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THE TAMIL NADU FINANCIAL CODE

VOLUME I

EIGHTH EDITION

(Corrected upto 31st July 1991)

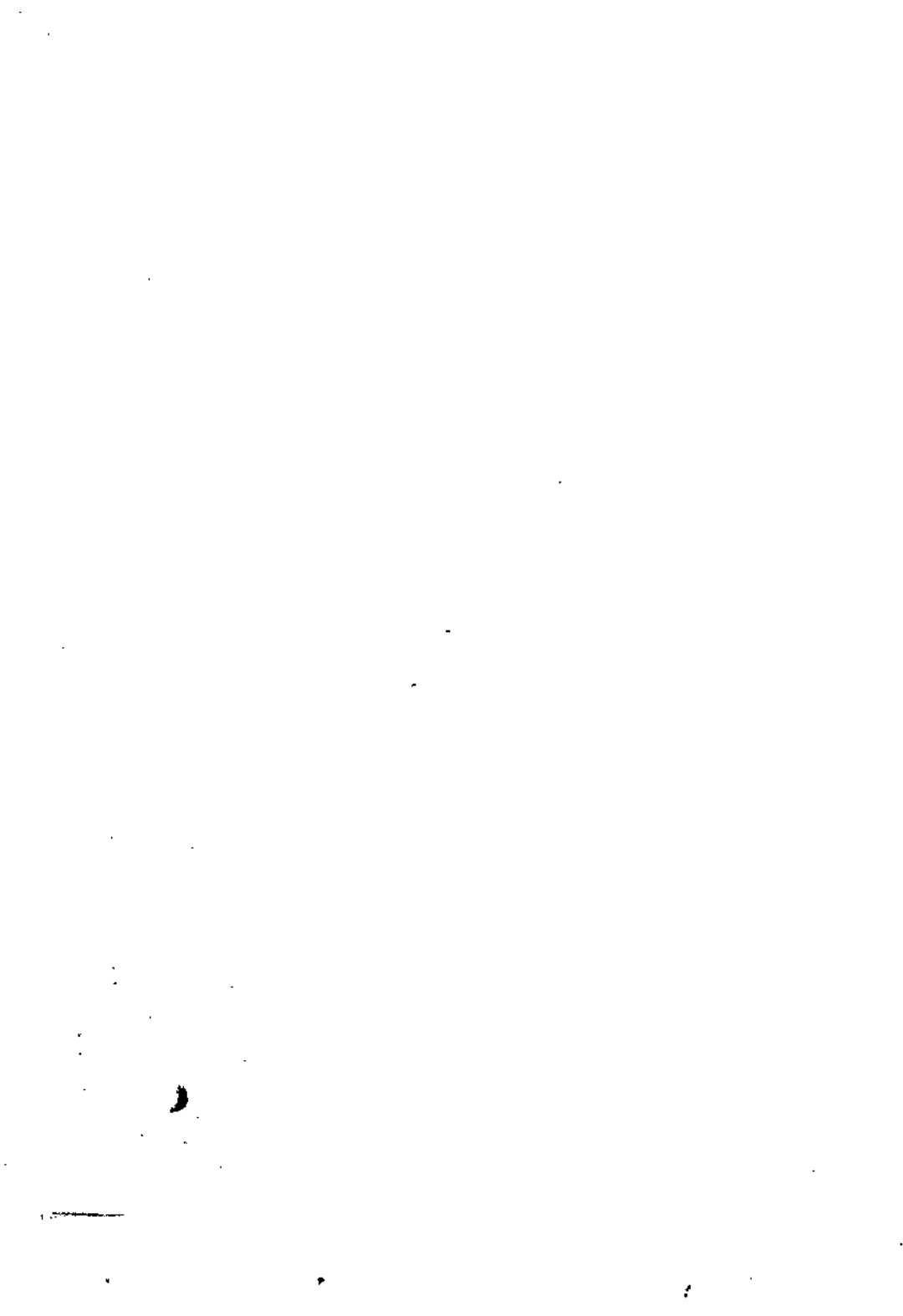


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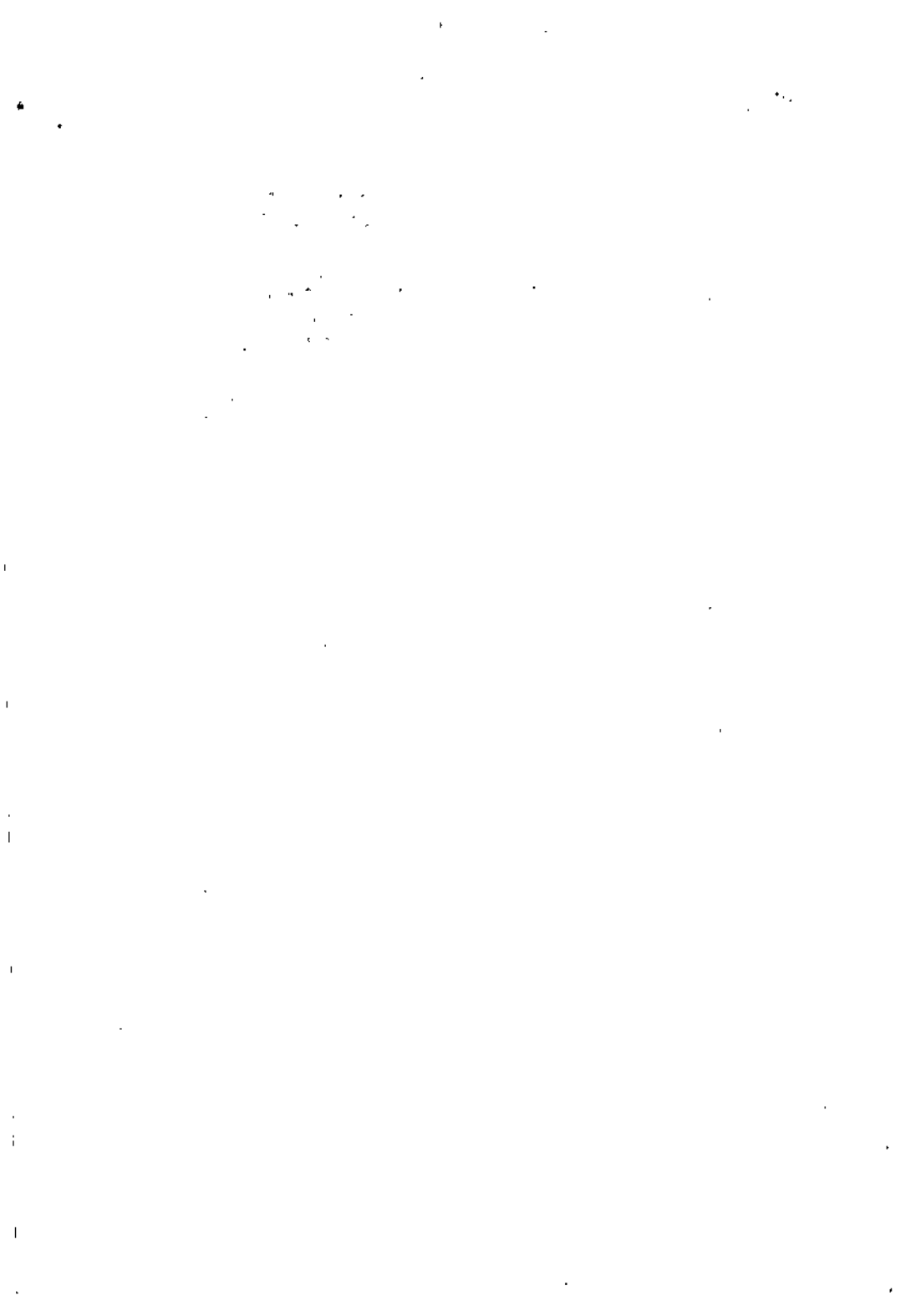
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PREFACE TO THE EIGHTH EDITION.

The previous edition of this Code stands corrected upto 30th June 1980.

This edition has been revised incorporating all the amendments issued during the period from 1st July 1980 to 31st July 1991.

Errors or omissions, if any, found in the Volume may be brought to the notice of the Secretary to Government, Finance Department.

Finance Department,
Government of Tamil Nadu,
Madras-9,
July 1991.

N. NARAYANAN
SECRETARY TO GOVERNMENT

THE TAMIL NADU FINANCIAL CODE

Volume I

CHAPTER I-INTRODUCTORY

General

The Government's financial transactions, like those of every person or body, fall into the two broad classes of receipts and disbursements. The Government's receipts comprise the ordinary revenues derived from taxes, duties, fees, fines and similar items of current Government income and also receipts that are of a deposit or banking nature, including repayments of loans and advances. The Government's disbursements comprise expenditure out of the ordinary revenues, capital expenditure and also payments that are of a banking nature, including loans, advances and repayments of deposits.

Receipts

2. Every Government servant who is entrusted with the duty of collecting any revenues due to the Government should assess the demands carefully and collect the revenues promptly. He should maintain proper accounts of the collections, watch the progress of collections against the total demand and take prompt steps to collect all arrears. If, in spite of taking all possible steps, some arrears still remain uncollected and he is satisfied that any portion of them is quite irrecoverable, he should apply at once to the competent authority for sanction to write off the irrecoverable arrears. These principles apply equally to the recovery of loans and advances made by the Government.

Expenditure

3. No Government servant may incur any item of expenditure from public funds unless the following two conditions are both satisfied:-

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[3-cont.]

(a) the expenditure must have been sanctioned by a general or special order of the authority competent to sanction such expenditure and

(b) sufficient funds must have been provided for the expenditure in the Appropriation Act(s) for the current financial year or by a reappropriation of funds sanctioned by the authority competent to sanction such a reappropriation. The two conditions are independent and it is not sufficient for only one of them to be satisfied. A Government servant must always be sure that both of the conditions are satisfied before he incurs any expenditure from public funds.

Further, every Government servant who incurs or authorises the incurring of any expenditure from public funds should see that it does not contravene the following principles, which are known as the standards of financial propriety:-

(1) The expenditure should not be prima facie more than the occasion demands. Every Government Servant is expected to exercise the same diligence and care in respect of all expenditure from public moneys under his control as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

(2) No Government servant should exercise his powers of sanctioning expenditure so as to pass an order directly to his own advantage.

(3) Public moneys should not be utilized for the benefit of a particular person or section of the community unless -

(i) the amount of the expenditure involved is insignificant, or

(ii) a claim for the amount would be enforced in a court of law, or

(iii) the expenditure is in pursuance of a recognised policy or custom.

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[3-5]

(4) The amount of any allowance, such as a travelling allowance granted to meet expenditure of a particular type, should be so regulated that it is not, on the whole, a source of profit to the recipient.

4. It is the duty of every Government servant not merely to observe complete integrity in financial matters, but also to be constantly watchful to see that the best possible value is obtained for all public funds spent by him or under his control to guard scrupulously against every kind of wasteful expenditure from public funds.

Accounts

5. Every Government servant should see that proper accounts are maintained for all Government financial transactions with which he is concerned and render accurately and promptly all such accounts and returns relating to them as may have been prescribed by the Government to the Accountant-General or the competent departmental authorities. He should check the accounts as frequently as possible in order to see that his subordinates do not commit fraud, misappropriation or any other irregularity. The Government will hold him personally responsible for any loss that may be found to be due to any neglect of the duties laid upon him by the provisions of this Code and the other Financial Codes issued by the Government (see also Chapter XII). The fact that a Government servant has been misled or deceived by a subordinate will in no way mitigate his personal responsibility, since every Government servant should be familiar with the financial rules laid down by the Government and exercise a specially strict and close control over his subordinates, in regard to the use of public funds and the maintenance of proper accounts.

CHAPTER II-DEFINITIONS

[6]

6. In this Code, unless the context requires otherwise, the following words and phrases have the meanings hereby assigned to them. Words and phrases used in this Code which have been defined in the Constitution of India, or in the Rules and Orders framed under the Constitution have the meanings assigned to them in those definitions.

Accountant-General means the head of the office of audit and accounts subordinate to the Comptroller and Auditor-General of India who keeps the accounts of the State and exercises audit functions in relation to those accounts on behalf of the Comptroller and Auditor-General of India.

Administrative approval means the formal acceptance by an administrative department of a proposal that the Public Works Department should incur a specified amount of expenditure on a specified work required by, or in connection with, that administrative department. It amounts to an instruction to the Public Works Department to execute a specified work or works at a specified cost to meet the administrative needs of the department which requires the work (*cf. Technical sanction*).

Appropriation means the amount provided in the budget estimates for a unit of appropriation or the part of that amount placed at the disposal of a disbursing officer.

Appropriation Bill means the Bill introduced in the Legislature to provide for the appropriation out of the Consolidated Fund of the State all moneys required to meet the grants made by the Assembly and the expenditure charged on the Consolidated Fund of the State.

Bank means any office or branch of the Banking Department of the Reserve Bank of India, any branch

DEFINITIONS

[6-cont.]

of the State Bank of India acting as the Agent of the Reserve Bank of India in accordance with the provisions of the Reserve Bank of India Act (2 of 1934) and any branch of a subsidiary Bank as defined in section 2 of the State Bank of India Subsidiary Banks Act, 1959 (38 of 1959), which is authorised to transact Government business as agent of the State Bank of India, or any other Agency appointed by the Reserve Bank of India.

Bank draft (see subsidiary rules 44 and 45 under Treasury Rule 30).

Book adjustment (or book transfer) means the entries made in the Government accounts in respect of a financial transaction which does not involve any actual receipt or disbursement of cash or stores by the Government, so that a disbursement entered under one head (or heads) is exactly counter balanced by a receipt under another head (or heads). A book adjustment may represent a transaction between different departments of the Government or a correction in entries already made in the accounts.

Budget estimates are the detailed estimates of the receipts and disbursements of a financial year.

Cash order means an order issued by a Treasury Officer on a sub-treasury within the district for a payment on the Government Account, or for any authorized purpose, of a specified amount to a specified person.

Centage charges means, in connection with a work which the Government execute on behalf of another Government, a local body or a private party, the charges calculated at a percentage rate on the value of the work done, which the Government recover from the party for whom the work is done towards the cost of the establishment and the tools and plants employed on the work.

DEFINITIONS

[6-cont.]

Central (Agency) Subject)
) (See Article 329)
Central (Agency) transaction)

Cheque means a written order (not expressed to be payable otherwise than on demand) addressed by a person called the "drawer" to a bank or a treasury to pay a specified sum of money to himself or a third party known as "payee", and includes a demand draft drawn on any specified bank or banker (including the Reserve Bank of India).

Collector means the Chief Officer-in-charge of the revenue administration of a district.

Completion (in relation to a work) means the finishing or abandonment of the work.

Consolidated Fund Account means the Accounts of the State into which the revenues received by the Government, loans or ways and means advances taken by the Government, moneys received by the Government in repayment of previous loans, and receipts by issue of treasury bills, are credited and from which the expenditure of the Government, when so authorized by the State Legislature is met.

Contingencies - See Article 91.

Contingency Fund Account means the account of the moneys placed at the disposal of the Governor to enable advances to be made by him for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature under appropriations made by law.

Contingent charges - See Article 91.

Contract means any kind of undertaking, written or verbal, expressed or implied by a person other than a Government servant or by a syndicate or firm to construct, maintain or repair one or

DEFINITIONS

[6-cont.]

more works, to supply certain stores, or to perform any service in connection with the execution of a work or the supply of stores.

Contract documents means the documents required in connection with the giving out of a work on contract (see the Tamil Nadu Public Works Department Code).

Contractor means a person, syndicate or firm that has entered into a contract with the Government.

Controlling Officer means a head of the department or other departmental officer who is entrusted with the responsibility of controlling the incurring of expenditure and/or the collection of revenue by the subordinate authorities of a department.

Disbursing officer means a Government servant who draws money from the treasury on bills or cheques, but excludes a Government servant who is not the head of an office and draws only his own pay and allowances from the treasury.

"Divisional Forest Officer" means any one of the following officers:-

(i) District Forest Officer (ii) Divisional Forest Officer (iii) Wildlife Warden (iv) Forest Utilisation Officer (v) Soil Conservation Officer (vi) Officer-in-charge of Forest Protection Squad (vii) Forest Engineer (viii) Principal, Tamil Nadu Forestry Training School (ix) Deputy Conservator of Forests (Genetics).

Final payment means the last payment on a running account made to a contractor in full settlement of the account relating to his contract when the contract has been completed or determined.

DEFINITIONS

[6-cont.]

Financial propriety - Standards of - See Article 3.

Financial year means the year beginning with the 1st April and ending with the following 31st March.

First and final payment means a single payment made to a contractor in full settlement of the account relating to his contract when the contract has been completed or determined.

Government means the Government of Tamil Nadu.

Government Account means the total of the Consolidated Fund Account, Contingency Fund Account and the Public Account of the State.

Government draft - Bank draft on Government Account - See subsidiary rule 45 under Treasury Rule 30.

Government servant means any person serving in connection with the affairs of the State, whether remunerated by salary or not and includes every person who is authorised to receive, keep, carry or spend moneys on behalf of the Government.

Governor means the Governor of Tamil Nadu.

Head of a department means any Authority specially declared by the Government to be the head of a department (see Appendix 1 of the Tamil Nadu Financial Code, Volume II).

Indian Audit Department means the officers and establishment, being in India and subordinate to the Comptroller and Auditor-General of India, that are employed upon the keeping and audit of the accounts of the Central Government and of the State, or upon one or other of these duties.

DEFINITIONS
[6-cont.]

Inspecting officer means a Government servant who is appointed solely or mainly for performing specified duties of inspection which involve touring over more than one revenue district, and does not include a Government servant who performs inspecting duties occasionally as part of his general supervision of his subordinates.

Local body means a municipality including Madras Corporation, Panchayat Union Council, Townships, Town Panchayats, Village Panchayats, or a Market Committee constituted under the Madras Commercial Crops Markets Act, 1933.

Local fund means-

(1) the moneys received and administered by a body which, though not part of the Government's departmental organisation, has been placed under the control of the Government by a law or a rule having the force of law, whether in regard to its proceedings generally or to specific matters, e.g., its budget, creation of particular posts in its service and appointments to such posts, and the leave, pension and other rules applicable to its servants.

(2) the moneys received and administered by any other specified body when the Government have published a special notification to the effect that they constitute a "local fund" and

(3) the moneys recovered from local bodies for any specified purpose and constituted into a separate fund under any law or rule having the force of provided that the fund is specially notified by the Government law "local fund"

Lumpsum contract - See Article 163.

DEFINITIONS
(6-cont.)

Major Head (Comprising sub-major head where necessary) means a main head of account for the purpose of recording and classifying receipts and disbursements of moneys that enter into the Government Account of State. It indicates functions of the Government such as Agriculture, Education, Health, etc., and correspond to head of development in the plan classification.

Minor Head means the third tier of classification which will conform to the programme undertaken by the various departments of Government.

Market value/Market rate means in respect of an article borne on the stock accounts, the cost per unit at which a stock of the article or a suitable substitute for it could be obtained at the time in question at the stores, godown from the public market from which it could be obtained most advantageously.

Measurement book - See Article 174.

Miscellaneous expenditure means all expenditure other than those falling under pay and allowances, contingencies and works.

Muster roll- See Article 171.

Piece work contract - See Article 163.

Public Account means the account into which all moneys other than those mentioned in the Consolidated Fund Account and the Contingency Fund Account, received by or on behalf of the Government, are credited and from which disbursements are made in accordance with the prescribed rules.

DEFINITIONS

[6-cont.]

Quantity means in connection with works, the extent of work done, supplies furnished or services performed, as measured, weighed or counted.

Rate means, in estimates of cost contractors, bills and vouchers generally, the amount payable for each unit of work; supply or other service.

Re-appropriation means the transfer of savings in the appropriation for a unit of appropriation to meet excess expenditure anticipated under another unit.

Revenue of the State means and includes all moneys received by a Government servant on behalf of the Government; not only the proceeds of taxation and the yield of ordinary revenue but also capital receipts such as the proceeds of sales of land; the proceeds of borrowing operations; unfunded debt and such receipts of a banking or deposit nature as, by virtue of any statutory provision or of any general or special executive order of the Government, have to be held in the custody of the Government.

Running account means an account with a contractor on which payment for work or supplies is made to him at convenient intervals subject to final settlement of the account on the completion or determination of his contract.

State means the State of Tamil Nadu

Stores means all articles, materials (other than cash and documents) and livestock, which come to in the possession of a Government servant for use in the Public service.

Sub-head means the fourth tier of classification which will generally reflect and

DEFINITIONS

[6-cont.]

identify the scheme undertaken in pursuance of the programme represented by a minor head and occasionally administrative set up in the case of non-plan expenditure.

Sub-work means a distinct unit of a large work which comprises several buildings, smaller works or groups of smaller works. For example, the outer wall, the solitary cells, the cook houses, the jailor's quarters, etc., would form separate sub-works when a large central jail is built. The sub-works of a large irrigation canal may include the head works, the main line, each branch of a canal, each group of distributaries relating to each branch separately, the drainage and protective works, etc.

Technical sanction means the order of a competent authority sanctioning a properly detailed estimate of the cost of a work of construction or repair to be carried out by the Public Works Department (cf administrative approval).

Treasury means any treasury of the State and includes a sub-treasury.

Treasury Officer means the officer in immediate execute charge of a treasury.

Treasury Rule means one of the "Tamil Nadu Treasury Rules" framed by the Government under Article 283 (2) of the Constitution of India (see Part I of the Tamil Nadu Treasury Code Volume I).

Unit of appropriation means the detailed head of classification under which the Government place a specific appropriation at the disposal of the pending authority concerned.

Works - See Article 147.

CHAPTER- III RECEIPTS, THEIR COLLECTION AND CHECK**General**

[7-9]

7. The items of Government revenue with which departmental authorities deal include the land revenue, the proceeds of State taxes and duties, the charges made for supplying water from Government sources for irrigation, etc., and for supplying electric power, other fees for services rendered, fines and penalties, the revenue from the Government estates such as forests, and other miscellaneous items.

8. Every Government servant who is responsible for the collection of any moneys due to the Government should see that demands are made at once as payments become due that effective steps are taken to ensure the prompt realization of all amounts due and that proper records are kept to show in respect of all items of revenue, whether recurring or non-recurring, the assessments and demands made, the progress of recovery and the out-standing amounts due to the Government. Every departmental controlling officer should watch closely the progress of the realization of the revenues under his control and check the recoveries made against the demands. He should also check the correctness and promptitude of the remittances in the course of his independent verification of departmental credit with reference to the copies of triplicate chalangis sent to the departmental officers by the treasury officers.

9. Every departmental controlling officer should obtain regular accounts and returns from his subordinates for the amounts realized by them and paid into the treasury and consolidate the figures in a register so as to show the total receipt for each month classified according to the heads of account in the Budget Estimates. The controlling

RECEIPTS, THEIR COLLECTION AND CHECK
[9-11]

officer should compare the figures compiled in this register with the accounts received from the Accountant-General and reconcile any differences as early as possible in communication with the Treasury Officers concerned, and, if necessary, with the Accountant-General's also. The reconciliation of the figures for March is especially important and should be completed as early as possible since any corrections that may be required in the Accountant-General's books have to be made before the accounts of the year are closed. When a wrong credit is discovered the controlling officer should inform the Accountant-General at once in order that the accounts may be corrected. When a subordinate Government servant's return includes a credit for which there is no corresponding credit in the accounts received from the Accountant-General the controlling officer should in the first instance call for full information from the subordinate Government servant.

10. Revenue collected in one district on account of another should be credited in the treasury account of the receiving district under the appropriate head of account, and the fact intimated to the appropriate departmental officers in the district concerned. Any such item of revenue should be omitted in the demand, collection and balance statement of the receiving district and included in that of the district to which it belongs. Foot notes should be added to the demand, collection and balance statements of both the districts to explain the difference between these statements and the treasury accounts.

11. The detailed rules governing the demand and collection of revenue under the control of the various departments are contained in the respective departmental manuals.

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Recoverable charges

12. When the Government agreed to render a service or to incur a charge on account of a local body any other public body not forming part of the Government's departmental organisation or a private body or person, the estimated amount of the charge or cost of the service should ordinarily be recovered in advance (see also Articles 24 and 308).

**Rents of Government buildings due from
Government servants.**

13. When a building is constructed or acquired for use as a residence, or additions or alterations are made in an existing residential building, the Government servant in charge of the building should prepare a statement of data for the calculation of the rent leviable in accordance with the provisions of the Fundamental Rules and obtain through the Accountant-General the orders of the Government or other competent authority in regard to it. Except in cases falling under clause (v) of the proviso to the Fundamental Rule 45-A II, or under Fundamental Rule 45-A V or where the building is used partly as residence and partly as office the competent authority for the purpose is the Superintending Engineer concerned for the building in charge of the Public Works Department and the Highways and Rural Works Department and the Chief Conservator or the Conservator of Forests for buildings in charge of Forest Department.

14. The responsibility for the recovery of rent in respect of any Government building in charge of a department other than the Public Works Department or Highways and Rural Works Department, as the case may be which is wholly or partially used as residence rests on the departmental officers concerned. In respect of any similar building in charge of Public Works Department or the Highways and Rural Works Department, the responsibility rests mainly on the Executive

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[14-cont.]

Engineer or the Divisional Engineer or the Divisional Engineers respectively of the division concerned in which the building is located but the head of the office in which the tenant is employed and the Treasury Officer or other officer who disburses his pay also bear some responsibility in the matter. The following procedure should be observed in the recovery of rent for residential building in the charge of the Public Works Department and Highways and Rural Works Department:-

(a) Every head of an office should furnish to the Executive Engineer or the Divisional Engineer concerned not later than the 15th of every month a statement in Common Form 307 showing the names, designations, emoluments, etc., of all Government Servants belonging to that office who occupy quarters provided by the Government and the changes in the occupancy of such buildings, whether rent is payable for them or not. When a complete statement has once been furnished, it will be sufficient for the head of the office to intimate in every subsequent month only the changes, if any, in the completed statement, but when there is no change he should inform the Executive Engineer or the Divisional Engineer as the case may be of that fact. If a building is vacant, the head of the office concerned should state the period for which he expects it to be vacant and say whether it will be required during that period by any Government Servant of the same department.

NOTE - The Government Servant incharge of a Government Educational institution should include in his statement in Common Form 307 particulars as to the occupation of and rents due for accommodation in any hostel attached to the institution for the use of students and borne on the registers of the Public Works Department or the Highways and Rural Works Department although it is

RECEIPTS, THEIR COLLECTION AND CHECK
[14-cont.]

not a residence provided for Government Servants
(see also Article 25)

(b) The Executive Engineer or the Divisional Engineer as the case may be should prepare in Form 1 in duplicate a demand statement of rents due from Government Servants in respect of Government buildings used as residences, and send it to the Treasury Officer or other disbursing officer a week before the last working day of the month.

(c) The demand statement of rents should include any amounts due from a Government Servant on account of the hire of Government furniture or any loss or damage of articles of furniture and other Government property for which he is responsible, and any other amounts due from a Government Servant to the Government in respect of the residence allotted to him. All amounts included in a demand statement of rents are recoverable either in cash or by deduction from the pay bill of the Government Servant concerned and should ordinarily be recovered by the latter method.

(d) A separate form should be prepared in respect of each tenant who draws his pay direct from the treasury. In respect of other Government Servants in each office there should be a single consolidated form for each class of establishment whose pay is drawn on a separate bill. The Executive Engineer or the Divisional Engineer as the case may be should get the necessary particulars from the drawing officers.

(e) On receipt of the demand statements of rents, the Treasury Officer or other disbursing officer should recover the amounts stated to be due from the next bills in which the Government Servants concerned draw pay without any previous reference to them and should then note in column (6) of both the copies of the demand statement -

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 {14-cont.}

(i) the emoluments actually drawn by the tenant, where they differ from those entered by the Executive Engineer or the Divisional Engineer in column (3);

(ii) any sum drawn by the tenant as arrears of emoluments with details of the rate at, and the period for which it has been drawn;

(iii) the number of the bill from which each item of rent was deducted and

(iv) if in any case, the rent noted in column(4) has not been recovered in full, a brief statement of the reasons.

He should also record a certificate at the bottom of the statement that he has made all the necessary entries in column(6).

(f) The Treasury Officer or other disbursing officer should return one copy of the statements thus completed to the Executive Engineer or the Divisional Engineer as the case may be so as to reach him

In a month of 28 days, by the 22nd of the month

In a month of 29 days, by the 23rd of the month

In a month of 30 days, by the 24th of the month

In a month of 31 days, by the 25th of the month

The Treasury Officer should obtain from sub-treasuries details of any rent recovered there, in time for inclusion in this copy of the statement of rents. Any subsequent recoveries effected by the Treasury Officer, or by a sub-treasury Officer, too late for inclusion in the statement, should be included in the statement of the following month.

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NOTE - When a portion of a private building hired by the Government for accommodation of Government Offices is used for residential and other purpose certificate 9 prescribed in Tamil Nadu Treasury Code Forms 56 and 58 should invariably be furnished along with contingent bills preferring claims for rents, electricity and other connected charges in order to enable the audit authorities to watch the recoveries to be made on this account.

(g) (i) The Treasury Officer should check the duplicate copies of the rent returns enclosed to bills, with the deductions shown in the bill and send them to the Accountant-General, Madras, along with the vouchers.

(ii) The schedules of recoveries of rent attached to the State Government Bills in the City of Madras may be detached by the Pay and Accounts Officer, Madras, and forwarded to the Accountant-General, Madras, with voucher-wise covering abstract after agreeing the figures with the account figures.

15. In preparing the demand statement of rents, the Executive Engineer or the Divisional Engineer concerned should rely upon the copies of the pay slip of gazetted Government Servants received from the Accountant-General and the intimations from heads of offices of the changes in the emoluments of non-gazetted Government Servants who occupy Government residences. The information in the completed copy of Form I returned by the Treasury Officer or other disbursing officer should also be utilised when preparing the demand statement of rents for the next month, and the assessment should be revised in accordance with any change of emoluments noted by the Treasury Officer or other disbursing officer. The Executive Engineer or the Divisional Engineer concerned should provide also for the recovery of any additional rent which may be due, either because

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the full amount has not been collected in the previous month or because arrears of emoluments have been paid to a Government servant.

16. Until an advice to the contrary is received from the Executive Engineer, or the Divisional Engineer concerned, the Treasury Officer or other disbursing officer should continue to recover rent at a rate once intimated by the Executive Engineer, or the Divisional Engineer whether the monthly demand statement has been received or not. He will not conduct any correspondence with tenants as to the rents payable by them, but will refer any points raised by them to the Executive Engineer or Divisional Engineer concerned.

17. When a Government Servant is transferred or proceeds on leave or retires, the Executive Engineer or the Divisional Engineer as the case may be should give the Treasury Officer or other disbursing Officer as early notice as possible of the date up to which rent is payable. Unless otherwise instructed by the Executive Engineer or the Divisional Engineer concerned the Treasury Officer or other disbursing Officer should-

(i) if the Government Servant is paid up to the date of making over charge, recover from the pay bill the rent due up to that date, or

(ii) if the Government Servant is not paid up to the date of making over charge recover from any pay bill which is paid the rent due for the period covered by the pay bill and note on the reverse of the last pay certificate the balance of rent due for recovery on account of the remaining period up to the date of making over charge.

If a Government Servant vacates a Government residence before the last day of a month, owing to his departure on transfer, leave or retirement, the

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demand for the rent for the part of the month for which it is due should be made at once, so that the amount due may be recovered before his departure.

18. The Treasury Officer should compare the total of the recoveries shown in the copy of the demand statement of rents retained by him (which should include recoveries made too late for inclusion in the first copy) with the total credits on account of such recoveries in the Treasury Account for the month in which the recoveries were made and see that they agree, and should submit this copy to the Accountant-General along with the Treasury Account.

After all necessary action has been taken on the copy of the demand statements of rents returned by the Treasury Officer, the Executive Engineer or the Divisional Engineer as the case may be should forward it to the Accountant-General /Accounts Officer (Highways) with the monthly return of residential buildings. In respect of ten per cent of the treasuries, which will be selected by him each month, the Accountant-General will forward to the Executive Engineer or through the Accounts Officer (Highways) to the Divisional Engineer concerned for verification the copies of the demand statements of rents in Form I received by him during the month with the Treasury Account. The Divisional Accountant should compare these statements with the corresponding entries in the register of rents of buildings and lands, see that the Accountant-General has not omitted to send any statement pertaining to the treasuries concerned and take steps to revise the assessments of rent due from Government Servants in respect of whom the Accountant-General has altered the rates of emoluments entered in the statements.

19. Every Government Servant who draws pay and establishment bills is bound to recover from such bills by short drawal the rents of Government

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buildings demanded as either from himself or from any of the subordinates whose pay is drawn by him.

20. When rent is recoverable in cash from a tenant who is a Government Servant, the Government Servant in charge of the building should send him a bill in a suitable form on or before the last day of each month for the rent due in respect of that month and the tenant should be required to pay the rent before the expiry of the following month.

21. When a tenant makes any representation asking for a revision of an assessment of rent by the Executive Engineer or Divisional Engineer concerned he must pay the amount assessed on demand and await orders on his representation. If the representation is successful, the amount to be refunded should be adjusted, as soon as possible after the orders are issued by a reduction in the assessment for a subsequent month or, if this is impracticable or inconvenient, by repayment in cash.

**Rents of Government buildings, land, etc., due
from private persons and Pensioners.**

22. (a) When any building or any land or other property belonging to the Government let out to a person not in the service of the Government, the full assessed rent for each month should always be recovered from him in advance. A tenant who is in receipt of a pension should be treated as a person not in the service of the Government. If he desires, however, to pay his rent by short drawal of his pension, the amounts due from him may be recovered through the Treasury Officer or other disbursing officer concerned on the pensioner's furnishing the Executive Engineer(s) or Divisional Engineer(s) with a written request that the amount due be deducted each month from his pension. This authority should be transmitted to the Treasury Officer or other disbursing officer with the first

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demand statement of rents in which the pensioner's rent is included.

(b) when any building, or any land or any other property belonging to the Government is let to a private person, the solvency of the prospective lessees or contractors should be ascertained before granting the lease or entering into contract.

Miscellaneous properties, etc., in charge of
the Public Works Department or
the Revenue Department

23.(a) The Public Works Department is responsible for the assessment of revenue on account of water supplied from any irrigation work in its charge to a town, mill or plantation, etc., while the Revenue Department is responsible for its collection. The Public Works Department should advise the Revenue Department of the particulars of each case together with the amount to be collected in order to enable the latter to make the collection. The revenue from the sale of canal produce will be realised by the Public Works Department. That department is also responsible for realizing the revenue from miscellaneous properties, e.g., by sale of rights to enjoy the usufruct of trees, grass and fisheries (except where the Revenue Department is required to do this), for the assessment and recovery of rents of buildings, lands, staff boats and other floating plant and for the collection of licence fees and other dues leviable under the Navigation Rules.

(b) The Revenue Department is responsible for the assessment and collection of revenue on account of water supplied from any natural stream, tank or channel, etc., in its charge to a town, mill or plantation etc., and for realizing the revenue from the trees, etc., on the bunds and beds of such natural streams, tanks, channels, etc., by the

lease of their usufruct and the sale of dead and windfallen trees and in regard to trees assigned on patta under Board's Standing Order No.18, by collecting the tree-tax from the assignees. It is also responsible for realizing the revenue from the usufruct of trees standing on lands appertaining to navigation and irrigation works in the charge of the Public Works Department for the Supervision of which the Public Works Department does not maintain a staff. Trees standing on lands appertaining to such works for the supervision of which the Public Works Department maintains staff will be assigned on patta under Board's Standing Order No.18, by the Revenue Department, if the Public Works department so requests and the Revenue Department will then be responsible for collecting the tree-tax and having it credited to the Public Works Department. The Revenue Department is also responsible for the sale of fishery rights in all inland waters and the collection of rents due in respect of those rights, except in certain cases for which the Government have prescribed a different procedure by special orders.

Cost of Surveys

24 (a) The entire estimated cost of survey of an estate not managed by the Court of Words should ordinarily be recovered in advance (see Article 12). when the survey is expected to last for more than eighteen months, the estimated cost may be recovered in instalments in accordance with the rules and orders issued under the Madurai Survey and Boundaries Act, 1923 (Madras Act VIII of 1923). If any instalment is not duly paid, three months' notice of the stopping of the survey should be given to the proprietor, and the survey should be promptly stopped on the expiry of the three months.

The officer in charge of the survey of the estate should incur the expenditure thereon in the same forms as for ordinary survey charges. At the

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end of each month the Survey Officer should furnish the Treasury Officer with a bill showing the cost of the survey inclusive of gross sanctioned establishment, travelling allowances and contingencies together with contribution for pension and leave salary recoverable under Fundamental Rule 127. When the survey of an estate is completed, a statement of all the charges incurred including contribution for pension and leave salary should be submitted by the Board of Revenue to the Accountant-General for final adjustment.

(b) In the case of surveys undertaken on behalf of local bodies and estates under the Court of Wards, the charges are borne by the Government in the first instance, recoveries being effected in the manner indicated below:-

On receipt of a Survey Officer's bill for the amounts recoverable from estates under the Court of Wards and from local bodies, the Treasury Officer should intimate to the Estate Collectors and the local bodies the amounts recoverable, with a request that a cheque for the amount may be sent within a week in his favour. If the Estate Collector or the local body fails to comply with this request within a reasonable time, the Treasury Officer should report the matter to the Accountant-General. At the same time the Treasury Officer should effect recovery in the case of local bodies by short payment of Government grants as laid down in subsidiary rule 25 under Treasury Rule 16. The Accountant-General will bring to the notice of the Court of Wards or the Government all cases of default on the part of Estate Collector or of the local bodies.

Rent of hostels

25. When a hostel is provided for a Government educational institution, the

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departmental authority in charge of the institution should, immediately after taking charge of the hostel building, request the head of the department to obtain the Government's orders for the fixation and recovery of rent. Such hostels should be included in the departmental authorities' return in Common Form 307 and in the monthly returns of residential buildings sent to the Accountant General by the Executive Engineer or Divisional Engineer concerned [see the Note under Article 14(a)].

When an electric installation is provided for a hostel the room rent should be raised so as to cover the cost of the installation and meter hire. The actual cost of the electric power consumed should be recovered evenly from the students living in the hostel each month.

Fines

26. (a) The duty of realizing fines and checking the receipts and refunds vests with the departmental Government servants concerned. Under rule 316 of the Criminal Rules of Practice, 1931, each Court, Civil or Criminal, is required to submit to the District Judge or the District Magistrate, as the case may be, on the last working day of each calendar month, a statement in the prescribed form showing the demand, collection and balance of fines levied and written off by it and the amounts refunded in respect of fines. Either the District Magistrate himself, or the Additional District Magistrate, if any, shall review the monthly progress made in the collection of fines. The statement should be made up for the account month of the treasury or sub-treasury with which the court deals. The District Judge and the District Magistrate should each consolidate these returns into a monthly fines statement for the courts under him and forward it to the Treasury Officer, as soon as possible after the beginning of

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the month, for verification of the amounts shown remitted into the treasury with the credits appearing in the Treasury Account. The Treasury Officer should certify as to the correctness or otherwise of these amounts. When there is a discrepancy between a consolidated statement and the Treasury Accounts, the Treasury Officer may, if necessary, before giving his certificate request the District Judge or the District Magistrate as the case may be, to explain the discrepancy.

(b) When any amount is realized in any district on account of a fine imposed in another district of the State the amount should not be remitted to the court which inflicted the fine, but should be treated for the purpose of the fines statement, as if a fine equal to the amount realized had been inflicted by the court, in which it is realized. The court which realizes the amount should send an advice of the recovery to the court which inflicted the fine, and should also make a note of the court to which the amount relates against the credit in its fines-register and monthly statement. The court which inflicted the fine, should, on receiving the intimation note in its fines-register and monthly statement the amount of the recovery so advised and the name of the treasury into which the amount was paid.

Receipts of the Forest Department

27. The revenue collected by the Forest Department consists mainly of the proceeds of the sale of sandalwood, teak and other valuable timber firewood, charcoal, bamboos and other minor produce.

One of the most important duties of a Conservator of Forests is to exercise a strict watch over the export and sale of timber and other forest produce. He should examine and carefully check the return showing outstanding items of revenue and the account of timber and other forest

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produce received monthly from the Divisional Forests Officers and should consider whether fair prices were realized for all produce sold at rates other than fixed rates. He should also examine generally the returns submitted to him with a view to taking action, when necessary, to ensure that all outstandings are collected as promptly as possible and that any apparent irregularities etc., which would have an adverse effect on the revenue of the district are fully investigated.

**Collection of amounts due to Government
Commercial Concerns**

28. If the Government servant in-charge of a Government Commercial Concern adopts the procedure of collecting amounts due to it drawing bills on purchases payable at a bank, he should make the bills payable at the State Bank at places where it has a branch or Pay office, and otherwise at a central co-operative bank if possible. If, in any particular case, neither of these courses is possible the Government servant in charge of the commercial concern should apply for the Government's previous approval before authorising any other private bank to receive all amounts due to it. The banks concerned will credit to the Government the amounts of the bills on realization.

**Government Educational Institution - Fees for
Students Belonging to the State and for others**

29. Certain Government educational institutions in the State charge higher fees for students who do not belong to the State than for those who do. The following should be regarded as students belonging to the State:-

- (1) Any students whose father or mother (if living) or guardian (if the father is not living) has been resident (apart from temporary absences)

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in the State for the two years immediately before the student's admission and

(2) any students whose father or mother was born in the State and is a public servant in the service of any Government, or local authority in India.

In cases of exceptional hardship the Government may extend the above concession to any particular student who does not satisfy either of the above criteria, if there are strong reasons for regarding him as virtually belonging to the State.

**Fees for the training of private persons at
 Government Medical Institutions**

30. The Government have delegated to the Director of Medical Services power to sanction the training of private persons in certain special subjects at the Government Medical institutions and at the King Institute, Guindy, on payment of the prescribed fees. The Civil Medical Code contains the rules on the subject.

Miscellaneous dues and special recoveries

31. The Accountant General maintains a register of special recoveries in which he enters miscellaneous amounts due to the Government but not forming part of the ordinary revenues regularly administered by the Government departments, e.g., contributions from municipalities, contractors and others towards the cost of establishment entertained by the Government. He watches that these amounts are duly realized and reports any default at once to the Government.

Refunds of Revenues

32. The powers which the Government have delegated to the various departmental authorities

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to sanction refunds of revenue are specified in Appendix 2. The exercise of these powers is subject to the departmental rules contained in the respective departmental manuals and codes.

33. A refund order should be signed by the Government servant who received and brought to account the item of revenue in question. He should also, in accordance with the rules governing each particular class of refunds, either pay the amount to the person entitled to receive it or cause a proper voucher made payable to that person to be delivered to him for presentation at the treasury for payment. When the Government servant who received the item of revenue in question is not competent to refund the amount without the sanction of a higher authority, he should apply for the necessary sanction separately before preparing the refund order. If the Government servant, who received the item of revenue is competent to sanction a refund and does so, he may either record his sanction on the voucher itself or record it separately, giving a reference to it on the voucher and attaching a certified copy. If sanction is obtained from a higher authority, the latter procedure should be followed.

NOTE (1) The authority competent to order the sanction of refund of revenue when it is credited to a wrong head of account or credited wrongly under some misapprehension shall be the authority to whom the original receipts correctly pertain.

(2) A copy of the order of the competent authority sanctioning the refund may also be sent independently to the Treasury Officer concerned for verification before payment of the amount received by the party on the order.

34. Before signing a refund order in respect of any item of revenue the Government servant who received it and brought it to account should trace

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The original records relating to the receipt of the amount and see that the particulars of the refund are recorded against the original entry of the receipt in the departmental accounts in such a way as to make it impossible to entertain by mistake any further claim for a refund of the same amount. The particulars of the refund should invariably be recorded on the counterfoil of the receipt previously granted to the payer, and that receipt (and any other acknowledgement granted to the payer) should, if possible, be taken back and destroyed.

Exception - The Heads of Medical Institutions need not follow the procedure laid down in the above article in respect of refunds of Hospital Stoppages and they are permitted to note refunds of Hospital Stoppages against the original entries made in the Hospital Stoppage register.

Time limits for claims for refunds of revenue

35. Refunds of revenue may be classified as follows:-

(a) refunds of revenue which are made ex-gratia, although the Government are under no legal obligation to make them, and

(b) refunds of revenue to which the claimants are legally entitled.

An application for a refund of revenue of the kind mentioned in clause (a) above should invariably be summarily rejected if it is received:-

(i) when a notice has been issued to the party concerned, after three months from the date when the party received the notice; and

(ii) in other cases, after one year from the date of credit of the revenue to the Government.

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NOTE - (1) These limits are merely maximum time-limits and no application for an ex-gratia refund should be entertained unless it is received within the maximum time allowed. This does not mean that all applications for such refunds received within the maximum time-limit applicable should necessarily be granted. If the authority competent to sanction ex-gratia refunds of a particular kind considers that for special reasons a shorter time-limit should be enforced in practice in regard to them, this should be done.

(2) Under the rules for the levy of fees for work done by the Industrial Engineering Branch of the Industries Department, the Director of Industries and Commerce has discretion, when the boring proves unsuccessful, to refund to a person for whom boring is done by a hand-drill the advance and daily hire charges collected from him. In that connection, the limit of one year specified in clause(ii) above should be counted from the date on which the work is completed and not from the date of credit of the revenue to the Government.

A refund of revenue of the kind mentioned in clause (b) above should be sanctioned on application provided the claim is not barred by limitation under the Limitation Act, 1963 (Central Act 36 of 1963) or any other law or rule having the force of law. (see also subsidiary rule 27 under Treasury Rule 16).

(3) The time-limit for claims of refunds of excess collection of hospital stoppage is three complete financial years from the date of issue of intimation to the individuals concerned appraising them of the refunds due.

Exceptions :- The rules contained in this Article do not apply to -

RECEIPTS, THEIR COLLECTION AND CHECK
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(i) refunds of admission fees and feeding charges collected in advance in respect of animals admitted to the Madras Veterinary College Hospital for treatment, since an excess over the amount due in any case is refunded to the owner by the Principal of the Veterinary College, Madras, from his permanent advance when the animal is Discharged;

(ii) refunds of unclaimed assets and moneys transferred to the Government under the Administrator-General's Act, 1913 (India Act III of 1913), or the Official Trustees Act, 1913 (India Act II of 1913) since they are governed by the relevant Act.

(iii) refunds of court fees regulated by the Court Fees Act, 1870 (India Act VII of 1870) and by the Madras Court Fees and Suits Valuation Act (Madras Act XIV of 1955) which authorise a court to issue certificates to parties entitling them to refund of court-fees in certain cases.

(iv) refund of execution fees collected by the Co-operative Department; and

(v) renewal or refund of the value of non-judicial stamps which have been spoiled or rendered useless.

NOTE - (4) The time limit for claim of refund of licence fee, when a licence is refused under sub-section (3) of section 4 of the Madras Money-lender's Act, 1957 (Madras Act XXVI of 1957) is two months. The application for refund should be made to the licensing authority; a refund voucher, duly signed by the officer ordering refund shall be sent to the party for encashing it at the treasury as in the case of other refunds. The Tamil Nadu Treasury Code, Form 62, should be used as the bill for refund of licence fees with the modification that the words "three months" occurring in certificate No.1 be altered into 'two months'.

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(35-36)

NOTE - (5) The claims for the refund of lapsed Revenue Deposit (Security Deposit) customs and opium, Raffle Deposits and Work Deposit shall be made within six years from the date of lapse of such deposits and no claims for the refund of such deposits be entertained if they are made after the expiry of six years from the date of lapse of the deposits. This will not apply to Revenue deposits covering security deposits taken from the licences under the various control orders.

NOTE - (6) The refund of the sub-division fees collected under the scheme for issue of sub-division records for every holding to ryots, after adjusting Land Revenue arrears due if any, from the persons concerned will be exempt from the time limit, condition and operation of the provisions under this Article.

Remissions

36.(a) Full information as to the powers of the various authorities competent to sanction remission of the revenue relating to a particular department is given in the departmental manuals or codes.

(b) Every head of a department should submit annually to the Accountant-General a statement showing all remissions which were sanctioned by himself or by other competent authorities under his control during the preceding administrative year in respect of revenue which was due under a statute or the rules made under a statute. Remissions sanctioned in the exercise of powers conferred by a statute or the rules made under a statute and remissions of revenue which was due only under executive orders and not under a statute or the rules made under a statute should not be included in the statement.

The remissions of revenue included in the, statement should be classified broadly with reference to the reasons for sanctioning them. The head of a department may prescribe for the guidance of the Government servants subordinate to him a broad classification for this purpose suited to the items of revenue collected by them. The statement should show the total amount remitted under each class of remissions and should include a brief explanation of the circumstances leading to the total remissions under each class.

NOTE - The Heads of Departments can waive the sales tax omitted to be collected in each selling unit office of a Government Department up to a limit of Rs. 25 (Rupees twenty-five only) in a financial year. Every selling unit office of a department should maintain a register showing the particulars of sales for which sales tax has been omitted to be collected and remitted in a financial year to enable the audit party to verify that monetary limit of each office for the purpose of sanctioning the waiver of sales tax has not been exceeded.

Audit of receipts

37. The regulations and rules relating to the audit of departmental receipts by the Account-General are printed in Appendix 9.

**CHAPTER IV-EXPENDITURE-GENERAL
PRINCIPLES AND RULES**

General Principles

[38]

38. As has been stated already in Article 3 no Government servant may incur any item of expenditure from public funds unless the following two conditions are both satisfied:-

(a) the expenditure must have been sanctioned by a general or special order of the authority competent to sanction such expenditure and

(b) sufficient funds must have been provided for the expenditure in the Appropriation Act(s) for the current financial year or by a reappropriation of funds sanctioned by a competent authority.

No authority subordinate to the Government should sanction any expenditure unless sufficient funds have already been provided for the purpose either in the Appropriation Act(s) or by reappropriation. It should, however, be clearly understood that the fact that no appropriation of funds has been authorised for a particular item of expenditure is not a valid excuse for delaying the payment of any amount indisputably due by the Government. Every claim for any such amount should invariably be paid as promptly as possible, and the superior authorities concerned should deal severely with any unnecessary delays which come to their notice in regard to the payment of claims of this kind. Similarly, the want of sanction by a competent authority for a particular payment actually made is not a valid excuse for delaying the entry of the payment in the Government accounts. Under no circumstances may any payment actually made by or on behalf of the Government be kept out of the Government accounts for a delay longer than is absolutely necessary.

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Exception:- The vehicle owning officer shall present at the Treasury, the contingent bill claiming the cost of fuel payable to the suppliers along with the fuel payable to the suppliers along with the fuel pass books of the concerned vehicles (after making necessary entries in Tamil Nadu Treasury Code, Form 70) to enable the Treasury to ensure the admissibility of the claim with reference to the ceiling on fuel consumption fixed for each vehicle. The Drawing Officers need not enclose the sanction order to the fuel bills.

39. All appropriations lapse at the close of the financial year. A Government servant should not on any account reserve or appropriate by transfer to a deposit or any other head or draw the treasury and keep in a cash chest, any portion of an appropriation remaining unexpended during the year in order to prevent it from lapsing and use it for expenditure after the end of the year. No attempt should be made to prevent the lapse of an appropriation by any undue rush of expenditure during March.

40. The Tamil Nadu Budget Manual contains the rules regarding the preparation, examination and consolidation of the budget estimate, their passage through the Legislature, the distribution of appropriation among controlling and disbursing officers, the responsibility of these officers for watching the progress of expenditure and ensuring that it does not exceed the appropriations, the authorities competent to sanction reappropriations and the procedure for obtaining supplementary appropriations.

41. The Government have power to incur any expenditure provided that it does not contravene the provisions of the Constitution of India or any Indian law, or any rules made under anyone of them, and subject to the limitations mentioned in Article 62 in regard to certain posts.

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42. An authority subordinate to the Government may sanction expenditure or advances from public moneys in those cases only in which it is authorized to do so by -

(i) the provisions of any Legislative enactment for the time being in force or of rules made under any such enactment, or

(ii) the rules in this Code, or

(iii) an order of the Government delegating to it powers to incur expenditure of a specified kind.

Except when the Government have expressly accorded their previous sanction in each case, no authority subordinate to the Government may under any circumstances incur any expenditure involving the introduction of a new principle or practice.

43. In every application for sanction to fresh expenditure, it should be distinctly stated whether provision for the proposed expenditure has been made in the budget appropriations for the year, and if such provision has not been made, whether sufficient funds can be found by reappropriation (see Article 38).

44. When any authority accords sanction for expenditure of a definite amount or up to a specified maximum limit, the amount should always be expressed both in words and figures.

Communication of sanction

45.(i) A copy of every order sanctioning expenditure should be communicated to the Accountant-General by the authority which accords the sanction. If the sanctioning authority is the Government, the copy of the order intended for the Accountant-General should be sent to him through

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the Finance Department in all cases in regard to which that department has been consulted.

(ii) When the head of a department or any other subordinate authority issues an order sanctioning expenditure, either the sanctioning authority itself or a Gazetted Government servant working in the office of that authority should ordinarily communicate the order to the Accountant-General. When the procedure would cause inconvenience, sanctions may be communicated over the signature of the non-gazetted Government servant who is the head ministerial officer of the office, i.e., Head Clerk, Superintendent, Manager, etc., as the case may be provided that this arrangement is intimated beforehand to the Accountant-General by the sanctioning authority.

(iii) In respect of the following cases involving sanction of expenditure, delegation of financial powers and the like which require the prior consultation and concurrence of the Finance Department a certificate to the effect that -

"This Order/Memorandum issues with the concurrence of the Finance Department vide their U.O. Note No..... dated " shall be added in the proceedings (Government order, Memorandum, letter or Endorsement), and the relevant copy of the proceedings intended for action by the audit communicated to the Accountant-General direct over the signature of the Gazetted Officer of the concerned administrative departments dealing with the subject-matter and an authenticated copy thereof sent invariably to the Finance Department for file or information or action, if any;

(a) Cases sent to the Finance Department in both the proposal and draft stages and accepted by them;

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(b) Cases sent to the Finance Department in the proposal stage and modified by them, and accepted by them in draft stage with modifications;

(c) Cases sent to the Finance Department and accepted by them in the proposal stage and also accepted in the draft stage with modifications;

(d) Cases sent to the Finance Department and objected to by them in the proposal stage but in regard to which orders in circulation have been taken and drafts seen by Finance.

(iv) In respect of the cases for which concurrence of the Finance Department is not necessary with reference to the Delegation Rules issued by the Finance Department and sanctions communicated to the Accountant-General, Tamil Nadu, direct the relevant proceedings shall include a paragraph in the following form:-

"This Order/Memorandum does not require the concurrence of the Finance Department under the Rules or orders on the subject"

and a copy of every sanction shall be marked to the Finance Department.

NOTE 1 - Financial sanctions and advance copies of notification in respect of appointments, promotions, transfers, etc. communicated to audit should invariably be signed in ink by the sanctioning officers authorised for the purpose. No action will be taken in audit on such copies issued over facsimile and cyclostyled signature of the sanctioning authorities or other authorised officers.

NOTE 2 - Copies of sanctions relating to Objections Book Advances and Festival Advances where the sanctioning and bill drawing officers are one and the same, need not be sent to the

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Accountant-General in advance but may be enclosed to the bills in which the amounts are drawn.

NOTE 3 - Express pay orders issued by the Government to the Treasury Officers to make payment of the salary due to the staff beyond the date of current sanction, when further continuance of temporary posts is pending sanction by Government should be signed in ink by the Under Secretary to Government authorised for this purpose to ensure genuineness of the Express Pay Orders.

46. An order sanctioning an addition to the pay of any Government servant should state briefly the reasons for granting it, so as to enable the Accountant-General to verify that its classification as special pay or compensatory allowance, as the case may be, is correct. Whenever as in this instance, a rule requires that the reasons for granting any concession or allowance be mentioned in the order sanctioning it, if it is considered undesirable to mention the reasons in the official order, the sanctioning authority should communicate them confidentially to the Accountant-General.

47. Every order sanctioning grant of land or alienation of land revenue other than an assignment of land revenue which is treated as a cash payment, should be communicated to the Accountant-General with details necessary to enable him to audit the sanction accorded.

48. Any authority, which passes any order affecting the personal emoluments, posting, leave, etc., of any gazetted Government servant should communicate a copy to the Accountant-General; but when any such order is notified in the Tamil Nadu Government Gazette, a separate copy need not ordinarily be sent to the Accountant-General. An

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order of a special nature sanctioning the grant to a non-gazetted Government servant of any emoluments in addition to those admissible under the rules relating to the post which he holds, or ordering the discontinuance of any such additional emoluments previously sanctioned, should be communicated to the Accountant-General. Otherwise, it is not necessary to communicate to the Accountant-General orders affecting the personal emoluments of non-gazetted Government servants. The authorities preparing the pay bills and absentee statement concerned should include in them all the information required for auditing the pay and allowances of non-gazetted establishments, and are responsible for seeing that the orders of the competent authority are obtained in each case as required by the rules.

Date of effect of sanction

49. Statutory rules made by the President of the Union take effect from the date on which they are passed and executive orders issued by the President take effect from the date of issue of the despatch, letter or telegram containing the orders.

Statutory rules made by the Government which are required by law to be published take effect from the date on which they are published in the manner, if any, specified in the relevant Act, or, if no special mode of publication is laid down, from the date on which they are published in the Tamil Nadu Government Gazette. Statutory rules made by the State Government which are not required by law to be published take effect from the date of the order issuing the rules. A sanction of the Government or an authority subordinate to the Government takes effect from the date of the order conveying the sanction.

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Generally, concessions, such as revision of pay, grant of compensatory allowances and special pay, should not be given with retrospective effect. If, however, any such rules or orders themselves provide that they take effect from a date, they take effect accordingly.

Lapse of Sanction

50. A sanction for any fresh charge accorded by the Government, or an authority subordinate to the Government lapses if it has not been acted on for one year, unless it is specially renewed. This rule does not apply to -

(1) the sanction for an allowance granted to the holders of a post or a class of posts subject to certain conditions, but not drawn by a particular incumbent or incumbents because the conditions are not fulfilled;

(2) the sanction of a competent authority for additions to be made to a permanent establishment progressively from year to year;

(3) a sanction conveyed in an order passed by a court in its judicial capacity;

(4) a sanction for a Provident Fund Advance or for a non-refundable part withdrawals from Provident Fund, which will remain operative for a period of three months;

NOTE - However, in the case of such non-refundable part withdrawals effected in instalments, the sanction accorded for the withdrawals from the Provident Fund will remain valid up to a particular date to be specified by the sanctioning authority in the sanction order itself.

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(5) sanctions for loans which will lapse at the close of the financial year; and

(6) sanction to an estimate for a work (other than ordinary annual repairs) which will lapse after five years, if the work has not been started and sanction to an estimate for ordinary annual repairs to a road or building which will lapse at the close of the financial year (see Article 198 also).

NOTE (i) - A sanction should be considered to have been acted on if payment in whole or in part has been made in pursuance of the sanction within a year from the date of its issue. Where there is a specific provision in a sanction for any fresh charge that the expenditure should be met from the Budget provision of a specified financial year, such sanction shall lapse on the expiry of the specified financial year. In the case of purchase of stores, a sanction shall be deemed to have been acted on, if tenders have been accepted (in the case of local or direct purchase of stores) or the indent has been placed with an approved firm within the prescribed period of one year of the date of issue of that sanction, even if the actual payment in whole or in part has not been made during the said period.

NOTE (ii) - The period of validity of Government Orders sanctioning the House Building Advance shall continue to be taken as one year from the date of the Government Order and if these orders have not been acted on wholly or partly within this period, proposal should be sent to Government for revalidation of these Orders.

Contracts

51. (a) A Government servant who incurs expenditure on behalf of the Government may have to enter into a contract with a private firm or a

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contractor for the supply of stores or the execution of a work. The Government also sometimes employ a person on contract to serve as an officer under them for a definite period. Whenever a contract is made by or on behalf of the Government, the terms of the contract should be precise and definite and there should be no room for any ambiguity or for misconstruing any of its provisions. Before finally entering into a contract on behalf of the Government, the Government servant concerned should take legal and financial advice except in those particular cases or classes of cases in regard to which the departmental codes, or the Government Orders issued from time to time, contain clear and complete instructions. Contract for the supply of stores or the execution of works should be made as far as possible only after openly inviting and receiving tenders from all who wish to tender. Standard forms of contract should be used in all cases for which they have been prescribed and the rates mentioned in the contracts should be subjected to adequate prior scrutiny. Whenever it is likely that a contractor will be entrusted with any Government property in connection with his contract a provision should be inserted in the contract safeguarding the Government against loss or damage in respect of any Government property that may be entrusted to him or his servants.

The Government servant who enters into a contract on behalf of the Government and also his subordinate are responsible for strictly enforcing the terms of the contract and for seeing that no act is done that would tend to nullify or vitiate the contract.

(b) Appendix 3 contains a list of the authorities empowered to enter into contracts on behalf of the Governor. All contracts in regard to which the Government have not issued any definite rules or orders as to conditions, forms, etc, and

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all contracts containing usual conditions or involving any uncertain or indefinite liability should only be made after obtaining the special sanction of the Government, who will obtain the necessary legal and financial advice in each case. Whenever it is proposed for special and exceptional reasons, to agree to any material variation in the terms of an existing contract made on behalf of the Government, the matter should be referred to the Government for orders.

NOTE: - Where contracts are concluded with provision for variation in price, the formula on which the price variation is based should be clearly spelt out indicating the base price of the raw materials etc., on which variation is to be allowed. Price escalation is to be allowed only in cases of raw materials, the prices of which are controlled/regulated by Government or Government agencies. If extension of time for performance beyond the time-frame originally fixed or subsequently refixed is considered necessary, it is to be granted with a provision to deny any increase in price under the price variation clause coming into force during such an extended period. The purchase will, however, take the benefit of any reduction in price in terms of the price variation clause, taking place during the aforesaid period. A contract with provision for price variation with or without ceiling cannot be considered as a contract involving uncertain or indefinite liabilities or cost plus contract.

Arrear Claims

52.. No claims against the Government not preferred for one year by Head of office, for 1-3 years by Administrative Department and above 3 years by Heads of Departments of their becoming due can be presented without an order from the officer

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next above the Head of office, provided that this rule shall not apply to the following categories of such claims:-

(a) claims on account of pension and cash allowances, the payment of which is regulated by the Subsidiary Rules, 86, 88, 89 and 90 under Treasury Rule 16 of the Tamil Nadu Treasury Code, Volume I, or by the rules in Board's Standing Order No.67, as the case may be;

(b) claims on account of pay and allowances, other than travelling allowance and reimbursement of medical expenses of such non-gazetted Government servants whose names are not required to be shown in the pay bills in accordance with Subsidiary Rule 9 (i) to (iv) under Treasury Rule 16 of the Tamil Nadu Treasury Code, Volume I;

(c) claims on account of interest on Government Securities; and

(d) any other class of payment which are governed by special rules or orders of Government.

A claim of a Government servant including a part-time Government servant for arrears of pay or allowance or for an increment which has remained in abeyance for over six months will be subject to the discount mentioned in Article 54. Arrear claims made by local bodies are governed by Article 312. A claim will be held to have become due either on the date of sanction to the claim or on the date of its accrual whichever is later.

NOTE 1 - No claim for travelling allowance will be entertained if it is made after three months from the date on which the claim has fallen due. Countersigning officers should refuse to countersign bills presented after this period. In the case of journeys on transfer made by self,

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family and personal effects on different dates, the claim for travelling allowance admissible for each journey undertaken separately should be deemed to fall due on the completion of each such journey. However, in respect of journeys performed by Minister, members of the Legislature and non-official members serving on Government Committees and by others, who are not Government servants, in connection with Government business, the time-limit shall be one year from the date of completion of the journey.

NOTE 2 - Instructions in Note (1) will apply only to a presentation of claims by the Government servant concerned to the Drawing Officer. The claim should be deemed to have fallen due for payment by the Treasury on the date of counter-signature by the controlling officer. When bills are authorised to be drawn without counter-signature the date of drawal of the bill will be the due date.

NOTE 3 - Belated claims on account of pay and allowances other than travelling allowance of non-gazetted Government servants, whose names are not required to be shown in the pay bills, should not be made unless the claims have been examined and sanctioned by the competent authority, on the same lines as for claims requiring investigation by audit.

In the case of a touring officer, who is required to perform a prescribed minimum touring every month and who presents a consolidated bill for the whole month, the period of three months in respect of all the journeys performed in that month shall be reckoned from the date of completion of last journey in the month. This applies also to officers undertaking several tours in a month based on approval tour programme even though no minimum touring is prescribed for them.

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[52-cont.]

NOTE 4 - Claims for reimbursement of medical expenses incurred by Government servants, should be made to Government as soon as possible after completion of medical treatment and in any case not later than the time-limits indicated below:-

<u>Government servants</u>	<u>Time-Limits</u>
Members of All India Service	Six months from the date of purchase of the medicines irrespective of the period of treatment as shown in the Cash memoranda.
Members of State and Subordinate Service	Three months from the date of completion of treatment as shown in the essentiality certificate of the Authorised Medical Attendant or Medical Officer concerned.

If the treatment lasts for more than a month, the claims may be preferred once a month. Claims for the reimbursement of the medical expenses incurred by the Government servants preferred after the above time limit (viz. 3 months from the date of purchase of medicine) shall be subject to a discount of 15% and claims preferred after a year from the date of purchase of medicines shall be rejected considering it as lapsed claims.

NOTE 5 - (i) The period of one year should be counted from the date on which the increment certificate is signed by the competent authority.

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[52-54].

(ii) In the case of an increment which can be drawn only after the declaration of completion of probation, the period of one year is to be reckoned from the date of declaration of completion of probation.

Claims which are preferred beyond the above time limits will be dealt with as arrear claims under the General Rules in Articles 52 and 54.

53. Deleted.

54 (1) - In the case of a touring officer, who is required to perform a prescribed minimum touring every month and who presents a consolidated bill for the whole month, the period of three months in respect of all the journey performed in that month shall be reckoned from the date of completion of last journey in the month. This applies also to officers undertaking several tours in a month based on approved tour programme even though no minimum touring is prescribed for them.

NOTE - See Note 3 under Article 52.

(2) The Heads of Departments should forthwith reject every petty arrear claims by a Government servant which does not affect his pension and also any arrear claim by a Government servant which has remained in abeyance for over a year when the Government servant concerned offers no satisfactory explanation for the delay in making his claim.

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[54-cont.]

(3) A claim of a Government servant including a part-time Government servant for arrears of pay or allowance or for an increment which has remained in abeyance for over six months will be subject to a discount of 15 per cent except in a case where the controlling authority has satisfied himself that the delay was not due to the negligence or carelessness of the claimant, or ignorance of rule on his part. In all bills for arrear claims over six months old, where no discount has been deducted, a certificate that the delay has been adjusted as not due to the claimants' negligence or carelessness should be furnished by the controlling authority concerned. An arrear claim resulting from an order issued with retrospective effect does not arise until the order is issued and should not therefore be treated as a claim allowed to remain in abeyance during the period prior to the date of the order. The time-limits in such cases, for the purpose of this article or Article 55 should be calculated from the date of sanction and not from the date from which the sanction takes effect.

NOTE (i) - The Treasury Officers should promptly return to the audit officer for revalidation such of the bills preferred by Government servants claiming arrears of pay and allowances which were not paid within three months from the date on which they were pre-audited and passed for payment.

NOTE (ii) - Specific sanction of Government is necessary for payment of arrear claims in cases where such payments are specifically prohibited by the Special and General Rules for the Madras State and Subordinate Services or any other special rules framed in this behalf, e.g., regularisation of

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services with retrospective effect - vide Rules 23 (a) and 30 of the Madras State and Subordinate Service Rules.

NOTE (iii) - Please see note No.4 below Article 52 as regards the reckoning of time-limits in case of sanctions to increments.

NOTE (iv) - A claim for reimbursement of medical expenses and reimbursement of cost of spectacles are liable to a discount of 15 per cent if it has remained in abeyance for over the time-limit prescribed in Note 4 below Article 52.

55. Payment of a claim which is barred by limitation of time under any provisions of law relating to such limitation should ordinarily be refused. No payment should be made on account of any such claim without the special sanction of the Head of Department and no such claim should be referred to the Accountant-General for pre-audit unless the Head of Department has already specially sanctioned the payment of the claim subject to its being found to be correct on pre-audit by the Accountant-General. The Accountant-General will refuse to investigate any such claim. The Heads of offices can sanction arrears upto one year. A claim now preferred within three years shall be sanctioned by the officer next above the Head of office concerned. Arrear claim which have been kept in abeyance for more than three years can be sanctioned by the Heads of Departments concerned. In both the above cases, the pre-audit by the Accountant-General shall be dispensed with.

EXPENDITURE-GENERAL PRINCIPLES AND RULES
[55-cont.]

The period of limitation for arrear claims against the Government for the following kinds is normally three years from the date on which the amount claimed first became due for payment:-

- (1) Pay and allowances including leave salary.
- (2) Pensions.
- (3) Travelling allowances.
- (4) Payments made in contingent bills for supplies made or services rendered to the Government.

If, however, the delay in making a claim in the first instance under any of the items (1), (2) and (3) above is due to a mistake, the period of limitation is three years from the date on which the mistake was discovered. When a claim under item (4) is made with reference to a contract in writing registered, the period of limitation is six years from the date on which the amount first became due for payment.

Over charges and audit objections

56. Every Government servant who draws bills for pay and allowances or contingent expenses is primarily responsible of the correctness of the amount for which each bill is drawn. If any amount is drawn in excess of what is due, the drawing officer will be required to make good the excess amount so drawn. If the excess amount cannot for any reason be recovered from the drawing officer, the Government servant if any, who countersigned the bill will be liable, to make good any loss arising from culpable negligence on his part and the Treasury Officer who passed it will be similarly liable to make good any loss arising from culpable negligence on his part.

NOTE (1)-The Inspector-General of Police and the Director of Agriculture may waive recovery of over payments of pay and allowances up to a limit of Rs.5 in each individual case, where the amount becomes irrecoverable due to the death, dismissal or removal, invalidation or retirement of a Police subordinate or of a subordinate in the Agriculture Department as the case may be, provided that the case does not disclose -

(i) a defect in the system or in the rules, the amendment to which would require the orders of a higher authority, or

(ii) serious negligence on the part of one or more Government servants that might possibly call for disciplinary action requiring the orders of a higher authority.

They should maintain a register showing the amounts waived from time to time review the entries and intimate to audit once a year, the total number of case involved and the total amount waived in a year.

NOTE (2)- Recovery Of overpayments made to Government servants should not be waived merely on the ground that the overpayment was made in good faith and that recovery would cause hardship. Every overpayment of money to a public servant is a debt owned to the public and all possible action should be taken to recover it quickly. Recovery should be enforced in all cases where it is possible and where the Government servant concerned is not clearly entitled to the money in question, even after it has been drawn in good faith. It is not however, intended that the extreme criterion of physical impossibility to recover the dues should be enforced, where such recovery might cause, in the opinion of the competent authority, undue hardship or distress in genuine case.

NOTE (3) (i) - In case where an amount due from a person has to be written off on the ground that he/she is no longer in Government service and no recovery is therefore, possible the orders sanctioning write off should invariably contain a clause that any sums which are subsequently found due to the person concerned will be adjusted against the amount written off.

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(ii) In case where the amount of overpayment is written off merely because the person concerned is no longer in the Government service and not on any other ground and such person is for example re-employed in Government service subsequently, the dues which may accrue to him/her during the period of his/her re-employment under Government may be adjusted against the amount written off.

(iii) In the terms of re-employment of a retired Government servant a condition should invariably be inserted to the effect that any amount of overpayment pertaining to the pre-retirement period including the amount written off on the ground that he/she was no longer in Government service would be recoverable by adjustment of the pay and allowances admissible to him/her during the period of re-employment.

(iv) It will be the duty of the office employing a retired Government servant to make an enquiry from the office where he/she was formerly employed whether any amount is recoverable in terms of sub-paragraph (ii) of this Note. Such an enquiry will have to be made immediately after a pensioner is re-employed. The final payment to the re-employed person on the termination of his re-employment should not be made unless the re-employing office has ensured that no amounts are adjustable in terms of sub-paragraph (ii) of this Note.

NOTE (4) - The authority competent to regularise the period of suspension can waive the recovery of the subsistence allowance paid in excess of leave salary.

NOTE (5) - The drawing officer shall see that the pagewar totals of the pay bills and others struck at the end of each page, such totals are posted separately, on the last page of the pay bill and consolidated correctly and the Treasury

EXPENDITURE-GENERAL PRINCIPLES AND RULES
(56-57)

Officer/Sub-Treasury Officer shall be held responsible for ensuring the accuracy of the consolidation of pagewar totals after satisfying himself that the pagewar totals have been correctly posted on the last page for consolidation.

57. The Accountant-General is responsible for the auditing of all expenditure charged against the Government. If any item of expenditure is found to be irregular or in excess of what is due, he proceeds to remove the irregularity or recover the excess amount paid through the Treasury Officer, and he usually issues a warning slip to the drawing officer concerned at the same time. Recoveries relating to the Forest Department are effected through the District Forest Officer and not through the Treasury Officer. When an item of expenditure incurred is less than what is actually due for payment and the amount involved is not insignificant, the Accountant-General informs the drawing officer of the fact, leaving him to prefer an additional claim or not as he thinks proper.

NOTE - If a particular payment of a recurring nature is considered inadmissible by audit, the continuance of such payment pending a decision by the competent authority involves risk of increasing the amount of recoverable overpayments. The audit point of view should ordinarily be provisionally accepted and further payment on that account should not normally, be made till a final decision is obtained from the competent authority. In exceptional cases where it is considered that in the public interest, the continuance of such payments pending a final decision by the competent authority is absolutely necessary, it should be made clear to the payee that the payment is provisional and is subject to recovery. The fact that payments are being continued on a provisional basis in spite of the audit objection should also be reported of the authority to whom the case is referred for a final decision.

EXPENDITURE-GENERAL PRINCIPLES AND RULES
[58-60]

58. Recoveries from a Government servant on account of any amount drawn in excess of what is due should not ordinarily be made at a rate exceeding one-third of his pay, or subsistence allowance, unless the Government servant concerned has

(a) in receiving or drawing the excess acted contrary to orders or without due justification

Or

(b) taken an advance for a specific purpose, not utilised it for the purpose for which the advance was sanctioned within the prescribed period and failed to refund the outstanding amount within the stipulated date.

58-A. The Government dues including overpayment of pension/family pension may be recovered from the Death-cum-Retirement gratuity due to such Government servant and from the Dearness Allowance and Additional Dearness Allowance on Pension/Family Pension without obtaining the consent of either the pensioner or the member of the family of the deceased Government servant concerned.

59. Every Government servant should give proper attention to all objections and orders received from the Accountant-General without any avoidable delay.

60. An administrative authority should not ordinarily consider any representation or protest against a recovery ordered by the Accountant-General unless the representation or protest is received within three months from the date when the Government servant making the representation received the first intimation of the order.

CHAPTER V-ESTABLISHMENTS, CLAIMS OF GOVERNMENT
SERVANTS AND RECOVERIES FROM THEM

[61]

(1) INTRODUCTORY

Scope of the chapter

61. The scales of pay for the various services and posts under the Government are generally fixed by the statutory rules governing the conditions of service relating to those services or posts respectively. The scale of pay for a post which has not been included in any service is generally fixed by a contract made with the person appointed to the post or by an executive order issued by the competent authority which creates the post. The salaries of certain posts, are, however, specially fixed either by the Constitution of India and the orders and directions issued under it, or by an Act of the Tamil Nadu Legislature. The Fundamental Rules and the instructions under them and the Tamil Nadu Leave Rules, 1933, contain the general rules which govern the pay, increments, additional pay, allowances including travelling allowances, and leave salary of Government servants, subject to any special provisions contained in the respective service rules, etc. The forms in which bills for drawing the pay and other emoluments due to Government servants should be prepared, the persons who should sign and present them at the treasury and the duties of Treasury Officers in regard to such bills are prescribed in Treasury Rule 16 and the subsidiary rules and instructions under it. This chapter contains the financial rules relating to the creation of additional posts or establishments, the claims of Government servants, the recoveries to be made from pay and allowances, and other cognate matters.

ESTABLISHMENTS; Etc.
[62-63]

**Powers of the Government to create
and abolish posts**

62. The Government have power to create or abolish any posts in connection with the affairs of the State, but under Article 312 (1) of the Constitution of India, the parliament may by law provide for the creation of one or more All-India services common to the Union and the States and regulate the recruitment, and the conditions of service of persons appointed to any such service. The services known at the commencement of the Constitution as the Indian Administrative Service and the Indian Police Service shall be deemed to be services created by Parliament under the said Article. The number and character of the posts relating to these two services are specified in the following rules:-

- (1) The Indian Civil Administrative Cadre Rules, 1950; and
- (2) The Indian Police Cadre Rules, 1950.

The previous sanction of the President is necessary for any alteration of the number and character of such posts.

(ii) ESTABLISHMENTS

**Powers of Subordinate authorities to sanction
additional establishments**

63. (a) No authority subordinate to the Government may sanction the creation of any additional establishment, permanent or temporary, except to the extent and subject to the conditions mentioned in Appendix 4. The delegations specified there are subject to the general conditions -

- (1) that either a sufficient specific appropriation for the expenditure involved already exists or provision can be made for it by

ESTABLISHMENTS, Etc.
[63-64]

reappropriation by the sanctioning authority under its own powers without reference to the Government, and

(2) that the provisions of the Fundamental Rules and instructions under them are observed in fixing the pay of the persons appointed to hold the posts created under the delegated powers.

(b) A sanctioning authority should invariably specify the period for which it sanctions a temporary establishment. It should also specify the date from which the sanction for a temporary establishment will take effect or if it is not possible to specify the date, should state that the sanction will take effect from the date of actual employment of the staff or of the head of the staff.

(c) The statutory rules issued by the Government in regard to the powers of authorities subordinate to the Government to sanction additional establishments or to vary the details of a temporary establishment are contained in Part V of the Tamil Nadu Services Manual, Volume II (1938 Edition).

Additions to establishments or increase in the emoluments of existing post

64. The head of the department or other authority concerned should scrutinize with the greatest care every proposal for an addition to an establishment, whether permanent or temporary, or for an increase in the emoluments of an existing post. He should examine the financial implications thoroughly and should not submit the proposal to the Government unless he is satisfied that it is essential.

In connection with every proposal for alteration in an establishment it should be

considered whether, with reference to Article 429 of the Civil Services Regulations, a claim for pension will arise in consequence of the proposed alteration, and a certificate should be furnished stating that this has been done.

Scales of pay for new posts

65. The scale of pay proposed for a new post, whether temporary or permanent, should be the same time-scale as that already in force for posts of the same class or category, except when a different time scale has been fixed for temporary posts in a particular department, e.g., temporary Supervisors in the Public Works Department or when temporary posts in a particular department, e.g., the Survey Department, are generally sanctioned on the minimum of the time-scales for the corresponding permanent post. When the new post to be created will form an addition to a cadre which is divided into grades, the pay of the post should ordinarily be that of the lowest grade. If a higher rate of pay is proposed, the special reasons for proposing the higher rate should invariably be stated. If there is no post in existence similar to the one proposed the following principles should be observed proposing a rate of pay for the new post:-

(1) If the post is to be filled by a person not already in Government service, the pay proposed should be the minimum necessary to secure the service of a person capable of discharging efficiently the duties of the post.

(2) If the post is to be filled by a person who is already a Government servant, the pay proposed should be appropriate with reference to the nature and responsibility of the work to be done and the existing pay of Government servants whose status is such that they are considered likely to be suitable for selection for the post.

ESTABLISHMENTS, Etc.

[66]

**Details to be furnished with
establishment proposals**

66. (a) Every proposal to add to or to make a change in an existing establishment should be explained fully in the communication addressed to the authority competent to sanction the proposal. The following information should invariably be furnished:-

(i) the reasons for considering the addition or the change proposed to be necessary;

(ii) the present cost either of the section or sections affected (see Article 70 below) or of the total establishment as the circumstances may require;

(iii) the corresponding cost after revision;
and

(iv) the details of the number and pay of the posts, if any, which it is proposed to add to the establishment, and of the number and pay of the posts, if any of which it is proposed to change the conditions.

(b) When a scheme involves any alteration of the number or character of posts relating to the All-India service and consequently the sanction of the President of the Union is necessary for a part of the scheme, the proposal submitted to the President should contain full details of such items and of any other part of the scheme so connected with them that, unless it is explained, it will be difficult for the President to decide whether to accord this sanction or not. Details of the remaining parts of the scheme need not be furnished.

(c) In determining the cost of a scheme, allowances, whether fixed or variable, should be

ESTABLISHMENTS, Etc.
[66-67]

taken into account. When it is impossible to determine in advance the exact amount of an allowance, e.g., an allowance under the Madras House Allowance Scheme, it will be sufficient to include as accurate an estimate as possible of the amount required for the allowance.

Proposition statements

67. (a) A proposal to add to or modify an existing establishment should be accompanied by a proposition statement in duplicate in Form 2 if it involves a general revision of establishment or if it cannot be set out clearly without a proposition statement.

A proposal to add to or modify an existing establishment which involves creating or abolishing a post or granting or abolishing an addition to pay so as to require the sanction of the President of the Union should be accompanied by a proposition statement in duplicate in Form 2 or Form 3, whichever is more suitable.

(b) No proposition statement is required in the following cases:-

(i) When the new scheme proposed involves no change in establishments except the creation of a post or posts the like of which does not yet exist.

(ii) When an additional establishment is proposed solely for famine work and its cost to be a direct famine charge.

(iii) When an additional establishment is proposed solely for work connected with an outbreak of plague and its cost is to be a direct plague charge.

ESTABLISHMENTS, Etc.

[67-68]

(iv) When the proposal involves only the retention, without alteration, of an existing temporary establishment for a further period.

(v) When the proposal is solely for the grant of a compensatory allowance, a special pay or a personal pay to member or members of an existing establishment, or solely for a change in the designation on an existing post, and does not require the sanction of the President of the Union.

**Instructions for preparing
proposition statements**

68. The following instructions should be observed in preparing a proposition statement:-

(i) The statement should relate strictly to section or part of the office affected by the proposals. No details or figures of total cost should be furnished for the other parts or sections of the office.

(ii) When a section comprises posts in both last grade and superior services and the proposals affect only posts in one of these services only details of the posts in the service affected should be furnished.

(iii) The latest order sanctioning the existing establishment should be quoted and not any earlier orders on the subject.

(iv) The increase or decrease in cost involved in the proposals should be shown against each post or class or category of posts affected.

(v) Grand totals should be given for the number of posts in, and the total cost of, the several sections affected both under the existing orders and according to the proposals made, and also of the amounts under "Increase or decrease per month".

(vi) Pay which is not incremental should be entered in the column headed "Maximum".

(vii) In the case of a temporary establishment, the period for which it is proposed that it should continue should be entered.

(viii) When the pay of any post existing or

ESTABLISHMENTS, Etc.
[68-69]

proposed, rises from a minimum to a maximum by periodical increments, the average monthly cost should be calculated according to the formula prescribed by the Comptroller and Auditor-General [see Rulings under Fundamental Rule 9 (31)] and furnished, and not the actual cost or the cost in the first year.

(ix) Fixed allowances should be entered in a proposition statement but not variable allowances, such as ordinary travelling allowance or a house allowance under the Madras House Allowance Scheme, information in regard to which should be furnished separately in the communication addressed to the authority competent to sanction the proposal [see article 66 (a) and (c)].

**Verification of proposition statements
by the Accountant-General**

69. The proposition statement or the proposal for the revision of an establishment should be forwarded to the Government through the Accountant-General. He should verify the present scale or state the present cost, as the case may be, according to his audit register, but he need not reconcile differences or discrepancies unless they are sufficiently large to affect the consideration of the case by the sanctioning authority. The sanctioning authority should normally accept the Accountant-General's figures. Any discrepancy between his figures and those furnished by the authority initiating the proposals should be left for adjustment by the Accountant-General at the next periodical certification of the scale of establishment.

**Distribution of Non-Gazetted
establishments into sections**

70. For purposes of audit and the preparation of pay bills, the Accountant-General divides a non-gazetted establishment, when necessary, into sections in consultation with the head of the department or of the office on the following principles:-

ESTABLISHMENTS, Etc.

[69-70]

(a) The division should be uniform throughout the State for the same classes of establishments.

(b) Ordinarily, an office or establishment containing not more than twelve clerks should form a single section, larger offices will comprise two or more.

(c) The division into sections in large offices should follow the actual working arrangements of the office, e.g., a Collector's establishment may be divided into the following sections: Huzur Sarishtadar's section, Huzur Head Clerks section, Revenue Records section, etc.

(d) In large offices, where the members of the ministerial services are arranged by classes and grades, such as Superintendent, Assistant and Junior Assistant, each class or grade may form a separate section.

(e) An establishment consisting of a large number of subordinate Government servants, such as village schoolmasters, may often be best divided into sections according to the taluks or sub-divisions of a district, while in an establishment employed in more advanced schools, each school would form a separate section.

(f) Clerks, schoolmasters, etc., should not, except in a small establishment, be combined with subordinates in the last grade service. Such subordinate should form a separate section or sections, unless they are very few.

(g) The pay abstracts of the district police should be prepared in accordance with the rules in the Police Standing Orders. Under those rules the details regarding subordinate, of the rank of Sub-Inspector or below should be furnished according to the several grades in the service.

(h) The pay abstract of Fire Service Subordinates should be prepared in accordance with the instructions in the Tamil Nadu Fire Service Manual.

NOTE 1 - Parts of an establishment under the same head of an office which are charged for under

ESTABLISHMENTS, Etc.

[70-72]

different major heads should be treated as separate establishment.

NOTE 2 - The Accountant-General issues from time to time, a list of the sections fixed by him for each office and the entries in pay bills, absentee statement, proposition statements and other similar document should be made in accordance with the sections so prescribed.

