

Guidelines for OMBADC Project Financing, Implementation and Monitoring.

Odisha Mineral Bearing Areas Development Corporation (OMBADC) was formed as a Section 25 Company on 2nd December, 2014 as per the directive of Hon'ble Supreme court of India for undertaking specific tribal welfare and area development works so as to ensure inclusive growth of the mineral bearing areas. As per mandate, OMBADC will finance projects executed by Line Departments relating to livelihood intervention, health, water supply, sanitation, education etc. from the funds maintained in PL Account of OMBADC. Hence, there is a need to lay down some fundamental principles regarding project financing, execution monitoring applicable to all line Departments, Heads of Departments, Subordinate offices and State Level PSUs or Autonomous Agencies under their administrative control.

1. Role of responsibility of OMBADC AND Executing Agencies:-

a) After approval of the projects by Board of Directors, OMBADC shall issue sanction order to the Line Departments indicating the Executing Agencies under their administrative control i.e. Subordinate Offices and State Level PSUs or Autonomous Agencies as the case may be, mentioning the project details, sanctioned amount and other details like period of execution and payment schedule etc. The sanctioned amount shall be released in accordance with the payment schedule, to be ***mutually agreed between OMBADC and the implement Agency/Department.*** Before release of funds, the line Department shall submit an undertaking that no such fund has been received from any other source for the same purpose when the project of scheme is entirely funded by OMBADC. ***However, in case of projects/Schemes implemented in a convergence mode from the financial resources of different schemes/agencies i.e. budgetary and other extra budgetary resources of the state Government, the financing pattern of the scheme and the amount sanctioned by OMBADC needs to be mentioned in the sanction order. A Stamped receipt will be submitted by Implementing Agency on receipt of each installment of the fund provided for the project.***

b) Line Departments, Heads of Departments, Subordinate Offices and State Level PSUs Autonomous Agencies under their administrative control shall execute the projects as per the terms and conditions ***mentioned hereinafter and approved by OMBADC*** Board. OMBADC shall monitor the project progress and implementation. The Department shall nominate Nodal Officers at the level of ***Joint Secretary / Additional Secretary / Special Secretary*** for coordination

with OMBADC regarding progress of project implementation and monitoring. He shall furnish necessary documents, clarifications, informations, reports and records to OMBADC as and when required.

2. Financial terms and conditions:-

a) Funds shall be transferred from PL Account of OMBADC through electronic cheques to the Bank Account/PL Account of Executing Agencies or placed as Deposits in Public Works and Forest Divisions under intimation to the Administrative Departments having jurisdiction over the Implementing Agencies.

b) The OMBADC works executed by the Public Works Divisions are to be treated as Deposit Works. In terms of Para 16.2.1 of the Central Public Works Account Code "When a Deposit Work is to be carried out, the local body or other party concerned should advance the gross estimated expenditure, Which is payable by it, to the Divisional officer in one lump sum or in installments and by such dates as may be specially authorised". Besides Para 3.9.4 (iv) of OPWD Code states that in case of contribution /deposit works, the necessary funds for the execution must be realised and paid into the Government Treasury either in a lump sum or in such installments and by such dates as the State Government may decide in each case. Concurrence of Finance Department has been obtained regarding waiver of pro-rata charges in respect of projects sanctioned by OMBADC in their UOR **No.** _____ **Dt.** _____

- i.** Further, Administrative Approval for execution of the work funded out of OMBADC is to be accorded by the concerned Implementing Agencies as prescribed in Para 6.3.1 of OPWD Code as it will be treated as Deposit Works in terms of the provisions of Para 3.9.1 read with Para 3.9.4 of OPWD Code. In other words, the Administrative Approval will be accorded by the Implementing Agency on the recommendations of the Project Sponsoring Officer of the Line Department and approval of the scope of the work/design and estimate by the party/parties depositing the funds i.e. OMBADC through administrative sanction.
- ii.** OMBADC works being executed by the Public Works Divisions of the State Government, the amount released to the executing

Public Works Divisions should be deposited in installments mutually agreed upon between OMBADC Trust and concerned Executing Agency in advance as Public Works Deposit of the concerned Division and routed through the Treasury without any deviation in terms of the codal provisions cited in Para b) above. Besides, the procedure outlined in Para i) above may be observed for approval of the scope of the work/design and estimate, administrative approval by the executing agencies and administrative sanction of OMBADC.

- iii.** Similarly, the funds for the works to be executed by Forest Department officers is to be remitted to the Divisional Forest Officers in suitable installments and routed through the Treasury for deposit with the Forest Division concerned along with the particulars of the works. The number of installments is to be mutually agreed upon between the OMBADC and the Implementing Division. The Divisional Forest Officers will keep the account of these works as Deposit works. In case works entrusted to DRDAs/ITDAs/Panchayata Samities the funds may be routed through their P.L Account.
- iv.** In case the works and activities are entrusted to other Departments for implementation, funds may be routed through the Bank Account of State/District level Autonomous Agencies like Zilla Swasthya Samiti, District Project Office (Sarva Sikshya Abhiyana) etc. Further, in case the works entrusted to State Public Sector Undertaking like IDCO, OBCC, OPHWC etc. and the utilities in the electricity sector like OPTCL and The DISCOMs, funds for execution of such works and activities entrusted to them should also be placed in their Bank Accounts advance in installments to be mutually agreed between OMBADC and the Agency.

