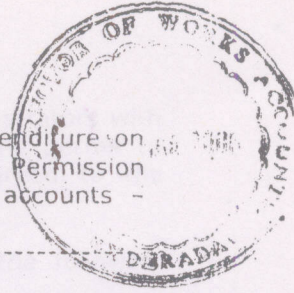


GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Works Accounts - Budget and Regulation of Expenditure - Expenditure on Resettlement & Rehabilitation (R&R) of Project Affected Families - Permission to Project Administration to keep amounts in separate Bank accounts - Orders - Issued.



FINANCE (WORKS & PROJECTS-F3) DEPARTMENT

G.O.Ms.No. 03

Dated : 13-03-2008

Read the following:-

- 1) G.O.Ms. No.20 Finance & Planning (Projects Wing) Dept, Dt: 12.04.1994.
- 2) G.O.MS.No.38 Finance & Planning (Projects Wing) Dept, Dt:06.05.1996.
- 3) G.O.Ms. No.507 Finance (TFR) Dept., Dt :10.04.2003
- 4) G.O.Ms. No.278 Finance (TFR1) Dept. Dt:26.09.2006.
- 5) Memo No. 14067/F3(1)/07-01 Finance (W&P) Dept., Dt:07.01.2008.

**ORDER :**

Government in G.O. 1<sup>st</sup> read above, extended the Pay & Accounts Office system which was earlier in vogue only for Major Projects, to all the regular Irrigation Divisions on experimental basis. Subsequently, the system was reviewed and in G.O. 2<sup>nd</sup> read above it was decided to continue the system on regular basis as it was giving the desired results.

2. As per the codal provisions, payments relating to Works are made against the bills presented on Pay and Accounts Officer and in case of payments concerning Land acquisition and R&R (Resettlement and Rehabilitation), LOCs are authorized by Pay & Accounts Officer to special Deputy Collectors who in turn render account to Pay and Accounts Officer. The Deputy Collectors are expected to maintain cash books.

3. It has come to the notice of Government that in certain instances, funds drawn for Land acquisition and R&R are kept outside Treasury by depositing in Bank Accounts though it is not permissible under Rule 9 of AP TC Volume I. Government have taking cognizance of the above and Instructions were issued vide Memo.No. 14067/F3(1)/07-1, dated 7-1-2008 that the balances lying in Bank A/c should be remitted to head of a/c "8443- Public Works Deposits" and operated thereon as per stipulated procedures.

4. The matter has come up for discussion during the review meeting of Land Acquisition pertaining to Major Projects on 28-01-2008 in which Joint Collectors were also present. During the discussions some of the Joint Collectors have represented that they should be vested with greater flexibility so far as R&R works pertaining to Jalayagnam. Unless R&R works are completed in time bound manner, shifting and rehabilitation of land oustees would be delayed which would impede the progress of Irrigation projects in turn.

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5. It was propose to vest the Joint Collectors/Project Administrators with greater flexibility in dealing with and expediting R&R works and permit to open Bank Accounts. The Hon'ble Chief Minister has agreed to the suggestion.

6. The Resettlement & Rehabilitation work is broadly in the following categories:

- (i) Disbursement of cash benefits towards house construction grant, transportation charges, financial assistance for cattle shed, financial assistance for income generating scheme grant, wages towards compensation of "loss of livelihood", wages to labourers, subsistence allowance, financial assistance for land development as per eligibility defined in the policy cited supra.
- (ii) Providing land for land as per the conditions in para 6.5 of G.O.Ms.No.68 I&CAD (Projects Wing-LA IV-R&R) Department dated 8-4-2005.
- (iii) Providing land for Resettlement & Rehabilitation colony as per the extents defined in para 6.2 of G.O.Ms.No.68 I&CAD (Projects Wing-LA IV -R&R) Department dated 8-4-2005
- (iv) Providing basic amenities as per para 6.18 of G.O.Ms.No.68 I&CAD (Projects Wing-LA IV-R&R) Department dated 8-4-2005.

7. The expenditure incurred towards Resettlement & Rehabilitation work is done by the following agencies.

- (i) for category (i) cited in the preceding para, the Project Administrator disburses the cash benefits by Cheque to project affected persons.(PAP)
- (ii) for category (ii) cited in the preceding para, the Project Administrator acquires land by following procedure in the Land Acquisition Act, 1894.
- (iii) For category (iii) cited in the preceding para, the Project Administrator acquires land by following the procedure in the Land Acquisition Act, 1894.
- (iv) For category (iv) cited in the preceding para, the Project Administrator engages the services of one or more line Department such as R&B, PR&RD, Social Welfare, Tribal Welfare Engineering Wing etc., who in turn tender the works to the private agencies to provide the basic amenities at the Resettlement & Rehabilitation Centre.

