

No. FX-11/2/2024-e-FD  
**GOVERNMENT OF MANIPUR**  
**SECRETARIAT: FINANCE DEPARTMENT**  
(Expenditure Section)

**OFFICE MEMORANDUM**  
Imphal, the 18<sup>th</sup> June, 2024.

Subject: Sanction of Grants-in-Aid and submission of Utilization Certificates.

In the past Finance Department had issued O.M. No. 9/1/2020-FX (LFA) dated 5<sup>th</sup> September, 2020 (copy enclosed) for maintenance of proper accounts by Grants-in-Aid Bodies (Local Bodies Autonomous Bodies, other Non-Government Offices) and Government Offices, inter alia.

2. The detailed guidelines regarding sanction of Grants-in-Aid and submission of Utilization Certificate are contained in Chapter 9 of General Financial Rules, 2017 under Rules 228 to 245. Additional guidelines are required regarding compilation of information relating to Grant-in-Aid sanctioned by the State Government in accordance with the Comptroller and Auditor General's Manual of Standing Orders (Accounts & Entitlement) Volume-I. Accordingly, the following guidelines are issued for compilation of information relating to Grant-in-Aid sanctioned by the State Government.

3. **Principles and Procedure for sanction of Grants-in-Aid:**

- (i) As a general principle, Grants-in-Aid can be given to a person or a public body or an institution having distinct legal entity. Thus Grants-in Aid including scholarships may be sanctioned by an authority competent to do so to different organizations or institutions including individuals.
- (ii) Each Department should maintain a list of Institutions or Organizations along with detail of amount and purpose of grants given to them in its records, as well as publish them on its website.
- (iii) 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.
- (iv) 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.
- (v) When recurring Grants-in-Aid are sanctioned to the same institutions for the same purpose, it should be clearly stated in each sanction order that the unspent balance of previous year's grant has either been surrendered to Government or has been taken into account in sanctioning subsequent grant. The fact of exemption from submission of audited statement, if any, may also be indicated in the sanction order.

(vi) The sanction order should mention whether the grant is sanctioned for the purpose of salary/non-salary.

(vii) The sanctioning Authority while sanctioning Grants-in-Aid to Small Institutions, which are entirely or mainly financed by Government and to Local Bodies shall specify the periodicity of drawal and disbursement, the time limit by which utilization certificate is to be submitted, in case it is so required as per the stipulation made in the sanction order.

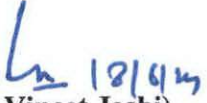
(viii) The authority sanctioning a grant while communicating the sanction to the Accountant-General (A&E), Manipur should state whether the audited statement of accounts has been received when required or whether the grantee has been exempted from submitting the statement.

(ix) A target date should be prescribed for submission of audited statements of accounts by the grantee-institutions to the sanctioning authorities concerned and for submission of utilization certificate to the Accountant-General (A&E), Manipur.

4. **Sample Sanction order:**


The sample format for sanction of Grant-in-Aid placed at Annexure should be invariably adopted with necessary addition and alteration wherever needed, so that the sanction order issued by Departments captures all relevant information required for maintaining the Grant-in-Aid register.

5. Attention is also invited to the mentioned Finance Department's OM No. 9/1/2020-FX (LFA) dated 5<sup>th</sup> September, 2020 wherein guidelines for maintenance of proper accounts by Grants-in-Aid Bodies are prescribed and are to be followed.
5. This will come into force with immediate effect.
6. This issues with the approval of the Competent Authority.

