

**Government of West Bengal
Finance Department
Audit Branch**

No.736-F(Y)

Dated, 10th February, 2015

MEMORANDUM

At present funds related to Works and Forest Expenditure (other than establishment) are released to works executing departments like PWD, Housing, PHE, Irrigation, Agri Irrigation etc. and Forest Departments through the Letter of Credit (LOC) System. The Departments in turn provide the LOC to the Directorates which in turn pass it on to the Engineering and Forest Divisions for incurring works and forest related expenditure. Divisional Officers are responsible for rendering compiled accounts monthly to Office of the Accountant General (A&E) West Bengal based on the Receipts and Expenditure incurred by the Divisions.

With the introduction of Integrated Financial Management System (IFMS) in the State with effect from 1st April, 2014 fund is being released through e-Bantan online to the Controlling Officers who in turn pass it on to the DDOs electronically. This has facilitated release of funds by the Administrative Departments to the field units more expeditiously. E-Pradan (electronic payment), another module of IFMS which is being introduced from 01.12.14 would further reduce processing time before payment to the payee by direct transfer to the bank account of the beneficiary/payee from Treasury/PAO. With a view to reap the benefits of the Integrated System it has been decided by the Government to switch over from the LOC System to allotment System for transactions related to execution of works and forest expenditure. Resultantly, the receipts and expenditure of the Works and Forest Divisions would be routed through the Treasury System instead of separate compiled accounts being rendered by them thereby enabling the Government to gather immediate information on receipts and payments from a single source

Therefore, the Governor is pleased to discontinue the present LOC System for execution of Works and Forest Expenditure and bring the working of the Works and Forest Divisions under the ambit of the Treasury System through allotment of funds with effect from 1st April, 2015.

The new system would involve extensive procedural changes in the West Bengal Treasury Rules 2005 and necessary modifications in this regard would be carried out in due course.

The salient features of the new system are given below:-

1. Systems for Drawal of Funds:-

a) Funds will be placed at the disposal of the DDO of the concerned Works/Forest Divisions by the respective Controlling Officers through allotment procedure following the e-bantan process for all expenditure related to the Divisions.

b) For drawal of Funds, Bills will be submitted by the Divisional Officers of Works and Forest Divisions to the Treasury/PAO. All checks and balances now existing in the Divisions would be followed mutatis mutandis in preparing the bills and in case of Engineering Divisions the same would be checked and signed by the Divisional Accountant and Divisional Officer. The Divisional Officer would be responsible for checking the technical aspects included in the bill and furnish a certificate in this regard on the easy bill. The Treasury Officer would only check the arithmetical accuracy and financial aspects like availability of allotment, mandatory certificates etc. in the bills and authorise payment thereon.

c) The Bills prepared in the Divisions and duly passed would be retained in the Division and would be submitted to Office of the Pr. Accountant General (A&E) WB as is being done presently. For the purpose of submission of Bill to the Treasury an Easy bill form devised for the works and Forest expenditure would be utilised by the Divisional Officers. A copy of the Bill duly passed by the Treasury Officer would be made available to the Divisions which would be annexed to the Bill retained in the Division before submission to Office of the Pr. Accountant General (A&E) WB

d) All Bills relating to Expenditure on National Highway would be submitted in original to the Treasury and accounted for under "8658-Suspense Accounts-00-101-Pay and Accounts Office-Suspense -148-Regional PAO MOST".

e) payment from Works division to Resource division shall be made as final charge to service head and the bill shall be drawn on the basis of sanction order issued from Works division / competent authority, without any sub-voucher.

2. Drawal of Advance Bills:-

(a) The following power is delegated to the Divisional Officers to draw advance from the Treasury/PAO in abstract contingency bills in case of the necessity to procure stores and machineries by advance payment-

- i. Upto a maximum of Rs. 2,00,000/- in one occasion to Executive Engineer/DFO;
- ii. exceeding Rs. 2,00,000/- upto 3,00,000/- in one occasion to the Superintending Engineer/CCF;
- iii. exceeding Rs. 3,00,000/- upto Rs. 5,00,000/- in one occasion to the Chief Engineer/PCCF.

In case of necessity to draw advance in excess of Rs. 5,00,000/- in one occasion, approval of the Finance Department will be necessary. The advance will be adjusted within a maximum period of sixty days following the procedure prescribed in TR 4.138 of WBTR, 2005. The advance will be drawn in Abstract Contingency Bill form and adjustment will be made by submission of detailed contingency bill supported by vouchers to the treasury. Every caution would be exercised to adjust all AC Bills before closure of the financial year.

(b) There will be no operation of Forest Advance w.e.f. 1.4.15. Suitable advances to Disbursers/ Contractors/ may be provided by drawal of AC Bills by the Divisional Forest Officer and DC Bill provided within 60 days of drawal.

3. Deposit Works

The present system of maintenance of Deposit works accounts in the works divisions undertaking the deposit works will be replaced with the following revised procedure-

(a) The fund to be provided by the requisitioning departments/agencies to the divisional officers for execution of deposit works will be deposited by the officers to the accounts to be opened at the treasury u/h '8443-00-108-PW Deposits' or "8443-00-109- Forest Deposits" i.e., the same head as used by the deposit work executing officers in their own books of accounts so long;

ii. The treasury will maintain the deposit accounts ledger having work specific folio along with code nos. with reference to the deposit made by the works executing officers detailing the works for which the fund is deposited to the treasury;

iii. The depositor, i.e. the works executing officers can draw fund from the deposit account by presenting bill to the treasury for execution of the related deposit works under the same head of accounts used for Deposit i.e. "8443-00-108-PW Deposit" or "8448-00-109-Forest Deposit"

iv. All the provisions of the WBTR regarding maintenance of the deposit accounts, preparation of plus-minus memo, reconciliation of accounts and its monthly and yearly verification, submission of returns to the AGWB will equally apply in for PW Deposit /Forest Deposit.