71. Deleted.

(iii) CLAIMS OF GOVERNMENT SERVANTS

Due date for payment of pay, allowances, etc.

72. (a) Pay and leave salaries of all State Government servants excluding pensions will be disbursed on the last working day of each month. If the last working day of a month is a Saturday, the payment will be made on the previous working day. The salaries for the month of March shall, however, be disbursed on the first working day in April, since it will be covered by the Budget of the next financial year.

Where the pay and allowances are drawn from the Reserve Bank of India, Madras, the pay and allowances for the month of June and December be disbursed on the penultimate working day since the last working day of June and December are holidays for the Reserve Bank of India on account of half yearly and annual account closing. Where the pay and allowances are drawn from the branches of the State Bank of India, the pay and allowances for the month of September be disbursed on the penultimate working day since the last working day of September is a bank holiday on account of half yearly account closing. If the penultimate working day in June, September and December happens to be Saturday which is a half working day for the Banks, the payment will be made on the previous working day.

(b) Pension and family pension bills are payable on the last working day of the month to which they relate.

ESTABLISHMENTS, Etc.
[72-cont.]

(c) In respect of Pension Pay Office, Madras and the District Treasuries of Coimbatore and Madurai where the cheque system of payment on bills is in vogue, the Accounts Officer, Pension Pay Office, Madras and the Treasury Officers of Coimbatore and Madurai are permitted to issue cheques for pension/ family pension payment four working days in advance from the last working of the month and send the cheques to the respective bank branches with "a covering list of pensioners for crediting the amount in the pensioners' Savings Bank Account on the last working day of the month.

(d) In respect of the Treasuries and Sub-Treasuries in the mufassil (other than District Treasuries, Coimbatore and Madurai), the treasury officers are permitted to get "Bankers Cheques" four working days in advance of the last working day of the month, from the State Bank of India and send the "Bankers Cheques" to the respective Bank branches with a covering list of pensioners for crediting the amount in the pensioners' savings Bank Account on the last working day of the month.

(e) In respect of the non-banking Sub-treasuries, the Sub-Treasury Officers are permitted to draw the pension / family pension amount and arrange to remit the same to respective Bank branches four days in advance for crediting the amount in the pensioners' Savings Bank Account on the last working day of the month.

NOTE 1 - The Superintendents of Police and the Commandants of Tamil Nadu Special Police Battalions are authorised to draw contingent expenditure i.e., salaries of contingent staff and rent in the same month to which the charges relate. If pay and allowances of staff are ordered to be paid in advance, the contingent expenditure may also be drawn by them in advance. It should be ensured that the actual payment of contingent expenditure is made during the succeeding month.

ESTABLISHMENTS, Etc.

[72-cont.]

The contingent expenditure here relates to rent payable to the buildings occupied by Police Department and the salaries of contingent staff alone.

NOTE 2 - The Drawing Officers of the Directorate of Vigilance and Anti-Corruption are authorised to draw rent bills of the buildings occupied by the Vigilance and Anti-Corruption Department in the same month to which the charges relate along with the salary bills on the due dates of the month, which is payable on or after first of succeeding month.

(d) The payment due for a part of a month should ordinarily be made at once without waiting till the end of the month in the following circumstances:-

(1) When a Government servant proceeds out of India on deputation, leave or vacation, and does not elect to draw leave salary in India under the provisions of Fundamental Rule 91.

(2) When a Government servant is transferred to another Audit Circle, or within the same Audit Circle; and

(i) to or from the Public Works Department or the Highways and Rural Works Department or the Forest Department, or

(ii) from one Public Works Division to another, or from one Highways Division to another, or

(iii) from one department to another, so that there is a change in controlling authority, or

(iv) to or from famine duty.

(3) When a Government servant is promoted from a non-gazetted to a gazetted post or reverted from

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[72-73]

a gazetted to a non-gazetted post in circumstances involving a transfer from one office to another.

(4) When a Government servant finally quits the service of the Government or is transferred to foreign service.

(5) When a portion of a civil pension is commuted, in which case the amount of the unreduced pension due upto the day preceding that on which the commutation takes effect should be paid along with the value of the portion commuted.

(6) When a Government servant Gazetted or Non-Gazetted is transferred to new station.

NOTE (1) - When it is permissible for Government servant to draw his emoluments upto the date of transfer under the sub-clause (2) (d) of this Article but he does not do so, he may draw his emoluments for the whole month together but the allocation of the charge between the old and the new appointment should always be clearly specified in the bills.

(e) The payment towards three months salary in lieu of three months notice to the Government servants who are compulsorily retired from service under F.R. 56(d) shall be made in lumpsum immediately on the strength of the retirement order.

Signing and presentation of bills

73. Drawing officers should not sign pay bills earlier than is reasonably necessary in advance of the date of presentation at the treasury, so that supplemental adjustments due to changes after the monthly pay bills are signed may be reduced to a minimum.

To avoid congestion of work, pay bill may be

ESTABLISHMENTS; Etc.

[74-76]

presented at the treasury and at the Pay and Accounts Office duly signed five days before the last working day of the month to which they relate.

Drawal of pay above an efficiency bar

74. When a Government servant's pay is determined by a time scale with an efficiency bar at a certain stage, he cannot draw pay at a rate above that stage until the authority competent to permit him to pass the bar has signed a declaration to the effect that his character and efficiency are such that he is fit to pass it. Sanctioning authorities should not treat this declaration as a mere matter of form, and should sign it only when satisfied, after careful scrutiny of the relevant fact and information, that the Government servant concerned is really fit to pass the bar.

Drawal of an increment in pay

75. The drawing officer should attach an increment certificate (in the prescribed form and signed by the competent authority) to every bill on which a periodical increment in pay for a Government servant is drawn for the first time (see subsidiary rule 13 under Treasury Rule 16). He should keep a copy of every increment certificate for record in his office. The drawing officer should also furnish an additional certificate, signed by the competent authority to sanction the increment, stating that the subordinate concerned completed probation satisfactorily on a specified date indicating also whether he is a direct recruit or a promotee.

Pay due in India to persons not in India

76. When any pay is due in India to a Government servant who is absent from India, he should make his own arrangements to receive it in India - see also instruction I (d) under Treasury Rule 19.

ESTABLISHMENTS, Etc.
[77-78]

**Pay, etc., due to members of the Territorial
Army when called out of service**

77. The instructions contained in Rule 23 of the Territorial Army Rule, 1948, govern the issue of pay, etc., of Government servants in civil department who are members of the units of the Territorial Army when called out, embodied or attached to any regular force under section 7 of the Territorial Army Act, 1948 (India Act No. LVI of 1948).

**Reports of Transfer of Charges of
Gazetted Government servants**

78. Every transfer of charge of gazetted Government servant should be reported by post on the same day to the Chief Secretary to the Government, the Accountant-General and any other authority, duly specified for this purpose in the relevant departmental code or manual or elsewhere. (See Subsidiary Rule 10 under Treasury Rule 4). Collectors and District Judges should also send telegraphic reports of their assumption of charge to the Chief Secretary to the Government.

A copy of the report of the transfer of charge should be simultaneously sent to the Treasury Officer concerned and the copies of the report sent to the Accountant-General and the head of the department or other authority specified in the departmental code or manual should contain an endorsement to this effect.

Whenever the transfer of a divisional, sub-divisional or other executive charges in the Public Works Department or in the Highways and Rural Works Department is prolonged so that two Government servants become entitled to draw pay and allowances simultaneously for the same appointment, the Superintending Engineer should inform the Accountant-General whether the time taken for the

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[78-80]

transfer of charge is reasonable and whether the relieving officer should be treated as having been on duty for the full period. If the Superintending Engineer considers that the time taken in making over and receiving charge in a particular case was excessive, the relieving officer should be treated as if he had been on joining time or on leave, as the case may be, for so much of that time as is held to be in excess of the time reasonably necessary.

NOTE (1) - A similar procedure will be followed in the case of transfer of charge of District Officer, Station Officer or Executive Officer to the Madras Fire Service. The power of the Superintendent Engineer will be exercised by the Inspector-General of Police, Fire Service Branch.

NOTE (2) - Copies of transfers and postings and certificates of transfer of charge in respect of Gazetted Officers of the rank of Assistant Engineer and below need not be sent to Government.

79. Deleted.

**Pay, etc., due to a deceased
Government servant**

80. (a) Pay, leave salary and other emoluments can be drawn for the day of a Government servant's death; the hour at which the death takes place does not affect the claim.

(b) (1) Subject to the provisions of subsidiary rule 34 under Treasury Rule 16 of the Tamil Nadu Treasury Code, Volume I, pay and allowances of all kinds claimed on behalf of a deceased Government servant may be paid without the production of the usual legal authority -

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[80-80A]

(i) if the gross amount of the claim does not exceed Rs.10,000 under order of the head of the office, in which the Government servant was employed at the time of the death, provided that the head of the office is otherwise as the right and title of the claimant; and

(ii) if the gross amount of the claim exceeds Rs.10,000 but does not exceed Rs. 50,000 under orders of the Heads of Departments at their discretion provided that the authority mentioned in clause (i) above may, subject to the condition prescribed in that sub-clause, make anticipatory payment of an amount not exceeding Rs.10,000.

(iii) if the gross amount of the claim exceeds Rs. 50,000 under orders of the Government on execution of an indemnity bond in Form 6 duly stamped with such sureties as may be necessary provided that, the authority mentioned in clause (i) above may subject to the conditions prescribed in that sub-clause, make anticipatory payment of an amount not exceeding Rs.10,000.

NOTE - The arrears due to the self-drawing officers may be claimed and drawn by the head of the office and disbursed to the legal heirs.

(2) In any case of doubt, payment shall be made only to the person producing the legal authority.

80-A. Pay and allowances due to a Government servant, who is certified by a magistrate to be a lunatic, should be paid in accordance with the procedure given below under the provisions of section 95 (1) of the Indian Lunacy Act, 1912.

(1) On receipt of information that a Government servant has been certified to be a lunatic, the head of the office, in which the Government servant before his being certified to be

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[80A]

a lunatic, was last employed, should on the basis of the orders issued by the appointing authority indicating the persons to whom and the proportion in which the pay and allowances admissible to the Government servant may be disbursed in accordance with the provisions of section 95 (1) of the Indian Lunacy Act, 1912, draw the pay and allowances of the Government servant in the appropriate bill from the treasury or other office of disbursement. The claim should be supported by all the relevant certificates which the head of the office is required to furnish in the normal circumstances. However, in respect of the certificate which solely depend on the personal knowledge of the Government servant and which cannot be furnished in such cases, the head of the office should record, if he is satisfied about the reasonableness of the claim, a certificate to the effect that the claim is not susceptible of verification but is considered reasonable. If the Government servant is invalidated from service, the claim would be the last one in respect of him and the requisite payment, in case he was a gazetted Government servant, shall be made only after the head of the office has satisfied himself by reference to the Accountant-General, the departmental authorities, if any, and to its own records, that no Government dues are outstanding against him. In other cases, payment may be made on the responsibility of the head of the office concerned.

(ii) The amount withdrawn in the manner stated above may be paid to the persons referred to in sub-paragraph (i) above in the proportion determined by the appointing authority and receipts obtained stamped wherever necessary. The receipt in acknowledgement of the payment made would not be the personal receipt of the Government servant concerned (see note below Subsidiary Rule 4 under Treasury Rule 16.)

(iii) Where a Government servant has been

ESTABLISHMENTS, Etc.
[80A-82]

invalidated from service and it is found that some Government dues are outstanding against him, even after the adjustment of his claims for pay and allowances, the same pay may be adjusted against the amount of his death-cum-retirement gratuity if any and if the same is also insufficient the balance of the outstanding dues may be written off under sanction of the competent authority.

Pay due to Government servant whose whereabouts are unknown.

81. Pay, etc., due to a Government servant whose whereabouts are unknown should not be paid till a presumption of his death is shown to be justified under section 108 of the Indian Evidence Act, 1872 (India Act 1 of 1872). Action may then be taken as described in Article 80 (b) on the assumption that he is dead, if anyone claims the undisbursed pay, etc., in the capacity of legal heir of the Government servant.

Travelling Allowance Bills

82. (a) A travelling allowance bill requiring the countersignature of the controlling officer should ordinarily be countersigned by him before it is paid. If however the payment of travelling allowance bills before countersignature has been specially authorised by the Government in any case subject to the submission of a monthly detailed bill to the controlling authority, a consolidated bill should be drawn up at the end of the month, setting forth the details of the several bills drawn on account of the same month (if more than one), and explaining the divergences, if any, from the recognized routes, and submitted for review and countersignature to the controlling officer, who will forward it to the Accountant-General after countersignature. The drawing officer should furnish the following certificate on every such bill -

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[82]

"Certified that the amounts shown in the bill have been paid to the Government servants, named, and their receipts taken in the acquittance roll."

The countersigning officer may, if he prefers it, retain the bill for reference when checking further bills and inform the Accountant-General that he has passed the establishment, travelling allowance bill of for the month of for Rupees furnishing at the same time the following details -

Number of bill paid at the Treasury	Amount	Amount disallowed	Remarks
Sub-treasury			
(1)	(2)	(3)	(4)
	Rs.	Rs.	

(b) The travelling allowance bill of clerks and other subordinates who accompany an officer on tour should be prepared and cashed at convenient intervals during the tour and, as a general rule, immediately on return to the headquarters station. Such bills may be cashed at the treasury on the receipt of the head of the office, but if the head of the office is not himself the controlling officer and the payment of travelling allowance bill before countersignature has not been authorized by the Government, he should obtain the countersignature of the controlling officer before cashing the bill.

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**Travelling allowance of non-gazetted
Police Officers**

83. (a) When the Superintendent of Police is absent from the headquarters and it is necessary for one or more members of the non-gazetted police staff in the district to undertake a long journey at very short notice, the senior gazetted Police Officer stationed and present at the headquarters of the police district, or if no such gazetted Police Officer is available, the Office Superintendent of the District Police Office may draw money on an advance travelling allowance bill for disbursement to the non-gazetted Police Officers who have to make the journey travel on duty by motor bus. The office copy of every bill so drawn should be submitted to the Superintendent of Police for approval as soon as he returns to the headquarters.

(b) Motor bus warrants are issued to Inspector, Reserve Sub-Inspectors, Head Constables and Constables and to the Senior and Junior Reporters of the Shorthand Bureau, Vellore and to the supervisors and electricians of the radio branch of the police department and to the camp clerk of Police Officers, who have to travel on duty by motor bus. The procedure to be followed in paying the amounts of the warrants to the motor bus owners concerned is as follows:

The amount claimed in each travelling allowance bill on account of motor bus warrants payable to the motor bus owners concerned should not be drawn in cash but deducted from the gross claim in the bill. The District Police Office should maintain a separate account of these deductions, showing the amount due to each motor bus owner.

With a view to minimise the delay in encashment of the bill and to avoid hardship to bus

ESTABLISHMENTS, Etc.
[83-84]

owners, the Superintendents of Police should pass for payment the amount in full claimed by the bus owners in bills for encashment as soon as they are presented in T.N.T.C. Form 53 supported by Motor Bus Warrants, that accompany the Travelling Allowance Bills of Government servants to whom the bus warrants were issued. Detailed scrutiny and check up tallying with the duplicate of bus warrants that accompany the Travelling Allowance Bills in accordance with instruction 2 of T.R. 16 should however, be conducted by the Superintendent of Police before the relative bill is audited.

Advances of travelling expenses for tours

84. When satisfied that it is really necessary the competent authority may grant to a Government servant included in the list shown below an advance towards the travelling expenses during a journey on tour including any journey for which travelling allowance is admissible as for a journey on tour (see also Article 100).

The amount advanced should in no circumstances exceed the amount of Travelling Allowance to which the sanctioning authority expects the Government servant to become entitled for the journey which has not already commenced and should also not exceed the sum likely to be required to meet the Government servant's personal travelling expenses for the month or for the probable duration of the tour, whichever is shorter. The advance should be charged to the final head of expenditure concerned. It should be adjusted in full at once in the detailed travelling allowance bill for the month for which the advance has been drawn when the Government servant returns to headquarters, on completing the tour, if it has not already been fully adjusted.

ESTABLISHMENTS, Etc.
[84-cont.]

When a Government servant has drawn an advance of this kind, the second advance shall not be granted under this rule until an account has been given of the first. In the case of Gazetted Officers who are authorised to draw their travelling allowance claims without countersignature, the adjustment travelling allowance bill should have been presented at the Treasury/the Pay and Accounts Office and the balance, if any, of the advance remitted into the Treasury/Bank at the time of presentation of the bill for the second advance.

In the case of gazetted officers and non-gazetted officers drawing their own travelling allowance claims which are subject to the countersignature of Controlling Officer, a certificate from the sanctioning authority that an account of the first advance has been rendered to the Controlling Officer should be attached to the bill for the second advance. The sanctioning authority should make sure before granting the second advance that an account of the previous advance has been rendered to the Controlling Officer.

In case of non-gazetted officers, whose travelling allowance claims are drawn by the head of the office, he should certify in the bill for the second advance, that he has received an account of the first advance. The advances should be drawn in Form 22 in the case of both gazetted and non-gazetted Government servants and full particulars referred to in the certificates therein should be furnished at the time of presenting the bills for such advances. All drawing officers should maintain a register in Form 23 for recording the advances paid and the recoveries made with a view to watching the eventual adjustment of the advances.

ESTABLISHMENTS, Etc.
[84-cont.]

Treasury Officers also should maintain a register in the same form for recording the advances paid to gazetted officers and the recoveries made against them. This register should invariably be looked into for previous advances, if any, paid before passing bills for tour advances of gazetted officers.

Government servants eligible for the advance (1)	Authority competent to sanction advance (2)
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(i) Non-Gazetted Government servants:

(a) (1) Non-Gazetted Government servants who tour independently under proper sanction and Non-Gazetted Government servants and subordinate in the last grade service who accompany a Gazetted or Non-Gazetted Government servant on tour.	Head of office (whether gazetted or Non-gazetted) or a gazetted Government servant to whom the head of the office has delegated this power subject to any conditions and restrictions imposed by the heads of the office.
(2) Non-Gazetted heads of offices	Controlling Officer
(b) Peons attached to -	
A Conservator's Office	Manager of the office
A District Forest Office	Head clerk of the Office
A Ranger's Office	Ranger

ESTABLISHMENTS, Etc.

[84-contd.]

(c) All subordinates working under the Assistant Sericultural Expert, Hosur in the Sericulture section. Assistant Sericultural Expert, Hosur.

(ii) All Gazetted Government servants.

All Gazetted Government Servants . Head of the department concerned or any Gazetted Government servant to whom the head of the department has delegated this power subject to any conditions and restrictions imposed by the head of the department.

Exception. - The Deputy Inspector-General of Police, Criminal Investigation Department, Madras, is empowered to hold a permanent advance of Rs.4,000 to enable him to make cash payments to Inspectors of Police of the Special and Crime Branches of the Criminal Investigation Department for the purpose of meeting railway fare.

NOTE 1 - The head of the department may sanction advances to himself under these rules.

NOTE 2 - The Administrator General and official Trustee, Madras, may sanction advance of travelling allowance to himself and to the Deputy Administrator General and Official Trustee for the tours undertaken by them in connection with their official duties.

NOTE 3 - The Advocate-General may sanction for himself advances of travelling allowances for tours undertaken by him in connection with his official duties.

Sig. 3a

ESTABLISHMENTS, Etc.
[84-cont.]

NOTE 4 - The Inspector-General of Police and the Commissioner of Police, Madras may draw advances towards travelling expenses for journeys on tour for subordinate of the rank of Head Constables and Police Constables, on bills specifying only the number of subordinates concerned and their designations, instead of their names. Immediately after the advances drawn on the bills are disbursed they shall arrange to send the Pay and Accounts office, Madras. In the case of City payments and to the Treasury Officers/Accountant-Generals, Madras in the case of mofussil payments, list showing the names and designation of the Head Constables and Constables to whom the advances have been disbursed with particulars of token numbers, Huzur voucher numbers and date of bills in which the advances were drawn and adjusted.

NOTE 5 - The Chief Electoral Officer may sanction advances of travelling allowances for himself upto a maximum of Rs.250 at a time for tours undertaken by him in the Tamil Nadu State in connection with election work.

NOTE 6 - The advances granted to a shroff or other treasury official or police escort in connection with the remittance of treasure may be debited initially to the head "8550. Civil Advances 104. other advances AA Advances for Remittances of Treasure" subject to making adjustment subsequently under the final debit head "8658. Suspense Account 117. Transaction on behalf of the Reserve Bank" (see instructions 15 to 18 below T.R. 30 of the Tamil Nadu Treasury Code Vol.I).

NOTE 7 - The Commissioner for Government Examination, Madras may draw an advance to pay 50 per cent of the travelling allowances admissible to the Tabulators drafted for tabulation work connected with the S.S.L.C. Public Examination.

ESTABLISHMENTS, Etc.
[84A-85]

84-A. *Adjustment of advances of Travelling Allowance pending for over three months* - So far as officers who are not drawing their own bills are concerned, the tour advances pending for over three months, in respect of which either the details of tour or actual detailed travelling allowance bills are not furnished by the staff concerned, shall be short drawn from the subsequent month's pay bills of such staff by the concerned drawing officer with interest at the rate of 2.5% from the date of payment. In regard to the officers who draw their own bills and self drawing officers, the controlling officers concerned shall intimate the amounts of outstanding advances to the officers for adjustment and if no reply is received within 10 days, the controlling officers shall intimate the particulars regarding the advances to the Accountant-General, Madras for issuing necessary retrenchment slips to the Treasury Officers/Pay and Accounts Officers as the case may be for recovery of tour advance with interest at the rate of 2.5% from the date of payment of the advance.

(iv) DEDUCTION FROM PAY BILLS OF GOVERNMENT
SERVANTS

Fund deduction

85. Every Government servant who draws any pay bill should enter in it correctly the deductions, if any, to be made on account of the various provident and family pension funds, etc. He should carry out promptly and fully any order received from the Accountant-General or any other audit officer of a fund to make a particular deduction or series of deductions. To avoid irregular subscriptions to the provident fund, the disbursing officer and in the case of Gazetted Officer, the heads of offices should maintain a register showing the names of all subscribers, their account numbers, subscriptions made by them, change in the rates of subscription, discontinuance

ESTABLISHMENTS, Etc.

[85-85A]

of subscription, etc. A new subscriber should be brought on to the register immediately. The monthly schedule to be appended to the pay bill should be prepared with assistance of this register and the amounts shown in the schedule of Fund Deduction should be tallied with the deduction actually made in the pay bills before the submission of the bills to the Treasury for payments. Necessary information should be furnished in the last pay certificate when a subscriber is transferred to another office.

85-A. (1) All the drawing officers should maintain in Form 29 corrected and up-to-date register of policy holders under their control. The name of the policy holder should be noted in alphabetical order according to sur-names, leaving sufficient space between two entries to enable new comers' names being inserted in the right place. A separate entry should be made in the register for each policy in the case of a policy holder having more than one policy. On receipt of an intimation from the Director, Postal Life Insurance, Calcutta, about the issue of a policy in favour of a subscriber authorising the drawing officer to commence recovery from pay, or on receipt of a Last Pay Certificate in respect of the subscriber, transferred from another office, the drawing officer should make note of the particulars of the policy in the register. The name of the office from which the subscriber has been transferred should invariably be noted in the remarks column. Wherever a subscriber is transferred to another office or his policy is discharged his name should be scored out from the register, giving necessary remarks regarding discharge of policy or indicating the office of which the insurant has been transferred, as the case may be. The Register should be preserved for a period of ten years after the close of the year to which it relates.

ESTABLISHMENTS, Etc.
[85A-cont.]

(2) After the preparation of the monthly bill but before its encashment the recoveries shown in the bills on account of Postal Life Insurance should be checked up with the register, to see that the recovery has been made from all the subscribers and the correct amount has been recovered. This check will discover the cases of omissions to make recovery as well as cases of noting of Postal Life Insurance recoveries in a wrong column of the pay bill. The amounts of the recovery shown in the bills should be posted in the monthly column in the register with proper reference to the bills or the vouchers, reasons for short, excess or non-recovery being briefly noted in the remarks column. Extract of the register should then be made out in the schedules. The schedule should be attached to the relevant bills in support of the recoveries.

(3) While taking extracts it should be seen that names of these insurants from whom recoveries were made in the previous months but no recoveries have been made during the current month either on account of transfer or discharge of that policy or on account of leave salary being not drawn or the official being on leave without pay, should be included in the current month's schedule with necessary remarks noted against their names. Similarly the remarks "New Policy" or "Transferred from Office" should be given in the schedule against the names of insurants entered for the first time in current month. Reasons for short or excess recovery should be noted briefly in the remarks column. In short schedule of Postal Life Insurance recoveries to be attached to the bills, would be a record not only of those from whom the recovery has actually been effected but also of those from whom recovery was being effected previously but has not now been effected.

ESTABLISHMENTS; Etc.
[85A-86]

In case of double recoveries or late recoveries the reasons for late drawal of pay or pension together with an indication of the month of pay or pension from which premium has been recovered should be recorded in the remarks column. This information is absolutely necessary to determine the liability of the insurant to pay fine or interest and the currency of the policy.

(4) Though each policy of the insurant will be entered separately in the register and the schedule, the total amount recovered monthly from each policy holder on account of all policies should be shown in the register by bracketing all the policies. This will serve as a guide for preparation of monthly bills where recoveries in respect of each policy cannot be shown separately. This total in the register should be kept corrected up-to-date on addition of new policies and exit of old ones.

Deduction of income-tax

86.(a) Every disbursing officer who disburses the salary of any Government servant should make the appropriate deduction of income-tax from him at the time of payment in accordance with the Indian Income-tax Act, 1922 (Indian Act XI, of 1922) as subsequently amended, and the rules and directions contained in the Income-tax Manual and other orders of competent authorities.

(b) Every Government servant who pays any amount to a Government servant on account of a reward, examiner's fees or any similar item not strictly included under the head of "Salaries" should communicate the details to the Income-tax Officer concerned in a separate letter or memorandum when he makes the payment.

ESTABLISHMENTS, Etc.

[87]

Attachment of pay and allowances
by Civil Courts

87. (a) The extent to which the emoluments of a Government servant are exempt from attachment for debt is specified in section 60 (1) of the Code of Civil Procedure (Indian Act V of 1908), as subsequently amended. The following are the relevant provisions of the section they apply to attachments in respect of suits filed on or after the 4th September 1963:

"60 (1). The following property is liable to attachment in execution of a decree"

Provided that the following particulars shall not be liable to such attachment namely:-

(i) salary to the extent of the four hundred rupees and two-thirds the remainder in execution of any decree other than decree for maintenance.

Provided that where such salary is the salary of a servant of the Government and the whole or any part of the portion of such salary liable to attachment has also under attachment, whether continuously or intermittently for a total period or twenty-four months such portion shall be exempt from attachment until the expiry of a further period of twelve months and where such attachment has been made in execution of one and the same decree, shall be finally exempt from attachment in execution of that decree.

(i) (a) One-third of the salary in execution of any decree for maintenance.

ESTABLISHMENTS, Etc.

(87-cont.)

(k) all compulsory deposits and other sums in or derived from any fund to which the Provident Funds Act, 1925 for the time being applies in so far as they are declared by the said Act not to be liable to attachment.

(l) any allowance forming part of the emoluments of any servant of the Government which the appropriate Government may by certification in the official Gazette declare to be exempt from attachment and any subsistence grant or allowance made to any such servant while under suspension:

Explanation 2 - In clause and (i) "salary" means the total monthly emoluments, excluding any allowance declared exempt from attachment under the provisions of clause (l) derived by a person from his employment whether on duty or on leave.

Explanation 3 - In clause (l), "appropriate Government" means -

(i) as respects any person in the service of the Central Government the Central Government

(ii) as respects any other servant of the Government the State Government

Explanation 4 - For the purpose of this proviso "wages" includes bonus and "labourer" includes a skilled, unskilled or semi-skilled labourer"

NOTE - The following allowances have been declared by the Government to be exempt from the attachment by order of Court, namely :-

- (i) All kinds of travelling allowance.
- (ii) All kinds of conveyance allowance.

ESTABLISHMENTS, Etc.

[87-cont.]

(iii) All allowances granted for meeting the cost of -

(a) Uniforms and

(b) Rations.

(iv) All allowances granted as compensation for higher cost of living in localities considered by the Government to be expensive localities including hill stations.

(v) All house-rent allowances.

(vi) All allowances granted to provide relief against the increased cost of living.

(vii) All amounts paid by way of reimbursement of medical expenses.

(b) The maximum amount attachable by civil court is calculated on the amount earned and not on what remains after satisfying any debts due to the Government on account of advances taken under the rules.

(c) payments towards Postal and other Life Insurance policies, pension schemes, annuity funds, etc., that do not fall within the protection afforded by the Provident Funds Act, 1925 (India Act XIX of 1925) but are allowed to be deducted from the pay bills of Government servants for convenience in payment should not be excluded from the aggregate amount of salary in calculating the maximum amount attachable by a civil court. Any deductions which may have to be made on account of subscriptions to Provident Funds recognized by Government taxes on income payable by the Government servant and debts due to Government should be made from the non-attachable portion of the Government servant's salary.

ESTABLISHMENTS, Etc.
[87-87A]

Explanation - If total gross emolument earned are represented by X, allowances declared to be exempted from attachment under clause (1) of the proviso to sub-section (1) of section 60 of the Code of Civil Procedure 1908 and any subsistence grant or allowance made to any public officer while under suspension by Y, the net amount attachable if any, in respect of a suit filed after the 4th September 1963 is -

$$(x-y)-400$$

3

NOTE - The decree awarded by Courts prior to 1st February, 1977 would have been based upon the limit of first two hundred rupees and one half of the remainder in force from 4th September 1963 or the limit of the first hundred rupees and one half of the remainder in force prior to that date. Such decrees would continue to be valid until revised by the Courts.

**Recovery of dues to Co-operative Societies and
responsibility of Government servants**

87-A. (1) Where an intimation is received from a Co-operative Society of the execution of an arrangement by a Government servant as a member of such society under sub-section (1) of section 40 of the Madras Co-operative Societies Act, 1961 (Madras Act 53 of 1961), with a copy of such agreement certified in the manner specified in rule 15 of the Madras Co-operative Societies Rules, 1963 the Pay Disbursing Officer shall make a note of the agreement in the register prescribed in Madras Treasury Code Form No.113.

The pay disbursing officer shall on receipt of a requisition made by a society in accordance with rule 53 of the Madras Co-operative Societies Rules, 1963, for the deduction from the pay of Government

ESTABLISHMENTS, Etc.
[87A-cont.]

servant in respect of whom an intimation and the copy of agreement referred to above have been received of any amount due by him as a member of such society, shall recover at the time of disbursement of salary to the Government servant concerned, the amount specified in the requisition made by the Society subject to the following conditions -

(a) A certificate to the effect that the amount is due from the Government servant concerned to the Society on the date of requisition sent by it, shall be furnished on the requisition by the Society.

(b) Where the amount to be deducted in any month in accordance with the requisition made by a society other than a credit distributive or housing society or where a requisition has been made by two or more such societies in respect of the same Government servant and the total amount to be deducted in accordance with all the requisitions exceeds one-half of the entire emoluments for the month, the disbursing officer shall recover from the emoluments of such Government servant only a sum representing one-half of his entire emoluments for the month.

(c) Where the amount to be deducted is in respect of a requisition made by a credit distributive or housing society the disbursing officer shall recover from the emoluments of the Government servant the entire amount specified in the requisition without reference to the limit mentioned in clause (a).

NOTE (1) - For the purpose of these instructions, the Pay and Accounts Officers, Madras, the Treasury Officers and the Sub-Treasury Officers in the Districts shall be the pay disbursing officers in respect of the Gazetted Officers and Non-Gazetted Officers who are permitted under subsidiary rule 7

ESTABLISHMENTS, Etc.

[87A-cont.]

of the Treasury Rule 16, Tamil Nadu Treasury Code, Volume I to draw their pay, leave salary and travelling allowance on bills in the forms prescribed for Gazetted Government servants and the head of the office in respect of any other Government servant who does not draw his pay, etc., in a separate bill.

NOTE (2) - A Disbursing Officer, even when not located within the territorial limits to which the Act under which a Co-operative Society has been registered applies, may effect recoveries on account of dues of such a Co-operative Society from the salary payable to the Government servant.

Provided that such Government servant gives in writing an authorisation to his disbursing officer to make the recoveries in respect of such dues and the disbursing officer, before effecting recoveries ensures that the authorisation given to him by such Government servant is clear, unambiguous and has not been revoked.

(2) The responsibility for recovering any amount due to a co-operative society from the emoluments of any Government servant shall rest on the disbursing officer as defined in the note under rule (1) above.

(3) Where a requisition is received from a registered society at least seven clear days prior to the last working day of the month, the disbursing officer shall see that the amount specified in the requisition is deducted from the emoluments of the Government servant concerned subject to the provision of rule (1) above.

(4) The disbursing officer shall maintain a register in T.N.T.C. Form 113 and 113-A to ensure that proper action is taken on all the requisitions received from the societies.

ESTABLISHMENTS, Etc.

[87A-88].

(5) In the case of retired Government servants, the Accountant-General shall authorise the Pay and Accounts Officer/Treasury Officer, to recover the Co-operative dues, if any, from the death-cum-retirement gratuity. The Pay and Accounts Officer/Treasury Officer shall recover the dues and remit it to the Co-operative Society concerned, by means of Bank draft or cheque.

**Responsibility of Government servants for
recovering amounts attached by Civil Courts
from pay and allowances**

88. When paying a bill for the emoluments of a gazetted Government servant or other Government servant who draws his pay on a separate bill, the Treasury or Sub-Treasury Officer should recover any amount attached by the order of a Court from those emoluments. The responsibility for recovering an amount of this kind from the emoluments of any Government servant who does not draw his pay on a separate bill, by making the necessary deduction in the establishment bill, rests on the head of the office. If the Treasury/Sub-Treasury Officer or the head of the office, as the case may be, receives a relevant attachment order from a Court sufficiently early before the end of the month (see Article 73), he should see that the amount attached is deducted from the bill concerned. Each Treasury and Sub-Treasury Officer and each head of an office should carefully maintain a suitable "attachment register" to enable him to see that proper action is taken on all attachment orders received from courts (see subsidiary rules 2 (k), 22 and 33 under Treasury Rule 16 and instruction 9 under Treasury Rule 32).

NOTE - In cases where the attachment of salary and/or allowances of Government servant appear to be violative of section 50 (1) of the Code of Civil Procedure, 1908, extract of which is found in

ESTABLISHMENTS, Etc.
[88-90]

Article 87 (a), the judgment debtor may, if so advised, seek relief in the court concerned.

88-A. If an order of attachment against a Government servant is received before a previous order of attachment against the same Government servant has been fully complied with, the recoveries shall be made by the disbursing officer so long as the total amount recoverable with reference to the attachment order is within the maximum limits prescribed in Article 87. If a new attachment order has the result of increasing the amount beyond the maximum limits prescribed the disbursing officer shall return the attachment order to the court concerned with a statement showing (i) particulars of the existing attachment (ii) particulars of the amount withheld and paid into the court concerned up to date and (iii) amount remaining uncovered.

Hospital Stoppages

89. Government servants may make payments on account of hospital stoppages due to Government or Local Fund hospitals either by deduction from their bills for pay and allowances or in cash.

Fines

90. Fines imposed on subordinates for ordinary neglect of office duty are properly recoverable by stoppages from pay and consequent short drawal of establishment pay bills.

CHAPTER VI CONTINGENT CHARGES

Definition

[91-92]

91. The term "contingent charges" or "contingencies" is applied to the incidental expenditure which is necessarily incurred in running an office. The main items are common to most offices, e.g., expenditure on furniture, books and periodicals, service postage and telegrams, bicycles, electric current, cleaning charges, customs duty on imported stores, freight and tour charges. It includes also incidental expenditure which is required for technical or other special reasons in the working of particular offices and departments, expenditure on clothing and other equipments in such departments as the Jail and Police Departments, rewards paid to non-officials, diet and road money paid to prosecutors, witnesses, jurors and assessors, law charges, dietary and medical charges in jails and hospitals, purchase of plant, machinery and laboratory equipments in colleges and schools, raw materials for conversion into manufactured articles in the Jail Department, workmen's wages, purchase of livestock for the manufacture of sera and vaccines and similar items.

The contingencies of special offices in the Public Works Department include also expenditure on the supply of and repairs to tools and plant.

Extent of application of this chapter

92. The rules in this chapter apply primary in contingencies of the kinds, mentioned in the preceding Article, but expenditure on petty construction and repairs, dealt within Chapter VIII, and other miscellaneous expenditure, dealt within Chapter IX are also subject to the rules of procedure contained in this Chapter, except in so far as such expenditure is governed by any special rules.

CONTINGENT CHARGES

[93]

**Authorities competent to sanction
contingent charges**

93. (a) Heads of offices have been empowered to incur or sanction expenditure on ordinary and recognized contingencies subject to the following conditions:-

(1) The expenditure should be non-recurring, i.e., should not involve any commitment beyond a single payment, unless the authority concerned has been duly empowered to incur or sanction such recurring expenditure. A gazetted Government servant who is entitled to draw contingent bills may incur recurring expenditure up to Rs.10 a month for a period not exceeding six months, and may also sanction recurring expenditure subject to some restrictions in any office subordinate to him.

Exception - The sanction of the Government is not required for the payment of a municipal or other local tax whatever its amount on Government property, if the tax has been assessed by the competent authority and the certificate required in rule 3 of Article 120 is duly furnished. If the Government servant who receives the notice of demand considers that the assessment is excessive, he should report the facts at once to his immediate superior with full information as to the time allowed for filing an appeal against the assessment and the grounds on which an appeal could be based.

(2) If the Government have prescribed any special rule, restriction, limit, scale or the like regarding any particular item (see Appendix 5) it should be strictly observed.

(3) The total expenditure incurred by the head of an office in any financial year should not exceed the appropriation placed at his disposal for the purpose for that year.

CONTINGENT CHARGES
{93-cont.}

NOTE (1) - The Electrical Inspector may incur recurring expenditure up to Rs.25 per month for a period not exceeding six months.

NOTE (2) - The sanctioning authority need not take into account the sales-tax for the purpose of exercising the power of sanction of stores, etc., as per the monetary limits laid down in the various appendices in Volume II of this Code. However, all controlling and disbursing officers should furnish a certificate in all bills in which sales tax is shown as a separate item of expenditure as detailed below:-

Certified that in the case of sub-vouchers, attached to the bill and those retained in my office relating to the purchase of goods on which sales tax has been charged, the goods have not been exempted under the Central-State Sales Tax Act or the rules made thereunder and that the amounts paid on account of sales tax on those goods are correct under the provisions of that Act or the rules made thereunder and that in the case of supplies against regular contracts, the relevant contract includes a specific provision that sales tax is payable by Government.

NOTE (3) - The Assistant Inspector-General of Police shall exercise the powers of the Inspector-General of Police in respect of purchase, condemnation and replacement of stores, viz., articles of clothing, arms and equipments and incur expenditure in this regard subject to Budget provision.

NOTE (4) - For purpose of exercising the monetary limit for purchase of equipments, etc., under the powers delegated in Appendix 5, the total value of the purchase at any one time should be reckoned, notwithstanding the fact that the cost of individual articles may be within the monetary limits.

CONTINGENT CHARGES
[93-94]

(b) The head of an office may delegate his power to incur or sanction expenditure on contingencies to any gazetted Government servant under him subject to any further conditions and restrictions which he may consider necessary in addition to those prescribed by the Government.

When satisfied that it is unavoidably necessary, e.g., during his absence from headquarters, the head of an office or other gazetted Government servant who is authorised to incur contingent expenditure may permit a responsible non-gazetted subordinate, such as a head clerk or office manager, to incur urgent contingent expenditure of a specified kind or kinds up to a specified amount (which should be small) in anticipation of his sanction. Whenever he does so, he should arrange to scrutinize as soon as possible all vouchers for contingent expenditure so incurred and pass them finally for payment. If he disallows any item of charge of part of an item, he should recover the amount disallowed from the payee, if he considers it desirable and finds it possible to do so, and otherwise from the non-gazetted subordinate who incurred it in anticipation of his sanction.

(c) A Government servant should not incur any expenditure on contingencies which involves a departure from the general and special rules prescribed in this Code or any unusual expenditure on contingencies unless the Government have specially sanctioned the expenditure.

NOTE - The charge connected with the Tamil Nadu Public Service Commission will be governed by Regulation 14 of the Tamil Nadu Public Service Commission Regulations 1954.

Permanent Advances

94. As a general rule, a Government servant is only permitted to draw money from the treasury

CONTINGENT CHARGES

[94-95]

on presenting a proper voucher prepared in accordance with the rules so as to show the precise nature of the expenditure, and as a general rule no money may be drawn from the treasury until it is required for immediate disbursement. The permanent advance system is an exception to these general rules. Unforeseen expenditure often has to be incurred urgently, and it would sometimes be very inconvenient to postpone such expenditure whilst fulfilling the formalities ordinarily required for drawing money from the treasury to enable him to make disbursements of this kind before drawing the necessary bills. A Government servant may be granted a permanent advance, the amount of which should be limited to what is absolutely essential to meet his ordinary requirements.

An advance limited to the actual Railway fares (both ways) may be granted from the permanent advance to a non-Gazetted Government servant, who is required to proceed on official tours at short notice. An entry for the amount paid should be made in the charges side of the Permanent Advance Register. Simultaneously a bill for the Travelling Allowance Advance admissible under the provisions of Article 84 should be prepared and presented at the Treasury. On encashment of the advance bill, the full amount of the advance should be shown as receipt in the Undisbursed Pay Register. The portion relating to the amount advanced from the Permanent Advance should be charged in the Undisbursed Pay Register, and taken over to the Permanent Advance Register of the receipt side, as refund of advance. The next amount payable to the Government servant should be entered on the disbursement side of the Undisbursed Pay Register at the time of payment.

95. The permanent advance of a head of a department has to be fixed and sanctioned by the Government. Unless the Government direct otherwise, the head of a department may sanction the permanent

CONTINGENT CHARGES

[95-96]

advance to a Government servant serving under him. The head of the accounts wing in the departments, viz., the Chief Accounts Officer or Senior Accounts Officer or any other officer, as the case may be, should be consulted before the amount of permanent advance is fixed.

96. Application for the initial sanction of permanent advance or for the revision of the amount of the existing permanent advance should be submitted to the authority competent to sanction it. The application for an initial advance should be accompanied by a statement of financial forecast of contingent expenditure, which is to be met from the permanent advance based on the contingent allotment of the office and other factors e.g., conveyance facilities. Special items of contingent expenditure peculiar to the office, proximity to the railway station, availability of co-operative marketing facilities, etc. The Chief Accounts Officer or Senior Accounts Officer or any other officer in-charge of the Accounts wing of the Department will check the appropriateness of the amount of advance applied for. In the order sanctioning an initial advance, the sanctioning authority should instruct the drawing officer to send to him a statement showing datewise details of expenditure met out of the advance for the period of three months from the date of drawal of the advance, giving reference also to the relevant vouchers in which the expenditure stands included. The sanctioning authority will scrutinize the three monthly statements of expenditure and fix the advance finally, having regard to the average monthly expenditure as reported through the statement. The application for the revision of the existing amount of permanent advance should be accompanied by a statement of expenditure incurred out of the permanent advance for a period of twelve months, preceding the month of an application giving also reference to the relevant vouchers in which the expenditure stand included and the

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necessity for the revision should be fully explained. The advance should be based on the average monthly contingent expenditure of the office for the preceding twelve months.

The permanent advance will be recouped not more than two times in a month, irrespective of the amount of each bill so that the amount sanctioned shall not exceed half the amount of monthly expenditure subject to the minimum of Rs.100. Copies of sanction along with the statement of expenditure and also showing, in the case of revision of the amount of permanent advance, the amounts of contingent bills cashed with classified details of expenditure for the preceding twelve months, should be furnished to the Accountant-General.

But the following Heads of Departments/Offices are exempted from the operation of the restriction regarding the recoument of Permanent Advance under this Article.

1. Office of the Assistant Directors of Agriculture (Oil Seeds) under the control of the Director of Oil Seeds, Madras.
2. Office of the Registrar, High Court, Madras.
3. Office of the Reception Officer, State Guest House, Madras under the control of the Public Department, Madras-9.
4. Office of the Governor's Household, Guindy.
5. The District and Sessions Courts and the Criminal Courts in the State of Tamil Nadu.

The authorities competent to sanction Permanent Advance may revise the Permanent Advance without reference to the Accountant-General but subject to other conditions prescribed.

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97. No permanent advance should be granted unnecessarily and no such advance should be larger than necessary in view of the obvious objections to the retention of money outside the treasury. A permanent advance sanctioned for the use of the head of an office should be so fixed as to meet the needs of every branch of his office; any amounts required by his subordinates should be allotted from his advance and acknowledgments taken from them in a form similar to that in which he furnishes acknowledgment himself to the Accountant-General.

98. On the 15th April every year, and whenever there is a change of incumbent of the post concerned or in the event of the advance sanctioned, every Government servant who holds a permanent advance should forward an acknowledgment to the Accountant-General in the form prescribed by the Accountant-General for the amount of the permanent advance for which he has to render account. This acknowledgment should always be for the full amount for which the Government servant is responsible, including any portions of the advance which he has distributed to his subordinates.

Temporary advances for specific purposes

99. When a temporary advance is considered necessary for the purpose of meeting contingent expenditure of a specified kind or on a specific occasion and it is not covered by standing sanction given by the Government, an application for sanction should be submitted to the Government. Occasionally the Government accord a standing sanction for the grant of such temporary advances on all occasions of a particular kind. For example, a Treasury or a Sub-Treasury Officer is authorised to advance under a standing sanction such amount not exceeding Rs.1,200 in all in one or more instalments or Rs.200 as may be required to

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[99-cont.]

meet contingent expenditure in connection with the examination to the Chief Superintendent of any examination held under the direction of the Tamil Nadu Public Service Commission.

The Chairman, Tamil Nadu Public Service Commission may sanction a maximum amount of additional advance of Rs.3,000/- over and above the normal limit of advance of Rs.1,200/- considering the strength of candidates appearing for the examination, number of days of examinations, etc. In special cases, where the Chairman of the Commission considers that the Chief Superintendents/Tahsildars could not meet the entire expenditure from the additional advance amount limit of Rs.3,000/- sanctioned to them, the Chairman, Tamil Nadu Public Service Commission may sanction the advance beyond the limit of Rs.3,000/-. For such individual cases, the Government should be addressed for ratification of the action of the Chairman in sanctioning the additional amount beyond the said limit. The advance should be adjusted by detailed bills and vouchers as soon as possible.

The Treasury or the Sub-Treasury Officer is authorised to advance under a standing sanction such amount, as may be required to meet contingent expenditure, in connection with the Examinations to the Inspecting Officers namely, Chief Educational Officer, District Educational Officer, Inspectress of Girls Schools, Inspector of Matriculation Schools and Inspector of Anglo-Indian Schools, for all Examinations held under the direction of the Director of Government Examinations. The advance should be adjusted by detailed bills and vouchers within 10 days of conclusion of the examination.

If the Government have laid down any conditions or restrictions regarding any particular items (see Appendix 6) such conditions or restrictions should be strictly observed.

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[99-cont.]

If two temporary advances are pending with the drawing officers for more than two months irrespective of the purpose for which they were sanctioned, they cannot draw a third advance for any purpose. However the Treasury Officers/Pay and Accounts Officers may admit the third advance bills when presented by the drawing officers in special circumstances after obtaining an undertaking from the drawing officers to the effect that the advance will be adjusted with the bills and vouchers within a month. If any temporary advance is pending for more than four months the Treasury Officers/Pay and Accounts Officer shall write to the Head of Departments concerned to adjust the advance with the detailed bills and vouchers within a month. The Head of Department shall take suitable action to settle the advances. Advances pending for more than five months should be brought to the notice of the Government.

The drawing officer should maintain a register in T.N.F.C. Form 23-A in which he should enter particulars of the advances drawn by him and the amounts adjusted. He should also attach a statement to the bill for an advance showing the voucher number, the amount and the date of the previous advance and the mode of adjustment, duly certified under his dated signature.

NOTE - The columns (1) to (6) of the Register in Form 23-A should be filled in at the time when the bill for the advance is prepared and presented at treasury or pay and accounts office for payment. A certificate to the effect that "the drawal of advance has been entered in the register for watching adjustment of temporary advance" should be simultaneously made on the bill and attested by the drawing officer. The register should be reviewed by the drawing officer concerned once in a month and suitable remedial action taken in cases of long delay in adjustment. The drawing officer concerned will also set his initials in column (12) "Remarks" in token of such review against the latest entry.

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[99-cont.]

The following officers of the Adi-Dravidar and Tribal Welfare Department may draw advances upto the maximum noted against each, at a time, for meeting the expenditure on the purchase of rice on cash basis for use in Government Hostels of Adi-Dravidar and Tribal Welfare Department:-

Serial number	Name of the Office	Maximum amount of advance
(1)	(2)	(3)
1	District Welfare Officer, Madras City	10,000
2	District Welfare Officer, Chingleput	3,900
3	District Welfare Officer, South Arcot	6,000
4	District Welfare Officer, North Arcot	3,700
5	District Welfare Officer, Salem	3,500
6	District Welfare Officer, Coimbatore	3,100
7	District Welfare Officer, The Nilgiris	1,600
8	District Welfare Officer, Tiruchirappalli	8,000
9	District Welfare Officer, Thanjavur	3,200
10	District Welfare Officer, Madurai	6,200
11	District Welfare Officer, Ramanathapuram	7,300
12	District Welfare Officer, Tirunelveli	5,100
13	District Welfare Officer, Kanyakumari	800
14	District Backward Classes Welfare Officer, Pudukkottai	3,000
15	District Backward Classes Welfare Officer, Dharmapuri	3,000
16	Special Deputy Collector (KR), Madurai	8,000

The advance should be adjusted by detailed bills and vouchers as soon as possible.

The Director of Adi-Dravidar and Tribal Welfare may draw an advance of Rs.3,000 (Rupees three thousand only) as temporary advance whenever the meeting of Tamil Nadu Tribes Advisory Council is held to defray the expenses towards Travelling Allowance and Daily Allowance of the non-official members of the Council.

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[99-100]

The Director, Tamil Nadu Forensic Science Laboratory, Madras may draw an advance of Rs.3,000/- (Rupees three thousand only) towards the expenditure for purchase of petroleum solvent for Laboratory, purchase of spare parts for instrument for the laboratory, import of high purity chemicals, instruments and gadgets without import licence utilising facility offered under imports by hospitals or medical institutions, for payment of customs duty involved in the above transactions, for direct purchase from the manufacturers, the chief agents, any chemical or apparatus for which advance payment is insisted by them and for direct purchase from the manufacturers, the chief agents any item for which advance payment is insisted by them.

The Section Officers (bills) or the Under Secretary to Government in charge of establishment in respect of Secretariat and head of Department concerned or an officer in his office duly authorised by him are empowered to draw temporary advance for the required amount whenever necessary towards payment of "Notice Salary" to the Government servant who are compulsorily retired from service under the provisions of F.R. 56 (d). The advances shall be adjusted by detailed bills and vouchers in two months.

**Advances for contingent charges
to be incurred on tour**

100. When satisfied that it is really necessary, the head of the office may sanction an advance to himself or his assistant or deputy to cover contingent charges during a journey on tour, provided, that no advance is sanctioned in respect of the contingent charges of an "inspecting officer" as defined in Article 6. The amount advanced should not exceed the sum likely to be required to meet contingent charges, such as those for the hire of conveyances or animals for the

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 [100-102]

carriage of records, tents or other Government property, for a month or for the probable duration of the tour whichever is shorter. Except in the Forest Department no part of any such advance may be applied to any expenditure of a gazetted Government servant for which his travelling allowance is intended to provide (see also Article 84). The advances should be charged to the final head of expenditure concerned. It should be adjusted in full at once when the Government servant returns to headquarters on completing the tour, if it has not already been fully adjusted. When a Government servant has drawn an advance of this kind he is not eligible for a second advance of the same kind until the first one has been fully adjusted.

Advances for Law Charges

101. A Government servant who has been duly authorized to incur any expenditure on law charges in connection with law suits to which the Government are a party may draw an advance for the purpose of meeting the expenditure. The advance should be drawn and accounted for as a contingent charge under the final head of expenditure concerned. For special rules and restrictions in regard to law charges see item 35 in Appendix 5.

Classification of contingent charges

102. For purposes of control and audit, contingent charges are grouped as follows:-

- (1) countersigned contingencies; and
- (2) non-countersigned contingencies.

Expenditure incurred by a Government servant on countersigned contingencies is under the direct control of a higher authority, known as the controlling officer or authority, who countersigns

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the bills. Countersigned contingencies require countersignature before payment. The contingent bills, with full details of charges duly entered therein are submitted along with the supporting sub-vouchers to the controlling authority for scrutiny and countersignature. After countersignature, the bills shall be returned to the drawing officer for being presented at the treasury.

No detailed bills are sent to the controlling authority for non-countersigned contingencies; each contingent bill for non-countersigned contingencies presented for payment at the treasury should therefore contain full details of the expenditure, and the sub-voucher for any individual payment exceeding Rs.100 included in the bills should be attached to it. Such bills are sent straight to the Accountant-General for audit without any scrutiny by a controlling authority, and the contingencies in this category are therefore also called audited contingencies.

Contingent charges should be recorded and treated in the accounts as charges of the month in which they are actually disbursed from the treasury.

Contingent Register

103. Every item of contingent expenditure, whether the charge is to be countersigned or not, should be recorded in a register to be maintained in each office. Separate registers may be opened, if convenient for the countersigned and the non-countersigned contingencies, respectively. The unit for these registers should be the major head of account, and the general arrangement should be as in Form 7. The number of columns to be opened in the register, the sub-heads of appropriation and detailed account heads to be included, and the further detailed classification, if any, required

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for purposes of control and audit, cannot be the same for all departments and offices. The controlling authority should pass orders on these points, in consultation with the Accountant-General in the manner best suited to the conditions of each department or officer. The accounts maintained at the treasury and by the Accountant-General contain no further details beyond the figures under detailed account head but the contingent register should show the expenditure classified in detail under the several item falling under a detailed account head for departmental purposes, e.g., the preparation and check of contingent bills, the preparation of estimates and financial control both by the head of the office and by superior authorities (see Article 118). The expenditure on the less important items may be shown as a whole in one column and the charges under each of these items need not then be accounted for or watched separately. Any charge for which a special explanation is required should be described in the column headed "Description" though the amount need be entered only in the relevant separate column. The column headed "Description" should be used for noting the month or period to which any recurring charge (e.g., rent or pay of punkah-pullers) entered in one of the other columns relates.

NOTE - In column (3) of the Contingent Register (Tamil Nadu Financial Code Form 7), serial number of sub-vouchers (other than Permanent Advance) should be given for the whole year. The separate serial numbers, allotted in the Permanent Advance Register in respect of sub-vouchers relating to payments made from Permanent Advance, should be specified in column (3) of the Contingent Register with the distinguishing letters "P.A.".

104. (a) Whenever the cashier make a payment under the head of contingencies, he should enter in the proper columns of the contingent register the date, the name of the payee, the amount and the

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number of sub-vouchers. If any charge requires any examination, he should make the necessary entry in the column headed "Description" and obtain the initials of the Government servant who incurred the charge against the entry.

(b) The head of the office or the gazetted Government servant whom he has authorised to incur contingent expenditure should initial against the date of payment in respect of each item. If, owing to his absence, the entries in the register have been initialled by a non-Gazetted Government servant, the register should be reviewed and the entries re-initialled by the head of the office or the gazetted Government servant concerned as soon as he returns to headquarters.

(c) Every drawing officer should maintain a register in Form 24, for watching the prompt receipt of stamped receipts from the payee and their transmission to the Accountant-General and to the Pay and Accounts Officer, Madras in cases where stamped receipts relating to the mufassal and to the city respectively have not been sent along with the relevant contingent bills. The register should be reviewed by him periodically at least once a month to ensure that a prompt action is taken in respect of all cases.

Exception - The entries against the date of payment in respect of each item in the Contingent Register maintained by the Bills sections, Secretariat, need not be initialled by a gazetted officer.

105. (a) Advances made from the permanent advance, such as advances to peons for railway fares, advances for office expenses in camp, etc., should be entered at once in the proper column of the contingent register, i.e., the column headed "Advances". When each advance is subsequently adjusted, the fact should be noted in the remarks column.

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(b) The amount of bills paid by book-transfer should be entered in the contingent register in red-ink, and the balance available should be reduced accordingly.

(c) A progressive total for each column should be struck monthly, immediately after the monthly total. It should include all payments and bills paid by book-transfer under each head from the beginning of the year up to the end of the last completed month.

Recoupment of Permanent Advance

106. At the end of each calendar month, and also when, in the course of a calendar month, a transfer of charge takes place or it is found necessary to draw money for contingent expenses, e.g., when the balance of the permanent advance in hand has become inconveniently small the cashier should rule a red-ink line across the page of the register or registers referred to in Article 103, add up the several columns and post the several totals for the different classes of contingent charges in the bill or bills. The forms of the bill for countersigned and non-countersigned contingencies respectively and the instructions to be observed in preparing the bills are laid down in the Tamil Nadu Treasury Code (see subsidiary rules 18 and 19 under Treasury Rule 16). The cashier should then lay the bill with the sub-vouchers and registers before the head of the office, or the gazetted Government servant whom the head of the office has authorised to incur contingent expenditure under Article 93 (b) and to sign contingent bills for him. The head of the office or the gazetted Government servant acting for him should carefully scrutinize the entries, initial each entry in the contingent register if this has not already been done, and sign the bill, if it is in order, and also the separate certificates, if any. He should also invariably make suitable

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[106-109]

entries on the original sub-vouchers to show that they have been paid, so that it will be impossible to use them in support of a second claim and he will be held personally responsible if a second payment is made in respect of any item on account of him not carrying out this instruction properly. The cashier will then date and number the bill and present it at the treasury for payment.

107. (a) When the permanent advance is running short and a payment which exceeds the balance of the advance is due to be made, the amount of that payment may be entered in the contingent register with the number that the sub-voucher will bear when the payment has been made, and included in the bill. The payment should be made immediately after the bill is cashed.

(b) In an office in which the charges under several major heads have to be met from a single permanent advance, it is not necessary to prepare bills in respect of those heads under which there has been little expenditure on every occasion when the permanent advance runs short. The expenditure under such heads should be totalled and the bills prepared only at the end of the month in order to bring the following month with the full amount of the permanent advance, or when there is a transfer of charge so that the relieving Government servant may send the Accountant-General his acknowledgment of having received the whole of the permanent advance in cash.

108. Deleted.

Countersigned Contingencies

109. (a) The Superintendents of Police or their Personal Assistants, the Commissioner of Police, Madras City or the Personal Assistant to the Commissioner of Police, Madras City and the Deputy Inspector-General of Police, C.I.D., in

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(109-110)

respect of all the branches of the C.I.D. are authorised to retain the sub-vouchers for payments of rewards to informers when they consider that it would be undesirable to disclose the names of the payees; when a Government servant does this, he should certify on the bill in his own hand-writing that the amount charged on account of this item has been actually and duly paid to the informer or informers concerned.

(b) The Commissioner for Government Examinations should retain the sub-vouchers for payments made for the printing of question papers for the Secondary School-Leaving Certificate Public Examination at private presses and certify on the bill in his own hand-writing that the amount charged on account of this item has been actually and duly paid to the person or persons, entitled to receive it in payment for the printing work done.

Countersigning authority's contingent register

110. As soon as the bill is received in the office of the countersigning authority, the figures should be transcribed from it into a separate register in the same form as the disburser's register (Form 7), together with full description of any item that requires explanation. The countersigning authority should review the bill with the sub-vouchers. If he disallows any item, the fact should be noted in the bill and in the "Remarks" column of the register together with the particulars regarding the sub-voucher concerned and the reasons for disallowance. The amounts shown in the register in the columns affected as a result of the revision should be corrected in red ink. The pass order in the bill should also be revised suitably. The countersigning authority should then enter the date of admission in the register under his initials sign the bill and despatch it to the drawing officer.

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A countersigning authority may authorise responsible Gazetted Government servant serving under him to examine and countersign on his behalf, when he is absent from headquarters.

A countersigned detailed contingent bill forwarded to the Accountant-General or the Pay and Accounts Officer as the case may be should invariably be sent in a sealed cover. The despatching clerk should personally put each bill into the cover and seal it.

111. In the countersigning authority's contingent register, the date of receipt of a bill should be entered in the column headed "Date of bill". The date of its return to the drawing officer should be entered in the Column headed "Date of admission with initials".

**Amounts disallowed by the
countersigning authority**

112. If the countersigning authority finally withdraws the objection to any item, after the encashment of the concerned bill, the amount may be drawn.

113. Deleted.

**Endorsement of contingent bills in favour
of private parties, etc.**

114. (a) When a contingent charge of not less than Rs.75 is payable to a single private party and the amount cannot conveniently be provided from the permanent advance, a separate contingent bill should ordinarily be prepared for the amount and endorsed for payment to party concerned, whether he resides in the district in which the claim arises or not. This procedure is not applicable when the funds required for contingent expenditure are obtained by drawing cheques on the treasury, or

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when a Government servant in mufassal has to pay for a purchase in Madras City, or when a payment has to be made outside the State. When a drawing officer is satisfied that there are special and exceptional reasons which makes it desirable to endorse a contingent bill for an amount below Rs.75 in favour of a private party, or to pay in cash a contingent charge of Rs.75 or more due to a private party, he may record the reasons and act accordingly.

Except where a party desires to collect the payment through a bill endorsed in his favour through a bank, the departmental officer himself should draw the amount in cash from the treasury or obtain a crossed cheque in favour of that party where the system of payment on bills by cheques is in vogue at the treasury or obtain a bank draft in favour of that party and pay the amount to the party either in cash or by cheque or by Bank draft as the case may be. The departmental officer shall also pay the amount due to the party by Postal Money Order also at the request and expense of that party.

NOTE 1 - Fully vouched contingent bills should alone be endorsed to private parties.

NOTE 2 - The Works Manager, Government Press, is authorised to endorse for payment to a private party -

(1) A contingent bill for an amount not less than Rs.25 payable to a single private party, and

(2) A contingent bill for printing work done by a private press, whatever the amount of the bill may be.

NOTE 3 - Payment exceeding Rs.500 due to private parties, Companies, etc., shall not be made in cash in Madras City. Such payments shall be made by way of demand drafts only.

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[114-cont.]

The Director of Stationery and Printing, in respect of the Stationery Department, is authorised to endorse for payment to a private party a contingent bill for an amount not less than Rs.25.

Contingent bills payable at treasuries on account of rents, rates, taxes, etc., due to local bodies which have a banking account at the treasury may be endorsed without any money limit. A single bill should be prepared at intervals of not more than a month for all the items due to any local body.

The Commissioner of Milk Production and Dairy Development may pay milk bills in cash to licences upto Rs.300 in all cases and upto Rs.500 in exceptional cases.

(b) A contingent bill payable at a mofussil treasury should not ordinarily be endorsed for payment to a private party in March after the 15th. This restriction applies also to contingent bills payable in Madras City if the claims relate to mofussil district.

A local contingent bill payable in Madras City should not be endorsed for payment to a private party in Madras after the 25th.

(c) No endorsement on a contingent bill remains valid for longer than three months, counting from the date of issue. Whenever any contingent bill issued in the last quarter of the year is endorsed for payment to a private party, it should be stated in the endorsement that the payment order will remain valid only up to the end of March.

(d) Whenever a contingent bill is endorsed for payment to a private party, the drawing officer should immediately send an advice "direct" (not through the endorsee) to the treasury at which it

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is to be paid, giving all the particulars of the bill. He should see that the item is entered at once in the contingent register in red ink with a note to the effect that the amount has been drawn and attest the entries by his initials. He should also see that the slip in T.N.T.C. Form 100 accompanying the bill is received back from the treasury duly filled in. See subsidiary rules 2 (u) and 32 (i) under Treasury Rule 16.

(e) A drawing officer may endorse a contingent bill in favour of a Government servant subordinate to him. A private party in whose favour a contingent bill has been endorsed may re-endorse it in favour of a bank or a messenger for collection and a bank in whose favour such a bill has been re-endorsed may re-endorse it in favour of a messenger for collection.

(f) When a bill for supplies made to the Government has been endorsed for payment to a contractor and is re-endorsed by him in favour of a bank, he should sign the receipt on the bill as well as a separate endorsement in favour of the bank - see subsidiary rule 36 (c) under Treasury Rule 16.

(g) A contingent bill must not be used as a negotiable instrument except to the limited extent permissible under this article.

Inter-departmental transfers

115. The conditions under which a department of the Government may make charges for services rendered or articles supplied by it and the procedure to be observed in recording such charges in the accounts are given in Chapter 4 of the Tamil Nadu Account Code, Volume I.

In cases where inter-departmental adjustments between two service departments are in respect of

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services rendered and do not involve manufacturing or production or supply of articles, etc., there should be no monetary or accounting settlement except where some fees are levied under a particular enactment. In the latter case also, settlement should be made either in cash or through Bank draft.

In cases of transactions between two service departments of the same Government when manufacturing or production or supply of articles or repair operations are involved the adjustment might be done away with if the cost of service or supplies is for Rs.250 or less in each case.

In respect of transactions for amounts in excess of Rs.250 the supplying department will present a bill at the Treasury/Pay and Accounts Office for the cost of supplies for services along with the accepted invoice and chalan in quadruplicate indicating the designation of the supplying officer in the invoice. The Treasury/Pay and Accounts office will pass the bill for payment by transfer credit to the head of account indicated in the chalan debiting the amount to the head of account indicated in the bill by the supplied officer.

In respect of commercial undertakings which are not vested with cheque drawing powers the procedure mentioned in the preceding paragraph shall be adopted.

The Public Works and Forest and other departments, if any, vested with cheque drawing powers will settle the claims through cheques.

This procedure in respect of inter-departmental adjustments is also applicable to transactions adjustable within the same department.

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NOTE 1 - The procedure for the adjustment of the cost of supplies made in the following cases is laid down in the rules noted against them:-

(a) Supplies made to the village service establishments - Local Ruling II under Articles 95-99, Tamil Nadu Account Code, Volume II.

(b) Supplies made by the Public Works and Highways and Rural Works Departments - Articles 180-189, Tamil Nadu Account Code, Volume III and the Local Ruling thereunder.

The special rules applicable to Public Works Workshops, Madras, are contained in Local Ruling 2 under Article 182 of the Tamil Nadu Account Code, Volume III.

(c) Supplies made by or to the Forest Department - Article 242, Tamil Nadu Account Code, Volume III and the Local Ruling under it.

NOTE 2 - In the case of telephones supplied by the Government Telephones Department, bills for the telephone and trunk call charges, should be made in cash or cheque, irrespective of the amount in the bill. The following procedure shall be followed for the settlement of the telephone bills.

(i) MADRAS CITY

The original of the telephone bills of Government departments (relating to Government offices and officers) in the city should be presented along with the contingent bill to the P.A.O by the concerned departments and cheques drawn in their favour. The concerned departmental officer should thereupon endorse the cheque in favour of the Reserve Bank of India - Account Madras Telephones and send it to the Accounts Officer, Madras Telephones District along with the remaining two copies of the telephone bill. The

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Accounts Officer, after retaining one copy with him shall return the other copy to the departmental officer along with a separate receipt.

(ii) MOFUSSIL

(i) The payments in respect of Bills for telephones working for Government departments in the Mofussil, excepting those under the jurisdiction of the Tiruchirappalli Engineering Division, may be made by crossed cheques drawn in favour of the "Reserve Bank of India, Accounts Officer, Telephone Revenue, Madras Circle"; and

(ii) The payments in respect of Bills for telephones working for Government departments under the jurisdiction of the Tiruchirappalli Engineering Division be made by crossed cheques drawn in favour of the "Accounts Officer, Telephone Revenue, Tiruchirappalli Engineering Division, Tiruchirappalli".

The expression "telephone bills" used in this Note includes, besides, the trunk call bills and rent bills, bills for electric clocks, call bells, indicator drops, indicator bells, etc., and those for other miscellaneous items.

In respect of work done or supplies made by the Public Works Workshops, Madras, or the Transport and Machinery Divisions, Madras, the Transport and Machinery Sub-Divisions at Pudukkottai or Coimbatore of the Highways and Rural Works Department, the officer countersigning the invoice should indicate the cost deposited in advance into the treasury with date and the difference requiring adjustment with reference to the final cost.

NOTE 3 - Bills in respect of store, etc., purchased through the Indian Stores Department are governed by the Special Rules framed by the Government of India.

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**Contingent charges incurred on behalf of
other Government servants**

116. It is often expedient for a Government servant to make official purchases or incur expenditure on behalf of the Government district, making his arrangements through a Government servant in the latter district. If the amount to be paid on account of contingent expenditure incurred in this way is not less than Rs.50, payment should be made by Government Draft, but otherwise every Government servant who actually incur expenditure in this way should treat it as expenditure of his own office, and not demand payment from the Government servant at whose request he, as an agent, has incurred the expenditure. The charge should, however, be recorded in the accounts as expenditure of the department in which the Government servant who asks for the expenditure is serving. A Government servant should therefore address his application for any service of this kind to the principal Government servant of his Department in the district indented on e.g., a Police Officer should ask the Superintendent of Police, and not the District Magistrate, to purchase blankets for him. If the District Magistrate receives any such indent from a Police Officer, he should pass it on the Superintendent of Police, who should deal with the charge (if it is less than Rs.50) as a final charge of his own office and apply to the proper authority for an extra appropriation if his appropriation will not be sufficient for the financial year. The Government servant who asks for the expenditure to be incurred is always responsible for obtaining proper sanction for the expenditure.

NOTE - This rule does not apply to payments for purchase made in Madras City. A Government servant in the mofussil who has to pay for a purchase in Madras City may send the amount by Bank Draft if it is not less than Rs.25 and by postal money order if it is less than Rs.25.

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**Special instructions regarding bills of
offices in Madras City**

117. (a) The following precautions should be observed by heads of departments and offices in Madras City in regard to contingent bills for miscellaneous payments that are to be paid at mofussil treasuries:-

(1) Every such bills should invariably be despatched in a sealed cover and by registered post, whether it relates to contingent charges, including those incurred by a non-official or to remuneration payable to a Government servant or a non-official. The despatching clerk should personally put each bill into the cover and seal it.

(2) Whenever a bill is made payable to a named person, an advice showing the name of the payee should be sent to the treasury or sub-treasury which is authorised to make the payment, and the bill should after countersignature be forwarded to the payee direct, for presentation at the treasury concerned.

(b) Bills for miscellaneous payments payable in Madras City to persons who are not Government servants should be collected together and forwarded to the Pay and Accounts Officer duly countersigned in a batch, as often as may be necessary, with a covering letter and a detailed statement showing the names and addresses of the payees and any other necessary particulars. These bills will be paid at the Pay and Accounts Office. The head of the office concerned should request each payee to present himself at the Pay and Accounts Office for payment within ten days from the date when the bill was sent to the Pay and Accounts Officer and to produce there in original the intimation received from him (the head of the office) and also that received from the Pay and Accounts Officer stating

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that the bill has been passed. The payee is required to deliver to the Pay and Accounts Office the intimation that he received from the Pay and Accounts Office and a receipt for the amount duly stamped when necessary, before the amount is paid to him.

NOTE 1 - Payments outside the State in respect of the transactions, i.e. repayments of earnest money deposits by contractors and others residing outside the State, refund of examination fees remitted by candidates outside the State, payment of Advocates, Solicitors, etc., outside the State for rendering service to the State Government and other similar payment to private parties on account of supplies made or services rendered residing outside the State, refund of examination fees remitted by candidates by means of bank draft being met from the contingent allotment by the Drawing Officers concerned. The Drawing Officers who are presenting the bills for the amount to be remitted outside the State at the Pay and Accounts Office should make an endorsement thereon as follows:-

"Please issue a cheque for the amount of the bill in favour of the Reserve Bank of India, Madras".

On receipt of the cheques from the Pay and Accounts Officer, the Drawing Officer should present them at the Reserve Bank and obtain drafts for the amount of cheques. The amount of each such bill will be kept under objection in the Pay and Accounts Office till proper stamped receipts obtained from the parties are received from the Drawing Officer. The Manager, Reserve Bank of India, will issue receipts promptly for the cheques drawn in its favour from time to time so that the amounts need not be held under objections in the Pay and Accounts Office too long till a formal receipt for the amount of the cheques is received by them.

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NOTE 2 - The procedure prescribed in Note 1 above may also be followed in case where payments have to be made within the State by means of Bank Drafts instead of by endorsed contingent bills.

(c) An office which issues a contingent bill or a bill for a miscellaneous payment payable to named person should enter on it the name of the office at which the payment is to be made by means of a separate stamp in the form "Payable at the Treasury / Pay and Accounts Office." If the bill is made payable at a treasury or Sub-treasury, the issuing office should also obtain a report of the payment of the bill and verify that it was cashed at the treasury or sub-treasury specified on it. Payment should not be made at an office different from that mentioned in the bill except with the consent of the drawer of the bill.

The bills and advices should invariably be stamped with a special seal kept in the personal custody of the head of office, if any such special seal is available for the purpose in the office, in order to enable the Pay and Accounts Officer or the Treasury or Sub-Treasury Officer concerned to verify the genuineness of a bill presented to him, wherever possible by comparison of the stamp on the advice with that on the bill.

**Control of contingent expenditure
against appropriation**

118. Every Government servant who incurs contingent expenditure should take special care to see that he gets the best possible value for the money spent, that no unnecessary expenditure is incurred and that he does not spend more than the amount placed at his disposal for the financial year. Chapter VII, of the Tamil Nadu Budget Manual contains instructions as to the general procedure for the control of expenditure against

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appropriation. Further special instructions are necessary in regard to contingent expenditure since it is incurred without the sanction of any higher authority except in certain specified cases, and the Government servant concerned has, to a considerable extent, a free hand in incurring expenditure up to the limit of the appropriation. Moreover an appropriation for contingent charges under a particular detailed account head often covers expenditure on a number of district and individually important objects of classes of expenditure, e.g., the detailed head "contingencies - Miscellaneous" may include charge on account of "Purchase and repairs of bicycles", "Stationery - Local purchases", "Gardening", "Hot and Cold weather charges" and "Office expenses". The special instructions for the control of contingent expenditure are as follows:-

(1) The appropriation under each detailed account head should be distributed among the important items comprised in it. If some of the items are not important those items taken as a whole may be treated as single important item for this purpose. The expenditure on each important item under a detailed head of account should be watched and controlled separately against the allotment for it, specially when the charges are of a fluctuating nature. The contingent register prescribed in Article 103 is designed so that this can be done conveniently.

(2) For countersigned contingencies, the monthly detailed bills provide all the information required by the controlling authority for checking the expenditure against the appropriation. If for any month the expenditure exceeds the monthly proportion of the appropriation for the year, the disbursing officer should send a report to the controlling authority along with the detailed bill, furnishing the special reason for incurring the excess expenditure. The controlling authority

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should scrutinize the charges shown in each detailed bill carefully and see that no charge is unnecessary or excessive, that the sanction of the competent authority for any item requiring the sanction of a higher authority is attached, that the sub-vouchers required have been received and are in order, and that the calculations are correct.

(3) For non-countersigned contingencies, the controlling authority should get periodical statements from each disbursing officer (monthly or at least quarterly) of the progressive expenditure compared with the allotment under each item for which there is a specific appropriation or allotment. If the expenditure is progressing too rapidly, he should instruct the disbursing officer to curtail it to the necessary extent. He should also during his local inspections, scrutinize the contingent registers of the offices under his control and satisfy himself generally that the charges are necessary and not excessive, the rates correct, the sanction obtained adequate, etc.

(4) In cases where the expenditure exceeds the allotment for the year the drawing officer should certify in the contingent bills that additional allotments have been applied for and give reference to the letter number and date in which the higher authorities have been addressed for additional allotments.

Service Postage Stamps

119. Service postage stamps should be used only for prepaying postage on communications other than telegrams which are bona fide on the service of the Government and for meeting other charges payable to the post office for which service postage stamps are accepted. They may also be used by a body or bodies included in the list in rule 354 of the Indian Post and Telegraph Guide.

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A Government servant who is associated with any public body not in that list should, included as required by rule 355 of the same Guide, take care that service postage stamps are not used on any communications issued by him on behalf of that body (See also instructions 18 and 34 under Treasury Rule 10, Instructions 8 and 31 (c) under Treasury Rule 16 and item 55 of Appendix 5 to this Code.)

Rates and Taxes

120. The following rules govern the payment of municipal and other local taxes on buildings, etc., occupied by departments of the Government or Government servants under their administrative control:-

1. Taxes on building not occupied as residences - (a) If the building is occupied by a single department, that department should pay the taxes.

(b) If the building is occupied by more than one department, or if the taxes are payable in a lumpsum for a number of buildings in a municipal or other local area, the taxes should be paid by the Revenue Department if it is one of the occupants; and otherwise by the Government department which occupies the major portion of the building as decided, by the Superintending Engineer in any case of doubt.

No part of the taxes so paid should be passed on to any other occupying department unless it is commercial department or a department not belonging to the Government of Tamil Nadu (e.g. a department of the Central Government or of a local body or a municipality). The Executive Engineer should calculate the portion to be borne by a commercial department or a department not belonging to the Government of Tamil Nadu pro-rata in proportion to the accommodation actually occupied. Before a

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department, which occupies only a part of a building pays the taxes on it, if payment cannot be delayed, as soon after payment as possible or, it should obtain an acceptance from every other department which is liable to pay a share of the taxes.

When a portion of a State building is occupied by a commercial department or a department not belonging to the Government of Tamil Nadu the proportionate tax on the portion so occupied should be borne for the whole half-year by the department which occupies it at the beginning of the half-year. If later on, that department vacates the portion within the half-year, and if it is occupied by another department within the same half-year the tax for the portion will be divided between the two departments in proportion to the periods of their occupation and the necessary refund will be given to the first department. If, on the other hand, no other department occupies the vacated portion within the half-year, the first department will not be entitled to any refund except to the extent of any remission of tax that may be obtained on account of the vacancy.

(c) As a general rule, the tax paid by, or passed to, a department occupying the whole or part of the building should be charged to the contingencies of that department. When however, the whole or part of that is paid by the Public Works Department or another department e.g. the Excise Department or the Forest Department, as the department in administrative control of the building (see rules 4 and 5 below) the payment should be charged to the maintenance estimate of the building. When a building is occupied by more than one department and the entire tax is paid by one department under clause (b) above, the payment should be debited to the head "2070. Other administrative services AI Rents, Rates and Taxes".

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(d) No municipal tax is payable on a public building situated in a contonment.

2. *Taxes on buildings occupied as residences -*

(a) The taxes on Government buildings occupied as residences, including those occupied by the Governor and his staff, should be paid by the Public Works Department or other department in administrative control of the building. The portion representing taxes in the nature of property or house-tax should be treated as part of the cost of maintenance of the building and the rest, if any, should be recovered from the occupants.

Building as a residence is required to pay the service taxes recoverable from the occupant. When a municipal or other local tax on a Government building has to be borne partly by a Government servant who occupies part of the building as a residence and partly by the Government, the Government will pay the tax in full in the first instance, and then recover from the Government servant the amount payable by him. The department which maintains a building and pays the property tax will be held responsible for the due recovery of the service taxes payable by any Government servant who occupies the whole or any part of the building as a residence.

The total amount of rent and service taxes recoverable from any Government servant in respect of a Government residential building (whether owned or leased by Government) shall not exceed ten per cent of his emoluments. Government servants entitled to rent free quarters shall be exempted from the payment of service taxes.

3. *Amount of assessment -* (a) If the assessment of any Government property to a local tax appears to be excessive, the Government servant who will have to pay the tax on behalf of the

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Government should make every possible efforts to obtain redress under the ordinary Municipal or local law.

It is open to the Government to have recourse to the special provisions of the Municipal Taxation Act, 1881 (Indian Act XI of 1881), when no amicable settlement can be reached with a municipal council in regard to the assessment of any Government property, especially when the property is, from its nature, such that the ordinary principles of assessment of the tax in question cannot be applied to it e.g. when the assessment should be on the rental value but the property is such that it is difficult to conceive of its being let or impossible to form an estimate of the rent which the Government could obtain by letting it. Any assessment of Government property to a municipal tax which appears to be excessive and in regard to which it proves to be impossible to obtain redress under the ordinary law applicable to the tax should be reported to the Government in order that they may decide whether or not action should be taken under the Municipal Taxation Act, 1881 (Indian Act XI of 1881).

In regard to each assessment a certificate stating either that the assessment accepted or that all legal means have been or are being taken to get it reduced should be sent to the Accountant-General every year by -

(i) in the case of a building in the charge of the Public Works Department or Highways and Rural Works Department the head of the office occupying the building in consultation, when necessary with the Executive Engineer.

(ii) in the case of any other building the departmental officer concerned; and

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(iii) in the case of land occupied by a Government department and not appertaining to a building, the Collector.

(b) The Executive Engineer of the Public Works Department or the Divisional Engineer of the Highways and Rural Works Department who revalues the buildings belonging to the Government during quinquennial revision should communicate to the heads of offices concerned who pay the property tax, the revised valuation amount fixed by him for the quinquennium simultaneously with his sending the revaluation statements to the municipality or the local body concerned, irrespective of the fact whether such revaluation involves reduction or increase in the existing assessments.

4. Vacancy remission - (a) Whenever a Government building (residential or non-residential) is likely to fall vacant, the occupant of the building immediately before the actual vacancy occurs on the head of the office to which the occupant belongs should arrange to give notice of the vacancy, on the date on which it falls vacant, direct to the chief executive authority of the Corporation of Madras or of the municipal council or of the panchayat concerned, as the case may be and send a copy of the notice simultaneously to the Executive Engineer/Divisional Engineer to enable him to claim any permissible remission of taxes. The head of the office mentioned above should take similar action in the first day of every succeeding half-year, if the building is still vacant then. The Executive Engineer should claim remission of municipal tax or house tax in respect of every vacancy which has lasted for thirty or more consecutive days under section 87 of the Madras District Municipalities Act, 1920 (Act V of 1920) or section 105 of the Madras City Municipal Act, 1919 (Act IV of 1919), or for sixty or more consecutive days under rule 7 of the rules relating to House Tax framed under

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sections 64 (1) and 112 (1) of the Madras Village Panchayats Act, 1950 (Act X of 1950), as the case may be. The Government servant who pays any tax in respect of a building for a period during any part of which it has been vacant should satisfy himself that any permissible remission of tax has been claimed for the period during which the building was vacant.

Similarly when a Government building (whole or part) is demolished or destroyed, the department on whose registers the building is borne, should immediately give the requisite notice to the municipality or panchayat concerned and obtain remission of property tax under section 89 (2) of the Madras District Municipalities Act, 1920 (Act V of 1920), or section 107 (2) of the Madras City Municipal Act, 1919 (Act IV of 1919), or rule 8 of the rules relating to House Tax framed under sections 64 (4) and 112 (1) of the Madras Village Panchayats Act, 1950 (Act X of 1950), as the case may be.

(b) When the Public Works Department or the Highways and Rural Works Department takes over vacant building from another department and it continues to be in charge of the building, the Sectional Officer concerned should give the necessary notice of the vacancy of the building direct to the executive authority of the local body concerned immediately when it is taken over, and thereafter on the first day of every half-year, if the building is still vacant then. He should also send a copy of every such notice simultaneously to the Executive Engineer/the Divisional Engineer.

5. *Notice of construction, etc., of a building* - Under section 107 of the Madras City Municipal Act, 1919 (Act IV of 1919), section 89 (1) (a) of the Madras District Municipalities Act, 1920 (Act V of 1920) and rule 8 of the rules

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[120-120A]

relating to House Tax framed under section 64 (4) and 112 (1) of the Madras Village Panchayats Act, 1950 (Act X of 1950), an intimation must be given to the Executive authority of the local body concerned of the construction of a new building or the reconstruction of a building, within fifteen days from the date of completion or occupation whichever is earlier. The Executive Engineer/the Divisional Engineer should give the intimation in respect of any building (residential or non-residential) on which the Public Works Department, the Highways and Rural Works Department will have to pay the property tax and in respect of any other building the occupant or the head of the office which will have to pay the property tax on it should give the intimation. In some cases remission of municipal or other local taxes can be obtained for a part of the half-year in which the construction or reconstruction of a building is completed, provided the intimation mentioned above is duly given in time. Any Government servant who fails to give the required intimation when he should do so, and thus causes the Government to lose any remission of taxes will be held personally responsible for the loss.

Cleaning, etc., charges

120-A. Where a number of small offices are located close to one another, one sweeper or waterman may be employed for all the offices put together, but where small offices are scattered and a common full-time sweeper or waterman cannot be employed only part-time arrangements should be made. A full-time sweeper or waterman for a single office should be confined to very big offices, such as the Secretariat, High Court, Director-General of Police, Director of Medical Services, etc.

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{120A-cont.}

Heads of departments concerned may, if they consider it *absolutely* necessary, employ a full-time sweeper or waterman in their own offices.

The pay and allowances of a common sweeper or waterman should be borne by the Revenue Department, if it is one of the departments for whom the sweeper or waterman is employed and otherwise by the Government department, which occupies the major portion of the building, or block of buildings, as the case may be. In any case of doubt, the Superintending Engineer will decide the department that has to be responsible for the payment.

The expenditure on waterman should be scrutinized periodically and a certificate in the following form should be attached to contingent bills where such charges are drawn:-

"Certified that the expenditure on waterman or the supply of water has been scrutinized and is necessary"

Heads of departments and offices should see that the expenditure is incurred only to the extent required and that the arrangement is discontinued wherever possible, e.g., in cases where water supply is newly made available to offices from municipal or other sources.

No expenditure on waterman or water charges should be incurred except with the sanction of the head of department concerned. Heads of departments should before sanctioning the expenditure satisfy themselves that expenditure proposed is absolutely necessary and consider whether it cannot be restricted to the hot months only of the year; whether it cannot be shared in respect of such of the public offices as are situated in the same compound or in the same premises.