  
(Dr. Vineet Joshi)  
Chief Secretary (i/c Finance)  
Government of Manipur

Copy to:

1. Secretary to Governor of Manipur, Raj Bhavan, Imphal
2. Secretary to Hon'ble Chief Minister, Manipur
3. PPS/PSs to Hon'ble Ministers, Manipur
4. Staff Officer to Chief Secretary, Government of Manipur
5. Director General of Police, Manipur

  
18/6/2024

6. All Administrative Secretaries, Government of Manipur
7. Principal Accountant General, Manipur
8. All Deputy Commissioners, Manipur
9. All Heads of Departments, Manipur – with a request to strictly follow the provisions of the OM and inform all the Grant-in-Aid Bodies under their administrative control.
10. Secretary, MPSC, Manipur, Imphal
11. Secretary, Manipur Legislative Assembly, Imphal
12. Resident Commissioner, Govt. of Manipur, Manipur Bhawan, New Delhi
13. Deputy Resident Commissioner, Manipur Bhawan, Kolkata/Guwahati
14. Director, Directorate of Information Technology, Manipur – with a request to kindly upload in the Government Website and E-Office.
15. All Managing Directors/ Executive Heads of all Autonomous Bodies/ PSUs, Government Societies and other organizations aided by the Government.
16. All Treasury Officers/ Sub-Treasury Officers
17. Guard file.

  
18/6/2024  
**(Neilenthang Telien)**  
Special Secretary (Finance)  
Government of Manipur

Sample Sanction Order

GOVERNMENT OF MANIPUR  
SECRETARIAT: \_\_\_\_\_ DEPARTMENT

--

ORDERS BY THE GOVERNOR: MANIPUR

Imphal, the DD MM YYYY

No. XXXXXXXXXX: The Governor of Manipur is pleased to accord administrative approval and expenditure sanction to an amount not exceeding Rs. \_\_\_\_\_/- (in words) being Grant-in-Aid (Salary/Non-Salary/Creation of Capital Assets) for (*purpose of sanction*) payable to (*the name of the Grant-in-Aid Body*).

2. The release of the fund is subjected to the following terms and conditions:

- a) Fund disbursement/transfer under the scheme shall be made through the Public Financial Management System (PFMS) – (*if applicable*).
- b) Fund disbursement by the implementing agency shall follow the scheme guideline or utilization guideline – (*if relevant*).
- c) Fund shall be utilized only for the purpose of (*mention purpose clearly*)
- d) The expenditure shall not exceed the budget allocated.
- e) Any deviation/non-compliance of instructions/guidelines shall affect the further distribution of funds.

(*Departments may include other relevant conditions not mentioned above*).

3. The Grant shall be utilized for the purpose for recurring/ non-recurring expenses (*The nature of grant should be indicated i.e. recurring or non-recurring*). If the grant is non-recurring, the released fund should be utilized by DD/MM/YYYY for the purpose for which it is released (*Time limit for utilization if the grant is non-recurring*).

The unspent balance of previous year's grant has been surrendered to Government or has been taken into account in sanctioning subsequent grant (*whichever is applicable in respect of recurring grant*).

4. The amount shall be drawn by the concerned DDO (*name of DDO concerned*), Manipur and disbursed to the (*Name of the GLA Body*).

5. The Grantee shall submit the Utilization Certificate in the prescribed form GFR-12-A duly signed by the Head of the Institution/ Grantee latest by DD/MM/YYYY and countersigned by the Director, Local Fund Audit, Manipur (*for GLA funded out of State funds*). The Utilization Certificate in respect of grants should disclose whether the specified, quantified and qualitative targets that should have been reached against the amount utilized were reached, and if not, the reasons there for.

6. The Grantee shall furnish an Audited Statement of Accounts of the financial year before DD/MM/YYYY to the sanctioning authority.

7. The Account of the Grantee Body will be open for inspection by the Sanctioning Authority. The Account shall also be audited by the Directorate of Local Fund Audit, Manipur and the Comptroller & Auditor General (CAG), India.

7. The expenditure involved is debitable to  
Demand No.-  
Major Head-  
Sub-Major-  
Minor-  
Sub-Head-  
Detailed-  
Object-

8. This is issued with the concurrence of Finance Department (FX), Government of Manipur vide their UO No. XXXXXXXXXX dated DD MM YYYY.

By orders & in the name of the Governor,

(XXXXXXXXXXXX)  
Administrative Secretary/ Head of Department  
(DDDDDD)  
Government of Manipur

Copy to:-

- 1.
- 2.
- 3.
- 4.
- 5.

