

No.II- 17018/03/2016-DGCD(HG)
Government of India
Ministry of Home Affairs
Directorate General Fire Services, Civil Defence and Home Guards.

East Block No. VII, Level-7,
R.K. Puram, New Delhi-110066.

Dated the 7th November, 2016.

To

The Chief Secretary,
All States.

Subject: "Irregular reimbursement of claims pertaining to Home Guards/Civil Defence
- regarding.

Sir,

The office of Director General of Audit (Central Expenditure), Delhi vide Para No. 1 of Part-II A has raised the objection regarding the irregular release of funds of authorized items for reimbursement for Home Guards/Civil Defence for raising, training and equipping of Home Guards in the country amounting to Rs. 183.21 Crores to various States/UTs during the year years 2009-10 to 2014-15. The reimbursement claims preferred by the States pertaining to Home Guards/Civil Defence which were incurred earlier than two years prior to the issue of the sanction is the violation of Rule 209(6) (viii) laid down in the General Financial Rules. You are, therefore requested to send the bills in accordance with Rule 209 (6) (viii) of GFR (copy enclosed).

Yours faithfully,

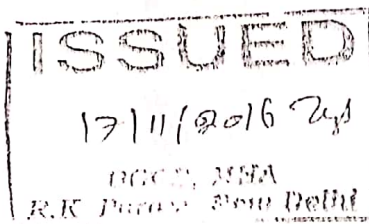
Encl: as above.

(Prakash Mishra)

Director General, Fire Services, Home Guards & Civil Defence

Copy forwarded to:-

1. The Commandant General of Home Guards of all States/UTs.
2. The Under Secretary, Ministry of Home Affairs, DM-III, 3rd Floor, B-Wing, NDCC-II Building, Jai Singh Road, New Delhi vide their letter no.I-45011/
3. Guard File.



in making grants to non-Government or quasi-Government Institutions or Organizations, a condition should be laid down that assets acquired wholly or substantially out of Government grants, except those declared as obsolete and unserviceable or condemned in accordance with the procedure laid down in the General Financial Rules, shall not be disposed of without obtaining the prior approval of the authority which sanctioned the grants-in-aid.

(vi) The sanctioning authority, while laying down the pattern of assistance, may decide whether the ownership of buildings constructed with grants-in-aid may vest with Government or the grantee Institution or Organization. Where the ownership is vested in the Government, the grantee Institution or Organization may be allowed to occupy the building as a lessee. In such cases, suitable record of details of location, cost, name of lessee and terms and conditions of lease must be maintained in the records of the granting Ministry or Department. In all cases of buildings constructed with grants-in-aid, responsibility of maintenance of such buildings should be laid on the grantee Institution or Organization.

(vii) Any other special terms and conditions or procedures for transaction of business as Government may desire to be followed by the grantee Institution or Organization, shall be got incorporated in the Articles of Association or bye-laws of the Institution or Organization concerned before release of grants-in-aid.

(viii) Grants-in-aid may be sanctioned to meet the bona fide expenditure incurred not earlier than [two years] prior to the date of issue of the sanction.

(ix) Before a grant is released, the members of the executive committee of the grantee should be asked to execute bonds in a prescribed format binding themselves jointly and severally to:—

- (a) abide by the conditions of the grants-in-aid by the target dates, if any, specified therein; and
- (b) not to divert the grants or entrust execution of the scheme or work concerned to another Institution(s) or Organization(s); and
- (c) abide by any other conditions specified in the agreement governing the grants-in-aid.

In the event of the grantee failing to comply with the conditions or committing breach of the conditions of the bond, the signatories to the bond shall be jointly and severally liable to refund to the President of India, the whole or a part amount of the grant with interest at ten per cent per annum thereon or the sum specified under the bond. The stamp duty for this bond shall be borne by the Government.

(x) Execution of bond will not apply to quasi-Government Institutions, Central Autonomous Organizations and Institutions whose budget is approved by Government.

1. Substituted vide G.I., M.F., O.M. No. 3/4/E.II (A)/05, dated the 29th March, 2006.

to improve their effectiveness and expand their activities under the following conditions:—

- (a) The grants-in-aid should not exceed twenty-five per cent of approved administrative expenditure on pay and allowances of the personnel of the voluntary organization concerned;
- (b) Grants-in-aid to meet administrative expenditure to any private institutions other than the voluntary organizations should not ordinarily be sanctioned. In exceptional cases such grants can be considered for sanction in consultation with Internal Finance Wing.

Rule 209. (5) Every order sanctioning a grant shall indicate whether it is recurring or non-recurring and specify clearly the object for which it is being given and the general and special conditions, if any, attached to the grant. In the case of non-recurring grants for specified object, the order shall also specify the time-limit within which the grant or each instalment of it, is to be spent.

