

3.22 Points to be considered while claiming 2nd instalment of funds

No.J-11060/01/2007-RH(A/C)
Government of India
Ministry of Rural Development
(Rural Housing A/c Section)

Krishi Bhavan, New Delhi
Dated 31.05.2007

To
The Project Director/Chief Executive Officer/
Dy. Development Commissioner
District Rural Development Agency/Zilla Parishad
All Districts

Sub : Points to be considered while claiming 2nd instalment of funds during the year 2007-08 under IAY - Reg.

Sir,

As you are aware that the 2nd instalment of funds under Indira Awaas Yojana (IAY) would be released on receipt of complete formal proposal (as prescribed in the IAY guidelines) with necessary supporting documents viz: Utilisation Certificate of previous year (2006-07) & latest expenditure, complete Audit Report of 2006-07 which includes Receipts & Payments Statement, Income & Expenditure Statement, Balance-sheet, Block-wise Expenditure Statement (including opening balance, funds received, Interest, Expenditure, Closing Balance etc.), Bank Reconciliation Statement of 2006-07 countersigned by the PD/CEO. At least 60% of the total available funds must be utilized by the district for claiming 2nd instalment of funds. Expenditure, in this case, means amount actually received by the beneficiary.

To avoid any further correspondence from the Ministry seeking clarifications to any discrepancy in the above documents, the following points should also be given due weightage while preparing proposal for 2nd instalment:-

- i) Any funds shown as closing balance(CB) in the Audit Report of 2005-06 should be included in the opening balance mentioned in the UC and AR of 2006-07. The figures mentioned in the UC, BES & AR must tally with each other. All uncashed cheques shown in the BRS must be included in the opening balance as indicated in the UC;
- ii) Any interest/ Misc. receipts received during previous year should be indicated in the UC & AR. Interest earned on the Govt. funds is the part of IAY funds.
- iii) Advances released to Blocks/ Panchayats will not be treated as expenditure, in any case unless the amount is actually received by the beneficiary;
- iv) Cash transaction / Diversion/transfer of funds from any scheme is not admissible, in any circumstances. However, Bank charges/ Audit fee/ Contingency charges, if any should be recouped from the DRDA-Administration head of account;
- v) Other expenditure/ other receipts, if any, shown in the Audit Report, the details may be furnished along with the necessary clarification.
- vi) The ATR on Auditor's observations duly countersigned by the C.A. must be submitted, if observations made by Chartered Accountant while auditing;
- vii) The CA should mention their Membership number in the AR;
- viii) Copies of State share released against central funds should be attached with the proposal;

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- ix) To avoid cut on account of late receipt of the proposal, please ensure that the complete proposal should reach this ministry at the earliest to enable this Ministry to examine the case and release the funds in time.
- x) The signing authority before signing the proposal should ensure that their full name and official seal has been affixed.

You are, therefore, requested to keep the above points in mind while submitting the proposal to avoid any delay in release of 2nd instalment during current year.

R.K.SINGH
SECTION OFFICER (RH-A/C)
MINISTRY OF RURAL DEVELOPMENT
GOVERNMENT OF INDIA