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Current consumption charges

121. The following procedure should be adopted in regard to the payment of charges for electric current consumed in buildings occupied by departments of Government of Tamil Nadu:-

(i) MADRAS CITY

(a) *Non-residential buildings* - If the building is occupied by a single office, the Electricity Board will forward the bill of charges direct to the head of the office for making payment in full and a duplicate copy of the bill to the Electrical Engineer for verification. If on verification, the Electrical Engineer detects any error, he should intimate it to the Electricity Board for adjusting the same in the subsequent bill under intimation to the head of the office.

If the building is occupied by more than one office, the Electricity Board will send a copy of the consolidated bill for the total current consumption charges to the Electrical Engineer, Madras for verification. The Electricity Board will forward the original bill to the main occupant, i.e., occupying major portion of the building who is also the agreement holder for making payment. If any error is detected by the Electrical Engineer, Madras, it will be intimated by him to the Electricity Board for adjusting the same in the subsequent bills. The procedure prescribed below should then be followed:-

(1) The Head of Office in the administrative charges of the buildings or any immediate Gazetted Officer authorised by him in this behalf will be the agreement holder for the electricity service connections to the buildings as a whole.

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[121-cont.]

(2) The agreement holder will make entries for payment made by him in the office contingency register. He will also note the errors, if any, pointed out by the Electrical Engineer, Madras in the contingency register against the relevant payments and watch their adjustments and also make necessary recoveries from or payment to the other occupants of the building.

(3) After settling the bill received from the Electricity Board or private electrical licensees, the agreement holders will raise necessary debits on other offices accommodated in the same building in a specific rates of apportionment.

On receipt of the debits, the heads of other offices will arrange for prompt clearance of debits from their office contingencies.

(4) The ratio of allocation will be fixed initially by the Electrical Engineer or the Executive Engineer, Public Works Department, as the case may be, and intimated to the agreement holder. This ratio will continue to be adopted till any additions or alterations are made in the installations after which revised ratio will be got fixed by the Electrical Engineer or the Executive Engineer, Public Works Department and intimated to the agreement holder.

(5) A separate register for watching the debits raised and credits received in respect of the other offices located in the building should be maintained by the agreement holder.

(6) The total of monthly recoveries effected from the other offices will be taken as "Minus Expenditure" if effected during the same financial year or as "receipt" if effected in subsequent year and entered in the office contingencies register of the agreement holder.

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(7) A charge on account of electric current in a contingent bill should be supported by (a) an extract of the card indicating the electricity consumption under the Spot Billing System duly passed for payment, or (b) an extract allocation statement received from the Electrical Engineer (General).

(ii) MOFUSSIL STATIONS

The charge made by a Municipality or a private agency for electric current consumed in buildings occupied by the various departments of the Government in the Madras City is applicable to all other areas covered by the Tamil Nadu Electricity Board and Private Electrical undertakings.

(b) *Buildings occupied as residences* - If the building is used solely as a residence, the tenant should pay the charges direct to the Electricity Board.

If the building (or group of buildings) is used partly for departmental purposes and partly for residential purposes, the Electrical Engineer (General) (or his Assistant on his behalf) should, after verifying the consolidated bill received from the Electricity Board, determine the share payable by each tenant. The department should pay the charges in full in the first instance on receipt of the bill duly countersigned by the Electrical Engineer (General) (or his Assistant on his behalf) which should be attached to the contingent bill and then arrange for the recovery of the amounts due from the tenants by deduction from their pay bills. The recoveries should be taken in abatement of the charges originally met by the department. The Electrical Engineer (General) should send a statement of the amounts to be recovered from tenants to the Accountant-General. He should also intimate the amount to be recovered from the Government servant direct, if he draws his own pay

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bill and otherwise to the head of the Government servant's office.

But the Executive Engineer will perform the duties assigned to Electrical Engineer (General) in this connection in Madras City except in the case of bills relating to buildings maintenance under the control of the Electrical Engineer (General) and Superintendents of Jails and Borstal Schools and Headmasters of Certified Schools [see Article 154 (b)].

Recoveries of electricity charges made from the inmates of a Government building, like a hostel, on an *ad hoc* basis shall be treated as revenue and not as deduction of expenditure.

NOTE 1 - In the case of Government offices occupying rented buildings, payment for electrical energy consumed by the office portion should be made to the owner with reference to the sub-meter reading after checking that the quantity claimed as relating to the office portion does not exceed the quantity billed for on the main meter for the whole building. For this purpose, the owner should be asked to support his claim with the bills received by him from the Electricity Department of the Government or the local body concerned or from the private licensee, as the case may be and the readings of the sub-meter and the main meter taken at the same time. If there is any suspicion about the correctness of the reading shown by the sub-meter, it should be got tested at the Government laboratory. The cost of testing may be borne by the Government or the owner as may be agreed upon individual cases.

NOTE 2 - The payment of current consumption charges, should be made to the Tamil Nadu State Electricity Board or the Electricity Supply undertaking or licensees, as the case may be, in the following manner:-

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(i) *When the amount of the bill is Rs.50 or less -*

By presenting bills at the Pay and Accounts Office/Treasuries, obtaining cash and paying the Electricity Board or the Electricity Supply undertakings or Licensees, as the case may be in cash.

(ii) *When the amount of the bill is over Rs.50 -*

In Madras, by obtaining cheques from the Pay and Accounts Office, Madras, by presenting contingent bills and endorsing the cheques in favour of the Accounts Officer, Madras electricity system, while in the mofussil by obtaining cash and making payments.

Proper receipts should be obtained for the cheques and cash paid to the Electricity Board or the Electricity Supply undertaking or licensees, as the case may be.

Exception - The above procedure will not apply to the departments who have cheque drawing facilities and that these departments shall pay the current consumption bills by drawal of cheques only.

NOTE 3 - The monetary limits prescribed in Article 102 and 110 of Tamil Nadu Financial Code, Volume I, will not apply to the electricity consumption bills or extracts from allocation statements received from the Electrical Engineer (General) which should be attached to the contingent bills in support of the charge on account of electric current irrespective of the amount.

CHAPTER VII - STORES**Introductory**

[122-124]

122. This chapter contains the general rules applicable to all departments regarding stores required for use in the public service. The departmental rules of some departments, e.g., the Forest and Public Works Departments contain special supplementary rules for those departments in regard to stores.

Authorities competent to purchase stores

123. Expenditure on stores is included under contingent expenditure (except when it is treated otherwise, e.g., stores relating to works expenditure) and, therefore, subject generally to the rules contained in the previous chapter, which govern such expenditure. A Government servant who is competent to incur contingent expenditure may purchase in India, or through the agency of the India Supply Mission, London, or direct from manufacturers abroad, such stores as he requires for use by himself or his subordinates subject to the usual restriction regarding the existence of budget appropriation. Such purchases made in India are also subject to any money limits and other conditions prescribed generally or in regard to specific articles or classes of articles (cf Appendix 5) - See also the rules and instructions in Article 125.

Forecast of requirements and time of purchase

124. A Government servant who has to purchase stores for the public service should estimate his requirements for the year, so far as they can be foreseen, and as far as possible lay in a

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sufficient stock during the cheapest season. When necessary, he should apply for advice as to the best time for making purchases and assistance in obtaining tenders to Government servants of other departments who are in close touch with the market for the articles required and know the usual course of their price. For example, it is usually advantageous to buy the supplies of food grains required for rations just after the harvest, and the Revenue Department is likely to be able to give useful advice and assistance in regard to such purchases. Articles which are likely to depreciate or deteriorate during storage should not, however, be bought long in advance of requirements. It should also be remembered that the purchase of any articles in advance of requirements involves the locking up of Government money and is, therefore, not desirable unless it is reasonably likely to prove advantageous in regard to price.

**Rules and instructions governing
the purchase of stores**

125. All Government servants should strictly observe the following rules and instructions when buying stores for use in the public service (with the exception of Stationery and Printing Stores, in buying which they should strictly observe the rules in Appendix 8). These rules and instructions also apply to the purchase of stores by Government servants on behalf of local bodies and of local funds administered by the Government, unless the local body or fund concerned decides otherwise.

The purchasing officers of all Government Departments/Statutory Boards/Corporations/Local Bodies etc., notwithstanding anything contained in these rules and instructions, shall purchase their requirements of such of those articles which are actually manufactured and bear the seals of the manufacturing units, by the following institutions

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arranged in the order of priority in preference to the articles produced by private manufacturers without calling for tenders and without reference to price. The products should not be merely procured and supplied by the units.

(i) Units of the Tamil Nadu Khadi and Village Industries Board and the Units under the control of the Board.

(ii) Jails, Borstal Schools and Units of the Jail Department.

(iii) Modern Training-cum-Production Workshop at Muttukadu.

(iv) Government owned Corporations and the Corporations controlled by the Government.

(v) Co-operative Institutions with share capital assistance sanctioned by Government.

(vi) Other Co-operative Institutions.

(vii) Products manufactured within the State.

(viii) Products manufactured outside the State.

Tenders need not be called for in case of placing orders for the requirements of stores with the priority categories specified in items (i) to (v) above. In respect of items (vi), (vii) and (viii) tenders should be called for and price preference if any, should be allowed as per existing orders.

Any Department/Statutory Body/Corporation/Local Body, making purchase of varied stores at the same time should circulate an enquiry to the organisations coming under items (i) to (v) above. If any of them is able to meet the requirements in

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the time allowable, meeting the quality specified, the purchase shall be made from that source, following the above priority. Tenders need be called for only for the balance quantity if any, which cannot be procured from the sources (i) to (v) within the time allowable.

All Government institutions like jails, hospitals, hostels, etc., in the State should purchase their requirements of Gingelly, Groundnut, and Coconut oil and oil cake from the Wardha Ghani Demonstrating Centres from the Oil Produces Industrial Co-operative Societies in the State. The Purchasing Officer of all Government Departments / Statutory Boards / Corporations / Local Bodies, etc., shall place their indents for the supply of their requirements of oil and oil cake, with the District Village Industries Officers concerned for use or Government institutions and local bodies enjoying grants from the Government.

RULE 1 - When the conditions regarding quality and price are equal, preference in making purchases should be given in the following order:-

FIRSTLY, to articles which are produced in India in the form of raw materials or are manufactured in India from raw materials produced in India;

SECONDLY, to articles wholly or partially manufactured in India from imported materials;

THIRDLY, to articles of foreign manufacture held in stock in India; and

FOURTHLY, to articles manufactured abroad which need to be specially imported.

The purchasing Officer specially authorised in this behalf may, when satisfied that such a measure is justified allow a limited degree of preference

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in respect of price to articles produced or manufactured in India either wholly or in part. The preference so allowed shall not exceed 5 per cent of the price at which articles of similar quality not so produced or manufactured can be obtained.

INSTRUCTIONS

1. The principle underlying Rule I is that preference should be accorded to Indian products and to imported articles held in stock in India, but the preference so accorded should not be tampered by the consideration of economy. Thus ordinarily, of articles available at the same price that of the best quality should be purchased; and for articles of the same quality, the lowest tender should be accepted.

2. A Government servant to whom the power described in the later portion of Rule I has been delegated should exercise it only as an exceptional measure and when there is adequate justification, for example -

(a) to assist an Indian industry which is expected to fill a vital gap in the economic life of the country and is likely to become firmly established in the near future;

(b) to prevent sudden and extensive dislocation of the labour market; or

(c) to regulate and control foreign competition, especially abnormal foreign competition during periods of temporary trade depression abroad.

3. With a view to applying the principles of preference laid down in Rule I, a Government servant who invites tenders for supplying stores should instruct the tenderers to furnish

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information as to the country of origin in the case of raw materials, and as to both the country of manufacture and the country of origin of the materials used for a manufactured article.

RULE II - Save as provided in Rule VIII, all articles required for use in the public service shall be purchased on the condition that delivery shall be made in India for payment in rupees in India.

1. A purchasing Officer should not send indents for stores, other than stores of the kinds specified in Rule VIII, to the Director-General, India Supply Mission, London, but should obtain the stores by calling for tenders in accordance with these rules.

2. A purchasing Officer who invites tenders for the supply of stores may exercise full discretion regarding the place of delivery to be specified in the invitation to tender. He may stipulate for delivery c.i.f. or f.o.r. at an Indian port or f.o.r. at the place of despatch in India or for free delivery at the receiving station in India. When tenders are invited for supplying plant and equipment and the successful tenderer is to erect the plant at the site, appropriate conditions in regard to delivery at the site should be included in the invitation to tender or in the general specification.

3. The conditions specified as to the place of delivery should as far as possible be such as to give all tenderers equal opportunities of tendering at their lowest rates. For instance tenderers abroad may often be unable to tender on the basis of delivery f.o.r. at an Indian port or free delivery at the receiving station in India and may only be able to tender on the basis of delivery c.i.f. at an Indian port with payment in rupees in India partially against shipping documents and

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partially after delivery has been taken in India. Such tenders satisfy Rule II. Except in special cases, however, full payments should not be made for any stores against shipping documents and payment should be completed only after the receiving officer has taken delivery of the stores and found them to be satisfactory in every respect.

RULE III - Tenders shall be invited in India, and when considered desirable also abroad for the supply of all articles which are purchased under Rules II to IV and VI, unless the Government have specially permitted purchase without calling for tenders or there are sufficient reasons (which shall be recorded) for holding that it is not in the public interest to call for tenders. If the Government so order, tenders shall be invited in connection with all purchases of articles of a particular class and/or by a particular department no tender which is not expressed in terms of rupees or which fails to comply with the condition as to delivery and payment prescribed in Rule II shall be accepted.

NOTE - Purchase of articles or group of articles, costing upto Rs.100/- on each occasion, may be made without inviting tenders/quotations. Tenders/quotations need not also be invited for such purchases costing upto Rs.500/- on each occasion, if in the opinion of the competent authority, it is not possible to follow the procedure prescribed in the above Rule.

INSTRUCTIONS

1. Rule III lays down that, "when considered desirable", tenders should be invited abroad as well as in India. The purchasing Officer should obtain orders from the head of the department or a superior officer who is authorised to send indents for stores to the Director-General, India Supply Mission, London, as to whether invitations to

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tender should be sent to firms outside India, when he is not himself authorised to send such indents and considers that it might be advantageous to invite tenders abroad.

Tenders should be invited abroad as well as in India, whenever it is considered necessary or desirable to do so in order to obtain adequate publicity and to ensure that the purchase is made to the best advantage. These considerations apply mainly to the categories of stores which have usually been obtained in the past by indents on the Director-General, India Supply Mission, London, and when such stores have to be bought, it is essential as a rule to invite firms outside India to tender in order to obtain wide competition from all possible sources of supply.

When tenders are invited from abroad, instructions 2 to 6 below should be observed.

2. A sufficient supply of tender forms with the relevant documents, specifications and drawings should be sent as soon as possible to the Director-General, India Supply Mission, London, who will give such publicity to the invitation to tender as he may consider to be most suitable for the purpose, either by advertisement in the newspapers or otherwise. The Director-General will, as a rule advertise the invitation to tender in the newspapers, if the value of the articles required is estimated at Rs.20,000 or more. He will also instruct intending tenderers outside India to apply to him for the tender forms and will supply copies on payment in sterling of the charges (if any) to be fixed by him in each case. He will at the same time instruct the tenderers to submit their tenders direct to the Purchasing Officer in India and not to the India Supply Mission, London. The Purchasing Officer in India will place the order direct with the successful tenderer.

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3. When it is desired to have the recommendation of the technical advisers of the India Supply Mission, London, i.e., the Consulting Engineers, the Naval Architects, etc., on the tenders before the order is placed, the Purchasing Officer should stipulate in the invitation to tender that a complete duplicate of the tender should be delivered to the Director-General, India Supply Mission, London, on the same date as that fixed for the receipt of the tenders in India. The Director-General will then arrange for the examination of the tenders by the appropriate technical authority and will telegraph its recommendation to the Purchasing Officers in India. For the work connected with this examination of tenders, the Director-General will make a fixed charge on the following scales -

(a) Tenders on which technical advice is furnished by the Consulting Engineer, Rendell, Palmer and Tritton or by the officers of the India Supply Mission, London.	One-fourth of one percent on the f.o.b. value of the recommended tender subject to a maximum limit of 250 pounds in each case.
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(b) Tenders dealt with by other consultants e.g., the Naval Architects, Trinity House etc.,	The actual charge made by the Consultant plus one-tenth of one percent of the f.o.b. value of the recommended tender subject to a maximum limit of 25 pounds in each case.
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4. The Purchasing Officer should make it clear in every tender form that the articles concerned must be delivered in India that payment will be made in India in rupees, and that any

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tender which does not comply with these conditions will not be considered. Tenderers abroad should also be required to specify their agents in India through whom delivery will be arranged and payment received and who, when so required will arrange for the erection of the plant at the site and for the carrying out of such test on completion as may be specified in the contract.

5. No account adjustments should be made between the High Commissioner's Office and a purchasing department in India for the value of tender forms sent to London and for the expenditure on advertisements, postage, etc. in the High Commissioner's Office.

6. It is important that purchasing officers in India should bear in mind when considering the desirability of calling for tenders abroad, the need for allowing sufficient time for the receipt and publication of invitations to tender, the receipt of the tender forms by tenderers, and the preparation and despatch of the tenders to India.

The following is an approximate estimate of the time required:-

Time required for sending the forms from Madras to London

By Ordinary Mail (Second-class mail matter only) About 17 days

By Parcel; Mail -

(a) Overland route (via) Marseilles About 17 days

(b) Sea route (via) Gibraltar About 24 days

By Air Mail (First-class mail matter only)
About 6 days

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Time taken in London for advertising and issuing forms of tender say, 10 days.

Time required by tenderers for preparing and despatching tenders say, 14 days.

Time required for forwarding tenders from London to Madras.

The same as that entered above for sending the forms from Madras to London.

If continental or American tenders have to be awaited, about three or four weeks respectively should be added to the above figures, and when tenders are called for in connection with complicated engineering schemes, a longer time should be allowed for the preparation of tenders.

7. Tenders should be obtained -

(1) by advertisement ("open tender");

(2) by direct invitation to a limited number of firms ("limited tender"); or

(3) by obtaining quotations from three or four reputed and accredited firms and accepting the lowest rate according to quality and standard of the product (single tender or private purchase).

NOTE - All advertisements relating to Chit tenders which are of local or Statewide importance shall be published only in "TAMIL ARASU". Only major advertisements which are of Statewide or national importance shall be released to other English and Tamil Newspapers. Public (Information and Publicity) Department shall choose the newspapers and adopt a cyclical system for issue of these advertisements.

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8. Rule III does not preclude the use of limited or single tenders. The "open tender" system, i.e., invitation to tender by public advertisement should, however, be used as a general rule and must be adopted, subject to the exception mentioned in instructions 13 and 20 under this rule, whenever the estimated value of the order to be placed is more than Rs.25,000. When the "open tender" system is used the purchasing officer should arrange for the necessary public advertisement and may at his discretion insert advertisement in the Tamil Nadu Government Gazette, the Indian Trade Journal, published by the Director-General of Commercial Intelligence and Statistics, Calcutta, and one or more of the principal newspapers published in India.

Circular communications should also be sent, when necessary to repute dealers and contractors who are likely to tender. The advertisement should invite tenders in sealed covers and state the place where, and the date and time by which, the tenders should be submitted, and the time at which they will be opened. If the invitation to tender relates to a large contract, at least one month's time from the date of advertisement should be allowed for the submission of tenders. The tenders should be opened by a responsible officer and not by a subordinate.

NOTE. - The Divisional Forest Officer may purchase manure required for Re-generation purposes, by calling for quotations, as a special case instead of inviting open tenders.

9. The "limited tender" system should ordinarily be adopted whenever the estimated value of the order to be given is more than Rs.10,000 and up to Rs.25,000.

10. For the purposes of the limited and single tender procedure, each department which

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makes regular purchases should maintain an up-to-date list of approved suppliers both Indian and foreign, after taking into consideration the financial standing of the firm, their capacity past performance, etc. The list should be examined and reviewed periodically and any application from a firm for inclusion in the list should be considered on receipt. Before adding the names of a firm to the list, the department concerned should make such enquiries as it thinks necessary in order to ascertain whether the firm will be able to execute contracts satisfactorily. The names of the firms to be invited to tender should be selected from this list whenever the necessity arises. The Director-General of Supplies and Disposals, Government of India maintains a list of this kind, and he will on request, furnish such information as he possesses regarding the capacity and standing of any firm approved by it. The general instructions issued by the Government from time to time should also be borne in mind by all authorities.

11. The "single tender" system may be adopted in the case of a small order, or when the articles required are of a proprietary character and competition is not considered necessary. For this purpose, a small order means an order the value of which does not exceed Rs.10,000 or, if more than one kind of article is ordered at one time, an order the total value of which does not exceed Rs.10,000.

12. A purchasing officer may, however, when he considers it advantageous, purchase articles from any firm with which the Director-General of Supplies and Disposals, Government of India has already entered into a rate or running contract for the supply of such articles, without calling for tenders, or may himself enter into rate and running contracts after calling for tenders.

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12-A. The Director of Tamil Nadu State Transport Department, and Tamil Nadu State Transport Department (Motor Vehicles Maintenance Organisation) may make purchases of stores required for the Departments including the Motor Vehicles Maintenance Organisation to the extent possible on the rate contracts entered into by the Association of Road Transport Undertakings without calling for tenders.

12-B. The procedure envisaged in this rule shall not apply in the case of purchase of vehicles by Government Departments whenever such vehicles are not covered by the subsisting rate contract. The Transport Commissioner is permitted to purchase motor vehicles required for Government departments, local bodies, etc., even if the particular types are not covered by subsisting rate contract.

13. The "limited tender" system may be adopted instead of the ~~"open tender"~~ system even when the estimated value of the order to be given is not less than Rs.25,000 in the following cases:-

(a) When there are sufficient reasons for holding that it is not in the public interest to call for tenders by advertisement. In every such case the purchasing officer must record the reasons and communicate them to the Accountant-General, confidentially if necessary.

(b) When the indenting officer certifies that the demand is so urgent that any additional expenditure involved in the elimination of open competition must be incurred in order to avoid delay. In every such case the indenting officer must place on record the nature of the urgency and the reasons why the demand could not be anticipated.

(c) When scientific apparatus, chemicals, etc., are purchased for use in the Government Medical Colleges and Government Arts Colleges.

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NOTE - The Director of Agriculture is permitted to adopt limited tender system for the purchase of chemicals and apparatus for the Research Stations and Laboratories of Agricultural Department or from the approved firms under rate contract if introduced.

(d) When surgical instruments and equipments, etc., are purchased for the Government Hospital, Sanatoria and Institutes.

14. When tenders are insisted by public advertisement, the issue of the tender forms need not be restricted to firms whose names are on the list of approved contractors. Firms not on the list should, on enquiry, be informed that they are at liberty, on payment of the prescribed fee, to tender for the advertised requirements. When a tender which appears to be satisfactory is received from an unknown firm, steps should be taken, before any order is placed, to ascertain whether the firm is capable of executing the work in a proper manner. If the enquiries prove satisfactory, the order, or a portion of it, may be placed with the firm. If the order or portion thereof is satisfactorily executed, the names of the firm should be added to the list of approved contractors.

NOTE - The financial patronage at the disposal of the Government, viz., grant of contracts, orders for supplies and services, grant of permits, licences, quotas and priorities, etc., should not be given unless the individuals concerned produce the income-tax verification certificates in the prescribed form from the Income-tax Officer of the circles, ward or district where they are assessed or assessable to income-tax.

15. When, owing to inadequate publicity or some other reason, no satisfactory tender is received in response to an invitation to tender,

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fresh tenders should be invited and the invitation to tender should be specially brought to the notice of all possible tenderers.

16. As a general rule, stores should not be paid for until the receiving officer has taken delivery and checked the quantity and quality of the stores supplied and found them satisfactory in every respect and according to specification. Provisions for payment should be made accordingly in all contracts as a rule. In very exceptional cases when the application of this rule might cause hardship, as, for example when costly stores are ordered from a distant firm and delay in payment is anticipated, a part of the cost of the consignment may be paid in advance on receipt of the railways receipt given for the articles on despatch, provided that the contractor or firm is of well-known standing and that an agreement is taken from the contractor or firm beforehand so as to secure the Government against all risk of loss in the event of the articles supplied being found to be short or defective. As regards partial payment against shipping documents in respect of stores obtained from abroad, see instruction 3 under Rule II.

Before the accounts are closed, a certificate from the income-tax authorities that all income-tax payable up to the end of the previous accounts year has been duly paid should be produced by the firm or contractor.

NOTE 1 - All the indenting Government Departments, Public Undertakings including Statutory Boards, Local Boards, Municipalities and Panchayat Unions should make 90 per cent (ninety per cent) of the anticipated bill amount as advance payments to the Khadi Krafts and the units of the Tamil Nadu Khadi and Village Industries Board whenever orders are placed for the supply of Khadi and/or Village Industries articles on them or their

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services are requisitioned. The balance of 10 per cent should be paid immediately after the goods are received or the services are rendered.

NOTE 2 - The Director of Industries and Commerce is empowered to make advance payment for the purchase of scarce raw materials for the units of his department, when it is insisted upon by the suppliers.

17-A. A tenderer should be required to furnish a cash deposit as earnest money. The amount should be nominal, but it should be fixed with reference to the value of the order to be given and the status of the persons who are likely to tender. The head of a department may, by general or special orders, dispense with cash deposits as earnest money in the case of firms of established repute.

NOTE (1) - The Principal, College of Integrated Medicine, may grant exemption from payment of earnest money deposit in the case of firms and contractors of established repute.

NOTE (2) - All the State owned Corporations and Statutory Boards are exempt from the payments of Earnest Money Deposit, Security Deposits, and Tender Fees in respect of tenders called for by the State Government Departments, Quasi Government institutions including local bodies and other State owned Corporations/Boards. All the State owned Corporations and Statutory Boards except the Tamil Nadu Khadi and Village Industries Board shall however execute proper agreements incorporating among other things the following clauses:-

(i) Though the Public Sector Undertaking is exempt from payment of Earnest Money Deposit, Security Deposit and Tender Fees the undertaking should pay as penalty an amount equivalent to the amount fixed as security deposit in the event of

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non-fulfilment or non-observance of any of the conditions stipulated in the contract.

(ii) In the event of any dispute arising out of the contract between a Government Department and a Public enterprise or between two Public enterprises, the dispute should be sorted out at a meeting of the concerned Secretaries to Government. If they do not agree, the matter should be referred to the Second Secretary or the Chief Secretary for a final decision.

NOTE (3) - The four Police Women's Co-operative Societies viz.,

(1) North Vellore Women's Cottage Industrial Co-operative Society

(2) Police Women's Cottage Industrial Society, Malabar Special Police, Tiruchirappalli

(3) Special Armed Police Women's Cottage Industrial Co-operative Society, Avadi and

(4) Police Women's Co-operative Cottage Industrial Society Limited, Cuddalore N.T.

are exempt from payment of security deposits in respect of tenders called for by the Departments of the Government.

18. Tenders should always be invited by a purchasing officer of one of the following departments before making any purchase of whatever amount, of any of the articles mentioned against his department in the list -

- Survey
- (1) Survey instruments required for the Survey and Revenue Departments.
 - (2) Chemicals required for the Central Survey Office.

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NOTE - The rules in the Survey Manual should be observed when buying boundary pillars.

Excise	All articles.
Registration	Binding work.
Stamps	Supply of dealwood cases required for stocking and packing stamps.
Police	All articles.
Public Health	All articles.
Agriculture	Cattle food.
Animal Husbandry	Cattle food purchased in Madras City.
Cinchona	All articles.
Fisheries	All articles except Kerosene, oil, marine and ship stores and fresh fish.
Labour	All articles.
Government Press	All articles except those required for repairs of machinery up to a limit of Rs.50 for a single item of repairs or renewals.
State Broadcasting	Spare component and other radio materials for the maintenance of radio sets such as valves, condensers, resistances, transformers (including XF and RF), loudspeakers (PM and energized), vibrator units, etc.

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NOTES - (1) In case where purchase of the materials for the State Broadcasting Department is made without obtaining competitive quotations or where purchase is not made from the lowest quotation, the reason should be recorded by the Radio Engineer in the register maintained for the purpose to be made available to audit. The cost of purchases made without calling for competitive quotations should not exceed Rs.500 per annum without the permission of the Chief Engineer.

(2) The Assistant Director of Survey, Central Survey Office, Madras, shall purchase the maximum available items of bazaar articles required for the Central Survey Office, Madras, from the Government departments. The remaining items shall be purchased from the local bazaar after calling for quotations and accepting the lowest rate quoted for the articles of the required quantity. The Assistant Director of Survey, Central Survey, Office, Madras, can purchase the maximum available items of chemicals from the Medical Stores Depot and the remaining chemicals from the market after calling for competitive quotations and accepting the lowest rate quoted.

19. It is not necessary to invite tenders, before buying sera, instruments and chemicals for the King Institute, Guindy. Tenders need not also be invited for purchase of Livestock. Tenders should be invited for the purchase of cattle food in respect of Animal Husbandry Institutions in the mofussil, if the value of the article exceeds Rs.5,000 a year.

The Director of Agriculture should invite tenders for the purchase of cattle food in respect of the Agricultural Department institutions in the mofussil where cattle units are maintained, if the value of the articles exceeds Rs.5,000 a year for each institution.

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20. The Director of Industries and Commerce may purchase non-ferrous metals like zinc, brass, aluminium and copper required for Galvanizing, Plant, Mettur, Workshop-cum-Servicing Centre for Lock Industry, Dindigul, Service Centre for the Glass-ware Industry at Kumbakonam, Service Centre for the manufacture of electrical goods, Guindy, and the Pressure Dye-Casting Unit, Guindy, under the limited tender system up to the value not exceeding Rs.50,000 at a time without insisting on agreements being executed by the suppliers.

20-A. The Director of Fisheries may purchase non-ferrous materials up to the value of Rs.50,000 (Rupees fifty thousand only) at a time by adopting limited tender system without insisting on agreement being executed by the suppliers.

21. All tenders for supply of store, etc., should be expressed to be addressed to Governor of Tamil Nadu, and submitted to the officers concerned and the acceptance thereof should also be expressed to be made by the officer concerned acting for and on behalf of and by the order and direction of the Governor of Tamil Nadu.

RULE IV - All articles, whether manufactured in India or abroad, shall be subject to inspection before acceptance, and articles for which specifications and/or tests have been prescribed by a competent authority shall be required to confirm to such specifications and/or to satisfy the prescribed test or tests, which may be carried out during manufacture or before or after despatch from the suppliers' promises.

RULE V-A contractor may supply article required for the construction of an important work for which he has been given the contract, provided that, when specifications and/or tests have been prescribed for such articles, they shall conform to such specifications and/or shall satisfy such tests.

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INSTRUCTIONS

1. The object of Rules IV and V is to emphasize the importance of ensuring that articles purchased for use in the public service conform to the specifications which may be prescribed by a competent authority and the necessity for careful inspection of all stores before acceptance. The appropriate specifications should be annexed to or quoted in the invitations to tender and it should be stipulated in the conditions of the contract that the articles supplied will be subject to inspection and/or to the test prescribed in the specifications before acceptance.

2. When inviting tenders for an important construction work, the Government servant concerned should stipulate in the invitation to tender that the articles required for the construction of the work must comply with the specifications prescribed for such articles. The articles should be inspected and/or tested in accordance with the provisions of the specifications before acceptance.

3. All purchasing officers should pay special attention to these points and ensure that adequate arrangements are made for inspection in each case.

It is essential in the case of perishable stores that a separate warranty clause is also invariably provided on the lines indicated in 'a specimen form of warranty clause as detailed below. To ensure prompt effective use of this clause, it is essential not only to ensure prompt inspection of the consignments of stores immediately on their receipt from the suppliers but also for subsequent test checks at suitable intervals within the period covered by the warranty clause.

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Model form of warranty clause

The contractor/seller hereby declares that the goods/stores/articles sold to the buyer under this contract shall be of the best quality (and workmanship) and shall be strictly in accordance with the specifications and particulars contained/mentioned in the clause hereof and the contractor/seller hereby guarantees that the said goods/stores/ articles would continue to conform to the description and quality aforesaid for a period of days/months from the date of delivery of the said goods/stores/articles to the purchaser and that notwithstanding the fact that the purchaser (Inspector) may have inspected and/or approved the said goods/stores/articles. If during aforesaid period of days/months the said goods/stores/articles be discovered not to conform to the description and quality aforesaid or have deteriorated (and the decision of the purchaser in that behalf will be final and conclusive) the purchaser will be entitled to reject the said goods/stores/articles or such portion thereof as may be discovered not to conform to the said description and quality. On such rejection the goods/articles/stores will be at the seller's risk and all the provisions therein contained relating to the rejection of good etc., shall apply. The contractor/seller shall if so called upon to do, replace the goods, etc., or such portion thereof as is rejected by the purchaser free of cost at the ultimate destination (or otherwise the contractor/seller shall pay to the purchaser such damages as may arise by reason of the breach of the condition herein contained). The purchaser shall recover the cost of goods/stores/articles found useless either by adjustment in the earnest money deposit or otherwise in cash during the period of the warranty clause, in case the supplier does not replace the articles/goods/stores in time for the use of the purchaser. Nothing herein contained

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shall prejudice any other right of the purchaser in that behalf under this contract or otherwise.

4. When articles are obtained from abroad which require inspection and/or test during manufacture and before shipment, the purchasing officer should arrange for such inspection and/or tests to be carried out by the India Supply Mission, London. The purchasing officer should arrange for any further inspection and/or test considered to be necessary or desirable after the receipt of the article in India, and may utilize the services of the India Supply Mission for such inspection and test in India, if he thinks it desirable. He should address the Chief Controller, India Supply Mission, New Delhi, if the services of that department are required.

5. As soon as a contract for articles which require inspection and/or test during manufacture or before shipment from abroad has been awarded, four complete copies of the accepted tender, with specifications, drawings, conditions of the contract, and all other relevant documents, should be sent to the Director-General, India Supply Mission, London, with complete instructions for inspection and the full address of the manufacturers. The purchasing officer should inform the contractor that the inspection and/or tests during manufacture or before shipment will be carried out by the Director-General, India Supply Mission, London, and should ask him to instruct his representatives in the country of manufacture to communicate direct with that officer.

6. With regard to articles obtained or manufactured in India purchasing officer may, if he thinks it desirable, utilize the services of the India Supply Mission for any inspection and/or test that may be required during manufacture and before despatch.

7. When an order is placed for plant or machinery, whether purchased in India or abroad, which is to be erected and tested at the site of

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the work, the purchasing officer may, if he thinks it desirable, utilize the services of the India Supply Mission for the necessary tests at the site.

RULE VI - Important plant, machinery, and iron and steel work shall be obtained only from firms approved by the Chief Controller of Stores, India Supply Mission, New Delhi and specified in the lists issued by him from time to time.

INSTRUCTIONS

1. The intention of Rule VI is to ensure that plant, machinery and other engineering equipment e.g., bridge girders and roof trusses which form important components of a project shall be obtained only from firms possessing workshops and appliances capable of turning out work of the desired standard.
2. The lists referred to in Rule VI will be maintained and issued from time to time to all purchasing departments by the Chief Controller of Stores, India Supply Mission, New Delhi. They will include the names of firms in India and abroad which have been approved for the supply of important plant, machinery and iron and steel work.
3. A firm which desires to be included in the lists mentioned in this rule should apply direct to the Chief Controller of Stores, India Supply Mission, and furnish a full statement of its reasons for thinking that its inclusion would be justified.
4. If a tender is received from a firm not included in the list of approved firms and is *prima facie* satisfactory, it should not be summarily rejected. A reference should be made to the Chief Controller of Stores, India Supply Mission, who will, if he considers it necessary, make enquiries as to the capability and standing of the firm and intimate the result to the purchasing officer.

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RULE VII - Nothing in these rules shall be deemed to prohibit the purchase of articles by one department from another.

INSTRUCTIONS

1. A purchasing officer should buy the stores which he requires only from the following institutions arranged in the order of priority in preference to articles manufactured by private manufacturers. However, the Department of Industries and Commerce may purchase its own requirements of furniture from the units and institutions under its control without reference to jails, borstal schools and approved schools.

(i) Jails, Borstal schools and Approved schools.

(ii) Government Departmental units of Industries Department and the units of the Tamil Nadu Small Industries Corporation, the Forest Department or the Public Works Workshops.

(iii) Industrial Co-operatives under the control of the Director of Industries and Commerce, Departmental Units and Industrial Co-operatives under the control of the State Khadi and Village Industries Board, Madras, and the units run by panchayat unions.

(iv) The Tamil Nadu Discharged Prisoners' Aid Society.

As regards item (iii) above, the purchasing officers may choose the institutions having regard to nearness, price quoted and the quality of the articles. The purchasing officer should resort to purchase from private undertakings, only if Government departmental units or industrial co-operatives are unable to supply their requirements of articles.

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The purchasing officers of all Government departments, Government sponsored institutions, municipalities, etc., should purchase their requirements of:-

(i) Lac products, only from Lac Factory at Cumbum run by the Tamil Nadu Forest Department in preference to purchasing these products from the open market even if the latter was less expensive; and

(ii) those articles which are manufactured by the units of the Industries Department alone irrespective of price for use for Government institutions and private educational institutions and local bodies enjoying grants from the Government by placing an open order with the Director of Industries and Commerce, Madras, without calling for tenders or competitive quotations in such cases.

Note- The heads of Government Medical Institutions are permitted to purchase the requirements of diet articles such as milk, eggs, etc., direct from the Government Departments wherever available irrespective of the cost factor instead of purchasing them from open market provided the price does not exceed the rate charged for the general public. The Government Dairy Farms, poultry Units should give preference in the matter of sale of items produced by them to the Government Medical Institutions wherever possible.

2. (a) Every purchasing officer should invariably buy all standardised articles of furniture, which he requires from jails, Borstal schools or the Approved schools.

(i) The Inspector General of Prisons shall in consultation with the Chief Inspector of Approved Schools and Vigilance Service draw up a zonal

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scheme and earmark the institution with which heads of offices in a zone should place orders.

(ii) The institution which receives the indents shall supply the furniture within a period of three months from the date of receipt of the indent. The head of the institution should immediately on receipt of the indent, examine whether it would be possible for him to supply the furniture. If it would not be possible for him to supply the furniture within a period of three months, the Inspector-General of Prisons should be informed of the fact in the first instance. The responsibility of apprising the Inspector-General of prisons shall vest with the unit which received the order, whether it is the Jail, Borstal School or Approved school. The unit concerned which received the indent should not reply to the indenting authority expressing its inability to supply the items, without getting clearance from the Inspector-General of Prisons.

(iii) The Inspector-General of Prisons, Madras, should make internal arrangements for transfer of the order to some other unit by making a periodical review of the stock position in the Jails and Approved schools.

(iv) A reply as to the acceptance of the order should be given within a month from the date of receipt of the order in the first instance.

(v) If, on a review of the stock position, the Inspector-General of Prisons finds that it will not be possible to supply the furniture, a reply should be given so that the indenting department may purchase the item from the Industries Department or the units of Tamil Nadu State Small Industries Corporation.

(b) As regards articles of furniture which have not been standardised the purchasing officer should

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first ask the Superintendent of the nearest jail at what prices he can supply the articles and whether he can supply them within the time fixed. When he can supply them in time and the jail price together with freight charges does not exceed by 5 per cent the market price at the place where the article is required, the order should be placed with the jail Department. Otherwise, the purchasing officer will be free to buy the articles outside the jail Department.

NOTE:- In regard to the requirements of furniture by the panchayat unions the Commissioners of the unions concerned may purchase their requirements from the following institutions arranged in the order of preference:-

(i) Industrial units run by the panchayat unions under Rural Arts, Crafts and Industries Programme including those established under the three pilot Rural Industries Project Schemes at Omalur (Salem district), Nanguneri (Tirunelveli kattabomman district) and Sriperumbudur (Chengai Anna District);

(ii) Jails, Borstal and Approved Schools;

(iii) Departmental units of the Industries Department of the Government;

(iv) Industrial co-operative societies or units including Saranjam Karyalayas of the State Khadi and Village Industries Board whichever is nearer to the office or department requiring the furniture and

(v) The Tamil Nadu Discharged Prisoners Aid Society.

(c) The purchasing officer should endeavour to enter into a contract with the jail Department in respect of any supplies ordered from that department, but should not demand any security from it.

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(d) All Heads of Departments in Tamil Nadu should place their indents for supply of furniture straight with the Tamil Nadu Discharged Prisoners Aid Society of jails, Approved Schools and Units of Industries Department or Tamil Industries Corporation and Industrial co-operatives under the control of the Director of Industries and Commerce, Departmental Units and Industrial Co-operatives under the control of the Tamil Nadu Khadi and Village Industries Board, Madras and the Units run by Panchayat Union. If the society expresses its inability to supply any of the furniture required, they might purchase the furniture from the Industrial Institutions run by local bodies and recognised private Industrial schools and only if these Institutions are unable to supply the furniture required by them, they should resort to local purchases.

(3) Before orders are placed with private firms, the surplus stock of the articles, if any, available with other departments of the Government, should first be utilized, irrespective of the cost at which it is available. The following instructions should be observed in regard to the utilization of the surplus stores in the departments of the Government

(a) Each head of a department should circularize from time to time lists of all usable stores found surplus to the requirements of this department to other heads of departments as soon as the surpluses are noticed.

(b) Every head of a department should see from the lists received by him under instruction (a) whether he can utilise the stores available with the other departments before he places, or allows his subordinate to place orders for the purchase of such stores in the open market or submits proposals to the Government for such purchase.

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Even in case where no list has been received by him covering the particular articles required by him, he should make enquiries of the heads of departments with whom such stores may be available ordinarily.

(c) When proposals are submitted to the Government for according sanction to the purchase of any stores, it should invariably be stated whether action was taken with reference to instruction (b) above and if so with what result.

Rule VIII- The articles enumerated below or any other articles of a special or unusual character, may when suitable and economical purchases cannot be made in accordance with the preceding rules, be obtained without reference to those rates subject to the following conditions

(a) When the value of the purchase amounts to Rs.500 for any one article purchased at the same time, the purchasing officer shall record his reasons for not effecting the purchase in accordance with the preceding rules.

(b) The purchasing officer may at his discretion either obtain the article that he requires by indent on the India supply Mission, London or purchase it direct from a manufacturer or dealer abroad. When he decides to buy it direct from a manufacturer or dealer abroad, he shall whenever practicable, first invite tenders.

(c) When articles are purchased abroad under this rule through the agency of the India Supply Mission, London or Washington, payments will be made by the Chief Accounts Officer, High Commission of India, London or of Indian embassy, Washington, as the case may be the debits being passed on to India for adjustment. In other cases payment will be made through the Accountant-General.

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[125-cont.]

INSTRUCTIONS

1. Rule VIII lays down an exception to the principle enunciated in Rule II. Before availing himself of the discretion given by Rule VIII, a purchasing officer should invariably take all possible steps to assure himself that stores of the requisite quality cannot be obtained in India at suitable prices in accordance with the provisions of Rule II.

2. If orders are placed abroad under the provisions of Rule VIII, on the basis of delivery free on board vessel at the port of despatch the arrangements for the shipment of the stores should be entrusted to the Director-General, India Supply Mission, London. The indenting officer should inform the supplier of this arrangement and should send a copy of his order to the Director-General, India Supply Mission, London for information.

3. It will be noted that under this rule "articles of a special or unusual character" may be obtained by indent on the India Supply Mission, London or purchased direct from a manufacturer, or dealer abroad. The expression "articles of a special or unusual character" should not be taken to cover generally articles not produced or manufactured in India such as locomotives, boilers, plant and machinery. It is intended to cover only articles such as spare or replacement parts, of non-standard appliances and other articles which cannot conveniently be obtained by calling for tenders on a rupee basis. For example, a purchasing officer may require a replacement part for a machine tool of a particular type and make, the manufacturer of which is not represented in India and is not able to tender for delivery and payment in India. Again, a special type of machine may be invented and produced by a manufacturer who is not represented in India and will only agree to supply the machine on his own conditions of sale.

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4. Though "Scientific instruments" are included in item (ix) under Rule VIII, purchasing officers should continue to indent on the Medical Stores Depot, Madras and the Mathematical instruments Office, Calcutta for medical instruments and for drawing, surveying and other mathematical instruments respectively, when they can obtain instruments of the requisite quality there economically, and should not obtain instruments of these classes from abroad unless it is impossible to buy them economically in India.

5. The purchasing officer should enter in every indent sent to the Director-General, India Supply Mission, London, the grant number and the Head of Account to which the expenditure relates, the amount of appropriation provided and an estimate of the cost of each item. He should enter the estimated freight charge for the whole indent separately from the estimated costs of the stores and should show the grand total of both on the cover of the indent. When he is not able to estimate the cost of freight charges separately, he may enter the total estimated cost c.i.f., Madras. A purchasing officer should not send any indent for stores to the Director - General, India Supply Mission, London, so late in the financial year that it is obviously impossible to comply with it and pay for the stores within the financial year. If the Director-General receives any such indent, he will inform the Government that it is not possible to comply with it before the end of the financial year, and that he is arranging to do so during the following financial year. When it is essential to send an indent to London, before the relevant Appropriation Act has been communicated to the authorities concerned, the appropriation which it is proposed to make should be stated in the indent. No such indent for an amount exceeding Rs.200 should be sent without the consent of the Finance Department. If the Finance Department has given

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[125-cont.]

its consent, the words "The Finance Department has agreed to the execution of this indent" should be written on the indent.

6. When stores are brought in the United Kingdom on the basis of delivery free on board vessel at the port of despatch and are inspected before shipment under arrangements made by the Director-General, India Supply Mission, London, and delivered to him for despatch the purchasing officer in India may, if he considers it desirable authorise the supplier to submit his bills to the Director-General, India Supply Mission, London. The Director-General will certify on the bills that the stores to which they relate have been duly inspected and despatched under arrangements made by him, and then pass them on to the High Commissioner for India for payment. The High Commissioner will debit the amount paid, in the account current between England and India and pass on to the Accounts Officer concerned in India for adjustment supported by the suppliers bills bearing the certificate of the Director-General India Supply Mission, London.

When the purchasing officer in India desires to adopt this method of payment for any stores bought in the United Kingdom he should give full instructions to the "High Commissioner" and "Accountant-General" India Supply Mission, London and the suppliers. If the supplier is required to submit more than one copy of each bill, the purchasing officer should state the fact in the order, and if his bills are to be submitted on any special form, the necessary forms should be supplied. Purchasing officers should distinguish very carefully between stores bought through the agency of the Director-General, India Supply Mission, London or Washington and stores merely delivered to him for despatch and shipped through his agency. In the former case, Payment cannot be made from India whereas in the latter case the procedure prescribed above should be followed.

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[125-cont.]

7. Payment for articles obtained by placing direct orders on private firms or individuals in the United Kingdom, shall be made through the Accountant-General. The Officer desiring to make such a payment shall as soon as all the formalities necessary in connection with the receipt, inspection and verification of the stores have been completed forward the supplier's bill in original to the Accountant-General for audit and payment. He should take particular care to ensure that no double payment is authorised in respect of the same claim. The Accountant-General after audit of the supplier's bill will purchase a sterling draft in favour of the supplier in the United Kingdom and remit it direct to the supplier under intimation to the departmental officer concerned in India. The Accountant-General will bring the cost of the sterling draft intimation to the departmental officer concerned in India. The Accountant-General will bring the cost of the sterling draft finally to account against relevant portion of the budget. The procedure laid down in Instructions 6 and 7 may be followed *mutatis mutandis* in the case of payments to be made for articles obtained by direct order from private firms or individuals in America and in cases where the payment is made by the Director-General, India Supply Mission, Washington in accordance with the procedure described in Instruction 6 above, the payment will be passed on by him to the Accountant-General in India for further necessary action.

The procedure laid down in Instructions 6 and 7 above should be followed *mutatis mutandis* when any other similar payment (e.g. a payment chargeable to the estimate for a work) has to be made on behalf of the Government to a private party in the United States of America.

When stores are obtained direct from a country other than the United Kingdom-see Rule VIII (c) (i) -the purchasing officer should as soon as all the

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[125-127]

formalities necessary in connection with the receipt, inspection and verification of the stores have been completed, forward the supplier's bill in original to the Accountant-General for Audit. If the transaction is in order, the Accountant-General will obtain a bill of exchange for the amount of the supplier's bill and send it to the purchasing officer for transmission to the supplier.

Rule IX-First preference shall be given to "AGMARK" graded products, provided the rates quoted for such "Agmark" products do not exceed the lowest tendered rate for non-graded product of the same quality by 5 per cent.

126.A Government servant who buys any stores for use in the public service without calling for tenders, when he ought according to the rules and instructions in Article 125 to call for tenders, is liable to be called upon by a superior authority or the Accountant-General to justify the method of purchase which he has adopted.

NOTE: The rules and instructions contained in Article 125 regarding the invitation of the tenders for the supply of stores do not apply to stores bought from the Governor's contract grant, but the comptroller of the Governor's household may follow the principles underlying them when it is advantageous to do so.

Acceptance of tenders

127. A Government servant who has to select a tender for acceptance should take into account the financial status of the tenderers. If other conditions are equal, the lowest tender should be accepted. When the lowest tender is not accepted, the reason should be recorded and all the relevant record made available to the Accountant-General during his local inspection of the accounts of the disbursing officers. The acceptance or rejection

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of a tender is a matter entirely within the discretion of the Government Servant responsible for the purchase of the materials, but a superior authority or the Accountant-General may call on him to justify the manner in which he has used his discretion and to give his reasons for rejecting any tender. No tenderer has any right to be told the reasons for rejecting his tender and the reasons for rejections should not be communicated to any tenderer. No tender should be accepted from any person directly or indirectly connected with the Government service. If any collusion is detected between a tenderer and a Government servant, it should be dealt with severely.

NOTE:- If a contract for supplies is placed on a higher tenderer, in preference to the lowest acceptable offer in consideration of offer of earlier delivery, the contractor will be liable to pay to Government the difference between the contract rate and that of the lowest acceptable offer, in case of failure to complete the supplies in terms of such contract within the date of delivery specified in the tender and incorporated in the contract.

Agreement for the supply of Stores

128. When a tender is accepted for the supply of stores, the successful tenderer should be required to execute an agreement in regard to supply, but long term contracts should be avoided. Only Government servants who have been specifically authorised to make contracts on behalf of the Governor should accept tenders and sign agreements on his behalf-see Article 51 and Appendix 3. A fixed price for each article is essential, and no agreement should provide for a price fluctuating with the market price. Except when, in special cases, partial payment is to be made before delivery with reference to instruction 3 under Rule II or instruction 16 under Rule III in

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[128-cont.]

Article 125 the agreement should provide that payment will not be made until the stores have been received and examined. No order should be given for any stores without obtaining at least a written agreement from the supplier as to the price, if not a formal written contract.

Agreements relating to the supply of stores are liable to stamp duty but their registration is optional.

NOTE 1 - The Works Manager, Government Press, Madras need not enter in agreements in regard to the supply of sheep skins which are to be supplied within a period of about a month.

NOTE 2 - The Director of Industries and Commerce and the subordinates in the Industries and Commerce Department are empowered to exempt firms from the execution of agreements as under -

Director of Industries and Commerce.	If the value does not exceed	Rs. 5,000
Joint Director of Industries and Commerce.	Do	1,000
Deputy Director of Industries and Commerce and officers not below that rank.	Do	500
Inspector of Industrial Schools.	Do	500
Assistant Director of Industries and Commerce and village Industries Officers and Officers not below that rank.	Do	200

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NOTE 3 - The State Khadi and Village Industries Board is exempted from executing agreements in regard to the supply of Khadi and other products of the State Khadi and Village Industries Board.

NOTE 4 - In the case of purchase of stores and machinery etc., from abroad involving release of foreign exchange and issue of actual users licence, etc., it may not be possible for the contractor to supply the stores, etc., at the rates quoted by him some months before the actual date of supply due to variation in prices on account of the increase in freight, increase in duties and statutory levies, increase in prices charged by the principals abroad etc. In such cases the price variation clause in the contract may be included. But no contract involving an uncertain or indefinite liability of any condition of an unusual character should be entered into without the previous consent of the Government. Where escalation in respect of labour, overheads, customs duties, freight etc., is provided for in a contract, the basis for the calculation of the same should be clearly indicated.

Security to be taken from contractors

129.(a) Subject to the provisions of clause (b) of this Article, whenever a private person or a firm makes a contract with the Government, he or it should be required to give security for the due fulfilment of the contract to an amount equivalent to 7 per cent of the total value of the contract as detailed below:

- | | |
|--------------------------|----|
| 1. Earnest money Deposit | 1% |
| 2. Security Deposit | 1% |
| 3. Withheld Amount | 5% |

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[129-cont.]

The security may take any of the forms (1) to (5) mentioned in Article 279. The personal security of two persons of known probity and satisfactory financial status may be accepted in exceptional cases, when there are special reasons for doing so.

Exception- The rate of Security Deposit to be collected from a private person or a firm in respect of tenders for the supply of cattle feed to the institution of the Departments of Animal Husbandary and Veterinary Education and Research shall be 8 per cent of the total value of contract.

(b) The head of a department may, when he thinks it desirable, exempt a firm of established repute from the obligation to furnish security in respect of all contracts, or a particular contract or class of contracts, made with his department. The Principal, College of Integrated Medicine may dispense with the security or reduce its amount in special cases, when he enters into contracts with firms or individual contractors of established repute.

NOTE:- The Chief Engineer (Agricultural Engineering) is empowered to exempt the firms of repute from payment of Security deposits.

(c) No security deposit need be taken from Ordinance Factories (Central Government Factories) in respect of tenders for the supply of stores called for the Police and Fire Service Departments of the Tamil Nadu State. This arrangement will be on a reciprocal basis.

(d) No security deposit need be taken from the state Khadi and Village Industries Board in respect of tenders for the supply of Khadi and other products of the State Khadi and Village Industries Board.

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(e) No security deposit need be obtained from a supplier in respect of petty local purchase costing upto Rs.200, provided the purchasing authority is satisfied that there is not likelihood of any loss occurring to the Government and that the *bonafides* of the supplier are beyond doubt.

(f) No security deposit need be taken from the Handicrafts units under the control of the Tamil Nadu Handicrafts Development Corporation Limited, in respect of tenders, quotations, etc., of the Government Departments and other Quasi Government bodies.

**Examination of contract by the
Accountant-General**

130. The Accountant-General in the exercise of his audit function will examine contracts and report to the Government the facts of any case that come to his notice in which competitive tenders were not invited though they should have been under the rules, or a tender other than the lowest was accepted without sufficient justification, or any other material irregularity was committed in connection with a contract.

To enable the Accountant-General, to conduct this check effectively in Local Audit, a chronological record of the tenders received and accepted as well as agreements and contracts executed should be maintained in each office. For this purpose a Register of Tenders as well as a Register of Contracts and Agreements should be maintained in each office in T.N.F.C. forms 25 and 26 with such modifications as may be found necessary in the respective departments. The tenders and agreements should be kept in serial order in the personal custody of the head of the Department or office, as the case may be, and mixed with the correspondence files.

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To enable the Accountant-General to conduct the check of agreements and contract effectively in Central Audit, all Heads of Departments and other Offices should send copies of agreements and contracts for the purchase of Rs.1,00,000 and above to the Accountant-General, Madras.

Tender and agreement form

131. T.N.F.C. Form 9 is a general form for use by a tenderer in submitting a tender and by a purchasing officer in making an agreement with a successful tenderer. This form should be used in connection with every invitation to tender when no other special form has been duly prescribed for the purpose.

131-A T.N.F.C. Form 9-A is a special form of agreement for the purchase of stores from foreign firms by the purchasing officers. They shall obtain an agreement in this form from the foreign firms while placing orders for the supply of stores.

**Claims in respect of imported stores
lost or damaged**

132.(a) The High Commissioner for India charges one fourth of one per cent on the value of all stores shipped to India by the India Supply Mission, London, to cover the cost of insurance during shipment up to the moment when the stores leave the ship's side. If any loss occurs which is properly chargeable to this insurance, he arranges to credit a corresponding amount to the Government under the head concerned by debit to "Marine Insurance". The receiving officer in India should see that a claim is promptly made against the shipper, the landing contractor, the supplier or "Marine Insurance" according to circumstances, whenever any loss or damage is detected on taking

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delivery of any stores shipped by the India Supply Mission, London. No claim should be made against "Marine Insurance" when the responsibility for the loss or damage can be fixed on the shipper, the landing contractor or the supplier and recovery made accordingly.

(b) Whenever it is considered that any loss or damage in respect of stores shipped by the India Supply Mission should be charged against "Marine Insurance", the circumstances should be reported in detail to the Director-General, India Supply Mission, London. The report should include the relevant particulars shown in the instructions on the packing account, viz, description of stores, details of numbers, and, when necessary, sizes and quantities. When articles are missing, the gross weights of packages as received should be furnished. The report should state whether any recovery has been made or claimed from the shipper or the supplier and, if no such claim has been made, the reasons.

(c) "Marine Insurance" does not cover any risk incurred after the moment when the stores leave the ship's side, i.e. during landing. It is therefore essential that the brittle articles, e.g., stoneware pipes, should not be landed at open roadsteads during certain seasons; such articles should be landed at these ports only when the risk of breakage is at a minimum. The purchasing officer should give clear instructions as to the time of delivery of such articles when ordering them for delivery at an open roadstead. A small allowance should be made for breakage when ordering stoneware or cast-iron pipes.

The following statement shows the times of the year at which landing of brittle stores at open roadsteads in Tamil Nadu is attended with the minimum risk:-

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Cuddalore - February to September inclusive
 Nagapattinam - February to September inclusive
 Pamban(North)- Early March to September inclusive
 Tuticorin - January to May and September and October

(d) The charges on account of "Marine Insurance" and department expenses levied by the High Commissioner for India in respect of stores shipped by the India Supply Mission London should not be added to the invoiced value of stores (including freight) for the purpose of making recoveries from the agents of shippers on account of short delivery of stores.

(e) The Government do not meet the cost of insurance during shipment of imported stores not shipped by the India Supply Mission, London, except when they do so by paying a purchase price that covers the cost, insurance and freight of the stores as delivered at the required port or station in the State. When a loss or damage is detected on taking delivery of any imported stores, shipped otherwise than through the India Supply claim is promptly made against the shipper, the landing contractor or the supplier, according to circumstances. If it is not possible to fix the responsibility for the loss or damage on the shipper or the landing contractor, the claim should be made against the supplier.

132-A. The following instructions should be followed in dealing with cases of loss of, or damage to, stores despatched by rail by contractors under f.o.r. contracts which do not contain specific provision regarding responsibility for loss or damages etc, en-route:-

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[132A-cont.]

1.(a) The consignee will be responsible for verifying at the time of taking delivery that the stores have been received intact without loss or damage. When stores are despatched in full wagons, consignees should verify that the seals on the wagons are intact. If there is evidence of loss or damage, they should arrange to secure necessary certificates from the appropriate Railway officials before taking delivery. The loss or damage should be promptly intimated to the supplier and the purchasing officer, if any as well as to the Accounts Officer who is responsible for payment for the stores. The consignees should prefer a formal claim against the carrying Railway for the loss or damage. The paper dealing with the claim made on the Railway should thereafter be forwarded to the purchasing officer in case where the consignee is not himself the purchasing officer, and the purchasing officer will then be responsible for pursuing the matter further.

NOTE: The practice followed on all India Government Railways is to permit the consignees to record in railway delivery books details of any damages, shortage, etc., and if so desired take copies of such remarks which the station-master on duty is authorised to countersign. This applies irrespective of whether consignments are booked at owner's risk or Railway risk. This practice should be followed in dealing with cases of loss or damage to stores during transit.

(b) On receipt of intimation from the consignee about the loss or damage, the Accounts Officer will deduct an appropriate sum from an outstanding or a future bill of the contractor under advice to him and to the purchasing officer concerned. It will be the responsibility of the purchasing officer, if any, or the consignee to scrutinize each case carefully. In this connection, it should be remembered that it is the primary responsibility of the contractor to

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satisfy the purchasing officer as to the correctness of despatch and soundness of packing and the mere fact that the contract is on an f.o.r place of despatch basis does not absolve the contractor of responsibility for loss or damage in transit. If the purchasing officer or consignee considers that the contractor is not responsible and should be exempted under the terms of the contract, from bearing the loss in question, he should apply to the competent authority for sanction to the write-off of the loss and on receiving it should make necessary refund to the contractor.

NOTE: Cases of loss or damage in transit to such stores as liquid paint, oil, etc., which are supplied in drums or contract packed by the containers itself, will notwithstanding whether or not they are insured, be dealt within the manner indicated in the last sentences of sub-paragraph (e) below.

(c) The purchasing officer, if any, or the consignee will be responsible for pursuing with the Railway the claim lodged by the consignee and for recovering any compensation that may be due from the Railway.

(d) Any compensation recovered from the Railway will be credited to the Government if it is held under sub-paragraph (b) above that the contractor is not liable for the loss or damage. If the contractor has been held liable and the value has been recovered from him any amount recovered from the Railway will be paid to the contractor.

(e) In cases of loss or damage to stores in transit where the stores have been insured by the contractor against such risks, the contractor will have to take up the matter with insurer when he gets the receipt certificate from the consignee and

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(132A-cont.)

recover the loss from the insurer. The indenter will be responsible for payment of stores actually received by the consignee.

(f) In the case of purchase of fragile and costly articles, open delivery system should be insisted upon. If open delivery system is not possible for any reason the fragile articles should be insured by the suppliers and the charges thereon should be included in the rates quoted by them. No extra charges should be paid for the insurance and in any case whether the firms has insured the articles or not damages, if any, occurring during transit should be made good by the suppliers. A clause stipulating the above conditions should be included in the conditions of tenders or quotations to be called for towards the purchase of fragile and costly articles. In such cases, the suppliers should be required to indicate the cost of articles and the insurance charges separately.

2. In the case of steel purchased from main producers or rerollers the claim on the carrier for losses and damage will be preferred by the consignors and not by the consignee. The consignor will prefer the claim on receipt of the intimation from the consignee as prescribed in sub-paragraph 1 (a) above

In the case of steel purchased from controlled stock-holders, the claim on the carrier for losses and damage will be preferred by the consignee for supplies from such controlled stock-holders and no deduction should be made from their bills by the Accounts Officer on account of loss or damage. If, after investigation, the consignee finds that Government have a claim on the controlled stock-holder, he should prefer the necessary claim direct. In the event of a controlled stock holder refusing to meet such claim, the case should be referred to the Iron and Steel Controller, who will arrange to make the necessary recovery.

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Stock accounts

133. (a) The head of an office and any other Government servant who is entrusted with stores of any kind should take special care in arranging for their safe custody. He should also maintain suitable stock accounts or inventories for the stores in his custody with a view to preventing losses to the Government through theft, fraud or accident, and to making it possible to check the actual balances with the book balances and the expenditure on stores at any time.

The form of the stock account has to be settled with reference to the nature of the stores, the frequency of transactions and the special circumstances of each department. The same form of stock account would not be suitable both for consumable articles such as dietary stores kept for use in a hospital or jail, and also for ordinary office furniture. Ordinarily each office should keep its stock account or accounts in the form and according to the instructions laid down in any general or special orders of the Government which apply to the department concerned or in the departmental manual, code or orders. If no such form and instructions are available, or if they are available but a competent authority has held that they are defective, then the stock accounts should be kept in accordance with the instructions in clause (b) and Articles 134 to 136 below.

(b) Separate stock accounts should be maintained in the prescribed forms for (a) raw-materials and expendible stores used in manufacturing departments etc., (b) The office furniture, including all office stores except books, forms and stationery and (c) Live stock.

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**Stock accounts of raw materials
and expendible stores**

134. The stock accounts required on account of raw materials and expendible stores include day books of receipts and issues for recording the transactions as they take place, and a ledger for each kind of article showing the receipts, issues and balances. If no specific forms and rules have been prescribed for a department, Common Forms 143 and 268 should be used for this purpose.

Stock accounts of office furniture and stores

135. Every head of an office should maintain a stock account of furniture and all other office stores (except books, forms and stationery) in form 10 showing the number received, the number disposed of (by transfer, sale, loss, etc) and the balance in hand for each kind of article separately. When an office is large and the furniture, etc., is kept in several rooms, the head of the office may have an inventory of the furniture, etc., kept in each room hung up in the room and kept up to date in order to facilitate the annual verification of stock and fix the responsibility for any loss that may occur.

Every head of an office should also maintain stock accounts for forms and stationery in accordance with the rules in the Stationery Manual, and also a register of books belonging to the office.

Government libraries and museums should maintain catalogues as well as the prescribed stock accounts or inventories.

Every head of an office should maintain stock account separately for each category of Livestock such as cattle, sheep, horse, poultry, etc., in form 10 (A).

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Valuation of stores in the stock accounts

136. When a priced inventory is maintained, the value recorded in it for any item should not materially exceed its current market value. The head of the department concerned should issue necessary instructions to ensure that the stores are valued with reasonable accuracy and that the rates adopted are reviewed at suitable intervals by a suitable authority.

All Livestock belonging to Government should be valued as on 1st April each year with due regard to breed, heritage, age, physical conditions, current market conditions, performance, etc.

Receipt and disposal of stores

137. The clerk who maintains the stock account must himself receive every item newly supplied and record its receipt in the stock account whenever a new item has been bought and the bill in which the charge is included is ready, the clerk in charge of the stock account should be asked to verify that the article newly purchased has been duly taken in to the stock account and to certify, accordingly on the office copy of the bill. In the rare case when it is not possible to receive stock before payment is made, e.g., when articles are received by rail or post and payment is made under the value payable post system, the clerk in charge of the stock account should verify the new stock on receipt and furnish a certificate of verification which should be filled with the office copy of the relevant bill.

138. Stores should be issued, as far as possible on indents passed by a Government servant who has been duly authorised to pass them. Every issue should be recorded in the stock account at the time when it is made.

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Inspection of the stores

139. No Government servant should hold stores in stock in excess of the amount likely to be required during a reasonable period. To ensure that this rule is observed, a responsible officer of the department should inspect all perishable stores once in each half-year and all other stores once a year unless there is a sufficient reason (which should be recorded) to the contrary. If he considers that any of the stores inspected are obsolete or in excess of reasonable requirements, he should submit a report to the authority competent to sanction the writing off loss of cash equivalent to their value under Article 297 and Appendix 21. This authority should then pass orders as to the disposal of such stores.

The head of the office should record full particulars regarding all obsolete and surplus stores in common Form (Old) 271 (With suitable modifications of the columns therein) from which their disposal can be checked.

NOTE:(1) For the purpose of Articles 138 to 142 the value of stores should be taken to be their book value if satisfactory price accounts are maintained and where these are non-existent or suspect their replacement value. Stores remaining in stock for over a year should be treated as being in excess of reasonable requirements unless there is a sufficient reason for not doing so.

NOTE:(2) The general instructions regarding disposal of the stores and maintenance of account contained in Article 142 will equally apply to obsolete and surplus stores as well.

Unserviceable stores

140. Subject to any special orders issued by the Government in particular cases, stores which

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have become unserviceable in the ordinary course or by fair wear and tear may be condemned by the authority competent under Article 123 to sanction the purchase of new stores to replace them. He should record the full reasons for condemning the stores in his order, and add a certificate to the following effect.

"Certified that I have personally satisfied myself that each item written off in these proceedings has become unserviceable in the ordinary course, through proper usage or by fair wear and tear."

Exception:- The Director of Stationery and Printing will condemn all unserviceable articles of stores and machinery of the Government Press, Madras, and its branches up to the book value of Rs.1,000/-. The book value of the stores will be determined as on the date of condemnation.

NOTE: Both the acts of condemnation of the unserviceable articles and writing off their value are intended to be applied together in the same proceedings of the competent authority. In offices where priced accounts of the stores are kept and depreciation is allowed annually at prescribed percentage and the value of the article at the time of condemnation is shown as "NIL" there is no need to write off the "NIL" value of the article. In respect of articles which have been written down to "NIL" value in such offices by the operations of the process of annual depreciation and if such articles are *still in use* and have some more years and useful life left in them but are lost due to theft, neglect or other calamities such as fire or floods, orders of competent authority writing off such losses would be necessary in accordance with Article 298. In other offices where the original book value of an article is not reduced to "NIL" by the operation of the process of annual depreciation but the article itself is found to have become

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unserviceable by ordinary wear and tear, the authority competent to condemn it under Article 140, should write off the values as recorded in the stock accounts. If any of the stores so condemned and written off are disposed of in public auction or sold otherwise, their sale proceeds should be credited, in full to the receipt head of the department concerned and the amount, if any written off should be the value of the articles as recorded in the stock accounts whether it be original purchase value or depreciated value.

141.(a) The authority referred to in the preceding Article may also condemn stores found at any time to have become unserviceable otherwise than in the ordinary course or by fair wear and tear (e.g., by avoidable carelessness, neglect or misuse), but this should not be done until after their value has been written off by the authority competent to write off a loss of cash equivalent to their value under Article 297 and item 1 in Part A of Appendix 21.

(b) When any stores become unserviceable or depreciate otherwise than in the ordinary course or by fair wear and tear their value or the amount of such depreciation as the case may be, should be treated as a loss to the Government within the meaning of Article 294 and the procedure prescribed there should be strictly followed in reporting any such loss—See also Article 298.

142. Stores which have become unserviceable otherwise than in the ordinary course or by fair wear and tear should never be condemned in the same order along with the stores which have become unserviceable in the ordinary course or by fair wear and tear. Separate order should be passed dealing with the stores in each of the two classes. Each order should state how the condemned stores are to be disposed of, i.e. whether by sale or by destruction, since stores should be condemned only

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when, they cannot be made serviceable by repairs at a reasonable cost. Condemned stores which are quite worthless should be ordered to be destroyed. Other condemned stores should as far as possible, be sold under the orders of the authority competent to write off a loss of cash equivalent to their value. The head of the office should record full particulars regarding all condemned stores in suitable lists from which their disposal can be checked-See Common Forms 269-271.

The following general instructions should invariably be followed by all Officers entrusted with the disposal of stores:-

(i) Where the articles are sold by public auction, the head of the office or any other gazetted officer should invariably attend the auction and record the final bids.

(ii) The head of the office or any other gazetted officer, should also be present when the articles sold are released, his presence being most essential when the release of the articles takes place some time after the action or when it involves process, such as weighing, etc.

Verification of stores

143. All stores should be verified periodically in the manner, prescribed for each department and at least once a year.

Subject to any special rules or orders, a Government servant who is in charge of any expendible stores and raw materials should check them at least once a year and send a verification report to the controlling authority. The latter should also check the stock accounts when inspecting the office.

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Furniture and other office stores should be verified at least once a year. If the office is a large one and the head of the office cannot do the whole verification himself without undue inconvenience, he may entrust it or such part of it as he thinks fit, to a gazetted Government servant serving under him or to the head ministerial officer of the office, but the head of the office will be held personally responsible for the proper maintenance of the stock account and the correctness of the verification report, whether he conducts the verification himself or gets it done by someone else. The head of the office should sign a certificate of check after such verification and submit it to the controlling authority if there is one.

The verification of stores prescribed in this article should never be entrusted:-

(i) to a low-paid subordinate; or

(ii) to the custodian, the ledger keeper, or the accountant responsible for the stores to be verified, or to a nominee of, or a person employed under the custodian, the ledger keeper or the accountant; or

(iii) to anyone who is not conversant with the classification and nomenclature of the particular classes of stores to be verified and the connected technique.

As far as possible, the verification of large stocks and stocks of important stores should be entrusted to a responsible officer who is independent of the superior executive officer in charge of the stores. Stores should always be verified in the presence of the officer responsible for the custody of the stores or of a responsible person deputed by him to watch the verification.

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143-A. Apart from the periodical verification of stores by the heads of offices and other Government servant authorised in this behalf under the preceding Article, surprise checks of stores should be undertaken by the superior officers in each department at intervals, at least once a year so as to ensure that stores are properly maintained and accounted for. It is necessary that the inspection should be a surprise one; but the check may be confined to important items. The results of such surprise checks should be reported to the Government in the administrative department concerned with the recommendation, if any, of the inspecting officer so as to enable the Government to take prompt and adequate action, wherever necessary.

143-B Apart from the departmental verification of the stocks and stores of the departments as prescribed in the preceding articles 143 and 143-A, the Stock Verification Organisation of the Department of the Chief Auditor, State Trading Schemes will undertake a surprise detailed physical verification of the stock and the stores pertaining to all Government Departments.

144. Whenever a Government Servant who is entrusted with the custody of stores in an office is transferred, the relieving Government servant should verify the stock of stores with the stock accounts, certify on the stock accounts as to the correctness of the stock taken over and report the result of the verification to his immediate superior. For the purpose of this rule the Government servant entrusted with the custody of the stores is ordinarily the head of the office but in a large office he may delegate this duty to a gazetted assistant, manager or recognised store keeper. When he has done so the verification prescribed in this Article need only be made, unless otherwise ordered in any case, when a Government servant to whom the duty has been

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delegated is transferred, and the result of the verification should always be placed before the head of, the office. In spite of any such delegation, the head of the office will still be responsible for furnishing the certificate prescribed at the foot of the various contingent bills, etc., stating that the articles billed for have been brought into account, and for exercising a general control so as to ensure that the stores are properly safeguarded and the stock accounts properly maintained.

Discrepancies found or variation of stores.

145. A deficiency detected during a verification of stores may be due to:-

- (1) incorrect or careless accounting.
- (2) loss arising from fraud, theft, or negligence.
- (3) an unavoidable cause, e.g., wastage, shrinkage and spilling in the case of stores which are subject to them.

The head of the office or institution concerned should fully investigate the cause of any deficiency and send a full report on it to the controlling authority along with the verification report. If he holds that any loss caused to the Government through and deficiency is due to misconduct or culpable negligence on the part of any Government servants concerned, he should add his recommendation as to how the loss should be made good by recoveries from them. The controlling authority should, after such examination and investigation as the importance of the case warrants, issue, or obtain from the competent authority, an order to write off the deficiency from the stock accounts. On receipt of this order the deficiency should be charged in the

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stock accounts with a note quoting the authority. If any recovery is ordered a note should be recorded in the stock accounts when each amount is actually recovered.

Any excess detected during stock-taking should, after investigation, be entered in the stock accounts at once as a receipt with the remark "excess found on stock verification." No special orders are necessary for this.

Audit of stores and stock accounts

146. The regulations and rules relating to the audit by the Accountant General of the accounts of stores and stock kept in Government departments and office are printed in Appendix 9.

CHAPTER VIII - WORKS

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NOTE:- (1) The rules in this chapter are supplemented for particular departments by the detailed rules and orders contained in the respective departmental manuals or codes and any other special orders applicable to them.

(2) The terms "Public Works Department" and "Executive Engineers" for purpose of the chapter include Highways and Rural Works Department and the Divisional Engineers of that Department, respectively except where that would be repugnant to the context.

A. INTRODUCTORY

Definition and classification of "Works"

147. The term "Works" covers not only works of construction and repair of buildings, roads, irrigation projects, etc., but also the manufacture, supply, carriage and repair of tools and plant and other stores required in connection with works incidental to them. Works are primarily classified under two categories "Original Works" and "Repairs and Maintenance."

Original Works include all new construction whether of entirely new works or additions and alterations to existing works. The construction of entire structures necessitated by wear and tear or by damage due to some calamity and all repairs to newly purchased or previously abandoned buildings required to make them usable.

Repairs and maintenance include all the operations required from time to time to maintain existing properties in a satisfactory state and make good the damage due to wear and tear, when complete reconstruction is not necessary. Repairs are further classified as "Ordinary repairs" and "Special repairs". Ordinary repairs include the periodical repairs which are done regularly as a

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matter of routine and are usually of the same nature (e.g. painting or white washing a building, spreading a new coating of metal on a road) and any occasional petty repairs that required from time to time, which may have to be carried out between the times fixed for the periodical repairs. Ordinary repairs to an irrigation work includes all the operations required to maintain the work in a satisfactory state as it is i.e., to the standard already laid down. Special repairs are repairs which are not periodical or frequent, e.g., re-roofing a building, replacing beams or renewing a floor. Special repairs to an irrigation work include all operations undertaken with a view to maintaining the work in a better condition, i.e., to a higher standard than that already laid down, by using materials of a more lasting kind, without increasing the efficiency or scope of the system. e.g., substituting cement plastering for painting, for ordinary plastering or painting, substituting plastering for painting, substituting rough stone masonry for dry stone packing, revetting tank binds. at the sites of beaches and river margins where they are eroded, grouting newly the surface of aprons and revetments, and lengthening aprons and revetments to protect eroded portions of the beds and margins or rivers, canals and channels.

Certain operations are partly original works and partly repairs e.g., substitution of a terraced roof for a tiled roof, substitution of steel beams for damaged teak ones, for dismantling and extending a veranda. A mixed work of this kind should, for the purpose of determining the authority competent to sanction it, be treated as an original work. When a structure or part of a structure is dismantled because it is structurally unsound and replaced by new work which in all materials essential merely reproduces what was dismantled, the work is included in the category of repairs, unless it is done to make a newly constructed or previously abandoned building usable.

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148. Works are also classified as "Productive" or "Unproductive" in accordance with the rules in Appendix - I of the Tamil Nadu Account Code Volume-III.

B. ALLOTMENT OF WORKS TO DEPARTMENTS

Works allotted to the Public Works Department

149. The Public Works Department is responsible for the execution of all works the Government have not specially allotted to other departments (see Articles 150 to 155). In special circumstances, a work for which the Public Works Department is responsible may be executed by another department on behalf of the Public Works Department by agreement between the two departments. In practice the arrangement is confined mainly to works relating to the Industries and Agricultural Departments which employ their own engineering staff.

Works executed by Government servants of other departments acting as Public Works disbursers are usually petty works constructed on standard designs. Any such Government servant may, however, apply to the Superintending Engineer to depute a Public Works Officer to examine any such work when in progress or when completed and to make a general report as to whether the work is being satisfactorily carried out or has been completed in accordance with the estimate.

NOTE:- The system should not be adopted in the case of jailworks costing over Rs.5,000 which, should be carried out by the Public Works Department. When, however, such works are executed by the contract system, jail labour should be employed by the contractors, on all unskilled items of works connected with the contract as far as possible. Therefore, when tenders are called for,

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for the work it should be stipulated in the tender notice that the contractor should employ jail labour on all unskilled items of work connected with contract if such labour is available with the jail Department and that the jail labour, when supplied, will be charged for at the rate of 50 paise per man per day. A similar procedure should be adopted in regard to jail works executed departmentally by the Public Works Department. In case in which jail labour is not employed on a work for the reason that the Jail Department is not able to supply it, a written statement from the Jail Superintendent to that effect should be obtained and recorded by the Public Works Department Officer.

**Works allotted to the Forest Department
and the Excise Department.**

150. The forest Department works are usually executed in out-of-the way localities and under special circumstances, with which Forest officers are better acquainted than Public works Officers, and the Forest Department has also a special engineering staff. The Government have, therefore, allotted to the Forest Department all its own works except those for the execution of which the agency of the Public Works Department is more suitable. If the Chief Conservator of Forests wishes to entrust any such work to the Public Works Department, he should address the Chief Engineer in the matter; when there is a difference of opinion between the two officers in regard to any such proposal, the Chief Conservator of Forests should obtain the orders of the Government.

The Government have allotted to the Excise Department such of its own works as do not require skilled labour or professional supervision.

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Works allotted to other Departments

151. The Government have allotted the following works to the department which uses or requires the building or rain-gauge concerned.

(1) Works of petty construction and repair, with an estimated cost not exceeding Rs.5,000 for any one work, relating to buildings originally constructed by the Public Works department, whether borne on the Public Works Register or not;

(2) works of construction of petty buildings with an estimated cost not exceeding Rs.5,000 for any one building.

(3) all works relating to buildings constructed by the department concerned and not borne on the Public Works Register; and

(4) works of construction and repair of rain-gauges and rain-gauge pillars.

When a building is occupied by more than one department the term "department which uses or requires the building" means, for the purpose of this Article, the Revenue Department, if it is one of the occupants, and otherwise the department which occupies the major portion of the building, as decided if necessary, by the Superintending Engineer. Each occupying department may carry out petty internal repairs in the portion which it occupies.

NOTE:- When there is stationary Sub-Magistrate's Office in the same building as a taluk office, the Revenue Department should be deemed to be in-charge of the whole building, the officers of that department may accord administrative approval to works relating to any such building up to the limit of their power, and the expenditure should be met from funds provided under the major head "General Administration".

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When a Stationary Sub-Magistrate's Office occupies a separate or detached building, even though there are other buildings in the same compound, the Judicial Department should be deemed to be in-charge of it, the officers of that department may accord administrative approval to works relating to any such building up to the limit of their powers and the expenditure should be met from funds provided under the major head "Administration of Justice."

152. The allotment of certain works to department other than the Public Works Department in the preceding Article is subject to the following conditions:-

(1) If the work involves a structural alteration or addition to a building borne on the Public Works Register, the Government servant who proposes to sanction the work should obtain the Executive Engineer's consent to the proposed alteration or addition and should also inform him of the actual cost incurred so that he may be able to maintain the capital accounts of the building correctly. While giving his concurrence to the proposals, the Executive Engineer should consider whether the work will require technical advice of a skilled nature or professional supervision and if so, inform the Government servant concerned with the work that the necessary technical advice or assistance will be given by the Public Works Department Officers during the course of construction and that for the purpose timely intimation should be given of the date of commencement of the work.

(2) If the work relates to building not borne on the Public Works Register, or relates to a building borne on the Public Works Register but does not involve any structural alterations or addition, the Government servant who proposes to sanction the work should ask for advice or

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assistance from a Public Works Officer only if he considers that the work requires skilled technical advice or professional supervision. In that case he should inform the Public Works Officer for whose assistance he asks of the reasons for his opinion. If the Public Works Officer considers that the work does not require skilled technical advice or professional supervision, he should return the requisition with a full statement of the reasons for his opinion.

NOTE:- All petty works of the Fisheries Department which requires, technical advice of a skilled nature and professional supervision should be executed by the Public Works Department irrespective of the cost of such works.

(3) A Government servant of another department who executes, any work relating to a building borne on the Public Works Register should inform the Superintending Engineer annually not later than the 1st June of the amount spent by him on repairs to the building in the preceding financial year.

(4) A Government servant of another department who proposes to sanction a work relating to the construction or maintenance of a rain gauge pillar may, at his discretion, ask for the advice and assistance of a local Public Works Officer.

153. The allotment of certain works to departments other than the Public Works Department in Article 151 does not apply to any works relating to the following buildings, the maintenance and repairs of which, irrespective of cost, are allotted to the Public Works Department:-

(1) Buildings borne on the register of Public buildings under the control of Public Works Department for maintenance and repairs.

(2) Buildings wholly occupied by departments of the Central Government on payment of rent.

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(3) Buildings occupied partly by departments of the Central Government or as official residences and partly by departments of the Government of Tamil Nadu.

(4) Buildings in Madras City with the exception of the penitentiary and the Government Press, to which Articles 151 and 152 apply subject to the condition that the Works Manager, Government Press, may not execute any work that costs more than Rs.500. The following are also exceptions:-

(a) The Superintendent of the Government Hospitals in Madras City mentioned below and the Principal, College of Integrated Medicine, Madras, may carry out departmentally in each year, up to the limit specified against each, urgent petty works and repairs, such as the renewal of broken tiles, or panes of glass and repairs to chimneys or floors, which do not require technical skill or professional supervision by a Public Works Officer:

	Rs.
General Hospital	750
Mental Hospital	300
Stanely Hospital	300
Ophthalmic Hospital	250
Hospital for Integrated Medicine	250
Royapettah Hospital	100
Government Thiruvotteeswarar Tuberculosis Hospital, Otteri	100
Tuberculosis Hospital and Institute	100
Kasturba Gandhi Hospital for women and Children	100

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The Deans of the Madras Medical and Stanley Medical Colleges and the Deans of the Government General Hospital and Stanley Hospital, Madras, Superintendent, Government Hospital for Women and Children, Madras and Superintendent, Government Mental Hospital, Madras, may obtain direct from the concerned Section Officer of the Public Works Department estimate for petty construction works and petty repairs of an urgent and essential nature costing not more than Rs.1,000 at a time up to a limit of Rs.4,000 per annum for the College Hostel or Hospital buildings, as the case may be, and carry out of the works without reference to the higher officers of the Public Works Department and meet the expenditure from out of the grant available for petty construction and repairs of the medical institution. The Works may be sanctioned by the competent officer of the Medical Department. Copies of all such estimates should, however, be sent to the concerned Executive Engineers,

(b) The Principal, Presidency College, Madras may carry out departmentally up to a limit of Rs.250 in each petty repair to fixtures in the college buildings, such as renewals of locks, bolts and panes of glass which do not require technical skill or professional supervision by a Public Works Officer. The Principal, Queen Mary's College for women, Madras may carry out departmentally exactly similar petty repairs up to the same limit of Rs.250 in a year to the fixtures in the college buildings including hostels and residential quarters. This permission does not cover any repairs to a residential portion of buildings which would increase its capital cost. The Executive Engineer should be consulted in regard to any doubtful case.

(c) The Principal, Veterinary College, Madras may carry out departmentally up to a limit of Rs.250 in each year, petty repairs and improvements to fixtures in the College buildings

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(including the hostel) such as renewal of locks, bolts and panes of glass which do not require technical skill or professional supervision by a Public Works Officer.

(d) The Principal, Madras Veterinary College and the Superintendent, Veterinary Biological and Research Institute, Ranipet may carry out original works and any petty construction and repairs to the buildings under their charge upto a limit of Rs.50 in each case.

(e) The Commissioner of Police, Madras, may carry out petty construction and minor repairs to police buildings in Madras City up to a limit of Rs.1,000 and up to a limit of Rs.2,500 in the case of blocks of police lines.

(f) The Registrar, High Court, Madras may carry out departmentally urgent petty construction and minor repair works up to a limit of Rs.1000 per annum, subject to the conditions that he should consult the Executive Engineer in case of doubt whether such repairs would go to increase the capital cost, that the work is executed and certified by the Registrar only and not by the Executive Engineer, and that the cost is debited to the departmental head of account i.e. Administration of Justice. The powers shall be exercised subject to the provisions contained in Article 152.