Rule 209. (6) (i) The sanctioning authority may prescribe conditions regarding quantum and periodicity for release of Grants-in-aid in instalments in consultation with the Financial Adviser. However, the release of the last instalment of the annual grant must be conditional upon the grantee institutions providing reasonable evidence of proper utilization of instalments released earlier.

(ii) In order to avoid delay in sanction or release of grants-in-aid to the grantee Institutions, the Ministry or Department should impress upon Institution or Organization desiring grants from Government, to submit their requirement with supporting details by the end of October in the year preceding the year for which the grants-in-aid is sought. The Ministry or Department should finalize their examination of the requests with the utmost expedition and make the necessary budget provision where it is decided to sanction grants. The Institution or Organization should be informed of the result of their requests by April of the succeeding year.

(iii) When recurring grants-in-aid are sanctioned to the same Institution or Organization for the same purpose, the unspent balance of the previous grant should be taken into account in sanctioning the subsequent grant.

(iv) (a) All grantee Institutions or Organizations which receive more than fifty per cent of their recurring expenditure in the form of grants-in-aid, should ordinarily formulate terms and conditions of service of their employees which are, by and large, not higher than those applicable to similar categories of employees in Central Government. In exceptional cases relaxation may be made in consultation with the Ministry of Finance.

(b) Grantee Institutions or Organizations should be encouraged to take advantage of the pension or gratuity schemes or group insurance schemes or house buildings loans or vehicle loans schemes, etc., available in the market for employees instead of undertaking liability on their own or Government account.

East Block-VII, Level-7,
R.K.Puram, New Delhi-66

Dated the May 27, 2011

To

The Chief Secretary,
Government of all States

Sub-Timely submission of reimbursement claim in respect of authorized expenditure incurred on Civil Defence measures by the State Governments.

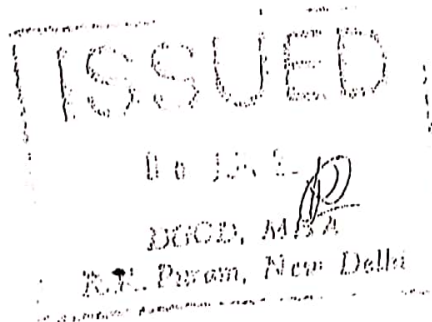
Sir,

I am directed to invite your kind attention to Para 4.1 to 4.10 of Civil Defence Compendium of Instructions on the subject mentioned above and to say that the Central Government reimburses 50% of the expenditure incurred by the State Government on the authorized items of Civil Defence for raising, training and equipping of Civil Defence Services etc for North- Eastern States excluding Assam and 25% for other States including Assam. In accordance with Existing financial policy as circulated vide MHA's letter No.II-17018/41/93-DGCD (CD) dated 03.02.1997, expenditure on all authorized items is first incurred by the State Governments and thereafter it is reimbursed, in the form of grants-in-aid, to the State Governments. The State Governments are required to furnish provisional (quarterly) claims for reimbursement of expenditure on authorized items till the end of each of the first three quarter i.e. June, September, and December on the basis of departmental figures of expenditure alongwith the supporting documentations such as Broad sheet statement, certificate of expenditure on authorized items and check-list etc. and the claim for the fourth quarter/ final claim is to be submitted alongwith audit certificate covering the whole year's expenditure issued by the Accountant General's Office of State concerned after the close of financial year. It has been noticed that while the provisional claims for the first three quarters are submitted more or less with in the concerned financial year, submission of final claims supported by audit certificate are inordinately delayed for years together resulting in accumulation of huge amounts of arrears payable to State Governments by the Centre. The details of pendency of provisional/ final claims of your State are annexed at annexure-'A'.

2. Due to huge pendency of re-imbursement claim of the States- in some cases the claims have not been settled for more than ten years- Integrated Finance Division of MHA has taken a strong view with respect to allowing provisional reimbursement for first three quarters of any year, i.e. the provisional claim of any particular year are not being passed until the final claim (i.e. 4th quarter bill for the entire year alongwith Audit Certificate) of previous years have been settled.

3. In view of this, the State Governments are requested to make an all out efforts to prefer all pending final claims which must be duly supported by Audit Certificate from Accountant General's office of State concerned. It is also reiterated that timely submission of claims in the prescribed proforma for reimbursement is necessary for utilization of allocated funds in the Union budget each and every financial year.

This issues with the approval of DG NDRF & CD.



Yours faithfully,

(Raj Kumar)

Asstt. Director General (CD)
Tel. 011-26112927