



## **ABSTRACT**

**FUNDS – State Innovative Fund – Implementation of Innovative Schemes – Operational Guidelines for sanction of funds – Orders – Issued.**

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### **PLANNING, DEVELOPMENT AND SPECIAL INITIATIVES (SP.1) DEPARTMENT**

**G.O. (MS) No.153**

**Dated: 23.12.2014.  
Jaya, Margazhi – 8.  
Thiruvalluvar Aandu 2045.**

**Read:**

- Ref: 1. G.O.Ms.No.93, Planning, Development and Special Initiatives (SP.1) Department, Dated: 26.9.2014.
2. G.O.Ms.No.124, Planning, Development and Special Initiatives (SP.1) Department, Dated: 24.10.2014.

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### **ORDER:**

In the Government order, first read above, orders were issued for constituting a State Innovation Fund by restructuring the existing Part-II Schemes (New Schemes) from the financial year 2015-2016 with an initial corpus of ₹ 150 crores. It has also been ordered that, upto five percent from the State Innovation Fund will be utilized for other activities including awards, capacity building, awareness building, evaluation and documentation.

2) In the Government order second read above, detailed guidelines were issued for identification and implementation of innovative schemes. In the above guidelines, it has been indicated that, the fund will be operated as a separate non-lapsable Fund within the Public Account. At the beginning of the year, it would be credited with ₹ 150 crores or such amount as the Government may determine. As and when innovative schemes are approved, the Finance Department will allocate a separate sub-head of account in the Consolidated Fund by debiting the Fund account and the expenditure would be incurred by drawal from the PAO/ Treasury. Any unutilized balance in the Fund would be carried over into the next financial year and would be available for sanctioning innovative schemes in the subsequent year. In the case of the five percent funds set apart for capacity building, evaluation, documentation and awareness building, five percent of the budget provision made in the year for the State Innovation Fund will be transferred from the Fund account into a separate head of account under the control of the State Planning Commission. Any unutilized balance at the end of the year would be transferred back to the Fund Account for accumulation and carry over into the subsequent year.

(P.T.O.)

3) Accordingly, the Government now issues the following accounting procedure for transactions under the State Innovation Fund.

- i) The annual allocation to the State Innovation Fund shall be made under the following new Revenue Expenditure head of account opened under Grant No. 36. Planning, Development and Special Initiatives Department: HOD: 04 State Planning Commission.

“3475.00.Other General Economic Services– 797. Transfer to Reserve Funds/ Deposit Accounts– II.State Plan– JA.Amount Transferred to State Innovation Fund– 30.Inter Accounts Transfer (DPC 3475 00 797 JA 3002)”.

- ii) The provision so made shall be credited to the State Innovation Fund in Part-III-Public Account under the following new head of account opened under Demand No: 36, Planning, Development and Special Initiatives Department: HOD 04: State Planning Commission.

J. Reserve Fund.

(b). Reserve Funds not bearing interest.

“8229.00.Development and Welfare Funds– 200.Other Development and Welfare Funds- BE.State Innovation Fund”.

(DPC 8229 00 200 BE 000E)	(Receipts)
(DPC 8229 00 200 BE 0006)	(Outgo)

- iii) As the expenditure are to be sanctioned from State Innovation Fund for innovative schemes to the eligible lead agencies like State Government Departments, Local Bodies, State Public Sector Undertakings, Statutory Boards formed by the State, State Co-operative Institutions, State Universities and Societies formed by the State, the expenditure shall be classified under the functional major head of the department concerned in the respective Demands for Grants by duly opening a sub-head viz., “Schemes under State Innovation Fund – (Name of the Implementing Agency)” under a suitable sub-major and minor heads.

- iv) The following ‘Deduct’ minor head/ sub-head shall be opened under the respective functional major/ sub-major head for meeting the earmarked expenditure as reimbursement from the Reserve Fund.

“902.Deduct– amount met from Reserve Fund– II State Plan– (Alpha). Deduct– Amount met from State Innovation Fund– 30.Inter Accounts Transfer.”

- v) The expenditure out of five percent of annual budget allocation to the Fund set apart for awareness building, capacity building, evaluation, documentation and awards shall be debited under the suitable detailed head under the following new head of account opened under Grant No.36, Planning, Development and Special Initiatives Department: HOD 04: State Planning Commission.

“3475.00.Other General Economic Services– 800.Other Expenditure– II.State Plan- JI.Awareness building, capacity building, evaluation, documentation and awards for innovation (DPC 3475 00 800 JI 0000)”.

- vi) The following new 'Deduct' sub-head shall also be opened under Grant No.36, Planning, Development and Special Initiatives Department: HOD: 04 State Planning Commission for meeting the earmarked expenditure as reimbursement from the Reserve Fund.

"3475.00.Other General Economic Services- 902.Deduct- amount met from Reserve Fund- JA.Deduct- Amount met from State Innovation Fund- 30.Inter Accounts Transfer (DPC 3475 00 902 JA 3007)"

Any unutilized balance in the above amount at the end of the year would be transferred back to the Fund Account.

4) The Member-Secretary, State Planning Commission shall be the estimating, reconciling and controlling authority for the new head of account.

5) The Pay and Accounts Officers and Treasury Officers shall open the above new heads of account in their accounts.

6) The Member-Secretary, State Planning Commission shall furnish the particulars of the amount to be credited to the State Innovation Fund and the statement of expenditure to be met from the fund at the close of each financial year to the Accountant General.

7) The accounts of the State Innovation Fund shall be audited by the Accountant General or such auditor as Comptroller and Auditor General may suggest.

**(BY ORDER OF THE GOVERNOR)**

**S.KRISHNAN  
PRINCIPAL SECRETARY TO GOVERNMENT.**

To

The Member-Secretary, State Planning Commission, Chepauk, Chennai-5.

✓ All Secretaries to Government, Secretariat, Chennai-9.

All Departments of Secretariat, Chennai-9.

All Head of Departments.

All Public Sector Undertakings.

All Universities.

All District Collectors.

The Accountant General (A&E), Chennai-18.

The Pay and Accounts Officer (East), Chennai-5.

The Pay and Accounts Officer (South), Chennai.

The Pay and Accounts Officer, Madurai.

All District Treasuries/ Treasuries.

Copy to:

The Principal Secretary to the Hon'ble Chief Minister, Secretariat, Chennai-9.

The Senior Personal Assistant to the Hon'ble Minister (Finance), Secretariat, Chennai-9.

The Private Secretary to the Chief Secretary, Secretariat, Chennai-9.

The Senior Private Secretary to the Principal Secretary to Government,

Planning, Development and Special Initiatives Department, Secretariat, Chennai-9.

The Finance (Public/ BGII) Department, Secretariat, Chennai-9.

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**// FORWARDED/ BY ORDER //**

*R. Sankaran*  
23.12.14.

**SECTION OFFICER.**

*23/12/14*