(g) The Principal, the Government College of Technology, Coimbatore may carry out urgent petty construction works and repairs to the non-residential buildings departmentally upto a limit of Rs.1,000 per annum. The Executive Engineer, Public Works Department may be consulted in cases of doubt.

(5) Official residences outside Madras City, except works of repair not involving technical

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skill in connection with the quarters for police sub-inspectors and reserve sub-inspectors, compounders in Animal Husbandry Department and the employees in the last grade service.

NOTE:- A gazetted Government Servant occupying a Government residence maintained by the Public Works Department is permitted to execute very urgent petty repairs, such as the replacement of window panes or stoppage of leaks and pay for them from his permanent advance, when no Public Works Officer is immediately available to arrange for the repairs to be done subject to an annual limit not exceeding Rs.20 to be fixed by the head of the department. The expenditure should be reported to the public Works Officer concerned as soon as it is incurred, so that he may check-measure the work done as soon as he returns to headquarters or visits the station, as the case may be, and the Public Works Section Officer should pay the amount spent to the officer who spent it, if the expenditure is in order.

(6) The Government Headquarters Hospitals at Thanjavur, Madurai, Coimbatore and Tiruchirappalli subject to the exemption mentioned in the note below:-

NOTE:- The superintendents of these Hospitals may carry out departmentally in each year up to the limit specified below against each, urgent petty works, and repairs, such as the renewal of broken tiles or panes of glass and repairs to chimneys or floor, which do not require technical skill of professional supervision by a public works officer.

	Rs.
Headquarters Hospital, Thanjavur	200
Headquarters Hospital, Madurai	300
Headquarters Hospital, Coimbatore	100
Headquarters Hospital, Tiruchirappalli	2000

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(7) The College of Engineering and the King Institute of preventive Medicine at Guindy, subject to the exceptions mentioned in the note below: (see also Appendix 10)

NOTE:- The principal, college of Engineering, Guindy, may carry out departmentally, up to a limit of Rs.5,000 in each year, all petty construction works and repair in respect of the buildings and fixtures of the college including hostels but excluding residence attached to the college. The Executive Engineer should be consulted in regard to any doubtful case.

The Director, King Institute, Guindy may carry out departmentally up to a limit of Rs.200 in each year, urgent petty works and repairs which do not require technical skill or professional supervision by a Public Works Officer.

Electrical Works

154. (a) As a rule, all original electrical works connected with Government buildings will be executed by the Electricity Department. If a head of department wishes to arrange for the execution of an electrical work himself and not have it executed by the Electricity Department he should apply to the Government for the allotment of the work to his department. If the Government allot the work to his department, he should get detailed plans and estimates prepared by a competent agency, call for tenders and get the works executed under a lumpsum contract (see Article 163) by a suitable agency. He should request the Electrical Engineer to give any technical advice or assistance needed in the execution of the work. He should also inform the Executive Engineer of the expenditure he incurs on the works so as to enable him to maintain the capital account of the building correctly.

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(b) As a general rule the Executive Engineer concerned is in charge of the electrical installations in all Government buildings whether borne on the Public Works Register or not, except those maintained under the control of the Electrical Engineer (General) and Superintendents of Jails and Borstal Schools and Headmasters of Certified Schools and should carry out the necessary repairs (including small extensions) to the installations with the help of the electricians or wiremen employed under him. The expenditure on such repairs should be debited to the Public Works Department budget. Rules relating to the limit to expenditure on the maintenance of electrical installations in Government buildings are contained in Article 186-A.

The officers mentioned below, however, may carry out departmentally petty electrical works at a cost not exceeding Rs.50 at a time subject to the condition that the total limit of expenditure for petty construction and repair work fixed for the year for individual hospitals in the note 1 under paragraph 97 (5) (ii) of the Public Works Department Code is not exceeded.

- (1) Dean, Government General Hospital, Madras
- (2) Superintendent, Government Stanely Hospital, Madras
- (3) Superintendent, Government Royapettah Hospital, Madras
- (4) Superintendent, Government Hospital for Women and Children, Madras
- (5) Superintendent, Government Ophthalmic Hospital, Madras
- (6) Superintendent, Government Kasturba Gandhi Hospital for Women and Children, Madras

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- (7) Superintendent, Government Tuberculosis Sanatorium and Institute, Madras
- (8) Superintendent, Government Mental Hospital, Madras.
- (9) Principal, College of Integrated Medicine, Madras
- (10) Superintendent, Erskine Hospital, Madurai
- (11) Superintendent, Headquarters Hospital, Coimbatore
- (12) Superintendent, Raja Mirasadar District Headquarters Hospital, Thanjavur.
- (13) Superintendent, Government Raja Sir Ramasamy Mudaliar's Lying-in-Hospital, Madras
- (14) Officer-in-charge, Orientation Training Centre, Poonamallee
- (15) Administrative Officer, Research-cum-Action Project, Poonamallee

As an exception to this rule, when a light fails in a non-residential building on account of some defect in the lamp itself, the occupying department may replace the lamp. For this purpose in case of ordinary incandescent bulbs, the occupying department should purchase locally and keep a stock of bulbs. The expenditure on the purchase of electric bulbs should be debited to the budget of the occupying department.

In respect of fluorescent tubes, the supply and stock will be made by the Electrical Engineers in respect of installations under their control. These lamps will be handed over to the departments as and when demanded and their cost debited to the budget of the respective departments.

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Departments of Government occupying non-residential buildings can also purchase fluorescent tubes locally, if the number required for replacement on stock is below three.

(c) In a place where electric supply is available to the public payment may be made in advance for service connections to Government buildings, if the supplying agency requires this.

Minor irrigation works

155. A minor irrigation work which irrigates less than 200 acres is in the charge of the Revenue Department, unless it has been specially placed in the charge of the Public Works Department for maintenance. The Revenue Department will execute from the funds placed at its disposal all works connected with the minor irrigation works in its charge which do not require the technical skill and professional supervision of a Public Works Officer. The rules regarding the preparation and sanction of estimates for these works are contained in Board's Standing Order No.87 and its appendices. Those works of this kind which require the technical skill and professional supervision of a Public Works Officer will be carried out by the Public Works Department from the funds placed at its disposal. The Collector should inform the Executive Engineer in good time when any such work is required so that he may be able to propose that necessary funds be provided in the budget estimate of the public Works Department.

C. GENERAL RULES

Selection of site

156. The site for a new building should, if possible, be fixed before the detailed plans and estimates are prepared. The local authority concerned should always be consulted as to the

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suitability of the site, except when the proposed new building is to be erected within a reserved forest. When it is proposed to erect a work or building in the neighbourhood of a fort or cantonment, the local Military Works Officer should be requested to give his opinion from the military point of view and the matter should then be reported to the Government and their orders obtained.

Preparation of estimates

157. (a) No work may be started before a proper estimate for it has been prepared and sanctioned by the competent authority, unless it is so started strictly in accordance with a special order of the Government or some specific provision in this chapter or in a departmental rule or order - See also Articles 169 and 170

(b) An estimate should be prepared in common Form 150 except when a special form of estimate is required for a very large work or has been specially prescribed for a particular kind of work in any departmental code, manual or order of the Government. When it is proposed to make a lumpsum payment for any work or part of a work, only such descriptions and details as are necessary to justify the proposed lumpsum payment should be furnished in regard to the work or part of the work covered by it.

(c) Every estimate, whether for an original work or for repairs should provide for the removal of all rubbish which may have accumulated, filling in unsightly pits, etc., when necessary, at the site of the works; all works establishment employed specially on the works; any incidental expenditure required, such as the post of sheds for workmen and stores; and under separate sub-heads all watchmen sanctioned by competent authority for the care of vacant buildings, guarding work, working sluices, etc.

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(d) An estimate for the annual maintenance of a building should provide for the Municipal or other taxes payable on the property and it should be submitted to the Government servant occupying the building concerned, or in the case of a military building in the charge of the Public Works Department, to the Officer Commanding the Station, for counter signature in token that it provides for all repairs known to be required. When a specific period has been fixed after which a particular item or kind of work should be renewed, every estimate for its repair should show the date when it was last renewed.

(e) Government servants of other departments who act as public Works disbursers in respect of any works (see Articles 149 and 203) should prepare the estimates for them in the forms adopted in the Public Works Department together with the plans where necessary, and obtain the necessary technical sanction of the competent authority in the Public Works Department. Standard designs should be adopted as far as possible, with such modifications as circumstances may require.

NOTE:-(1) In the case of the buildings in charge of the Police Department including buildings in the habitual offenders settlements, the estimates may be got prepared by private contractors, but they should be checked in comparison with the Local Fund Schedule of rates and altered wherever necessary. The estimates as finally approved by the concerned Superintendent of Police should be treated as confidential and not communicated to private contractors.

NOTE:-(2) In the case of buildings in charge of the Fire Service Department, the estimates may be got prepared by the private contractors for the works up to the cost of Rs.5,000 but they should be checked in comparison with the Local Fund Schedule of rates and altered wherever necessary. The

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estimates as finally approved by the concerned officers should be treated as confidential and not communicated to private contractors.

sanction for works

158. (a) The powers delegated by the Government to the various departmental authorities to sanction expenditure on work of construction and repairs allotted to the respective departments are specified in Appendix.11

(b) The power delegated to an authority subordinate to the Government to sanction expenditure on works must not be so used as to evade the necessity for obtaining sanction from a higher authority by sanctioning in instalments a group of connected works of alterations or a group of connected purchases, the total cost of which will exceed what the authority is empowered to sanction.

(c) The sanctioning or other prescribed departmental authority should communicate every sanction to expenditure on works to the Accountant-General in accordance with the procedure laid down for each department except when the sanction relates to a work allotted to a department other than the Public Works, Forest and Excise Departments and the bills relating to the sanction are to be drawn or countersigned by the sanctioning authority itself.

Repairs to buildings

159. The cost of the annual repairs to a Government building occupied partly by a local body office and partly by one or more Government offices, should be limited to 1 per cent of the capital cost of the building, unless any other limit has been specifically sanctioned (See Article 186)

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**Estimates and sanctions to be treated as
Confidential**

160. All Government servants should treat the rate and the amount of cost entered against each item in an estimate and the abstract showing the total estimated cost of a work or part of a work as strictly confidential. No information concerning them may be communicated on any account to any contractor, piece worker or prospective tenderer.

Utilization of savings

161. The sanction to an estimate should always be regarded as being strictly limited to the precise objects for which estimate was intended to provide. Any anticipated or actual savings in a sanctioned estimate for a specified work should not, without the special sanction of a competent authority, be applied to any additional work which was not originally contemplated, unless it is fairly contingent on the actual execution of the work.

Savings due to the abandonment of a substantial section of a work sanctioned by any authority should not be applied to work on other sections without the special sanction of that authority. If the estimate cost of a section which is abandoned is not less than 5 per cent of the total sanctioned cost of the work, excluding in the case of an irrigation work the estimated cost of the head works as originally approved, this should be treated as amounting to the abandonment of a substantial section of the work.

Supplementary estimates

162. In respect of a development of a work which is held to be necessary while it is in progress but is not fairly contingent on the proper

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execution of the work as first sanctioned, a supplementary estimate should be submitted to the competent authority for sanction together with a full report as to the circumstances which make it necessary.

A Government servant who submit a supplementary estimate for sanction should see-

(1) that it is numbered consecutively with reference to the supplementary estimates, if any, already submitted in respect of the same work; and

(2) that the application shows the amount of the original estimate, the amount of the previous supplementary estimates already sanctioned or pending sanction, and the total amount of expenditure of the work proposed for sanction, including the amount of the supplementary estimate now submitted.

Methods of executing works

163. Works are executed by one or other of the following four methods:-

- (i) the departmental method;
- (ii) the piece-work contract method;
- (iii) the lump-sum contract method; and
- (iv) the schedule contract method

Under method (i) the department concerned itself engages the necessary daily labour and purchases or supplies the necessary materials. This method is adopted when no contractor is available or when it is considered to be the most economical method.

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Under method (ii) the piece-worker agrees to execute a specified work or part of a work at specified rates without reference to quantity or the time taken and the department concerned arrange for the supervision setting out and measuring of all the work done. As a rule, this method should not be adopted for works other than petty works (including improvements and repairs)

Under method (iii) the contractor agrees to execute a complete work in accordance with the specification for a lump-sum payment. This method should be adopted except when one of the other methods is considered more advantageous.

Under method (iv) the contractor agrees to execute one or more of the items included in a work at fixed rates, and the amount to be paid to him depends on the quantity and kind of work done or materials supplied. This method is in use mainly in the Forests and Agricultural Department.

When method (ii), (iii) or (iv) is adopted, special care should be taken to see that the rates and amounts fixed are economical, giving due consideration to the amount and nature of the work to be done.

**Purchase of materials and invitations to
tender**

164. When a Government servant buys materials for the execution of a work or gives a work on contract, he should comply with the rule regarding the purchase of stores and the general principle governing invitations to tender contained in Chapter VII

Provision of funds

165. Except in accordance with the provisions of Articles 169 and 170 no Government servant may

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enter into a contract for the execution of a work unless funds have been duly provided for it or an assurance has been received from the authority competent to provide the necessary funds that they will be allotted before the liability matures.

Execution of agreements

166. No work which is to be executed under a contract should be started until the contractor has signed a formal written agreement unless it is started without a formal agreement under the provisions of Article 167 or Article 170

167. It is not essential to obtain a formal agreement in regard to any work of petty construction or repairs estimated to cost not more than Rs.1,000 but a Government servant competent to execute contracts may when he consider it desirable, obtain a formal agreement even in such a case. If no formal agreement is executed, there should at least be a written understanding specifying prices and rates though it need not be in any prescribed form. A first and final payment not exceeding Rs.200 may be made without entering into a regular agreement, but a written understanding specifying prices and rates is necessary except when the first and final payment does not exceed Rs.50

NOTE:- The amount provided for rates and taxes and watchmen's wages in annual maintenance estimate for a building should be excluded from the total amount for the purpose of deciding whether a regular agreement with a contractor or piece worker is necessary.

168. When a Government servant of a department other than the Public Works Department proposes to give a work on contract he may consult the Executive Engineer, if he thinks it necessary and should get an agreement executed in Common Form

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294, if no special procedure or form has been prescribed for the purpose in the departmental manual or code or by any order of the Government.

The principles stated in Article 51 should be borne in mind when contracts are drafted.

Starting the work without a sanctioned estimate or without adequate funds having been provided

169. If a higher authority orders a Government servant, on any ground whatever, to start a work for which an estimate is required under the rules but no estimate has been sanctioned or for which adequate funds have not been provided and no competent authority has undertaken to provide the necessary funds before liability matures (whether an estimate has been sanctioned or not) it should convey the order to start the work to him in writing. A Government servant who starts any such work without a written order from a higher authority and a Government servant who issues a written order to start a work otherwise than in accordance with the rules will be liable to be held personally responsible for paying for the work done if it is found that his action was not fully justified by very exceptional circumstances. On receipt of a written order directing him to carry out any such work, a Government servant should immediately inform the Accountant-General that he is starting a work for which no estimate has been sanctioned or is incurring a liability for which there is no provision or no sufficient provision of funds, and should, at the same time, state approximately the amount of the liability which he is likely to incur by complying with the written orders which he has received. The Accountant-General will then be responsible for immediately bringing the facts to the notice of the head of the Department, except the irregularities, if any committed by the latter, which he should

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report at once direct to the Government. The head of the Department should report to the Government any failure to comply with the rules regarding works that calls for disciplinary action by the Government. The Accountant-General will report to the Government the facts of any case in which he considers the action taken by the head of the department to be inadequate. The Government will take disciplinary action against any Government servant administrative or executive who fails or delays to comply with these orders.

NOTE:- 1. The provisions of the Article will be relaxed in regard to famine relief works but this does not relieve any Government servant from his responsibility for obtaining the necessary sanction to a revised estimate and the necessary additional appropriation of funds, as soon as it can be foreseen how far an estimate for a work entrusted to him for execution is likely to be exceeded.

NOTE:- 2. In the Forest Department, Conservator may give a written order for starting a specially urgent work before a proper estimate for it has been prepared and sanctioned by a competent authority. No report need be sent to the Accountant-General when such a work is started under a written order from the Conservator but the Conservator should report the facts to the Chief Conservator when he issues such an order in regard to a work which requires the Chief Conservator's sanction.

Starting a work in an emergency

170. It is occasionally necessary for a Government servant to start a work immediately on the occurrence of some sudden, unforeseen emergency, e.g., the breaching of the bund of an irrigation work without waiting for an estimate to be sanctioned and funds provided. A Government servant who does this should report the facts at once to his immediate superior and to the

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Accountant-General. If any such work is entrusted to a contractor and it is impossible to enter into a formal agreement with him beforehand the Government servant on the spot who arranges for the work to be started should at least enter into a piece-work agreement with him. This can be terminated at any time if the authority competent to sanction the estimate should so decide. When the emergency is such that even a piece-work agreement cannot be completed before starting the work the Government servant on the spot and the contractor should at least both sign a written order for the work. If writing materials are not available at the time and the work has to be started without a written order, the written order should be prepared and signed by the Government servant and the contractor as soon as writing materials can be obtained. The Government servant should then prepare a proper estimate without any avoidable delay and submit it as early as possible to the competent authority for sanction. A formal written agreement in the proper form (or a written understanding specifying prices and rates, if that is sufficient with reference to Article 167) should then be concluded with the contractor as expeditiously as possible.

NOTE:- An Excise Officer who starts a work in an emergency without waiting for an estimate to be sanctioned and funds provided should report the facts at once to the Board of Revenue as well as to his immediate superior and the Accountant-General.

Muster roll for a work executed departmentally

171. Except for the permanent and temporary employees whose pay is charged to the head "Establishment" and the members of the work charged establishment, all persons who are engaged departmentally for the execution of a work should be regarded as day labourers and their wages should be drawn on muster roll. The muster roll is the

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initial record of labour employed each day on a work. The Government servant in immediate charge of the work should write it up daily.

172. Muster rolls should be prepared and dealt with in accordance with the following rules.-
(a) One or more muster rolls should be kept for each work but a muster roll should never be prepared in duplicate. One muster roll may be kept for labourers employed on several small works if there is no objection to regarding the total unpaid wages as relating only to the largest work in the group.

(b) Every entry in a muster roll should be made if possible, in ink and otherwise in indelible pencil.

(c) Labourers may be paid more than once a month, and the period to be covered by each payment may be determined locally. Separate muster rolls should be prepared for each period of payment.

(d) The daily attendance or absence of each labourer and any fine inflicted on him should be recorded daily in part I of the muster Rolls in such a way as :

(1) to facilitate the correct calculation of his net wages for the period of payment.

(2) to render it difficult to tamper with or to make unauthorized additions to or alterations in entries once made, and

(3) to facilitate the correct classification of the cost of labour by works and sub-heads of works where necessary.

NOTE:- Superior officers should check the attendance of labourers as often as possible.

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(e) After a muster roll has been passed by the Government servant who is authorised to draw the bill for the works expenditure payment should be made as soon as possible and acquittance should be obtained from the payees concerned in the nominal muster roll. Each payment should be made or witnessed by the Government servants of highest standing available. He should certify to the payments individually or by groups and also record at the foot of the muster roll, both in words and in figures, the total amount paid on each date. The details of unpaid items if any should be recorded in Part-II, the Register of Arrears, before the Government servant who makes the payment completes the memorandum at the foot of the muster roll.

(f) Unpaid items should be carried forward continuously from muster roll to muster roll until they are paid and the payments should be recorded and certified in Part-II (the Register of Arrears) in the same way as payments of current items.

(g) All wages not claimed within three months should, as a rule, be forfeited.

NOTE:- 1 In the Forest Department, wages remaining unpaid for three months should be reported to the Divisional Officer or State Wild Life Officer who will decide in each case whether the liability should continue to be borne in the accounts of the work concerned.

NOTE:- 2 For the procedure to be followed in the Public Works Department, see Local Ruling under Article 121 in the Tamil Nadu Accounts Code, Vol. II.

(h) The progress of the work done by the labourers should be recorded in Part III of the muster roll, if the work can be measured. If it cannot be measured, a remark should be recorded to that effect.

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NOTE:- It is not necessary to reproduce the detailed measurement in full in Part III and Part III need not be written up at all when progress is reported once a month or oftener in any other suitable form and separate reports are considered sufficient.

(i) The Government servant who is responsible for the payments need not submit the paid muster rolls to any higher authority, unless he is specially instructed to do so.

Labour engaged departmentally through a contractor

173. When work is executed by the departmental method (see Article 163) it is objectionable, in principle to engage and pay the necessary daily labour through a contractor instead of on a muster roll under the ordinary procedure. In a great emergency it may sometimes be impossible to obtain the necessary labour in time otherwise than through a contractor. If it is possible, in such a case, to determine the quantity of work done after its completion or at intervals during its progress, the contractor should be paid at suitable rates for the work actually done. If this is not practicable the contractor may be paid according to the number of labourers employed each day, and his own profit or commission should either be included in the rates allowed or paid separately in a lumpsum or at a percentage rate. With a view to avoiding disputes with the contractor in such a case, he should be requested to sign the daily reports in token that he accepts them as correct. The muster roll and the measurement book should not be used when the contractor is paid according to the number of labourers employed each day.

NOTE:- In cases where the contractor is paid only a definite percentage of the specific rates of wages paid to each cooly supplied by him, the labourers may be paid direct by Government at

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specified rates, the transaction being accounted in a Nominal Muster Roll that may be maintained by the Public Works Department at the discretion of the Executive Engineer, after providing for such a procedure in the agreement with the contractor.

Measurement book

174. (a) All work done otherwise than by daily labour and all supplies relating to a work should be paid for on the basis of measurements recorded in a measurement book, Common Form 298.

The measurement book is the original record of actual measurement or count. The description in a measurement book should be lucid, so that the items described may be easily identified and checked. A measurement book is a very important record and must be kept with great care, since it may have to be produced as evidence in a court of law.

NOTE:- In the Forest Department the measurement book is to be maintained for works under the budget head "Communications and Buildings" in all cases where the amount expended exceeds Rs.50. The sanctioning authority will, however, be permitted to order the maintenance of a measurement book in other cases communicating its sanction to the executive subordinate concerned.

(b) Whenever a measurement book changes hands, even if it is only sent from one office to another within the same building, some responsible person of a grade not below that of clerk should acknowledge receipt of it in writing.

175. Government servants should strictly observe the following general instructions in regard to measurement book:-

(1) All measurements should be taken down neatly in a measurement book issued for the purpose

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and nowhere else. No one may record any measurements in a measurement book except a Government servant who is duly empowered to make payments for the work done or a duly authorised executive subordinate in immediate charge of the work who has been supplied with a measurement book.

(2) The lines under columns (1) to (4) on each page, beginning with the top line, should invariably be filled up at the work. No line should be left blank. Any lines that are not required on any page should be carefully scored through, so that no additional entry can be made after words.

(3) Each set of measurements should begin with entries showing-

(i) in the case of work done

- (a) full name of work as given in the estimate
- (b) situation of work
- (c) name of contractor.
- (d) number and date of his agreement, if any
- (e) date of commencement of work (i.e., date on which site was handed over)
- (f) date of actual completion of work, and
- (g) date of measurement; or

(ii) in the case of materials supplied

- (a) name of supplier
- (b) number and date of his agreement, if any, or of the order
- (c) purpose of supply

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- (d) date of written order to begin supplies
- (e) date of actual completion of supplies, and
- (f) date of measurement

Each set of measurement should end with the dated signature and designation of the Government servant who takes the measurements. A suitable abstract should then be prepared which should show, in the case of measurements for work done; the total quantity of each distinct item of work relating to each sanctioned sub-head.

(4) Since all payments for work or supplies are based on the quantities recorded in the measurement book, the Government servant who takes the measurements must take all possible care to record the quantities clearly and accurately. He will also be held responsible for the correctness of the entries in the column "Contents or area" in respect of the measurements recorded by him. If the measurements are taken in connection with a running contract account on which work has been previously measured, he will also be held responsible for recording a reference to the last set of measurements. If the measurements taken are the first set of measurements on a running account, or the first and final measurements, this fact should be suitably noted against the entries in the measurement book and in the latter case the actual date of completion should be noted in the prescribed place. The signature of the contractor or his agent should be obtained in the measurement book after each set of measurements below the statement "I accept the measurements". If the contractor or his agent is illiterate, his mark should be attested by an independent witness.

(5) Entries should be recorded continuously in the measurement book. No page should be left blank or torn out. If a page is left blank

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inadvertently, it should be cancelled by diagonal lines as soon as this is noticed and the cancellation should be attested by the dated initials of the Government servant concerned.

(6) No erasure is permitted. If a mistake is made, the Government servant who is responsible should correct it and attest the correction by his dated initials. When any measurements are cancelled, the cancellation must be attested by the dated initials of the Government servant who orders it or supported by a reference to his orders initialled by the Government servant who took the measurements. In either case the reason for the cancellation should always be recorded.

(7) Entries should be made, if possible, in ink and otherwise indelible pencil. Pencil entries should never be inked over. Every entry in the "Contents or area" column should be made in ink.

(8) Each measurement book should contain an index and the Government servant in charge of it should keep the index up-to-date.

(9) At the time of payment, the Government servant who authorizes payment should draw a diagonal red ink line across every page containing the detailed measurements relating to the work or supplies paid for and should record reference to the number and date of the voucher or sub-voucher on the abstract of measurements.

(10) The measurement book should be produced for inspection on request by the Accountant-General or a duly authorized member of his staff.

(11) The Joint Director of Industries and Commerce in the case of the Industries Department, the District Collectors in the case of the Revenue Department and the officers specified for this purpose in the concerned departmental manuals are

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competent to deal with losses of measurement books. All losses of measurement books should at once be reported to them so that the losses may be written off and necessary disciplinary action taken against those responsible for the loss.

Check-measurement of works

176. (a) When a departmental rule or order requires that a work be check-measured before payment, the contractor should not be paid for work done until it has been check-measured by the prescribed authority. Superior officers also should make a point of checking the detailed measurements of works in the course of the tours.

(b) Check-measurement is intended to detect errors and prevent fraudulent entries. It should therefore be done with discretion and method. The items which appear most likely to be incorrect and most easily susceptible of fraud and those which would seriously affect the total of the bill, if inaccurate, should be selected for check-measurement.

(c) When measurements are taken jointly by more than one Government servant, the senior most of them should record and sign measurements.

Aid to contractors

177. No advance should be paid to a contractor except with the special sanction of the Government or of a competent authority to whom they have delegated power to sanction such advances, Government servants should make every endeavour to maintain a system under which payment is made only for work actually done. When in exceptional circumstances, Government servant considers it essential to give a contractor an advance, he should apply to the competent authority for sanction, whenever any such advance is sanctioned

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all the Government servants concerned should take the necessary precautions to secure the Government against loss and to prevent the system from becoming general or continuing longer than is necessary.

178. Government funds may be spent on behalf of a contractor in accordance with the terms of his agreement and subsequently recovered from him, when it is necessary to engage labourers of contractors or incur other liabilities on his behalf in order to complete work which he has neglected or failed to complete with reference to the terms of his agreement. Government materials are also supplied to a contractor in certain circumstances, subject to full recovery of the cost from him. Special care should be taken in connection with all recoverable charges to see that the contractor or other person on whose behalf the charges have been incurred is not allowed the benefit of any concession to which he would not be entitled if he had himself incurred the charges.

Liability of contractors

179. When a contractor has entered into an agreement to execute a work but subsequently, for any cause whatever, anticipates that the contract will result in a net loss to him, this should not be accepted as a reason for not compelling him to complete the work. A contractor should look after his own interests properly when entering into an agreement, and has no claim to any leniency in enforcing a contract when it turns out to be less favourable to him than he originally anticipated.

180. Deleted

Completion report

181. When a work has been duly completed, the Government servant who pays for it should have a

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completion report prepared and forward it to the Accountant-General or other prescribed authority in accordance with the rules applicable to his department. The report should be prepared in the form specially prescribed for the departments concerned or in Common Form 296. The Revenue Department use Special Form 7 (Revenue Form XXIX-35) for completion reports; other departments also, may if they wish, use this form, with the concurrence of the Accountant-General, in respect of works executed by them. Every completion report should show the name of the work, the number and date of the order sanctioning it, the amount of expenditure sanctioned and the actual expenditure incurred. If the actual expenditure exceeds the amount of the sanctioned estimate, the completion report should be sent to the prescribed authority through the authority which sanctioned the estimate. The reasons for the excess expenditure should be stated in the completion report and the sanction of the authority competent to sanction the total expenditure should be obtained and recorded.

NOTE:- The above rule does not apply to the Public Works Department. Government servants of that department should follow the rules contained in the departmental code or manual as regards reporting the completion of work.

Disposal of surplus materials

182. As soon as a work has been completed, or as soon as it becomes clear that no more materials will be required for use in executing it the Government servant in charge of the work should arrange to dispose of all surplus materials belonging to the Government either by transfer to other works in progress or by sale.

183. No temple, mosque, church, chapel, tomb or other building devoted to religious use should on any account be destroyed, injured or occupied in

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connection with the execution of any work, unless it is done under a special order of the Government or with the full and free consent of the persons interested in the religious edifice and the concurrence of the principal civil authorities at the spot.

D. RULES APPLICABLE TO PARTICULAR DEPARTMENTS

1. Works allotted to the Public Works Department

Requisitions for works

184. (a) An application for the construction of a new building or for an addition or alteration to an existing building should be made by the chief local officer of the department concerned, in consultation with the Executive Engineer. The executive Engineer should give due weight to the other officer's opinion, but should oppose any applications for a work which, in his opinion, is not really necessary. Whenever he is unable to recommend the execution of a work, he should explain his objections to the other officer, and if he fails to convince him, should refer the matter to the Superintending Engineer.

(b) The chief officer of any department may call on the Executive Engineer to report on a proposal for an addition or alternation to a building in his use and to state the probable cost; only a superior officer of the Public Works Department may call on the Executive Engineer to prepare detailed plans and estimates for technical sanction. In the case of Governor's Household works, however, the Comptroller of the Governor's Household may call on the Executive Engineer to prepare detailed plans estimates for minor works which are considered necessary, and the question whether funds are available need not be examined at that stage.

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(c) As far as possible no proposal should be made for an addition to or alternation in the work to be executed, when a work is already in progress, since such proposals usually cause delay. Before agreeing to any alteration which a department may ask for during the progress of work, the Executive Engineer should satisfy himself that it is necessary and will not cause any serious delay. He should refuse to consider a proposed alteration if, in his opinion it is not necessary, but he should forward a brief, clear statement of his reasons to the Superintending Engineer and send a copy to the Government servant who asked for the alteration.

(d) When a Government servant of another department desires that the Public Works Department should execute a petty original work costing Rs.1,000 or less for his department, he should send a requisition to the Executive Engineer in Common Form 145. The Executive Engineer should record on the requisition what work he considers necessary, prepare an estimate of the probable cost and sanction it. After the Government servant who sent the requisition has accepted the estimate, the Public Works Department will take the necessary action in regard to providing funds and sanctioning the execution of the work.

If the original work is estimated to cost more than Rs.1,000 both administrative approval and technical sanction should be obtained in the manner described in Article 185, before the work is started.

(e) When a Government servant of another department finds it necessary to requisition the service of the Public Works Department for carrying out repairs pertaining to his department, he should send the requisition in Common Form 145. If the Executive Engineer is satisfied that the work is necessary and funds are available from the budget provision, he may have it carried out at once

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without having a detailed estimate prepared, provided that the cost is not likely to exceed Rs.1,000. If the budget provision under the sub-head of appropriation concerned is insufficient to meet the outlay, he should refer the matter to the Superintending Engineer. When the approximate estimate exceeds Rs.1,000 a detailed estimate should be prepared and submitted to the competent authority for technical sanction.

Administrative approval and Technical sanction

185 (a) Except to the extent that the powers to accord administrative approval has been delegated to subordinate authorities, as shown in Appendix 11 every original work (including a mixed work of the kind described in Article 147) which is allotted to the Public Works Department requires the administrative approval of the Government, but no administrative approval is required for a work which comprises only ordinary or special repairs.

(b) All proposals for the construction of compound walls, reconstruction of collapsed compound walls, improvements to existing ones as well as proposals for the provision of iron wire fencing require the approval of the Government even if the expenditure thereon could be met from the "Minor Works" grant. But their approval is not necessary in the case of part-reconstruction of a compound wall which may be done under "Repairs."

The estimates sent to Government for building works excepting Women's College, Women's hostels and Jails, Borstal Schools, Maternity Hospitals and institutions specially intended for women should not include specific provision for construction of compound wall or wire fencing or both and the approval of the Government should be obtained separately for such construction. In respect of the above excepted categories of buildings, the Government will, before approving the main

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estimates, consider in the initial stage itself the necessity for the compound wall or wire fencing or both taking into account the factors like the location of the building, the extent of the proximity of the building to the developed areas., and the work for such construction should be taken up after the construction of the main building is over.

(c) Detailed plans and estimates should be prepared and submitted to the Government or other competent authority for technical sanction in respect of every work allotted to the Public Works Department unless it is a petty work costing Rs.2,500 or less, or comprises only ordinary repairs for which a lump-sum provision not exceeding Rs.1,000 is made annually. The extent of the powers delegated to subordinate authorities to accord technical sanction is shown in Appendix 11.

(d) The detailed plans and estimates for a work should be prepared before administrative approval is sought when the estimated cost of the work is less than Rs.5,000, but only after administrative approval has been accorded when the estimated cost of the work is Rs.5,000 or more. Sketch plans and approximate estimates should be prepared in the first instance when the estimated cost of work is Rs.5,000 or more and should be submitted to the authority competent to accord administrative approval along with a report of the necessity for the work. On receipt of administrative approval to works costing below Rs.50,000 the Public Works Department should prepare detailed estimates and plans and after the professional authorities are satisfied that the proposals are structurally sound, the counter signature of the head of the department or of the local head of the department who applied for the execution of the work should be obtained to the plans and estimates in token of approval. Technical sanction should then be accorded.

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In the case of the works costing Rupees 50,000 and above the procedure indicated below should be observed. As soon as possible after administrative approval is obtained to any such building scheme, detailed plans and estimates should be prepared with lumpsum provision for electrical and sanitary fittings. When the detailed plans are ready in a rough shape, the consulting Architect to Government should consult the head of the department who should, in his turn, obtain the advice of, and circulate the plans to experienced officers of his department. The head of the department should also consider specifically such point as layout and orientation of the building on the site with an eye on sanitation, water and electric supplies and the suitability and economy of arrangement of the building. The consulting Architect to Government should ascertain the exact requirements from the head of the departments and incorporate them in the building plans which are then to be countersigned. Such approved plans countersigned by the head of the department should not be altered subsequently without the sanction of the Government. As soon as the plans have been countersigned, the Executive Engineer should immediately proceed to obtain technical sanction communicating at the same time copies of the certified plans to the Electrical Engineer (General) and in cases in which the Sanitary Engineer has to be consulted, to the Sanitary Engineer also for further guidance in the preparation of detailed plans and estimates for electrical and sanitary installation.

If, in the preparation of detailed estimates, it is found that the cost will exceed the estimate administratively approved by more than 10 per cent revised administrative approval must be obtained before technical sanction can be accorded.

NOTE:- In regard to any work (costing Rs.50,000 or more) of construction, reconstruction, extension or improvement of a medical building the special rules contained in Appendix 12 should be followed.

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Repairs to buildings

186.(a) Except when a competent Public Works Officer has authorised an annual lump-sum provision not exceeding Rs.1,000 for the ordinary repairs to a building, a separate estimate should be prepared annually for all the anticipated ordinary repairs required for each building during the financial year.

NOTE:- In regard to any work (costing Rs.50,000 or more) of construction reconstruction, extension or improvement of a medical building the special rules contained in Appendix 12 should be followed.

(b) Except in the case of a non-residential building for which an annual lump-sum provision has been duly authorized for the purpose, the annual expenditure on ordinary repairs to a building of any kind, excluding municipal and other taxes, should be limited to a maximum of one per cent of the capital cost of the building. This limit applies also to a building occupied partly by local body office along with one or more Government offices unless any other limit has been specially sanctioned. In applying the above limit of one per cent to residential buildings, the capital cost of all residences in each superintending Engineer's Circle should be taken into account and within the total amount so arrived at, it will be permissible to incur a larger expenditure than one per cent on old buildings with low capital cost and a maximum of one and a half per cent on any individual buildings. The limit of one per cent is relaxed in the case of thatched buildings in the scheduled areas, provided that the annual expenditure on repairs to each of the buildings does not exceed the average of the last five years.

When a lump sum provision has been authorised for the execution of ordinary repairs, expenditure

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may be incurred in each year within the limit on the authorized amount without preparing any detailed estimate.

If, in any, financial year, it is considered necessary to exceed the one per cent limit for a particular building in exceptional circumstances an application should be made for the sanction of the Superintending Engineer, stating fully the reasons for the request. He should not accord sanction except for special reasons, which he should record.

If, in any, financial year, the estimated cost of ordinary repairs to a building is more than Rs.1,000 or the authorised lump-sum a detailed estimates should be prepared in accordance with the ordinary rules and submitted for sanction by the competent authority.

(c) No limit is ordinarily fixed for expenditure on special repairs with reference to the capital cost of building, since such repairs are not required annually or at regular intervals. Every estimate for special repairs should be carefully scrutinized by the competent authority to which it is submitted for sanction and should not be sanctioned unless it is clear that the proposed special repairs are really necessary.

NOTE:- (1) For the purpose of this Article, the capital cost of a building excludes, the cost of sites and lands appurtenant thereto and also the cost of electric installations but includes the cost of sanitary and water-supply installations.

NOTE:- (2) The expenditure on repairs to Governor's Household works is governed by the provisions of the Government of India (Governor's Allowance and Privilege) Order, 1950, and the orders issued thereunder.

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186-A. The Executive Engineers and the Electrical Engineer (General) may incur expenditure on the maintenance of electric installations in Government buildings up to a limit of 3.5 per cent of the capital cost of the installation without reference to higher authorities. In special cases in which expenditure in excess of the above limit has to be incurred, the sanction of the higher authority, namely, the Superintending Engineer or the Chief Engineer, as the case may be, should be obtained to the excess expenditure.

In the case of residential building the provisions for repairs to electric installations may be included in the lump sum provision to be fixed under Article 186(a), this particular item of expenditure being exhibited in the expenditure schedules separately as in the case of "Rates and Taxes", for purposes of accounts.

In the case of the installations in non-residential buildings a consolidated estimate for all the electric installations in each sub-division should be prepared and sanctioned.

A separate working estimate should be sanctioned to cover the expenditure incurred on account of cost of the establishment employed to look after the installations in both residential and non-residential buildings including special plant and machinery therein and the expenditure distributed annually to the estimates of the several buildings concerned for purposes of capital and revenue accounts.

NOTE:- The above instructions do not apply to the Government House and the connected buildings which are covered by the provisions of the Government of India (Governor's Allowance and Privileges) Order of 1950, and the orders issued under it.

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Starting a work

187 (a). As a rule, no work allotted to the Public Works Department should be started until both administrative approval and technical sanction, when required under Article 185 have been accorded for the whole work. In the special circumstances mentioned below, technical sanction may be given in the first place for a component part or parts of a work which has been administratively approved, and work may then be started on the part or parts so sanctioned.

(b) When it is desirable for special and exceptional reasons to start a work which has been administratively approved before the detailed estimates for the whole work are ready for sanction, the authority competent to sanction the detailed estimates for the work as a whole may accord sanction to detailed estimates for component parts of the project subject to the following conditions:-

(1) There must be a fully prepared detailed estimate for each such component part, and the administrative approval of the project as a whole must include specific approval of a definite amount of expenditure on that component part.

(2) The amount of the detailed estimate for each such component part must not exceed the corresponding amount covered by the administrative approval by more than 10 per cent.

(3) The sanctioning authority must be satisfied, before according sanction, that the amount of expenditure on the whole project for which technical sanction will be required is not likely to exceed the amount of expenditure administratively approved, and that the component part or parts of the work in question can be begun without affecting, or being affected, by any other part of the work, financially or otherwise.

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(4) Detailed estimates for parts of a single building should not be sanctioned, separately under this provision, unless the preliminary estimates administratively approved have been similarly prepared.

(c) When according technical sanction for a component part or parts of a work under the provisions of clause (b), the sanctioning authority should communicate it to the Accountant General and also intimate to him the amount of expenditure administratively approved for the whole project.

188. To prevent delay in starting work on a work for which full detailed estimates have been prepared and submitted for technical sanction, when minor amendments are needed in the design or the estimates, the sanctioning authority should either (1) amend the design or the estimates in his own office and sanction the estimates as a whole, or

(2) sanction under Article 187 (b) those parts of the detailed estimates which he accepts, if the conditions stated there are satisfied, and call for amended detailed estimates for the other parts of the work.

189 (a). Before the Public Works Department starts any building works including any alteration, addition or repairs to a building, the Public Works Officer in charge of the work should inform the chief local officer of the department concerned.

(b) Except for specially urgent works, e.g., repairing a breach, no Government servant should start any work on land which has not been properly handed over by a Government servant duly authorised to do so.

Methods of executing works

190. The piece-work contract method (see Article 163) should ordinarily be used only for

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works (including improvements and repairs) costing not more than Rs.2,500 each. It may also be used for a work of improvement and/or repairs costing over Rs.2,500, when that is considered desirable, but the reasons for doing so should be recorded. In any contract where satisfactory contractors under the lumpsum contract method are not available, the piece-work contract method may be adopted even for original works costing over Rs.2,500 each.

The necessary details in regard to the lump-sum contract method are set forth clearly in the Preliminary Specification of the Madras Detailed Standard Specifications, the standardized forms of articles of agreement, tender notice and tender mentioned in those specifications, and the prescribed intermediate and final bill forms.

Supply of materials for works

191. When a work is to be executed under a piece-work or lumpsum contract, the Government servant who will sign the contract should decide whether or not the department should supply any imported stores or other materials which are required for the work. If it is decided that the department should supply any materials to the contractor for use in the work a description of every such material and the rate and place at which it will be supplied should be specified in the notice calling for tenders and the schedule forming part of the agreement. If contractors are allowed to supply any imported articles themselves, the descriptions of such articles should be clearly defined by governing specifications. When the "British Standard Specifications" standards are not applicable, a suitable standard should be fixed in some other way, e.g., by specifying the catalogue number of the product of a reputable firm. When test certificates are required, full particulars should be given in the tender notice and the

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agreement, and it should also be clearly stated in them that the contractor will have to bear the cost of furnishing certificates.

No sales tax need be levied on occasional sales of materials by departments of Government to a contractor in pursuance of the terms in the notice calling for tenders and actually used on the works under the provisions contained in this Article. However, sales tax should be levied on the regular sales to a contractor by the department of the product produced or manufactured by them such as sales by the Forest Department, Agriculture Department, etc.

Invitations to tender

192. Before a work is given on contract, the Government servant who is competent to enter into the contract on behalf of the Government should have the necessary "contract documents" prepared. He should invariably invite tenders when the amount involved in the contract is Rs.5,000 or more, unless a competent authority has given special permission to dispense with tenders. When the amount involved is less than Rs.5,000, the authority competent to sanction the work has discretion to decide whether or not tender should be invited, as seems desirable in each case. A work must not be split up into parts, all or some of which cost less than Rs.5,000, with a view to giving contracts without calling for tenders for parts costing less than Rs.5,000 each. When tenders are called for, sealed tenders should invariably be invited as publicly as possible, e.g. by advertisement in the *Tamil Nadu Government Gazette* and the local newspapers, and by posting a notice in English and Tamil to the contractors in divisions concerned by Registered Post or by certificate of posting. The intending tenderers should be given free access to copies of the contract documents. The notice should always state

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(i) when and where the contract documents can be seen and the blank forms of tender obtained, and the charge for a set of plans or other tender documents;

(ii) when and where the tenders are to be submitted and are to be opened (if the contract is large one, the latest date for the submission of tenders should be at least a month after the date when publicity is first given to the invitation to tender);

(iii) the amount of earnest money that should be sent with the tender, and the amount and nature of the security deposit to be made by the successful tenderer (the amount of earnest money, for either a piece-work contract or a lumpsum contract, and the additional security required from the successful tenderer for a lumpsum contract should each be 2.5 per cent of the sanctioned estimate figure when the contract is for the whole of a work or 2.5 per cent of the estimated amount of the contract when it is only for part of the work included in the estimate); and

(iv) who or what authority has power to decide as to the acceptance of a tender?

Power should always be reserved to reject any, or all, of the tenders received without the assignment of any reason, and this should be expressly stated in every invitation to tender. No tender should be accepted from any person directly or indirectly connected with Government service. The tenders should be opened in the presence of any of the tenderers or their authorized agents who are present at the notified time and place. The Government servant who opens the tenders should initial every correction in each tender which has been initialled by the tenderer. If there is any correction in a tender which has not been initialled by the tenderer, the Government servant

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who opens the tenders should make a note in regard to it on the tender itself, when it is opened. He should keep a personal note of the total number of tenders opened by him and check it with the number shown in the comparative statement of tender.

After the receipt of the comparative statement and before the selection of a tenderer, the officer concerned should examine all the tenders and satisfy himself that no corrections which were not in the tenders as at the time he received them had been made in any of them.

NOTE:- (1) The rule that tenders should be invited when the amount involved in a contract is not less than Rs.2,500 applies to:

(i) contracts for the execution of works, including supply of materials for such works by the contractors themselves, but not contractors involving only the supply of materials other than road quarry materials or tools and plant, and

(ii) contracts for the supply of road quarry materials.

NOTE:- (2) Notices calling for tenders should invariably be published in prominent local newspapers in respect of all works costing over Rs.1,00,000.

NOTE:- (3) In the case of works relating to the Agricultural Department, copies of the tender notices should be exhibited in the concerned office of that department. In the case of works costing less than rupees one lakh to ensure wide publicity, copies of such tenders should also be exhibited on the notice boards of the Public Works Department in the district including the offices of the sub-divisional officers. In the case of works costing over Rs.25,000 they should also be intimated by registered post or by certificate of

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posting individually to the contractors in divisions concerned in addition to the exhibition of tender notices. Publication of tender notices in prominent newspapers for works costing over rupees one lakh should necessarily be done as required in Note (2).

NOTE:- (4) In respect of Forest Department the generation and cultural operation and the extraction of timber and sandalwood which have to be carried out departmentally are excluded from the provisions of this Article.

NOTE:- (5) All soil conservation works upto the value of Rs.5,000 may be carried out departmentally without resorting to tender system.

Acceptance of Tenders

193. As a rule, no tender for the execution of a work should be received unless the tenderer presents along with it a chalan showing that he has paid into the treasury or the bank, the earnest money notified as necessary in the tender notice. The Government servant who has to select a tender for acceptance should take into consideration the financial status of each tenderer, his capability, the security which he offers and his record in regard to the execution of other works. When other conditions are equal, he should accept the lowest tender. If he accepts a tender other than the lowest, he should keep a confidential record of his reasons for doing so and should produce this record for perusal by the Accountant-General or a duly authorised member of his staff, if requested to do so. Departmental inspecting officers should also examine every case of acceptance of a tender other than the lowest, and report to the higher authorities any such case for which, in the opinion of the inspecting officer there was no sufficient justification.

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The acceptance or rejection of a tender is a matter within the discretion of the Government servant to whom the duty is entrusted, and no tenderer should be told the reasons for rejecting his tender. When it is considered desirable to do so, a superior authority or the Accountant-General or a duly authorised member of his staff will call on the Government servant who dealt with the tenders to justify the manner in which he exercised his discretion and may require him to state his reasons for rejecting any particular tender.

When tenders have been invited for a work in accordance with Article 192 and there is no response or all the tenders received are rejected as being unsatisfactory, and it is considered that a call for further tenders would be fruitless or is undesirable, the Government servant who is competent to accept a tender for the work may select a contractor and allot the work to him after obtaining the sanction of his immediate superior authority.

NOTE:- The provisions of the preceding paragraph are applicable to work allotted to the Forest Department also.

Exception (1) - In the case of the Police Department, the intending tenderers from outside the State can remit the earnest money to the Assistant Inspector-General of Police, Madras, or the Commissioner of Police, Madras, as the case may be, who will remit the amount forthwith to the credit of State Revenue Deposits.

Exception (2) - The tenderers in other States shall remit Earnest Money Deposit direct to the officers of the Department concerned (other than Police Department) by means of Bank Drafts drawn on scheduled banks or the State Bank of India and the Departmental Officers shall credit the proceeds of

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the bank drafts into the Treasury/Bank under the head "Revenue Deposit" and arrange for their refunds by means of bank drafts.

194. A Government servant who is authorized to enter into contracts may, after an estimate has been duly sanctioned, enter into separate contract with different contractors for the execution of different parts of the same work, even though the total estimated cost of the work exceeds the amount upto which he has been authorized to accept tenders, provided that there is no special order to the contrary and that the amount of each contract is within the limit of his power to accept tenders. He should not enter into a second contract with a contractor who has already received a contract (which is still in force) in connection with the same work if the total amount involved in the two contracts exceeds the limit up to which he has been authorized to accept tenders. For this purpose sub-works in an irrigation maintenance scheme estimate may be treated as separate works, provided they are not connected with each other.

Agreements with contractors

195 (a). Rates in excess of those stated in an agreement must on no account be paid, since the payment of rates not due under the contract would nullify it.

(b) When a piece-work contractor refused to execute any work at the rates stated in his piece-work agreement, the Government servant in charge of the work should terminate the agreement and have the work already done measured up and paid for at the rates included in the sanctioned agreement. He should also forfeit the contractor's security according to the terms of the agreement, unless a competent authority orders that the forfeiture be waived. He should not enter into any

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contract for the execution of the remaining work at higher rates, unless he has publicly invited tenders and obtained the most favourable rates that are available.

NOTE:- In the case of works executed by the Public Works Department, if it is necessary in any one case to give out the balance of works at higher rates to another contractor without calling for open tenders whether on account of urgency or any other reason, the previous approval of the Superintending Engineer should be obtained where the original cancelled agreement was accepted by the Executive Engineer and of the Chief Engineer, if it was accepted by the Superintending Engineer.

(c) As a general rule, no rate stated in an accepted agreement should be revised while the agreement is in force. When the Government servant in charge of a work considers it desirable for good and sufficient reasons to revise a rate stated in a current agreement, he should apply for the sanction of the authority next above that which accepted the original agreement. If the revision is sanctioned, he should place on record with the agreement, reasons for the revision and its effect on the total amount of work to be done under each item concerned and under the agreement as a whole. Whenever a revised rate is sanctioned in connection with an agreement, it will take effect only from the date of according sanction, unless the sanctioning authority specifically orders that it should be given retrospective effect.

(d) In every case falling under (b) or (c) above, the Government servant concerned must strictly comply with all the rules applicable to the revision of the estimate.

(e) Any correction made in an agreement should be attested with dated initials by both the Government servant who accepted the original

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agreement and the contractor, in order to indicate acceptance of the altered rate and also with a view to preventing any tampering with agreements after approval.

(f) A Government servant in charge of a work should not order any extra item of work not covered by the original agreement to be done, unless a competent authority has sanctioned it. If it has been duly sanctioned, he should see that the rate is fixed in accordance with the conditions printed in the form of piece-work agreement of clause 63 of the Preliminary Specification of the Madras Detailed Standard Specifications.

NOTE:- The concessions shown to contractors in the Public Works Department under clause (b) and (c) above be extended also to contractors in the Revenue Department subject to the conditions specified in clause (d) and (e) above and in Article 197 below.

Alterations in design during construction

196. If any important structural alteration is found to be desirable whilst a work is being constructed, the proposal to make it should be submitted for fresh administrative approval by the authority which gave the original administrative approval, even when it is not likely to cause any increased outlay. Revised detailed plans and estimates should be submitted for technical sanction, if the alteration involves any substantial change in the cost of the work.

Revised Estimates

197. A revised estimate should be submitted when the sanctioned estimate is likely to be exceeded by more than 5 per cent for any cause whatever or when materials, developments or deviations have necessitated revised administrative

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approval. A report should be sent with it showing the progress made up to date and explaining fully why the revision is necessary. The revised estimate need not contain details of the items which are not altered, but merely a note stating that they are not altered, a comparative statement should be furnished for the items that are altered. The sanctioned estimates should always be sent with the revised estimate. If, however, the likelihood of an excess of actual expenditure over the sanctioned estimate of more than 5 per cent becomes known only at such an advanced stage in the construction of a work that it would be useless to submit a revised estimate, the facts should be explained in the completion report.

Lapse of sanction to estimates

198. (a) The approval or sanction to an estimate for a work other than ordinary annual repairs will, unless the work has been started, cease to be in force five years after the date when it was accorded.

(b) The sanction to an estimate for ordinary annual repairs to a road or building lapses on the last day of the financial year. Special working years ending on the dates shown below have, however, been prescribed for irrigation work, so that the estimates may be prepared in the slack season and the end of the financial year may not interfere with the working season. Estimates for ordinary annual repairs to irrigation works will lapse accordingly on the dates shown below:-

Circle (1)	Division (2)	Date (3)
	(All divisions except	
	(Chengalpattu and	31st December
Madras	(North Arcot	
	(Chengalpattu	31st December
	(North Arcot	31st January

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Coimbatore	(West coast division	31st August
	(All other divisions	31st January
Thanjavur	(All divisions	31st July
Tiruchi- rappalli	(Tiruchirappalli	31st July
	(All other divisions	31st December

NOTE:- If any annual maintenance and repairs works the accounts of which have under this Article to be closed on the 31st March is executed under the lumpsum contract system, as described in the Madras Detailed Standard Specification and the date of completion according to the agreement entered into with the contractor is later than the 31st March the date of closing the estimate for the work shall be the date of payment of the final bill to the contractor after the completion of the work.

(c) If it would be inconvenient in any exceptional case to stop a work of ordinary annual repairs on the last day of the financial or working year, as the case may be, it may be completed, but the expenditure after that date should be treated as expenditure under a fresh estimate for ordinary annual repairs for the next year.

(d) An estimate for special repairs and a non-periodical estimate for repairs to an irrigation work remain current till the completion of the repairs in the same manner as an estimate for an original work.

Handing over a work on completion

199. As soon as the Public Works Department has completed a work executed on behalf of another department, the Executive Engineer should inform the chief local officer of the department in writing that the work has been duly completed in accordance with the sanction granted for it. This formal notification will constitute the handing

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over of the work to the department for which it was executed. The Executive Engineer should also give reasonable notice beforehand as to the date on which the notification is likely to be sent.

Disposal of surplus materials

200. Materials-at-site of works in excess of requirements may be transferred to other works for which they are required or to stock, provided they are serviceable and certain to be required. If the value of any material so transferred at current market rates is less than their book value, they should be transferred at the current market rates and the loss should be debited to the work from which they are transferred. This rule does not apply to any surplus materials which were originally procured by a contractor on his own account or which were issued to a contractor and charged off to his account.

Electrical and sanitary works

201 (a). Whenever a new building is constructed or an existing building is extended or improved in a place where there is a public supply of electricity available and it is contemplated to provide an electric installation in the building, the estimate should provide for it. As soon as administrative approval to a building is obtained and the detailed building plans are approved, the Executive Engineer should communicate a copy of the approved plans to the Electrical Engineer (General). The Electrical Engineer (General) should, without delay and in consultation with the Head of the Department concerned, prepare detailed estimates and plans for the full electrical equipment required and obtain the counter-signature of the Head of the Department to plans and estimates. The Electrical Engineer (General) should then obtain technical sanction of the higher authority if and where such technical sanction is

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necessary. A copy of approved plans and estimates should then be sent to the Executive Engineer-in-charge of the construction work.

Similarly, the Executive Engineer concerned will have detailed designs and estimates prepared in consultation with the Head of the Department and also where necessary, with Engineering Specialist firms, for all construction, connection and fittings in connection with water-supply, sanitation and drainage required. If in any case, it is considered necessary to consult the Sanitary Engineer where his specialised knowledge is essential, the Sanitary Engineer will prepare detailed estimates and designs for such items in consultation where necessary with Engineering Specialist firms.

The detailed plans and estimates for sanitary and water-supply installation are to be countersigned by the Head of the Department who will be at liberty to consult any officer of his department and who may also send a representative to the office of the Electrical Engineer (General) and to the office of the Executive Engineer respectively to scrutinize the plans during preparation.

After such detailed plans and estimate for the electrical and sanitary installation are obtained, the Executive Engineer should incorporate them in the detailed plan for the building work and obtain competent technical sanction. The actual construction work need not wait until this final sanction is ready. It should be started as soon as technical sanction to the building work is obtained.

As soon as the final plans and estimates incorporating details of electrical and sanitary installations are ready, copies thereof should be sent to the Electrical Engineer (General), who

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will, in cases where tenders have to be called for, take necessary action in close consultation with the Executive Engineer as regards the time when he should call for tenders and start the electrical work. The Executive Engineer should similarly settle at an early date the time when work or sanitary installation should be commenced. Tenders for the buildings and sanitary and electrical installations should all be called for in proper order in a co-ordinated programme, which should be settled by the Executive Engineer at the commencement of execution of the work to ensure that the use of the building is not delayed on account of failure of the sanitary and electrical contractors to complete their works in time.

It is imperative that there should be close co-ordination between the work of the Government servants concerned so that at no time is any delay allowed to occur in the preparation of plans and estimates, in obtaining technical sanction, in calling for tenders and in the actual execution of the works concerned. The Superintending Engineer of the Circle in which the building is situated will be responsible for seeing that the various works are carried out at the proper time and that unnecessary delay is avoided and he will be held personally responsible for seeing that the above instructions are carried out.

(b) No authority subordinate to the Government is empowered to accord administrative approval for the first installation of electrical works in a building, whether residential or non-residential. Certain authorities subordinate to the Government are empowered to accord administrative approval for additions, improvements and alteration to existing electrical installation as shown in Appendix 13 (see also article 154).

Exception - Commissioner of Commercial Taxes may sanction expenditure upto Rs.750 in each case

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towards the initial electrification of the Commercial Taxes Check-posts.

202. Electrical works to buildings such as internal wiring, etc., including maintenance and repairs, should ordinarily be executed by the lump-sum contract method (see Article 163), since departmental execution involves keeping large quantities of stores in stock and employing special establishments. Tenders should be invited for the purpose when the amount involved is Rs.1,000 or more.

This rule does not apply to repairs including small extension electrical installation in Government buildings carried out departmentally by the Executive Engineer with reference to Article 154 (b).

**Works executed by Agriculture Officers as
Public Works disbursers**

203. The head of an office in the Agricultural Department may carry out, as a Public Works disburser, ordinary and special repairs to residential buildings of his department borne on the Public Works Register, subject to the conditions -

(1) that the services of the engineering staff of the Agriculture Department are secured when necessary; and

(2) that the following statements are sent to the Executive Engineer concerned:-

(a) statements showing the actual expenditure incurred from time to time on special repairs which would increase the capital value of any such building, so as to enable the Executive Engineer to adjust its rent correctly; and

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(b) an annual statement, soon after the close of each financial year, of the amounts actually spent on ordinary and special repairs to each building in that year, so as to enable the Executive Engineer to prepare the capital and revenue accounts of residences correctly, keep a check on the amounts spent and see that the buildings are not left too long without repairs.

Works executed out of loans granted to local Bodies, etc.

204. When the Government grant a loan to a local or other body for the execution of a work, that body may, if it wishes, entrust the execution of the work to the Public Works Department. When the Public Works Department executes any such work, the disbursing officer should bring to account the expenditure on the work, as and when it occurred as outlay against the sanctioned loan under the head "Loans and Advances by the State Government", and should also similarly adjust every month the centage charges leviable in accordance with the departmental rules. Before authorizing any expenditure or commitment in connection with such a work, the competent authority in the Public Works Department should obtain statement in writing from the Accountant-General that the amount required is available in the form of loan funds kept in a separate account for the purpose of meeting the proposed expenditure. The amount which the Accountant-General states to be available for expenditure on the work in the year should be communicated to the Executive Engineer and treated as the appropriation for the work. It should not be exceeded without a special order from the competent authority.

The Accountant-General will calculate and adjust periodically the interest payable to the Government on the loan (in accordance with the terms of the order sanctioning the loan), treating

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the amount of expenditure included by the spending authority in the accounts of each month as if the whole of that account had been withdrawn from the treasury by the borrower on the last day of that month.

II. Works allotted to the Forest Department
Revised estimates

205. Whenever it becomes clear that the actual expenditure on a work is likely to exceed the amount of the sanctioned estimate by more than 10 per cent, a revised estimate should be prepared at once and submitted to the authority which sanctioned the original estimate with a full report explaining why the revision is necessary. If, however, the likelihood of such an excess becomes known only at such an advanced stage in the construction of a work that it would be useless to submit a revised estimate, the facts should be explained in the completion report. The District Forest Officer should see that this rule is strictly observed in his district.

Payment for work done

206. The payment of wages to daily labour engaged departmentally should not be deferred till measurements are taken. Part-payments may be made in connection with lump-sum contracts without recording detailed measurements, if a Forest Officer of a grade not lower than that of an Assistant Conservator certifies in each bill that by superficial and general measurement or by some other suitable methods (which should be specified) he has satisfied himself that the value of the work done according to the contract agreement is not less than the part-payment covered by the bill together with any part-payments already made, and that, with the exception of authorised additions and alterations, the work has been done according to the prescribed specification. Range Officers are

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not authorized to make such part-payments without recording detailed measurements. A record of detailed measurements and a certificate of completion of the work according to the prescribed specifications signed by a Forest Officer of a grade not lower than that of a District Forest Officer are required before a final payment is made for a work.

III. Works allotted to the Excise Department
Proposals for execution of works

207. A proposal for the execution of a work should be made in the form of a full report explaining the necessity for, and the precise object of the work, together with a proper detailed estimate consisting of a specification, a detailed statement of measurements and quantities, and an abstract showing the total estimated cost of each item. The specification should contain a full description of the proposed work, the method by which it is proposed to execute it and the materials proposed for use on it. A site plan should invariably be submitted along with the estimate for a new work, and it should be stated whether the proposed site is Government land or would have to be acquired on payment of compensation. When acquisition of a site on private land is proposed, the amount of compensation claimed by the owner and the amount considered reasonable by the Revenue Department should be reported.

Consultation with Public Works Officers

208. Excise Officers should consult the local Public Works Officers about any work which may involve engineering difficulties or in regard to which advice based on the professional knowledge and experience of a Public Works Officer is likely to prove valuable.

CHAPTER-IX

MISCELLANEOUS EXPENDITURE

Authorities competent to sanction miscellaneous expenditure

209. The powers which the Government have delegated to various authorities to sanction items of miscellaneous expenditure (defined in Article 6) are given in Appendix 14. Except when the expenditure is authorised by this code or some other authorised code or manual or by some general or special order of the Government, no Government servant should incur any item of miscellaneous expenditure of any kind without the specific sanction of the Government or a competent authority to whom the Government have delegated the power to sanction such expenditure (See Article 42)

Acquisition of land

210. Appendix II to the Land Acquisition Manual contains the rules regarding the payment of compensation for land acquired for public purpose under the Land Acquisition Act, 1894 (India Act I of 1894). The expenditure in connection with the acquisition of land for railway purposes is governed by the special rules issued by the Railways Board and embodied in the Land Acquisition Manual.

Grants-in-aid to Institutions, Public Bodies, etc.

210-A (1) Unless in any case, Government directs otherwise, every order sanctioning a grant should specify clearly the object for which it is given and the conditions, if any, attached to the grant. In the case of non-recurring grants for specified objects the order should also specify the time-limit within which the grant or each instalment of it is to be spent.

In cases where recurring grants-in-aid are sanctioned to the same institution for the same

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purpose, it should be clearly stated in each sanction order that the unspent balance of the previous grants has either been surrendered to Government or that it has been taken into account in sanctioning the subsequent grant. The authorities who forward the applications for grants-in-aid should also furnish the above particulars to the sanctioning authorities along with the applications. In the case of grant-in-aid sanctioned to private bodies direct by the Government without the intervention of the Heads of Departments or other subordinate authorities the Administrative Departments in the Government prescribe target dates (1) for submission of audited statements of accounts by the grantee institutions to the Administrative Department concerned and (2) for the submission of utilisation certificates by the Administrative Departments to the Accountant-General.

(2) Before a grant is released, the grantee should be required to execute a bond with two sureties in favour of the Governor of Tamil Nadu that he will abide by the conditions of the grant by the target dates, if any, specified therein and in the event of his failing to comply with the conditions or committing breach of the bond, the grantee and the sureties individually and jointly will be liable to refund to the Governor to Tamil Nadu the entire amount of the grant with interest thereon or the sum specified under the bond.

The stipulation in regard to refund of the amount of grant with interest thereon should be brought in clearly in the proceedings sanctioning the grant as well as in the bond required to be executed by the grantee. A recourse to enforcement of the clause relating to payment of interest may be had by the sanctioning authority in consultation with Government not for every minor breach of bond but only after considering the nature and magnitude

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of the lapse involved. Similarly in the case of penal clause to be enforced, the sanctioning authority will specify clearly whether the entire amount of grant or part thereof is to be refunded. Ordinarily, the recovery should be limited to that portion of the grant which a grantee failed to utilise on the purpose for which grant is sanctioned. In case of serious breach of the terms, the recovery of the entire amount of the grant may be insisted upon. The period for which interest is to be charged should also be indicated in case it is decided to charge interest in the amount to be recovered. When a grant is released in instalments, interest should normally be charged on each instalment from the date of its release till the date of its recovery.

In Special cases in which such a bond is not found feasible and/or on due consideration, the Government of Tamil Nadu decided not to insist upon a bond on the above lines, it would be necessary to work out alternative arrangements for ensuring that the interests of Government are safeguarded effectively. These instructions will not, however, apply to grants-in-aid paid to Quasi-Government or Government aided organisations and local bodies. While obtaining the prescribed bond, where it is necessary, the requirement of furnishing two sureties in addition need not be insisted on, if the grantee institution or organisation is a society registered under the Societies Registration Act, 1860 or is a co-operative society or is an institution of standing in whose case such sureties are not considered necessary by the Government of Tamil Nadu.

To enable the audit to verify that this condition has been fulfilled, a certificate to the effect that the grantee has executed the requisite bond or has been exempted from doing so by the Government should be furnished along with the grant-in-aid bill, duly counter-signed by the

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office on whose signature or counter-signature the grant-in-aid bill is drawn. The grantee should maintain a register in Tamil Nadu Financial Code, Form 36 of the Permanent and Semi-permanent assets acquired wholly or mainly out of Government grants. The register should be maintained by the grantee institutions separately in respect of each sanctioning authority. Every year a copy of the register should be furnished by the grantee to the sanctioning authority.

The sanctioning authorities should maintain Block accounts also in Tamil Nadu Financial Code Form 36 of permanent and Semi-permanent assets acquired wholly or mainly out of Government grants. This record should be of a permanent nature and should be posted from the annual returns furnished by the grantee institutions as required in the para mentioned above.

Departments of Secretariat/Heads of Departments sanctioning the grant shall take up the matter with the grantee institutions if the annual returns are not received in time so that they are in a position to maintain their own records complete as required under the rules.

The following types of institutions or organisation may be treated as Quasi and Government aided organisations for the purpose of this Article:-

QUASI-GOVERNMENT INSTITUTIONS

Institutions or organisations set up by Government as autonomous bodies either under a statute or as a society registered under the Societies Registration Act, 1860, or otherwise.

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GOVERNMENT AIDED BODIES

Institutions or organisations which receive financial assistance from the State Government on a regular basis (either wholly or on a percentage basis) and/or.

(i) Whose annual budget is approved by the Government or

(ii) Government is adequately represented and associated with the Boards of Management or Committees of Management of the Institutions.

(3) Only so much of the grant should be paid during any financial year as is likely to be expended during the year. In the case of grants for specific works or services such as buildings, water-supply schemes in authorising payments according to the needs of the work. The authority signing or countersigning a bill for grants-in-aid should see that money is not drawn in advance of requirements. There should be no occasion for a rush for payment of these grants in the month of March.

(4) Before a grant is paid to any public body or institution, the sanctioning authority should, as far as possible, insist on obtaining an audited statement of the accounts of the body or institution concerned in order to see that the grant-in-aid is justified by the financial position of the grantee and to ensure that any previous grant was spent for the purpose for which it was intended. It is not essential for this purpose, however, that accounts should be audited in every case by the Indian Audit Department and it will be sufficient, therefore, if the accounts are certified as correct by a registered accountant or other recognised body of auditors. In the case of small institutions which cannot afford to obtain the services of a registered accountant or other

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registered body of auditors, the sanctioning authority may exercise its discretion of exempting any such institution from the submission of accounts audited in this fashion.

The authority sanctioning a grant, while communicating the sanction to the Accountant-General, should state whether the audited statement of accounts has been received when required or whether the grantee has been exempted from submitting the statement.

NOTE:- This order applies both to non-official institution and to semi-official ones, such as public clubs, etc.

The Departments of Secretariat and the Heads of Departments should incorporate a clause as part of the sanction order in all cases of substantial sanction of grants (Loans) that the grants/loan account will be subject to audit by the Indian Audit and Accounts Department and that for this purpose, that department shall have the right of access to their books and accounts.

(5) In order to avoid the delay in furnishing utilisation certificates for the grants sanctioned by the competent authorities the target dates fixed for submission of audited statement of accounts by the grantee institution to the sanctioning authority and for the submission of utilisation certificate by the sanctioning authority to the Accountant-General should be specifically indicated in the orders sanctioning the grant by the sanctioning authority. The dates should be fixed with reference to the nature of the expenditure for which the grant is made. The sanctioning authority should make it incumbent upon the grantee institution to submit the statements within the stipulated period by including a clause to this effect in the sanction order itself. The sanctioning authority, if the bill to be

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countersigned by the same authority or an authority authorised to countersign a bill for grant-in-aid, should maintain a Register in Tamil Nadu Financial Code, Form 37. The Register should be checked effectively once a month and suitable action should be taken on the delays in the submission of statement of accounts or utilisation certificates. The Accountant-General should also be informed of the reasons for the delay.

210-B Deleted

210-C In cases in which conditions are attached to the utilisation of a grant in the form of specification of particular objects of expenditure or the time within which the money must be spent, or otherwise, the departmental officer on whose signature or counter signature the grant-in-aid bill was drawn should be primarily responsible for certifying to the Accountant-General, where necessary the fulfillment of the condition attaching to the grant, unless there is any special rule or order to the contrary. The certificate should be furnished in the Tamil Nadu Financial Code Form 39 appended to this code at such intervals as may be agreed between the Accountant-General and the Head of the department concerned. Before recording the certificate the certifying officer should take steps to satisfy himself that the conditions on which the grant was sanctioned have been or are being fulfilled. For this purpose, he may require the submission to him at suitable intervals of such reports, statements, etc., in respect of the expenditure from the grant as may be considered necessary. Where the accounts of expenditure from the grant are inspected or audited locally, the inspection or audit report as the case may be, will either include a certificate that the conditions attaching to the grant have been or are being fulfilled or will give details of the breaches of those conditions.

NOTE:- The utilisation certificate need not be

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subject to the fulfilment of certain pre-requisite conditions and are in the nature of reimbursement of expenditure already incurred.

210-D. Unless it is otherwise ordered by Government, every grant made for a specific object is subject to the implied conditions:-

(i) That the grant will be spent upon the object within a reasonable time, if no time-limit has been fixed by the sanctioning authority and

(ii) that any portion of the amount, which is not ultimately required for expenditure upon that object, should be duly surrendered to Government.

210-E. The following instructions are issued in order to comprehend the financial position of the grantee institutions:

(i) All organisations financed by Government in the form of Equity or Grant or Loan should prepare and produce to the sanctioning authority (a) receipt and payment account (b) income and expenditure account and (c) balance sheet. However, trading or commercial organisations should furnish the profit and loss account statement in the place of income and expenditure account, in addition to the receipts and payments account and balance sheet.

(ii) The grantee institutions may be required to have the same financial year as that of Government as this will facilitate the consideration of the requests for and follow up action after sanctioning the grant-in-aid.

(iii) The grantee institutions should invariably furnish audited statement of accounts in the form prescribed irrespective of the amounts involved. The audited statement of accounts would also be required to be furnished after utilisation

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of the grants-in-aid whenever called for. In respect of cases where voluntary organisations enjoy other concessions from the Government such as rent free or subsidised Government accommodation, land at concessional rate, free concessional railway passes, concessions in respect of stamp duty, payment of income tax or any other concession, the accounts of the voluntary organisations should also show the value of such concessions in their consolidated accounts as this will enable the grant sanctioning authority to examine as to how these concessions were utilised by the organisations.

(iv) With a view to furnish necessary utilisation certificate to the Audit authorities for the grants-in-aid, the administrative departments should devise their own inspectional and supervisory machinery to satisfy themselves regarding the proper utilisation of the grants made to voluntary organisations. It should be ensured that the utilisation certificate furnished by the administrative authorities to audit is based on factual verification.

**Educational grants-in-aid
(Other than to local bodies)**

211.(a) The codes and rules specified below contain the detailed instructions regarding the payment of various classes of grants-in-aid to institutions under private management, and the powers of the Director of Collegiate/School Education, the Director of Industries and Commerce and other officers of the Education and Industries Department to sanction such payment:-

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Nature of payment (1)	Code or rules regulating the payment. (2)
1. Grants-in-aid Elementary Education Ordinary areas.	Rules under the Madras Elementary Education Act 1920 (Madras Act VIII of 1920)
2. Grants-in-aid for Secondary and other education	(1) Grants-in-aid code; (2) Code of Regulation for Anglo-Indian Schools
3. Grants-in-aid for Industrial Education	Code of Regulations for Industrial Schools
4. Grants-in-aid for school buildings, hostels, or boarding houses given by the Adi Dravidar Welfare Department	Rules 53 and 54 of Chapter VIII of the code Grants-in-aid Code of the Madras Educational Department

(b) An annual grant-in-aid of Rs.1,800 is paid to the Madras Agricultural Students Union, Agricultural College, Coimbatore by the Government.

(c) The Director of Health Services and Family Welfare has power to sanction an annual grant not exceeding Rs.500 to each of the District Medical Lending Libraries. The grant should be restricted to the lowest minimum required for running the library. The fulfilment of the conditions prescribed in Article 210 A will be watched by the District Medical Officers concerned who are themselves responsible for the proper running of the libraries and based on their reports, the

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utilization certificate will be furnished by the Director of Health Services and Family Welfare to the Accountant-General.

Scholarships and Stipends

212. The payment of Government scholarships and stipends in Government and non-Government institutions is regulated by the General or special orders on the subject which the Government issue from time to time and by detailed rules specified below:-

Nature of scholarship or stipend. (1)	Code or rules regulating the payment, (2)
1. Scholarships and Stipends in Anglo-Indian Schools	The code of Regulations for Anglo-Indian Schools
2. Scholarships and Stipends in Industrial Schools.	The Code of Regulations for Industrial Schools
3. Scholarships attached to a specific college or Institution	Prospectus or rules of the institution approved by the Government
4. Other Scholarships	Annual Scholarship Notifications issued by the Director of Collegiate/School Education
5. Other stipends	The Madras Educational Rule

Except for the scholarships attached to specific institutions, the Director of Collegiate/School Education and his duly authorized

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subordinates have power to distribute the total number of scholarships available among the various institutions of each class, subject to the prescribed conditions and rates.

Discretionary grant

213. Discretionary grants may be sanctioned by (i) the Governor (ii) the Collectors of districts, (iii) Collector of South Arcot in respect of the Aziznagar Settlement and by the Director of Backward Classes in respect of other Denotified Tribes Settlements, (iv) the Director of Adi Dravidar Welfare and (v) the Director of Fisheries. The objects for which such grants can be made and the other conditions and principles that apply to them are specified below:-

(i) *Discretionary grants by the Governor:* These are petty grants and charitable donations to institutions of a public or quasi public character and individuals that deserve assistance from public funds. The expenditure is subject to audit by the Accountant-General. No recurring expenditure may be incurred under this head and it is not intended that any subscriptions of a purely private nature should be debited to it.

The comptroller of the Governor's Household should, as far as possible, produce vouchers for the expenditure bearing the payee's receipts for purposes of audit, and in exceptional cases, when he cannot obtain such a voucher, he should supply the Accountant-General with his own certificate that the amount was actually disbursed to the payee mentioned in the certificate. The Accountant-General is authorized to admit in audit such certificates signed by the Comptroller of the Governor's Household.

(ii) *Discretionary grants by the Collectors:-* From the amount allotted to his district out of the

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budget provision each year, the collector has power to make discretionary grants for the following public objects:-

(1) Construction or improvement of public baths, bathing places and bathing ghats.

(2) Improving river landings and foot-bridges.

(3) Building culverts and bridges on village cart-tracks and foot paths or village roads for which no Government grant is available from any other source.

(4) constructing, repairing or improving wells or other sources of drinking water for the poorer classes.

(5) Construction or improvement of ponds in panchayat forests for the use of cattle (This is subject to the condition that the Collector is satisfied that the forest panchayat is unable, for reasons beyond its control, to meet the expenditure)

(6) Provision and maintenance of play grounds for village elementary schools and the formation and maintenance of village play grounds.

(7) Provision of sites for, or improvement of, burial and burning grounds and repair of paths leading to such grounds, and provision of additional land for village communal purposes (e.g. threshing floor or cattle-stand)

(8) Provision of ballacuts or boats for crossing streams and canals which are liable to sudden floods.

(9) Contributions towards the relief of poor people whose houses have been burned or who are suffering from the effects of a flood, cyclone, or

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other sudden calamity, when relief is immediately required and there is no time to obtain a grant from the Board of Revenue or the Government from the provision under "Famine Relief" or any other appropriate head.

NOTE:- In all cases of fire accident proved to be due to arson, the sanction of the Government should be obtained for the grant of relief and the expenditure debited to Collector's discretionary grants. If arson is suspected but is not likely to be proved the case will be dealt with like any other case of fire accident.

(10) Contributions to help poor people to obtain materials for building huts, when they are obliged to vacate their houses on account of plague or any other epidemic disease.

(11) Rewards to persons who have supported law and order in a specially meritorious way, or displayed special courage or public spirit in saving or attempting to save human life.

(12) Extinguishing of fire, including grant of rewards to persons other than members of the Madras Fire Services who show special courage and public spirit and incur risks in putting out fires.

(13) Raising seedlings for tree planting in villages.

(14) Award of prizes to the agriculturists for the encouragement of improved farming and livestock production.

(15) Grants to Non-Gazetted Officers' clubs (Collectors can meet upto 75 per cent) of any individual item of expenditure, subject to a maximum of Rs.2,000 for Madras District, Rs.250 for the Nilgiris District, Rs.150 for Kanyakumari District and Rs.500 for each of the other districts

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per annum. The remaining 25 per cent has to be borne by the clubs themselves.

(16) Rewards not exceeding Rs.250 (Rupees two hundred and fifty only) per individual, to persons who avert railway accidents, or who furnish vital information about suspicious activities of person in the vicinity of railway lines or railway stations.

(17) Any other object which in the Collector's opinion is calculated to promote public well-being and contentment.

(18) Sanction of monetary relief may be made by the Collector to the members of families of Scheduled Castes and Scheduled Tribes, becoming victims of atrocities committed by members of other communities due to caste consideration from the Collector's discretionary fund to be reimbursed subsequently from the Chief Ministers' Public Relief Fund for the loss sustained by them.

The scales of monetary relief are prescribed as follows:-

Sl. No.	Nature of loss	Of an earning Member	Of a Non-earning Member
(1)	(2)	(3) Rs.	(4) Rs.
1.	Death or Permanent incapacitation	2,000/-	1,000/-
2.	Temporary incapacitation	Upto 500/- (Depending on degree of incapacitation).	250/-

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- | | | | |
|----|---|------------|----------------------------------|
| 3. | Loss of house and/or other belonging therein. | Upto 500/- | Depending on the Extent of Loss. |
| 4. | Loss of movable properties | Upto 250/- | .. Do .. |
-

The expenditure is subject to the following restrictions:-

(1) Only real necessities are eligible for grants, and no grant should be given for any work unless it is a necessity in the particular locality.

(2) Every grant should be non-recurring, i.e. shall not involve any further commitment whatever.

(3) The annual aggregate expenditure should not exceed the following limits:-

District (1)	Amount Rs. (2)
(i) For Madras to be utilised exclusively for grant to all the Non-Gazetted Government Officer's clubs in the Madras City covered by item (15) above	2,000/-
(ii) In the case of the Nilgiris	2,250/-
(iii) In the case of Kanyakumari	2,150/-
(iv) In the case of all the other districts	2,500/-

(4) Besides the limits prescribed under restriction (3) the Collectors may incur further expenditure on the subject specified in item (14)

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above subject to a maximum of Rs. 250 in the case of the Nilgiris and Rs.500 in the case of all the other districts.

(5) Prior sanction of the Government should be obtained for making grants to institutions having jurisdiction all over the State.

(iii) *Discretionary grants by the Deputy Inspector-General of Police, C.I.D.*- The Collector of South Arcot has power to make discretionary grants for the following objects in connection with the management of Aziznagar Settlement:-

- 1) Sanitation
- 2) Expenditure on uniforms, travelling allowances, etc., for boy scouts and girl guides, and on sports and amusements.
- 3) Rewards to settlers for good conduct.
- 4) Rewards to bright pupils in settlement schools.

The expenditure on amusements for children should not exceed 25 paise a child.

NOTE:-The annual aggregate expenditure on account of the discretionary grants in connection with the management of the habitual offender's settlements should not exceed Rs.1,200. This limit is exclusive of the expenditure on uniforms travelling allowances, etc., for boy scouts and girl guides.

(iv) *Discretionary grants by the Director of Adi-Dravidar and Tribal Welfare*-

The Director of Adi-Dravidar and Tribal Welfare has power to make discretionary grants for the following objects connected with welfare work for the

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communities eligible for help by the Adi-Dravidar Welfare Department provided that no grants are made for supplementing the grants paid by the Education Department in respect of aided elementary schools:-

(1) Grants to assist societies, institutions or individuals in educating members of the communities eligible for help by the Adi Dravidar Welfare Department or improving their social and economic conditions.

(2) Contributions to newspapers, periodicals and other publications intended for and actually engaged in educating the communities eligible for help by the Adi Dravidar Welfare Department.

(3) Contributions for the encouragement of athletic associations among members of the communities eligible for help by the Adi Dravidar Welfare Department and the provision of games requisites for them.

(4) Contributions to help members of the communities eligible for help by the Adi Dravidar Welfare Department who are in distress on account of a fire, flood, cyclone, epidemic or other similar sudden calamity.

(5) Any other object which in the opinion of the Director of Adi Dravidar Welfare is calculated to promote the well-being and contentment of the communities eligible for help by the Adi Dravidar Welfare Department.

NOTE:-1 The annual aggregate expenditure on account of the discretionary grants in connection with the welfare work for the communities eligible for help by the Adi Dravidar Welfare Department other than Backward Classes should not exceed Rs.5,500/-

NOTE:-2 The Collectors of the districts have also power to make discretionary grants for the objects

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mentioned above within their districts subject to the limits mentioned below:-

Name of district	Maximum amount per annum. Rs.
Chengai-Anna	260
North Arcot	255
South Arcot	320
Coimbatore	240
Thanjavur	320
Tiruchirappalli	245
Madurai	215
Ramanathapuram	145
Tirunelveli-Kattabomman	180
Kanyakumari	85
The Nilgiris	40
Salem	200
Dharmapuri	200
Madras	500
	<hr/>
	3,155
	<hr/>

NOTE:-3 The maximum limit up to which the Director of Adi Dravidar Welfare can incur expenditure on the discretionary grants for the welfare of

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eligible communities (i.e. Scheduled Castes, Scheduled Tribes and other eligible communities) in the entire State is Rs.2,500. The power to sanction discretionary grants on a State wide basis is delegated to the Director of Adi Dravidar Welfare subject to the safeguard that while sanctioning the grants to the districts, the Director shall consult the collectors concerned to avoid double sanction.

(v) *Discretionary grants by the Director of Backward Classes:-* The Director of Backward Classes has power to make discretionary grants for the following objects connected with the Welfare of Backward Classes and Denotified Tribes eligible for help by Director of Backward Classes Department provided that no grants are made for supplementing the grants paid by the Education Department in respect of the aided elementary schools:-

(1) Grants to assist Backward Classes and Denotified Tribes for improving Educational and Social conditions.

(2) Contributions to newspapers, periodicals and other publications intended for educating the Backward Classes and Denotified Tribes.

(3) Contributions to assist the Backward Classes and Denotified Tribes who are in distress on account of fire, flood, cyclone, epidemic or other similar sudden calamity.

(4) Contributions to assist in expected loss suffered by the Backward Classes and Denotified Tribes such as loss of house, vehicle, etc.,

(5) Contributions for the encouragement of other athletic associations among members belonging to Backward Class and Denotified Tribes and the provision of games requisites, for them.

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NOTE:- The annual aggregate expenditure on account of the discretionary grants in connection with the welfare work for Backward Classes and Denotified Tribes communities should not exceed Rs.3,000 per annum.

(vi) *Discretionary grants by the Director of Fisheries:-* A lumpsum grant is ordinarily placed at the disposal of the Director of Fisheries to enable him to make discretionary grants to provide for unusual expenditure that may be urgently necessary in connection with pearl fishery operations. He has power to utilize this amount only for the objects specified below, subject to the money limits indicated:-

- | | |
|---|---|
| 1) Rewards to informants)
other than the staff for)
furnishing information)
regarding concealed)
pearls, etc.) | Subject to maximum of
Rs.500 for both the
items together during
a full pearl fishery
season. |
| 2) Rewards for deeds of)
special merit involving)
personal risk or self)
sacrifice.) | |
| 3) Contribution towards)
relief of poor divers,)
artisans, etc., engaged)
for pearl fishery work)
whose huts and effects are)
damaged or burned by)
accidental fires.) | Subject to a maximum
Rs.1,500 for all the
four items together,
(i.e. items 3, 4, 5,
& 6) during a full
pearl fishery season. |
| 4) Compensation for)
accidental damage to)
boats.) | |

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*(ii) Certified that no grant or aid has been applied for from any of the aforesaid authorities for the said purpose.

