

GOVERNMENT OF KARNATAKA

No. FD 2 TFP 2011

Karnataka Government Secretariat
Vidhana Soudha
Bangalore, 13th October 2011.

CIRCULAR

Subject: Release of funds for 3rd and 4th quarters of 2011-12

Reference: 1. G.O. FD 1 TFP 2008 dated 16.5.2008

2. G.O. FD 1 TFP 2010 dated 30.4.2011

In Government Order referred at (2) above, powers have been delegated to Secretaries to Government of Administrative Departments to release up to 25% of the budgeted amount in the 1st quarter of a year in respect of all the budget heads falling under the category of on-going revenue expenditure pertaining to the Departments coming under their administrative control except items of expenditure/schemes mentioned at Annexure-1, subject to certain conditions. Similarly in the said order, Secretaries are authorized to release funds for 2nd quarter also presuming concurrence of Finance Department subject to the condition that release would be permissible up to 50% of the budgeted amount after deducting the releases made in first quarter. However, release of funds for the 3rd and 4th quarter in respect of budget heads with an annual budget provision of more than Rs.5.00 crore should be made only with the prior concurrence of Finance Department except exempted items of expenditure as per the list given in Annexure II to the Government Order referred at (1) above.

The first two quarters of the current financial year are already over. All Administrative Departments would have to send proposals for release of funds for 3rd and 4th quarters to Finance Department for concurrence. While sending such proposals, the following procedure would have to be followed by the Administrative Departments:

- (i) For release of the funds for 3rd quarter, the information regarding expenditure incurred up to September 2011 under each budget head including those with a provision of less than Rs.5.00 crore and other exempted items like salaries, office expenditure, TA etc. mentioned in Annexure-II of Government Order referred at (1) above should be furnished.
- (ii) Similarly, for release of funds for 4th quarter, the information regarding expenditure up to December 2011 for the items mentioned in (i) above should be furnished.
- (iii) Instead of sending individual files for each budget head/scheme, the administrative department may as far as possible bunch all such proposals in one file and send a consolidated release proposal covering all items for which concurrence of Finance Department is required.

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- (iv) Before sending such proposals it needs to be ensured and certified by the Administrative Department that at least 60% of the funds released during the current year 2011-12 and opening balance (if any) in case of the schemes operated through any specific agency or Personal Deposit Account, should have been spent before seeking 3rd & 4th quarter releases.
- (v) In order to ascertain the utilization of grants already released to agencies/institutions, Utilization Certificates should be obtained for the expenditure reported at (iv) above. A confirmation for the same should be included in the proposal to Finance Department while seeking concurrence for 3rd & 4th quarter releases.
- (vi) Even in cases where the funds up to 50% of the budget provision were not released during the 1st and 2nd quarters, concurrence of Finance Department would be needed for release of the balance-available out of first 50% of budget provision. All such proposals may be sent together in a single file as a consolidated proposal.
- (vii) If within 15 days of sending such proposals to Finance Department, the concurrence is not received, the matter should be immediately brought to notice of Principal Secretary/Secretary, Finance Department through a D.O letter.



(Ajay Seth)
Secretary to Government (B&R)
Finance Department.

To
The Principal Secretaries/Secretaries to Government.

Copy to:

- 1) P.S. to Chief Secretary / Additional Chief Secretary / Development Commissioner
- 2) P.S. to Principal Secretary to Government, Finance Department
- 3) P.S. to Secretary to Government, (Expenditure), Finance Department.
- 4) Joint Secretaries/Deputy Secretaries/Under Secretaries in Finance Department.
- 5) All Sections in Finance Department.
- 6) Spare copies
- 7) SGF.