

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No 7924 /F

Dated 22.03.2024

FIN-COD-MISC-0007-2019

OFFICE MEMORANDUM

Sub: Amendment of Odisha General Financial Rules, 2023

In case of works costing Rs 100 crore or more approval of Cabinet is necessary before acceptance of the tender in terms of provision of Rule-170 (iii) of OGFR, 2023. However, there is no such provision in case of procurement of goods and services. Besides, in case of sanction of government guarantee, there is no provision to accommodate swapping of loans. Hence, it has been decided to amend various provisions of Odisha General Financial Rules, 2023 as indicated below:

2. After Rule-202 (xiii), the following sub-rule shall be added:

“xiv. Finalization of tender for the procurement of goods and services costing Rs.100.00 Crore and above will be placed before the Cabinet for approval, prior to acceptance of tender.”

3. The Rule-338 (i) shall be substituted by the following:

“(i) All cases of initial Sanction or renewal or extension or swapping of guarantee shall be submitted by the Administrative Department to the Cabinet for approval in the shape of Memorandum with prior concurrence of Finance Department.

Provided that in urgent cases, the guarantee may be given with the approval of the finance minister and Chief Minister and all such cases must be submitted to the Cabinet for post-facto ratification and approval.”

4. The Rule-342 (ii) shall be substituted by the following:

“(ii) The guarantee commission in any case of guarantee shall be recovered on the maximum amount of the guarantee sanctioned irrespective of the amount of loan actually availed or outstanding as on 1st April each year till liquidation of the guaranteed loan. For example, for the financial year 2019-20, guarantee commission is to be paid on the maximum amount outstanding as on 1st April 2019 plus incremental government guarantee sanctioned during that financial year.

Provided that Reduction/re-phasing of Guarantee on account of repayment by the borrowing institution from time to time will be considered on merit with the consent / clearance of the lending institution and prior concurrence of the Finance Department and the borrowing organization will be allowed to pay guarantee commission on the reduced amount on repayment of loan.

Provided further that when a borrowing organization liquidates its current loan or a part thereof, cancelled the Government guarantee and raise a new loan by way of swapping to that extend, no guarantee commission shall be charged for the government guarantee issued on the loan so raised for that financial year. The guarantee commission for subsequent years would be as per the normal provision of rule 342.

Provided further that the borrowing organization shall pay guarantee commission on the reduced outstanding guarantee with effect from succeeding 1st day of April i.e from the next financial year. Concurrence of the Finance Department for reduction of guarantee shall be obtained by the Administrative Department on production of proof of payment of up-to- date guarantee commission, letter of the financial institution certifying repayment of loan and other supporting papers.”

5. The Rule-343 (i) and (ii) (a) shall be substituted by the following:

“(i) Where the loan amount has been fully paid (both principal and Interest), proposal for surrender/closure of Government guarantee shall be moved to Finance Department for concurrence with the following papers / documents with detailed facts and figures:

- a. G.O No and Date of sanction of Government guarantee with copy of G.O.
 - b. Clearance certificate / No dues certificate from Financial Institution / Bank to the effect that “the borrowing organization has fully paid the loan dues with interest and no dues are outstanding against the borrowing organization.”
 - c. Return of Guarantee documents (deed of agreement) by the Financial Institution and duly cancelled by the Administrative Department.
 - d. Detailed regarding Guarantee fee due and paid with supporting Treasury Challan or adjustment order, if any.
 - e. Proof of payment of guarantee fee in full in the proposed case.
 - f. Copy of the draft cancellation order.
- ii. For surrender of un-availed / unutilized Guarantee, proposal shall be moved to Finance Department for concurrence with the following papers / documents:
- a. Where Guarantee has been sanctioned but not availed by the borrowing organization, the Administrative Department may furnish the following documents with detailed facts and figures:
 - 1. Copy of the G.O, where Government guarantee was sanctioned.
 - 2. Guarantee Deed duly cancelled by the Administrative Department, if executed, and if not executed, the Administrative Department should record a certificate to the effect that “although Guarantee was sanctioned, Guarantee deed has not

been executed so far and the organization has not availed loan from the Financial Institution.”

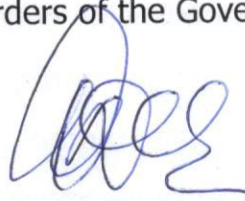
3. Guarantee fee paid till date with supporting treasury challan.
4. Copy of the draft cancellation order.

b. Where Guarantee has been sanctioned and the organization availed loan less than the sanctioned amount or the organization desires to reduce the Guarantee to the extent of loan availed, the concerned Administrative Department may furnish the following documents with detailed facts and figures:

1. Copy of the G.O, where Government guarantee was sanctioned;
2. Copy of Guarantee Deed;
3. Supporting Treasury Challan towards payment of up-to-date Guarantee fee
4. Revised / modified proposed Guarantee sanction order.
5. Copy of the draft cancellation order.
6. Any other papers/documents;

6. This shall be effective with immediate effect.

By orders of the Governor

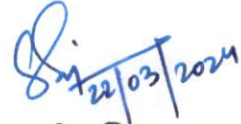


Principal Secretary to Government

Memo No 7925 /F

Dated 22.03.2024

Copy forwarded to OSD to Hon'ble Chief Minister, Odisha for kind information of Hon'ble Chief Minister, Odisha.

 22/03/2024

Under Secretary to Government

Memo No 7926 /F

Dated 22.03.2024

Copy forwarded to PS to Hon'ble Minister, Finance for kind information of Hon'ble Minister, Finance.

 22/03/2024

Under Secretary to Government

Memo No 7927 /F

Dated 22.03.2024

Copy forwarded to all Departments / Secretary OLA / Accountant General (A&E), Odisha, Bhubaneswar / Accountant General (G & SSA), Odisha, Bhubaneswar / Accountant, General (E & RSA), Odisha, Bhubaneswar / Deputy Accountant General (Works), Odisha, Puri / Advocate General, Odisha, Cuttack / All Financial Advisors / All Assistant Financial Advisors / Director, Gopabandhu Academy of Administration, Bhubaneswar / Principal, Short Hand and Type Writing Institute, Bhubaneswar / all Treasury Officers / All Special Treasury Officers / All Sub-Treasury Officers for information and necessary action.

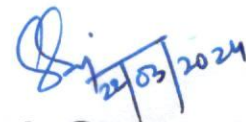
 22/03/2024

Under Secretary to Government

Memo No 7928 /F

Dated 22.03.2024

Copy forwarded to P.S. to Principal Secretary / P.S. to all Special Secretaries / P.S. to all Additional Secretaries of Finance Department for kind information of Principal Secretary / Special Secretaries / Additional Secretaries.

 22/03/2024

Under Secretary to Government

Memo No 7929 /F Dated 22.03.2024

Copy forwarded to all Officers / all Branches of Finance Department for information and necessary action.

Sy.
22/03/2024

Under Secretary to Government

Memo No 7930 /F Dated 22.03.2024

Copy forwarded to the Head, Portal Group, Lok Seva Bhawan, Bhubaneswar, Odisha for information and necessary action. It is requested to hoist this Office Memorandum in the website of Finance Department (www.odisha.gov.in / finance).

Sy.
22/03/2024

Under Secretary to Government