** (iii) Certified also that grant or aid for the same purpose has not been refused by any of the aforesaid authorities.

Date:

Place:

Signature

(Grantee)

* Strike out in case grant or aid has also been sought from any other sources and mention details of the application in item (2) below .

** Strike out in case grant or aid has been refused by any of the authorities mentioned above and indicate the details of such refusal in item (3) below:-

1. Details of grant sought-
 - (a) Amount asked for
 - (b) Purpose for which grant is sought
2. Details of the grant sought from other authorities-
 - (a) Source from which grant/aid/assistance sought
 - (b) Amount asked for
 - (c) Purpose for which grant is sought
3. Details of cases in which the grant has been refused by any of the aforesaid authorities-

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- (a) Source from which grant/aid/assistance sought
- (b) Amount asked for
- (c) Purpose for which grant is sought.

Overtime fees

214. The payment of overtime fees to Government servants is regulated by the general or special orders passed by the Government in regard to such fees under Fundamental Rules 46 and 47 (see also subsidiary rule 17 under Treasury Rule 16)

Bonus to Government Press Employees

214-A The payment of bonus to employees in the Government Press for setting work done over the prescribed minimum is regulated by the rules laid down in the Government Press Office Manual (see also subsidiary rule 17-A under Treasury Rule 16)

Compensation for loss of property

215. Heads of departments should observe the following instructions when making any recommendation for the grant by the Government of compensation to a Government servant for loss of his property:-

(1) (a) Claims to compensation for loss of property made by Government servants will ordinarily be considered only in cases where-

(i) the exposure of the property to risk is directly connected with the duties of which the Government servant is employed at the time, e.g. when the action of an enemy force, insurgents, raiders or wild tribes causes a loss of property of a Government servant employed in the area affected, or

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(ii) the property is lost in consequence of endeavors on the part of the Government servant to save the property of the Government which was also endangered at the time, or

(iii) the property is destroyed under the orders of a competent authority.

(b) No compensation will be paid in respect of any loss which is due in any way to negligence or other default on the part of the claimant. Compensation also shall not be granted when, as a matter of ordinary prudence the Government servant who owned the property could and should have insured it. The question whether the property should have been insured is a question of fact to be decided by the Government.

(c) Compensation will not ordinarily be granted to a Government servant for any loss of his property which is caused by an "act of God", e.g., an earthquake or flood, or which is due to an ordinary every day accident such as may occur to any citizen, e.g., loss by theft even when accompanied by violence or loss due to a railway accident, fire, etc. The mere fact that, at the time of the accident, the Government servant is technically on duty or is living in Government quarters in which he is bound to reside for the performance of his duties will not be considered as a sufficient ground for the grant of compensation.

(d) The grant of compensation may be recommended in respect of animals (1) that are killed, captured or stolen by an enemy force, (2) that are destroyed under the orders of a competent authority to prevent the spread of infectious or contagious diseases or (3) that die as a result of exposure or excessive work necessitated by use in the Public service, or of an accident directly due to such use. When an animal belonging to a Government servant is destroyed under the orders of

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a competent authority to prevent the spread of an infectious or contagious disease, the amount of compensation recommended should not exceed the amount payable to a private person in similar circumstances.

(2) When any one of the three conditions mentioned in instruction (1) (a) is satisfied, the head of the department may recommend the grant of compensation to the Government servant concerned as an act of grace upto the value at the time of loss of the necessaries lost by him. The head of the department should examine the question whether the articles lost are "necessaries" within the meaning of this instruction with reference to the Government servant's personal standing and circumstances and make his recommendation accordingly.

Grants in lieu of Magisterial fines

216. Grants in lieu of various classes of fines realized by court and credited to the Government should be paid to certain local bodies and private bodies as indicated in Article 306

Maintenance by Military Camping grounds

217. In regard to expenditure on the maintenance and conservancy of military camping grounds, and on the purchase of supplies, etc., for the Defence Department, Government servants should observe the rules contained in Chapter XI of the Standing Orders of the Board of Revenue.

Deportation Charges.

218. Expenditure incurred for sending emigrants deported from Malaya to their destinations should be borne by the Government of Federated Malaya States.

CHAPTER X - LOANS AND ADVANCES

GENERAL

[219-220]

Main classes of loans and advances

219. The Government grant loans and advances under the following main heads:-

Loans bearing interest

- I. Loans to municipalities, port funds, etc., (including advances to cultivators).
- II. Loans to Government servants.

Advances not bearing interest

- III. Advances repayable.
- IV. Permanent advances.

This Chapter contains the detailed rules governing these loans and advances.

I. LOANS TO MUNICIPALITIES, PORT TRUST, ETC.

Sanctioning authority

220. This head covers all interest-bearing loans made by the Government except those made to Government servants and includes the following classes of loans:-

- (a) Loans to Presidency Corporations, Port Trusts and other Port Funds.
- (b) Loans to municipalities.
- (c) Loans to district and other local fund committees.

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- (d) Loans to landholders and other notabilities.
- (e) Advances to cultivators.
- (f) Advances under special laws.
- (g) Miscellaneous loans and advances.

Heads of departments and other Government servants may sanction loans of classes (c) and (g) to the extent of the powers delegated to them and the appropriations placed at their disposal - See Appendix 15. The Government have not delegated to any authority any powers to sanction loans of the other classes falling under this head, and they are therefore sanctioned only by the Government.

In all classes of sanctions of loans other than those given by the Finance Department the sanctioning authority should furnish a certificate in the sanction order that the sanction is in accordance with the rules or principles prescribed by the Government with the concurrence of Finance Department and that the rate of interest on the loan and the period of repayment therefor have been fixed with the concurrence of the Finance Department.

NOTE:- In the bills for the drawal of loans to individuals or institutions like Co-operative Societies, etc., the drawing officers have to furnish the following certificate:-

"Certified that all the preliminary conditions precedent to the drawal of disbursement of the loan, such as obtaining a personal security bond and necessary agreement from the loanees, etc., have been fulfilled."

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General instructions

221. The following general instructions apply to all loans falling under this head and the conditions on which the loans are granted should be framed in accordance with them:-

Interest

(i) Interest should be charged at the rate prescribed by the Government for the class of loans concerned. It should be charged for the day of advance but not for the days of repayment. For a period of less than a complete half-year, the interest should be calculated as the

number of days

365

at the yearly rate of interest. For a period of more than a half-year but less than a year half the yearly interest should be charged in respect of the completed half-year together with interest for the remaining period of less than a half-year calculated as above. In the case of "Advances to cultivators" however, the interest for a period of less than a year should be calculated by taking the calendar month as the units, periods of fifteen days or more in a calendar month being treated as one calendar month and periods of less than fifteen days being ignored.

Repayment

(ii) (a) The borrower should be required to repay the loan in full within a specific term, which should be as short as possible by paying the appropriate fixed instalments not later than the dates prescribed by the Government or other competent authority. The term should run from the

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date on which drawal of the loan is completed, unless the Government (or other competent authority) declare the loan closed with effect from an earlier date in which case it should run from that date. The amount of each instalment to be repaid by the borrower should be rounded to the nearest rupee, except in the case of the last instalment where the amount will be rounded to the nearest five paise.

(b) If a borrower draws a loan in instalments and is required to repay it by half-yearly instalments for which no specified half-yearly dates are fixed when the loan is sanctioned, he should be required to make the first regular half-yearly payment six months after the date from which the term of the loan runs and simple interest only should be charged on that date for the period prior to it.

If specified half-yearly dates are fixed for the payment of the half-yearly instalments when the loan is sanctioned the borrower should be required to make the first regular half-yearly payment on the second of those half-yearly dates after the date from which the term of the loan runs, and simple interest only should be charged on the first half-yearly date. For example, if the drawal of a loan is completed on the 31st March and the instalments are payable half-yearly on the 30th June and 31st December the first regular half-yearly instalment should fall due on the 31st December following and simple interest only should be charged on the 30th June.

If a borrower unduly delays the completion of the drawal of a loan the matter should be reported to the Government or other competent authority with a recommendation that the loan be declared to have been closed as from a suitable specified date. The Accountant-General watches the recoveries relating to each

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individual loan included in any of the following classes of loans mentioned in Article 220:-

Items (a), (b), (c), (d) and the portion of (g) relating to loans to local bodies to cover revenue deficits.

He should report to the Government any undue delay in completing the drawal of any such loan payable in instalments, whether dates have been fixed for the drawal of instalments or not. The departmental authorities concerned should take necessary action in regard to undue delay in completing the drawal of any other loan payable in instalments.

This instruction applies *mutatis mutandis* to loans repayable by instalments other than half-yearly instalments.

(c) Any amount paid by a borrower in advance when no instalment or part of an instalment is due should be credited to the next instalment, first to the extent necessary towards interest and then to principal as if it were paid on the due date, unless a different procedure is prescribed for special reasons in any particular case or class of cases.

(d) The instalments towards the repayment of loans and advances granted by the Government, which fall due on public holidays should, in cases not otherwise specifically provided for, be paid into the treasury on the working day immediately preceding the holiday. This will not affect payments which are made by book adjustment.

Defaults in payment

(iii) (a) The Accountant-General should report promptly to the Government any failure by a borrower to pay on the due date a payment due under

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a loan included in one of the classes of loans which he watches individually - See sub-clause (b) of clause(ii) above. The departmental authorities should take necessary action immediately in regard to any default in making a payment due under any other loan. They should bear in mind the fact that a loan repayable with interest by equal periodical instalments will not really be fully discharged by the instalments unless each is paid punctually on the due date.

(b) The authority which sanctions a loan should ordinarily lay down to the order of sanction a penal rate of compound interest to be charged on any payment due by the borrower on account of the loan which is not received by the due date and should ordinarily actually levy interest at the rate on any such payment which is not received by the due date.

The recovery of penal interest should not be enforced if the penal interest payable is rupee one or less. In case where the annuities are paid by the borrower on or before the due dates but are adjusted after the due dates by the Treasuries, no penal interest should be recovered.

Modification of original terms

(iv) Every borrower should be required to fulfil strictly the terms settled when his loan was sanctioned. No Government servant should recommend to the Government or other competent authority a change in the original terms for the benefit of a borrower unless there are very special and exceptional grounds for doing so.

**Loans to municipalities and to district and other
local fund committees**

222. The detailed procedure to be followed in connection with borrowing by local authorities both

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from the Government and otherwise is laid down in the Madras Local Authorities Loans Rules, 1937 (see Appendix 16). Article 204 contains certain rules relating to the execution of works by the Public Works Department on behalf of local bodies out of loan funds sanctioned by the government.

Advance to Cultivators

223. Advances to cultivators include -

(i) advances made under the Madras Land Improvement and Agriculturist Loans (General) Rules, 1933;

(ii) advances made under the Madras Land Improvement and Agriculturists' Loans (Pumping Installations and Agricultural Machinery or Plant) Rules, 1933;

(iii) advances made under the Madras Agriculturists' Loans (Relief of Indebtedness) Rules, 1938; and

(iv) any other advances made to cultivators in connection with any revenue, agriculture or famine under any Act of the Legislature or under any order of the Government.

The Board of Revenue controls these loans and the detailed rules and instructions regarding items (i) and (ii) above are contained in the Madras Loans (Takkavi) Manual.

Advances under special laws

224. Advances under special laws include at present only advances sanctioned by the Government under the Madras State Aid to Industries Act, 1922 (Madras Act of 1922) and the rules framed under it.

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Certain Officers of the Industries Department have, however, been empowered to sanction loans under the Madras Small-Scale and Cottage Industries Loans and Subsidy Rules, 1956 - *Vide Appendix 15.*

Miscellaneous loans and advances

225. Loans (Other than loans to Government servants) which do not fall strictly under any of the other classes mentioned in Article 220 come under this head, e.g., loans for the acquisition of house-sites for members of the communities eligible for help by the Adi Dravidar Welfare Department, loans to co-operative societies and banks and loans to local bodies to cover deficits. The grant and repayment of these loans are governed by the general principles laid down in Article 221, and the detailed orders issued by the Government from time to time. A Government servant who is concerned with any category of loans falling under this head should keep an up-to-date file of the orders in force regarding them.

225-A. The Departmental Officer authorised to issue "loans" or "advances" and who is required to maintain the initial accounts therefor is responsible for the monthly reconciliation of the figures in respect of each head of account which he enters in his registers and returns. For this purpose, the District Officer or the Principal District Officer of the department concerned should arrange to reconcile monthly, his departmental figures with those shown in the *plus* and *minus* memoranda maintained separately for each head of account by the Treasury Officer, in the manner indicated for the reconciliation of transactions relating to "Advances to cultivators" - *Vide* local ruling 3 under Article 90 of the Tamil Nadu Account Code, Volume II. The head of the department should watch that the reconciliation is effected by his subordinate officers in the district without fail. The head of the department will then consolidate

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the figures for the whole State and for the whole year, reconcile them with the closing balance according to the books of the Accountant-General (which will be communicated to him by the Accountant-General, a month after the accounts of the Accountant-General for the year are finally closed) and furnish to him the certificates accepting the balance.

The provisions continued in this Article apply also to advance to Government servants like cyclone advances, etc., in respect of which the departmental officers are required to maintain the initial accounts.

II - LOANS TO GOVERNMENT SERVANTS

General

Classes of loans

226. The following interest-bearing advances are included under this head:-

- (A) Advances for the purchase of motor cars;
- (B) Advances for the purchase of other conveyances;
- (C) Advances for the purchase and construction of houses; and
- (D) Other advances.

The Government grant these advances to the servants in accordance with the rules contained in Articles 227 to 235-A.

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General principles

227. The following general principles and conditions apply to these advances:-

(1) No authority may sanction any advance if it would involve a breach of a standard of a Financial propriety (Article 3).

Government servants to whom advances may be granted

(2) As a general rule no advances should be granted to any Government servant unless he is in permanent service since the pay of a non-permanent Government servant is not adequate security for the repayment of an advance. The Government may, however, sanction an advance to an officiating Government servant who is an approved probationer in a service and is not likely, so far as can be foreseen at the time, to be ousted subject to the rules applicable to advances to that kind and to the following further conditions:-

(i) No such advances should be granted for the purchase of a conveyance other than a motor car or motor cycle, unless a personal security bond is furnished in Form 11 duly executed by the borrower together with a permanent Government servant drawing a pay not less than that of the borrower as surety guaranteeing the repayment of the advance.

(ii) The number of monthly instalments by which repayment is to be made should, when necessary with reference to all the circumstances including the period for which the temporary post is sanctioned, be fixed at a suitable number lower than the permissible maximum.

An authority subordinate to the Government that is competent to sanction an advance to a permanent Government servant under Article 228 or

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Article 254 may also sanction such an advance to an officiating Government servant, subject to the conditions laid down above for advances by the Government to an officiating Government servant.

Exception: I.A.S., I.P.S., and I.F.S. Probationers may be sanctioned advances for the purchase of Motor Car.

NOTE - The term approved probationer in a service under Government (whether it is a subordinate service or a State service) is not necessarily in the post in which he comes eligible for the advance. In the case of Government servants drawing the advance in higher officiating or temporary posts, the sanctioning authorities shall use their discretion in sanctioning the advance only to such of those who are not likely to be ousted or reverted to lower posts, or where reversion to lower posts may not create difficulties in recovering the advance.

Interest

(3) Simple interest should be charged at the rate fixed by the Government from time to time.

NOTE - The Sub-Inspectors and Inspectors of Police are exempted from payment of interest on advances granted to them for purchase of motor cycles under Article 231.

Repayment

(4) (a) The principal of an advance should be recovered in equal monthly instalments by compulsory deductions from the pay of the borrowing Government servant, beginning with the first payment of full month's pay after the advance is drawn provided that a borrower may repay two or more instalments at the same time. The amount of the monthly instalments of recovery other than the

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last should be fixed as follows and the last instalment to be recovered will be the remaining balance including any fraction of a rupee:-

(A) (i)	Advance for the purchase of Motor Car (New)	--	200 monthly instalments
(ii)	Advance for the purchase of Motor Car (Secondhand)	--	170 monthly instalments
(iii)	Advance for the purchase of Motor Cycle (New)	--	60 monthly instalments
(iv)	Advance for the purchase of Motor Cycle (Secondhand)	--	50 monthly instalments
(v)	Advance for the purchase of Scooter (New)	--	60 monthly instalments
(vi)	Advance for the purchase of Scooter (Secondhand)	--	50 monthly instalments
(vii)	Advance for the purchase of Moped (New)	--	50 monthly instalments
(B)	Advances for the purchase of conveyances not included in item (A).		In a maximum of 40 monthly instalments
(C)	Advances for the purchase and construction of houses.		Principal in not more than 180 instalments and interest in not more than 60 instalments.

NOTE:- When the pay or leave salary bill of a Government servant for a month is presented and

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drawn after the due date for administrative reasons or for want of pay slip from audit office, deductions made on account of repayment of an advance from such pay or leave salary bills will be deemed to have been made in the month following the month to which the pay or leave salary of the Government servant relates irrespective of the actual date of its drawal.

In respect of all interest bearing advances sanctioned to the Non-Gazetted Government Employees, the responsibility for the calculation of interest shall rest with the Heads of Offices. The correctness of the interest recovered will, however, be checked by the Accountant-General in post audit.

The recovery of interest should begin with the pay of the next month after the repayment of the principal is completed. The interest should be calculated on the balance outstanding on the penultimate working day of the month of each month. If the total amount of interest to be charged does not appreciably exceed the amount fixed for equal monthly instalments for recovery of the principal it should be recovered in a single instalment, otherwise it should be recovered in instalments not appreciably exceeding that amount.

NOTE:- When the pay and allowances for a month are disbursed before the end of a month an instalment in repayment of an advance recovered through the pay bill will be taken as having been recovered on the first day of the following month the normal date of disbursement of pay.

(b) Unless otherwise provided in the rules applicable to advances of a particular kind, the amount of the monthly instalments to be recovered on account of an advance should not be changed by reason of the borrowing Government servant's going on any kind of leave with leave salary or his

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drawing subsistence grant. In special circumstances, the head of the department may recommend that the Government shall reduce the monthly instalments in a particular case for the duration of the period during which the borrower does not draw pay. The whole amount due should, however, always be completely recovered within the period originally fixed unless, for exceptionally strong reasons the Government sanction a special extension of that period.

If an advance is granted to a Government servant who is due to retire or whose services are likely to be terminated within the maximum period prescribed for its repayment, the number of instalments shall be so regulated that the repayment of the advance with interest, if any, is completed before retirement or termination of service as the case may be. Where the provisions of Article 58-A apply in respect of any outstanding advance, no interest should be charged in respect of the period beyond the date of retirement etc. of the Government servant and the amount of advance thus adjusted in the Death-cum-retirement gratuity.

(c) The head of the office or a Government servant to whom the head of office has delegated powers of drawing establishment pay bills, shall maintain three registers, viz., Loan Sanction Register, Individual Loan Register and Loan Recovery Register in Forms 23-B, 23-C and 23-D respectively to record sanction and recovery of all loans to Government servants.

Entries in the loan Sanction Register in Form 23-B should be made at the appropriate stages whenever a loan is sanctioned to a Government servant, irrespective of the nature of the loan. Simultaneously entries should be made in the Individual Loan Register in Form 23-C which is a record of all loans sanctioned to a particular individual and in the Loan Recovery Register in form 23-D.

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The Loan Sanction Register and the Individual Loan Register will be common to all loans. The Loan Recovery Register in Form 23-D is to be used for short term loans only. In respect of long term loans such as Advance for House Building, Marriage and Car/Scooter, the Loan Recovery Registers in Form 23-E and Form 23-F should be used.

The Officer who disburses the advance is also responsible to watch and effect recoveries. As and when recoveries are made entries shall be made in the relevant Loan Recovery Registers with proper attestation. The instruction contained in the respective forms should be very carefully studied and followed. These Registers shall be verified whenever a Last Pay Certificate is issued. The registers shall be reviewed by the Head of office at least once a month to ensure outstanding items. In token of review, a memorandum of check must be put up in the front page of each register.

When a Government servant is transferred, full details of the pending loans shall be noted in the Last Pay Certificate. The Government servant concerned while joining in the new office shall be required to furnish a written declaration giving in detail, the loan and advances obtained by him, the instalment number and the amount paid upto last payment in respect of each loan and advance.

The departmental drawing officer shall send a statement of the monthly figures of debits and credits under each categories of the loan advance to the subordinate controlling officer (i.e.) District Reconciliation Officer in the proforma in Form 23-G.

The District Reconciliation Officers shall reconcile the debits and credits of the loan-wise figures received from the drawing officers under them with Treasury figures before they forward the same to their Chief Controlling Officer (i.e.)

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Heads of Department, by 20th of the succeeding month. The provisions contained in paras 122 to 127 of the Budget Manual and the Article 225 A ibid shall be scrupulously observed for reconciliation of Departmental figures with Treasury figures. A copy of the statement sent to the head of department should also be sent to the Accountant-General, Tamil Nadu.

The Head of Department (i.e.) the Controlling Officer shall watch that the reconciliation is effected by his subordinate officers at the District level without fail.

The difference, if any, between the departmental figures and the Treasury figures should be reconciled, while furnishing the statement for the following month. The Chief Controlling Officer (i.e.) the head of department shall consolidate the figures for the whole State and reconcile them with the ledger figures maintained by the Accountant-General monthly. The Head of the Department will be held personally responsible for obtaining the Departmental figures and for reconciling them with the Accountant-General's figures.

After the accounts for the year are finally closed, the head of the department shall get an annual certificate of balance under each advance, from all the disbursing and subordinate controlling officers under him in Form 23-H, consolidate the total debits and credits in respect of each category of advance and agree them with those of the Accountant-General and issue the certificate of acceptance of balance to the Accountant-General, Tamil Nadu.

NOTE:- The cheque drawing officers (viz.) Forest, Public Works Department, Highways, etc. should also follow the procedure "Mutatis Mutandis".

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(d) In the cases of advances sanctioned to non-self drawing officers i.e. officers on scale of pay the minimum of which is less than Rs.1000/- and in whose case no pay slip is issued by the Accountant-General, the authorities competent to sanction conveyance advances may release the mortgage deed after satisfying themselves of the recovery of principal and interest without calling for "No Demand Certificate" from the Accountant-General and after obtaining undertaking from the Government servant concerned for the recovery of the balance amount, if any, from their pension and death-cum-retirement gratuity. In respect of the loan advances sanctioned to the self-drawing officers, the "No Demand Certificate" should be obtained from the Accountant-General before the release of the mortgage deed.

A AND B ADVANCES FOR THE PURCHASE OF CONVEYANCES

(i) GENERAL
Sanctioning authority

228. The Heads of Departments mentioned in Appendix I of the Tamil Nadu Financial Code, Volume II, may sanction advances for the purchase of conveyances to the Government servants under their respective control, subject to the principles and conditions laid down under Articles 227 and 229 to 232. The Government will be the authority to sanction advances to Heads of Departments. Recommendations for grant of advances to Government servants in relaxation of these provisions will also be dealt with by the Government and sanction of advances to Government servants other than Heads of Departments will in such cases be accorded by the Heads of Departments concerned if the recommendations are accepted by the Government.

Exceptions (i) - The Collectors of districts may sanction bicycle advances to Gramasevaks and other non-Gazetted staff under their control.

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(ii) The Deputy Secretary (Establishment) to Government, Finance Department, the Under Secretary (Administration) to Government, Public Department and the Under Secretary (Establishment) to Government, Rural Development and Local Administration may sanction bicycle advances to all non-Gazetted Government servants of Finance Department, Public Department and Rural Development and Local Administration Department respectively.

Procedure for sanction

229. Every application for an advance from the holders of posts in mofussil should be routed through the Collectors or Heads of Department who will scrutinise the application with reference to rules and if the application satisfies the conditions for the advance, they will address the Director of Treasuries and Accounts, Madras for remarks as to whether funds are available. The Collectors and the Heads of Departments should certify on the application that they have scrutinised the applications with reference to rules and that they have satisfied themselves that the applicants are eligible for the advance. In respect of city posts the respective Pay and Accounts Officers will certify to the eligibility and submit the applications to the Director of Treasuries and Accounts, Madras for furnishing certificate of availability of funds. The Director of Treasuries and Accounts may revalidate the certificate of availability of funds already issued by him for a further period of two months from the date of revalidation with a view to mitigate the hardship to the applicants who are not responsible for non-drawal of advance within the stipulated time. The reports of availability or otherwise of funds will be furnished by the Director of Treasuries and Accounts, Madras to the sanctioning authority with a copy to the Pay and Accounts Officers/Treasury Officers concerned.

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The sanctioning authority should specify in the sanction order a date by which the advance should be drawn, which should be not more than two months later than the date when the Director of Treasuries and Accounts certified that funds were available. The sanction order lapses if the advance is not drawn by the specified date.

All sanctioning authorities should intimate to the Director of Treasuries and Accounts promptly, all cases where the applications for advances are rejected or withdrawn after his certificate of availability of funds was obtained and where advances could not be drawn within two months from the date of certificate of availability of funds, so as to enable him to increase the balance of the appropriation available for allotment to other applicants for advances according to the priority list maintained by him.

NOTE:- The application for grant of advance for warm clothing need not be referred to the Accountant-General under this Article.

(ii) Advances for the purchase of motor cars

230. These advances are sanctioned subject to the provisions of Article 227, 228 and 229 and the following rules:-

Eligibility of Government servants for an advance

(a) A Government servant is not eligible for an advance unless the Government or the Heads of Departments specified in Appendix I of the Tamil Nadu Financial Code, Volume II consider that it is desirable in the interests of the public service that he should use a motor car in the discharge of his duties in India. Only Officers whose basic pay is Rs.3,700 or more are eligible for sanction of

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loan for new cars. Only Officers whose basic pay is Rs.3,000 or more are eligible for sanction of loan for purchase of secondhand car.

NOTE:- 1 District and Sessions Judges will be considered as holding posts which entail duties involving touring.

NOTE:- 2 No advance should be granted to a Government servant who already possesses a Motor Car purchased from and out of an advance granted by Government and gives it away as gift to near relatives. Also no advance should be granted when a previous advance is outstanding.

Conditions on which an advance is granted

(b) The grant of an advance is subject to the following conditions:-

(1) (a) Except in the case mentioned in condition (3), clause (ii) below, a Government servant is not eligible for an advance on account of a motor car of which he has already taken delivery in India when he submits his application for an advance.

NOTE:- 1 If a Government servant on duty in India who has applied for an advance from the Government has a favourable opportunity of buying a suitable car, he may take delivery of it in payment of the whole or any portion of its purchase price to be recouped later from the advance already applied for if and when the Government or the Heads of Departments mentioned in Appendix I of the Tamil Nadu Financial Code, Volume II sanction it.

NOTE:- 2 The Government servant who having applied for the advance for the purchase of a conveyance as admissible under the rules could not be sanctioned such an advance due to non-availability of funds or in whose case due to

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anticipated delay in sanctioning the advance, there is an obvious need for raising temporary loans to purchase the conveyance, should obtain prior permission from the prescribed authority under the relevant conduct rules applicable to him for raising a temporary loan to meet the expenditure on the purchase of conveyance and if this authority is different from the advance sanctioning authority he should keep the sanctioning authority informed of the permission obtained under the conduct rules.

(b) Advances for the purchase of Motor Cars and Scooters shall be sanctioned only on production of written evidence to show that an allotment has actually been made by the Government to the applicant; and

(c) That in cases where advance is asked for, for the purchase of a vehicle outside Government Quota, clear evidence should be insisted upon that the dealer has earmarked a vehicle for the applicant from his private sources before an advance is sanctioned.

(2) An advance should not exceed -

(i) Rs.80,000 or 35 months basic pay or the anticipated price of the new motor car to be purchased whichever is less.

(ii) Rs.48,000 or 35 months basic pay or the anticipated price of the *second hand motor car* to be purchased whichever is less.

NOTE:- The term "actual price" includes the expenditure on repairs and renewal on the motor cars and the items which have necessarily to be purchased along with the motor car, e.g., spare wheel, tyre and a tube but does not include insurance and registration charges and the cost of additional accessories, fittings, etc. The time limit for carrying out repairs and renewals is one

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month from the date of purchase of the car. The stamped receipt for repairs and renewals should be sent to the Director of Treasuries and Accounts through the Head of the Department.

(3) (i) When the Government or the Heads of Departments mentioned in Appendix I of the Tamil Nadu Financial Code, Volume II sanction an advance to a Government servant who is on leave in India, Ceylon, Nepal, Burma or Aden, or about to proceed on such leave, he is not allowed to draw it earlier than a week before the expiry of his leave.

NOTE:- 1 Notwithstanding anything contained in this article, a Government servant may be allowed to draw the advance sanctioned to him at any time during the currency of the leave, if he receives intimation regarding the availability of the conveyance while he is on leave. The recovery of advance in such cases, will, however commence with the first issue of pay or leave salary after the advance is drawn.

NOTE:- 2 No advance is admissible to Government servants for the purchase of a motor car abroad, either while on leave or on deputation out of India, Ceylon, Nepal, Burma and Aden.

(ii) A Government servant who trades in his old car when he goes on leave on condition that the firm shall supply him with a new car on his return from leave, may, soon after taking delivery of the new car apply for advance not exceeding the amount which he has actually paid in cash towards the price of the new car.

(4) Except when a Government servant proceeds on leave other than leave on average pay not exceeding four months, or retires from the service, or is transferred to an appointment the duties of which do not render the possession of motor car necessary, he may not without the previous sanction

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either of the Government or of the Heads of Departments mentioned in Appendix I sell a car purchased with the aid of an advance which, with the interest on it in accordance with Article 227 (3) and (4) has not been fully repaid. If a Government servant wishes to transfer such a car to another Government servant who performs duties for which a motor car is necessary without the previous sanction of the Government or the Heads of Department mentioned in Appendix I the transfer of the liability attaching to the car to the latter Government servant, provided that he records a declaration that he is aware that the car transferred to him remains subject to the mortgage bond and that he is bound by its terms and provisions.

(5) Whenever a Government servant sells a car before completing the repayment of an advance received from the Government for its purchase with the interest on it in accordance with Article 227 (3) and (4), he should apply the sale-proceeds, so far as may be necessary, towards the repayment of the outstanding balance due to the Government. If however, the borrower sells the car only in order to purchase another car the Government or the Heads of Departments mentioned in Appendix I of Tamil Nadu Financial Code, Volume II may permit him to apply the sale proceeds towards the purchase subject to the following conditions:-

(i) If the sale proceeds of the old car exceeds the cost of the new car, the Government servant should pay the excess to the Government immediately. Where, however, the amount of advance outstanding exceeds the sale proceeds of the old car as also the cost of the new car, the Government servant, should repay that amount of outstanding advance which is in excess of the cost of the new car.

If a Government servant sells an old car purchased out of Government loan or by private

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means and applies to the Government for an advance for a fresh car within a period of two years of such sale, he should reserve the sale proceeds of the old car for purchasing a fresh car, if he were to finance the purchase by an advance from Government. The Government will advance as loan only the additional amount required for purchasing a car against after deducting the sale proceeds of the old car or the maximum allowed under the rules, whichever is less. No further advance will be granted to a Government servant who already possesses a motor car purchased with the aid of an advance from Government and gives it away as gift.

NOTE:- "Cost of new car" means the actual price as defined in G.O.Ms.No.558, Finance, dated 17th May 1962, i.e., includes the expenditure on repairs and renewals on the motor cars and the items which have necessarily to be purchased along with the motor car, e.g., spare wheel, tyre and a tube but does not include insurance and registration charges and the cost of additional accessories, fitting, etc. The time limit for carrying out repairs and renewals is one month from the date of purchase of the car.

(ii) The Government servant should continue to repay the amount outstanding by the monthly instalments already fixed.

(iii) The new car should be insured and mortgaged to the Government as required by the rules.

NOTE:- 1 In cases where the car purchased from the Government loan is sold within five years of the date of sanction of loan or date of purchase of the car whichever is earlier and a fresh advance is applied for, the advance should be restricted to the purchase price of the fresh car less the sale proceeds of the previous car.

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NOTE:- 2 However, in cases where, in the original purchase, the officer had supplemented the loan from Government with his own funds, he need not be required to apply the excess of sale proceeds over the amount due to Government, for purchase of the new car, provided that this excess shall not be more than the amount by which he supplemented the loan from the Government in the first instance.

(6) A further advance may be sanctioned to a Government servant for the purchase of a second motor car when he already has a car bought with the aid of an advance on account of which there is a balance still outstanding provided that it is shown to be clearly desirable in the public interest for him to possess two cars, and provided that the total amount outstanding against him at any one time on account of both advances does not exceed the permissible maximum.

(7) Every Government servant who applies for an advance should forward with his application an agreement executed by him in the prescribed form. If the advance is granted, he should execute a mortgage bond in the prescribed form after buying the car and should also insure the car.

NOTE:- No registration fee shall be leviable upon a mortgage deed executed by a person in the service of the State Government for securing the repayment of an advance received by him from the Government for the purchase of a motor car for his own use.

(8) The sanctioning authority may condone in exceptional circumstances the failure of the loanee to make the purchase of the conveyance within one month from the date of drawal of advance, by granting extension of time for a further period of not exceeding one month, when they are satisfied that the applicant will be

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genuinely utilising the money for the purchase of the vehicle well within the extended period, and Government will be the authority to condone non-fulfilment of other conditions governing the grant, in the event of failure on the part of Government servants to insure the conveyance within one month of the date of purchase of the conveyance etc.

Procedure

(c) (1) A Government servant who is eligible for and required an advance should submit his application in Form 12.

(2) A Government servant who requires an advance for the purchase of a motor car should submit with his application an agreement executed by him in Form 13. If the application and the agreement are in order, the sanctioning authority should certify accordingly and forward them to the Director of Treasuries and Accounts who will certify as to the availability of funds, etc. (see Article 229). If for any reason, the sanctioning authority has to return the application or the agreement for correction, the Government servant should resubmit the revised application or agreement to the sanctioning authority, who should certify as to its correctness and forward it to the Director of Treasuries and Accounts who will again certify as to the availability of funds. The period of two months specified in Article 229 for the drawal of the advance runs from the date of the latest certificate of the Director of Treasuries and Accounts as to the availability of funds.

If the advance is sanctioned, the sanctioning authority should send to the Director of Treasuries and Accounts a certificate that the borrower has signed the agreement in Form 13 and that has been examined and found to be in order.

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In the bill claiming the advance for purchasing a motor car, the Government servant should furnish a certificate to the effect that written assurance has been received by him from the dealer that the conveyance is likely available to him within a month from the date of drawal of the advance.

(3) A Government servant who draws an advance should pay finally for, and take delivery of, the car within one month from the date of drawing the advance; otherwise he should repay the Government at once the full amount of the advance drawn with interest on it for one month. If he completes the transaction within one month allowed, he should then immediately execute a mortgage bond in Form 14, hypothecating the car to the Government as the security for advance. He should enter the actual price paid for that car in the schedule attached to the bond. The sanctioning authority should see that the borrower completes the transaction within the time allowed or makes the necessary repayment immediately on its expiry. If he duly completes the transaction in time, the sanctioning authority should see that he immediately submits the necessary mortgage bond duly executed and should transmit it promptly to the Director of Treasuries and Accounts for scrutiny. It should, after such scrutiny, be forwarded to the Government or the Heads of Department delegated with such powers as the case may be for custody.

The scrutiny of the cash receipt and the bill for the purchase of the conveyance shall, however be done by the Accountant-General.

Where the Government servants retain the advance without purchasing the conveyance stipulated beyond the stipulated period of one month only the normal interest should be charged for the first month and for the period in excess of one month, penal rate should be charged as indicated below:-

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(i) The period of one month will be a calendar month from the date of the drawal of the advance.

(ii) the penal rate of interest will be calculated on the balance outstanding for the actual period in excess of one month (including fraction of a month) and not on the monthly balances as in the case of recovery of advance.

(iii) the penal rate of interest has to be charged upon all overdue instalments, merging the interest with the principal at monthly interest for the purpose of calculating future interest. The authority sanctioning the advance for the purchase of a conveyance has no discretion to levy simple interest in such cases.

(iv) when the period of one month is extended by competent authority, the penal rate will be charged with effect from the date following that on which the extended period expires.

The following example will illustrate the procedure to be followed:-

"A" was sanctioned an advance of Rs.7,500/- on the 30th March 1983 repayable in 50 instalments of Rs.150/- each. He refunded Rs.150/- each on 1.4.1983 and 1.5.1983. The interest will be charged as follows:-

30.3.1983 to 31.3.1983 on Rs.7,500/- at the normal rate.

1.4.1983 to 29.4.1983 on Rs.7,350/- at the normal rate (Rs.150/- refunded on 1.4.1983).

30.4.1983 on Rs.7,350/- at the penal rate.

1.5.1983 to 31.5.1983 on Rs.7,200/- at the penal rate (Rs.150/- refunded on 1.5.1983) and so on.

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The penal rate of interest for the purpose of this order will be the penal rate of interest on all overdue instalments fixed by the Government for that year.

NOTE:- (i) The term "actual price" includes the expenditure on repairs and renewals on motor cars and items necessarily to be purchased along with the motor car e.g., spare wheel, tyre and a tube but does not include insurance and registration charges and the cost of additional accessories, fittings etc. The time limit for carrying out repairs and renewals is one month from the date of purchase of the car. The stamped receipts for repairs and renewals should be sent to the Pay and Accounts Officer in respect of officers in city and to the Accountant-General in respect of officers in mufussal through the Head of the Department.

NOTE:- (ii) The mortgage bond should be executed on thick quality paper and written neatly or typed on only one page leaving the reverse page blank. Sufficient margin on both sides and at the top and bottom has to be left. Any corrections over writings or interlineations in the bond should be attested by the loanee Government servant. It is not necessary that the loanee Government servant and the countersigning officer who signs on behalf of the Governor, should sign the bond on the same date. The date to be specified in the preamble of the bond may be filled up when the bond is signed by the officer executing on behalf of the Governor. The signature of the two witnesses need not be dated and even if dated on different dates, the validity of the bond is not affected.

(4) The mortgage bond to be executed by a Government servant who draws an advance provides that he shall keep the car insured against loss or

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damage by fire, theft or accident. He should effect with the Life Insurance Corporation of India or any other Insurance Company which is prepared to insert in the Insurance Policy a clause indicated in Tamil Nadu Financial Code Form 15 the necessary insurance within one month from the date of purchase of the car. Insurance on owner-driven or other similar qualified terms is not sufficient for the purpose of this rule, but insurance at a reduced rate of premium in consideration of (i) the owner's undertaking to meet the first Rs.250 of any claim under the policy or (ii) the car is not being insured against accident for any reason of the year during which it is not used but is stored in garage, should be accepted as adequate.

If the borrower fails to insure the car within the prescribed period he should refund the whole of the advance with the interest that has accrued on it. The amount for which the car is insured during any period should not be less than the outstanding balance of the advance with the interest that has accrued at the beginning of that period, and the insurance should be renewed from time to time until the amount due is completely repaid. If at any time the amount for which the car is actually insured is less than the outstanding balance of the advance including the interest that has already accrued, the Government servant should refund the difference to the Government in not more than three monthly instalments. In the case of insurance policies under which the companies will be liable to pay only the market value or the insured value of the car, whichever is less, the difference between the market value and the outstanding advance against the officer, including interest should be refunded by the officer ordinarily in three monthly instalments.

On receipt of the sanctioning authority's certificate prescribed in the last sentence of sub-clause (2) above, the Director of Treasuries

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and Accounts will obtain from the borrower a letter in Form 15 to the Insurance Company with which the car is insured informing them that the Government are interested in the insurance policy, and will forward this letter to the Company with the necessary endorsement and obtain their acknowledgment. In cases, where the Insurance Company does not issue fresh policy every year the sanctioning authority should ensure that the original policy wherein the relevant clause in Form 15 stands inserted has been renewed by the Company and that the Government servant has insured the vehicle for an amount not less than the outstanding amount of the advance plus interest thereon. A certificate to this effect may then be sent to the Director of Treasuries and Accounts. However, in cases where a fresh policy is issued every year by the Insurance Company, it would be necessary to repeat the procedure of obtaining from the Government servant a letter in Form 15 for onward transmission to the Company. The Director of Treasuries and Accounts should also request the borrower to produce the receipt for the renewal of premium on each such occasion before the date on which the policy is due for renewal and should scrutinize it to see that it is in order.

The request of the loanee Government servants for condonation of delay in insuring the vehicle on comprehensive basis or in renewing the existing insurance policies of the vehicles on the plea that the vehicles were not put on the road or they fell sick for that particular period or due to pressure of work and pre-occupation, should be viewed seriously, as such omissions are due to the gross negligence of the loanee Government servant concerned. Therefore such lapses, namely (i) delay in insuring the vehicles on comprehensive basis (ii) delay in renewing the insurance policies, should be viewed seriously and the fact entered in personal files of the loanee Government servants concerned. There should not be any negligence in complying with the above orders of the Government.

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NOTE:- A Government servant who draws advance partly or wholly from the Government for the purchase of motor cars, motor cycles and scooters, should not purchase such secondhand vehicles as would not be accepted by the Insurance Company for Comprehensive Insurance.

Advance to Government servants on foreign service

(d) When a Government servant who is on foreign service requires an advance for the purchase of a motor car, he should apply to the foreign employer to grant it from its funds. If the foreign employer wishes to grant the advance, he should apply to the Government or the Heads of Department specified in Appendix I of Tamil Nadu Financial Code, Volume II as the case may be, for their sanction. If the competent authority accords the sanction, it will be subject to the proviso that the advance by the foreign employer shall be regulated by the same conditions as would apply to an advance by the Government or the Heads of Departments concerned. If the foreign employer is not willing to grant the advance from its funds, but recommends that the advance may be granted from the State Funds, the Government or the Heads of Departments concerned may, if they think fit, sanction the grant of the advance from the State Funds under these rules, provided that the Government servant's duties make a motor car practically a necessity for him.

In the case of the personnel of the Corporate bodies, boards, etc., of the State/Central Government working on foreign service terms or on deputation with the Government departments the advance will be sanctioned only by the Government subject to among other conditions that in the event of their reversion to their parent departments before the advance drawn together with interest is fully repaid, they would undertake to repay in one lumpsum, the amount outstanding and the interest

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due before they are actually relieved from the service of the foreign employer.

However, the concession of the recovery in instalments of the outstanding dues in respect of the motor car advance shall be extended to the employees of the corporate bodies even after their reversion to their parent organisation provided the following conditions are satisfied:-

(i) The applicant for the grant of an advance for the purchase of motor conveyance should be a permanent employee of the undertaking and should be likely to continue in service under the Government for atleast three years.

(ii) The advance shall be granted subject to the borrower executing an agreement in Form 14 of Tamil Nadu Financial Code, Volume I hypothecating the motor conveyance concerned to the Government as security for the amount lent.

(iii) The parent organisation should give a written undertaking to Government agreeing to recover and remit in instalments the outstanding dues from the borrower after the date of reversion.

(iv) The monthly instalments of the advance and interest should be remitted to the Accountant-General by the parent organisation by means of a Bank draft within seven days from the date of disbursement of salary.

Exception - The above rule, so far as it relates to the debit of the advance, will not apply to a Government servant whose services are lent to a local body. The advance sanctioned to such a Government servant will be met from the State Funds.

NOTE:- When a Government servant who was a Head of Department or would have been a Head of Department

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but for transfer to foreign service, applies for advance, the sanction will be accorded by Government whether the advance is paid from the funds of the foreign employer or of the State.

- (iii) *Advances for the purchase of motor cycles or scooters or mopeds (New)*

Eligibility of Government servants for an advance

231. Article 230 applies *mutatis mutandis* to advances for the purchase of a new/secondhand motor cycles, new mopeds, new/secondhand scooters.

(a) The following classes of Government servants are eligible for the advance:-

(i) Non-Gazetted Government servants included in classes III and IV of annexure VI to the Tamil Nadu Travelling Allowance Rules who are entitled to draw the cost of transporting Motor Cycle when transferred and are either employed in Madras City or held posts which entail duties involving touring including the posts of Police Officers who have to make inspection outside their headquarters towns.

(ii) Government servants to whom the Government have granted conveyance allowance for the maintenance of a Motor Cycle, etc., for the discharge of their duties.

(iii) Government servants who are on a basic pay of Rs.1600/- and above. The basic pay eligibility is Rs.1200 in the case of Mopeds

(iv) Deputy Tahsildars.

(v) Deputy Commercial Tax Officers and Assistant Commercial Tax Officers.

(vi) Upper subordinates of Agriculture Department.

(vii) Assistant Inspectors of Labour.

(viii) Block Development Officers-cum-Panchayat Union Commissioners.

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- (ix) Agricultural Engineering Supervisors.
- (x) Assistant Section Officers in the Secretariat.
- (xi) Junior Employment Officers.
- (xii) Inspector of Sericulture.
- (xiii) Revenue Inspectors.
- (xiv) Sales Tax Collection Inspectors in the Commercial Taxes Department.

Maximum Amount

- (b) An advance should not exceed -

Category of Conveyance	Quantum of Advance
1. Motor Cycle (New)	Rs.12,000/- or cost of the vehicle whichever is less.
2. Motor Cycle (Secondhand)	Rs. 7,000/- or cost of the vehicle whichever is less.
3. Scooter (New)	Rs.12,000/- or cost of the vehicle whichever is less.
4. Scooter (Secondhand)	Rs. 7,000/- or cost of the vehicle whichever is less.
5. Moped (New)	Rs. 5,000/- or cost of the vehicle whichever is less.

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The classification of Motor Cycle/Scooter/Moped for the purpose of sanction of advance under these rules shall be as follows:-

	<u>Motor Cycle</u>	<u>Scooter</u>	<u>Moped</u>
1.	Enfield	Bajaj	TVS 50
2.	Jawa	Vespa	Luna-Sportiff
3.	Ind-Suzuki	Lamby	Luna-Spark
4.	Yamaha	Vijay	Luna
5.	Rajdoot	Avanathi	Suvega Moped
6.	Hero Honda		Hero Majestic
7.	Kinetic Honda		
8.	Silver Plus		
9.	Bajaj M 50/80		

(iv) *Advances for the purchase of conveyances other than motor cars and motor cycles*

232. The grant of these advances is governed by Articles 227, 228 and 229 and the following rules:-

Eligibility for an advance

(a) Government servants belonging to C and D groups who have completed five years of regular service are eligible for an advance.

NOTE:- No second advance should ordinarily be granted within six years of a previous advance, unless satisfactory evidence is produced by the Government servant concerned to the effect that the

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conveyance purchased with the help of the previous advance has been lost or had become unserviceable. The sanctioning authority should furnish a certificate with the orders sanctioning the advance, that the advance sanctioned is either a first advance or a second advance sanctioned after a period of six years of the previous advance. In other cases he should certify that he has satisfied himself that the conveyance for the purchase of which the previous advance was drawn by the Government servant was lost or has become unserviceable as the case may be.

Conditions on which an advance is granted

(b) (i) An advance should not exceed Rs.800 or the estimated price of the conveyance whichever is less. If the actual price paid is less than the advance taken, the balance should be refunded to the Government immediately. The advance shall be utilised only for the purchase of new bicycles.

A Government servant who intends to purchase a new cycle by taking an advance from the Government should produce a proforma invoice showing the cost of the cycle and accessories obtained from a reputed and established dealer in the area from whom he intends to purchase the bicycle. The sanctioning authority, after scrutinising the invoice, may sanction the advance restricting it to a maximum of Rs.800/- or the cost of the cycle whichever is less. The excess cost of the vehicle over and above Rs.800/- will have to be borne by the Government servant. The Drawing Officer should draw the amount of advance and send it direct to the dealer by means of a mand draft on receipt of which the dealer will deliver the cycle to the Government servant.

A Government servant who takes an advance should, within one month after drawing the advance, furnish the sanctioning authority with a

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certificate stating either that he has utilised the full amount of the advance for the object for which it was granted, or that he has refunded into the treasury the balance of the advance in excess of the actual price paid for the conveyance. The Head of office should physically verify the new bicycle and the bill for the same and furnish a certificate in the following form which should be kept in the file.

"Certified that the proforma invoice showing the cost of new bicycle including the cost of complete fittings obtained from the reputed and established shop, has been verified and found to be in order. It is also certified that the new cycle delivered by the shop has been seen physically by me and the bill for the cycle has also been verified by me".

The head of the office should furnish the Director of Treasuries and Accounts with a certificate after the advance has been drawn and utilised that he has seen the conveyance and the voucher for its purchase. This certificate should be sent to the Director of Treasuries and Accounts in a communication furnishing therewith the particulars of dates of (a) sanction, (b) drawal and (c) utilisation of the advance individually. If the head of the office has drawn the advance, the certificate in respect of it should be furnished by his immediate superior officer.

(ii) A conveyance bought with an advance will be the property of the Government until the advance has been fully repaid together with the interest due on it. So long as a Government servant who has taken an advance still owes the Government anything in respect of it he should submit to the head of his office every month a certificate that the conveyance is in his possession and in good order. This certificate should be furnished before the Government servant's pay is disbursed; it should

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be attached to the pay bill if the Government servant draws his own pay bill and otherwise to the acquittance roll. The conveyance may, if necessary, be sold or otherwise disposed of with the previous sanction of the head of the department, provided that the proceeds are applied towards the repayment of the advance and the interest due on it so far as may be necessary. If the conditions for the grant of the advance viz. purchase of the new bicycle including the complete fittings from a reputed and established shop and the production of voucher for the purchase are not fully satisfied the full amount of advance with interest accrued on it from the date of its drawal shall be recovered in one lumpsum.

(iii) Head Constables and Police Constables and men of corresponding ranks are eligible to draw interest-free advance towards the purchase of bicycles only from the Units of the State Industries Department or the Tamil Nadu State Small Industries Corporation, subject to the conditions that -

(i) the amount sanctioned is recovered in equal monthly instalments not exceeding Rs.20 (Rupees twenty) per mensem.

(ii) that a certificate is issued by the Pay Drawing Officer concerned to the effect that this is the first purchase and that the policeman concerned does not own any cycle at present;

(iii) that the cycle purchased out of the interest-free advance is not sold within a period of five years; and

(iv) that a certificate issued by the Pay Drawing Officer to the effect that it has been verified that the interest-free advance has been utilized for the purchase of the bicycle from the Units of the State Industries Department or the Tamil Nadu State Small Industries Corporation.

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NOTE:- The authorities sanctioning advances to their staff for the purchase of bicycle should record in the sanction order that a certificate of availability of funds has been obtained from the Accountant-General.'

**Advances to Rural Medical Practitioners
for the purchase of bicycles**

232-A. These advances are sanctioned, subject to the following rules and the provisions of Articles 227, 228 and 229 to the extent they are consistent with the rules laid down in this Article:-

Eligibility for an advance

(1) Advances will be granted for the purchase of bicycles to Rural Practitioners working in Rural Subsidized Dispensaries except "B" class Practitioners working temporarily as Rural Medical Practitioners.

Conditions for the grant of an advance

(2) The grant of an advance is subject to the following conditions:-

(i) The advance will be limited to 80 per cent of the estimated cost of the bicycle or Rs.160 whichever is less.

(ii) The Rural Medical Practitioner who takes an advance should within one month after drawing the advance furnish the Accountant-General with a certificate stating either -

(a) that he has utilized the full amount of the advance for the purchase of a bicycle; or

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(b) that he has refunded into the treasury any unutilized balance of the advance specifying the amount refunded.

(iii) The bicycle purchased with the advance should be mortgaged to the Government as security for the advance till it is completely repaid. The mortgage bond will be in Form 14-A. The procedure relating to execution, examination and custody of the mortgage bonds in respect of the advances for the purchase of motor cars/motor cycles laid down in Articles 230 and 231 will apply *mutatis mutandis* to the bonds executed by the Rural Medical Practitioners in subsidised dispensaries for the advances for the purchase of bicycles.

(3) *Procedure for application* - A Rural Medical Practitioner who is eligible for and requires an advance should submit with his application an agreement executed by him in Form 13-A to the President of the District Board concerned who will send them to the Director of Medical Services in the case of Registered Medical Practitioners working in Rural Subsidized Dispensaries of Modern Medicine and to the Honorary Director of Indigenous Medicine in the case of those working in dispensaries of Indigenous Medicine. The Director of Medical Services and the Honorary Director of Indigenous Medicine should forward the applications to the Government through the Accountant-General.

(4) *Repayment of advance* - The advance shall be recovered in ten monthly instalments from the subsidies payable to the Rural Medical Practitioners, with interest at such rate as may be fixed by the Government from time to time.

The Treasury Officer concerned will be responsible for effecting the recoveries regularly from the subsidies payable till the advances are fully repaid with interest.

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(C) ADVANCES FOR THE PURCHASE AND CONSTRUCTION
OF HOUSES

233 These advances are granted in accordance with the rules contained in Appendix 25.

(D) OTHER ADVANCES

(i) General

234. These include (a) advances for the purchase of warm clothing to non-gazetted Government servants and (b) special advances, such as those occasionally granted to Government servants who go abroad to pursue higher studies. Special advances are granted by the Government only in exceptional cases and for specially strong reasons. When the Government grant a special advance, they specify in their order the conditions subject to which it is granted.

(ii) Advances for the purchase of warm clothing

235-A. (1) These advances are subject to the provisions of Articles 227 and 280 to the extent they are not inconsistent with the rules laid down in this Article.

(2) The head of an office or a gazetted Government servant to whom the head of an office has delegated the power of drawing establishment pay bills, may sanction advance for the purchase of warm clothing to all non-gazetted Government servants, including last grade servants, who are transferred from the plains to any of the hill stations in this State and also to those who are recruited for appointment in any of these stations. It may also be granted to the members of the work-charged establishments of the Public Works and Highways Departments, who draw monthly salaries and to the members of the contingent staff of the

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Department of Employment and Training working in the Industrial Training Institute, Coonoor.

NOTE:- 1 For the purpose of this Article the places mentioned in rule 14 (i) of Part I and Part II of the Tamil Nadu Manual of Special Pay and Allowances, Volume I, and the entire Anamalais shall be considered as hill stations.

NOTE:- 2 Members of the contingent staff of the Department of Employment and Training should furnish a personal security bond in Tamil Nadu Financial Code, Form 11 along with a surety from a permanent Government servant or from a Government servant who has put in not less than 10 years of regular service.

(3) The advance shall be limited to four month's pay of the Government servant concerned or Rs.500, whichever is less. The advance payable to Government servants officiating in higher post will be based on the pay drawn by them in respect of their substantive posts only.

NOTE:- The advance shall be Rs.200 each in respect of member of the contingent staff of the Department of Employment and Training working in the Industrial Training Institute, Coonoor.

(4) The Board of Revenue may sanction an advance up to a maximum of Rs.500 to any officer posted as Collector of the Nilgiris from the plains, for the purchase of warm clothing. Similar advance up to a maximum of Rs.300 may be sanctioned to all gazetted officers posted from the plains to any of the hill stations specified in rule 7 (1) under Part I of the Tamil Nadu Manual of Special Pay and Allowances, by the controlling authorities competent to countersign the travelling allowance bills of the Government servants of Group B concerned.

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Exception: An advance for the purchase of warm clothing may be sanctioned to Groups A, B, C and D employees of the State Government employed in the Tamil Nadu House, New Delhi. The maximum amount of the advance shall be Rs.500 or 2 months pay whichever is less in respect of Groups A, B, C and D Government servants.

NOTE - Government servants working in Hosur and Denkanikottai Taluks of Dharmapuri District shall be sanctioned warm clothing advance of Rs.500 or two months pay whichever is less subject to all other provisions.

(5) The advance shall bear the same rate of interest as that chargeable on advance for the purchase of conveyances;

(6) The advance is repayable in twenty monthly instalments;

(7) The drawing officer should satisfy himself that the amount of the advance claimed on each bill is not in excess of the actual needs of the Government servant and the members of his family, who will reside with him in the hill station; and

(8) A Government servant who takes an advance for the purchase of warm clothing should furnish to the sanctioning authority within one month after drawing the advance a certificate stating either (a) that he has utilized the full amount of the advance for the object for which it was granted or (b) that he has refunded into the treasury the balance of the advance in excess of the actual price paid for the warm clothing. The head of the office should furnish the Accountant-General with a certificate after the advance has been drawn and utilized that he has seen the voucher for the purchase of the warm clothing. The certificate should be sent to the Accountant-General in a communication furnishing therein the particulars

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of dates of (a) sanction, (b) drawal and (c) utilization of the advances individually. If the head of the office has drawn the advance the certificate in respect of it should be furnished by his immediate superior officer.

The Collector of Nilgiris or any other Gazetted Officer who has been sanctioned advance for the purchase of Warm clothing should furnish a certificate on the first pay bill cashed after the advance is drawn and utilized to the effect that he has utilized the advance fully, enclosing the vouchers therefor to the Accountant-General, Madras under intimation to Government in the Public (Special) Department and the Board of Revenue or the controlling authorities mentioned in sub-paragraph (4) above, as the case may be.

(9) The Advance for the purchase of warm clothing may be sanctioned without a certificate from the Accountant-General on availability of funds. The Director of Treasuries and Accounts is the controlling authority to watch the allotment of funds against the appropriation under "Warm Clothing Advance". He will submit necessary Budget proposals under this head to the Government in advance each year. All the concerned Departmental Officers and Collectors authorized to sanction warm clothing advance should mark a copy of the order to the Director of Treasuries and Accounts as well as the Pay and Accounts Officers, Madras/Treasury Officers of the Districts concerned as the case may be. The progress of expenditure under this head will be watched by the Director of Treasuries and Accounts with reference to the proceedings sanctioning the warm clothing advance received in his office.

NOTE:- (1) The authorities before sanctioning the advance should make sure that the advances are sanctioned only of those officials whose stock of warm clothing, if any, has become unserviceable and

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[235A-235B]

who are really in need of a fresh set of warm clothing. The Government servant who applies for the advance should be asked to sign a certificate to the effect that his stock of warm clothing has become unfit for further use and that a fresh set of warm clothing is absolutely necessary. Once the advance is sanctioned, further advances should not be ordinarily granted, unless satisfactory evidence is produced by the Government servant concerned to the effect that the warm clothing purchased with the help of the previous advance has been lost through causes beyond his control or has become unserviceable by normal wear and tear. The sanctioning authority would clearly indicate in the orders sanctioning such advance whether it is a first advance or not and in case of further advance he should record a certificate to the effect that he is satisfied about the need for a fresh stock of warm clothing for which the advance is applied for.

NOTE:- (2) No second advance should ordinarily be granted within three years of a previous advance.

(iii) Advances for the purchase of Khadi

235-B. These advances for the purchase of Khadi from the Sales Depots of the Tamil Nadu State Khadi and Village Industries Board are sanctioned subject to the following rules and the provision of Article 227 of this Code to the extent that they are not inconsistent with the rules laid down below:-

(a) *Eligibility of Government servants to the advance* - An interest-free advance for the purchase of Khadi from depots of Tamil Nadu State Khadi and Village Industries Board may be sanctioned to all permanent Government servants including Last Grade Government Servants. The advance may be granted to officiating and temporary Government servants also if the advance can be fully recovered from them before they are ousted.

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(b) *Conditions on which an advance is granted-*

(1) The advance shall be limited to one month's pay of the Government servants concerned. A second advance shall not be sanctioned when the recovery towards the-earlier advance is pending.

(2) The advance shall not be paid in cash, but in the form of a sanction order in favour of the Government servant permitting him to purchase, on credit basis, Khadi from the Depots of the Tamil Nadu State Khadi and Village Industries Board up to the value to be specified in the sanction order, the cost of purchase being initially met by the Government on behalf of the Government servant concerned.

(3) The advance is repayable in not more than six instalments in respect of purchase of Khadi for amount up to and inclusive of Rs.200 and eight instalments in respect of purchase for amount exceeding Rs.200 from the pay bill of the Government servants concerned commencing from the month of adjustment of the cost of purchase at the Pay and Accounts Office or Treasury, as the case may be.

(c) *Procedure -* (i) The Government servant who desires to purchase Khadi shall submit his application in T.N.F.C. Form 30 to the Head of his office specifying the value of the cloth required with particulars of the post held by him and his monthly pay.

(ii) The Head of the office or a Gazetted Government servant to whom the Head of an office has delegated powers of drawing establishment pay bill, shall after checking the particulars mentioned in the application, record his sanction on the application indicating the amount up to which Khadi may be supplied. The sanction order shall be in T.N.F.C. Form 31 and bear the official seal of the head of the office.

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NOTE:-I. In the case of Government servant of Group A, the head of Department may sanction the advance.

II. In the case of Government servants of Group B, sanction for the purchase of Khadi on credit basis shall be accorded at least by the authority next higher to the applicant.

III. In the case of Government servants of Group B, the sanction order shall be prepared in triplicate, the original shall be given to the applicant along with the application for presenting the same to the Manager, Khadi Depot, the duplicate copy shall be sent to the Pay and Accounts Officer or the Treasury, as the case may be, and the triplicate copy shall be retained in the office of issue for record.

IV. In the case of the non-gazetted Government Officers, the sanction order shall be prepared in duplicate, the original shall be given to the applicant along with the application for presenting the same to the Manager, Khadi Depot and the duplicate copy shall be retained in the office of issue for record.

(iii) The applicant shall then present his application and the sanction order to the Manager of the Khadi Sales Depot where he intends to purchase Khadi and the Manager shall issue Khadi up to the limit of the sanctioned amount. He shall then prepare a credit bill in triplicate as usual for the exact price of the Khadi supplied on which he shall take the acknowledgement of the applicant for the cloth received by him and send one of them to the head of the office who sanctioned the Khadi advance. The sanction order will be valid only for one month from the date of issue. The Government will not accept any responsibility for sales made on credit basis on the strength of the sanction order which is not valid.

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(iv) On receipt of the bill from the Sales Depot, the head of the office shall prepare an adjustment bill for the full value of the Khadi supplied debiting the entire amount to "Loans and Advances by the State Government - Loans to Government Servants - d. Other Advances" by per contra credit to "Deposits and advances - Deposits not bearing Interest - C. Other Deposit Accounts - Deposits of Local Fund - C. Other Funds - (iv) Other Miscellaneous Funds - Tamil Nadu State Khadi and Village Industries Board Funds - 1. Khadi Fund - Other Receipts - Production and Marketing (Sale proceeds of Cotton, Charkhas, Khadi, etc.)". The adjustment bill along with the original invoices for the purchases made should be sent to the Pay and Accounts Officer or the Treasury as the case may be. This account adjustment shall be carried out in the Pay and Accounts Office in respect of Khadi Advances sanctioned to Government servants in the offices located in the Madras City and at Treasuries in respect of Advances taken by Government servants working in the mofussil. The adjustment bill shall be prepared in triplicate of which the original shall be kept for record in the Pay and Accounts Office or Treasury in the mofussil as the case may be and other two returned to the head of the office who proposed the adjustment. He in turn, shall retain one in his office and pass on the other to the Sales Depot which supplied Khadi.

NOTE:- On receipt of bill in respect of credit sales by the Khadi Kraft, Madras, the head of office shall prepare a bill for the value of Khadi supplied, debiting the entire amount to the head of account noted above and make an endorsement to the effect that the value is payable to the Manager, Khadi Kraft, Madras, by means of crossed cheque.

(v) The Manager of the Sales Depot shall watch for the receipt of the triplicate copy of the adjustment bill and file it with the application and sanction order relating to the individual

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applicant kept in the depot. These papers shall be preserved as credit voucher for compiling departmental accounts of the receipts of the department.

(vi) It shall then be the responsibility of the head of the office where the duplicate copy of the adjustment bill is filed to watch the recovery of the amount of the adjustment bill like any other recoverable advance, e.g., Festival Advance by compulsory deduction from the pay of the Government servant, till it is fully realised and credited under "Loans and Advances by the State Government - Loans to Government servants - d. Other Advances". In the case of Gazetted Officers who draw their own pay, they shall show in their pay bills amount to be deducted from their gross pay regularly every month till the entire value of the cloth purchased by them is recovered. These monthly recoveries shall be watched through Audit Registers maintained in the Pay and Accounts Office in the City and in the Treasuries in the mofussil.

(vii) The sanctioning authorities should maintain a register of Khadi Advance in T.N.F.C. Form 33, the columns (1), (2) and (3) being filled in as soon as sanction orders are issued, the details of number and date of sanction order being noted in column (2) itself and columns (4) and (5) being filled in on receipt back from the Treasuries or the Pay and Accounts Office, as the case may be, on the accepted copies of adjustment bills proposed towards payment of credit sales. Unutilised sanction orders shall be cancelled and filed with the sanctioning authorities. Entries should also be made in the register against the relevant sanction orders of the fact of cancellation. The register will be reviewed by the sanctioning authority once in a month and the original application of the sanction order not utilised after one month from the date of issue shall be taken back and filed in the office after cancellation.

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(viii) The heads of offices besides maintaining a separate register for watching the recovery of the "Khadi Advance" in T.N.F.C. Form 33, should also watch the adjustment of the Khadi Advance through the general register in T.N.F.C. Form 23-B.

(d) Reconciliation of debits and credits - (i) Each head of department shall receive the monthly figures and debits and credits under this advance from the Subordinate Controlling Officers (District Officers) by the 20th of the succeeding month. The Subordinate Controlling Officers shall obtain the figures from the subordinate drawing officers by the 15th of the succeeding month. The Accountant-General, Madras, shall communicate to each head of department the debits and credits for each month by the first of the second succeeding month. The head of the department shall compare these figures with the figures already received by him from his subordinate controlling officers and reconcile the differences if any. The heads of departments shall arrange to carry out this reconciliation when their staff visit the office of the Accountant-General for the reconciliation of the figures under the service heads.

(ii) (a) To enable the differences to be located easily, the heads of departments receive the monthly figures from the subordinate controlling officers in the following forms:-

Name of drawing officer	Huzur voucher chalan particulars	Credit	Debit
(1)	(2)	(3)	(4)

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(b) After the accounts for March are closed, the Accountant-General shall communicate the balances under the advance head to the heads of departments who shall arrange to communicate their acceptance of the same after due verification.

(iii) In regard to Government servants who are transferred from one office to another, involving a change in the district or payment of department, a statement showing the particulars of the amount of advance paid and recoveries effected upto the date of transfer should be furnished to the office of the Accountant-General in addition to similar details furnished in the last pay certificate to the head of the new offices to which the Government servant is transferred.

III. ADVANCE REPAYABLE

General

236. The transaction of Government business often necessitates the placing of funds at the disposal of Government servants as temporary cash advances for public purposes. These are subsequently adjusted as expenditure under the appropriate heads of account or recovered from the parties concerned. When such advances are free of interest they are shown in the accounts as "Advances Repayable" under the following heads:-

- (i) Civil advances
- (ii) Special advances
- (iii) Revenue advances
- (iv) Forest advances

The rules applicable to each of these classes of advances are contained in the following Articles. Clauses (1), (4) (b) and 4 (c) of Articles 227 also apply to these advances.

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(I) CIVIL ADVANCES**Classes of Advances**

237. The following are some of the classes of advances included under this head:-

- (1) Objection book advances.
- (2) Advances to junior. Indian Administrative Service Officers.

They are dealt, with in Articles 238 to 245.

(1) OBJECTION BOOK ADVANCES**Classes of Advances**

238. These include the following:-

- (A) Advances on transfer
- (B) Deleted
- (C) Advances to Government servants proceeding on deputation outside India.
- (D) Advance of travelling allowance to the family of Government servant who dies in service.
- (E) Advance for meeting the immediate requirements of the family of non-gazetted Government, servants who die while in service.

The conditions on which these advances are granted are set out below:

NOTE:- (1) For advances for journeys on tour, which are debited to the service head concerned, see Articles 84 and 100.

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NOTE:- (2) Officers who draw establishment bills should maintain a separate register in which they should enter all the particulars regarding advances etc., sanctioned to members of the establishment, and also advances noted as outstanding in the last pay certificates of Government servants transferred to the offices. The amount of the advance in each case should be shown as outstanding until it is completely recovered or the outstanding balance is entered in the last pay certificate of the officer. The register should be consulted whenever the last pay certificate is prepared.

NOTE:- (3) In cases of advances regulated by Article 239 to 244 A, sanctions to be issued by the competent authority shall stipulate that no interest shall be chargeable if the conditions attached to the sanction including those relating to the recovery of amount are complied with fully to the satisfaction of the competent authority. In cases, however, of default interest shall be charged at the rate of 2.5%.

(A) Advances on transfer

239. These advances are granted in accordance with the following rules:-

**Eligibility of Government servants
for an advance**

(a) Advances of pay and/or travelling allowance can be granted to (1) a Government servant who receives an order of transfer involving change of station during duty or leave (2) a Government servant employed in the Secretariat in respect of each non-gazetted Government servant of Raj Bhavan for authorised move to and from Ootacamund, and (3)

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a gazetted or a Non-Gazetted Government servant of Raj Bhavan for the move to and from Ootacamund every year in connection with the annual change of headquarters of the Governor all under this head.

Sanctioning authority

(b) The authorities shown below have power to sanction these advances to the extent noted against each:-

Nature of advances	Authorities competent to grant sanction
(i) Advance of pay and travelling allowance to a Government servant in permanent employment.	All Government servants who are authorized to draw pay and travelling allowance bills or establishments.
(ii) Advances of pay and travelling allowance to a temporary or officiating Government servant who has no substantive post but is an approved probationer or who has completed the prescribed period of probation and is not likely to be discharged within four months, and an advance of travelling allowance only to any other temporary or officiating Government servant who has no substantive post;	The Collectors, Deputy Collectors and Revenue Divisional Officers in the Revenue Department; the head of the office in the Public Works Department; the Survey Department; Industrial Engineer, General Superintendents, Industrial Engineering Workshops, Madras; Assistant Directors of Industries and Commerce (except the Assistant Director of Industries and Commerce, Government Industrial Engineering Workshops, Madras); Sericultural Expert; Assistant Sericultural Expert,

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Nature of advances	Authorities Competent to grant sanction
(iii) Advance not covered by items (i) and (ii).	<p>Hosur; Principals of all Polytechnics; Government Textile Institute, Madras; Institute of Leather Technology, Madras; School of Arts and Crafts, Madras; Special Officer, Gut Section, Coonoor in the Industries and Commerce Department; Government servants not below the rank of Assistant Commissioner in the Excise Department; Conservators of Forest; Divisional Forest Officers and the State Wild Life Officer in the Forest Department; District Registrars in the Registration Department; and in other cases the head of the Department or the head of the office to whom the head of the department has delegated the power of sanction.</p> <p>The Government, who sanction such advances only for special and exceptional reasons.</p>

NOTE:- (1) The Government servants authorised to draw pay and travelling allowances bills of

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establishments may sanction advance pay and travelling allowance themselves.

NOTE:- (2) The Commissioners of the Municipalities may sanction advance of pay on transfer to themselves under these rules.

NOTE:- (3) The Superintendent of Police, Crime and Q Branch, C.I.D., Madras, and the Superintendent of Police, Special C.I.D., Madras may sanction advance of pay and travelling allowances under this article to the staff working under their control and they may exercise the powers vested with the head of the office under this Article.

NOTE:- (4) The District Employment Officers (Youth Employment Service) working in the Department of Employment and Training may sanction advance of Pay and Travelling Allowance on transfer to themselves.

Conditions on which an advance is granted

(c) (1) An advance should not exceed the pay that the Government servant is in receipt of immediately before transfer or the pay that he will be entitled to after transfer, whichever is less plus the travelling allowance to which he may be entitled under the rules in consequence of the transfer or move to or from Ootacamund, as the case may be.

(2) An advance on account of a transfer should invariably be recorded on the Government servant's last pay certificate. [See also instruction 1 (f) under Treasury Rule 19.]

(3) The advance of pay should be recovered from the Government servant's pay in three equal monthly instalments and the first instalment should be deducted from the first full month's pay drawn after the transfer or move. The first two

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instalments should be fixed in whole rupees, and the remaining balance including any fraction of a rupee should be recovered as the third instalment. The advance of travelling allowance should be recovered in full in the Government servant's travelling allowance bill for the journey in question. The Government servant should present this bill as soon as possible and if the amount of the bill is less than the advance, he should refund balance in cash at once. When recoveries have to be made from the same Government servant on account of more than one advance of pay drawn on transfer the recoveries should be made concurrently. Any amount recovered from the Government servant in excess of the advance drawn should, if it remains unclaimed for one year from the date of the last recovery, be credited as revenue to the Government.

(4) If member of a Government servant's family does not accompany him but follows him within six months from the date of the transfer (see Rule 75 of Tamil Nadu Travelling Allowance Rules), a separate advance may be granted at the time on account of the travelling expenses of that member, provided that no advance has already been drawn for the same purpose.

When a single advance is drawn for the travelling expenses of both the Government servant and his family, it may be adjusted by submitting more than one bill if the members of the Government servant's family do not actually complete the journey with him. The Government servant should however, certify on each adjustment bill that he will submit a further bill in due course for the travelling allowance admissible on account of the members of his family (to be specified) who have not yet completed the journey and that he expects the amount claimed in that bill to be not less than the balance of the advance left unadjusted. If necessary, they should refund a part of the balance in cash before signing this certificate.

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Adjustment of advances of pay granted to
Government servants sent on foreign service and
reversion from foreign service

(d) (i) The amount of an advance of Government servant transferred to service under foreign employer, should be reimbursed to Government by the foreign employer in lump, by sending a cheque or demand draft in favour of the Audit Officer on whose records the advance is originally booked.

(ii) An advance of pay to a Government servant on his reversion from foreign service should be granted by the foreign employer along with the concurrence of the authority competent to sanction the transfer of the Government servant to foreign service. The competent authority should refund the total amount to the foreign employer by means of a demand draft on receipt of a demand from the foreign employer, duly supported by a certified copy of the original cash receipt obtained from the Government servant at the time of the payment of the advance.

(e) An advance of pay is not admissible under this Article to Government servants in respect of transfers made at their own request.

239-A. Gazetted Government servants may be granted an advance of one month's pay in the new station, in addition to the advance of a month's pay drawn by them at the old station, when delays occur in the payment of the salaries. Such an advance can be sanctioned by the Head of the Office or by the Gazetted Officer himself if he happens to be the Head of Office. The second advance can be drawn if the necessary authorisation for drawal of pay is not received within two months from the date of taking charge of the post by the Officer concerned. The second advance will be recovered in a lumpsum from the bill for a month paid after the

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drawal of the advance, while the first advance will be recovered in three instalments from the pay for the subsequent three months.

NOTE - The second advance to Government servants on transfer is admissible even if the transfer is from one post to another in the same sanction provided the other conditions are satisfied.

240. Deleted.

241. Deleted.

242. Deleted.

(C) Advances to Government servants proceeding
on deputation outside India.

242-A. Government servants proceeding on deputation outside India may be granted advance of pay by the Government subject to the following conditions:-

(1) The period of deputation is not less than one month;

(2) the amount of advance is limited to a month's pay of the officer and is recovered in not more than three equal monthly instalment and

(3) in the case of temporary Government servants, surety from a permanent Government servant is obtained before the advance is sanctioned.

(D) Advance of travelling allowance to the
family of Government servant who dies in service

242-B. Travelling allowance admissible to the members of the family of a Government servant who dies in service, for the journey from the Government servant's headquarters to his home or to

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any other place where they wish to reside may be drawn in advance, if the officer drawing the bill is satisfied that the journey will be made.

Such an advance will be subject to the following terms and conditions:-

(i) The advance may be sanctioned by the authority who would have been competent to countersign the travelling allowance claim if the officer were alive.

(ii) The amount of the advance may be limited to 3/4th (three-fourth) of the probable amount of travelling expenses that may be admissible under the rules.

(iii) The advance will be payable to only one member of the family of the deceased Government servant, on behalf of all. It should be the widow/widower or any other member of the family (within the definition of the term "family" who is a major and of sound mind). The decision of the sanctioning authority to whom the advance may be given shall be final.

After the advance is sanctioned by the competent authority it may be drawn by the head of the office and paid to the member of the family authorised in this behalf.

(iv) Only one advance will be admissible irrespective of the fact that the members of the deceased Government servant's family travel in separate batches from the same or different stations.

(v) The account of the advance drawn should be rendered within one month of the completion of the journey if the family travels in one batch. In case the family travels in more than one batch the account may be rendered within one month after the

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completion of the journey by the last batch. In any case, the journeys must be completed before the period of three months stipulated in the sub-paragraph to rule 110 of the Tamil Nadu Travelling Allowance Rules contained in Part II of the Tamil Nadu Manual of Special Pay and Allowances, Volume I and the account of the advance rendered within one month of the expiry of the stipulated period, at the latest. The advance should, however, be refunded forthwith if the journey is not completed within the stipulated period.

(vi) The surety of a permanent State Government servant, status comparable to or higher than that of the deceased Government servant, should be obtained in the form prescribed in FORM 11-A before the advance is sanctioned. The person receiving the advance should also give an undertaking in that prescribed form in writing to the effect that he/she would abide by the provisions contained in clause (v) above. This is necessary in order to enable the sanctioning authority to effect recovery of overpayments resulting from non-performance of the journey within the stipulated period or non-submission of the adjustment bill within the prescribed period.

(vii) The advance will be interest-free and will be treated as an "advance recoverable". The adjustment of the advance will be watched through objection book by the Accounts Officer concerned.

(E) Advance for meeting the immediate requirement of the family of Government servants who die while in service

242-C. The Heads of Departments/Offices may sanction advances to families of all Government servants who die while in service including Gazetted Officers in permanent or temporary employ (Excluding casual and daily rated staff) for

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meeting their immediate requirements. Such an advance will be subject to the following terms and conditions:-

(i) All Government servants (excluding casual and daily rated staff who die while in service whether on duty or on leave with or without pay) shall be holding a permanent or temporary employment at the time of his death.

(ii) The amount of advance shall be limited to the three month's pay of the deceased or Rs.1,000 (Rupees one thousand only) whichever is less.

(iii) The advance shall be payable -

(a) In the case of a Government servant who is eligible for the benefits of the Tamil Nadu Liberalised Pension Rules, 1960, the payment of advance should be made only to the person or persons nominated by him or otherwise eligible (i.e.) where there is no nomination to receive the Death-cum-Retirement Gratuity in the same proportion as they are entitled to, and

(b) In the case of a Government servant who is not eligible for the benefits of the Madras Liberalised Pension Rules, 1960, but is a subscriber to the Contributory Provident Fund (Madras) or person or persons nominated by him in the same proportion as they are entitled to the Provident Fund amount as specified in the nomination. In cases where no nomination has been made and there is a family, the payment should be made to the person or persons entitled to receive the amount under Rule 25 (i) (b) of the Contributory Provident Fund Rules (Madras) as the case may be and in cases where there is no family, the payment should be made to the person or persons entitled to the amount under the Provident Fund Act, 1925.

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(iv) In all cases an undertaking should be taken from the person or persons concerned, before the payment is made that he/she/they agree to the amount being deducted from the Death-cum-Retirement Gratuity or the Contributory Provident Fund amount or the General Provident Fund amount or the Death Gratuity admissible under ruling 5 to rule 4 of the Madras Liberalised Pension Rules, 1960 ultimately payable to him/her/them.

(v) The advances shall be debited to the sub-head "Immediate relief advance to the families of Government servant who die while in service" under "7610. Loans to Government servants' etc., other advances". The sanction order communicated by the Heads of Department/Heads of Office to the Accountant-General should contain the following particulars:-

1. Name of Official (Gazetted or Non-Gazetted).
2. Designation and office in which the person has been last working.
3. Last Pay drawn (Permanent or officiating).
4. Amount of advances sanctioned.
5. Name of the payee.
6. Provident Fund Account Number.

(vi) As it is important to provide the relief in time the Heads of Departments/Offices are empowered to use for this purpose the imprest or other resources available with them. If the imprest or other resources are not sufficient to cover the payment, the Head of Department/Office should draw the amount from the Treasury in Tamil Nadu Treasury Code Form No.40. The fact of payment in this behalf should be recorded in the Last Pay

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Certificate sent to the Accountant-General with the paper relating to Death-cum-Retirement Gratuity and similar other pay. In cases where submission of Last Pay Certificates has been dispensed with, the fact of payment of advance should be indicated in the "No demand Certificates" or in the pension application in the letter forwarding the pension papers to the Accountant-General.

(vii) The advance should be adjusted against the arrears of salary due, Death-cum-Retirement Gratuity, Provident Fund accumulations or any other payments due to the deceased, as soon as possible, and in any case within six months from the date of sanction. Where the advance cannot be so adjusted for the reason that it is more than the payments due to the deceased under the Rules, the balance remaining to be so adjusted should be recovered from the lumpsum amount of Rs.40,000 payable to the family of the Government employee who dies while in service under the Tamil Nadu Government Servants' Family Benefit Fund Scheme.

(F) **Advances to Gazetted Officers on first appointment**

242-D. In the case of the first appointment of Gazetted Officers, if for any reason, there is delay in receipt of the authorisation from the Accountant-General or the Pay and Accounts Officers, the Gazetted Officers may be paid an advance equivalent to a month's pay. They may also be granted a further advance of another month's pay, if the authorisation of the Accountant-General or the Pay and Accounts Officer, as the case may be, is not received within two months from the date of taking charge. These advances can be sanctioned by the Head of Office in which the Gazetted Officer is working or by the Gazetted Officer himself, if he happens to be the Head of Office. Such advances shall be recovered in two instalments each, commencing from the month in which the full month's

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pay is drawn after the drawal of the first advance or the second advance as the case may be. These advances shall be sanctioned on the basis of the minimum of the scale of pay admissible only in all cases, even if in some cases higher starting pay might be admissible to the Gazetted Officers concerned.

243. Deleted.

(3) Advances to Junior I.A.S., I.F.S. and I.P.S. Officers

244. Each Junior Indian Administrative Service Officer on appointment as Assistant Collector, each Junior Indian Forest Service Officer on appointment as Assistant Conservator of Forests and each Junior Indian Police Service Officer on appointment as Assistant Superintendent of Police shall on application to Government through the Accountant-General be granted for the purchase of furniture and other necessary equipment an interest-free advance not exceeding Rs.500 (Rupees five hundred only). The advance shall be sanctioned only if applied for within three months of the Assistant Collector, Assistant Conservator of Forests and Assistant Superintendent of Police joining duty in the State on completion of training. The advance is not payable during leave. The advance shall be recovered by deduction at Rs.50 per mensem from his monthly pay, commencing with the first pay bill drawn, after the completion of period of two months from the date of drawal of the advance. An officer who draws the advance shall certify on the bill in which the first instalment of recovery is effected that the whole amount of the advance was utilised for the purposes for which it was sanctioned.

244-A. Special conditions for grant of advances in connection with the Leave Travel Concession to Officers belonging to All India Service on duty under the State Government:-

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(1) A member of the All India Services is eligible for an advance for leave travel journeys if he wishes to avail of such concession while proceeding on leave. The State Government Officers, who are their own Controlling Officers for purposes of sanctioning of travelling allowance may sanction the advance to themselves. In other cases, the Controlling Officers concerned will sanction the advance.

(2) The following provisions shall regulate the grant of such advances:

(i) The amount of advance in each case shall be limited to four fifths of the estimated amount which Government would have to reimburse in respect of the cost of journeys both ways to the home town and back.

(ii) Where the officer and members of his family avail themselves of leave travel concession separately, i.e. at different times there would be no objection to the advance being drawn separately to the extent admissible.

(iii) (a) The advance may be drawn for both the forward and return journeys of the officers and/or the members of his family at the time of the commencement of the forward journey, provided the period of leave taken by the officer or the period of anticipated absence of the members of the family does not exceed three months or 90 days;

(b) Where the period of leave or the period of anticipated absence exceeds three months or 90 days, the advance can be drawn for the forward journey only; and

(c) Where an advance has been drawn for both the forward and the return journeys and later it becomes clear that the period of absence either of the officer or the officer's family from

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headquarters is likely to exceed three months or ninety days, one-half of the advance shall be refunded to Government forthwith.

(iv) Where it is proposed to perform the initial part of the outward journey by rail, the advance may be granted sixty days before the proposed date of the journey, but have to be refunded forthwith if the Government servant is not able to produce the cash receipt from Railways to show that he has utilised the amount of advance for the purchase of tickets within ten days of the drawal of advance.

In the case of non-issue of railway cash receipts the employee who has drawn an advance can produce ticket numbers to the Controlling authority within ten days of the drawal of the advance in order to show that the advance has been utilised for the purpose for which it was drawn.

Where the initial part of the outward journey is proposed to be performed otherwise than by rail, the advance may be granted thirty days in advance of the proposed date of journey. But the advance shall have to be refunded forthwith if the outward journey is not commenced within thirty days of the grant of advance.

(v) (a) The account of advance drawn for leave travel journeys should be rendered after completion of the journeys in the same way as for an advance of travelling allowance on tour;

(b) The travelling allowance claim, in adjustment of the advance drawn, should be prepared within one month of the completion of the return journey.

(c) Where advances are sanctioned separately for each different group of members of family of the officer, adjustment of claims may be permitted

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to be made separately. Where, however, a consolidated advance is drawn by the Officer in respect of members of his family, the adjustment can be prepared in a single bill.

(vi) The amount of advance will be debited under the head "Travelling Allowances" subordinate to the appropriate final head of account to which the pay, etc., of the Government servant concerned are debited and the adjustment of the advance will be watched through objection book by the Audit Officer/Accounts Officer concerned.

(vii) (a) The above provisions apply *mutatis mutandis* to a member of the All-India Service who is on deputation to the Government of India or to any other State Government, if he wishes to proceed on leave immediately on reversion to his parent Government and to join the parent Government on the expiry of such leave. In the leave applications of the reverting officer, the fact that he would be availing the Leave Travel Concession during the period of leave will have to be mentioned by him. The borrowing Government may, while forwarding the leave application to the lending Government for sanction inform the latter Government that in the event of leave being sanctioned, they would sanction advance to the extent admissible. On receipt of intimation regarding sanction of leave, the borrowing Government may sanction the advance and endorse a copy to the lending Governments which will keep a watch on the adjustment of Leave Travel Concession advances.