No.9/1/2020-FX (LFA)  
GOVERNMENT OF MANIPUR  
SECRETARIAT: FINANCE DEPARTMENT  
(Expenditure Section)

**OFFICE MEMORANDUM**

Imphal, the 5<sup>th</sup> September, 2020

**Subject: Maintenance of proper accounts by Grants-in-Aid Bodies (Local Bodies Autonomous Bodies, other Non-Government Offices) and Government offices & submission of Utilisation Certificates by Autonomous Bodies, for Loans and by State Government and audit by Local Fund Audit (LFA): Regarding.**

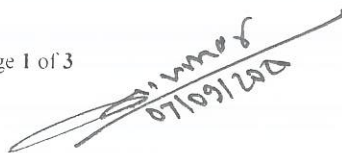
As a general principle Grants-in-aid can be given to a person or a public body or an institution having a distinct legal entity. Thus Grants-in-aid can be sanctioned by an authority competent to do so to different organisations or institutions including individuals.

2. The General Principles governing disbursement, maintenance of accounts and submission of Utilisation Certificate for Grants-in-aid bodies are clearly stipulated under **Rule No.228 to 245 of the General Financial Rules, 2017.**

3. In this connection, attention is invited to observation of the 14<sup>th</sup> Finance Commission wherein the Commission had observed that proper accounts are the starting point for financial accountability. **The Commission had further observed that non-maintenance or delayed compilation of annual accounts means compromised accountability. It was also the opinion of the Commission that continuously seeking an ever increasing share of public moneys and yet continue to keep themselves beyond the ambit of accountability and responsibility for the public money placed with them is not only inconceivable, an certainly undesirable.**

4. Though the Commission's observation was made in light of financing of Local Bodies in India, the observation can be applied to every organisation funded out of public money. The 15<sup>th</sup> Finance Commission has also highlighted that timely availability of audited accounts continues to be a persistent problems.

5. Attention is also invited to O.M. No.G-25018/1/2014-15/MF-CGA/FA/OM-IGAS-2 & 3/1089 dated 18<sup>th</sup> March,2015 of Ministry of Finance, Government of India whereby the Ministry notified the Indian Government Accounting Standard(IGAS) 2 on " Accounting and Classification of Grants-in-aid". IGAS-2 prescribes principles of accounting and classification of Grants-in-aid in the Financial Statements of Government. It stipulates that henceforth, all grants-in-aid shall be distinguished by appropriate sub-classification i.e. grants paid for operating expenditure and grants paid for capital creation of capital assets.

  
07/09/2020

6. The maintenance of Grants-in-aid in proper format by Grantee Institutions has been necessitated to not only ensure proper and correct reflection of Grants-in-aid received by the State/Local bodies, etc but also detect the funds deployed in productive areas by creation of Capital Assets out of funds received as Grants-in-aid. **Statement Number 9 & Appendix III of the Finance Accounts of the Comptroller and Auditor General which concerns Grants-in-aid funds is maintained on the lines of format of IGAS-2( format enclosed as Annexure).**

7. In order to bring greater transparency and convenience in accounting, utilisation and auditing of Grants-in-aid funds, all Departments and grantee institutions including Local Bodies( ZPs, GPs, ADCs) shall maintain Register of Grants and shall submit information in accordance with IGAS-2 to the Accountant General(A&E), Manipur