- v. Any principal amount remaining unspent or interest earned on the fund parked **in bank account only** shall be duly returned to OMBADC at the end of financial year or expiry of one year from the date of sanction, whichever is earlier, ***if the amount is not required any longer for the purpose for which it is sanctioned.***
- vi. **The administrative expenditure including contingencies and expenses on pre-project activities shall not exceed two percent of the project cost.**
- vii. The utilization certificate shall be furnished by the concerned Administrative Department as per the format given in Annexure-I. Before recording the certificate, the certifying Officer should take steps to satisfy himself that the conditions on which fund is sanctioned have been fulfilled. The submission of UC shall be accompanied by a Statement of Expenditure in Annexure-II by the executing agency.
- viii. The monthly progress report shall be submitted by the Line Department in the prescribed format as at Annexure-III at the end of every month.

3. Other Conditions :-

- i) The Line Departments shall execute the project as per the time lines prescribed in the project. Any extension of time for approved project shall require prior approval from OMBADC Board.
- ii) The cost escalation on account of delay in project implementation attributable to the Implementing Agency beyond the period mentioned in approved proposal shall not be entertained.

- iii)** Line Departments, Heads of Departments Subordinate Offices and State Level PSUs or Autonomous Agencies under their administrative control, entrusted with the execution of OMBADC Projects shall have to ensure full compliance to queries raised in C & AG Audit, Performance audit, RTI Act etc. and provide necessary documents/information/reports pertaining to the approved projects executed by them.
- iv)** Line Departments, Heads of Departments, Subordinate Offices and State Level PSUs or Autonomous Agencies under their administrative control, entrusted with the execution of OMBADC Projects shall have the responsibility of compliance to Central/State laws as applicable in context of the project and any decision of the Board of Directors in relation to the projects shall be final.
- v)** The funds released would be for the specific project mentioned in the sanction order and should be exclusively spent on the project for which it is sanctioned within the stipulated time. Any unspent part of the amount would be surrendered to OMBADC unless otherwise permitted by OMBADC.
- vi)** A record of any permanent or semi-permanent asset created out of the funds provided by the OMBADC for the project should be maintained in Annexure-IV and audited by the agency or the Department in terms of the extant rules and procedures. The term assets include immovable and movable property of a capital nature.
- vii)** All the public assets created from the funds of OMBADC will be the property of the State Government Department and may be placed with any public utility or autonomous agency created for construction, operation and management of the same. Such assets shall not be disposed off, encumbered or utilized for purpose other than for which funds have been provided by

OMBADC. In case the project is implemented through agencies other than State Government Department, public utility or autonomous agency entrusted with construction and management of such assets, the Executing Agency shall hand over the assets along with drawing design if any, to the concerned Government Departments/Public Utility or Autonomous Agency for use and proper maintenance.

- viii)** The implementing agency will furnish progress report of works on monthly basis. The progress of the project will also be reviewed or monitored at least once in every quarter by CEO, OMBADC or an officer authorized by OBADC in this behalf. On completion of the project a consolidated report of the work done will be submitted to OMBADC for record.
- ix)** The implementing agency will be require to furnish to OMBADC, a Utilization Certificate as in Annexure- 1 along with a Statement of Expenditure in Annexure-II duly signed by the Head of the Implementing Agency pertaining to the funds provided for execution of the project at the end of each financial year as well as the consolidated statement of expenditure at the end of the completion of the project. The Utilization Certificate shall be countersigned by the Head of the Department and Secretary of the Administrative Department as the case may be.
- x)** The Implementing Agency will follow their own procedure for procurement of goods and services and execution of works for implementation of the projects sanctioned by OMBADC. The financial liabilities arising out of tender premium cost escalation and time extension as well as dispute resolution or arbitration proceedings shall be borne by OMBADC subject to the stipulation in Para-I above.

- xi)** OMBADC at its discretion shall have the right of access to the Books and Accounts of the Implementing Agency for the funds provided by them.
- xii)** The Implementing Agency shall be required to maintain **separate subsidiary accounts** for the projects following its own accounting procedure and get it audited by their internal or external auditors as per their extent rules and regulations.
- xiii)** If it is found expedient to keep a part or whole of the funds provided by OMBADC, to the Implementing Agency for implementation of the project in a Bank Account, the interest thus earned should be reported and remitted to OMBADC.
- xiv)** OMBADC will have the right to call for document and information from the Implementing Agency in respect of the project for the purpose of monitoring and evaluation and the Implementing Agency shall supply the required information.
- xv)** The Implementing Agency may not entrusted the implementation of the work for which funds have been sanctioned for the project or work by OMBADC to another Implementing Agency to divert a fund to other Implementing Agencies except without express permission of OMBADC.
- xvi)** In case the Implementing Agency is not in a position to execute or complete the project, the agency would be required to refund forthwith the funds provided for the project to OMBADC.
- xvii)** The human resources that may be engaged for implementation of any project by the Implementing Agency are not be treated as employees of OMBADC and the deployment of such human resources at the time of completion or termination of project will not be the concern/responsibility of OMBADC.
- xviii)** The OMBADC reserves the right to terminate the sanction of funds at any stage and also to recover the amounts already paid if it is convinced that the funds have not been properly

utilized or the work on the project has been suspended for any unduly long period or appropriate progress is not being made.

