

GOVERNMENT OF KARNATAKA

No. FD 1 TCE 2010

Karnataka Government Secretariat

Vidhana Soudha

Bangalore, dated: 21-12-2010.

CIRCULAR

Sub: Drawal of amounts on A.C. bills – Enhancement of
Limitation for certain items of expenditure.

In Circular No. FD 2 TTC 97 dated:28-1-1999 it was directed that drawal of funds on A.C bills beyond Rs.1.00 lakh would require not only sanction of Controlling Officer but also Express permission of Finance Department. This limit has been enhanced to Rs.2.00 lakh vide Circular No. FD 1 TCE 2010 dated:11-6-2010.

The maximum limit to draw on A.C. bills was relaxed in respect of following items vide Circular No. FD 2 TTC 97 dated: 25-3-1999:

- (i) Purchase of food items for : Upto the limit of Rs.7.00 lakhs
Anganavadis
- (ii) Purchase of Vehicles : No limit

Again having considered difficulties faced by various departments, general clearance to draw on A.C. bills has been given for the following items vide Circular No. FD 3 TTC 2000 dated:29-5-2000.

- (i) Election Expenditure of all kinds
- (ii) Conducting of exam by KPSC, SSLC Board, P.U. Board
- (iii) Expenditure by the Principal, DSERT for physically Handicapped students (CSS Scheme)
- (iv) Expenditure towards purchase of M.G. White pulp Board and creamove paper for printing of ILR-Karnataka Services and Karnataka Theerpugala Varadi under Law Report Act. 1875 (Secretary, Karnataka Law Reporting Council)

Further in Circular No. FD 1 TTC 2002 dated:18-7-2002, NCC Department has been exempted from the limit of Rs.1.00 lakh for drawal of amount on A.C. bill for expenditure connected with conduct of training camps for the students and Republic day camp expenditure.

However, in order to comprehensively list the exemptions with upper limits of expenditure for drawal on A.C. Bills and in supersession of all the above circulars dated:25-3-1999, 29-5-2000 and 18-7-2002, the limits of Rs.2.00 lakhs prescribed for drawal on A.C. Bills is relaxed in respect of following items only, subject to observing normal checks and procedures as per provisions of KFC/KTC/MCE and availability of grants.

Sl. No.	Item	Relaxation limit for drawal on A.C. Bill
1	Purchase of food items for Anganavadis	Upto the limit of Rs.20.00 lakhs
2	Purchase of vehicles	Upto the limit of Rs.25.00 lakhs
3	Election Expenditure of all kinds	No limit.
4	Conducting of Exam by KPSC, SSLC Board, P.U. Board	Upto the limit of Rs.50.00 lakhs
5	For conducting Training camps by NCC	Upto the limit of Rs.10.00 lakhs

For all other items of expenditure, the drawal limit of Rs.2.00 lakhs on the A.C. bills must be maintained.

21/2/2010
(C. SHAMARAO)
Deputy Secretary to Government,
(FR&BCC)
Finance Department.

To

1. The Principal Accountant General (A&E), Karnataka, Bangalore.
2. All Principal Secretaries/Secretaries to Government.
3. All Head of Departments.
4. All Deputy Commissioners of District.
5. All Chief Executive Officers of Zilla Panchayats.
6. The Director of Treasuries, Bangalore.
7. The Joint Director, State Huzur Treasury, Bangalore.
8. All District Treasury Officers.
9. The Deputy Director, TNMC, Khanija Bhavan, Race Course Road, Bangalore.
- 10) All Internal Financial Advisors.
- 11) All Additional Secretaries/Joint Secretaries/Deputy Secretaries/
Under Secretaries/Sections in Finance Department.
- 12) Spare copies/SGF.