

GOVERNMENT OF ANDHRA PRADESH
FINANCE (FMU-TR&B) DEPARTMENT

U.O.Note.No.(2569644) FMU0MISC/428/2024-FMU-TR-B Dt.27.09.2024

Sub: Finance Department —instructions on cancellation/continuation of works already sanctioned and clearing of bills thereof—Issued.

It is noted that large number of engineering works/projects were sanctioned by relaxation of FRBM norms resulting in huge pending work bills to the tune of Rs.39,000 Crores and these are ending up in the court cases turning into Contempt of Court cases for non-payment of the same.

2. Further under several detailed budget heads of sanction, the spill over commitments of Departments for the current year has already exceeded the AP FRBM norms of three times the budget estimates due to the accumulation of liabilities and sanctions issued in previous years. This has created uncertainty in the payment cycle, causing apprehensions for contractors undertaking works in the backward and tribal regions. As a result, the development of infrastructure in these areas is also being impacted negating them the fruits of development.
3. In view of the circumstances stated above, there is a need of prioritising the projects by thorough review of the ongoing projects for their relevance duly taking into account of the priorities of the government.
4. It is, therefore, decided that all Departments shall observe the following guidelines / instructions.
 - i. All works, except EAP / NABARD / CSS sanctioned prior to 01-04-2024, but not grounded shall stand cancelled immediately.
 - ii. All works, except EAP/NABARD /CSS sanctioned prior to 01-04-2024 value of work done and recorded is less than 25% of the agreement value shall be closed at safer stage. This exercise shall be completed and orders to this effect from the appropriate authority shall be obtained by 31.10.2024 and Payments may be processed in this regard only after obtaining work closure orders.
5. Special Chief Secretaries / Principal Secretaries / Secretaries / HODs are requested to take a thorough review of works as specified above. If Business Rules have been moderated or overruled, steps have to be initiated for obtaining orders from appropriate authorities afresh.
6. The Director of Works Accounts is requested to issue instructions to all the Pay & Accounts Officers / Asst. Pay & Accounts officers to clear the

bills subject to certifying the bills as per the above guidelines by the DDOs concerned. The Director, Treasures & Accounts and Pay and Accounts Officer shall take necessary action accordingly.

7. All the Departments of Secretariat / Head of Departments / Director of Works & Accounts shall take necessary action as per the above instructions.

PEEYUSH KUMAR IAS
PRINCIPAL SECRETARY TO GOVERNMENT.

To
All the Administrative Departments of Secretariat, A.P., Amaravati.
All the Heads of Departments;
The Director of Works and Accounts, Andhra Pradesh
The Director of Treasuries & Accounts, A.P.
The Pay and Accounts Officer, A.P.
Copy to:
The P.S. to Chief Secretary to Government.
All Officers in Finance Department.

//FORWARDED :: BY ORDER//


SECTION OFFICER