4. Revenue Receipts

All revenues, realised by Engineering/Forest Divisions will be deposited to the treasury under the revenue receipt head of the Government in the following manner-

(a) In case of revenue receipts recovered by deduction from the contractor's/payee's bills, by transfer credit to the Government revenue receipt head for which duly filled TR Form 7 will be attached to and submitted with the bill to the treasury/PAO;

ii. In case of revenue receipts collected in cash in the divisional office, the same will be deposited under appropriate revenue receipt head with duly filled challan in TR 7 to the treasury-link bank;

iii. In case funds received fro deposit works, the fund will be deposited to the treasury with duly filled challan in TR 7 to the treasury-link bank for credit under head '8443-00-108/109-PW Depcsits/Forest Deposits'.

5. Earnest Money Deposit (EMD) /Security Deposit

(a) EMD/Security deposit furnished by the contractors/suppliers would be deposited to the treasury for credit u/h '8443-00-108-PW Deposit/8443-00-109-Forest. Refund of Security Deposit would be regulated by drawal of Bills from the Treasury under the concerned head.

(b) Earnest Money Deposits which are paid under the rules of Government by contractors or purchasers of forest produce directly into a Treasury should be treated as Revenue Deposits.

6. Resource Divisions

The Resource Division would function as a supplying Division to which the works divisions would provide advance for bulk procurement of materials, where necessary for works to be executed by the concerned divisions. In such cases, the DDO of Resource division will deposit the advance received under PWD Deposit and utilise the advance for procurement of materials. The value of materials procured in excess of Deposit would be squared up by the indenting Division by drawing a bill on the Treasury.

(ii) Resources Division will not be entitled to draw any advance from the Treasury as this would lead to double debit or may require supply of materials to the indenting division free of cost.

7. Miscellaneous PW advance (MPWA)

Operations of all Suspense heads including MPWA would be discontinued w.e.f. 1.4.2015.. The unadjusted MPWA in the works account will be squared up by the concerned divisions within 31.3.2015

8. Maintenance of accounts, schedules, registers etc., for works/forest expenditure.

(a). The existing system of preparation and submission of monthly works/forest accounts to AGWB is discontinued with effect from the date the changed system will come into effect;

(b) The divisional officers of Works/Forest Divisions will submit to the AGWB copies of paid vouchers with the running account bills, final bills, etc., as prescribed in the CPW Accounts Code/Account Code Vol. III for the Works/Forest expenditure. Necessary Registers and schedules would be prepared and maintained by the Divisions as prescribed in the codal provisions for checking during Audit.

(c). CTI/CTR need not be submitted for the works/forest expenditure and works/forest receipts under the new system; however, this does not waive the outstanding CTIs/CTRs related to past works accounts.

(d) Outstanding balances under Head(III)(b) and Head(IV) along with balance awaiting settlement under "3658-00-107-CSSA" would be settled as per directions of the Finance Department.

9. Correction of accounts

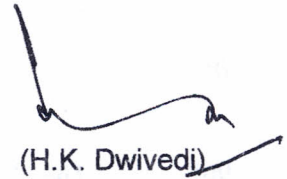
(a). It will be done only from the treasury end following the usual procedure of submission of correction memo by the Treasury/PAO for the treasury accounts.

(b) Adjustment/Corrections for Accounts prior to 1st April 2015 may be submitted to AGWB in the form of accounts.

10 Role of Divisional Accountant/Accounts officers.

(a) The Duties and functions of the Divisional Accountants as prescribed in codal provisions would remain unchanged in the new procedure excepting the rendition of Compiled monthly accounts to Office of the AGWB and issue of PW Cheques.

(b) Suitable registers for noting of allotment received and expended would be maintained in the Division as is being maintained presently for establishment expenses.



(H.K. Dwivedi)
Principal Secretary to the
Government of West Bengal

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No 736/1(300)-F (Y)

Dated, the 10th February, 2015

Copy forwarded for information and taking necessary action to :

- 01) The Principal Accountant General (A&E) West Bengal,
Treasury Buildings, 2, Govt. Place (West), Kolkata- 700001.
- 02) The Principal Accountant General (Audit) West Bengal,
Treasury Buildings, 2, Govt. Place (West), Kolkata- 700001.
- 03) The Chief Secretary to the Government of West Bengal
- 04) The Pay & Accounts Officer, Kolkata Pay & Accounts Office-I,
81/2/2, Phears Lane, Kolkata – 700 012.
- 05) The Pay & Accounts Officer, Kolkata Pay & Accounts Office-II,
P-1, Hyde Lane, Kolkata – 700 073.
- 06) The Pay & Accounts Officer, Kolkata Pay & Accounts Office-III,
Salt Lake, Sector-III, IB Market, Kolkata-700106.
- 07) The Additional Chief Secretary/Principal Secretary/Secretary, _____

- 08) The Sub-Divisional Officer, _____

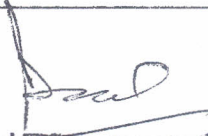
- 09) The District Magistrate/Judge. _____

- 10) The Treasury Officer, _____

- 11) The Commissioner, _____

- 12) Supdt. of Police, _____

- 13) All Groups/Cells/Branches of Finance Department _____


Joint Secretary to the
Government of West Bengal