(b) The procedure in sub-paragraph (c) above may be made applicable in the event of the reverting officer applying for leave and intending to avail of, during the leave, the leave travel concession himself or with any or all members of his family. If, during the period of leave in question, any or all members of his family alone

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intend to avail of the concession and not the officer himself, even then, the procedure is applicable.

(c) The Leave Travel Concession advance granted by the borrowing Government will be adjusted against the account of the Government, which is ultimately liable to bear the expenditure on account of the leave travel concession availed of by the officer concerned and/or his family. The necessary book adjustment shall, however be arranged to be made through the Accountant-General.

245. Deleted.

(ii) SPECIAL ADVANCES

General

246. This head includes the following:-

- (1) imprests for minor irrigation works and works pertaining to rural water-supply schemes,
- (2) advance to contractors for making supplies to the Agriculture Department,
- (3) advances for the destruction of agricultural pests and diseases,
- (4) advances for the settlement of habitual offenders,
- (5) advances to Kallars,
- (6) advances for erecting temporary sheds in plague affected area,
- (7) advances to Government Press Employees for paying examination fees,
- (8) advances to hostels,

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(246-247]

(9) advances for rural re-construction works,

(10) advances to headconstables and constables; to the staff of the Finger Print Bureau, Vellore; to naiks and havildars of the Tamil Nadu special Police Battalions and to the personnel in the Fire Service Branch of the rank of leading firemen and below, for the purchase of spectacles,

(11) interest-free advances not exceeding Rs.350 to Gazetted Officers, Non-Gazetted Officers and employees of local bodies drawing salaries, not exceeding Rs.300 per mensem to meet the initial expenditure on the purchase of hearing aids,

(12) advances to Non-Gazetted Government servants suffering from pulmonary tuberculosis or leprosy,

(13) imprest advances sanctioned to the units of the Industries and Commerce Department, and

(14) Any other interest free special advance not classifiable under the heads.

NOTE:- For advances for few suits, which are debited to the service head concerned as Contingent charge, see Article 101.

The general or special orders of the Government governing each class of the advance mentioned above contain the special conditions that apply to them. The more important provisions are set out in Articles 247 to 255-C.

(I) Imprest for Minor Irrigation works and works pertaining to Rural Water Supply Scheme

247. At the beginning of each year the Collector of a district should communicate to each Tahsildar a list of repairs to minor irrigation

LOANS AND ADVANCES
[247-250]

works sanctioned for execution in the year. In connection with these repairs, he may grant an imprest not exceeding Rs.500 to each Tahsildar. The advance should be drawn from the treasury in round sums only as and when required, and should be adjusted from time to time by detailed bills forwarded with voucher to the Revenue Divisional Officer who should check and countersign them and forward them to the Treasury Officer for adjustment. When the imprest or any part of it is no longer required e.g., when the rainy season starts and work ceases, it should be refunded to the treasury in round sums.

Subject to the general conditions stated above, the Collector of a district may also grant an imprest not exceeding Rs.350 to the Tahsildar concerned in connection with the execution of a work pertaining to Water Supply Schemes.

248 and 249 Deleted.

**(2) Advances to contractor for making supplies
to Agricultural Department**

250. Any head of an office in the Agricultural Department who is a gazetted officer may grant an advance not exceeding Rs.100 to a contractor for the supply of an article, subject to the following conditions:-

(i) every advance must be made on the personal responsibility of the head of the office concerned,

(ii) no advance should be sanctioned as a matter of course, or unless it is really essential,

(iii) no second advance may be given to the same contractor until the first one has been cleared, and

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[250-252]

(iv) the maximum limit of Rs.100 applies to the total amount of advances made for the supply of articles of any one class, even when they are made to several contractors.

**(3) Advances for the destruction of Agricultural
pests and diseases**

251. A Government servant who is appointed as an inspecting officer under the Madras Agricultural Pests and Diseases Act, 1919 (Madras Act III of 1919), may draw an advance of Rs.25, from which he should meet the cost of the remedial or preventive measures taken by him under the Act.

As the work progresses, the inspecting officer should submit to the Tahsildar or the Deputy Tahsildar in-charge of the sub-treasury concerned the vouchers in support of the expenditure incurred by him from the advance and, on finishing the work he should refund any unexpended balance. The cost of the remedial or preventive measures taken by the inspecting officer under the Act should be recovered from the occupiers of the area concerned in accordance with the rules and orders issued under the Act.

4. Advances for the settlement of Denotified Tribes.

252. The Collector of South Arcot in respect of Aziznagar Settlement and the Director of Backward Classes in respect of other Denotified Tribes Settlement, may grant advances as shown below, to settlers subject to the budget provisions in each year.

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[252-cont.]

Nature and purpose of the advance	Maximum advance for each settler	Period of recovery
(1)	(2)	(3)
(a) Industrial advances for the purpose of looms and raw materials.	Rs. 200	Not more than one year.
(b) Agricultural Advance for the purpose of implements, seed manure and cattle.	200	Not more than three years.

NOTE:- Collector of South Arcot in respect of Aziznagar Settlement and the Director of Backward Classes in respect of other Denotified Tribe Settlement may sanction an extension of time not exceeding two years for the repayment of an advance.

The advances should be made and recovered through co-operative societies, as far as possible. At a Settlement where there is no co-operative society, the advances may be made to the individual settlers and recovered through the Manager.

Collector of South Arcot in respect of Aziznagar Settlement and the Director of Backward Classes in respect of other Denotified Tribes Settlement may also place at the disposal of each

LOANS AND ADVANCES
[252-253]

Manager of Denotified Tribes Settlement run by the Government a lumpsum of Rs.200 each year from the funds at his disposal, for granting advances to the settlers for agricultural purposes. The Manager of a Government Settlement may grant an ... exceeding Rs.10 to an individual settler for the purchase of seed, agricultural implements and similar articles necessary for the cultivation of his land. Such advances should be recovered within one year. The Manager should report to the Collector of South Arcot in respect of Aziznagar Settlement and to the Director of Backward Classes in respect of other Denotified Tribes Settlement for subsequent approval of all advances which he makes. If he does not expect to be able to utilize in full his allotment of Rs.200, he should surrender the balance in time towards the end of the year.

NOTE:- Collector of South Arcot in respect of Aziznagar Settlement and the Director of Backward Classes in respect of other Denotified Tribes Settlement may also sanction agriculture advances to ex-convicts who are sent to Settlements as voluntary settlers subject to the conditions laid down in this Article. He should pay due regard to the probable length of the settlers' stay in the Settlement.

(5) Advances to Kallars

253. The Director of Adi Dravidar Welfare may grant advances up to a total amount of Rs.2,000 in each year to Kallars in the Madurai and Ramanathapuram districts for the purchase of implements and raw materials required for home-weaving and other industrial purposes.

The maximum limit for an advance to an individual and the other conditions prescribed for industrial advances under Article 252 apply to these advances also.

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(254-255A)

(6) Advances for erecting temporary sheds in
plague affected areas

254. Subject to the provisions of clause (2) of Article 227, the head of a department (see Appendix 1) may grant an advance not exceeding one month's substantive pay to each Non-Gazetted Government Servant (including menials) of his department employed in a plague-affected area for erecting a temporary shed. The advance should be recovered in six equal monthly instalments.

(7) Advances for Government Press Employees
for paying Examination Fees

255. The Works Manager, Government Press, Madras, may grant an advance of Rs.6 for the lower grade and Rs.12 for the higher grade examination in proof-reading to any employee of the Government Press who is required to pass the examination and whose monthly pay does not exceed Rs.40, to enable him to pay the examination fee. The advance should be recovered in four equal monthly instalments beginning with the first occasion on which a full month's pay is drawn after the advance is made.

(8) Advances to Head Constables, etc., for the
purchase of spectacles

255-A. (1) Superintendents of Police and Deputy Commissioner of Police (Headquarters), Madras City, may sanction advance to head constables and constables with defective eye-sight to enable them to purchase spectacles subject to the following conditions:-

(i) The advance should be limited to actual requirements subject to a maximum of Rs.35 in each case and the officer sanctioning the advance should satisfy himself that the amount is utilized for the purpose for which it is granted;

LOANS AND ADVANCES
[255A-cont.]

(ii) The advance should be granted only to persons who, in the opinion of the sanctioning officer, are unable to buy spectacle without it. As it is an interest-free advance, it should not be granted as a matter of course to all those who apply; and

(iii) The advance should be recovered in not more than eighteen monthly instalments.

(2) The Principal, Police Training College, Vellore, the Commandant, Tamil Nadu Special Police Battalion, Avadi, and the Commandant, Special Armed Police, Red Hills,, respectively may sanction advances to the staff of the Finger Print Bureau, Vellore, to the Havildars, Naiks, Constables and Lance Naiks of the Tamil Nadu Special Police Battalion, and to Havildars, Naiks, Constables and Lance Naiks of Special Armed Police with defective eye-sight to enable them to purchase spectacles subject to the conditions mentioned in sub-paragraph (1) above.

(3) The Divisional Fire Officers and the Deputy Director of Fire Service may sanction advances to Fire Subordinates of the rank of Leading Fireman and below with defective eye-sight to enable them to purchase spectacles, subject to the conditions mentioned in sub-paragraph(1) above.

NOTE:- 1 Advances for the renewal of spectacles may also be sanctioned in the cases governed by the article subject to the same condition as are applicable to the fifth advance, provided that no previous advance is outstanding against the individual concerned.

NOTE:- 2 The sanctioning authority should furnish a certificate in the orders sanctioning the advance that the advance which is sanctioned is either a first advance or a renewal advance and should certify in the case of a renewal advance that he has satisfied himself about the need for the renewal.

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[255B]

(9) Advances to meet the initial expenditure
on the purchase of hearing-aids

255-B. These advances are sanctioned subject to the following rules:-

(i) Only the permanent employees and approved probationers with more than five years of total service in a regular capacity will be eligible for the advance.

NOTE - Hearing-aid advance may be granted to the Family Members of the Non-Gazetted Government Officers also. The total number of such cases should not exceed 50 in a year.

(ii) The application for an advance should be submitted to the Government through the Director of Treasuries and Accounts, Madras, who will forward it to the Heads of Departments concerned with a certificate regarding the availability of fund under the Head of Account "Advances for the purchase of hearing-aids".

(iii) The application should be supported by a certificate from the authorised medical attendant or the specialist attached to the Ear, Nose and Throat Department of a Government Hospital to the effect that the hearing-aid is necessary. Such a certificate should also indicate the type of hearing-aid and the approximate cost thereof.

(iv) The amount of advance should be fixed with reference to the approximate cost given in the certificate of the authorised medical attendant or the Ear, Nose and Throat Specialist. Fifty per cent of the amount of advance should be recovered from the Government servants in monthly instalments not exceeding twenty-four. The remaining half of the amount of advance, which is reimbursable to the entitled personnel be treated as reimbursement immediately after the entitled personnel produce

LOANS AND ADVANCES
[255B-cont.]

the necessary voucher in support of the payment towards the purchase of hearing aids and adjusted by initial book adjustment by per contra debit to the detailed head "Medical Charges" under the relevant service head of the personnel concerned.

(v) The Government servant should purchase the hearing aid within one month from the date of drawal of the advance and produce to the head of office necessary voucher to show that he has spent not less than the amount of advance on the purchase of hearing aid. If the cost of the hearing aid is less than the amount of advance, he should immediately refund the excess amount. As soon as the Government servant purchases the hearing aid and produces the voucher to the head of his office (in the case of the non-Gazetted Officers) a certificate should be furnished by the head of office concerned to the Director of Treasuries and Accounts, Madras, in the following form to enable him to make necessary adjustment.

As regards Gazetted Officers, they should furnish the certificate along with the voucher for the purchase price of hearing-aid to the Director of Treasuries and Accounts, Madras.

(For Non-Gazetted Officers)

Certified that the advance of Rs.....
(rupees only) for the
purchase of hearing-aid to Thiru
..... sanctioned in G.O. Ms.
No....., dated was fully utilised
by the grantee/was utilised to the extent of
Rs..... by the grantee
and the excess amount of Rs..... was
refunded under chalan No....., dated
into the

LOANS AND ADVANCES
[255B-cont.]

The grantee has produced necessary voucher for the purchase of the hearing-aid for Rs..... (rupees only).

Signature and designation of
the Head of the Office.

Date:

(For Gazetted Officers)

I, Thiru
certify that the advance of Rs.....
(rupees only) for the
purchase of hearing aid sanctioned to me in G.O.
Ms. No., dated
..... was fully utilised/was utilised
to the extent of Rs..... and the
excess amount of Rs..... was refunded under
chalan No....., dated into the
..... The voucher of the
payment of cost of hearing aid is forwarded
herewith.

Signature and designation of the
officer.

Date:

(vi) The responsibility of watching and effecting recovery of the advance rests on the sanctioning or pay disbursing authorities.

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[255C-255D]

10. Advances to Government servants suffering from Pulmonary Tuberculosis or Leprosy

255-C. An advance equal to two months basic pay may be granted to all Government servants suffering from Pulmonary Tuberculosis, Leprosy or Cancer and drawing a pay not exceeding Rs.1,000 per mensem. The advance shall be recoverable in full, in not more than eighteen monthly instalments, during the period when the Government servant enjoys full leave salary. However, this concession will not be extended, in case, a relapse occurs after the Government servant joins duty.

255-D. An imprest of Rs.15,000 may be drawn by each of the following units of the Industries and Commerce Department:-

- (i) Electro-Medical Equipment Centre at Guindy
- (ii) Electro-Medical Equipment Centre at Madurai
- (iii) Electro-Medical Equipment Centre at Thanjavur.
- (iv) Electro-Medical Equipment Centre at Coimbatore.

The amount shall be deposited in a Personal Deposit Account to be opened in the name of the officer-in-charge of each unit mentioned above. Payments should be made from the personal Deposit Account in the first instance and then a detailed bill presented at the treasury for payments by debiting the expenditure to the service head per contra credit to the Personal Deposit Account.

All contingent bills relating to the units mentioned above should be paid by transfer, credit to the Personal Deposit Account only. No cash payment will be allowed. All payments made from the Personal Deposit Account should be recouped

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[255D-257]

before 31st March of the year and the imprest advance remitted to Government account on 31st March of the year by closing the Personal Deposit Account. The Personal Deposit Account may be opened again at the beginning of the next year by drawing an imprest bill.

(iii) REVENUE ADVANCE

256. The following advances fall under this head:-

Advances for demarcation purposes.

Advances for replacing missing boundary marks.

The detailed rules regarding the grant of these advances to Government servants of the Revenue and Survey Departments and their subsequent adjustment are contained in the Revenue Standing Orders and the Madras Survey Manual.

(iv) FOREST ADVANCES

257. A Government servant in the Forest Department who is not in charge of a District Forest Office may, in accordance with Departmental regulations, be entrusted with a sum of money not exceeding a specified amount as an advance for executing works or for meeting current expenditure including contingent expenses and petty disbursement under travelling allowances.

The responsibility for the repayment of an advance rests primarily with the Government servant who receives it, but the Divisional Forest Officer or the State Wild Life Officer is also responsible for the recovery of all advances made to his subordinates.

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[258-260]

(v) PERMANENT ADVANCES

258. The rules relating to permanent advances are contained in Articles 94-98 and 106-107.

(vi) PERIODICAL REVIEW OF LOAN

259. The Accountant-General will furnish the Government with annual statements of all outstanding loans to enable the Government to review the transactions.

(vii) IRRECOVERABLE LOANS AND ADVANCES

Duties and powers of officers to write-off

260. In respect of advances for the detailed control, accounting and supervision of which the departmental Government servants are responsible, it is the duty of the departmental Government servant concerned when any advance is ascertained to be irrecoverable, to take the necessary steps to get written-off the accounts under the sanction of the competent authority, and to advise the Accountant-General when it is written off in order that he may make the necessary adjustments in the accounts. Irrecoverable advances written-off should be registered by the departmental Government servant concerned in a separate record in order that any recovery eventually found to be possible may be made.

The Government servants mentioned in Appendix 21 are authorised to remit or write-off loans and advances to the extent stated. Any such remission or write-off not covered by the powers specified in Appendix 21 requires the sanction of the Government.

CHAPTER II - DEPOSITS**Introductory**

[261]

261. In connection with the transaction of public business the Government receive moneys deposited with them for various purposes, by or on behalf of various public bodies and members of the public, and afterwards account for them by repayment or otherwise. Any department of the Government may receive such deposits; a large number of them relate to the revenue administration or the administration of justice. In relation to certain classes of deposits, e.g., Deposits of Local Funds, the Government's function is merely that of a banker; in connection with certain other classes, e.g., Civil Deposits, they also control the administration of the moneys.

The Government some times decide to set aside sums from the revenues of a year or a series of year to be accumulated as a fund the balance at the credit of which is held as a deposit and expended on specified objects. They also receive contributions from other sources to some such funds which they administer.

The transactions relating to moneys of the kinds described above are accounted for in the "Deposit Section" of the Government accounts.

This Chapter deals with "Civil Deposits", which include the classes of deposits closely connected with the administration of various Government departments and controlled by the Government.

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Classes of Civil deposits

262. "Civil Deposits" include -

- (i) Revenue Deposits.
- (ii) Civil Courts Deposits.
- (iii) Criminal Courts Deposits.
- (iv) Personal Deposits.
- (v) Public Works Deposits.
- (vi) Trust Interest Funds.
- (vii) Deposits for work done for public bodies or private individuals.
- (viii) Unclaimed Provident Fund Deposits.
- (ix) Deposits of subscription for a Government loan.
- (x) Deposits in connection with elections.

The kinds of deposits included under each of the heads (i) to (vi) above are specified in APPENDIX 19. The nature of the deposits included under the other heads is briefly explained below.

Trust Interest Funds

263. Transactions relating to interest on securities held by the Examiner of Local Fund Accounts as Treasurer of Charitable Endowments or on account of Miscellaneous Trusts are recorded under this head.

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[264-267]

**Deposits for work done for public bodies
or private individuals**

264. These deposits are made with the Government by local or other bodies financially independent of the Government to cover the payment of compensation for land which the Government propose to acquire for such bodies under the Land Acquisition Act, 1894 (India Act I of 1894) (see the detailed rules in the Madras Land Acquisition Manual).

Unclaimed Provident Fund Deposits

265. Amounts standing at the credit of subscribers in Provident Funds under the control of the Government are transferred to this year at the end of a year if they have remained unclaimed for a period exceeding six months from the date when the subscriber ceased to be in the service of the Government.

Deposits of subscriptions for a Government loan

266. This head is opened temporarily whenever the Government raise a loan in the open market.

266-A. Deleted.

Deposits in connection with Elections

266-B. "Deposits of candidates standing for Elections to the State Legislature" and "Deposits on challenged votes, received in connection with Elections to the State Legislature" are classified under this minor head.

General Principles and Rules

267. The treasury should not credit any amount under a deposit head without the formal sanction of the competent authority. As a general

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[267-cont.]

rule no amount should be credited under a deposit head if it can be properly credited to some other known head in the Government account. The Treasury or Sub-treasury Officer should see that this rule is strictly followed and make representations to the court or other authority ordering the acceptance of a deposit, if he considers that the amount should be credited under some other head of account.

In particular, the following items should not be treated as deposits, but should be credited, on receipt to the departmental head of account most nearly concerned, in accordance with the authorized procedure:-

- (i) Revenue paid to the Government on account of a demand yet due.
- (ii) Land revenue and cesses collected in one taluk on account of another.
- (iii) Receipts for which full particulars are not available.

NOTE:- These should be credited as miscellaneous receipts and adjusted to the proper head subsequently if necessary.

- (iv) Any pay pension or allowance or part thereof on the ground of the absence of the payee or for any other reason

NOTE:- In a district office pay should not be drawn till the claimant appears.

- (v) Fines realized in cases in which an appeal is pending except to the extent indicated in Part III of Appendix 19.

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- (vi) Refunds of receipts (including stamp refunds) pending a claim for refund.
- (vii) Sale-proceeds of unclaimed property, except to the extent indicated in Part III of Appendix 19.
- (viii) Initial receipts of less than one rupee and balances of deposits due for refund of less than one rupee, except when they are credited to a deposit head under the orders of a court or received in connection with the acquisition or sale of land.

268. No transactions other than cash transactions may be accounted for in the deposit section of the Government account. Security deposits received from contractors, Government servant, etc., in forms other than cash, and jewels or other property received for safe custody and return in kind should be brought on to the special registers prescribed for the purposes. They should not be credited as revenue or brought on to the deposit register even though their value is stated in money - see Articles 276 and 278.

269. No money tendered as Personal Deposits by private individuals or by Government servants acting otherwise than in their official capacity and no funds of quasi public institutions, even though they are aided by the Government, may be accepted for deposit in a treasury except under an order of the Government.

Balances in the Personal Deposit accounts do not lapse to Government under Article 271, if outstanding for more than three complete account years. Except where by law or rules having the force of law, personal deposit accounts are created by transferring funds from the Consolidated Fund

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[269-271]

for discharging liabilities of the Government arising out of special enactments personal deposit accounts created by debit to the Consolidated Fund should be closed at the end of the financial year by minus debit of the balance to the relevant service heads in the Consolidated Fund, the Personal Deposit Accounts being opened next year again, if necessary in the usual manner. If a personal deposit account is not operated upon for a considerable period and there is reason to believe that need for the deposit account has ceased, the same should be closed in consultation with the officer in whose favour the deposit account has been opened.

270. The procedure to be followed by Government servants in paying moneys received as deposits into the treasury or the Bank and subsequently withdrawing them, when necessary for repayment to the depositors or other persons entitled to them is prescribed in the Tamil Nadu Treasury Code (see subsidiary rules and instructions under Treasury Rules 10 and 16).

Lapse of deposits to the Government

271. In certain circumstances deposits lapse to the Government and are credited to the Government under the appropriate revenue head of account. The following rules specify these circumstances:-

(i) Revenue deposits

Deposits not exceeding five rupees made in a financial year and unclaimed will lapse to Government only after the expiry of one complete financial year. Balance not exceeding five rupees in each case of deposits partly repaid during the year then closing, and all deposits unclaimed for

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[271-cont.]

more than four complete financial years should be credited to the Government at the close of March in each year.

NOTE:- 1 In respect of security deposits under the Kuthagai Pattam Rules the transferred areas for the proper conduct of leases, the period prescribed for the lapse of Revenue Deposits under this Article shall be calculated from the date of expiry of the lease.

NOTE:- 2 In the case of security deposits taken from the licensees under the various Control Orders in the State, the time-limit for lapse shall be calculated from the date of expiry of the licences.

NOTE:- 3 In the case of initial deposits furnished by the applicants applying for mechanized fishing boats and the payment of balance amount towards security deposit the time-limit for lapses shall be from the date on which the last instalment of loan amount is repayable from the hirer of boats.

Exception (1) - In the case of caution deposits taken from student apprentices, etc., in the following Government institutions, the time-limit for lapse will be as indicated below:-

	Time limit for lapse
(1) Caution deposits taken from pupil mid-wives and pupil compounders under going training in Government Medical Institutions.	Two financial years

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[271-cont.]

(ii) Caution deposits collected from the trainees in Industrial Training Institutes and Centres run by the Department of Employment and Training.

Three financial years from the date of completion of the training except in the case in General Mechanics course where the time-limit will be seven financial years.

(iii) Caution deposits taken from students in the Agricultural College and Research Institute, Coimbatore.

Six financial years.

(iv) Caution deposits collected from students in the Government Engineering Colleges.

Eight financial years. Amount of caution deposits which were due for repayment on any day prior to 25th September 1964 but which have not yet been repaid shall also be repaid if they have not remained under revenue deposit for more than 8 years in each case.

(v) Caution and/or Library deposits taken from the students of the Government Medical Colleges, the Veterinary College Hostel, Madras, all the Government Polytechnics, Institute of Leather Technology, Madras

Seven financial years.

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[271-cont.]

Regional School of
Printing, Madras and the
Government Textile
Institute Madras, from
Apprentices in the
Industrial Engineering
Workshops, Madras and from
Boarders in the Government
Nandanar Hostel for Boys,
Chidambaram.

(vi) Caution money Five financial years.
deposits from the students
of the Crafts sections in
the School of Arts and
Crafts, Madras.

Exception (2) - Shooting licence deposits in the Forest Department may be carried over from year to year without limitation when the licences are renewed.

Exception 2 (a) - Caution Money Deposits collected from the members of Civilian Rifle Training Centres attached to the Police Departments may be carried over from year to year without limitation when the licences are renewed.

Exception (3) - The time-limit for lapse will not apply to caution deposits taken from members borrowing books from the Connemara Public Library, Madras.

Exception (4) - Deposits made by the patients for the occupation of the double cottages in the Government Tuberculosis Sanatorium, Tambaram may be carried over from year to year until it is drawn under the orders of the competent authority for being utilized on the construction of double cottages in the Sanatorium.

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[271-cont.]

Exception (5) - The security deposits made by or on behalf of proprietors of cinema theatres under the Tamil Nadu Entertainments Tax Act, 1939 or the Tamil Nadu Local Authorities Finance Act, 1961, may be carried over from year to year without limitation, so long as the proprietor continues to be liable to pay any amount under the provisions of the Tamil Nadu Entertainments Tax Act, 1939 or the Tamil Nadu Local Authorities Finance Act, 1961.

Exception (6) - The security furnished in cash by the industrialists, lessees of canteens, shops and other buildings in the industrial estates and colonies belonging to the Department of Industries and Commerce towards advance rent will lapse to the Government in the same manner as other kinds of revenue deposits except that the age of the deposit or the balance of deposit not yet repaid should be reckoned from the date when the deposit or balance, as the case may be first becomes repayable.

Exception (7) - The time-limit for lapse will not apply to the security deposits furnished by Government servants dealing with cash and properties.

Exception (8) - Revenue deposits remitted by Co-operative Societies on behalf of the staff deputed under Fundamental Rule 127 in the Co-operative Department may be carried over from year to year without limitation during the currency of the posts. The period of limitation in such cases will commence from the date of retrenchment of the posts.

Retrenchment of the posts should be promptly reported to the Treasuries and Sub-Treasuries by the Departmental Officers concerned.

DEPOSITS
[271-cont.]

Exception (9) - Security deposits remitted by lessees under the Mineral Concession Rules, 1960, may be carried over from year to year without limitation during the currency of the lease. The period of limitation in such cases will commence from the date of expiry of the lease.

Exception (10) - Security deposits furnished by the Agents, Tamil Nadu Raffle Scheme may be carried over from year to year without limitation during the currency of their agencies. The period of limitation in such cases will commence from the date of termination/suspension of the agencies. The fact of termination/suspension of the agencies should be promptly reported to the Treasuries and Sub-Treasuries by the Departmental Officers concerned.

Exception (11) - In respect of the scheme for supply of oil engines and electric motor pumpsets to the farmers in the Agriculture Department through the Land Development Bank or Nationalised Bank, the time-limit for lapse of Earnest Money Deposits furnished by the firms in the permanent list of approved firms, be calculated from the date on which a particular firm ceases to be in the permanent list maintained by the Agriculture Department.

Exception (12) - The Security Deposits made on behalf of the dealers registered under the Tamil Nadu General Sales Tax Act, 1959 may be carried over from year to year without limitation so long as the said registered dealer continues to be liable to pay any amount under the provisions of the Tamil Nadu General Sales Tax Act, 1959.

Exception (13) - Security deposits furnished by the Agents for the licence of goods booking agencies may be carried over from year to year without limitation during the currency of their agencies. The period of limitation in such cases

DEPOSITS
[271-cont.]

will commence from the date of surrender/cancellation of the agent's licence. The fact of surrender/cancellation of the agencies should be promptly reported to the treasuries and sub-treasuries by the departmental authorities concerned.

(ii) Civil and Criminal Court's deposits

(a) *High Court's deposits* - Section I of the Unclaimed Deposits Act, 1866 (India Act XXV of 1866), governs the lapsing of these deposits to the Government.

(b) *Deposits of the Presidency Court of Small Causes* - The lapsing of these deposits to the Government is governed by the rules framed by the High Court and approved by the Government under the Presidency Small Cause Courts Act, 1882 (India Act XV of 1882). These rules are embodied in the pamphlet entitled "Rules pertaining to the accounts of the Presidency Court of Small Causes, Madras."

(c) (i) *Other Civil and Criminal Courts deposits (Excluding deposits under the payment of Wages Act, 1936)* - The lapsing of these deposits to the Government is governed by the rules issued by the High Court in this behalf.

NOTE:- The period of lapse for Civil Court's Deposits and Criminal Court's Deposits is four years (see Rule 52 under Chapter III in Part I of the Civil Rules of Practice and Circular Orders, Volume II and Rule 329 of the Criminal Rules of Practice and Circular Orders as amended). The four years referred to in this Rule should be computed with reference to the date of the last payment and not from the date of the original deposits.

(ii) *Deposits under the Payment of Wages Act, 1936* - Amount due to a worker under section 15 of the Payment of Wages Act, 1936, should be drawn by

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the worker or any person entitled to claim it on his behalf from the authority appointed under section 15, sub-section (1) of the said Act within a period of three years from the date on which the amount is deposited with or received by the said authority. If it is not drawn within this period, it shall at the end of the financial year in which the said period of three years expired be treated as unclaimed deposit and credited to the State Government by book adjustment by the Accountant-General on receipt of detailed statements from the authority concerned. A similar procedure should be followed in respect of unclaimed deposits recovered by the Industrial Tribunals under section 20, sub-section (5) of the Minimum Wages Act, 1948.

(iii) *Deposits under the Workmen's Compensation Act, 1923 towards witness batta* - Amount deposited as Witness Batta under the Workmen's Compensation Act, 1923 should be drawn by the witness within a period of three years from the date on which the amount is deposited with or received by the Commissioner or Additional Commissioner for Workmen's Compensation. If it is not drawn within this period, it shall at the end of the financial year in which the said period of three years expired be treated as unclaimed deposit and credited to the State Government.

(iii) **Personal deposits**

(1) *Official Assignees' deposits* - All balances in the hands of the Official Assignee which have not been increased or diminished by any transaction for three complete financial years lapse to the Government.

(2) *Official Receivers' deposits* - The lapsing of these deposits is governed by the rules issued by the Hon'ble the Chief Justice, High Court of Judicature at Madras in this behalf.

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(3) *Cash deposits of patients in Government Hospitals (Cash receipts other than cash deposits towards hospital stoppages)* - These deposits should be allowed to lapse to Government if they remain unclaimed for more than three complete financial years.

(4) *Estate Abolition Tribunal's Deposits* - All balances in the District Civil Courts which have not been increased or diminished by any transaction for three complete financial years lapse to the Government.

(iv) **Public Works deposits**

These deposits lapse to the Government in the same manner as "Revenue deposits" - item (i) above, except that the age of a Public Works Deposit or the balance of a Public Works Deposit not yet repaid should be reckoned from the date when the deposit or balance as the case may be, first becomes repayable.

(v) **Works deposits - Deposits for work of Land Acquisition for Public bodies or individuals**

These deposits lapse to Government in the following manner:-

Deposits not exceeding the five rupees made in a financial year and balances not exceeding five rupees of deposits partly repaid during a year and remaining unclaimed will lapse to Government only after the expiry of three complete financial years. All deposits exceeding five rupees and unclaimed for more than five complete financial years shall lapse to Government. The amounts lapsed as above should be credited to the Government at the close of March in each year. The age of these deposits or the balance not yet repaid should be reckoned from the date when the deposit or balance as the case may be first becomes repayable.

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272 (a). If the claim for the refund of the Deposit credited to Government under Article 271 is made within three years from the date of lapse (the limitation prescribed in Article 113 of Limitation Act, 1963), the Treasury Officers shall authorise the refund of the lapsed deposit in respect of which detailed accounts are kept by them. The claims preferred after three years from the date of lapse shall be treated as time barred under the provisions of Article 35 of Tamil Nadu Financial Code, Volume I and shall be paid only with the special sanction of the Head of Department and after pre-audit by the Accountant General. The authorisation for payment shall be issued on satisfying:-

1. that the item was really received;
2. that it was credited to the Government as lapsed;
3. that it is claimed by a person who might have drawn it before it lapsed; and
4. that the competent departmental authority has signed the refund application and furnished the necessary certificates as to the claimant's identity and title to the amount - see also Article 34."

NOTE:- The following officers are also empowered to sanction time barred lapsed deposits which are claimed within six years from the date of lapse:

1. District Collectors.
2. Deputy Commissioners (Commercial Taxes).
3. Joint Commissioner of Civil Supplies.

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4. Deputy Commissioner of Civil Supplies (city) (in respect of claims relating to Madras city and belt area).

(b) Claims for the refund of lapsed revenue deposits, security deposits, customs and opium, raffle deposits and works deposits preferred after six years from the date of lapse of the deposits shall be not entertained. The lapsed revenue deposits, security deposits, customs and opium, raffle deposits and works deposits statements shall be preserved for eight years.

CHAPTER XII - RESPONSIBILITY FOR LOSSES
OF PUBLIC MONEYS OR PROPERTY
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General

273. The Government will hold a Government servant personally responsible for any loss sustained by the Government through fraud or negligence on his part and also for any loss sustained through fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence (See also Article 5).

The cardinal principle governing the assessment of responsibility for such losses is that every Government servant should exercise that same diligence and care in respect of all expenditure from public funds under his control as a person of ordinary prudence would exercise in respect of the expenditure of his own money (See also Article 3).

274. A Government servant who has to arrange for public moneys to be carried from one place to another by a messenger should take all reasonable precautions to prevent any loss in transit due to misappropriation of the moneys by the messenger or any other cause. He should pay due regard to all relevant factors including the status of the messenger employed and the distance over which the moneys have to be carried. As far as possible he should use for this purpose only permanent Government servants whom he knows to be reliable. When the amount to be carried is considerable, he should not entrust it to a single low-paid subordinate.

274-A. The following rules should be observed in cashing bills or in remitting money from one office to another. They prescribe the minimum precautions to be observed for safeguarding

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PUBLIC MONIES OR PROPERTY
[274A-Cont.]

Government money outside a Government office in normal circumstances. If conditions are in any way abnormal, as when the general tranquility is disturbed or when the money has to be transported over a long distance or when crimes against property have been unusually ripe in any area, the officers should use their judgment as to the additional precautions that may be required. Officers can also relax at their discretion the requirements of the rules, where it is safe to do so and depute such other suitable persons as they deem fit; but the officers will be personally held responsible for any loss which may occur as a result of misuse of the direction. These rules do not apply to the remittance of treasure which is governed by the rules in the Tamil Nadu Treasury Code or to village officers remittances.

(a) Sums below Rs.1,000/-

- (i) If the sum is below Rs.500, a single peon should be employed.
- (ii) If the sum is Rs.500 or above, but less than Rs.1,000 two persons or a clerk should be employed.

(b) Sums of Rs.1,000 and above, but below Rs.5,000 - A clerk and a peon should be employed.

(c) Sums of Rs.5,000 and above, but below Rs.20,000 - Two clerks or a clerk and a shroff or two shroffs or an officer not lower in status than a Huzur Treasurer or a Taluk Head Accountant, accompanied by one or two peons should be employed.

RESPONSIBILITY FOR LOSSES OF
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- (d) Sums of Rs.20,000 and above - An officer not lower in status than a Huzur Treasurer or Taluk Head Accountant and a clerk or shroff with an escort of two peons should be employed.

NOTES:- (i) Officers must use their discretion as to the persons employed. A peon, recently entertained, or a peon whose honesty has been suspected should not be employed alone.

(ii) When a sum of money between Rs.5,000 and Rs.20,000 has to be brought from, or sent to the Bank or Treasury, only persons who hold substantive posts in Government service and have rendered a service of not less than ten years should be sent.

(iii) Special arrangements should be made, where this is essential or ordinarily when the amounts cashed are greatly in excess of Rs.20,000. If police escort is considered necessary, the previous general or special sanction of the Government should be obtained explaining fully the necessity for it.

(iv) The detailed rules relating to the Public Works and Public Departments are contained in the Madras Public Works Department Code and the Police Standing Orders respectively.

275. One important method by which the Government endeavor to minimise the risk of losses and ensure that it shall be possible to recover the amount of any loss that may be sustained is the taking of adequate security from certain Government servants who are entrusted with the custody or handling of Government cash in stores and from contractors who supply stores or execute works for

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the Government. This chapter contains the rules relating to (i) security deposits, and (ii) the action to be taken when any loss of public moneys or property occurs.

Security Deposits - Government servants

276. Every cashier, store-keeper, sub-store-keeper and other subordinate who is entrusted, whether permanently or temporarily, with the custody of Government cash or stores should ordinarily be required to furnish security and to execute a security bond setting forth the conditions under which the Government hold the security and may ultimately refund or appropriate it (see Article 283). A reference to each such bond should be recorded in the Register of Security Deposits. This register should be in Form 17, except when some other form is specially prescribed in the rules or orders applicable to any department. If preferred, the form prescribed for use in the Public Works Department may be adopted by any other department. The amount of security to be furnished by each such Government servant should be fixed with due regard to circumstances and local conditions in accordance with the rules contained in the departmental code or manual concerned and the relevant special orders of the Government, if any. If a case arises which does not fall clearly within the provisions of any existing rule or order, the head of the office should report the circumstances in full and obtain the specific orders of the head of the department or other prescribed authority as to whether security should be taken and if so, for what amount.

277. When a Government servant who has furnished security takes leave other than casual leave or is deputed on other duty, the Government servant who is appointed to officiate for him should be required to furnish the full amount of

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security prescribed for the post, unless a competent authority has authorized a relaxation of the rules regarding security applicable to his case.

In respect of securities furnished by Government servants, the authority competent to accept such securities on behalf of the Governor may condone the period not exceeding one month from the date of taking charge of the post concerned to the date on which the security is furnished.

NOTE:- The Director of Treasuries and Accounts is authorised to condone the delay in furnishing the security by the shroffs in the Treasuries and Accounts Department beyond the period of one month and up to six months from the date of appointment of any delay in effecting the renewal of the security by the shroffs in the form of fidelity guarantee bond as contemplated in Article 279 of Tamil Nadu Financial Code, Volume I.

Security Deposits - Contractor

278. Whenever a private person or a firm contracts with the Government to supply stores or execute a work, he or it should, unless exempted by a competent authority, be required to give security for the due fulfilment of the contract and suitable provisions regarding the security should be incorporated in the agreement executed with reference to Articles 128 and 166. A reference to the agreement should be recorded in the Register of Security Deposits - See Article 276.

**Forms of security and conditions on which they
are accepted**

279. All Heads of Departments, Boards and Corporations, Local Bodies, etc. shall obtain security deposits from contractors for execution of

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works, supply of materials, supply of finished goods, etc., only in the shape of small savings scrips/deposits/accounts. The type and duration of scrips/ deposits/accounts shall be decided with reference to the wishes of the contractors and the term of security deposits. These provisions will exclude the contractors who execute works for Tamil Nadu Housing and Slum Clearance Boards funded from HUDCO loan. The security taken from a Government servant should be in one of the following forms subject to the conditions noted against each or partly in one and partly in another of these forms when this is specially permitted by the departmental authority authorised to accept the security:-

Forms (1)	Conditions (2)
(1) Cash	The Government will pay no interest on any deposit held by them in the form of cash.
(2) Promisory notes of the Government, the Central Government or any other State Government, municipal debentures or Port Trust Bonds or Tamil Nadu Electricity Board Bonds or Bond or Debentures issued by the Tamil Nadu Industrial Investment Corporation.	These securities should be accepted at 5 per cent below the market price or at the face value whichever is less, and should be duly endorsed in favour of the prescribed authority in accordance with the rules in Chapter X of the Government Securities Manual. Contractors who furnish security in this form should be required to endorse the securities in favour of

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Forms (1)	Conditions (2)
	the Executive Engineer in the Public Works Department and the District Forest Officer in the Forest Department and for debentures issued by the Tamil Nadu Water Supply and Drainage Board.
2(A) Units issued by the Unit Trust of India.	Units may be accepted at their face value up to 20 per cent of the Security Deposit. Balance of the Security Deposit may be in any other forms as enunciated in this Article.
(3) Stock certificates of the Government, Central Government or any other State Government.	These should be accepted at 5 per cent below the market prices or at the face value whichever is less. The person who furnishes these certificates as security should transfer them to the prescribed authority (in the name of his office) by registration in the books of Public Debt Office and produce evidence of such registration before the certificates are accepted as security deposit. Similarly, when the

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Forms
(1)

Conditions
(2)

(4) Post Office Savings
Bank deposits.

security has to be returned to the person who furnished it, authority concerned should effect the transfer by registration in the Public Debt Office - See the Rules contained in Chapter X of the Government Securities Manual.

A pass-book for a deposit made under Rule 45(b) of the Post Office Savings Bank Rules may be accepted as security, provided that the depositor assigned and delivered to the Postmaster a letter in the prescribed form, as required by Rule 45(f) of those Rules. Alternatively the Government servant or contractor who furnishes security may offer security in the form of cash with a request that it be deposited in the Post Office Savings Bank in the name of the pledgee (departmental authority which takes the security) in

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Forms
(1)

Conditions
(2)

(5) Post Office Cash Certificates and Savings Certificates issued by the Government.

accordance with Rule (g) of the Post Office Savings Bank Rules (See Article 281).

The certificates should be formally transferred to the pledgee with the sanction of the Head Postmaster in accordance with Rule 5 of the Post Office Cash Certificates Rules and should be accepted at their surrender value at the time of tender. In the event of the security given in the form of "savings certificates" being forfeited to the Government within the period during which the certificates are not encashable, the certificates should be retained by the Government servant holding the security for the minimum period required and then encashed for the purpose of appropriating to Government the amount due.

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Forms
(1)

Conditions
(2)

(6) Deposit receipts of the State Bank of India, the Tamil Nadu Co-operative Bank and the Co-operative Central Banks approved by the Registrar of Co-operative Societies for the purpose.

(i) The deposit receipt should be made out in the name of the pledgee or if it is made out in the name of the pledger, the bank should certify on it that the deposit can be withdrawn only on the demand or with the sanction of the pledgee.

(ii) The depositor should agree in writing to undertake any risks involved in the investment.

(iii) The bank should agree that, on receiving assigned treasury challan and a withdrawal order from the pledgee in respect of the deposit or any part of it, it will at once remit the amount specified into the nearest treasury along with the challan and send the treasury receipt to the pledgee.

(iv) The responsibility of the pledgee in connection with the deposit and the interest

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Forms
(1)

Conditions
(2)

on it will cease when he issues a final withdrawal order to the depositor and sends an intimation to the bank that he has done so.

NOTE - The parties concerned may make either by a suitable deposit or a guarantee arrangement with any Bank which should deposit Government securities to cover the amount of security demand, with a margin of 5 percent below market value.

(7) Fidelity bonds of Insurance Companies approved by the Government for this purpose - See the list of approved firms in Appendix 20.

A fidelity bond in form 18 may be accepted as security in the case of a Government servant holding security posts temporarily for a period of less than three months in leave vacancies, subject to the condition, that the person is a regular Government servant, on whom the Government will have a hold for any lapses on his part at a later date. Fidelity bond may be accepted also from the Government servants regularly appointed to the security posts till they furnish cash security in one lumpsum within a

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Forms (1)	Conditions (2)
(8) Other forms of security specifically approved by the Government for acceptance of any particular department e.g. mortgages on real property and personal security in the Revenue Department.	specific period of six months or by recovery in monthly instalments at 20 per cent of their basic pay. Security in any such form should be accepted in the particular department concerned only in accordance with the rules and conditions laid down in the relevant departmental code or manual or in special orders of the Government.
NOTE:- When a work is executed on the piece-work contract system, security may also be taken in the form of percentage deductions made from the contractor's bills - See Article 163.	
(9) Treasury Savings Deposit Certificates and National Plan Certificates.	These securities should be accepted at their surrender value.
(10) Post Office Time Deposits.	These accounts can be pledged as security to the President of India, Governor of State, Scheduled and Co-operative Banks, a local authority, a Corporation or a

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Forms (1)	Conditions (2)
(11) Deleted	Government Company, provided there should not be more than one deposit in the account at the time of pledging.
(12) Tamil Nadu Raffle certificate - certifi- cates issued by the Government of Tamil Nadu.	These should be accepted as security deposits on their face value from the contractors. The Government will pay no interest on the certificates.

280. Security furnished in cash by a Government servant or a contractor may be converted, at the cost of the depositor, into one (or, when specially permitted, partly into one and partly into another) of the interest bearing forms of security mentioned in items (2) to (6) in the preceding Article, provided -

(i) that the depositor has expressly requested in writing that this be done; and

(ii) that the acceptances of the new form or forms of security is permissible under the rule and under the terms of the agreement or bond.

Cash actually received or recovered may be converted into an interest bearing form of security in the manner described above, even when it forms part of a deposit which is being paid in instalments and has not yet been realised in full.

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Percentage deductions made from contractor's bills held as security for the due fulfilment of a contract should not, however, be converted into any other form of security unless a departmental rule or order makes special provision for such conversion.

Post Office Savings Bank deposits

281. The following procedure should be observed when cash tendered as security is to be deposited in the Post Office Savings Bank:-

(i) The Government servant who takes the security (the pledgee) should send a letter to the Postmaster through the person who has to furnish the security explaining the nature of the security and requiring the Postmaster to receive the deposit and issue the pass book in his (the pledgee's) name on account of the security of A (the person pledging). The person who is to furnish the security should present the letter at the Post Office with the requisite amount in cash and the Savings Bank index card in the prescribed form signed at the foot by the pledgee.

(ii) The Postmaster will deliver the Savings Bank pass book to the person pledging the security. The latter should transmit it without delay to the pledgee, and the pledgee should give him a receipt for it in the prescribed form.

282. The Government servants who have furnished fidelity bonds as a form of security deposit shall furnish cash security in one lumpsum within a period of six months, or in monthly instalments by recovery from their pay or otherwise at 20 per cent of their basic pay. The cash recovered from the Government servants towards security shall be remitted into the post office savings bank accounts to be opened in the name of

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the Government servants concerned. The pass books shall be pledged with the Heads of Offices or the Treasury Officers as the case may be. The fidelity bond shall be dispensed with after the cash security is received in full.

283. The form of the security bond to be executed by a Government servant at the time of furnishing security (see Article 276) will vary according to the form of security furnished - see Form 19. If a Government servant is specially permitted to furnish security partly in one and partly in another of the forms of security specified in Article 279, he should execute two bonds, one for each kind of security. A proviso should be inserted in every security bond stating that the security shall be available as security for any new post to which the Government servant may be transferred.

Registration of security bonds

284. The registration of security bond is compulsory if security is furnished in the form of immovable property - See section 17 (b) of the Indian Registration Act, 1908 (India Act XVI of 1908) and section 59 of the Transfer of Property Act, 1882 (India Act IV of 1882). When security is furnished in any other form, registration of the security bond is optional, and it need not be registered, unless in any particular case the departmental authority which takes the security bond considers that the Government's interest would be prejudiced by not registering it. In all cases where registration is considered necessary it should be done at the expense of the Government.

Custody of securities and security bonds

285. Post Office Savings Bank pass book, fidelity bonds and security bonds or agreements should be kept in the safe custody of the departmental authority which takes the security.

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All the Post Office Savings Bank pass books should be sent to the Post Office as soon as possible after the 15th June of each year, so that necessary entries on account of interests may be made in them. The incumbents of the posts who have deposited security in the Post Office Savings Bank may be permitted to receive interest earned by them without affecting the total amount of security prescribed for the post.

The security bonds of Government servants employed in the treasuries in each district should be kept in a locked box in the double-lock strong room of the district treasury; the Treasury Officer is responsible for the safe custody of the bonds and should keep the key of the box in his personal custody.

Government promissory notes, stock certificates, Post Office cash certificates issued by the Government, municipal debentures and Port Trust bonds deposited as security should be lodged for safe custody with the Manager, Reserve Bank of India, Madras in Madras City and with the district treasury in other places, in accordance with the rules in Chapters IX and X of the Government Securities Manual.

As an exception to this rule, in the Electricity Department, Post Office cash certificates and savings certificates issued by the Government deposited as security by consumers of electricity may be kept in safe custody in a locked safe by the Superintending Engineer or the Chief Accountant concerned. In the case of securities obtained from the subordinates of the Electricity Department in the shape of Post Office Savings Bank pass books, Post Office cash certificates or National Savings Certificates, the securities as well as other bonds, etc. may be held in custody by the Superintending Engineer or Accounts Officer, in the case of Tamil Nadu Electricity System or the

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Chief Accountant concerned. Such securities and bonds should be entered in a separate register of securities (other than the one for entering securities from consumers, etc.) and attested by the Superintending Engineer or the Accounts Officer, Tamil Nadu Electricity System, or the Chief Accountant concerned every time an entry is made in the register in token of receipt for safe custody and when the item is released from safe custody. The register should be reviewed periodically by the Superintending Engineer or Accounts Officer, Tamil Nadu Electricity System, or the Chief Accountant concerned for crediting the interest due on the Savings Bank deposits or for release or renewal of Post Office cash certificates, National Savings certificates, etc. on the expiry of the periods. The securities should also be verified once a year with the items in the register of securities and a certificate of verification recorded in the register.

As a further exception to this rule, Government promissory notes, Post Office cash certificates and savings certificates, deposited as security by contractors and subordinates of the Cinchona Department, may be kept in safe custody in a locked safe by the Director, Cinchona Department.

As a further exception to this rule, Post Office Savings Bank Pass Books, National Savings Certificates, etc., deposited as security by the conductors, etc., of the State Transport Department, Madras may be kept in safe custody in a locked safe by the Officers specified below:-

Securities furnished by	Name of officer holding custody
(1)	(2)
(1) Store-keepers and Assistant Store-keepers attached to the State Transport Department.	Mechanical Engineer

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Securities furnished by	Name of officer holding custody
(1)	(2)
cont...	
(ii) Chief cash-keeper, cash-keeper, shroffs and Equipment clerks.	Accounts Officer
(iii) Conductors	Personal Assistant to Director of Madras State Transport.
(iv) Store-keepers, Assistant Store-keepers and Accountant attached to the Tamil Nadu State Transport Central Workshop, Chromepet.	Works Manager.

They should follow the procedure similar to the one prescribed for the Electricity Departments in sub-paragraph 5 above.

As a further exception to this rule, Post Office Savings Bank Pass Books, National Savings Certificates, etc., deposited as security by the conductors of the State Transport Department, Madras may be kept in safe custody in a locker safe by the traffic Superintendent (Administration). He should follow the procedure similar to the one prescribed for the Electricity Department in sub-paragraph 5 above.

286. A security deposit taken from a Government servant should be retained for at least six months from the date when he vacates his post but a security bond should be retained permanently or until it is certain that there is no further necessity for keeping it.

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NOTE - A security deposit taken from a conductor in the State Transport Department, Madras should be refunded to him after an interval of one month from the date on which he vacates his post, provided that the Director satisfies himself in each case no recovery as due from the conductor concerned on account of shortage of remittances, equipment, etc.

287. When a Government servant who has furnished security in one office is transferred to another office or department, the security should be retained by the first office until the period specified in the security bond has expired, so that any amounts ordered to be recovered during that period in respect of his service in the first office may be recovered from it. On the expiry of the specified period, the Government servant who took the security should release it from the pledge in his favor and pass it on to the head of the office to which the Government servant has been transferred, requesting him to return it to the pledger and obtain, and forward his acknowledgment. If the Government servant's new post is also one in which security should be furnished, the head of office should arrange, immediately on receipt of the security for return to the pledger, to get a fresh security bond executed by him and to have the security duly pledged in favour of the proper departmental authority to the extent necessary. The pledger's acknowledgment mentioned above should, however, invariably be obtained and sent to the head of the first office.

The head of the office to which the Government servant is transferred should require him to furnish security at once for any amount by which the security required for the new post exceeds that furnished in the former post. Apart from that he may, if he considers the original security sufficient, wait for it to be passed on

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and duly pledged again, and need not require the Government servant to furnish fresh security. He should ascertain from the head of the office from which the Government servant is transferred what amount of security he furnished there and whether any recoveries are likely to be made from it before it is passed on and should then decide whether that security will be sufficient and whether the Government servant should be required to furnish fresh security for the whole or any part of the amount.

Periodical verification of all security

288. Every departmental authority should verify periodically, and at least once a year in May, all security which it has taken in various forms from Government servants and contractors and report the result to the immediate superior authority.

This rule applies to all forms of security, including personal security or security in the form of immovable property. In verifying personal security, a departmental authority should satisfy itself as to the solvency of the surety, and in verifying security in the form of immovable property it should see that the actual market value of the property is not less than the amount of security required.

For the verification of securities lodged with the district treasury under Article 285, it is sufficient to obtain a certificate from the Collector once a year in May giving particulars of the securities deposited with the treasury for safe custody, and stating that he has checked and counted them and found them to be correct.

For the verification of securities lodged with the Reserve Bank of India under Article 285, it is

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sufficient to check, as soon as it appears in Tamil Nadu Government Gazette the annual list which the Bank Publishes of the securities deposited with it for safe custody, and take steps at once to have any error or omission rectified - See paragraph 112 of the Government Securities Manual.

Annual valuation of Government promissory note, etc.

289. When a Government servant or a contractor has furnished any security in the form of promissory notes of the Government, the Central Government or any other State Government or in the form of stock certificates of the Government, Central Government or any other State Government, municipal debentures or Port Trust bonds, the departmental authority which received the securities and sent them for safe custody should ascertain in May of each year whether their value, when valued at the market price of May 1st of that year or the face value, whichever is less in each case, is still sufficient to cover the amount of security required. If the total value of the securities deposited by a Government servant or a contractor, as ascertained at this annual valuation, falls short of the amount of security required plus 5 per cent by Rs.100 or more, the departmental authority should at once call on the depositor to furnish additional security to the extent of the shortage. No securities should be returned to any depositor on account of an increase in their values as ascertained at this annual valuation unless (i) the securities have appreciated so considerably that securities of the face value of Rs.100 or more could be withdrawn and the remaining securities (valued as described above) would still be sufficient to cover the amount of security required plus 5 per cent to provide against fluctuations, and (ii) the depositor submits a written request for the return of the securities that could be so withdrawn.

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Repayment of security deposits

290. Without the special orders of the competent authority, no security should be repaid or re-transferred to the depositor, or otherwise disposed of, except in accordance with the terms of his security bond or agreement. A departmental authority on returning any security to a depositor should invariably obtain his acknowledgment duly signed and witnessed. When an interest-bearing security is returned or re-transferred, the acknowledgment should set forth the full particulars of the security.

The percentage deductions from bills held as security in connection with contracts to execute works under the piece-work contract system should not be refunded till the final bill has been prepared and passed.

**Repayment of cash deposited in the Post Office
Savings Bank**

291. When an amount lodged in the Post Office Savings Bank as a security deposit under Article 281 is no longer required, the departmental authority to which it is pledged (pledgee) should obtain from the person who pledged the security the receipt originally granted to him for the pass book or a fresh receipt duly signed and witnessed. Such receipts should be duly numbered and filed, and the numbers should be entered in the Register of Security Deposits. After obtaining a proper receipt, the pledgee should deliver the Post Office Savings Bank pass book to the person who pledged the security and furnish him with an application in the form prescribed by the Postal Department for the withdrawal of the balance at the credits of the account together with the interest due on it. The pledgee should sign the application and enter the name of the person who pledged the security as that

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of the messenger or agent entitled to receive payment. The person who pledged the security will then be able to withdraw the amount due to him from the Post Office Savings Bank.

**Adjustment of a claim against security deposit
lodged in the Post Office Savings Bank**

292. When a pledgee has a claim on behalf of the Government against a security deposit account pledged to him in the Post Office Savings Bank [in accordance with rule 45 (f) (g) of the Post Office Savings Bank Rules] at a Post Office which has direct transactions with the treasury and the amount of the claim is to be credited to the Government, he should send the pass book to the Post Office with the usual application for withdrawal duly signed by him and with the words "To be adjusted by transfer in the Government accounts to the credit of the Department (State)" written in red ink across it. The Post Office will make the necessary entries in the pass book and send the pledgee a treasury voucher for the amount withdrawn. When the pledgee has more than one security deposit account pledged to him at the Post Office Savings Bank and applies for the withdrawal of moneys from more than one such account on the same day, the Post Office will issue only a single treasury voucher covering all the withdrawals. If the pledgee does not receive the treasury voucher by the next day after that on which he sends the application, he should call for it from the Post Office. On receipt of the treasury voucher, the departmental authority which applied for the withdrawal should verify the entries, countersign it and forward it to the Treasury or Sub-treasury Officer as soon as possible in accordance with the procedure prescribed in this connection in the Tamil Nadu Treasury Code (see instruction 19 under Treasury Rule 10).

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If the Post Office at which the security deposit account in the Post Office Savings Bank has been opened has no direct transactions with the treasury, the pledgee should apply to the office for the withdrawal of the amount required in the ordinary manner and on receipt of the amount, should remit it into the treasury like any other departmental receipt.

When, after a transfer or payment, a pass book shows any balance in favour of the depositor, the Post-master will return it to the pledgee. When the account is closed by a transfer or payment, the Post-master will not return the pass book to the pledgee, but will deal with it in accordance with the Post Office Savings Bank Rules.

**Security deposit of a private employer of a
Government servant on foreign service**

293. When a Government servant is to be transferred to foreign service under a private employer, the authority competent to sanction the transfer should require the employer to deposit before the transfer is sanctioned, security equivalent to three months pay of the Government servant in foreign service. The security should consist of either (i) cash paid in the nearest Government treasury as a C. Security Deposit (see Appendix 19) or (ii) securities of the Central Government or of the Tamil Nadu Government in the form of promissory notes or stock certificates endorsed or transferred in favour of the authority sanctioning the transfer of the Government servant to foreign service or other prescribed authority, or (iii) a Post Office Savings Bank deposit, the pass book for which is deposited with and pledged to that authority or (iv) Post Office cash certificates and savings certificates issued by the Government valued at their surrender value at the time of tender and formally transferred to that

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authority. A Post Office Savings Bank pass book so pledged should be kept in the safe custody of the authority to which it is pledged; securities of the Central Government or the Tamil Nadu Government in the form of promissory notes, Post Office cash certificates and savings certificates issued by the Government should be lodged for safe custody with the Manager, Reserve Bank of India, Madras, in Madras City and with the district treasury in other places in accordance with the rules in Chapter IX of the Government Securities Manual. The Security Deposit should be returned to the private employer after the Government servants' period of foreign service has expired and the claims of the Government and the Government servant against the private employer have been settled.

NOTE:- Municipalities, local bodies, Universities, Railways, the Court of Wards and the Indian Central Cotton Committee should not be treated as private employers for the purpose of this Article.

II. LOSSES

Reports of losses

294. When any facts indicating that a defalcation or loss of public moneys, stamps, opium, stores or other movable or immovable property has occurred or that a serious account irregularity has been committed come to the notice of any Government servant, he should inform the head of the office immediately. If it appears to the head of the office prima facie that there has been any such occurrence which concerns his office or in which a Government servant subordinate to him is involved he should send a preliminary report immediately to the Accountant-General and, through the proper channel, to the head of the department. On receipt of the information, the head of the

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department should report the matter to the Government without delay. These reports should be sent even when the person responsible for a loss has made it good. Reports regarding a loss by way of damage to immovable property belonging to the Government should be sent in accordance with the special provisions of Article 299.

The preliminary report to the Accountant-General may be either a copy of the report to the head of the department or relevant extracts from it showing, so far as information is available at the time, the exact nature of the defalcation or loss and the circumstances which made it possible.

After sending the preliminary reports, the head of the office should investigate the matter fully without delay and take all necessary further action - see Article 300 to 302. As soon as the investigation is complete, he should send a complete and detailed final report to the Accountant-General and, through the proper channel, to the head of the department describing the nature and extent of the loss or account irregularity and the circumstances (including any breach or neglect of an existing rule) which made it possible, and stating whether any amount lost has been recovered and, if not, whether it is possible to recover it in any way. The report should also state what disciplinary action has been taken, or is recommended, against the Government servants responsible and what steps have been taken, or are recommended, with a view to prevent the recurrence of any such loss or account irregularity. The head of the department should also submit a final report to the Government giving full information on all these points and, when necessary, making his recommendations.

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When a petty loss not exceeding Rs.1,000 does not appear to involve an embezzlement, a serious account irregularity or any other important feature requiring detailed investigation and consideration, or to concern the Reserve Bank, the preliminary and final reports prescribed in this Article need only to be sent to the authority competent to write off the loss or deal with it otherwise. The Commissioner of Revenue Administration is authorised to dispose of all cases of embezzlement by village officers without reference to the Government, unless in its opinion the case presents special features or the orders of the Government are required on any specific points.

An individual report of misappropriation of collections by a village officer or loss of money while in his custody which does not exceed Rs.1,000 need not also be sent by the Collector to the Commissioner of Revenue Administration and by the latter to the Accountant-General unless there are important features or defects of system which merit consideration. The Collector should however, send to the Commissioner of Revenue Administration half yearly a statement of cases of embezzlement or losses of money involving amounts not exceeding Rs.1,000 which occurred in the half year showing the amount, place with district, name of official responsible, disciplinary action taken if any, in each case, the amount recovered or the amount written off. The half yearly return should include also all cases occurring in previous half years regarding which all the particulars required by the Accountant-General had not been shown previously. The Commissioner of Revenue Administration will review the half yearly statement received from the Collectors and furnish to the Accountant-General a copy of the statements.

NOTE:- Any loss of departmental revenue due to whatever cause or any loss in respect of stores

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occurring otherwise than in the ordinary course or on account of fair wear and tear should be treated as a loss of the Government within the meaning of this Article - see also Articles 141 and 298.

Losses with which the Reserve Bank is concerned

295. If the Accountant-General becomes aware in any manner of any loss to the Government which the Reserve Bank of India may possibly be held to be liable to make good to the Government, whether it relates to operations conducted by the Reserve Bank or its agents on Government account; or for any other matter, he will immediately call for such further information as he may require regarding it. On receipt of this further information, which must be obtained without delay, he will at once make a full report to the Government. If there is any doubt or dispute as to the facts of the liability, the Government will arrange with the authorities concerned for a Government servant and an officer of the Reserve Bank (and an officer of the State Bank of India if the loss relates to an operation effected through its agency) to be appointed as soon as possible to carry out a joint investigation of the facts while they are fresh, and make a full report together with, if possible, a recommendation for an amicable settlement. If they are unable to make any such joint recommendation, their report should at least clear the ground as far as possible, so that a stated case may be referred, if necessary, to an arbitrator or legal authority. The investigation will be undertaken at once and independently of any department or police enquiry.

Losses of cash due to the acceptance of counterfeit coins

296. Losses of cash due to the acceptance of counterfeit coins in State treasuries should not be debited to the Government in any case without their specific approval.

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Write-off of losses

297. When it proves to be impossible to recover the whole or a part of any public moneys that have been lost (including the value of any stamps found to be deficient or damaged), the irrecoverable amount should be written off the regular Government accounts under the orders of the competent authority (see Articles 81 and 82 of the Tamil Nadu Account Code, Volume I). The orders of the competent authority should also be obtained for writing off from any relevant value of commercial accounts that are maintained, any irrecoverable amount relating to a loss connected with the building, land or equipment or to unprofitable outlay on a work. The Government have empowered the authorities shown in Appendix 21 to sanction such write off subject to the limits and conditions mentioned there. (For write off of irrecoverable loans and advances, see Article 260 and Appendix 21.)

NOTE:- 1 In general, losses sustained by the Union Government through the negligence or culpability of the staff paid for by the State Government and vice versa should be borne as they occur, i.e., by the Union Government if the loss occurs in connection with Union transactions and by the State Government if it is on account of the State transactions.

NOTE:- 2 In cases where overpayments to Government servants have to be written off on the ground that he/she is no longer in Government service, and no recovery is therefore possible, all orders writing off the irrecoverable amounts should invariably contain a clause that any sum which may subsequently be found due to the person concerned, will be adjusted against the amounts written off.

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In case where recoveries are made in cash, e.g., by deductions from pay or otherwise, from the persons responsible for a loss, the entire amount recovered should be credited to the Government, which, under the above arrangement, would bear the loss for this purpose. Recoveries made indirectly, e.g., by stoppage of increment or promotions as a measure of punishment, should not be treated as recoveries made in cash. Where the staff is paid for by one Government and the loss is borne by another Government, a copy of the orders regarding the action taken against the persons responsible for the loss should be communicated by the former to the latter.

NOTE:- 3 The amounts, recovered by way of fines shall be credited to the revenue separately in which case the gross amount should be written off. Any amount recovered to meet the cost of damages shall be adjusted against the loss and the net amount shall be written off in such case as contemplated in Article 297 of the Tamil Nadu Financial Code, Volume I.

Losses of stores

298. All losses in respect of stores should be duly recorded in stock accounts and the formal sanction of the competent authority should be obtained for writing them off or dealing with them otherwise, even when no formal corrections or adjustment in the accounts is necessary. Losses due to depreciation should be analysed and recorded under the following heads, according as they are due to -

- (1) normal fluctuation of market prices
- (2) fair wear and tear,

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- (3) lack of foresight in regulating purchase or
- (4) neglect after purchase.

Losses not due to depreciation should be grouped and recorded under the following heads:-

- (1) losses due to theft;
- (2) losses due to neglect; and
- (3) losses due to calamities such as fire or flood.

The provisions of Article 294 apply to all the losses mentioned in this Article except items (1) and (2) under losses due to depreciation. The rules regarding the disposal of obsolete, surplus and unserviceable stores are contained in Articles 139 to 142.

NOTE:- 1 Loss due to fair wear and tear - see note under Article 140.

NOTE:- 2 When a contractor or a departmental employee fails to return any Government tools, their value including the appropriate centage charges should be recovered from him.

Damage to immovable Government property

299. When a loss occurs by way of damage to any immovable property belonging to the Government (including buildings, communications, irrigation works and Forest plantation) due to any calamity such as fire or flood or to any cause other than fair wear and tear, the Government servant in immediate charge of the property should report the matter at once to his immediate superior and a preliminary report should be sent through the

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proper channel without delay to the head of the department who will report the loss to the Government. When the cause of the loss has been fully investigated and it has been decided whether or not the property should be restored, the head of the office concerned should send a final detailed report to the head of the department and at the same time an abstract of it in Form 20 to the Accountant-General. The head of the department should send a final detailed report to the Government when he proposes that the Government should write off the loss, recommends that the Government should take disciplinary action or applies for funds to be specially provided to meet the cost of restoration of the property.

When a petty loss not exceeding Rs.500 does not appear to involve any important failure requiring detailed investigation and consideration the preliminary and final reports prescribed in this Article need only be sent to the authority competent to write off the loss or deal with it otherwise.

All river conservancy works are treated as repair works and consequently losses by way of damage to such works will not reduce the capital value of any Government property and so need not be formally written off the accounts. The preliminary and final reports prescribed in this Article should, however, be sent in respect of any such loss when it exceeds Rs.2,500. Any such loss not exceeding Rs.2,500 need only be reported to the authority competent to sanction the restoration of the damaging work.

The Board of Revenue, the Commissioner of Labour, the Inspector-General of Police., the Director of Industries and Commerce and the Director, Cinchona Department, are authorised to write off losses not exceeding Rs.500 in each case

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by way of damage to immovable property belonging to the Government.

The Chief Engineer in the Public Works (including General and Buildings, Irrigation and Highways and Rural Works) Department are authorised to write off losses not exceeding Rs.2,500 in each case by way of damage to immovable property belonging to Government.

The Chief Conservator of Forests is authorised to write off losses not exceeding Rs.2,500 in each case by way of damage to immovable property belonging to Government.

NOTE:- (1) In cases of loss by way of damage to any immovable property belonging to the Government for which separate capital accounts are kept, the value of the damaged portion written off the accounts need not be deducted from the capital value in the accounts, if the restoration of the damaged portion is commenced within the period of two years from the date of damage. For this purpose, the forest plantation missed by the Forest Department will be treated as immovable property.

NOTE:- (2) The Director of Agriculture is authorized to write off losses not exceeding Rs.500 in each case by way of damage to immovable properties and miscellaneous properties in the Agricultural Research Station, Farms, Orchards and Nurseries.

NOTE:- (3) The Director, Madras State Transport, is authorised to write off losses not exceeding Rs.500 in each case by way of damage to immovable properties belonging to the Madras State Transport Department.

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General principles and procedure for enforcing
responsibility for losses

300. The following general principles should be followed in enforcing the personal responsibility of the Government servant or servants concerned for a loss sustained by the Government of the kind mentioned in the first paragraph of Article 273, and of any person for a loss sustained by the Government on account of a criminal offence committed by him:-

(1) Whenever there is reason to suspect that the Government have, sustained a loss on account of fraud or any other criminal offence on the part of any person or negligence (which includes a financial irregularity) on the part of any Government servant, the head of the office or other appropriate administrative authority, should investigate the matter fully without avoidable delay. When necessary, the administrative authority may ask the Accountant-General to furnish all vouchers and other documents in his possession that may be relevant to the investigation. If the investigation is so complex as to require the assistance of an expert audit officer, the administrative authority should report the facts to the Government and request them to depute an audit Officer to assist in the investigation. If the Government depute an audit officer for the purpose the administrative authority and the audit officer will each be personally responsible, within their respective spheres, for completing the investigation expeditiously.

(2) Whenever it appears likely that recourse may be had to judicial proceedings in connection with a loss sustained by the Government the administrative authority concerned should take competent legal advice at once. If there is a reasonable suspicion that a loss sustained by the

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Government is due to the commission of a criminal offence, the procedure prescribed in Articles 301 and 302 should be followed.

(3) (a) Whenever an administrative authority holds that a Government servant is responsible for a loss sustained by the Government, it should always consider both whether the whole or any part of the loss should be recovered from him in money and whether any other form of disciplinary action should be taken.

The imposition of two punishments for same offence, will offend the principles of natural justice even though it is legal. So a Government official cannot be imposed a punishment for being negligent resulting in monetary loss to Government in addition to ordering recovery from pay for the monetary loss caused to the Government since the recovery ordered will itself be a penalty not only with reference to the loss caused to Government, but also with reference to the negligence or breach of orders on the part of the Government servant. The punishing authorities shall, therefore, scrupulously observe the instructions in imposing penalties to delinquent Government servants.

The question whether the above instructions will apply even in cases when there has been criminal intent to defraud the Government or to misappropriate Government money is clarified below:-

It is open to the competent authority to launch criminal prosecution before court in cases of criminal intent. If the officer is convicted for such offences, it is open to the competent authority to take departmental action against him on the basis of facts which led to his conviction and to dismiss the officer from service. If, however, he is acquitted, such authority may still

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take departmental action against the officer. In either case there seems to be no bar to take action for recovery of loss caused to Government by the accused officer.

In other cases, in which it is adjudged that the loss has been occasioned merely due to negligence or carelessness on the part of Government servant and that there was no criminal intent, it is only reasonable, that some distinction is made while awarding the penalty. It is imperative that in cases where loss has been ascertained to have been caused due to negligence of the Government servant it should always be considered first how the whole or any part of the loss can be recovered from the Government servant. It must be possible to recover the whole or part of the monetary loss caused to Government. In such cases recovery by itself will be enough punishment as indicated above. However, in cases where the recovery of whole or a part of the amount is not possible, it is open to the competent authority to proceed against the delinquent officer to impose any other punishment which it deems fit.

The punishing authorities are, therefore, requested to bear in mind the guiding factors, viz., whether the loss to Government has been caused fraudulently or due to negligence, and to distinguish the cases mentioned above while considering the question of penalty.

In deciding the amount to be recovered, it should consider not only the circumstances which led to the loss but also Government servant's financial position, since the penalty should not be such as to impair his future efficiency.

(b) Whenever a loss is held to be due to fraud on the part of a Government servant or servants, every endeavour should be made to recover the whole

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amount lost from the guilty persons. If the failure of a superior officer to exercise proper supervision and control has facilitated the fraud, he should be called strictly to account and suitably dealt with after carefully assessing his personal liability in the matter, e.g., by recovering from him in money a suitable proportion of the loss, or by stopping his increments or reducing the pay.

(c) Whenever any Government property or equipment is lost, damaged or destroyed on account of the carelessness of a Government servant to whom it is entrusted (e.g., a policeman's rifle, a touring officer's tents, a factory motor lorry or an engineer's instruments), the appropriate administrative authority should always consider whether the amount of the loss sustained by the Government should not be recovered in full up to the limit of the Government servant's capacity to pay.

(4) (a) The pension of a retiring Government servant who is involved in any loss or irregularity which is under investigation should on no account be sanctioned until his responsibility in the matter has been finally determined. Whenever any authority investigates any loss or irregularity it should be taken special care to ascertain at once whether prima facie the investigation may affect any pensionable Government servant who is likely to retire, within the next two years or has retired but not yet been granted his pension, if so, it should immediately report the fact to the Accountant-General and the authority competent to sanction the Government servant's pension and they should see that the pension is not sanctioned until the Government servant's responsibility in the matter has been finally determined.

(b) Whenever a competent authority orders that any amount should be recovered from a Government

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servant, otherwise than by forfeiture of his security deposit, if any, on account of a loss sustained by the Government through fraud or negligence on his part and he is about to retire from service, the amount should be recovered as far as possible, by deduction from the last pay or leave salary due to him. If any amount still remains to be recovered, the recovery should be made directly from his pension under Article 351-A, Tamil Nadu Pension Code when that is permissible. When that is not permissible the desirability of making a permanent reduction in the amount of his pension under Article 470 (b), Tamil Nadu Pension Code should be considered. The proof of a specific instance of fraud or negligence by the Government servant would justify a decision that the Government servant's service has not been thoroughly satisfactory. The pension papers in any such case should be submitted for the orders of the Government through the Accountant-General with the recommendation of the Head of the department (see also subsidiary rule 34 under Treasury Rule 16).

(c) When a retired Government servant whose pension has already been sanctioned is held to have caused a loss to the Government by his fraud or negligence whilst in service and it appears likely that the amount could be recovered by bringing a suit against him, the matter should be reported to the Government for orders. If in any particular case, it is not found feasible to take action against a retired Government servant in regard to a loss sustained by the Government on account of any fraud or negligence found to have been committed by him when in service, this should not be made an excuse for absolving any other Government servants who are also responsible for the loss and are still in service.

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Departmental enquiries regarding frauds, etc.
in which Government servants are involved

301. The general Rule is that departmental proceedings should be instituted at the earliest possible moment against all the Government servants involved in any loss sustained by the Government on account of fraud, embezzlement or any similar offence, and conducted with strict adherence to them Rules up to the point at which prosecution of any one of the begins. At that stage it should be specifically considered whether it is practicable to carry the departmental proceedings against any of the others any further without waiting for the result of the prosecution; if it is, they should be carried as far as possible but not, as a Rule, to the stage of finding any sentence. If the accused is convicted the departmental proceedings against him should be resumed and formally completed. If the accused is not convicted the departmental proceedings against him should be dropped unless the authority competent to take disciplinary action is of the opinion that the facts of the case disclose adequate grounds for taking departmental action against him. In either case, the proceedings against the remaining delinquents should be resumed and completed as soon as possible after the termination of the proceedings in Court.

The department proceedings contemplated in the preceding paragraph are those regulated by the Civil Services (Classification, Control and Appeal) Rules. When action is taken under the public servants (Inquiries) Act, 1850 (India Act XXXVII of 1850), this ordinarily takes the place of criminal prosecution as regards the person or persons accused, but the procedure as regards other persons involved against whom the Act is not employed should be in accordance with the instructions given in the preceding paragraph.

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**Prosecution for embezzlement of public money or
property**

302. (a) Whenever the head of an office that there is a reasonable suspicion that a criminal offence has been committed in respect of any public moneys or property, he should as a general rule report the matter at once to the Police and simultaneously inform the District Magistrate (or in Madras City, the Commissioner of Police) and the head of his department that he has laid an information before the Police. The Police should then keep the Government servant who laid the information and the District Magistrate (or in Madras City, the Commissioner of Police) informed as to the action they take in the matter.

If, however, it is suspected that a village headman or officer has failed to remit Government revenue collected by him, the Tahsildar or Deputy Tahsildar should make an immediate inquiry and endeavour to collect any amount found to be in deficit. He should then report the result of this action to the Revenue Divisional Officer, who will decide whether a criminal prosecution should be launched or whether departmental action will be sufficient.

(b) When the case is heard by the Court, the head of the office concerned should see that all the witness serving in his department and all documentary evidence in the control of his department are punctually produced. He should also appoint a Government servant of the department to attend the proceedings in the Court and assist the prosecuting staff.

(c) If prosecution for an offence of this kind results in the discharge or acquittal of any person, or in the imposition of any sentence which appears to be inadequate, the head of the office

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concerned should at once send a full statement of the facts of the case to the District Magistrate or in Madras City, the Commissioner of Police; if the District Magistrate or the Commissioner of Police as the case may be considers that further proceedings should be taken in revision or appeal, he should proceed as he would in any other case and should keep the head of the office concerned informed regarding the further proceedings. A special order of the Government is necessary for filing an appeal against an acquittal..

(d) The head of the office concerned should submit, in addition to the reports prescribed in Articles 294 and 300, prompt reports to the Government through the proper channel at each stage regarding -

- (i) the commencement of the Police investigation.
- (ii) the decision to prosecution in any particular case.
- (iii) the result of any prosecution.
- (iv) the decision to proceed further in revision or appeal in any case; and
- (v) the result of any proceedings in revision or appeal.

(e) Notwithstanding anything contained in the preceding portion of this Article the head of the office concerned may, when he considers it to be desirable refer any matter through the proper channel for the orders of the Government before taking action.

CHAPTER XIII - LOCAL FUNDS

Introductory

303. The transactions of local funds (as defined in Article 6) are not included as such in the Government Account, except in so far as their cash balances are deposited with the Government under the rules and accounted for under the deposit head "Deposits of Local Funds" in the "Public Account". The Government's function in regard to such deposit is that of a banker (see Chapter XI of this Code and Chapter V of Part III of the Tamil Nadu Treasury Code).

304. The main classes of local funds are -

(i) (a) District Funds [i.e., the moneys of district boards governed by the Madras District Boards Act, 1920 (Madras Act XIV of 1920) as subsequently amended, and the funds of the Chatram Department of the Thanjavur District Board].

(b) Town Panchayat Funds, Panchayat Union and Village Panchayat Consolidated Funds governed by the Madras Panchayat Act, 1958 (Madras Act XXXV of 1958).

(ii) Municipal Funds [i.e., the moneys of Municipal Councils governed by the Madras District Municipalities Act, 1920 (Madras Act V of 1920), as subsequently amended, and the moneys of the Madras Corporation governed by the Madras City Municipal Act, 1919 (Madras Act IV of 1919), as subsequently amended].

(iii) Education Funds [i.e., the Fee Funds of Universities and Elementary Education Funds of Panchayat Councils and Municipal Councils governed by the Madras Elementary Education Act, 1920 (Madras Act VIII of 1920), as subsequently amended].

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(iv) Market Committee Funds (i.e., the moneys of Market Committees governed by the Madras Commercial Crops Markets Act, 1933 (Madras Act XX of 1933)).

(v) The Central Fund constituted to meet the leave salary and contribution towards provident fund in respect of the Municipal Commissioners and the Panchayat Executive Officers during leave, and

(vi) Library Funds (i.e., the moneys of the Local Library Authorities governed by the Madras Public Libraries Act, 1948, as subsequently amended).

305. Local bodies (as defined in Article 6) perform functions closely allied to those of the Government and receive aid from the Government in the form of grants and loans for certain purposes. This chapter contains the rules relating to some of the financial transactions between the Government and local bodies.

Grants to local and other bodies

306. The payment of the various classes of grants to local bodies, e.g., grants for hospitals and dispensaries, grants for the maintenance of roads, educational grants and village house tax matching grant is governed by the general or special orders of the Government in regard to each class of grant. Instructions relating to sanction and drawal of village house tax matching grant are contained in Appendix 23.

A list of the grants paid to local and other bodies on account of certain fines realized by Courts and credited to the Government is contained in Appendix 22. The grants on account of these fines should be drawn and paid in the manner indicated in the Tamil Nadu Treasury Code (see Subsidiary Rule 23 under Treasury Rule 16).

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Loans to local bodies

307. The detailed procedure to be followed in connection with borrowing by local bodies from the Government is laid down in the Madras Local Authorities Loans Rules, which are printed in Appendix 16 (see also Article 222).

Charges recoverable from local bodies

308. When the Government agree to render a service to, or incur a charge on account of, a local body the estimated amount of the charge or cost of the service should ordinarily be recovered in advance in accordance with the principle laid down in Article 12. In exceptional cases, however, the Government may authorize one of the following special arrangements:-

(a) The expenditure may be charged against the local body's account with the treasury as and when it is incurred; or

(b) The expenditure may be met by advance from Government funds in the first instance and then recovered promptly from the local body either in cash or by adjustment against its account with the treasury.

309. Any amount due to the Government by a local body and remaining unpaid, including any amount overdue for payment in respect of a loan, should be recovered at the earliest opportunity in the manner indicated in Subsidiary Rule 25 under Treasury Rule 16 by adjustment from any non-statutory grant which the Government have sanctioned for payment to it.

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**Local cess, local cess surcharge payments to
Panchayat Union Councils and Panchayats**

310. On behalf of Panchayat Union Council and Panchayats the Revenue Department of the Government collects along with the Government land revenue local cess and local cess surcharge at such rates as may be fixed by the Panchayat Union Council. The local cess and the local cess surcharge are paid in advance to the Panchayat Union Council in twelve monthly instalments, on the basis of the anticipated collections for the year. After the settlement of revenue in the jamabandi the advance paid will be adjusted against the amount collected and marginal adjustments will be made. The share of the local cess due to the village and town panchayat is paid to them by the Panchayat Union Councils.

If, in the final settlement of the accounts relating to local cess, local cess surcharges for any fasli, it is found that a Panchayat Union Council or a Panchayat has been overpaid, and it has not a sufficient balance in its account with the treasury to make the necessary refund or its executive authority fails to issue a cheque for the amount within a month from the date of receipt of an intimation from the Collector of the overpayment, the amount due should be recovered from its next bill for the payment of local cess, local cess surcharge or from its bills for grants sanctioned for payment to it by the Government other than the statutory grant for elementary education and contributions in lieu of all income and income from fees and licences payable under the Madras Motor Vehicles Taxation Act, 1931 (Madras Act III of 1931). If on the other hand, any additional amount is found to be due to a local board, it should be paid along with the next instalment of local cess and local cess surcharge due to it. (See also item (f) in the list in Article 311).

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**Assignment of proceeds of entertainment tax to
local bodies**

310-A. According to section 13 of the Madras Entertainment Tax Act, 90 per cent of the proceeds of the entertainment tax will have to be paid to the local authorities concerned. The following are the local authorities to whom payment should be made in respect of entertainments held within their respective jurisdiction: .

(i) In the City of Madras - The Corporation of Madras.

(ii) In other municipal areas - The municipal council concerned.

(iii) In the area of Town Panchayat or Village Panchayats - The Town Panchayat or Village Panchayat concerned.

(iv) In the cantonment area - The cantonment.

The Commercial Tax Officers are the authorities empowered to sanction payment of the proceeds of the entertainments tax to the local authorities in their jurisdiction. Assignment of the proceeds to local authorities should be made once a quarter. For this purpose, the Entertainment Tax Officers should submit to the Commercial Tax Officer in the first week of April, July, October and January every year, a statement showing the amount of tax under section 4 of the Madras Entertainments Tax Act realised in the previous quarter with details as to the names of the local authorities and the amounts collected in their respective areas. The statements should contain a certificate of the Entertainment Tax Officer that the departmental and the treasury figures have been verified and found correct. The

LOCAL FUNDS
[310A-cont.]

Commercial Tax Officer should, after satisfying himself about the verification, sanction the payment of 90 per cent of the proceeds to the local authorities concerned soon after the expiry of each quarter. Copies of the orders should be sent to the Treasury Officer, Accountant-General, the Deputy Commissioner concerned and the Board of Revenue. Copies of the orders should also be sent to the local authorities concerned, to the executive officers of Town Panchayat through the Divisional Panchayat Officers and Panchayat Union Commissioners in the case of Village Panchayats. The local bodies should prefer their claims within three months from the due dates. If arrear claims of local bodies for payments of amounts due to them are preferred after three months, the Commercial Tax Officers may re-validate the arrear claims up to a limit of three years. The Commissioner of Commercial Taxes may re-validate without any time-limit the arrear claims of local bodies for payment of amounts due to them which are over three years old.

If, for any reason, reconciliation between the treasury and departmental figures could not be effected within the prescribed time, the payment may be made on the basis of the departmental figures. If, after reconciliation, any modification is necessary, the local bodies concerned should be informed of the same and necessary adjustments may be made while sanctioning payment for the next quarter either by short assignment in the case of excess payments and payment of the difference in the case of short payments.

The Entertainment Tax Commissioner (Commissioner of Commercial Taxes) may apportion the net proceeds of entertainments tax between two or more local bodies.

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Time-limits for claims by local bodies

311. A local body should prefer its claim for any amount which the Government have sanctioned for payment to it not later than the latest date specified by the Government for the payment, or if the Government have not specified any such date in respect of a particular payment or class of payments within six months from the date on which the local body receives the orders of the Government authorizing the payment.

In the case of water-supply and drainage schemes or other works for which the Government has promised a grant on the post-payment system, the local body concerned should prefer its claim for the grant within six months of the execution of the work or instalment of the work where the work is executed and paid for in separate instalment unless the local body has been definitely informed that the Government will consider the claim only after provision has been included for the purpose in the budget, in which case the claim for the grant should be preferred within six months of the execution of the work or within one month of the date of receipt of information that provision is available in the budget whichever is later.

Any amount due by the Government to a local body and falling within an item in the following list should be claimed by that local body not later than the date shown against that item:-

Items	Latest date for preferring a claim
(1)	(2)
(a) Monthly grant for the maintenance of medical institutions.	Within six months from the 15th of the month to which the claim relates (e.g.) the

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(311-cont.)

grant or subsidy due
in respect of
April should be
claimed ordinarily by
the 15th of that month
and by the next 15th
October at the latest.