8. After careful examination it is agreed to permit the Project Administrators to operate Bank Account with a scheduled/Nationalised bank having core banking facility duly relaxing rule 9 of A.P.Treasury Code Volume-I , in respect of select individual benefits mentioned in para 7 (i)

9. Further the following procedures are mandated to the be adhered to:

- (i) The Joint Collectors/Project Administrators will be the Drawing and Disbursing Officers and are placed in account with the concerned Pay and Accounts Officers.
- (ii) The H.O.D. on receipt of B.R.O. shall distribute the required amount in favour of the Joint Collector/Project Administrators and simultaneously requests the Director of Works Accounts/ Joint Director of Works Accounts to authorize Letter of Credit (L.O.C.)
- (iii) The Joint Collectors / Project Administrators then presents Abstract Contingent (A.C) Bills and adjust promptly duly complying with the instructions issued in G.O.Ms. No.507 Finance (TFR) Department dated 10-4-2003 i.e. only two A.C. Bills will be allowed to be drawn successively and the drawl of 3<sup>rd</sup> A.C. Bill will not be allowed unless the 1<sup>st</sup> A.C Bill is adjusted with supporting Detailed Contingent (D.C.) Bills.
- (iv) The Joint Collector/Project Administrators should utilize the funds deposited in Bank only for the items listed in the annexure and should not utilize the funds for

a) Works

b) LA covered under "R&R head"

c) Administrative charges falling under the sub head "Direction & Administration"

d) As far as Works are concerned the Joint Collector/Project Administrators are permitted to issue LOC to the Drawing & Disbursing Officers of executing line Department duly identified and the procedure laid down in G.O.Ms. 278, Finance (TFR-1) Department, Dt:26.09.2006 is to be followed i.e. the implementing agency has to prefer the bills on Pay & Accounts Office duly following the procedures laid down in APW'A' code and APW 'D' code and the PAO manual. So far as Land acquisition payments are concerned the Joint Collector/Project Administrator shall authorize LOC to Land Acquisition Officer in usual manner, i.e. the Joint Collector/Project Administrator should send statement of distribution of LOC to the Land Acquisition Officer and ink signed copy marked to Pay and Accounts Officer who shall in turn authorize the Bank to honour the cheques presented by Land Acquisition Officer.

10. As far as the administrative charges falling under the sub-head "Direction and Administration", the Joint Collector/Project Administrator has to requisition from the Chief Engineer concerned and the procedure prescribed for "NON LOC" has to be followed under no circumstances funds allowed to be kept in bank account to facilitate expeditious R&R measures to individuals shall in any way be used towards administrative expenses.

11. The Joint Collector/Project Administrators shall further fulfill the following conditions:

- 1) Cash book shall be maintained and monthly reconciliation has to be carried out.

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- 2) The maintenance of cash book and subsidiary registers should be exclusively in the charge of an identified Accounts functionary.
- 3) There should be a regular audit of the Accounts through a Chartered Accountant to be approved by Government.
- 4) All other Bank accounts in the district at present shall be disbanded and the amounts deposited in 8443 PW deposits and A.C. bills can be preferred in future.
- 5) The Joint Collector/Project Administrators are personally accountable for the funds.
- 6) The interest earned by the depositing the funds shall not be used for any other purposes such as office contingencies and shall be remitted to the interest head of account.

These Orders shall be in force upto 30.09.2008 only and the functioning of the scheme will be subject to further review.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N. RAMESH KUMAR  
PRL. SECRETARY TO GOVERNMENT

To  
The Irrigation & Command Area Development Department  
The Revenue Department

**Copy to:**

All District Collectors /Joint Collectors  
All Engineer-in-Chief /Chief Engineers of I & CAD  
The Director of Works Accounts.

//FORWARDED::BY ORDER//

*(Handwritten signature)*

SECTION OFFICER

Endt NO: DWA/Hyd/S111 AS/07-08/2428 Dt 15-03-2008

*Copy Communicated to all Joint Director of  
Works Accounts, Pay & Accts Officers/Asst  
Pay & Accounts Officers*

*(Handwritten signature)*  
15/3/08

JOINT DIRECTOR OF WORKS ACCOUNTS  
M. J. ROAD, HYDERABAD.