Finance Department may require.
7. The Department Secretary would ensure that the funds released earlier have been actually utilized, before releasing any further funds for the same scheme.
8. The Department Secretary would also ensure that the physical progress achieved is commensurate with the funds released.
- 9.For releasing fund for procurement of materials etc. this departmental secretary shall ensure that all financial norms are adhered to .
- 10.In case of purchases and construction the Departmental Secretary would check that the purchase / construction are not in excess of the actual requirement .
11. State Share should be utilized in a manner so as to attract maximum amount of Central Share for various schemes .Accordingly re-appropriation form this head of account should be avoided to the extent possible.

J. G. Carrawe
29/10/11