(b) Monthly grant for the maintenance of elementary schools. -Do-

(c) Monthly advance payment of local cess and local cess surcharge to Panchayat Union Councils. -Do-

NOTE:- A sanction accorded in any year for a grant towards the cost of opening a new elementary school or employing additional teachers lapses on the 1st October of the next year, unless by then the school has been opened or the additional staff employed, as the case may be, and the grant claimed.

(d) Advance monthly grant for the maintenance of trunk roads.) Within six months from the date on which the claim falls due or within three months from the end of the financial year in which it falls due whichever is earlier.

(e) Advance monthly grant for the maintenance of important marketing roads.) The claim for each month falls due on the 20th of the subsequent month until a prescribed percentage (75 per cent for a grant for trunk roads and 80 per cent for a grant for marketing roads)

LOCAL FUNDS
[311-312]

of the maximum grant admissible to a local body has been drawn.

(f) Compensation payable under the Madras Entertainment Tax Act, 1939 (Madras Act X of 1939).

The dates fixed for the payment are 25th of the months of April, July, October and January and claims should be preferred by local bodies within three months from the due dates.

Arrear claims of local bodies

312. A claim preferred by a local body after the latest date prescribed for it in Article 311 should not be paid unless the competent authority (as indicated below) has specially sanctioned the payment:

Items	Authority competent to sanction	Remarks
(1)	(2)	(3)
(1) Items of revenue collected by the Revenue Department on behalf of local Bodies.		
(a) Local cess and local charge.	The Collector if the amount claimed does not exceed Rs.100 and if he is satisfied	An arrear claim made after the expiry of three years subsequent to the year in which the claim fell
(b) Profession tax collected by village headman.		

LOCAL FUNDS .
[312-cont.]

- (c) Ferry rents) after) due should not
) verification) be paid without
) that the) the special
(d) Income from) claim is) sanction of
certain endow-) correct, and) the Government.
ments vested in) otherwise the) The Government
local Bodies.) Government.) will summarily
)) reject every
)) such claim
)) unless the
)) amount claimed
(e) Dasabandham)) exceeds a rupee
Inam revenue.)) and was
)) credited to
)) the Government
(f) Excess of)) owing to a
ground rent over)) mistake on the
agricultural as-)) part of, the
essment on be-)) Government
half of)) servant and
Municipalities.)) they are
)) satisfied that
(g) Revenue or tax) The Collector) the local body
on trees on)) had no direct
Porambokes for-)) means of
merly vested in)) ascertaining
local bodies but)) the mistake
relinquished to)) earlier.
the Government;))
and))
))
(h) Fishery rents))
))
(ii) Statutory grants from the Government, e.g., grants under section 37 of the Madras Elementary Education Act, 1920 (Madras Act VIII of 1920). The Government The Government will summarily reject every arrear claim which is made after the expiry of three years subsequent to

LOCAL FUNDS
[312-cont.]

the year in
which the claim
fell due.

- | | | |
|--|---|---|
| (iii) 90 per cent of the proceeds of the tax collected under the Madras Entertainments Tax Act 1939. | Commercial Tax officer upto a period of three years from the due dates. | If the period of three years is exceeded, the sanction of the Commissioner of Commercial Taxes is necessary for the payment |
| (iv) Non-statutory grants and other amounts due by the Government. | The Government | The Government will summarily reject all arrears claims. |
| (a) Expenditure incurred by the Panchayat Union Council on petrol charges for block Jeeps. | The Director of Rural Development. | |
| (b) Expenditure incurred by the Panchayat Union Council on repair charges to block jeeps | The Collector | |
| (v) Compensation to local bodies for loss of fishery rentals. | Director of Fisheries.

Government | In the case of arrears claims upto three years

In the case of arrears claims exceeding three years. |

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Elimination of paise, etc.

313. Financial transactions between the Government and local bodies should be rounded off to the nearest five paise, rupee, etc., in accordance with the rules in Articles 320 and 321.

CHAPTER XIV - MISCELLANEOUS SUBJECTS

Introductory

[314-317]

314. This chapter contains the financial rules relating to certain miscellaneous subjects which do not fall within the scope of the other chapters of the Code.

Allocation of Expenditure between Capital and Revenue and Financing of capital expenditure

315. Expenditure on the public service falls into two broad divisions of expenditure on revenue account and expenditure on capital account. The later is called briefly capital expenditure or capital outlay. Appendix I to the Tamil Nadu Account Code, Volume III contains the detailed rules framed by the Government regarding the allocation of expenditure to capital and revenue and the financing of capital expenditure.

Work done for another Government

316. The head of a department is responsible for seeing that no work (unless it is negligible in amount) is done by his department for another Government without obtaining a definite ruling from the Government as to whether a charge should be made for it or not.

Disposal of Government Land and Buildings

317. In regard to the sale, transfer, etc., of Government land and buildings, all Government servants should observe the rules contained in Chapter I of the Standing Orders of the Board of Revenue - see particularly Board's Standing Orders 22, 22-A, 23 and 23-A extracts from which are contained in Appendix 24.

MISCELLANEOUS SUBJECTS

[318-319]

Endowments for Scholarships, prize, etc.

318. If any person informs a Government servant that he proposes to place funds at the Government's disposal for use as an endowment for the grant of a scholarship or prize, etc., the Government servant should report the matter to the Government through the proper channel for orders. The Government will then take action, if necessary under the Charitable Endowments Act, 1890 (India Act VI of 1890).

Insurance of Government Property

319. Subject to the exceptions shown in the list below, no Government property should be insured at the cost of the Government.

Exceptional cases in which insurance is permitted

Property	Authorities competent to insure
(1)	(2)
(i) Special goods such as mathematical and scientific instruments, articles made of glass and other fragile articles. (These should be insured only in cases where Railways insist on insurance as a condition of transport, but in other cases, the articles should be consigned at railway risk).	The Superintendent, General Public Work Workshops and Stores, Madras. The Director of Medical Services. The Director of Public Health. Director of Collegiate Education, School Education. The Chief Electrical Inspector to Government.

MISCELLANEOUS SUBJECTS
[319-cont.]

The Director of Industries
and Commerce.

The Joint Director of
Industries and

The Principal, Presidency
College, Madras.

The Principals of the
Engineering Colleges.

The Principal, Madras
Veterinary College.

The State Port Officer.

The Radio Engineer.

The Director of Cinchona
Department, Ootacamund.

The Director, State
Forensic Science
Laboratory, Madras.

The Director of
Agriculture, Madras.

i) Mathematical and
Survey instruments
or Soil Conservation
chemes in the State.
These should be in-
sured only in cases
where railways insist
on insurance as a
condition of trans-
port but in other
cases, the articles
should be consigned
at railway risk).

The Director of
Agriculture, Madras

MISCELLANEOUS SUBJECTS
[319-cont.]

- | (1) | (2) |
|---|---|
| (iii) The Government House buildings at Ootacamund with furniture. | The Chief Engineer (General and Buildings). |
| (iv) Stores obtained from abroad during shipment of India. | See Note (1) below. |
| (v) Other specially valuable property liable to special risks. | The Government or a Government servant specially authorised by the Government. |
| (vi) Delicate and fragile equipments, purchased for the Agriculture College and Research Institute, Coimbatore, after satisfying on each occasion of the necessity for insuring the articles. | The Dean and Ex-officio Additional Director of Agriculture, Coimbatore. |
| (vii) Articles made of glass, all items of plant and machinery and also other articles of fragile nature (To cover all risks including breakage, loss, etc., in transit only). | The Director, Tamil Nadu State Transport Department, Madras 600002. |
| (viii) Articles of fragile nature and charged batteries supplied by the various firms to the | Director, Tamil Nadu State Transport Department (Motor Vehicle Maintenance Organisation). |

MISCELLANEOUS SUBJECTS
[319-cont.]

Motor Vehicles
Maintenance Organisa-
tion and other
Departments of the
Government and to pay
transit insurance
charges in cases
where the Railways
insist on the
insurance as a
condition of
transport when supply
is on ex-godown or
ex-factory basis and
not on F.O.R.
destination basis.

x) Insurance of
consignments of
Marine Diesel
Engines, Electrical
and other machinery,
scientific instru-
ments, etc., (in cases
where railways insist
on insurance as a
condition of
transport).

Director of Fisheries.

NOTE:- 1 The High Commissioner of India charges one-fourth of one per cent of the value of all stores shipped to India by the Store Department, London, to cover the cost of insurance during shipment. The Government do not meet the cost of insurance during shipment of imported stores not shipped by the India Store Department, London, except when they do so by paying a purchase price that covers the cost, insurance and freight of the stores as delivered at the required port or station in the State - see Article 132.

MISCELLANEOUS SUBJECTS
[319-320]

NOTE:- 2 The Government do not insure Government motor cars. When they supply a Government motor car for the use of the person holding an office, it is open to the latter to protect himself against the risk involved in the use of the car by insurance at his own cost. When a Government servant buys a motor vehicle with an advance granted by the Government they require him to insure it at his own cost- Articles 230 and 231.

Maintenance of Government Accounts Receipts

320. (a) All amounts due to the Government should be rounded to the nearest multiple of five paise, i.e., an amount not below 2.5 paise should be reckoned as five paise. Amounts below 2.5 paise should be disregarded.

(b) When a local body pays a monthly contribution in respect of any post with reference to Article 802 Civil Service Regulations, it should pay the amount to the nearest multiple of five paise in each of the first eleven months in the financial year, and the necessary adjustment to make the total payment for the year current should be made in the last month of the year, i.e., a local body which has to pay Rs.13.38 a month in respect of a post should pay Rs.13.40 in each of the first eleven months of the year and Rs.13.15 in the twelfth month.

(c) Deduction on account of the General Provident Fund and the Indian Civil Service Provident Fund should always be in whole rupees. In regard to other fund deductions a procedure similar to that prescribed in clause (b) above should be followed. Income tax deductions should be rounded to the nearest multiple to five paise.

(d) The occupant of a Government residential building should pay the monthly instalment of all service taxes recovered from him under the rules

MISCELLANEOUS SUBJECTS
[320-321]

rounded (taken as whole) to the nearest multiple of five paise in respect of each month.

(e) Payments by local bodies into the treasury to the credit of their deposit accounts should not include a fraction of five paise except in the case of cheques received by them from consumers of electric energy.

(f) Any sum due from a local body or panchayat on final adjustment in respect of the land cess collection for each fasli should be rounded to the nearest rupee and recovered accordingly, i.e., an amount of fifty paise and over but less than one rupee should be taken as one rupee, while an amount of less than fifty paise should be ignored and omitted from the accounts.

(g) In calculating the composition fee leviable under the Schedule to the Madras Motor Vehicles (Taxation of Passengers and Goods) Act, 1952, all fractions of five paise should be omitted altogether.

(h) Transactions between Government Departments and undertakings, involving fraction of a rupee, shall be brought into accounts by rounding off such transactions to the nearest rupee. Amount of fifty paise and above, but less than a rupee, should be rounded off to the next higher rupee and the amount of less than fifty paise should be ignored.

Maintenance of Government Accounts - Disbursements

321. Transactions of Government involving fractions of a rupee shall be brought to account in multiple of 5 paise, portion not below 2.5 paise being rounded off to 5 paise and those below that amount being ignored.

MISCELLANEOUS SUBJECTS
[321-cont.]

Item of payment	Method of rounding
(1)	(2)
<p>(a) (i) Pay, allowances, leave salary and pensions of Government servant, (including the pay of menials drawn at monthly rates on contingent bills) and stipends paid to students under training in Government and to aided training institution under the control of the Education Department.</p>	<p>Personal claims of Government servants and pensions involving fraction of a rupee shall be brought to account in multiple of 5 paise, portion not below 2.5 paise being rounded off to 5 paise and those below that amount being ignored:</p> <p>Provided that in the case of bills for pay, including leave salary and pension, the amount in respect of pay or leave salary or pension, and no other item of payment or recovery, shall be so increased or reduced by the addition of an amount not exceeding 2 paise or subtraction of an amount below 2 paise as the case may be as will make the net amount payable to an individual on any bill a multiple of 5 paise.</p>

MISCELLANEOUS SUBJECTS
[321-cont.]

Example -	Claim		Bill to be made	
	Rs.	P.	Rs.	P.
Pay	300	00	300	02
Dearness Allowance	40	00	40	00
Compensatory Allowance	24	00	24	00
Gross Total	364	00	364	02
Deductions -				
General Provident Fund	30	00	30	00
House Rent	19	12	19	12
Income-Tax	2	06	2	06
Postal Life Insurance	8	19	8	19
Total Deductions	59	37	59	37
Net Amount	304	63	304	65

NOTE:- 1 In case of bills exclusively for allowances, other than travelling allowance involving fractions of a rupee any one part of the claim of an individual may be rounded off by addition of an amount not exceeding 2 paise or by subtraction of an amount below 2 paise as the case may be, as will make the net amount payable to the individual on a bill a multiple of 5 paise.

NOTE:- 2 In the case of emoluments fixed by law, amounts which are not in exact multiple of 5 paise shall always be rounded off to the next higher multiple of 5 paise.

MISCELLANEOUS SUBJECTS
[321-cont.]

Item of Payment	Methods of rounding
(a) (ii) Claims relating to Travelling Allowance.	The rounding shall be done only at the last stage and not in respect of each item, e.g., Railway fare, mileage, daily allowances, etc., comprising the claim of an individual.
(b) Contingent and other charges.	The rounding off the fraction of a rupee to a multiple of 5 paise shall be done only in respect of the net amount payable on a bill and not in respect of the individual items of claims or adjustments in the bill.
(c) Contribution under Rule 12 of the Scheme of Provident Fund for teachers in non-pensionable service.	The amount should be rounded to the nearest multiple of five paise in the manner indicated in Article 320 (a) above.
(d) Tax or fee due to a local body.	...
(e) Amount withdrawn by a local body from its banking account at the treasury.	The amount should not include any fraction of five paise except in the case of a cheque drawn for the payment of the electricity duty to the Government.

NOTE:- This item will not apply to the cheques drawn by the Tamil Nadu Electricity Board.

MISCELLANEOUS SUBJECTS
[321-cont.]

(f) Payment of land cess to a local body.

(i) The half-yearly advance payment to a panchayat and payment due to a panchayat or local body on final adjustment for each fasli should be rounded to the nearest rupee in the manner indicated in Article 320 (f) above.

(ii) The advance monthly payment to a local body should be made in round tens of rupees.

(g) Advance monthly grant to a local body for the maintenance of trunk roads and/or important marketing roads.

The payment should be made in round tens of rupees.

(h) Teaching, boarding, building maintenance or equipment grant to an aided school or college or subsidy to a local body towards the deficit caused on account of implementation of revised rates of pay and payment of dearness allowance at enhanced rates or subsidy to a local body on account of educational institutions under its management other than a statutory contribution under the Madras

The payment should be rounded to the nearest rupee in the manner indicated in Article 320 (f) above.

MISCELLANEOUS SUBJECTS
[321-cont.]

Elementary Education
Act, 1920 (Madras Act
VIII of 1920) (Section
37 and proviso
thereto)..

- (i) Contractor's bills (i) When the total amount of a bill is less than Rs.25, it should be rounded to the nearest multiple of five paise in the manner indicated in Article 320 (a) above.
- (ii) When the total amount of a bill is Rs.25 and over, it should be rounded to the nearest rupee in the manner indicated in Article 320 (f) above.

NOTE:- Contractors bills are received when the tender system is adopted. Contingent bills are those referred in Article 91. Contingent bills (T.N.T.C. Form) on which the drawing officer furnishes the certificate that the purchases, etc., have been effected on tender system may also be deemed to be contractors bills.

- (j) Payment of compensation in land acquisition cases. The compensation due to each individual should be rounded to the next higher multiple of five paise.
- (k) Reserve Bank remittances, other than those of sums representing dues fixed by or under any law under any contracted objection of Government. Fraction of a rupee shall be brought to account in multiples of 5 paise, portion not below 2 paise, being rounded off to 5 paise and those below that amount being ignored.

MISCELLANEOUS SUBJECTS
[321-322]

(1) Payment of Interest on Treasury Saving Bank Accounts should be rounded to the nearest multiple of five paise.

(m) Transactions between Government Departments and undertakings involving fractions of a rupee shall be brought into accounts by rounding off such transactions to the nearest rupee. Amount of fifty paise and above but less than a rupee should be rounded off to the next higher rupee and the amount of less than fifty paise should be ignored.

NOTE:- 1 When the amount covered by a bill is chargeable to more than one estimate the portion chargeable to each estimate should be treated as a separate bill for the purposes of rounding.

NOTE:- 2 A bill for the supply of kerosene oil to the Jail Department should be rounded to the nearest rupee irrespective of its amount.

NOTE:- 3 In the case of the Public Works and Forest Departments, the value of each item of work in a bill should be rounded to the nearest multiple of 5 paise in the manner indicated in Article 320 (a) above but paise should not be omitted from the rates.

Maintenance of Government accounts -
Inter-Governmental, etc., adjustments.

322. Transaction which do not involve cash payment shall not be rounded off. But amount converted into Indian currency from sterling or other foreign currencies shall be brought to account in multiples of 5 paise, portion not below 2 paise being rounded off to 5 paise and those below that amount being ignored.

MISCELLANEOUS SUBJECTS
[322-324]

NOTE:- The net amount payable to or recoverable from the Indian Council of Agricultural Research in connection with Research Schemes should be rounded to the nearest whole rupee, fifty paise counting as the higher rupee.

Erasures

323. A Government servant should on no account erase or overwrite any entry in any cash book, account, register or schedule. If he finds it necessary to make a correction, he should cancel the incorrect entry neatly in red ink and insert the correct entry. Whenever a Government servant makes any correction or interpolation in any such document, he should request the head of the office to authenticate it by writing his dated initials against it - see also subsidiary rule 32 (c) under Treasury Rule 16.

Exception - The Superintendents of Police in the Police Department are exempted from attesting the corrections in police station pay bills. However, the corrections should be attested by a subordinate not lower in rank than the Accountant and the heads of office should test check at least ten per cent of corrections and authenticate them.

Supply of Forms

324. The Works Manager, Government Press, maintains stocks of the standard forms prescribed for use by Government offices including the forms prescribed in this Code, the Tamil Nadu Treasury Code and the Tamil Nadu Account Code. Heads of offices and other Government servants who are entitled to indent for these forms should send their indents to him in accordance with the rules contained in Part I, of the Tamil Nadu Printing Manual.

MISCELLANEOUS SUBJECTS
(325-326]

Service Books

325. A record should be maintained of the services of every Government servant in accordance with the rules framed by the Government under Fundamental Rule 74 (a) (iv) - see Part III of Annexure II to the Tamil Nadu Fundamental Rules. The Accountant-General will maintain the record for Gazetted Government servants in the "History of Services" which he compiles annually. The head of each office should maintain the record for each non-gazetted Government servant working under him in a service book or service roll. Each district treasury keeps a stock of service books and service rolls and supplies those required by keeping in stock and sale at sub-treasuries on quarterly indents, which should not be excessive. Other officers should obtain from the sub-treasury only the number of service books (or rolls) actually required for use on each occasion and should not hold any stock to meet future requirements.

Service Books required by heads of Government offices for Last Grade Government servants and service roll forms required for Police Constables and Head Constables and leading Firemen, Firemen and other equivalent ranks in the Fire Services Branch will be issued free of cost.

**Destruction of official codes connected with
accounts**

326. A competent authority may destroy official records from time to time, subject to the careful observance of the relevant rules contained in the departmental code or manual and of any other relevant orders of the Government. The following rules apply generally to the destruction of records (including correspondence) connected with accounts:-

MISCELLANEOUS SUBJECTS
[326-cont.]

(a) The following should on no account be destroyed:-

(i) Records connected with expenditure which is within the period of limitation fixed by law.

(ii) Records connected with expenditure on projects, schemes or works which have not yet been completed, even though the expenditure is not within the period of limitation fixed by law.

(iii) Records connected with claims to service and personal matters affecting Government servants who are still in service, and

(iv) Orders and sanctions of a permanent character, until revised.

(b) The following records should be preserved for not less than the period specified against each item:-

Description of records (1)	Period of preservation (in years) (2)
Pay bills and, when maintained separately, acquittance rolls for pay and allowances (other than travelling allowance) of all Government servants	40
Pay bills and, when maintained separately, acquittance rolls of Government servants in last grade service	45
Registers of contingent expenditure	5
Sub-vouchers	3

MISCELLANEOUS SUBJECTS
[326-cont.]

Description of Records	Period of preservation. (in years)
(1)	(2)
Detailed budget estimates of an office	5
Travelling allowance bills and acquittance rolls relating to travelling allowance	3
Pension cases (including the service books and leave accounts attached to them) in which invalid or compensation pensions have been sanctioned	25
Other pension cases (including the service books and leave accounts attached to them)	5 (after the retirement of the Government servant concerned)

NOTE:- 1. Service books and other papers relating to a claim for a gratuity should be retained until the claimant attains 58 years of age or dies, whichever is earlier and also until final orders have been passed on the claim.

NOTE:- 2. In regard to service books of Government servants who have been dismissed or discharged or have resigned or died while in service, see rules 14 to 16 of the rules under Fundamental Rule 64 contained in Part III of annexure II of the Tamil Nadu Fundamental Rules.

Statements of monthly progressive expenditure and correspondence relating to any discrepancy in the figures 2

MISCELLANEOUS SUBJECTS
[326-cont.]

Mortality returns of pensioners	5
Register of undisbursed pay and allowances	6
Paid cheques returned by Reserve Bank of India along with their daily payments (rolls) to the Pay and Accounts Officer, Madras	5
Treasury Bill Book [Tamil Nadu Treasury Code Form (70)]	5
Letters of authority issued by the drawing officers in T.N.T.C. Form 103 in favour of messengers to encash the bills relating to claims of Government servants to be preserved by the non-banking treasuries/ sub-treasuries/Banks	10
Medical Reimbursement bills and acquittances	3 years
General Provident Fund Temporary and Part-Final withdrawal bills and acquittances	3 years
House Building Advance bills and acquittances	30 years
Other Miscellaneous Advance bills/Festival Advance/ Cycle Advance/ Khadi/ Handloom Advance	3 years

Exception - In the case of Police Department, the circle pay bills, pay abstracts and supplemental bills shall be preserved for a period of 6 years as laid down in the Office Manual of the Police Department as long rolls are maintained in the Police Department for 35 years.

MISCELLANEOUS SUBJECTS
[326-328]

(c) When the Government have prescribed a minimum period after which records of a particular kind may be destroyed, the head of a department, or any other authority duly authorized to do so, may order in writing that such records in his own office and the offices subordinate to him shall be destroyed on the expiry of that period, counting from the date to which the record relates. Before the head of an office allows any pay bills or acquittance rolls to be destroyed, he should take care to satisfy himself that the procedure in regard to the maintenance and verification of service books prescribed in rules 6 and 12 under Fundamental Rule 74 [Part III of Annexure I of the Tamil Nadu Fundamental Rules] has been strictly followed in regard to those pay bills or acquittance rolls.

(d) The head of department is competent to sanction the destruction of such other records in his own office and the offices subordinate to him as he considers to be useless, but he should forward a list of such records as properly appertain to the accounts audited by the Indian Audit Department to the Accountant-General and await his concurrence in their destruction before ordering them to be destroyed.

(e) Every head of an office should see that lists showing full details of all records destroyed from time to time are properly prepared and retained permanently.

327. - Deleted.

Reports of deaths of pensioners

328. Every executive authority of a municipal council and village headman should report immediately to the disbursing officer concerned the

MISCELLANEOUS SUBJECTS
[328-328A]

death of any person who was residing within his jurisdiction and drawing a Government pension, whether civil, military, political or of any other kind. Pension disbursing officers should supply these authorities with lists of the pensioners residing within their respective jurisdictions.

In Madras City the above report will be made by the Commissioner of the Corporation of Madras to the Accountant-General.

On receipt of intimation of the death of a civil pensioner, the disbursing officer should report the particulars immediately to the Accountant-General.

Rules for the control of the use, maintenance and repair of motor vehicles of the departments of the Government

328-A. The rules for the control of the use, maintenance and repair of motor vehicles of the departments of the Government are contained in Appendix 26. These rules apply to motor vehicles in possession of all departments of the Government except those supplied to -

- (1) Police Department;
- (2) Tamil Nadu State Transport Department;
- (3) Panchayat Unions and the Collectors in the districts and Rural Development and Local Administration Department in the Madras City under the Community Development Programme;
- (4) Rural Extension Training Centres in the State;

MISCELLANEOUS SUBJECTS
[328A-328B]

(5) Fire Service Department, and

(6) Directorate of Vigilance and Anti-corruption.

328-B. The rules for the plying of Tamil Nadu Medical Service Vans are contained in Appendix 27. These rules shall apply to Ambulance Vans in Possession of all Government Medical institutions in the State of Tamil Nadu.

CHAPTER XV - DELEGATION OF UNION FUNCTIONS BY CONSENT OF STATE

329. The Government are primarily concerned with State transactions to which the rules in the foregoing chapters apply. The Government are also exercising certain functions in relation to Union subjects under powers delegated to them. These functions fall under the following categories.

(i) Statutory and other executive functions entrusted by the Central Government to the Government and their officers with the Government consent [Article 258 (i) of the Constitution of India].

(ii) Functions imposed by Acts of the Indian Legislature upon the Government and their officers [Article 258 (2) of the Constitution of India].

The transactions relating to these functions are regulated by the rules and orders issued from time to time by the Central Government and embodied in the "Financial Rules of the Central Government" or other Central Government codes and manuals.

Chapter X of the Tamil Nadu Budget Manual contains a summary of the general instructions issued for the guidance of estimating officers and others in regard to the estimate of revenue and expenditure relating to the Union subjects and the control of such expenditure.

T. N. F. C. FORMS

T.N.F.C.

(See Chapter III

DEMAND STATEMENT OF RENTS RECOVERABLE FROM PAY
RESIDENTIAL BUILDINGS IN THE CHARGE

Major head to be credited		
Name of Division, Register number of building	Name of building	Name, rank and office of the occupant, with rates of his pay and allowances, as known to the Executive Engineer
(1)	(2)	(3)

Forwarded to the _____ (Treasury Officer or other

Dated 19 .

Completed and returned to the Executive Engineer,
Certified that the emoluments of the tenants named
month and that no arrears of emoluments were thus
indicated in column (6) of

Dated 19 .

FORM 1

Articles 14, 15 and 18)

BILLS OF GOVERNMENT SERVANTS OCCUPYING GOVERNMENT
OF THE PUBLIC WORKS DEPARTMENT

Amount due to end of 19..	Amount recovered during	Remarks with date and other particulars of changes in the rates of emoluments shown in column (3)

Name of canal, etc.,
(To be filled in by the Treasury Officer)

(4)

(5)

(6)

Rs. P. Rs. P.
disbursing officer)

Executive Engineer.

.....Division.
in the Statement remained unchanged during the
paid to them during the previous month except as
Statement.

Treasury Officer or other Disbursing Officer.

FORM 2

ARTICLE 67]

REVISION OF ESTABLISHMENT

PROPOSITION						Orders of the sanc- tioning authority
Permanent		Temporary				
Decrease per month	Increase per month	Increase per month		Decrease per month		
Amount	Amount	P E R I O D	A M O N T	P E R I O D	A M O N T	
(13)	(14)	(15)	(16)	(17)	(18)	(19)
Rs. P.	Rs. P.		Rs.P.		Rs.P.	

proposal, their order will be written across this

of establishment, the head of the department arise in consequence have been considered with and should specify any case in which the maximum reduction under that Article. See Article

attention should be paid to the instruction in

Department,

Signature
Designation ..

FORMS

T.N.F.C. FORM 3

(See Chapter V, Article 67)

STATEMENT OF PROPOSITION FOR REVISION OF
ESTABLISHMENT

Class or grade and designation of Government Servant affected	Number in each class		Rates of pay		*Actual present cost of establishment affected	Approximate cost extra involved by these proposals
	Pre-sent	Proposed	Pre-sent	Proposed		
(1)	(2)	(3)	(4)	(5)	(6)	(7)

* In the case of district or divisional establishments, the cost of the whole establishment affected should be given in lump without details, and in the case of establishments, the scale which is fixed for the State as a whole, the cost of the whole State scale should be entered. When it is proposed to add a new class to an existing establishment, the whole of the existing cost of that establishment should be given.

NOTE - (1) If the proposal is for a reorganisation of establishment, the head of the department should certify that claims to pension that may arise in consequence have been considered with reference to the provision of Article 429 C.S.R. and should specify any case in which the maximum pension ordinarily admissible will be subject to Reduction under that Article. See Article 64 of the Tamil Nadu Financial Code.

(2) In preparing the statement, particular attention should be paid to the instructions in Article 68 of the Tamil Nadu Financial Code.

FORMS

T.N.F.C. Form 3-cont.

Dated19

Signature.....
DesignationTo
The Secretary to Government

Department

through the Accountant-General.

Forms 4, 4-A and 5 - Deleted.

T.N.F.C. FORM 6

(See Chapter V, Article 80)

FORM OF BOND OF INDEMNITY FOR DRAWING ARREARS OF
PAY AND ALLOWANCES OR PENSIONS OF DECEASED
GOVERNMENT SERVANTS OR PENSIONERS

KNOW ALL MEN BY THESE PRESENTS that I
(a).....widow/husband/son/daughter
 of Thiru/Thirumathi(b).....
 residing at(c).....
 (hereinafter called "the Obliger" which expression
 shall unless excluded by or repugnant to the
 context include his/her heirs, executors,
 administrators and legal representatives), and I/we
 (1).....(d)..... son of.....
 resident ofand (2).....
 (e).....son of.....resident of.....
 Surety/sureties on behalf of the Obliger
 (hereinafter called "the Surety" "the Sureties"
 which expression shall unless excluded by or
 repugnant to the context include his/their heirs,
 executors, administrators and legal
 representatives) bind ourselves jointly and

FORMS

T.N.F.C. Form 6-cont.

severally to pay to the Governor of Tamil Nadu (hereinafter called "the Government" which expression shall unless excluded by or repugnant to the context include his successors and assigns) on demand and without a demur a sum of Rs.....(f)..... (Rupees) for which payment well and truly to be made we bind ourselves firmly by these presents.

Dated thisday of.....19...

WHEREAS the aforesaid Thiru/Thirumathi (b) was at the time of his/her death in the employment of/receiving a pension of Rs..... from the Government.

AND WHEREAS the said Thiru/Thirumathi (b) died on theday/of19..... and there was due to him/her the sum of Rs.....(f)..... (Rupees) for pay and allowances in respect of his/her said employment in respect of her/his pension.

AND WHEREAS the above bounden Obliger (a) claims to be entitled to the said sum as heir of her/his husband/wife/father, the said Thiru/Thirumathi (b) but has not obtained letters of administration of or a succession certificate to the property and effects of Thiru/Thirumathi (b).....

FORMS

T.N.F.C. Form 6-cont.

AND WHEREAS the Obliger has satisfied the Government that she/he is entitled to the aforesaid sum and that it would cause undue delay and hardship if she/he were required to produce letters of administration of or a succession certificate to the property and effects of the said Thiru/Thirumathi.....(b).....

AND WHEREAS the Government desire to pay the said sum of the Obliger but under Government rules and orders it is necessary that she/he should first execute a bond with one surety/two sureties to indemnify against all claims to the amount so due to the.....said.....Thiru/Thirumathi.....(b)....., said sum can be paid to the Obliger.

NOW THE CONDITION of this bond is such that if after payment has been made to the Obliger, the Obliger or the Surety/ Sureties shall in the event of a claim being made by any other person against the Government with respect of the aforesaid sum of Rs.....(f).....
(Rupees)
refund to the Government, the sum of Rs.....(f)..... (Rupees)
.....) and shall otherwise indemnify and save Government harmless from all liability in respect of the aforesaid sum and all costs incurred in consequence of any claim thereto THEN the above written bond of obligation shall be void but otherwise the said bond shall remain in full force effect and virtue.

IN WITNESS WHEREOF the parties hereto have hereunto set their respective hands the day and the year first above written.

Signed by the above named
surety/sureties in the
presence of

FORMS

T.N.F.C. Form 6-cont.

Signed by the above named
Obliger in the presence of

(1) **

Witnesses: (1)

(2)

2) ***

Accepted for and on behalf of the Government of
Tamil Nadu by\$\$.....
in the presence of ##

Note: - (a) Full name of the claimant.

(b) Name of deceased Government
servant pensioner.

(c) Full address and place of residence
of the claimant.

(d) First Surety.

(e) Second Surety.

(f) Amount of the claim.

* Signature of the Obliger.

** Signature of the first Surety.

*** Signature of the Second Surety.

\$\$ Name and designation of the officer directed or
authorised to accept the bond for and on behalf of
the Governor of Tamil Nadu.

Name and designation of witness.

Note - The obliger as well as the Sureties should
have attained majority so that the bond may have
legal effect or force.

FORMS

T.N.F.C. FORM 7

(See Chapter VI Articles 103 and 110)

REGISTER OF CONTINGENT CHARGES OF THE
DEPARTMENT OF THE DISTRICT 199 .

(Common forms of contingent register to be used in all departments except in the Government Press and the Jail Department)

Date	To whom paid	No. of sub-vouchers	Sub-head, detailed account heads and sub-divisions thereof					
		contingent abstract			Rs.	Rs.	Rs.	Rs.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Unusual charges	Total of each month bill	Date of receipt of detailed bill	Date of admission with initials	A Date of transmission to Accountant-General and Accounts Officer	R	E	M	A	R	K	S	
Des-crip-tion	A Total of each contingent abstract	of each month bill	re-ipt of detailed bill	admi-ssion with initials	N	V	A	C	E	S		
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)				
				(a)	(b)							
				Amount admitted	Date of admission							

T.N.F.C FORM 8 - Deleted

FORMS

T.N.F.C. FORM 9

(See Chapter VII Article 181)

FORM OF TENDER AND CONTRACT
TENDER FOR THE SUPPLY OF GOODS

To the Governor of Tamil Nadu,

I of hereby contract and agree on the acceptance of this tender by on behalf of the Governor of Tamil Nadu to supply to the Government of Tamil Nadu (hereinafter referred to as "the Government") in accordance with the conditions of contract stated below the goods or materials hereunder named of the quality or sort and at the rate of price hereunder specified and hereby forward the sum of Rs.....as earnest money to be returned to me by the Government, if this tender is not accepted:-

Description of goods or materials	Quality or sort	Rate or Price (in figures and in words)	Total quantity or Number to be supplied if limited
-----------------------------------	-----------------	---	--

Conditions of contract

1. This contract is to last formonths certain from its date. But in the event of any breach of agreement by any time on the part of the contractor, the contract shall be determinable by for and on behalf of the Government without compensation to the contractor. The contract may also be put an end to at any time by the Government upon giving..... days notice to the contractor.

2. The goods or materials to be supplied under this contract are to be of the quality or

FORMS

T.N.F.C. Form 9-cont.

sort above mentioned and in every respect equal and answerable to the patterns or samples sent with the tender such as the Government or any Officers duly authorised by them shall approve.

3. The goods or materials to be delivered at..... free of charges to the Government and at the contractor's risk in such quantities or numbers at such times and in such manner asor any one duly authorized by him shall from time to time order.

4. Rejected goods or materials shall be removed by and the expense of the contractor within seven days after notice shall have been given him of the rejection. If not so taken away themay cause the goods or materials to be removed and charge the contractor with all expenses incurred in such removal.

5. In case of failure by the contractor to deliver goods or materials demanded from him within the period limited for delivery or in case of goods or materials delivered by him not being of the stipulated quality, weight or measure or in case of goods or materials being delivered without a correct invoice in the duplicate or any one duly authorised by him shall have power to reject any such goods or materials and to purchase others instead of any goods or materials so rejected or not delivered unless the contractor shall himself forthwith supply others that shall be sufficient and satisfactory and any excess of cost so incurred by the Government over the contract price together with all charges and expenses attending the purchase shall be recoverable by the Government from the contractor.

In case of failure to complete the supplies within the date of delivery specified in terms of

FORMS

T.N.F.C. Form 9-cont.

the contract, placed on the contractor in preference to the lowest acceptable offer, in consideration of the offer of earlier delivery the difference between the contract rate and that of the lowest acceptable offer shall be recoverable by the Government from the contractor.

6. The contract or any part share of interest in it is not to be transferred or assigned by the contractor directly or indirectly to any person or persons whomsoever without the written consent of the.....

7. With every delivery of goods or materials under the contract invoices in duplicate are to be sent by the contractors. The duplicate will be returned by thewith the quantities or numbers received duly noted thereon. The contractor is to send in his account monthly to the..... within seven days from the termination of the month with the amount due correctly calculated according to the prices agreed upon whereupon after examination of the claim, notice shall be given to him of the day on which he or his authorized agent may attend for payment. Fraction of a rupee in the totals of the contractor's bill shall be rounded off to the nearest rupee (i.e., fractions of less than half shall be disregarded and fifty paise and over shall be taken as a rupee) in the case of bills amounting to Rs.25 and upwards. The totals of bills for less than Rs.25 shall be rounded to the nearest multiple of five paise in the manner indicated in Article 320 (a).

7A. The Government hereby agrees that during the term fixed by this contract and except as herein provided, Government shall not purchase from any person or persons other than the contractor or from any company or corporation all or any

FORMS

T.N.F.C. Form 9-cont.

quantities of the goods or materials agreed to be supplied by the contractor.

7B. The final payment of goods or materials under this contract shall be made only on production by the contractor of a certificate from the income-tax authorities that all income-tax payable by him up to the end of the accounts year has been duly paid.

8. Any notice to the contractor shall be deemed to be sufficiently served if given or left in writing at his usual or last known place of abode or business.

8A. The contractor shall produce an income-tax verification certificate in the prescribed form from the Income-tax Officer of the Circle/Ward or District where he is assessed or assessable to income-tax.

9. The contractor shall furnish security for the due fulfilment of the contract equivalent to 10 per cent of the total value of the contract. This security may be in the form of cash, promissory notes of the Government of Tamil Nadu, the Central Government or any other state Government, Municipal debentures, Port Trust Bonds, Post Office Savings Bank Deposits, Post Office Cash Certificate and Savings Certificates issued by the Government or Deposit receipt of a State Bank Of India. The contractor concerned may make, either by a suitable Deposit or guarantee arrangements with any Bank should deposit Government securities to cover the amount of security demanded with a margin 5 per cent below market value. Where cash is furnished as security the amount of the earnest money shall be taken into account in fixing the amount of security. The may at his discretion accept in lieu of such security bond from two sureties to be approved by him.

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T.N.F.C. Form 9-cont.

10. Upon the complete fulfilment of this contract by the contractor to the satisfaction of the Government or any officer duly authorized by them the said sum of Rs..... deposited as security by the contractor shall be returned to him less the amount, if any, due by the contractor to the above Officer.

(Contractor's signature)

Address by post

Witness to the above signature)

Acceptance

The Governor of Tamil Nadu hereby accept the foregoing tender in accordance with the conditions of contract thereunto annexed.

Dated:

(For and on behalf of
the Governor of Tamil Nadu)

T.N.F.C. FORM 9-A

(See Chapter VII, Article 131-A)

**FORM OF AGREEMENT FOR THE PURCHASE OF STORES FROM
FOREIGN FIRMS BY THE PURCHASING OFFICERS.**

This agreement made on theday of..... one thousand nine hundred and ninety.....between the Governor of Tamil Nadu (hereinafter called "the Governor" which terms where the context so permits, shall include his successors, in office and assigns) of the One Part and(hereinafter.....called.....the

FORMS

T.N.F.C. Form 9A-cont.

"Manufacturers" "Suppliers" which terms shall where the context so permits include their heirs, executors, administrators, legal representatives and assigns) of the Other Part.

Whereas, the manufacturers/suppliers have agreed to supply the articles described in detail below to the (here enter the names of the department or office to which the supply is to be made) ; and

Whereas, the manufacturers/suppliers have further agreed to supply the articles on such rates, terms, and conditions as may be specified by the(here enter the designation of the purchasing officer hereinafter referred to as ".....") in the firm order to be placed with the manufacturer/suppliers from time to time.

Now these presents witnesseth and the parties hereto hereby mutually agree as follows:-

(1) The articles ordered for in the firm order shall be supplied by the manufacturers/suppliers at the rates, terms and conditions mentioned in the said firm order.

(2) Supply of the entire quantity of the articles ordered for shall be completed before the 31st of March of the following year or within one year of receipt of the firm order, whichever is preferred by the.....(here enter the designation of the purchasing officer)

(3) In case the supply is not completed before 31st March of the following year or within one year of receipt of the firm order whichever is preferred by the.....(here enter the designation of the purchasing officer) the manufacturers/suppliers undertake to meet the loss

T. N. F. C. FORMS

FORMS

T.N.F.C. 9A-cont.

sustained by the Government of Tamil Nadu (hereinafter referred to as "the Government").

(4) Quality of the articles supplied shall conform strictly to the specification mentioned in the firm order and thehas the right to reject the quantity of the articles that does not conform to the specification and the decision of the.....in this regard shall be final and binding.

In witness whereof the common seal of the..... has hereunto been affixed and the agreement executed for and on behalf of the company by its Directors Thiruand Thiru.....and Thiru..... acting for and behalf of and by the order and direction of the Governor of Tamil Nadu has hereunto set his hand.

The common seal of the..... has hereunto been affixed in the presence of

(1) Director

(2) Secretary or other person
authorised

Witnesses:

(1)

(2)

Witnesses:

(1)

(2)

FORMS

T.N.F.C. FORM 10

(See Chapter VII, Article 135)

STOCK ACCOUNTS OF FURNITURE AND OTHER OFFICE STORES

Office of
Name of article - Chairs.

Date	No. & Dt. of con- tingent voucher invoice etc.	Date of Purchase	Value	Date of Purchase	Purchase value
(1)	(2)	(3)	(4)	(5)	(6)

(Sample entries)

1st April 199	.....	.....	.....	.....	.....
15th June 199	.....	Voucher No.10, dated 15th June 199			
25th August 199	.....	Indent No.27, dated 15th August 199			
1st October 199	.....	Office Order 37, dated 1st October 199			
Destroyed as they were not worth repairing.					

Nature of transac- tion.	Receipts	Issues	Balance	Remarks
(7)	(8)	(9)	(10)	(11)
Opening balance		..	..	..
Purchased	4	..	50	..
Transferred to the office of-		6	44	..
Broken chairs condemned as unserviceable		3	41	..

FORMS

T.N.F.C. FORM 10-A

(See Chapter VII. Article 135)

STOCK ACCOUNT OF LIVERSTOCK (TO BE MAINTAINED SEPARATELY FOR EACH CLASS OF ANIMAL SUCH AS CATTLE HORSE, SHEEP, POULTRY, ETC.)

Sl. No.	Station to which it belongs	No. of the animal	Breed of the animal	Sex	Age	
					Year	Month
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Date of purchase	Date of death or disposal	Cause of death or how disposed of	Book value as on 1st April	Amounts realised by sale	Value to be written of	R E M A I N I N G
(8)	(9)	(10)	(11)	(12)	(13)	(14)

Rs. Rs. Rs.

NOTE- The book value to be indicated in column (11) will be the purchase price of the animal in the year of purchase and in subsequent year value fixed for it as on 1st April in the annual valuation.

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T.N.F.C. FORM 11

(See Chapter X; Article 227)

FORM OF PERSONAL SECURITY BOND TO BE EXECUTED BY AN OFFICIATING OR TEMPORARY GOVERNMENT SERVANT DRAWING AN ADVANCE FOR THE PURCHASE OF A CONVEYANCE (OTHER THAN A MOTOR CAR OR A MOTOR CYCLE) ALONG WITH A PERMANENT GOVERNMENT SERVANT AS SURETY.

KNOWN ALL MEN BY THESE PRESENTS that weof..... and.....of.....are held and firmly bound unto the..... Governor of Tamil Nadu in the sum of Rupeesto be paid to the Government of Tamil Nadu (hereinafter called the Government) their successors or assigns or their certain attorney or attorneys for which payment to be well and truly to be made we bind ourselves and each of our heirs, executors, administrators and legal representatives firmly by these presents.

WHEREAS the above bounden who at present holds the office of has applied to the Government for the grant to him of an advance of Rupees.....for the purpose of purchasing AND WHEREAS the Government have agreed to sanction such advance upon the said..... and the above bounden as his surety entering into a bond in the above mentioned sum of Rupees with such condition as is hereunder written for the due and punctual repayment by the said of the several instalments of the principal sum and interest thereon as and when they fall due and for the observance and performance by the said

FORMS

T.N.F.C. Form 11-cont.

..... of the several conditions and covenants laid down in the Tamil Nadu Financial Code or any modification thereof relative to the above said advance.

Now the above written bond is conditioned to be void in either of the cases following:-

(1) If the said his heirs, executors, administrators or legal representatives shall from time to time and at all times hereafter well and truly pay or cause to be paid to the Government all such sums of money as shall from time to time become due and owing to the Government from the said..... in respect of the advance above mentioned as and when such sum or sums of money shall respectively become due and payable.

(2) If the said shall at any time or times hereafter make default payment of any such sum or sums of money as aforesaid and the said or his heirs executors, administrators or legal representatives shall within the space of one calendar month after receiving notice in writing of such default and of the amount thereof from the Government well and truly pay or cause to be paid to the Government the sum of money stated in the said notice to be and being the amount of the said default.

Signed, sealed and delivered
by the said
in the Presence of

Signed, sealed and delivered
by the said (surety)
in the presence of

FORMS

T.N.F.C. FORM 11-A

(See Chapter X, Article 242-B)

FROM OF SURETY OF A PERMANENT STATE GOVERNMENT
SERVANT TO BE OBTAINED BEFORE THE ADVANCE OF
TRAVELLING ALLOWANCE IS SANCTIONED TO THE FAMILY OF
GOVERNMENT SERVANT WHO DIES IN SERVICE

KNOW ALL MEN BY THESE PRESENTS THAT WE
..... (1) *
(hereinafter called the "obligor") and (2) #
..... (hereinafter called the
"Surety") are held and fully and firmly bound unto
the Governor of Tamil Nadu, (hereinafter called the
"Government") for the sum of Rs..... to the
payment of which amount well and truly to be made
we jointly and severally bind ourselves and our
respective heirs, executors, administrators, legal
representatives and assigns by these presents.

WHEREAS THE GOVERNMENT has paid to the obligor a
sum of Rs...\$..... (receipt of which sum the
obligor hereby acknowledges) on account of advance
of travelling expenses to the family of the **
.....deceased
hereinafter referred to as the ("family") for their
journey to.....(her
.....and for the transport of the
personal effects of the said **.....
(deceased) to.....\$\$.....

NOW THE CONDITION OF THE ABOVE WRITTEN BOND is such
that if the said obligor shall account to the
satisfaction of the Government, within one month of
the completion of the journey to
..... by the
family, if the family travels in one batch, or when
the family travels in more than one batch, within
one month of the completion of the journey by the
last batch, or within one month of the expiry of
the period of six months after the date of receipt
of this advance, whichever is earlier, for the

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T.N.F.C. Form 11A-cont. .

proper expenditure of the aforesaid advance, then the above written bonds shall be void and of no effect, but otherwise the bond shall remain in full force, effect and virtue. Those presents further witness that-

(a) any forbearance, extension of time, or indulgence on the part of the Governor of Tamil Nadu or any Officer to the obliger whether with or without the knowledge or consent of the surety, shall not in any way release the said surety; his heirs, executors, administrators, legal representatives and assigns from his or their liability under the above written bond;

(b) that the stamp duty on this bond shall be borne by the Government.

Signed and delivered by
the above named obliger in
the presence of-

1.

2.

* Here insert the name of the individual to whom the advance is paid

Here insert the name of the surety

\$ Here specify the amount of advance paid

** Insert the name of the deceased Government servant

\$\$ Insert the normal place of residence of the Government servant a journey to which is admissible under the rule.

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T.N.F.C. Form 11A-cont.

Signed and delivered by
the above named Surety in
the presence of

1.
2.

Accepted for and on behalf
of the Governor of Tamil Nadu
in the Presence of-

1.
2.

TAMIL NADU FINANCIAL CODE FORM 12

CHAPTER X ARTICLE 230

FORM OF APPLICATION BY A GOVERNMENT SERVANT FOR AN
ADVANCE FOR PURCHASE OF A MOTOR CAR/MOTOR CYCLE/
SCOOTER/MOPED.

1. Name of the applicant
2. Designation
3. Name of office in
which the applicant is
employed
4. Residential address of
the applicant
5. a) Basic Pay
b) Scale of Pay

T.N.F.C. Form 12-cont.

6. Gross Salary per mensem (Indicate every item Separately)
7. Carry-Home Salary (Net)
8. Date of Joining Government Service
9. Details as to the post in which the applicant is an approved probationer (or) the post in which he is confirmed
10. Date of Birth
11. Date of Retirement
12. Amount of Advance applied for.
13. Type of Vehicle for which advance is applied for
14. State whether the vehicle to be purchased is new or old
15. Name of the Firm or party from whom the vehicle is proposed to be purchased with full address
16. In the case of new vehicle, state whether proforma invoice of the Firm for the vehicle is enclosed

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T.N.F.C. Form 12-cont.

17. In the case of old vehicle, state whether letter of consent by the seller is enclosed
18. Price of the vehicle to be purchased
19. Whether the seller of the old vehicle is related to the applicant?
20. If the applicant was already in possession of a vehicle, furnish the following details:
 - (a) Name of the vehicle he was in possession of
 - (b) The period (denoting the dates from..... to) during which he was in possession of the vehicles:
 - (c) The date on which he sold the vehicle:
 - (d) Sale price of the vehicle
 - (e) Whether the old vehicle was purchased with the advance obtained from the Government?

FORMS

T.N.F.C. Form 12-cont.

21. Whether at present the applicant is in possession of any vehicle? If so, furnish the following details:
- (a) Name of the vehicle
 - (b) The date from which he is in possession of the vehicle?
 - (c) Whether the vehicle was purchased with the advance obtained from the Government?
 - (d) The proposed sale price of the vehicle
22. Whether the applicant has given away as gift or sold the vehicle purchased out of Government advance or out of his personal funds as the case may be?
- If so, the date on which it was given away as gift, or was sold and the sale price, may be furnished.
23. Whether the applicant has applied for the first time for vehicle advance?

FORMS

T.N.F.C. Form 12-cont.

24. If not, the number of times the applicant had received vehicle advance previously; the number and the date of the sanction orders as well as the amount of advances sanctioned.
25. If the applicant was sanctioned with vehicle advance previously whether such sanction order has been cancelled consequent to his non-availing of the advance? If so the details thereof:
26. If the applicant was sanctioned with vehicle advance and availed the same, Whether he was directed to repay the vehicle advance so availed in full for the reason that the vehicle was purchased in violation of or in controvention of rules? If so, the details thereof:
27. If the price of the vehicle is in excess of the amount of advance applied for the proposed source from which he wants to meet out the difference:

FORMS

T.N.F.C. Form 12-cont.

28. Whether the applicant has now applied for advance for the purchase of Motor Cycle / Scooter/ Moped having already availed Cycle advance from Government?

If so, state the number and date of sanction order for the Cycle advance -

a) Certified that the particulars given above are complete and true-

b) Certified that I have not purchased the vehicle for which I have applied for advance, till date, that I shall complete the payment for and take possession of the vehicle before the expiry of one month from the date of drawal of the advance and I shall insure it within one month from the date of taking delivery of it.

29. a) Whether the applicant is on leave
 b) If so, the nature of leave

FORMS

T.N.F.C. Form 12-cont.

- c) The date from which the applicant is on leave
- d) Date of expiry of leave
30. a) Whether the applicant is likely to proceed on leave
- b) If so, the nature of leave
- c) The date from which the applicant is on leave
- d) Date of expiry of leave

DATE:

SIGNATURE OF THE APPLICANT

STATION:

RECOMMENDATION AND CERTIFICATE
BY THE HEAD OF OFFICE

Certified that the particulars furnished by

in his application for the sanction of
 advance for the purchase of.....
 have been verified
 with official documents/records and found correct
 and that he is an approved probationer /his
 services were confirmed in the post of.....

FORMS

T.N.F.C. Form 12-cont.

..... and that no disciplinary proceedings are pending against him. The applicant has applied for the vehicle advance for the first time.

The applicant has already drawn vehicle advance times. Now he has applied for the time.

Certified that the applicant is eligible for the sanction of vehicle advance for the purchase of vehicle in accordance with rules.

DATE:

SIGNATURE AND SEAL OF THE HEAD
OF THE OFFICE.

STATION:

FORMS

T.N.F.C. FORM 13

[See Chapter X, Article 230 (c) (2).]

FORM OF AGREEMENT TO BE EXECUTED AT THE TIME
OF DRAWING AN ADVANCE FOR THE PURCHASE OF A MOTOR
CAR/CYCLE

AN AGREEMENT made thisday of.....
One thousand nine hundred andbetween
.....Of.....(hereinafter called the
Borrower, which expression shall include his heirs
administrators, executors and legal
representatives) of the one part and the Governor
of Tamil Nadu of the other part.

WHEREAS the Borrower has under the provisions of
the Tamil Nadu Financial Code (hereinafter referred
to as the said Code, which expression shall include
any amendments thereof or additions thereto for the
time being in force) applied to the Government
of Tamil Nadu (hereinafter called the Government)
for a loan of Rs.... for the purchase of a motor
car/cycle on the terms and conditions hereinafter
contained and whereas the application of the
Borrower for the said loans being considered by the
Government now IT IS HEREBY AGREED between the
parties hereto that in consideration of the sum of
Rs..... to be paid by the Government
to the Borrower if and when the Government sanction
the said loan the Borrower hereby agrees (1) to pay
the Government the said amount with interest
calculated according to the said Code by monthly
deduction from his salary as provided for by the
said Code and hereby authorizes the Government to
make such deductions, (2) within one month from
the date of drawal of the advance to expend the
full amount of the said loan in the purchase of a
motor car; cycle or if the actual price paid is
less than the loan, to repay the difference to the
Government forthwith, (3) in the event of Borrower's
reversion from Government service before the
advance drawn together with interest is fully

FORMS

T.N.F.C. Form 13-cont.

repaid, to repay in one lump-sum the amount outstanding and the interest due before borrower is actually relieved from the Government service and (4) to execute a document hypothecating the said motor car/cycle to the Government as security for the amount lent to the Borrower as aforesaid and interest in the form provided by the said Code AND IT IS HEREBY LASTLY AGREED AND DECLARED that if the motor car/cycle has not been purchased and hypothecated as aforesaid within one month from the date of drawal of the advance or if the Borrower within that period becomes insolvent or quits the service of the Government or dies the whole amount of the loan and interest accrued thereon shall immediately become due and payable.

IN WITNESS WHEREOF THE BORROWER AND.....for and on behalf of the Governor of Tamil Nadu have hereunto set their hands.

* Signed by the said

(Signature of witness) (Signature and designation
of the Borrower)

Signed by (name and designation)for and on behalf of the Governor of Tamil Nadu in the presence of

(Signature and designation
of the Officer)

Name and designation of the borrower

* Name and designation of the Borrower.

FORMS

T.N.F.C. Form 13-A

(See Chapter X, Article 232-A)

FORM OF AGREEMENT TO BE EXECUTED BY A RURAL MEDICAL
PRACTITIONER AT THE TIME OF DRAWING AN ADVANCE FOR
THE PURCHASE OF A BICYCLE.

AN AGREEMENT made thisday one thousand
nine hundred andbetween.....of
..... (hereinafter called the
Borrower, which expression shall include his legal
representatives and assignees) of the one part and
the Governor of Tamil Nadu of the other part.

WHEREAS the Borrower has under the provisions of
the Tamil Nadu Financial Code (hereinafter referred
to as the said Code, which expression shall include
any amendments thereof or additions thereto for the
time being in force) applied to the Government of
Tamil Nadu (hereinafter called the Government) for
loan of Rs for the purchase of a cycle and
the Government have agreed to lend the said amount
to the borrower on the terms and conditions
hereinafter contained, now it is hereby agreed
between the parties hereto that in consideration of
the sum of Rs..... paid by the Government to the
Borrower hereby agrees (1) to pay the Government
the said amount with interest calculated according
to the said Code by monthly deductions from the
subsidy payable to him as provided by the said Code
and hereby authorizes the Government to make such
deductions, (2) within one month from the date of
drawal of the advance to expend the full amount of
the said loan in the purchase of a cycle or if the
actual price paid is less than the loan to repay
the difference to the Government forthwith and (3)
to execute a document hypothecating the said
bicycle to the Government as security for the
amount lent to the Borrower as aforesaid and
interest in the form provided by the said

FORMS

T.N.F.C. form 13A-cont.

provided by the said Code AND IT IS HEREBY LASTLY AGREED AND DECLARED that if the bicycle has not been purchased and hypothecated as aforesaid within one month from the date of drawal of the advance or if the Borrower within that period becomes insolvent or quits the service of the local body or dies the whole amount of the loan and interest accrued thereon shall immediately become due and payable.

IN WITNESS WHEREOF the said(the Borrower) has hereunto set his hand the day and year first above written.

Signed by the said

in the presence of

T.N.F.C. FORM 14

[See Chapter X - Article 230 and 231]

FORM OF MORTGAGE BOND FOR MOTOR VEHICLE - INITIAL
ADVANCE

THIS INDENTURE made thisday of...
...one thousand nine hundred and.....between
..... (herein
after called the " the Borrower " which expression
shall include his heirs, administrators, executors
and legal representative) of the one part and the
Governor of Tamil Nadu (hereinafter called "the
Governor" which expression shall include his
successors and assigns) of the other part.

FORMS

T.N.F.C. Form 14-cont.

WHEREAS the Borrower has applied for and has been granted an advance of Rupees..... to purchase a Motor Vehicle and/or to pay customs duty in respect of a (the) motor vehicle on the terms of Article 230 to 231 of the Tamil Nadu Financial Code, Volume I of the Government of Tamil Nadu (hereinafter referred to as "the said Rules" which expression shall include any amendment thereof or additions thereto for the time being in force). AND WHEREAS one of the conditions upon which the said advance has been/was granted to the Borrower is/was that the Borrower will/would hypothecate the said Motor Vehicle to the Government as security for the amount lent to the Borrower AND WHEREAS the Borrower has purchased and/or paid customs duty with or partly with the amount so advanced as aforesaid the Motor Vehicle particulars whereof are set out in the schedule hereunder written.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and for the considerations aforesaid the Borrower doth hereby covenant to pay to the Governor the sum of Rs..... aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payments of Rs..... each on the first day of every month and will pay interest on the sum for the time being remaining due and owing calculated according to the said Rules and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary in the manner provided by the said Rules or where, in the event of his proceeding on deputation out of India for a period exceeding twelve months or of his being transferred to a post outside India, the competent authority has allowed repayment of the amount of advance remaining unpaid and/or interest as aforesaid on the happening of such an event in rupees in India, the Borrower doth hereby agree to pay to the Governor such dues by remittance through

FORMS

T.N.F.C. Form 14-cont.

bank draft drawn by the 15th of every month in favour of the Accounts officer in whose books the accounts of the aforesaid advance are kept, and in further pursuance of the said agreement the Borrower doth hereby assign and transfer unto the Governor the Motor Vehicle the particulars whereof are set out in the Schedule hereunto written by way of security for the said advances and the interest thereon as required by the said Rules.

And the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said Motor Vehicle and the entire customs duty payable and that the same is his absolute property and that he has not pledged and so long as any money remain payable to the Governor in respect of the said advance will not sell, pledge part with the property in or possession of the said Motor Vehicle, PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said instalments of principal or interest shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time cease to be in Government Service or if the Borrower shall sell or pledge with the property in or possession of the said Motor Vehicle or become insolvent or make any composition or arrangement with his creditors or if any person shall take proceedings in execution of any decree or judgement against the Borrower the whole of the said principal sum which shall be remaining due and unpaid together with interest thereon calculated as aforesaid shall forthwith become payable AND IT IS hereby AGREED AND declared that the Governor may on the happening of any of the events herein before mentioned seize and take possession of the said Motor Vehicle and either remain in possession thereof without removing the same or else may remove and sell the said Motor Vehicle either by public auction or private contract and may out of the sale moneys retain the balance of the said

FORMS

T.N.F.C. Form 14-cont.

advance then remaining unpaid and any interest due thereon calculated as aforesaid and all costs, charges, expenses and payments properly incurred or made in maintaining, defending or realising his rights hereunder and shall pay over the surplus, if any to the Borrower, his executors, administrators or personal representatives PROVIDED FURTHER that the aforesaid power of taking possession or selling of said Motor Vehicle shall not prejudice the right of the Governor to sue the Borrower or his personal representatives for the said balance remaining due and interest or in the case of the Motor Vehicle being sold the amount by which the net sale proceeds fall short of the amount owing AND THE Borrower hereby further agrees that so long as any moneys are remaining due and owing to the Governor he will not permit or suffer the said Motor Vehicle to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof AND further that in the event of any damage or accident happening to the said Motor Vehicle, the Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of Motor Vehicles

Maker's Name :

Description :

No. of Cylinders :

Engine Number :

Chassis No :

Cost Price :

FORMS

T.N.F.C. Form 14-cont.

IN WITNESS whereof the said Mortgagor (Borrower's Name).....(and)..... for and on behalf of the Governor of Tamil Nadu have thereunto set their respective hands.

*Signed by the said in the presence of

- 1.
- 2.

(Signature of Witnesses)

(Signature and Designation of the Borrower)

Signed by (Name and Designation)

_____ for and on behalf of the Governor of Tamil Nadu in the presence of :

- 1.
- 2.

(Signature of Witnesses)

Signature and Designation of the Officer.

FORMS

T.N.F.C. Form 14 - A

(See Chapter X, Article 232-A)

FORM OF MORTGAGE BOND FOR A BICYCLE ON ACCOUNT OF WHICH A RURAL MEDICAL PRACTITIONER HAS DRAWN AN ADVANCE.

THIS INDENTURE made thisday of one thousand nine hundred and between..... (hereinafter called the Borrower, which expression shall include his legal representatives and assignees) of the one part and the Governor of Tamil Nadu of the other part.

WHEREAS the Borrower has applied for and has been granted an advance of Rs.....to purchase a bicycle on the terms of Article 232-A of the Tamil Nadu Financial Code (hereinafter referred to as the said Code which expression shall include any amendments thereof or additions thereto for the time being in force) AND WHEREAS one of the conditions upon which the said advance has been granted to the Borrower is that the Borrower will hypothecate the said bicycle to the Government of Tamil Nadu (hereinafter called the Government) as security for the amount lent to the Borrower AND WHEREAS the borrower has purchased with or partly with the amount so advanced as aforesaid the bicycle particulars whereof are set out in the Schedule hereunder written.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and for the consideration aforesaid the Borrower doth hereby covenant to pay to the government the sum of Rs..... aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payments of Rs..... each on the first day of every month and will pay interest on the sum for the time being remaining due and owing calculated according

FORMS

T.N.F.C. Form 14A-cont.

to the said Code and the Borrower doth agree that such payments may be recovered by monthly deductions from the subsidy payable to him in the manner provided by the said Code and in further pursuance of the said agreement the Borrower doth hereby, assign and transfer unto the Government the bicycle particulars whereof are set out in the Schedule hereunto written by way of security for the said advance and the interest thereon as required by the said Code.

AND the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said bicycle and that the same is his absolute property and that he has not pledged and so long as any moneys remain payable to the Government in respect of the said advance will not sell, pledge or part with the property in or possession of the said bicycle PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said instalments of principal or interest shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time cease to be in the service of the local body, or if the Borrower shall sell or pledge or part with the property in or possession of the said bicycle or become insolvent or make any composition or arrangement with his creditors or if any persons shall take proceedings in execution of any degree or judgement against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with interest thereon calculated as aforesaid shall forthwith become payable AND IT IS HEREBY AGREED and declared that the Government may on the happening of any of the events herein before mentioned seize and take possession of the said bicycle and either remain in possession thereof without, removing the same or else may remove and sell the said bicycle either by public auction or private contract and may out of the sale money retain the balance of the said

FORMS

T.N.F.C. Form 14A-cont.

advance then remaining unpaid and any interest due thereon calculated as aforesaid, and all costs, charges, expenses and payments properly incurred or made in maintaining defending or realizing the rights hereunder and shall pay over the surplus, if any, to the Borrower, his executors, administrators or personal representatives PROVIDED FURTHER that the aforesaid power of taking possession or selling of the said bicycle shall not prejudice the right of the Government to sue the Borrower or his personal representative for the said balance remaining due and interest or in the case of the bicycle being sold the amount by which the net sale proceeds fall short of the amount owing AND THE BORROWER hereby further agrees that so long as any moneys are remaining due and owing to the Government, he the Borrower, will not permit or suffer the said bicycle to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof AND further that in the event of any damage or accident happening to the said bicycle, the Borrower will forthwith have the same repaired and made good.

IN WITNESS WHEREOF the said.....
(the Borrower) has hereunto set his hand the day and year first above written.

THE SCHEDULE

Description of bicycle.

Maker's name.

Description.

Cycle number.

Cost price.

SIGNED by the Borrower in the presence of-

FORMS

T.N.F.C. FORM 14 - B

Article - 231

FORM OF MORTGAGE BOND FOR MOTOR VEHICLE PURCHASED WITH THE SALE PROCEEDS OF AN OLD ONE BEFORE THE REPAYMENT OF THE ENTIRE ADVANCE OF MONEY WITH INTEREST THEREON SANCTIONED BY GOVERNMENT EARLIER FOR THE PURCHASE OF LATTER VEHICLE.

THIS INDENTURE made thisday of.....
 BETWEEN THIRU.....
son of
 (hereinafter called "the Borrower" which expression shall unless excluded by or repugnant to the subject or context include his heirs, administrators, executors and legal representatives) of the ONE PART and the Governor of Tamil Nadu (hereinafter called Governor which expression shall unless excluded by or repugnant to the subject or context include his successors in office and assigns) of the other part.

WHEREAS BY A DEED OF Mortgage, dated theday.....of the Borrower mortgaged to the Governor the Motor Vehicle described in the Schedule thereto (hereinafter referred to as "the old Motor Vehicle") to secure the Motor Vehicle purchase advance of Rs..... (in words as well as in figures) with interest at the rate and on conditions mentioned in the said Deed of Mortgage (hereinafter referred to as the "Principal Deed").

FORMS

T.N.F.C. Form 14B-cont.

AND WHEREAS out of the said sum of Rs..... advanced to the Borrower by the Governor the Borrower has made part repayments and a sum of Rs..... (in words as well as in figures) towards principal plus interest thereon as per the terms of the Principal Deed still remain due and payable by the Borrower to the Governor.

AND WHEREAS the Borrower being in need of a new Motor Vehicle (hereinafter referred to as the new Motor Vehicle) applied to the Governor for permission to sell his old Motor Vehicle and purchase a new one AND WHEREAS the Borrower has been permitted to sell the old Motor Vehicle and utilise the sale proceeds of the old Motor Vehicle and in terms of Article 230 of Tamil Nadu Financial Code, Volume-I (hereinafter referred to as the said rules which expression shall include any amendment thereof and additions for the time being in force) towards the purchase of the new Motor Vehicle on condition that the new Motor Vehicle shall be mortgaged to the Governor by way of security for the repayment of the sums thus due and owing from the Borrower to Governor.

AND WHEREAS the sum of Rs..... is now due and owing from the Borrower for principal AND WHEREAS the Borrower is liable in addition to pay interest as per the terms of the Principal Deed.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and for the consideration aforesaid the Borrower doth hereby covenant to pay to the Governor the sum of Rs..... aforesaid by equal monthly instalments of Rs..... every month and will pay interest on the sum of Rs..... originally advanced to him (hereinafter referred to as the principal) according

FORMS

T.N.F.C. Form 14B-cont.

to the terms of the Principal Deed and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary in the manner provided by the said Rules and in further pursuance of the said agreement the Borrower doth hereby assign and transfer upto the Governor the Motor Vehicle the particulars whereof are set out in the Schedule hereunder written by way of security for the said advance and the interest thereon as required by the said Rules.

And the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said Motor Vehicle and/or the entire customs duty payable and that the same is his absolute property and that he has not pledged and so long as any money remain payable to the Governor in respect of the Principal will not sell, pledge or part with the property in or possession of the said Motor Vehicle. PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said instalments of principal or interest shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time cease to be in Government service or if the Borrower shall sell or pledge or part with the property in or possession of the said Motor Vehicle or become insolvent or make any composition or arrangement with his creditors or if any person shall take proceedings in execution of any decree or judgement against the Borrower the balance of the principal which shall then be remaining due and unpaid together with interest on principal calculated as aforesaid shall forthwith become payable and IT IS HEREBY AGREED and declared that the Governor may on the happening of any of the event herein before mentioned seize and take possession thereof without removing the same or else may remove and sell the said Motor Vehicle either by Public Auction or Private contract and may out of the sale moneys retain the balance of

FORMS

T.N.F.C. Form 14B-cont.

the Principal then remaining unpaid and any interest still due the principal calculated as aforesaid and all costs, charges, expenses and payments properly incurred or made in maintaining, defending or realising his rights hereunder and shall pay over the surplus if any to the Borrower his executors, administrators or personal representative PROVIDED FURTHER that the aforesaid power of taking possession or selling of the said Motor Vehicle shall not prejudice the right of the Governor, to the Borrower or his personal representatives for the said balance remaining due and interest or in the case of the Motor Vehicle being sold the amount by which the net sale proceeds fall short of the amount owing AND the Borrower hereby further agrees that so long as any moneys are remaining due and owing to the Governor he will not permit or suffer the said Motor Vehicle to be destroyed or injured or to deteriorate in greater degree than it would deteriorate by reasonable wear and tear thereof AND Further that in the event of any damage or accident happening to the said Motor Vehicle, the Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of the Motor Vehicle

Maker's Name :
 Description :
 No. of Cylinder :
 Engine Number :
 Chassis No :
 Cost Price :

FORMS

T.N.F.C. Form 14B-cont.

IN WITNESS whereof the said.....
 (Borrower's Name) and
 for and on behalf
 of the Governor of Tamil Nadu have thereunto set
 their respective hands..

* Signed by the said in the presence of:

- 1.
- 2.

(Signature and designation of
 the Borrower)

(Signature of witnesses)

Signed by (Name and Designation)

-
- 1.
 - 2.

(Signature of Witnesses)

(Signature and Designation of
 the Officer)

* Name and Designation of the Borrower.

T.N.F.C. FORM 15

[See Chapter X, Article 230 (c) (4).]

FORM OF LETTER INTIMATING TO THE LIFE INSURANCE CORPORATION OF INDIA/AN INSURED COMPANY THE TAMIL NADU GOVERNOR'S INTEREST IN A MOTOR CAR/CYCLE INSURANCE POLICY.

From

To

Through the Director of Treasuries
and Accounts.

Dear Sir,

I am to inform you that the Governor of Tamil Nadu is interested in the Motor Car/Cycle Insurance Policy No.....secured in your Corporation/Company and to request that you will kindly insert clause to the following effect in the policy.

Form of clause to be inserted in the Insurance policy.

1. It is hereby declared and agreed that Thiru the owner of the motor car/cycle, hereinafter referred to as the (insured in the Schedule to this policy) has hypothecated the car/cycle to the Governor of Tamil Nadu (herein after called the Governor) as security for an advance for the purchase of the motor car/cycle and it is further declared and agreed that the Governor is interested in any monies which but for this endorsement be payable to said Thiru..... ("the insured" under this policy) in respect of the loss or damage to the said motor car/cycle [which loss or damage is not made good by repair, reinstatement or replacement] and such moneys shall

FORMS

T.N.F.C. Form 15-cont.

be paid to the Governor as long as he is the mortgagee of the motor car/cycle and his receipt shall be full and final discharge to the Corporation in respect of such loss or damage.

2. Save as by this endorsement expressly agreed, nothing herein shall modify or affect the rights or liabilities of the insured or the Corporation/ Company respectively, under or in connection with this policy or any term, provision or condition thereof.

Yours faithfully,

Place :

Date :

Forwarded. The receipt of the letter may kindly be acknowledged, it is also requested that the undersigned may kindly be informed whenever any claims are paid under the policy and also if the premium is not paid periodically for renewal.

(Signature)

{Director of Treasuries and Accounts}

Place :

Date :

T.N.F.C. FORM 16 - Deleted.

T.N.F.C. FORM 17

[See Chapter XII, Article, 276]

REGISTER OF SECURITY DEPOSITS.

Item No.	Date of receipt of the deposit	Depositor's name	Depositor's designation	For what purpose or work (quoting reference to agreement or bond)
(1)	(2)	(3)	(4)	(5)

Particulars of the deposit	Amount	Initials of the departmental authority	Date when refunded or adjusted	Amount refunded or adjusted
	Rs.			Rs.
(6)	(7)	(8)	(9)	(10)

Under what head of service adjusted.	No. and Date of depositor's receipt or acknowledgement	Initials of the departmental authority	Balance, if any carried over as a separated entry.	Remarks (reference to annual verification, etc.)
(11)	(12)	(13)	(14)	(15)

NOTE: This is a model Form which may be adopted to suit the requirements of any particular department. Consult it with the Accountant-General.

T.N.F.C. FORM 18

[See Chapter XII, Article 279 (7)]

FORM OF FIDELITY BOND

WHEREAS hereinafter called the "Employed", is in, or is about to be taken into, the employment of the Governor of Tamil Nadu as hereinafter called the "Employer", in the capacity setforth in the proposal after mentioned, and an application has been made to THE ASSOCIATION / COMPANY / CORPORATION / LIMITED), (hereinafter called the "Association") to give such guarantee as hereinafter contained which application has been entertained by the Association Company/Corporation.

AND WHEREAS a proposal for such Guarantee and relative Statement or Statements signed on behalf of the Employer have thereupon been delivered to the Association/Company/Corporation on behalf of the Employer setting forth the circumstances and conditions of the said employment and precautions and checks to be used on behalf of the Employer for securing accuracy of accounts and limiting the amount of moneys entrusted to or left in the hands of the Employed at any one time, which proposal and relative Statement or Statements are hereby declared to be the basis of the Contract of Guarantee hereinafter setforth.

AND WHEREAS the First Premium above mentioned has been paid to the Association/Company/Corporation as the Premium or consideration for such guarantee for the period commencing the day of Nineteen hundred andand terminating on the day of Nineteen hundred and NOW THEREFORE this Agreement witnesses that, in consideration of the premises,

FORMS

T.N.F.C. Form 18-cont.

and during the period commencing and terminating as aforesaid and afterwards during every succeeding year in respect which the Employed or the Employer shall, before or upon the day of.....in each such year, or within ten days thereafter pay or cause to be paid to the Association/Company/Corporation, and the Association/ Company/ Corporation shall consent to receive the annual premium above mentioned the Association/Company/Corporation will, and they do hereby, as surety for the Employed, agree to guarantee to the Employer, that, so long as the Employed shall, after the date of this Agreement continue in the uninterrupted employment of the Employer in the capacity setforth in the said proposal, the Employer shall and will during the subsistence of this agreement, honestly and faithfully account to the Employer of all moneys which the Employed in the course of said employment shall receive or be entrusted with on account of the Employer, and generally that the Association/Company/Corporation will to the extent hereinafter mentioned, indemnify the Employer against all loss in such moneys which the Employer may sustain by any fraud or dishonesty of the Employed in the capacity and employment aforesaid to an amount not exceeding the sum of.....

.....PROVIDED ALWAYS that this agreement is issued subject to the following conditions, which shall be conditions precedent to the liability of the Association/Company/Corporation to pay any claim hereunder.

1. THAT the aforesaid guarantee and indemnity shall continue operative and in force only so long as the circumstances and conditions of the said employment shall remain in every particular as setforth in the said proposal and relative Statement or Statements and the precautions and checks for securing accuracy of accounts and limiting the amount of moneys entrusted to or left

FORMS

T.N.F.C. Form 18-cont.

in the hands of the Employed and any one time shall be duly observed and put in practice on the part of the Employer in accordance with the said proposal and relative Statement or Statements : AND that the Association/Company/ Corporation shall only be liable to contribute pro rata along with any other security held by the Employer.

2. THAT in the event of any such loss as aforesaid not exceeding the sum insured by this Policy any Securities held or recoveries made on behalf of the Employer shall be appropriated and exhausted before any claim is preferred under this policy.

3. It is hereby understood and agreed that the policy is extended to guarantee to the Government that the Employed shall and will during the subsistence of this Policy honestly and faithfully account to the Government for all moneys and properties which, he, while in the exercise of the office of..... shall receive or be entrusted with or which any person acting for him in the said office shall receive or be entrusted with on account of Government. Further the Association / Company / Corporation shall indemnify the Government against all loss in such moneys and properties which the Government may sustain by any act or acts of default or dishonesty, negligence or disregard of rules of the Employed in his said office as aforesaid or other persons nominated, accepted by or serving under him in his said office in the capacity and employment described in the policy.

4. THAT the Association/Company/Corporation shall be liable for any such loss as aforesaid only in the event of the Employer giving notice in writing to the Association/Company/Corporation in.....
..... of any act of fraud or dishonesty committed by the Employed within one month after the same shall have come to the knowledge of the Employer and within twelve months

FORMS

T.N.F.C. Form 18-cont.

either after the Employed shall have left the service of the Employer, or after the death of the Employed, or of the lapsing of this agreement, whichever of these events shall first happen; and such notice shall state the Number of the Agreement, the cause, nature, and extent of the loss, so far as then ascertained, and the address, if known, of the Employed; and that no claim shall be made under this Agreement except in respect of any act or acts of fraud or dishonesty which shall have occurred during the subsistence of this Agreement; and from and after the date upon which such fraud or dishonesty shall come to the knowledge of the Employer the Association/Company/Corporation shall *eo ipso*, and without any intimation whatever be relieved from their obligations hereby undertaken so far as regards the subsequent acts of the Employed; AND that every claim under this Agreement shall be lodged with the Association/Company/ Corporation without undue delay after notice as aforesaid shall have been given to the Association/ Company /Corporation; AND that full particulars and satisfactory proofs of the loss (verified, if the Association/Company/Corporation shall so require by Statutory Declaration), shall be given to the Association/ Company/ Corporation; and that when any such loss has been made good and satisfied by the Association/Company/Corporation, a discharge thereof shall be made thereon by the Employer, and thereupon this Agreement, shall be delivered up to the Association/Company/ Corporation AND that the Employer shall, when required by and at the expense of the Association/Compa / Corporation, assign to the Association; or company/Corporation, all claims and rights of action competent to the Employer against the Employed in respect of the loss so sustained.

5. THAT the employer shall, if required by the Association/Company/Corporation, forthwith prosecute

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T.N.F.C. Form 18-cont.

the Employed for any act or acts of fraud or dishonesty committed, or supposed to have been committed by the Employed in consequence of which a claim may be made under this Agreement, the Association/ Company/Corporation paying all expense, cost and damages necessarily incurred by the Employer in such prosecution AND that the Employer shall also give to the Association / Company / Corporation all such information and assistance as may be reasonably required for maintaining any action against the Employed for reimbursing to the Association/Company/Corporation any moneys which they may pay, or become liable to pay, under this Agreement.

SIGNED for and on behalf of the
 Association/Company/Corporation

 at the

 day of
 Nineteen hundred and

NOTE - This form should be adopted in all cases with suitable modification where necessary.

T.N.F.C. FORM 18 A - Deleted

FORMS

T.N.F.C. FORM 19

(See Chapter XII, Article 283)

MODEL FORMS OF SECURITY BONDS TO BE FURNISHED BY
GOVERNMENT SERVANTS

. (1)

Security bond by a
when cash is deposited as
security.

KNOW ALL MEN by these presents that I
.....of
am held and firmly bound unto the Governor of
Tamil Nadu (hereinafter called the Governor) in
the sum of Rs..... to be paid to the
Government of Tamil Nadu (hereinafter called the
Government) their successors or assigns or their
certain attorney or attorneys for which payment
well and truly to be made I bind myself, my
heirs, executors, administrators and legal
representatives jointly and severally firmly by
these presents.

Sealed with my seal, dated this.....
day of19 and I the said.....
.....do hereby for myself, my heirs,
executors, administrators and legal representa-
tives covenant with the Governor his successors
in office and assigns that if any suit shall be
brought touching the subject-matter of this obliga-
tion or the condition hereunder return in any Court
subject to the High Court of Judicature at Madras
other than the High Court in its Ordinary Original
Jurisdiction the same shall and may at the instance
of the Government be removed into, tried and deter-
mined by the said High Court in its Extraordinary
Original Jurisdiction.

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T.N.F.C. Form 19-cont.

WHEREAS the above bounden.....
 was on the day of
 19 appointed to and now holds and exercises the
 office of.....at.....
 AND WHEREAS by the virtue of
 such office the said.....
 has amongst other duties the care charge and over-
 sight of and responsibility for the sale and proper
 storing and keeping in the place appointed for the
 custody thereof respectively of all money, specie,
 bullion, coin, jewels, currency or Bank notes,
 stamps and securities of whatever description,
 gold, silver, copper, nickel, bronze, lead goods,
 stores, chattels or effects (hereafter together
 only called the said property) stored and used at
 received into or despatched from the
 of.....or paid, deposited or brought
 into the saidby any person or
 persons whomsoever and for the purpose or purposes
 whatsoever AND WHEREAS the said.....
 such.....as aforesaid is also responsible
 that the said property and every part thereof are
 and is of full measure and good quality when
 received into the said
 and until he has duly accounted therefor in manner
 hereinafter referred to AND WHEREAS the said
 is bound from
 time to time whenever called upon so to do to show
 to his superior officers that the said property and
 every part thereof save so much thereof as he as
 duly accounted for is at all times intact in the
 places aforesaid and is also bound to attend for
 the purpose of discharging his duties aforesaid at
 such times and places as his superior officer may
 appoint AND WHEREAS the said
 is further bound to keep true and faithful accounts
 of the said property and of his dealing under
 written orders of his superior officers therewith
 respectively in the form and manner that may from
 time to time be prescribed under the authority of
 the Government and also to prepare and submit such

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T.N.F.C. Form 19-cont.

returns and such accounts as he may from time to time be called upon to prepare and submit AND WHEREAS the bulk of the said property remains as well in the care charge and custody for the time being at as of the said..... but as between himself and the Government be the said is alone responsible and answerable therefor and for every part thereof AND WHEREAS the responsibility of the said..... for the said property and every part thereof does not cease until the same has been duly used under the written order aforesaid and accounted for or been duly despatched from the said and delivered over to and a full and complete discharge therefor obtained from such persons and at such places as the..... (officer or other person) exercising his functions for the time being under the sanction of the Government may direct AND WHEREAS the said in consideration of his said appointment has delivered to and deposited with as such..... (officer) as aforesaid cash to the extent of Rs..... for the purpose of in part securing and indemnifying the Government their successors and assigns against all loss and damage which they might or may in any way suffer by reason of the said property or any part or parts, thereof being in any way consumed, wasted, embezzled, stolen, mis-spent, lost misapplied or otherwise dishonestly, negligently or by or through oversight or violence made away or parted with by himself the said.....

or by any of the _____ sub-treasurers servants,
sub-store keepers

clerks, cash-keepers, shroffs, coolies or other persons serving under him the said..... AND WHEREAS the said hereby acknowledges that he is bound by all the

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T.N.F.C. Form 19-cont.

conditions, rules and regulations of the Tamil Nadu Financial Code and such departmental rules and orders as may from time to time be issued by authority and may be in force and especially with reference to his relations and dealings with and the rights of his subordinates and his own subordination to his superior officers and that it is his duty to keep himself acquainted at all times with the contents of such Code and such departmental rules and orders as aforesaid and all or any alterations made from time to time therein AND WHEREAS the said has entered into the above bond in the penal sum of Rs..... conditioned for the due performance by him the saidof the duties of the said office aforesaid and of other duties appertaining thereto or which may lawfully be required of him and the indemnity of the Government their successors and assigns and the servants of the Government against loss from or by reason of the acts or default of the said..... and of all and every the persons and person aforesaid.

Now the condition of the above written bond is such that if the said has whilst he has held or exercised the duties of the said office of as aforesaid always duly performed and fulfilled the said duties of the said office and other duties aforesaid and if he the said shall whilst he shall hold or exercise the duties of the said office always duly perform and fulfill all and every the duties thereof aforesaid and perform and observe all and every conditions, rules and regulations of the said Code and the said departmental rules and orders and further if the said do and shall indemnify and save harmless the Government, their successors and assigns and all and every person or persons who from time to time has or have held or shall hold or exercise of the said office of(officer) and all

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T.N.F.C. Form 19-cont.

other servants of the Government from.....
 and against all and every loss and damage which
 during the time the said
 has held executed and enjoyed the said office has
 happened or being sustained or shall or may at any
 time or times hereafter happen to be sustained by
 the Government their successors or assigns or the
 said..... (officer) for the time being
 or any such servant as aforesaid by from or through
 the means of the neglect failure, misconduct, dis-
 obedience, omission or insolvency of the said.....

of any of the sub-treasurers servants,
sub-store keepers

clerks, cash-keepers, shroffs, coolies or other
 persons nominated accepted by or serving under him
 the said or by from or
 through the consuming regulations of the said Code
 and the said departmental rules and orders and
 further if the said do wasting,
 embezzling, stealing, mis-spending, losing,
 misapplying or otherwise dishonestly or negligently
 or by or through oversight, or violence making
 away or parting with the said property or any part
 or parts thereof by any person or persons
 whomsoever whilst he the said
 has held or executed the duties of the said office
 or shall hold or execute the duties of the said
 office. THEN this obligation shall be void and of
 no effect. Otherwise the same shall be and remain
 in full free and virtue PROVIDED ALWAYS and it is
 hereby declared and agreed by and between the
 parties hereto that the cash of Rs.....
 shall be and remain at the disposal of the said
(officer) for the time
 being or the Government as and for part and addi-
 tional security (over and above the above written
 bond) to the Government their successors and
 assigns for the indemnity and other purposes afore-

FORMS

T.N.F.C. Form 19-cont.

said with full power to the Government, their successors or assignee or the servants of the Government duly and authorized in that behalf from time to time as occasion shall require to apply the same together with any interest receivable or received in respect thereof in and towards indemnity as aforesaid of the Government their successors and assigns the servants of the Government as the case may require.

