



कैस संदेश संख्या 1226 / भा.क.अ.प. मुख्या.
 दिनांक 24/02/2015
 पृष्ठों की संख्या 02

INDIAN COUNCIL OF AGRICULTURAL RESEARCH
 KRISHI BHAVAN, NEW DELHI

F.No. Fin/21/01/2015-CDN (A&A)

Dated the 23rd Feb, 2015

OFFICE MEMORANDUM

Subject: Operational Guidelines for Revolving Fund Schemes, including on-going AP Cess Revolving Fund Schemes.

The Revolving Fund guidelines formulated in the year 1996 basically related to A.P. Cess Fund Scheme. The said guidelines were modified in the year 2009 vide Council's letter No. 6(4)-2007 dated 7th July, 2009. The A.P. Cess fund scheme has since come to an end. However, many of the Revolving Fund Schemes (RFS) initiated with A.P. Cess fund are yet to be closed. Further, a number of Revolving Fund Schemes have been sanctioned under Plan Fund with some specific mandate. However, no operational guidelines have been formulated for these schemes. Therefore, in order to have uniformity in the financial monitoring/accounting, the following operational guidelines will come into force with immediate effect, both for the yet to be closed A.P. Cess Fund as well as the Revolving Fund Schemes sanctioned under the Plan Fund.

- a. Depending upon the objective for which the Revolving Funds have been set up and the performance of the Funds so far, immediate review would be done whether to continue the fund or close the same. Thereafter, such review should be carried out after every five years or at the beginning of each 5 Year Plan. After the review, proposal for continuation, if any, would be submitted by concerned institute through SMD for obtaining the approval of competent authority in consultation with Finance Division (GA Section) of the Council.
- b. However, if a RFS incurs net loss, in any financial year, instead of reviewing the scheme after five year, the same should be reviewed immediately after the close of the financial year in which loss has been reported. The institute concerned, would submit a detailed report in this regard to the SMD. In case, the same is to be continued, a detailed proposal along with justification would be moved by the concerned SMD, in consultation with Finance Division (GA Section) of the Council, for seeking approval of the Competent Authority.
- c. A separate Profit & Loss A/c along with Balance Sheet of the scheme is to be prepared by the Head of the Institution concerned and sent to the GA Section of the Finance Division of the Council by 30th April for financial monitoring.
- d. While preparing Profit & Loss and Balance Sheet, the F&AO concerned would ensure that all the expenditures incurred on the activities relating to RFS, such as, salary/part salary of the In-charge and other officers/staff, TA/DA, Contingencies, costs of inputs, overhead expenses, wages etc. are charged to the RFS and not to Govt. Grant such as Plan, Non-Plan, etc.

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- e. Where Revolving Fund has been set up for generating internal resources, the Non-Plan grant to extent of the balance of Revolving Fund would be adjusted.
- f. All the Revolving Funds Schemes would be periodically audited by the Inspection Unit of ICAR Hqrs. Finance Division/IPAI/empanelled CA firm. The Institutes, on the basis of the observations in the Inspection Report, will take required follow up/corrective measures for compliance.
- g. The guidelines for reflecting the transactions of Revolving Fund in the Annual Accounts of Institute would be issued by ICAR Hqrs. from time to time, alongwith the guidelines of preparation and submission of Annual Accounts of the Institutes, which would be required to be followed.

This issues with the concurrence of SS & FA (DARE/ICAR) & DG (ICAR).

Devendra Kumar
(Devendra Kumar)
Director (Fin)

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