xix) The project will become operative from the date of release the first instalment of the funds for the project.

UTILISATION CERTIFICATE

(For the financial year ending 31st March_____)

(Rs.in lakhs)

1. Title of the project/scheme :
2. Name of the Administrative Department :
3. Name of the Implement Department/Sub-ordinate Office/PSU/Autonomous Agency in charge of implementation of the Project/Work. :
4. Sanction Order No. & Date of Sanctioning the project. :
5. Amount brought forward from the previous Financial Year quoting DBT letter No. & date in which the authority to carry forwarded the said amount was given :
6. Amount received from OMBADC during the financial year (*Please give No. and dates of sanction orders showing the amounts paid*) :
7. Other receipts/interest earned, if any, on the funds received and kept in Bank Account, if any. :
8. Total amount that was available for expenditure during the financial year (Sl. nos. 5, 6 and 7) :
9. Actual expenditure (excluding commitments) incurred during the financial year (statement of expenditure is enclosed) :
10. Unspent balance refunded, if any (Please give details) :
11. Balance amount available at the end of the financial year. :
12. Amount allowed to be carried forward to the next financial year vide letter No. & date. :

1. Certified that amount of Rs. _____ mentioned against Col. 9 has been utilised on the project/ scheme for the purpose for which it was sanctioned and that the balance of Rs. _____ remaining unutilized at the end of the year has been surrendered to Govt.(Vide No. _____ dated _____)/will be adjusted towards the grants-in-aid payable during next year.
2. Certified that I have satisfied myself that conditions, on which funds were sanction have been duly fulfilled/ are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised:

- 1.
- 2.
- 3.

Signature & seal
Designation of the Officer
In charge of implementation of
The Project/ Work

Counter signed by
Signature & Designation of
The Head of Department

Counter signed by
Designation of the
Secretary of the

Annexure- II

Statement of Expenditure referred to in Para 9 of the Utilization Certificate

Showing funds received from the OMBADC and the expenditure incurred during the period from 1st April _____ to 31st March _____.

Item	Unspent balance Carried Forward From Previous year	Funds Received From OMBADC During The year	Other Receipts/ Interest Earned- If any, On the DBT Grants	Total Of Col. (2+3+4)	Expenditure (excluding Commitments) incurred during the year	Balance (5+6)	Remarks
1	2	3	4	5	6	7	8
1. No-Recurring							
(i) Works executed							
(ii) Goods & Services procured for execution of Projects							
(iii) Pre-project expenses							
2. Recurring							
(i) Contingencies							
Total:							

Signature & Seal
Designation of the Officer
In charge of implementation of
the Project/Work

Format for Monthly Progress Report

Sl. No.	Particulars		Description			
1	Project ID	:				
2	Project Title & description	:				
3	Project start Date	:				
4	Progress Report Month & Time elapsed since project start date	:				
5	Physical Completion Percentage	:	Planned	Actual	Reason for deviation	
6	Financial Completion Percentage	:	Released	Actual incurred	Balance	
7	Project Milestone Status (as per the implementation plan submitted during proposal submission stage)	:	Milestone	Planned Completion Date	Actual Completion Date	Reasons for delay
8.	Major activities completed in this quarter	:				
9.	Major activities planned for next quarter					

Sl. No.	Particulars		Description		
10.	Support required from OMBADC (if any)	:			
11.	Progress Photographs (please attach latest progress photographs of the project)	:			
12.	Project KPI	:	KPI	Target	Actual
13.	No. of Households/population benefitted as on date (cumulative headcount as on date)	:			
14.	Any other relevant information in the context of project	:			

**Signature of the authorized signatory
of the Line Department with seal**

Name:

Designation:

Date:

Place:

Annexure-IV

Assets acquired wholly or substantially out of OMBADC funds
Register to be maintained by the Implementing Departments/Agencies
(as in U.C.)

1. Name of the Sanctioning Authority : **OMBADC**
2. Particulars of the Implementing Agency :
3. No. & date of sanction order :
4. Amount of funds sanctioned :
5. Brief purpose of the grant :
6. Particulars of assts actually Created or acquired :
7. Specify the Department /Agency :
Which will utilize/operate/
monitor the asset
8. Values of the assets as on :
9. Purpose for which to utilized :
At present

Signature & Seal
Designation of the Officer
In charge of implementation of
the Project/work