- a) A Register of Grant-in-Aid is to be maintained in Annexure - I by the Drawing Officer of the Administrative Department ;
- b) the grantee institutions should maintain a Register in Annexure - II of the permanent and Semi-permanent assets acquired wholly or substantially out of Government grants. The Register should be maintained by the grantee institutions separately in respect of each Sanctioning Authority and a copy thereof furnished to the Sanctioning Authority annually.
- c) The Sanctioning Authorities should also maintain accounts of Permanent and Semi-permanent assets acquired wholly or substantially out of Government grants in Annexure - III. This record is of a permanent nature and should be posted from the annual return furnished by the grantee institutions.
- d) The Register of Assets and the Register of Block Accounts maintained by the grantee institutions and the Sanctioning Authorities respectively should be open to scrutiny by audit.
- e) An undertaking should be obtained by the Sanctioning Authorities from the grantee institutions to the effect that they (the institutions) agree to be governed by the conditions of the grants which result in the creation or acquisition of permanent or Semi-permanent assets.
- f) In respect of grants to non-Government or quasi-Government bodies or institutions the assets should not, without prior sanction of Government be disposed of or encumbered or utilized for purpose other than those for which grants are sanctioned. This condition may be laid down in the orders sanctioning Grants- in-Aid. Assets for the above purpose should mean (a) immovable property and (b) movable property of a capital nature where the value exceeds ₹50,000.
- g) Based on the information available in the Register maintained in Annexure - I by the Sanctioning Authority, the Drawing Officer shall submit the information required in Indian Government Accounting Standards (IGAS-2) in respect of Grant-in-Aid released during the previous financial year (t-1) in Annexure - V to the Accountant-General (A&E), Manipur by 30th April of the succeeding financial year (t -1).

8. Regarding submission of Utilisation Certificates, it shall be submitted as per Form No. GFR 12-A and GFR 12-C of the General Financial Rules, 2017. Further, UCs submitted by Grants-in-aid bodies shall carry the counter-signature of the Director, LFA, Manipur or Joint

A handwritten signature in blue ink is written over a date. The date is 07/09/2023.

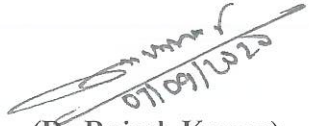
Director, LFA, Manipur in case the former is not available. However, this shall apply only in cases where Grants-in-aid are funded out of State Fund.

9. Attention is also invited of the Directorate of Local Fund Audit (LFA), Manipur to Notification No.6/12/2010-FC dated 24<sup>th</sup> February, 2010. Through the Notification the State Government had, inter alia, entrusted Technical Guidance and Support (TGS) function to the Comptroller and Auditor General of India. The TGS is a collaborative arrangement between the Local Fund Auditor and the Comptroller and Auditor General (CAG) of India for auditing the accounts of PRIs and ULBs. Director, Local Fund Audit, Manipur is requested to strictly adhere to the guidelines under TGS.

10. Regarding auditing of Government offices and Grants-in-aid bodies including Local Bodies by Local Fund Audit, Manipur, the guidelines issued earlier vide U.O. No.4/11/2016-LFA dated 16<sup>th</sup> August,2016 and O.M. No.4/11/2016-LFA dated 19<sup>th</sup> June,2018 shall continue to be enforced.


11. Attention is also drawn to Video Conference held on 16<sup>th</sup> April, 2020 chaired by Secretary, Ministry of Panchayati Raj, Government of India. It was decided in the meeting that PRIs can utilise the service of Chartered Accountants empanelled with AG and duly authorised by Director, Local Fund Audit, Manipur.

12. This has come into force with immediate effect.

  
(Dr. Rajesh Kumar)  
Chief Secretary (i/c Finance)  
Government of Manipur

Copy to:

1. Secretary to the Hon'ble Governor, Manipur
2. Secretary to the Chief Minister, Manipur
3. PRO to the Dy.Chief Minister(i/c Finance), Manipur
4. All Cabinet Ministers, Government of Manipur
5. Staff Officer to the Chief Secretary, Government of Manipur
6. All Additional Chief Secretaries, Government of Manipur
7. Principal Accountant General(Audit), Manipur
8. Principal Accountant General(A&E), Manipur
9. All Principal Secretaries, Government of Manipur
10. All Commissioners/Secretaries, Government of Manipur
11. All Head of Departments, Manipur. They are requested to strictly follow the provisions of the O.M. and inform all Grants-in-Aid bodies under their administrative control.
12. Director, Local Fund Audit, Manipur for information and compliance.
13. DIT,4<sup>th</sup> Floor, New Secretariat for uploading in Manipur Government website.
14. Relevant file.

  
(Kimjalhai Kipgen)  
Joint Secretary (Finance)  
Government of Manipur