



**GOVERNMENT OF KERALA**  
**Finance (SS) Department**

**CIRCULAR**

No.40/2018/Fin.

Dated, Thiruvananthapuram, 07.05.2018.

***Sub:- Ways and Means position of the State - Measures to streamline liquidity management for the financial year 2018-2019 – Reg.***

With an objective to streamline liquidity management of the State, Govt have decided to bring in force the following general guidelines pertaining to treasury transactions with immediate effect.

(i) Expenditure from the Consolidated Fund of the State by various Government Departments up to 1 Crore for payment to end beneficiaries i.e, contractors, suppliers & individual beneficiaries would be made without Ways and Means Clearance. Any payment above 1 Crore would require Ways and Means Clearance.

(ii) The ceiling of Rs.1 Crore, however would not be applicable for payment under the following items:

" Salary, Wages, Honorarium, Allowances, Pension & Other retirement Benefits, General Provident Fund (Closure, Non Refundable Advance and Temporary Advance), House Building Advance, Kerala Govt Employees Group Insurance Scheme, Kerala Govt Employees State Life Insurance, Prize money of lottery, State Disaster Response Fund, Remuneration to National Savings Mahila Pradhan Kshetriya Bachat Yojana /Standardised Agency System Agents, Payments having statutory nature such as Service Tax and Tax Deducted at Source, Statutory repayments of the Government, Payments relating to Calamity/Disaster Relief, Advance from Contingency Fund, Compensation and refunds on Sales Tax/Value Added Tax/Agricultural Income Tax, disbursement of stipend/scholarships, payments on the basis of court decree, fuel charge, electricity charge, mess charge, dietary charge, kerosene subsidy to fishermen, payment against medicine supply, withdrawal of Medical Re-reimbursement and Interest Free Medical Advances, lump sum grant for Scheduled Caste/Scheduled Tribe students, payment of social welfare pensions including that disbursed by Welfare Boards, payment of unemployment allowance, diesel subsidy to Kerala Water Transport Department, Employees' State Insurance Scheme, transactions of Kerala Rail Development Corporation, Life Mission, withdrawal of interest on Fixed Deposits of individuals/firms/Public Sector Undertakings/Welfare Boards/Govt Institutions including transfer credit to Treasury accounts and withdrawal therefrom, withdrawal of funds from the Treasury Savings Bank accounts of District Collectors maintained for the purpose of Chief Minister's Distress Relief Fund."

(iii) There would be no restriction for transferring Non Plan grant released with the approval of Government to the Special Treasury Savings Bank account and from there to bank account of the Grant-in-aid Institutions. These relaxations would be subjected to production of proceedings of the Drawing & Disbursing Officer substantiating the transfer of fund.

(iv) There would be no restriction for transfer crediting plan fund from the Consolidated Fund of the State to Plan Scheme Treasury Savings Bank (PSTSB) account opened exclusively for Plan schemes.

(v) Any withdrawal from Treasury accounts including PSTSB, STSB, PD accounts, etc. would be permitted for payments to end beneficiary with the issue of proceedings up to a limit of Rs 1 Crore without Ways and Means clearance. Any daily payment above this amount would require Ways & Means Clearance. Grant in Aid Institutions paying salary from such account would be allowed to undertake withdrawal for the purpose of payment of salary, wages, honorarium, allowances, mandatory withdrawals for Provident Fund, LIC, Tax Deducted at Source, pension, electricity charge, fuel charge and water charge against issue of proceedings without any upper limit and without Ways & Means Clearance.

(vi) Withdrawal by Lottery department from their STSB account for remitting Goods and Service Tax is also exempted from all treasury restrictions. Also, there would be no restriction for transfer credit to PWD deposit head of account from Consolidated Fund of the State.

(vii) All the bills against Letter of Credit would be cleared without any upper limit and Ways & Means clearance.

(viii) There would be no restrictions on withdrawal of funds by individuals in TSB Accounts and Fixed Deposits.

(ix) There would be no restrictions for transfer credit from "2075-00-800-72-02" to existing STSB account of institutions concerned as a part of reallocation of fund (own fund) resumed in the last fiscal 2017-2018 ordered in Circular No.25/2018/Fin. dated 03.04.2018.

(x) Transactions of Externally Assisted Projects / schemes (bills & cheques supported with proceedings) are exempted from all treasury restrictions.

(xi) Transfer credit from Consolidated Fund of the State to treasury account and withdrawal there from by Local Self Government Institutions would be exempted from all treasury restrictions subject to submission of proceedings to bear out the transaction.

(xii) The above instructions would be in force until further orders are issued and are applicable for all the working days.

The Director of Treasuries would take urgent steps to ensure strict adherence to the directions by all treasury officers. Any lapse in this regard would be viewed seriously.

**Manoj Joshi,**  
**Principal Secretary (Finance)**

To

The Accountant General (A&E), Kerala, Thiruvananthapuram.

The Accountant General (G&SSA), Kerala, Thiruvananthapuram.  
The Principal Accountant General (E&RSA), Kerala, Thiruvananthapuram.  
All Heads of Departments and Offices.  
All Departments (All Sections) of Secretariat  
The Secretary, Kerala Public Service Commission, Thiruvananthapuram (with C.L)  
The Registrar, High Court of Kerala, Ernakulam (with C.L.).  
The Advocate General, Ernakulam (with C.L.)  
The Registrar, Kerala Agricultural University, Thrissur (with C.L.)  
The Registrar, University of Kerala/Cochin/Calicut/Mahatma Gandhi/Kannur (with C.L.).  
The Secretary, Kerala State Electricity Board, Thiruvananthapuram (with C.L.).  
The General Manager, Kerala State Road Transport Corporation, Thiruvananthapuram (with CL).  
All Secretaries, Additional Secretaries, Joint Secretaries, Deputy Secretaries and Under Secretaries to Government  
The Private Secretaries to Chief Minister, other Ministers and Leader of Opposition  
The Secretary to Governor.  
The Additional Secretary to Chief Secretary.  
The Private Secretary to Speaker/Deputy Speaker  
The Director of Public Relations, Thiruvananthapuram  
The Director of Treasuries, Thiruvananthapuram  
The Nodal Officer, [www.finance.kerala.gov.in](http://www.finance.kerala.gov.in)  
The Stock file/ Office copy.

Forwarded / By Order,

  
Accounts Officer.