AND it is hereby lastly agreed and declared by and between the parties hereto that in the event of the death of the saidor the vacation by him said office of.....the abovementioned cash for Rs.....shall be retained and remain with the said..... (officer) for the time being for the term of six months after the date of such death or such vacation as the case may be as security against any loss or damage that may have been or may thereafter be incurred by the Government, their successors and assigns and the servants of the Government and in respect of which the said..... and his heirs, executors, administrators and legal representatives after death is and are or shall or may be liable to indemnify the Government their successors and assigns and all such persons as aforesaid PROVIDED ALWAYS that the return at any time of the said cash for Rs..... shall not be deemed to affect the right of the Government to take proceedings upon or under the said bond against the said..... in case any breach of the condition of the said bond shall be discovered after the return of the said cash but the responsibility of the said..... shall at all times continue and the Government shall be fully indemnified against all such loss or damage as aforesaid at any time.

PROVIDED FURTHER that nothing herein contained nor the security hereby given shall be deemed to limit

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T.N.F.C. Form 19-cont.

the liability of the said in respect of matters aforesaid to the forfeiture of the said cash of Rs..... or any part or parts thereof and that should the said cash be insufficient to indemnify the Government in full for any loss or damage sustained by them in respect of matters aforesaid or any of them, the said shall pay to the Government on demand such further cash as shall be deemed by the to be necessary, in addition to the said cash of Rs..... to cover such loss or damage as aforesaid and that the Government shall be entitled to recover such further cash payable as aforesaid in any manner open to them.

Signed by the above bounden

In the presence of

Signed byacting for
and on behalf of the Governor of Tamil Nadu

In the presence of

(2)

*Security bond by awhen
Promissory notes of the Union or any State
Government are deposited as security.*

NOTE - This Form may be adopted mutatis mutandis when stock certificates of the Union or any State Government, Municipal debentures or Port Trust bonds are deposited as security of.

KNOW ALL MEN by these presents that I.....
of.....am held and firmly
bound up to the Governor of Tamil Nadu (hereinafter
called the Governor) in the sum of Rs.....
to be paid to the Government of Tamil Nadu (herein-
after called the Government) their successors or
assigns or their certain attorney or attorneys for

FORMS

T.N.F.C. Form 19-cont.

which payment well and truly to be made, I bind myself, my heirs, executors, administrators and legal representatives jointly and severally firmly by these presents.

Sealed with my seal, dated thisday ofand I the said do hereby for myself, my heirs, executors, administrators and legal representatives covenant with the Governor, his successors in office and assigns that if any suit shall be brought touching the subject-matter of this obligation or the condition hereunder written in any Court subject to the High Court of Judicature at Madras other than the said High Court in its Ordinary Original Jurisdiction the same shall and may at the instance of the Government be removed into, tried and determined by the said High Court in its Extraordinary Original Jurisdiction, WHEREAS the above bounden..... was on the day of.....19..... appointed to and now holds and exercises the office of.....at AND WHEREAS by virtue of such office of the said has amongst other duties the care charge and oversight of and responsibility for the sale and proper storing and keeping in the place appointed for the custody thereof respectively of all moneys, specie, bullion, coin, jewels, currency or Bank notes, stamps and securities of whatever description gold, silver, copper, nickle, bronze, lead goods, stores, chattels or effects (hereinafter together only called the said property) stored and used at received into or despatched from theof or paid deposited or brought into the said..... by any person or persons whomsoever and for any purpose or purpose whatsoever AND WHEREAS the saidas such as..... aforesaid is also responsible that the said property and every part thereof are and is of full measure and good quality when received in the said

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T.N.F.C. Form 19-cont.

.....and until he has duly accounted thereof in manner hereinafter referred to AND WHEREAS the said..... bound from time to time whenever called upon so to do to show to his superior officers that the said property and every part thereof save so much thereof as he has duly accounted for is at all times intact in the places aforesaid and is also bound to attend for the purpose of discharging his duties aforesaid at such times and places as his superior officer may appoint AND WHEREAS the said is further bound to keep true and faithful accounts of the said property and of this dealings under written orders of his superior officer therewith respectively in the form and manner that may from time to time be prescribed under the authority of the Government and also to prepare and submit such returns and use accounts as he may from time to time be called upon to prepare and submit AND WHEREAS the bulk of the said property remains as well in the care charge and custody of the for the time being atas of the saidbut as between himself and the Government he the saidis alone responsible and answerable thereof and for every part thereof AND WHEREAS the responsibility of the saidfor the said property and every part thereof does not cease until the same has been duly used under the written orders aforesaid and accounted for or been duly despatched from the said and delivered over to and a full and complete discharge thereof obtained from such persons and at such places as the..... (officer) or other person exercising his functions for the time being under the sanction of the Government may direct AND WHEREAS the said..... in consideration of his said appointment has executed a bond bearing even date with these presents and has also delivered to and deposited with and endorsed over to.....as such(officer) as aforesaid promissory

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T.N.F.C. Form 19-cont.

servants of the Government against loss from or by reason of the acts or defaults of the said and of all and every the persons and person aforesaid. Now the condition of the above written bond is such that if the said has whilst he has held or exercised the duties of the said office of as aforesaid always duly performed and fulfilled the said duties of the said office and other duties aforesaid and if he the said shall whilst he shall hold or exercise the duties of the said office always duly perform and fulfil all and every duties thereof aforesaid and perform and observe all and every the conditions and rules and shall indemnify and save harmless the Government their successors and assigns and all and every person or persons who from time to time has or have held or shall hold or exercise the said office of..... (officer) and all other servants of the Government from and against all and every loss and damage which during the time the said..... has held, executed and enjoyed the said office has happened or been sustained or shall or may at any time or times hereafter happen to be sustained by the Government their successors or assigns or the said (officer) for the time being or any such servant as aforesaid by from or through the means of the neglect, failure, misconduct, disobedience, omission or insolvency of the said.....

sub-treasurers

or by any of the ----- servants,
sub-store keepers
clerks, cash keepers, shroffs, coolies or other persons nominated accepted, by or serving under him the said or by from or through the consuming, wasting, embezzling, stealing, mis-spending, losing, misapplying or otherwise dishonestly or negligently or by or through over-

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T.N.F.C. Form 19-cont.

sight or violence making away or parting with the said property or any part or parts hereof by any person or persons whomsoever whilst he the saidhas held or executed the duties of the said officer shall hold or execute the duties of the said office.

THEN this obligation shall be void and of no effect. Otherwise the same shall be and remain in full force and virtue.

PROVIDED ALWAYS and it is hereby declared and agreed by and between the parties hereto that the said promissory notes for Rs.....so deposited as aforesaid or such other security or securities of the Union or any State Government to the same amount as the.....(officer) for the time being may consent from time to time to accept and receive and shall accordingly receive in lieu of or in exchange for the same and the interest thereon respectively shall be and remain at the disposal of the said (officer) for the time being or the Government as and for part and additional security (over and above the above written bond) to the Government their successors and assigns for the indemnity and other purposes aforesaid with full power to the Government their successors or assigns or the servants of the Government duly authorized in that behalf from time to time as occasion shall require to sell and dispose of the said securities or any part thereof and to apply the proceeds thereof together with any interest receivable or received in respect of such securities in and towards the indemnity as aforesaid of the Government their successors and assigns and the servants of the Government as the case may require but nevertheless the interest on the said securities may in the meantime be paid over as the same shall be realized by the said(officer) for the time being or the Government if he or they shall

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T.N.F.C. Form 19-cont.

think fit to the said PROVIDED ALWAYS and it is hereby expressly agreed and declared by and of between the parties hereto that it shall be lawful for the said..... with the consent of the said (officer) or of other person exercising his functions for the time being under the sanction of the Government first had and obtained to change and substitute for the said promissory notes for Rs..... so deposited as aforesaid or any part thereof or for any notes substituted therefor under the present provisions from time to time other notes of the same or other loans of the same or greater valuewithout in anyway affecting the obligations of the said bond PROVIDED FURTHER and it is hereby agreed and declared by and between the parties hereto that if the market value of the said promissory notes for Rs.....so deposited as aforesaid on such other security or securities of the Union or any State Government to the same amount as the..... (officer) for the time being may consent from time to time to accept and receive in lieu of or in exchange for the same respectively shall fall below their value at the time when they were deposited as aforesaid as to which the decision of the (officer) is to be final and binding upon the saidthe..... (officer) may call upon the said to furnish additional security to his satisfaction to make up for such depreciation in the market value and the said, shall immediately comply with such request. And it is hereby lastly agreed and declared by and between the parties hereto that in the event of the death of the said or the vacation by him of his said office of.....the abovementioned promissory notes for Rs..... or any notes that may be substituted therefor as aforesaid shall be retained and remain with the said(officer) for the time being

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T.N.F.C. Form 19-cont.

for the term of six months after the date of such death or such vacation as the case may be as security against any loss or damage that may have been or may thereafter be incurred by the Government their successors and assigns and the servants of the Government and in respect of which the said and his heirs, executors, administrators and legal representatives after his death is and are or shall or may be liable to indemnify the Government their successors and assigns and all such persons as aforesaid PROVIDED ALWAYS that the return at any time of the said promissory notes shall not be deemed to affect the the right of the Government to take proceedings upon or under the said bond against the said in case any breach of the condition of the said bond shall be discovered after the return of the said promissory notes but the responsibility of the said shall at all times continue and the Government shall be fully indemnified against all such loss damage as aforesaid at any time.

PROVIDED FURTHER that nothing therein contained nor the security hereby given shall be deemed to limit the liability of the said in respect of matters aforesaid to the forfeiture of the said securities or any part or parts thereof and that should the said securities be insufficient to indemnify the Government in full for any loss or damage sustained by them in respect of matters aforesaid or any of them the said shall pay to the Government on demand such further cash or deliver to the Government further promissory notes for Rs. or other securities of the Union or State Government as (officer) may for the time being consent to accept and receive and as shall be deemed by the to be necessary, in addition to the said securities to cover such loss or damage as aforesaid and that the

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T.N.F.C. Form 19-cont.

Government shall be entitled to recover such further cash or securities payable as aforesaid in any manner open to them.

The schedule above referred to.....

Signed by the above bounden

In the Presence of.....

Signed by..... acting for and on behalf of
the Governor of Tamil Nadu

In the Presence of.....

(3)

*Security bond by a when Post
Office Cash Certificates are
furnished as security.*

(See Chapter XII Article 283)

NOTE - This Form should be adopted mutatis mutandis when Savings Certificates issued by the Government are furnished as security.

KNOW ALL MEN by these presents that I
of am held and firmly bound
unto the Governor of Tamil Nadu (hereinafter called
the Government) in the sum of Rsto be
paid to the Government of Tamil Nadu (hereinafter
called the Government) their successors or assigns
or their certain attorney or attorneys for which
payment well and truly to be made I bind myself, my
heirs, executors, administrators and legal
representatives jointly and severally firmly by
these presents.

SEALED with my seal, dated this
day of 19... and I the said.....
myself, my heirs, executors, administrators and
legal representatives covenant with the Governor

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T.N.F.C. Form 19-cont.

his successors in office and assigns that if any suit shall be brought touching the subject matter of this obligation or the condition hereunder written in any Court subject to the High Court of Judicature at Madras other than the said High Court in its Ordinary Original Jurisdiction the same shall and may at the instance of the Government be removed into, tried and determined by the said High Court in its Extraordinary Original Jurisdiction.

WHEREAS the above bounden was on theday of.....19..... appointed to and now holds and exercises the office ofat AND WHEREAS by virtue of such office.....the said has amongst other duties the care charge and oversight of and responsibility for the safe and proper storing and keeping in the place appointed for the custody thereof respectively of all money, specie, bullion, coin, jewels, currency or Bank notes, stamps and securities of whatever description gold, silver, copper, nickel, bronze, lead goods, stores, chattels or effects (hereinafter together only called the said property) stored and used at received into or despatched from theof.....or paid deposited or brought into the saidby any person or persons whomsoever and for any purpose or purposes whatsoever AND WHEREAS the said..... as such..... as aforesaid is also responsible that the said property and every part thereof are and is of full measure and good quality when received into the said.....and until he has duly accounted therefor in manner hereinafter referred to AND WHEREAS the said..... is bound from time to time wherever called upon so to do show to his superior officers that the said property and every part thereof save so much thereof as he has duly accounted for is at all times intact in the places aforesaid and is also bound to attend for the purpose of discharging

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T.N.F.C. Form 19-cont.

his duties aforesaid at such times and places as his superior officer may appoint AND WHEREAS the said is further bound to keep true and faithful accounts of the said property and of his dealings under written orders of his superior officers therewith respectively in the form and manner that may from time to time be prescribed under the authority of the Government and also to prepare and submit such returns and such accounts as he may from time to time be called upon to prepare and submit AND WHEREAS the bulk of the said property remains as well in the care charge and custody of the for the time being at as of the said but as between himself and the Government, he, the said..... is alone responsible and answerable therefor and for every part thereof AND WHEREAS the responsibility of the said..... for the said property and every part thereof does not cease until the same has been duly used under the written orders aforesaid and accounted for or been duly despatched from the said and delivered over to and a full and complete discharge therefor obtained from such persons and at such places as the..... (officer) or other person exercising his functions for the time being under the sanction of the Government may direct AND WHEREAS the said is the holder of Post Office cash certificates of the value of Rs..... which have been registered in the post office at particulars of which are setforth and specified in the schedule hereunder written AND WHEREAS the said in consideration of his said appointment has deposited with and transferred to as such (officer) as aforesaid the said certificates the previous sanctions of the Head Postmaster of

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T.N.F.C. Form 19-cont.

..... Post Office in which the certificates have been registered having been obtained for the purpose of in part securing and indemnifying the Government, their successors and assigns against all loss and damage which they might or may in any way suffer by reason of the said property or any part or parts thereof being in any way consumed, wasted, embezzled, stolen, misspent, lost, misapplied or otherwise dishonestly or negligently or by or through oversight or violence made away or parted with by himself the said

or by any of the sub-treasurers servants,
sub-storekeepers

clerks, cash keepers, shroffs, coolies or other persons serving under him the said.....
AND WHEREAS the said hereby acknowledges that is bound by all the conditions, rules and regulations of the Tamil Nadu Financial Code and such departmental rules and orders as may from time to time be issued by authority and may be in force and especially with reference to his relations and dealings with and the right of his subordinates and his own subordination to his superior officers and that it is his duty to keep himself acquainted at all times with the contents of such Code and such departmental rules and orders as aforesaid and all or any alterations made from time to time therein
AND WHEREAS the said has entered into the above bond in the penal sum Rs..... conditioned for the due performance by him the said of the duties of the said office aforesaid and of other duties appertaining thereto or which may lawfully be required of him and the indemnity of the Government, their successors and assigns and the

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T.N.F.C. Form 19-cont.

servants of the Government against loss from or by reason of the acts or defaults of the said and of all and every the persons and person aforesaid. condition of the above written bond is such that if the said has whilst he has held or exercised the duties of the said office of as aforesaid always duly performed and fulfilled the said duties of the said office and other duties aforesaid and if he the said shall whilst he shall hold or exercise the duties of the said office, always duly perform and fulfil all and every the duties thereof aforesaid and perform and observe all and every the conditions, rules and regulations of the said Code and the said departmental rules and orders and further if the said do and shall indemnify and save harmless the Government, their successors and assigns and all and every person or persons who, from time to time, has or have held or shall hold or exercise the said office of(officer) and all other servants of the Government from and against all and every loss and damage which during the time the said has held or executed the duties of the said office has happened or been sustained or shall or may at any time or times hereafter happen to be sustained by the Government, their successor or assigns or the said(officer) for the time being or any such servant as aforesaid by from or through the means of the neglect, failure, misconduct, disobedience, omission or insolvency of the said.....

or of any of the sub-treasurers ----- servants,
sub-storekeepers

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T.N.F.C. Form 19-cont.

clerks, cash keepers, shroffs, coolies or other persons nominated accepted or by serving under him the said or by from or through the consuming, wasting, embezzling, mispending, losing, misapplying or otherwise dishonestly or negligently or by or through oversight or violence making away or parting with the said property or any part or parts thereof by any person or persons whomsoever whilst he the said..... has held executed and enjoyed the said office or shall hold or execute the duties of the said office.

THEN this obligation shall be void and of no effect. Otherwise the same shall be and remain in full force and virtue: .

PROVIDED ALWAYS and it is hereby declared and agreed by and between the parties hereto that the said post office cash certificate so deposited and transferred as aforesaid shall be and remain at the disposal of the (office) for the time being or the Government as and for part and additional security (over and above the above written bond) to the Government, their successors and assigns for the indemnity and other purposes aforesaid with full power to the Government, their successors or assigns or the servants of the Government duly authorised in that behalf to obtain and receive payment of the amount payable on the said post office cash certificates or a sufficient portion thereof and to apply the same in and towards the indemnity as aforesaid of the Government, their successors and assigns and the servants of the Government, as the case may require.

AND it is hereby lastly agreed and declared by and between the parties hereto that in the event of the death of the said or the vacation by him of his said office of.....

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T.N.F.C. Form 19-cont.

.....the above mentioned cash certificates for Rs..... shall not at once be returned or transferred but shall be retained and remain with the said..... (officer) for the time being for the term of six months after the date of such death, or such vacation, as the case may be, as security against any loss or damage that have been or may thereafter be incurred by the Government, their successors and assigns and the servants of the Government and in respect of which the said and his heirs, executors, administrators and legal representatives after his death is and are shall or may be liable to indemnify the Government their successors and assigns and all such persons as aforesaid PROVIDED ALWAYS that the return and transfer at anytime of the said post office cash certificates shall not be deemed to affect the right of the Government to take proceedings upon or under the said bond against the said..... in case any breach of the condition of the said bond shall be discovered after the return of the said cash certificate but the responsibility of the said shall at all times continue and the Government shall be fully indemnified against all such loss or damage as aforesaid at any time.

PROVIDED FURTHER that nothing herein contained nor the security hereby given shall be deemed to limit the liability of the said.....in respect of matters aforesaid to the forfeiture of the said post office cash certificates for Rs..... or any part or parts thereof and that should, the said post office cash certificates, be insufficient to indemnify the Government in full for any loss or damage sustained by them in respect of matters aforesaid or any of them, the said shall pay to the Government on demand such further cash or deliver to the Government such further post office cash certificates for Rs..... as shall be deemed by theto be

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T.N.F.C. Form 19-cont.

necessary in addition to the said post office cash certificate for Rs.....to cover such loss or damage as aforesaid and that the Government shall be entitled to recover such further cash or post office cash certificates payable as aforesaid in any manner open to them.

The schedule above referred to.

Signed by the above bounden.

In the presence of

Signed by acting for and on behalf of the Governor of Tamil Nadu

In the presence of

(4)

Security bond by a when deposit receipts of banks are deposited as security.

KNOW ALL MEN by these presents that Iof.....am held and firmly bound unto the Governor of Tamil Nadu (hereinafter called the Governor) in the sum of Rs..... to be paid to the Government of Tamil Nadu (hereinafter called the Government), their successors or assigns or their certain attorney or attorneys for which payment well and truly to be made I bind myself, my heirs, executors, administrators and legal representatives jointly and severally firmly by these presents SEALED with my seal this day of 19 and I the said do hereby for myself, my heirs, executors, administrators and legal representatives, covenant with the Governor, his successors in office and assigns that if any suit shall be brought touching the subject-matter of this obligation or the condition hereunder written in any Court subject to the High Court of

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T.N.F.C. Form 19-cont.

Judicature at Madras other than the said High Court in its Ordinary Original Jurisdiction the same shall and may at the instance of the Government be moved into tried and determined by the said High Court in its Extraordinary Original Jurisdiction.

WHEREAS the above bounden.....was on theday of.....19....appointed to and now holds and exercises the office of..... at..... AND WHEREAS by virtue of such office the said has amongst other duties the care charge and oversight of and responsibility for the safe and proper storing and keeping in the place appointed for the custody thereof respectively of all money, specie, bullion, coin, jewels, curreny or Bank Notes, stamps and securities of whatever description gold, silver, copper, nickel, bronze, lead, goods, chattels or effect (hereinafter togher only called the said property) stored and used at received into or despatched from the.....of or paid deposited or brought into the said..... by any person or persons whomsoever and for any purpose or purposes whatsoever AND WHEREAS the saidas such.....as aforesaid is also responsible that the said property and every part thereof are and is of full measure and good quality when received into the said..... and until he has duly accounted therefor in the manner hereinafter referred to and whereas the said is bound from time to time whenever called upon to do so to show his superior officers that the said property and every part thereof save so much thereof as he has duly accounted for is at all times intact in the places aforesaid and is also bound to attend for the purpose of discharging his duties aforesaid at such times and places as his superior officer may appoint: AND WHEREAS the said is further bound to keep true and faithful accounts of the said property and of his dealings under written

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orders of his superior officers therewith respectively in the form and manner that may from time to time be prescribed under the authority of the Government and also to prepare and submit such returns and such accounts as he may from time to time be called upon to prepare and submit AND WHEREAS the bulk of the said property remains as well in care charge and custody of the for the time being at as of the said but as between himself and the Government he the said is alone responsible and answerable therefor and for every part thereof AND WHEREAS the responsibility of the said for the said property and every part thereof does not cease until the same has duly been used under the written orders aforesaid and accounted for or been duly despatched from the said and delivered over to and a full and complete discharge therefor obtained from such persons and at such places as the (officer) or other person exercising his functions for the time being under the sanction of the Government may direct AND WHEREAS the said in consideration of his said appointment has deposited in the Bank the sum of Rs in the name of and has obtained a receipt bearing No dated in his name and delivered it to him and the same is now standing to the credit of the said and is withdrawable by him on demand for the purpose of in part securing and indemnifying the Government their successors and assigns against all loss and damage which they might or may in any way suffer by reason of the said property or any part or parts thereof being any way consumed, wasted, embezzled, stolen, misspent, lost, misapplied or otherwise dishonestly, negligently or by or through oversight or violence made away or parted with by himself the said.....

sub-treasurers

or by any of the

sub-store keepers

servants,

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T.N.F.C. Form 19-cont.

clerks, cash-keepers, shroffs, coolies or other persons serving under him the said.....
 AND WHEREAS the said hereby acknowledges that he is bound by all the conditions rules and regulations of the Tamil Nadu Financial Code and such departmental rules and orders as may from time to time be issued by authority and may be in force especially with reference to his relations and dealings with and rights of his subordinates and his own subordination to his superior officers and that it is his duty to keep himself acquainted at all times with the contents of such Code and such departmental rules and orders as aforesaid and all or any alterations made from time to time therein AND WHEREAS the said..... has entered into above bond in the penal sum of Rs..... conditioned for the due performance by him the saidof the duties of the said office aforesaid and of other duties appertaining thereto or which may lawfully be required of him and the indemnity of the Government their successors and assigns and the servants of the Government against loss from or by reason of the acts or defaults of the said..... and of all and every persons and the person aforesaid.

Now the condition of the above written bond is such that if the said has whilst he has held or exercised the duties of the said office of as aforesaid always duly performed and fulfilled the said duties of the said office and other duties aforesaid and if he the said shall whilst he shall hold or exercise the duties of the said office always duly perform and fulfil all and every the duties thereof aforesaid and perform and observe all and every the conditions, rules and regulations of the said Code and the said departmental rules and others and further if the said.....do and shall indemnify and save harmless the Government their successors and assigns and all and every person or persons who

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T.N.F.C. Form 19-cont.

security (over and above the written bond) to the Government their successors and assigns for the indemnity and other purposes aforesaid with full power to the Government their successors or assigns or the servants of the Government duly authorized in that behalf from time to time as occasion shall require to obtain and receive payment of the said sum of Rs..... or a sufficient portion thereof with interest thereon and to apply the same in and towards the indemnity as aforesaid of the Government their successors and assigns and the servants of the Government as the case may require but nevertheless the interest on the said sum of Rs.....may in the meantime be paid over as the same shall be realized by the said..... for the time being the Government if he or they shall think fit to the saidAND it is hereby lastly agreed and declared by and between the parties hereto that in the event of the death of the saidor the vacation by him of his said office of..... the above mentioned sum of Rs..... and the deposit receipt shall not at once be returned but shall be retained and remain with the said..... (officer) for the time being for the term of six months after the date of such death or such vacation as the case may be as security against any loss or damage that may have been or may thereafter be incurred by the Government their successors and assigns and the servants of the Government and in respect of which the said and his heirs, executors, administrators and legal representatives after his death is and are or shall or may be liable to indemnify the Government their successors and assigns and all such persons as aforesaid PROVIDED ALWAYS that the return at any time of the said sum of Rs.....or of the deposit receipt shall not be deemed to affect the right of the Government to take proceedings upon or under the said bond against the said in case any breach of the condition of the said

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T.N.F.C. Form 19-cont.

bond shall be discovered after the return of the said sum of Rs.....or the deposit receipt but the responsibility of the said..... shall at all times continue and the Government shall be fully indemnified against all such loss or damage as aforesaid at any time;

PROVIDED FURTHER that nothing herein contained nor the security hereby given shall be deemed to limit the liability of the said.....in respect of matters aforesaid to the forfeiture of the said sum of Rs.....or any part or parts thereof and that should the said sum be insufficient to indemnify the Government in full or any loss or damage sustained by them in respect of matters aforesaid or any of them the said..... shall pay to the Government on demand such further cash or deliver to the Government bank receipts for such further sum as shall be deemed by the..... to be necessary, in addition to the said deposit receipts for the sum of Rs.....to cover such loss or damage as aforesaid and that the Government shall be entitled to recover such sums payable as aforesaid in any manner open to them.

Signed by the above bounden.

In the presence of

Signed by acting and on behalf of
the Governor of Tamil Nadu.

In the presence of

(5-A)

Security bond by a when Post Office Savings Bank Deposits under Rule 45 (b) of the Post Office Savings Bank Rules are deposited as security.

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T.N.F.C. Form 19-cont.

KNOW ALL MEN by these presents that I..... of..... am held and firmly bound unto the Governor of Tamil Nadu (hereinafter called the Governor) in the sum of Rs.....to be paid to the Government of Tamil Nadu (hereinafter called the Government) their successors or assigns or their certain attorney or attorneys for which payment well and truly to be made. I bind myself, my heirs, executors, administrators and legal representatives jointly and severally firmly by these presents.

SEALED, with my seal, dated this day of 19 ... and I the said do hereby for myself, my heirs, executors, administrators and legal representatives covenant with the Governor his successors in office and assigns that if any suit shall be brought touching the subject matter of this obligation or the condition hereunder written in any Court subject to the High Court of Judicature at Madras other than the said High Court in its Ordinary Original Jurisdiction the same shall and may at the instance of the Government be removed into, tried and determined by the said High Court in its Extraordinary Original Jurisdiction.

WHEREAS the above bounden was on the day of 19 ... appointed to and now holds and exercises the office of at AND WHEREAS by virtue of such office the said has amongst other duties the care charge and oversight of and responsibility for the safe and proper storing and keeping in the place appointed for the custody thereof respectively of all money, specie, bullion, coin, jewels, currency or Bank notes, stamps and securities of whatever description, gold, silver, copper, nickel, bronze, lead, goods, stores chattels or effects (hereinafter only together called the said property) of or paid deposited all stored and used at received into or

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T.N.F.C. Form 19-cont.

despatched from the or brought into the said by any person or persons whomsoever and for any purpose or purposes whatsoever AND WHEREAS the said as such as aforesaid is also responsible that the said property and every part thereof are and is of full measure and good quality when received into the said and until he has duly accounted therefor in manner hereinafter referred to AND WHEREAS the said is bound from time to time whenever called upon so to do to show his superior officers that the said property and every part thereof save so much thereof as he has duly accounted for is at all times intact in the places aforesaid and is also bound to attend for the purpose of discharging his duties aforesaid at such times and places as his superior officer may appoint AND WHEREAS the said is further bound to keep true and faithful accounts of the said property and of his dealing under written orders of his superior officers therewith respectively in the form and manner that may from time to time be prescribed under the authority of the Government and also to prepare and submit such returns and such accounts as he may from time to time be prescribed under the authority of the Government and also to prepare and submit such returns and such accounts as he may from time to time be called upon to prepare and submit AND WHEREAS the bulk of the said property remains as well in the care charge and custody of the for the time being at as of the said but as between himself and the Government he the said is alone responsible and answerable therefor and for every part thereof AND WHEREAS the responsibility of the said for the said property and every part thereof does not cease until the same has been duly used under the written orders aforesaid and accounted for or been duly used under the written orders aforesaid and accounted for or been duly despatched from the said

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T.N.F.C. Form 19-cont.

and delivered over to and a full and complete discharge thereof or obtained from such persons and at such places as the (officer) or other person exercising his functions for the time being under the sanction of the Government may direct AND WHEREAS the said has deposited in the Postal Savings Bank..... at the sum of Rs..... and the same is now standing to his credit in the said Postal Savings Bank AND WHEREAS the said in consideration of his said appointment has written to the Post Master at the letter prescribed by rule 45 (f) of the Post Office Savings Bank Rules and has delivered to and deposited with as such (officer) as aforesaid the pass book of his the said with the Postal Savings Bank at and all other vouchers and documents of him the said evidencing his title to the said sum of Rs..... the particulars of vouchers and documents of which are set forth and specified in the schedule hereunder written for the purpose of in part securing and indemnifying the Government their successors and assigns against all loss and damage which they might or may in any way suffer by reason of the said property or any part or parts thereof being in any way consumed, wasted, embezzled, stolen, misspent, lost, misapplied or otherwise dishonestly negligently or by or through oversight or violence made away or parted with by himself the said
 sub-creasurer
 or by any of the ----- servants,
 sub-keeper

clerks, cash keepers, shroffs, coolies or other persons serving under him the said..... AND WHEREAS the said hereby acknowledges that he is bound by all the conditions, rules and regulations of the Tamil Nadu Financial Code and such departmental rules and

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T.N.F.C. Form 19-cont.

orders as may from time to time be issued by authority and may be in force and especially with reference to his relations and dealings with and the rights of his subordinates and his own subordination to his superior officers and that it is duty to keep himself acquainted at all times with the contents of such Code and such departmental rules and orders as aforesaid and all or any alterations made from time to time therein AND WHEREAS the said has entered into the above bond in the penal sum of Rs conditioned for the due performance by him the said of the duties of the said office aforesaid and of other duties appertaining hereto or which may lawfully be required of him and the indemnity of the Government their successors and assigns and servants of the Government against loss from or by reason of the acts or defaults of the said and of all and every the person and persons aforesaid.

Now the condition of the above written bond is such that if the said has whilst he has held or exercised the duties of the said office of as aforesaid always duly performed and fulfilled the said duties of the said office and other duties aforesaid and if he the said shall whilst he shall hold or exercise the duties of the said office always duly perform and fulfil all and every the duties thereof aforesaid and perform and observe all and every the conditions, rules and regulations of said Code and the said departmental rules and orders and further if the said do and shall indemnify and save harmless the Government their successors and assigns and all and every person or persons who from time to time has or have held or shall hold or exercise the said office of (officer) and all other servants of the Government from and against all and every loss and damage which during the time the said has held executed and

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T.N.F.C. Form 19-cont.

enjoyed the said office has happened or been sustained or shall or may at any time or times hereafter happen to be sustained by the Government their successors or assigns or the said (officer) for the time being or any such servant as aforesaid by from or through the means of the neglect, failure, misconduct, disobedience, omission or insolvency of the said

or of any of the sub-treasurer servants,
sub-storekeeper

clerks, cash-keepers, shroffs, coolies or other persons nominated accepted by or serving under him the saidor by from or through the consuming, wasting, embezzling, stealing, mispending, losing, misapplying or otherwise dishonesty or negligently or by through oversight or violence making away or parting with the said property or any part or parts thereof by any person or persons whomsoever whilst he the said..... has held or executed the duties of the said office or shall hold or execute the duties of the said office.

THEN this obligation shall be void and of no effect. Otherwise the same shall be and remain in full force and virtue.

PROVIDED ALWAYS and it is hereby declared and agreed by the between parties hereto that the sum of Rs..... deposited as aforesaid shall be and remain at the disposal of the said(officer) for the time being or the Government as and for part and additional security (over and above the above written bond) to the Government their successors and assigns for the indemnity and other purposes aforesaid with full power to the Government or their successors or assigns or the servants of the Government duly

T.N.F.C. Form 19-cont.

authorized in that behalf from time to time as occasion shall require to apply the same together with any interest receivable or received in respect thereof and towards the indemnity as aforesaid of the Government their successors and assigns the servants of the Government as the case may require AND it is hereby lastly agreed and declared by and or received between the parties hereto that in the event of the death of the said or the vacation by him of his said office of..... the above mentioned sum of Rs..... and the pass book vouchers and other documents relating thereto shall be retained and remain with the said..... (officer) for the time being for the term of six months after the date of such death or such vacation as the case may be as security against any loss or damage that may have been or may thereafter be incurred by the Government their successors assigns and the servants of the Government and in respect of which the said..... and his heirs, executors, administrators and legal representatives after his death is and are or shall or may be liable to indemnify the Government their successors and assigns and all such persons as aforesaid PROVIDED ALWAYS that the return at any time of the said sum of money deposited as aforesaid and the pass book vouchers and other documents shall not be deemed to affect the right of the Government to take proceedings upon or under the said bond against the said in case any any breach of the condition of the said bond shall be discovered after the return of the said sum of pass book vouchers or other documents but the responsibility of the said shall at all times continue and the Government shall be fully indemnified against all such loss or damage as aforesaid at any time.

PROVIDED FURTHER that nothing herein contained nor the security hereby given shall be deemed to limit

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T.N.F.C. Form 19-cont.

the liability of the saidin respect of matters aforesaid to the forfeiture of the said of money deposited as aforesaid or any part or parts thereof, and that should the said insufficient to indemnify the Government in for any loss or damage sustained by them in respect of matters aforesaid or any of them, the said..... shall pay to the Government on demand such further cash or deliver to the Government such further Post Office Savings Bank Deposit as shall be deemed by the.....to be necessary, in addition to the said sum of money deposited to cover such loss or damage as aforesaid and that the Government shall be entitled to recover such further cash or Post Office Savings Deposits payable as aforesaid in any manner open to them.

The schedule above referred to

Signed by the above bounden

Signed by acting for and on behalf of the Governor of Tamil Nadu.

In the presence of

(5B)

Security bond by a when Post Office Savings Bank Deposits under rule 45 (g) of the Post Office Savings Bank Rules are deposited as security.

KNOW ALL MEN by these presents that I of and held and firmly bound unto the Governor of Tamil Nadu (hereinafter called the Governor) in the sum of Rs..... to be paid to the Government of Tamil Nadu (hereinafter called the Government), their successors assigns or their

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T.N.F.C. Form 19-cont.

certain attorney or attorneys for which payment well and truly to be made I bind myself, my heirs, executors, administrators and legal representatives jointly and severally firmly by these presents.

Sealed with my seal, dated this..... day of.....19 and I the said do hereby for myself, my heirs, executors, administrators and legal representatives covenant with the said Governor his successors in office and assigns that if any suit shall be brought touching the subject-matter of this obligation or the condition hereunder written in any Court subject to the High Court of Judicature at Madras other than the said High Court in its Ordinary Original Jurisdiction the same shall and may at the instance of the Government be removed into, tried and determined by the said High Court in its Extraordinary Original Jurisdiction.

WHEREAS the above boundenwas on the day of.....19.... appointed to and now holds and exercises the office of at.....AND WHEREAS by virtue of such office the said.....has amongst other duties the care charge and oversight of and responsibility for the safe and proper storing and keeping in the place appointed for the custody thereof respectively of all money, specie, bullion, coin, jewels, currency or Bank notes, stamps and securities of whatever description gold, silver, copper, nickel, bronze, lead goods, stores, chattels or effects (hereinafter together only called the said property) stored and used at received into or despatched from the..... of..... or paid deposited or brought into the saidby any person or persons whomsoever and for any purpose or purposes whatsoever AND WHEREAS the said..... as suchas aforesaid is also responsible that the said property and every part thereof are

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and is of full measure and good quality when received into the said and until he has duly accounted therefor in manner hereinafter referred to AND WHEREAS the said is bound from time to time whenever called upon so to do to show to his superior officers that the said property and every part thereof save so much thereof as he has duly accounted for is at all times intact in the places aforesaid and is also bound to attend for the purpose of discharging his duties aforesaid at such times and places as his superior officer may appoint AND WHEREAS the said is further bound to keep true and faithful accounts of the said property and of his dealings under written orders of his superior officers therewith respectively in the form and manner that may from time to time be prescribed under the authority of the Government and also to prepare and submit such returns and such accounts as he may from time to time be called upon to prepare and submit AND WHEREAS the bulk of the said property remains as well in the care charge and custody of the for the time being at as of the said but as between himself and the Government he the said is alone responsible and answerable therefor and for every part thereof AND WHEREAS the responsibility of the said for the said property and every part thereof does not cease until the same has been duly used under the written orders aforesaid and accounted for or been duly despatched from the said and delivered over to and a full and complete discharge therefor obtained from such persons and at such place as the (officer) or other person exercising his functions for the time being under the sanction of the Government may direct AND WHEREAS the said in consideration of his said appointment has delivered to as such (officer) as aforesaid a sum of ₹ which has been deposited by the said

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T.N.F.C. Form 19-cont.

.....(officer) in his own name in the Post Office Savings Bank at.....as security deposit under rule 45 (g) of the Post Office Savings Bank Rules for the purpose of in part securing and indemnifying the Government their successors and assigns against all loss and damage which they might or may in any way suffer by reason of the said property or any part or parts thereof being in any way consumed, wasted, embezzled, stolen, mis-spent, lost, misapplied or otherwise dishonestly negligently or by through oversight or violence made away or parted with by himself the said.....

or by any of the sub-treasurers servants,
sub-store keeper

clerks, cash keepers, shroffs, coolies or other persons serving under him the said.....
AND WHEREAS the said hereby acknowledges that he is bound by all the conditions, rules and regulations of the Tamil Nadu Financial Code and such departmental rules and orders as may from time to time be issued by authority and may be in force and especially with reference to his relations and dealings with and the rights of his subordinates and his own subordination to his superior officers and that it is his duty to keep himself acquainted at all times with the contents of such Code and such departmental rules and orders as aforesaid and all or any alterations made from time to time therein
AND WHEREAS the said.....has entered into the above bond in the penal sum of Rs..... conditioned for the due performance by him the saidof the duties of the said office aforesaid and of other duties, appertaining thereto or which may lawfully be required of him and the indemnity of the Government their successors and assigns and the servants of the Government against loss from or by reason of the acts or defaults of

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T.N.F.C. Form 19-cont.

the said.....and of all and every
the persons and person aforesaid.

Now the condition of the above written bond is such
that if the said..... has whilst he has
held or exercised the duties of the said office of
.....as aforesaid always duly performed
and fulfilled the said duties of the said office
and other duties aforesaid and if he the said
..... shall whilst he shall hold or exercise
the duties of the said office always duly perform
and fulfil all and every the duties thereof afore-
said and perform and observe all and every the
conditions, rules and regulations of the said Code
and the said departmental rules and orders and
further if the said..... do and shall
indemnify and save harmless the Government their
successors and assigns and all and every person or
persons who from time to time has or have held or
shall hold or exercise the said office of.....
(officer) and all other servants of the Government
from and against all and every loss and damage
which during the time the said..... has
held executed and enjoyed the said office has
happened or been sustained or shall or may at any
time or times hereafter, happen to be sustained
by the Government their successors or assigns or
the said.....(officer) for the time
being or any such servant as aforesaid by from or
through the means of the neglect failure,
misconduct, disobedience, omission or insolvency of
the said

sub-treasurers

or of any of the

sub-store keeper

servants,

clerks, cash keepers, shroffs, coolies or other
persons nominated accepted by or serving under
him the said or by from or,
through the consuming, wasting, embezzling,
stealing, mispending, losing, misapplying or
otherwise dishonestly or negligently or by through

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T.N.F.C. Form 19-cont.

oversight or violence making away or parting with the said property or any part or parts thereof by any person or persons whomsoever whilst he the said has held or executed the duties of the said office or shall hold or execute the duties of the said office.

THEN this obligation shall be void and of no effect. Otherwise the same shall be and remain in full force and virtue.

PROVIDED ALWAYS and it is hereby declared and agreed by and between the parties hereto that the sum of Rs deposited as aforesaid shall be and remain at the disposal of the said (officer) for the time being or the Government as and for part and additional security (over and above the above written bond) to the Government their successors and assigns for the indemnity and other purposes aforesaid with full power of the Government their successors or assigns or the servants of the Government duly authorized in that behalf from time to time as occasion shall require or apply the same together with any interest receivable or received in respect thereof in and towards the indemnity as aforesaid of the Government their successors and assigns and the servants of the Government as the case may require, AND it is hereby lastly agreed and declared by and between the parties hereto that in the event of the death of the said or the vacation by him of the said office of the the above mentioned sum of Rs.....shall be retained and remain with the said (officer) for the time being for the term of six months after the date of such death or such vacation as the case may be as security against any loss or damage that may have been or may thereafter be incurred by the Government their successors and assign and the servants of the Government and in respect of which the said and his

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T.N.F.C. Form 19-cont.

heirs, executors, administrators, legal representatives after his death is and are or shall or may be liable to indemnify the Government their successors and assigns and all such persons as aforesaid PROVIDED ALWAYS that the return at any time of the said sum of Rs.....shall not be deemed to affect the right of the Government to take proceedings upon or under the said bond against the said in case any breach of the condition of the said bound shall be discovered after the return of the said sum but the responsibility of the said..... shall at any time continue and the Government shall be fully indemnified against all such loss or damage as aforesaid at any time:

PROVIDED FURTHER that nothing herein contained nor the security hereby given shall be deemed to limit the liability of the said.....in respect of matters aforesaid to the forfeiture of the said sum of Rs..... or any part or parts thereof and that should the said deposits be insufficient to indemnify the Government in full for any loss or damage sustained by them in respect of matters aforesaid or any of them, the saidshall pay to the Government on demand such further cash or sum as shall be deemed by theto be necessary by deposit in the Post Office Savings Bank in addition to the said sum of Rs..... to cover such loss or damage as aforesaid and that the Government shall be entitled to recover such further sum payable as aforesaid in any manner open to them.

Signed by the above bounden.

In the presence of

Signed by acting for on behalf
of the Government of Tamil Nadu.

In the presence of

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(6)

Security bond by awhen a fidelity bond isdeposited as security.

KNOW ALL MEN by these presents that I....., son of,residing at..... am held and firmly bound unto the Governor of Tamil Nadu (hereinafter called the Governor) in the sum of Rs.....to be paid to the Government of Tamil Nadu (hereinafter called the Government) their successors or assigns or their certain attorney or attorneys for which payment well and truly to be made I bind myself, my heirs, executors, administrators and legal representatives jointly and severally firmly by these presents.

Sealed with my seal this.....day of..... 19 and I the saiddo hereby for myself, my heirs, executors, administrators and legal representatives covenant with the Governor, his successors in office and assigns that if any suit shall be brought touching the subject-matter of this obligation or the condition hereunder written in any Court subject to the High Court of Judicature at Madras other than the said High Court in its Ordinary Original Jurisdiction the same shall and may at the instance of the Government be removed into, tried and determined by the High Court in its Extraordinary Original Jurisdiction.

WHEREAS the above boundenwas on the day of19... appointed to and now holds and exercises office ofat AND WHEREAS by virtue of such office the said has amongst other duties the care charge and oversight of and responsibility for the safe and proper storing and keeping in the place appointed for the custody thereof respectively of all moneys, specie, bullion, coin, jewels, currency or Bank notes, stamps and securities of whatever description, gold, silver, copper, nickle, bronze, lead goods, stores chattels

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T.N.F.C. Form 19-cont.

or effects (hereinafter together only called the said property) stored and used at received into or despatched from theof..... saidby any person or persons whomsoever and for any purpose or purposes whatsoever AND WHEREAS the said.....as such as aforesaid is also responsible that the said property and every part thereof are and is of full measure and good quality when received into the said.....and until he has duly accounted therefor in manner hereinafter referred to AND WHEREAS the said.....is bound from time to time whenever called upon so to do to show to his superior officers that the said property and every part thereof save so much thereof as he has duly accounted for is at all times intact in the places aforesaid and is also bound to attend for the purpose of discharging his duties aforesaid at such times and places as his superior officer may appoint AND WHEREAS that said..... is further bound to keep true and faithful accounts of the said property and of his dealings under written orders of superior officers therewith respectively in the form and manner that may from time to time be prescribed under the authority of the Government and also to prepare and submit such return and such accounts as he may from time to time be called upon to prepare and submit AND WHEREAS the bulk of the said property remains as well in the care charge and custody of the..... for the time being at..... as of the saidbut as between himself and the Government he the said..... is alone responsible and answerable therefor and for every part thereof AND WHEREAS the responsibility of the said.....for the said property and every part thereof does not cease until the same has been duly used under the written orders aforesaid and accounted for or been duly despatched from the saidand delivered over to

FORMS

T.N.F.C. Form 19-cont.

clerks, cash-keepers, shroffs, coolies or other persons nominated, accepted by or serving under him the saidor by from or through the consuming, wasting, embezzling, stealing, mis-spending, losing, misapplying or otherwise dishonestly or negligently or by or through oversight or violence making away or parting with the said property or any part or parts thereof by any person or persons whomsoever whilst he the said....
 has held or executed the duties of the said office or shall hold or execute the duties of the said office.

THEN this obligation shall be void and of no effect. Otherwise the same shall be and remain in full force and virtue.

PROVIDED ALWAYS and it is hereby declared and agreed by and between the parties thereto that the said fidelity bond No..... delivered and deposited as aforesaid shall be and remain at the disposal of the said(officer) for the time being or the Government as and for part and additional security (over and above the above-written bond) to the Government their successors and assigns for the indemnity and other purposes aforesaid with full power to the Government their successors or assigns or the servants of the Government duly authorized in that behalf to obtain and received payment of the sum or sums of money recoverable or to be received upon or by virtue of the said fidelity bond or a sufficient portion thereof and all benefits and advantages hereof and to apply the same in and towards the indemnity as aforesaid of the Government their successors and assigns and the servants of the Government as the case may require.

AND it is hereby lastly agreed and declared by and between the parties hereto that the said.....
 shall keep the fidelity bond issued by

FORMS

T.N.F.C. Form 19-cont.

the said company in full force by payment of the premia as and when they fall due and by otherwise conforming to the rules of the said company relating thereto.

PROVIDED ALWAYS that the cancellation or lapse at anytime of the said fidelity bond shall not be deemed to affect the right of the Government to take proceedings upon or under this said bond against the said in case any breach of the condition of this bond shall be discovered after the cancellation or lapse of the said fidelity bond but the responsibility of the said shall at all times continue and the Government shall be fully indemnified against all such loss or damage as aforesaid at any time.

PROVIDED further that nothing herein contained nor the security hereby given shall be deemed to limit the liability of the said in respect of matters aforesaid to the forfeiture of the said sum of Rs. or any part or parts thereof and that should the said fidelity bond be insufficient to indemnify the Government in full for any loss or damage sustained by them in respect of matters aforesaid or any of them, the said shall pay to the Government on demand such further sum or deliver fidelity bonds to cover such further sum as shall be deemed by the to be necessary, in addition to the said fidelity bond to cover such loss or damage as aforesaid that the Government shall be entitled to recover such further fidelity bond as aforesaid in any manner open to them.

Signed by the above bounden.
In the presence of

Signed by acting for and
on behalf of the Governor of Tamil Nadu.
In the presence of

T.N.F.C. FORM 20

(See Chapter XII, Article 299)

REPORT OF DAMAGE TO IMMOVABLE GOVERNMENT PROPERTY
TO BE SENT TO THE ACCOUNTANT-GENERAL

1. Department
2. Locality
3. Description of the property damaged
4. Date of damage
5. Cause of the damage
6. Book value of the damaged portion of the property
7. (a) Is it proposed to replace or reconstruct the damaged portion?

(b) If so, what is the estimated cost of the replacement or reconstruction?
8. If it is not proposed to replace or reconstruct the damaged portion of the property, what is the amount to be written off the capital value of the property in the accounts? (This amount should be estimated in the absence of the recorded book value)
9. What action is being taken to effect the write-off, if any, mentioned as being necessary in item 7 above?

Note - For purpose of write off of the value of temporary structures damaged or destroyed which have served the period intended, and which are

FORMS

T.N.F.C. Form 20-cont.

therefore not proposed to be reconstructed, the value of the structures should be assessed as at the time of damage or destruction.

T.N.F.C. FORM 21 - Deleted.

T.N.F.C. FORM 22

(Chapter V, Article 84)

FORM OF BILL FOR DRAWING ADVANCES OF TRAVELLING ALLOWANCE ON TOUR TO GOVERNMENT SERVANTS

No. of 199 .

Bill for advance of travelling allowance on tour for Thiru.....

the establishment of the office of for 199 .

Head of account chargeable

Serial Number	Name and designation of Government servant for whom advance is drawn.	Amount of advance Rs.	Remarks
---------------	---	-----------------------	---------

(1) Certified that no previous advance is outstanding in respect of the individuals for whom tour advance is now drawn.

(2) Certified also that the previous advance(s) of Rs..... drawn on at was/were adjusted by deduction in the bill for Rs..... cashed on

FORMS

T.N.F.C. Form 22-cont.

(3) Certified that an account has been given of the previous advance which is outstanding.

(4) Certified that the advance drawn does not exceed the amount of Travelling Allowance to which the individuals would be entitled for that journeys to be commenced.

Note - The Certificate/certificates which is/are not applicable should be scored out.

Total of bills Rs. (in words)

Rupees

Contents received

Please pay to

Station (Signature)

Dated (Designation)

(For use in the Pay Office, Madras/Treasury)

Pay Rupees (in words)

Examined and entered
Treasury Accountant

Assistant Pay and Accounts Officer
Treasury Officer

(For use in Audit Office)

Amount held under objection

Rs.

Admitted Rs.
Mode of adjustment

— Auditor Superintendent Auditor Superintendent

FORMS

T.N.F.C. FORM 23

(See Chapter V, Article 84)

REGISTER SHOWING THE DETAILS OF ADVANCES OF
TRAVELLING ALLOWANCE ON TOUR PAID TO GOVERNMENT
SERVANTS AND THE RECOVERIES MADE IN RESPECT OF THE
SAME

Sl. No.	Name & designation of Govt. servant	Details of advance paid		Details of recoveries made		Remarks
		Date and place of payment	Amount	Readjustment	In cash	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
			Rs.	Rs.	Rs.	

NOTE - (1) Columns (3) and (4) should be filled in at the time the bill on account of the advance is submitted for signature of the head of the office. An entry "Entered in tour Advance Register" should simultaneously be made in the office copy of the bill and attested by the head of the office.

In respect of gazetted officers, the Treasury Officers concerned will make the necessary entries in columns (3) and (4) and record on the bill passed for payment that it has been entered in the Tour Advance Register.

(2) In column (5) full particulars regarding the amount, date and place of payment of the bill in which the advance was recovered by adjustment should be given.

(3) The register should be reviewed by the head of the Office or the Treasury Officer concerned at least once a month and suitable action taken in case of long delays in adjustment. The head of the office or the Treasury officer concerned will also set his initials in column (7) "Remarks" in token of such review against the latest entry.

FORMS

T.N.F.C. FORM 23-A
(See Chapter VI, Article 99)

**REGISTER FOR WATCHING ADJUSTMENT OF TEMPORARY
ADVANCES DRAWN**

Sl. No.	Bill No.	Head of Account	Details of advances drawn		
			Amount	Date of encashment	Voucher No.
			Rs.		
(1)	(2)	(3)	(4)	(5)	(6)

Details of adjustment made

By adjustment bill			By Refund		REMARKS
Date of adjustment	Voucher No.	Amount	Chalan No. & Date	Amount	
			Rs.	Rs.	
(7)	(8)	(9)	(10)	(11)	(12)

T.N.F.C. FORM 23-B
[See Chapter X, Article 227 (4) (c)]

LOAN SANCTION REGISTER

Name of office and station: _____ Financial year _____

Sl. No.	Date	Name of Govt. servant and designation	Nature of loan	Autho- rity who sanctioned	Order/Pro- ceedings No. & date (outside referencé No. & date in respect of trans- ferres)	Amount sanctioned (amount yet to be recovered in case of trans- ferres)
(1)	(2)	(3)	(4)	(5)	(6)	(7)

FORMS

T.N.F.C. Form 23B-cont.

Date & Rate place of of pay- ment (Trea- sury)	No of of Inter- est. instal- ments & amount of each instal- ment of princi- pal (ba- lance of instal- ment & amount of each instal- ment in case of trans- ferees)	Month & year from which deduc- tion is to be star- ted	Sl. No. and vol- ume of the indi- vidu- al Loan Regis- ter.	Page No. and name of the Loan Reco- very Regis- ter.	Initi- als of clerk/ Section Head and Officer	
(8)	(9)	(10)	(11)	(12)	(13)	(14)

NOTE - Entries should be made in respect of transferees also with reference to Last Pay Certificate. The fact of having entered in this register should be recorded in the extracts of the Last Pay Certificate to be retained in office and attested.

T.N.F.C. FORM 23-C

[See Chapter X, Article 227 (4) (c)]

(Each Register to have entries for 5 years only)

Name of Office:

- a. Name
- b. Designation at the time of
santion of each loan

FORMS

T.N.F.C. Form 23C-cont.

	@ #	@ #	@ #
Sl. No.	Govt. Order/ Proceedings No. and date of sanction (also outside No. and date in respect of transferees)	Authority who sanctioned the Loan	Nature of Loan
			Amount sanctioned (amount yet to be recovered in case of transferees)
*			Rs.
(1)	(2)	(3)	(4) (5)

@ #	@ #	@ #	@ #
Number of instalments and amount of each instalment (Balance of instalments and amount of each instalment in respect of transferees)	Serial number in the loan sanction register	Page number and Name of the loan recovery register	Initials of the Clerk/ Section Head and officer
(6)	(7)	(8)	(9)

* Car, House Building, etc.

@ Designation

Date (of sanction)

FORMS

T.N.F.C. FORM 23-D

[See Chapter X, Article 227 (4) (c)]

LOAN RECOVERY REGISTER

(To be maintained in respect of each category of loan)

Office:

Sl. No.	Name & Designation of Govt. servant	Sl. No. & financial year in Loan Sanction Register	Sl. No. & financial year in Individual Loan Register	Total loan Amount Rs.	Total instalments & rate of each instalment
(1)	(2)	(3)	(4)	(5)	(6)

RECOVERY-PRINCIPAL

Month, year and amount	Month, year and amount	Month, year and amount	Month, year and amount
(7)	(8)	(9)	(10)

Name of loan:

RECOVERY-INTEREST

Total interest recoverable and instalment numbers	Authority for entry in previous column	Month, year and amount	Month, year and amount
(11)*	(12)*	(13)*	(14)*

* Column Numbers to be modified with reference to the number of instalments in which principal is proposed to be recovered.

FORMS

T.N.F.C. FORM 23-E

[See Chapter X Article 227 (4) (c)]

REGISTER FOR RECOVERY OF HOUSE BUILDING ADVANCES

1. Name and Designation of the Government servant and his permanent address
2. Number and date of the Government Order sanctioning the advance
3. Number and date of the order of the Head of the department according formal sanction of the advance
4. Amount of advance and the number of instalments in which it has to be paid
 - i) Number and date of the order authorising the payment of the 1st instalment and the actual date of payment and the amount
 - ii) Number and date of the order authorising the payment of the 2nd instalment and the actual date of payment and the amount.
 - iii) Number and date of the order authorising the payment of the 3rd instalment and the actual date of payment and the amount.
 - iv) Number and date of the order authorising the payment of 4th instalment and the actual date of payment and the amount.
5. Rate of interest to be charged.
6. Number of instalments in which the advance and the interest to be recovered.
7. Due date for the commencement of the recovery.

FORMS

T.N.F.C. Form 23F-cont.

3. Nature of advance.
4. Rate of interest
5. Number of instalments in which the advance and the interest to be recovered.
6. Due date for the commencement of the recovery.

PARTICULARS OF RECOVERY OF PRINCIPAL/INTEREST
TO BE ENTERED WITH ALL DETAILS

Sl. No.	Year	Monthly rate of recovery	AMOUNT RECOVERED				
			APRIL	MAY	JUNE	JULY	AUGUST
1	2	3	4	5	6	7	8

SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
9	10	11	12	13	14	15

Total recovery during the year	Balance of principal due at the end of the year carried forward	Progressive total amount of interest accrued upto the end of the financial year	Remarks
16	17	18	19

FORMS

T.N.F.C. FORM 23-G

[See Chapter X Article 227 (4) (c)]

Sub Account No. Name of the Dept.....
 Office of

Monthly statement of debits and credits under
 Advance in the month of

Name & Designation of the Drawing Officer	Huzur voucher number of the chalan particulars	Departmental		Treasury		Remarks (reasons for discrepancies etc.)
		Debit	Credit	Debit	Credit	
(1)	(2)	(3)	(4)	(5)	(6)	(7)

ABSTRACT

- A. Amount outstanding at the end of the last month (i.e. Opening Balance) :
- B. Amount disbursed during the month :
- C. Amount of advance (outstanding) paid by other Drawing Officer and transferred for recovery by the Drawing Officer :
- D. Total of (A), (B) and (C) :
- E. Recoveries during the month :

FORMS

T.N.F.C. Form 23G-cont.

- F. Details of advance outstanding in respect of persons transferred to other offices for whom last pay certificate have been issued :
- G. Closing Balance at the end of month :

Signature of the Drawing Officer
Signature of the District Officer

NOTE - The Closing Balance noted in "G" at the end of the previous month should be furnished in column "A".
The total amount in column 3 to be noted in "B".
The total amount in column 4 to be noted in "E".
The outstanding amount instalments or recovery as per Last Pay Certificate recovered to be noted in "C".
The amount outstanding in respect of persons transferred from the office to be noted in "F".

T.N.F.C. FORM 23-H

[See Chapter X Article 227 (4) (c)]

Annual certificate of balance underadvance

1. Opening Balance (as on 1st April) :
2. Amount of advances paid by the Drawing Officer (month-wise details to be given) :

FORMS

T.N.F.C. Form 23H-cont.

3. Amounts of advances paid by other Drawing Officers and transferred for recovery by the Drawing Officer (month-wise details to be given) :
4. Totals of (1), (2) and (3) :
5. Recoveries during the year (month-wise details to be given) :
6. Amount of advance outstanding in respect of persons transferred from this office and for whom Last Pay Certificate has been issued (month-wise details to be given) :
7. Totals of (5) and (6) :
8. Closing Balance as on 31st March :

Signature of the Drawing Officer
Signature of the District Officer

FORMS

T.N.F.C. FORM 24

(See Chapter VI, Article 104)

REGISTER FOR WATCHING THE RECEIPT OF STAMPED RECEIPTS FROM THE PAYEES AND THEIR TRANSMISSION TO THE ACCOUNTANT-GENERAL/PAY AND ACCOUNTS OFFICER, MADRAS.

Voucher's number and month of payments	Amount	Particulars of payment	Amount for which stamped receipts are due
(1)	(2)	(3)	(4)
	Rs.		Rs.
Reference to number and date of letter calling for the stamped receipts	Date of receipt of stamped receipt	No. & date of the letter in which the receipts are forwarded to the Accountant General/Pay & Accounts Officer Madras	Reference to acknowledgement of the Accountant General/Pay and Accounts Officer Madras
(5)	(6)	(7)	(8)

FORMS

T.N.F.C. FORM 25

(See Article 130)

REGISTER OF TENDERS

Sl. No.	Particulars of supply/work	No. & date of orders sanctioning the supply works	Estimated value of sanctioned amount	No. & date of orders inviting tenders	Last date of receipt of tenders	Date of opening of tenders
(1)	(2)	(3)	(4)	(5)	(6)	(7)
			Rs.			

Accepting authority	Amount of lowest tender	Particulars of tender accepted	Tenderer	Amount	No. & date of orders accepted	Amount of security obtained	Initials of the Officer	Remarks
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(15)
	Rs.			Rs.		Rs.		
Chalan								
Amount								

NOTES - (1) Column (1) to (6) should be filled in at the time of issue of tender notice.

(2) On completion of all the entries in columns (1) to (13), the Officers should initial column (14) in taken of check.

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T.N.F.C. FORM 26

(See Article 130)

REGISTER OF CONTRACTS AND AGREEMENTS

Sl. No.	Sl. No. of Tender Register	Name of supply/part work or other subject of contract	Name of contractor and his attorney if any	Amount of estimate	Amount of contract	Whether the form of agreement has been approved by competent authority & reference to relevant orders
(1)	(2)	(3)	(4)	(5)	(6)	(7)
				Rs.	Rs.	
Authority for acceptance	Security taken or taken	Con- nect- ed docu- ments	Date of execution of contract by the contractor	Date of accep- tance of the contract by the competent authority	Date fixed for the completion of contract	R E M A R K S
(8)	(9)	(10)	(11)	(12)	(13)	(14) (15)
	Rs,					

T.N.F.C. FORMS 27 and 28 - Deleted.

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T.N.F.C. FORM 29

(See Article 85-A)

 Register of Policy Holder in Postal Life insurance

Sl. No.	Policy number	Name of policy holder	Designation	Monthly Premium rate
(1)	(2)	(3)	(4)	(5) Rs.

 Amount actually recovered

April	May	June	July	August	September	October
(6) Rs.	(7) Rs.	(8) Rs.	(9) Rs.	(10) Rs.	(11) Rs.	(12) Rs.

November	December	January	February	March	Remarks
(13) Rs.	(14) Rs.	(15) Rs.	(16) Rs.	(17) Rs.	(18)

FORMS

T.N.F.C. FORM 30
(See Article 235-B)

FORM OF APPLICATION BY A GOVERNMENT SERVANT FOR
PURCHASE OF KHADI ON CREDIT FROM A SALES DEPOT OR
A PANCHAYAT UNION OFFICE

1. Name
2. Post held
3. Nature of service
(permanent or temporary)
4. Basic pay drawn
5. Date of retirement
6. Particulars of monthly
deductions effected from
pay in the pay bill
7. Value of Khadi to be
purchased should not exceed
one month's basic pay
8. Number of instalments for
repayment and amount of
each instalment
9. Value of Khadi already
purchased on credit and
not yet paid for in full
10. Unpaid balance outstanding
on the date of application
out of the amount mentioned
in item 9 above
11. Whether security bond is signed
12. Remarks

FORMS

T.N.F.C. Form 30-cont.

I authorise my pay drawing officer to recover the amount due from my monthly pay regularly by compulsory deduction, the first instalment commencing from the month of adjustment of purchase, till the recovery is effected.

Date: _____ Signature and designation
of the applicant

Sanction (a) is accorded for the purchase of
Khadi for Rs.... (Rupees.....)

(b) on credit basis, vide sanction order No.....
dated

Sanctioning Authority.

T.N.F.C. FORM 31

(See Article 235-B)

SANCTION ORDER OF THE HEAD OF OFFICE FOR THE
PURCHASE OF KHADI BY GOVERNMENT SERVANTS

(This order is valid up to and inclusive of.....
..... only)

Order of the head of the office

Sanction (a) is accorded to the grant of an
advance of Rs.....(Rupees.....)
for purchase of Khadi by(name
and designation) up to Rs.....
(b) from the Sales Depot/Panchayat Union Office at
..... Khadi Kraft, Madras.

The Manager, Sales Depot/Commissioner,
Panchayat Union Office at
Manager, Khadi Kraft, Madras is requested to
arrange to sell Khadi to Thiru

FORMS

T.N.F.C. Form 31-cont.

to the value of Rs..... (Rupees.....
) and to send a credit bill
 to this office for making the necessary adjustment
 in the Government accounts or payments by means of
 crossed cheques as the case may be.

He is informed that the cost of credit
 purchase of Khadi effected on the basis of this
 sanction is recoverable from him/her in
 instalments.

(Official seal).

Signature of the Head of the Office.

NOTE - (a) If the Government servant (applicant) is
 one employed under the emergency provisions the
 sanction can be given only if the following
 conditions are satisfied:-

(i) that the temporary candidates have put in
 at least one year of service on the date of supply;

(ii) that the pay disbursing officer is
 satisfied that they are not likely to be ousted
 within a period of six months beyond the month in
 which the supply is made; and

(iii) that a personal security bond in the
 prescribed form vide T.N.F.C. Form 32 should be
 executed by the applicant and a member of the
 service who has put in more than three years
 service, whether temporary or permanent.

(b) Amount in item 7 of the application should
 be entered in case no unpaid balance is shown in
 column 10. In case, however any unpaid balance is
 shown in item 10 of the application, the sanction
 should be limited to the amount which together with
 the outstanding balance will not exceed one month's
 basic pay of the purchaser.

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T.N.F.C. FORM 32

(See Article 235-B)

FORM OF PERSONAL SECURITY BOND TO BE EXECUTED BY
AN OFFICIATING OR TEMPORARY GOVERNMENT SERVANT
PURCHASING KHADI ON INSTALMENT BASIS

KNOW ALL MEN BY THESE PRESENTS
that we of and
..... of are
held and firmly bound up to the Governor of Tamil
Nadu in the sum of Rs..... (rupees
.....)
to be paid to the Government of Tamil Nadu
(hereinafter called the Government) their
successors or assigns or their certain attorney or
attorneys for which payments to be well and truly
to be made we bind ourselves jointly and severally
and each of our heirs, executors, administrators
and legal representatives firmly by these presents.

WHEREAS the above bounden
who at present holds the office of
..... has applied to the
Government for permission to purchase Khadi for
Rs..... (rupees
.....) and
WHEREAS the Centre Khadi Officer has agreed to
sanction such concession upon the said
..... and the
above bounden (.....) as, his
surety entering into a bond in the above mentioned
sum of Rs..... (Rupees.....
.....)
with such condition as is hereunder written for the
due and punctual repayment by the said
..... of the
several instalments of the
value of Khadi as and when they fall due and for
the observance and performance by the said
..... of the several
conditions mentioned in G.O.Ms.No.1157, Food and

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T.N.F.C. Form 32-cont.

Agriculture, dated 20th July 1964. Now the above written bond is conditioned to be void in either of the cases following:-

(a) If the said
his heirs, executors, administrators or legal representatives shall from time to time and at all times hereafter well and truly pay or cause to be paid to the Government all such sums of money as shall from time to time become due and owing to the Government the said
in respect of the concession above mentioned as and when such sum or sums of money shall respectively become due and payable.

(b) If the said
shall at any time or times hereafter made shall at any such sum or sums of money as aforesaid and the said
or his heirs, executors, administrators or legal representatives shall within the space of one calendar month after receiving notice in writing of such default and of the amount thereof from the Government will and truly pay or cause to be paid to the Government the sum of money stated in the said notice to be and being the amount of the said default.

Signed and delivered by the
said in the presence of

Signed and delivered by the
said surety in the
presence of

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T.N.F.C.FORM 33

(See Article 235-B)

REGISTER SHOWING THE DETAILS OF ADVANCES FOR THE
PURCHASE OF KHADI PAID TO GOVERNMENT SERVANTS
AND THE RECOVERIES MADE IN RESPECT OF THE SAME

 Details of advance paid

Sl. No.	Name and designation of Government servant	Amount sanctioned	Date and place of payment	Amount actually paid by way of credit sale
(1)	(2)	(3)	(4)	(5)
		Rs.		Rs.

 Details of Recoveries

Number of instalment and amount of each instalment for recovery	By adjustment	In cash	Balance	Remarks
(6)	(7)	(8)	(9)	(10)
Rs.	Rs.	Rs.	Rs.	

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T.N.F.C. FORM 34

[See Article 210-A (2)]

BOND I

KNOW ALL MEN BY THESE PRESENTS THAT WE
 an Association registered under the Societies
 Registration Act, 1860 (21 of 1860) and having its
 office in the State of

 (hereinafter called the obligors) and (i)

 son of
 resident of
 (ii)
 son of
 resident of
 (hereinafter called sureties) are held and firmly
 bound to the Governor of Tamil Nadu (hereinafter
 called the Government) in the sum of
 Rs. (rupees
 only) well and truly to be
 paid to the Government on demand and without demur
 for which payment we bind ourselves and our
 successors and assigns by these presents.

SIGNED this
 day of in the year one
 thousand nine hundred and

WHEREAS ON THE OBLIGORS' request the Government
 has as per Government's Order No.
 hereinafter referred to as the "Order of sanction"
 which forms an integral part of these presents
 and a copy whereof is annexed hereto agreed to
 make in favour of the obligors for the purpose
 of a grant of Rs.
 (rupees
 only) out of
 which Rs. has already been received by the
 obligors on condition of the obligors executing a

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T.N.F.C. Form 34-cont.

bond in the terms and manner contained hereinafter and which the obligors have agreed to do;

NOW the condition of the above written obligation is such that if the obligators duly fulfil and comply with all the conditions mentioned in the order of grant the above written bond or obligation shall be void and of no effect. But otherwise it shall remain in full force, effect and virtue.

AND THESE PRESENTS ALSO WITNESS AS UNDER, the liability of the sureties hereunder shall not be impaired or discharged by reason of time being granted by any or forbearance, act for omission of the Government whether with or without knowledge or consent of the sureties in respect of or in relation to the obligation or conditions to be performed or discharged by the obligors or by any other matter or think whatsoever which under the law relating to sureties shall, but for the provision have the effect of so releasing the sureties from such liability. Nor shall it be necessary for the Government to sue the obligor before suing the sureties or either of them for amount due hereunder.

ANNEXURE

(Copy of the Government Order)

In witness whereof these presents have been executed on behalf of the obligor in pursuance of the resolution dated passed by the Governing body of the obligor and by sureties the day herein of above written and by Thiru acting for and on behalf of and by the order and direction of the Governor of Tamil Nadu on the date appearing below:-

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T.N.F.C. Form 34-cont.

For and on behalf of (name of obligor association)

(Signed)

1. Witness

2. Witness

(Signed)

(Surety)

(Signed)

(Surety)

For and on behalf of the Governor of Tamil Nadu.

1. Witness

(Signed)

2. Witness

Designation

(Dated)

T.N.F.C. FORM 35

[See Article 210-A (2)]

BOND - II

KNOW ALL MEN BY THESE PRESENTS THAT WE
 names the
 Society/Association registered under the Societies
 Registration Act, 1860 (21 of 1860) and having its
 office in the State of
 (hereinafter called the obligors) are held and
 firmly bound to the Governor of Tamil Nadu
 (hereinafter) called the Government in the sum of
 Rs. (Rupees
 only) well and truly to be paid to the Government

FORMS

T.N.F.C. Form 35-cont.

on demand and without a demur for which payment we bind ourselves and our successors and assigns by these presents.

SIGNED this day of in the year one thousand nine hundred and

WHEREAS on the obligors request, the Government have as per G.O. Ms. No..... dated the (hereinafter referred to as the order of sanction) which forms an integral part of these presents and a copy whereof is annexed hereto agreed to make in favour of the obligors for the purpose of a grant of Rs..... (Rupees only) out of which (Rupees only) have already been received by the obligors (the receipt whereof the obligors do hereby admit and acknowledge) on condition of the obligors executing bond in the terms and manner contained hereinafter which the obligors have agreed to do.

NOW the condition of the above written obligation is such that if the obligors duly fulfil and comply with all the conditions mentioned in the order of sanction, then the above written bond or obligation shall be void and of no effect, but otherwise it shall remain in full force, effect and virtue.

ANNEXURE

(Copy of the Government Order)

It witness whereof these presents have been executed on behalf of the obligor in pursuance of the resolution, dated

FORMS

T.N.F.C. Form 35-cont.

passed by the Governing Body of the obligor and by Thiru acting for and on behalf of and by the order and direction of the Governor of Tamil Nadu on the date appearing below:-

For and on behalf of (name of the obligor Association)

1. Witness

2. Witness

(Signed)

Accepted for and on behalf of the Governor of Tamil Nadu.

1. Witness

2. Witness

(Signed)

(Designation)

Date

T.N.F.C. FORM 36

{See Article 210-A (2)}

(Assets acquired wholly or substantially out of Government Grants)

REGISTER MAINTAINED BY GRANTEE INSTITUTIONS

BLOCK ACCOUNT MAINTAINED BY SANCTIONING AUTHORITIES

FORMS

T.N.F.C. Form 36-cont.

Name of the Sanctioning Authority

Sl. No.	Name of grantee Institution	No. and date of sanction	Amount of the sanctioned grant	Brief purpose of the grant	Whether any condition regarding the right of ownership of the property or other assets required out of the grant was incorporated in the grant-in-aid sanction
(1)	(2)	(3)	Rs. (4)	(5)	(6)

Particulars of assets actually created or acquired	Value of assets as on	Purpose for which utilised at present	Encumbered or not	Reasons, if encumbered
(7)	(8)	(9)	(10)	(11)

Detail of property assets encumbered	Disposed of or not	Reasons and authority, if any for disposal	Details of property assets disposed of	Amount realised on disposal	Remarks
(12)	(13)	(14)	(15)	(16)	(17)

T.N.F.C. FORM 37

[See paragraph 5 under Article 210-A]

1. Serial No
2. Number and date of sanction order
3. Purpose of grant
4. Conditions, if any, attached to the grant
5. Amount sanctioned
6. Date of receipt of the bill from the grantee and its amount
7. Whether the conditions attached to the grant have been accepted by the grantee without reservation.
8. Dated initials of the sanctioning/counter-signing authority.
9. Date by which statement of accounts, etc., required to be furnished by the grantee.
10. Date by which utilisation certificate is required to be furnished to the Accountant-General.
11. Date by which statement of accounts are actually received (reason for the delay, if any, should be clearly indicated)
12. Actual date of submission of utilisation certificate to the Accountant-General (reason for the delay, if any, should be clearly indicated)
13. Unspent balance, if any.
14. Remarks.

FORMS

T.N.F.C. FORM 38

[See Article 230 (b) and 231]

FORM OF SANCTION ORDER.

FORM OF ADVANCE FOR THE PURCHASE OF MOTOR
CAR/MOTOR CYCLE/SCOOTER

Under Article 230/231 of the Tamil Nadu Financial Code, Volume I an advance of Rs..... (Rupees..... only) is sanctioned to Thiru/Thirumathi/Selvi..... for the purchase of a new/second hand Motor Car/Motor Cycle/Scooter subject to the following conditions:-

(i) That he/she draws the advance on or before..... If the advance is not drawn before this date, the sanction will lapse;

(ii) that he/she purchases the Motor Car/Motor Cycle/Scooter finally pays for it within one month or such extension of time not exceeding one month as may be granted, from the date of which the advance is drawn, failing which the full amount of the advance drawn with interest therein should be refunded to the Government;

(iii) that if the actual price paid for the Motor Car/Motor Cycle/Scooter is less than the advance taken and the sale proceeds of the old Car/Motor Cycle/Scooter, if any, the balance should be refunded to the Government forthwith and that the cash receipt and the bill for the purchase of the conveyance should be sent to the Accountant-General for scrutiny;

(iv) that he/she executes a mortgage bond in Form 14 of the Tamil Nadu Financial Code, Volume-I; the mortgage bond should be sent promptly to the Director of Treasuries and Accounts, Madras, as soon as the car is purchased together with a report

T.N.F. Form 38-cont.

regarding the date of (1) drawal of the advance, (2) purchase of the Motor Car/Motor Cycle/Scooter and (3) its insurance;

(v) that the Motor Car/Motor Cycle/Scooter is insured against loss or damage by fire accident or that within one month from the date of purchase of the vehicle, failing which the full amount of the advance drawn with interest accrued must be refunded to the Government;

(vi) that the insurance should be effected with the Life Insurance Corporation of India or any other Insurance Company, which is prepared to insert in the Insurance Policy a clause indicated in Form 15, Tamil Nadu Financial Code, Volume-I;

(vii) that the Motor Car/Motor Cycle/Scooter should be insured for an amount not less than the outstanding balance of the advance with the interest that has accrued at the beginning of that period and that the insurance should be renewed every year until the advance together with the interest thereon is completely repaid and the renewed policy forwarded to the Director of Treasuries and Accounts every year within 15 days of expiry for verification and return;

(viii) that the insurance should be comprehensive;

(ix) that he/she should not purchase such a Motor Car/Motor Cycle/Scooter as would not be accepted by the insurance company for comprehensive insurance;

(x) that the Motor Car/Motor Cycle/Scooter should not be sold or otherwise disposed of without the permission of the sanctioning authority;

FORMS

T.N.F.C. Form 38-cont.

(xi) that if the Motor Car/Motor Cycle/Scooter is sold for any reason whatsoever, the sale proceeds should be credited to the Government upto the limit of the loan outstanding together with interest thereon;

(xii) that he/she furnishes a certificate in the bill claiming the advance to the effect that written assurance has been received by him/her from the dealer that the Motor Car/Motor Cycle/Scooter is likely to be made available to him within a month from the date of drawal of the advance.

(2) The Insurance Policy should be forwarded to the Director of Treasuries and Accounts, Madras for perusal together with a letter in Form 15 of the Tamil Nadu Financial Code, Volume-I, addressed to the Life Insurance Corporation of India or any other Insurance Company which is prepared to insert in the insurance policy, a clause indicated in Form 15 of Tamil Nadu Financial Code, Volume-I, with whom the Motor Car/Motor Cycle/Scooter is insured notifying the company of the fact that the Governor is interested in the Policy secured.

(3) The advance will be recovered in monthly instalments of Rs.....(Rupees... .. only) each exclusive of interest. Interest at the rate of..... per cent per annum will be charged on the advance taken.

(4) An agreement in Form 13 of the Tamil Nadu Financial Code Volume-I has been executed by Thiru/Thirumathi/Selvi and it has been examined and found to be in order.

(5) The advance should not be drawn before it is actually required for the purchase of the Motor Car/Motor Cycle/Secooter.

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T.N.F.C.FORM 39

(See Article 210-C)

UTILISATION CERTIFICATE

Certified that out of Rs.....(Rupees..... only) of Grants-in-aid sanctioned during the year in favour of (*) under (a) and Rs. on account of unspent balance of the previous year, a sum of Rs.has been utilised for the purpose offor which it was sanctioned and that the balance of Rs..... remaining unutilised at the end of the year has been surrendered to Government (Vide Challan No..... dated..... of..... Sub-Treasury/Reserve Bank of India) will be adjusted towards the grants-in-aid payable during the next year

(*) Here enter the name of the recipient of the grants-in-aid.

(@) Here enter the No. and date of the Government Order or Proceedings in which the grants-in-aid was sanctioned.

(2) Certified that I have satisfied myself that the conditions on which the grant-in-aid was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to ensure that the money was actually utilised for the purpose for which it was sanctioned.

Kinds of check exercised.

- 1.
- 2.
- 3.
- 4.
- 5.

Signature:

Designation:

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N.P.-This index deals only with the rules in the several chapters of this volume and does not cover the appendices or the forms. It has been compiled solely for the purpose of assisting references and no explanation in it should be considered as in any way interpreting the rules.

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**LIST OF AMENDMENTS ISSUED AND EMBODIED IN THE
EIGHTH EDITION**

Sl. No.	Article	Government Orders/Letters in which the amendment has been issued
(1)	(2)	(3)
1.	6	Government Letter No.161871/Sal.II/81-2, dated 9th February 1982
2.	35 Note(6)	Government Letter No.90145/Sal.II/80-2, dated 24th January 1981
3.	38	Government Letter No.126846-A/Sal.II/84-14, dated 7th October 1987
4.	51	Government Letter No.97696/Sal.II/84-12, dated 18th February 1986
5.	52 to 55	Government Letter No.135789/Sal.II/87-12, dated 18th February 1991
6.	54(3)	Government Letter No.151837/Sal.II/82-5, dated 19th August 1983
7.	58-A	Government Letter No.26132/Sal.II/89-2, dated 29th May 1989
8.	72(a)	Government Letter No.69909/Sal.II/79-4, dated 31st March 1980
9.	72(c) Note (2)	Government Letter No.72694/Sal.II/82-4, dated 19th August 1983
10.	80(b) (1)	Government Letter No.78700/Sal.II/83-2, dated 6th October 1983
		Government Letter No.89180/Sal.II/90-7, dated 17th June 1991

LIST OF AMENDMENTS-cont.

11. 84-A G.O.Ms.No.798, Salaries, dated 22nd December 1982 read with Lr.No.27391/Sal.II/ 83-2, dated 25th June 1983
12. 87(a) Government Letter No.20446/Sal.II/ 79-6, dated 26th September 1980
- 87(a) Government Letter No.126510/Sal.II/ 83-4, dated 19th August 1985
13. 87(a) Government Letter No.20446/Sal.II/ 79-6, dated 26th September 1980
Explanation 4
14. 87(c) Government Letter No.20446/Sal.II/ 79-6, dated 26th September 1980
15. 96 Government Letter No.99506/Sal.II/ 82-6, dated 19th April 1983
- 96 Government Letter No.127913/Sal.II/ 84-6, dated 9th April 1985
- 96 Government Letter No.58243/Sal.II/ 85-3, dated 11th September 1985
16. 99 Government Letter No.133845/Sal.II/ 86-4, dated 4th November 1981
- 99 Government Letter No.20884/Sal.II/ 81-4, dated 16th February 1982
- 99 Government Letter No.147151/Sal.II/ 81-4, dated 31st March 1982
- 99 Government Letter No.55381/Sal.II/ 82, dated 13th May 1982
- 99 Government Letter No.75051/Sal.II/ 83-8, dated 19th August 1983

LIST OF AMENDMENTS-cont.

- 99 Government Letter No.65324/Sal.II/
82-15, dated 1st October 1983
- 99 Government Letter No.158027/Sal.II/
86-10, dated 28th June 1988
17. 114(a) Government Letter No.28530/Sal.II/
83-4, dated 13th September 1983
- 114(a) Government Letter No.95890/Sal.II/
87-3, dated 19th August 1988
18. 121(a) Government Letter No.78015/Sal.II/
82-4, dated 11th October 1982
19. 125 Government Letter No.30668/Sal.II/
85-10, dated 14th November 1986
20. 125 Government Letter No.125099/Sal.II/
Rule III 79-7, dated 24th July 1980
- 125 Government Letter No.18829/Sal.II/
Rule III 80-4, dated 26th September 1980
- 125 Government Letter No.157581/Sal.II/
Rule III 81-11, dated 28th February 1982
- 125 Government Letter No.126383/Sal.II/
Rule III 82-5, dated 2nd April 1983
- 125 Government Letter No.92933/Sal.II/
Rule III 82-11, dated 8th July 1983
- 125 G.O.Ms.No.1094, Finance(Salaries II)
Rule III dated 31st December 1984
21. 125 Government Letter No.61007/Sal.II/
Rule VIII 81-6, dated 26th July 1982
(c)
22. 130 Government Letter No.9628/Sal.II/
87-5, dated 30th March 1988

LIST OF AMENDMENTS-cont.

23. 192 Government Letter No.134496/Sal.II/
83-5, dated 17th May 1984
24. 201(b) Government Letter No.152652/Sal.II/
88-2, dated 31st May 1989
25. 210-A Government Letter No.61200/Sal.II/
(2) 85-13, dated 17th February 1988
26. 210-A Government Letter No.143591/Sal.II/
(4) 82-16, dated 18th April 1984
27. 210-B Government Letter No.143591/Sal.II/
82-16, dated 18th April 1984
28. 210-E Government Letter No.12115/Sal.II/
81-7, dated 17th April 1982
29. 213 Government Letter No.69889/Sal.II/
85-16, dated 4th January 1989
30. 213-A Government Letter No.52265/Sal.II/
82-4, dated 16th August 1982
31. 220 Government Letter No.143591/Sal.II/
82-16, dated 18th April 1984
32. 227(4) Government Letter No.134155/Sal.II/
(a) 80-4, dated 29th June 1981
- 227(4) Government Letter No.136313/Sal.II/
(a) 86-9, dated 8th July 1988
33. 227(4) Government Letter No.132721/Sal.II/
(d) 83-4, dated 23rd September 1983
34. 229 Government Letter No.95170/Sal.II/
83-4, dated 10th January 1984
35. 230(a) Government Letter No.136313/Sal.II/
86-9, dated 8th July 1988

LIST OF AMENDMENTS-cont.

- 230(a) Government Letter No.108846/Sal.II/
88-6, dated 18th September 1989
36. 230(b) Government Letter No.8127/Sal.II/
(1) (a) 87-4, dated 17th February 1988
37. 230(b) Government Letter No.136313/Sal.II/
(2) clause (i) 86-9, dated 8th July 1988
38. 230(b) Government Letter No.136313/Sal.II/
(2) clause (ii) 86-9, dated 8th July 1988
39. 230(b) Government Letter No.61346/Sal.II/
(6) 86-4, dated 17th February 1988
40. 230(c) Government Letter No.91898/Sal.II/
(3 and 4) 83-11, dated 13th October 1984
41. 231(a) Government Letter No.4684/Sal.II/
80-4, dated 26th July 1980
- 231(a) Government Letter No.98101/Sal.II/
82-8, dated 20th May 1983
- 231(a) Government Letter No.58993/Sal.II/
83-3, dated 20th August 1983
- 231(a) Government Letter No.56179/Sal.II/
84-5, dated 5th October 1984
- 231(a) Government Letter No.136313/Sal.II/
86-9, dated 8th July 1988
- 231(a) Government Letter No.136312/Sal.II/
86-12, dated 29th November 1988
42. 231(b) Government Letter No.56179/Sal.II/
(v) 84-5, dated 5th October 1984
43. 232(a) Government Letter No.55525/Sal.II/
79-5, dated 14th January 1980

LIST OF AMENDMENTS-cont.

44. 232(b) Government Letter No.141709/Sal.II/
(i and ii) 80-6, dated 9th December 1981
- 232(b) Government Letter No.41684/Sal.II/
(i and ii) 83-4, dated 19th August 1983
- 232(b) Government Letter No.136314/Sal.II/
(i and ii) 86-4, dated 17th February 1988
45. 235-A Government Letter No.36264/Sal.II/
80-1, dated 16th April 1980
- 235-A Government Letter No.87535/Sal.II/
80-1, dated 1st July 1981
- 235-A Government Letter No.128465/Sal.II/
80-5, dated 31st October 1981
46. 235-B Government Letter No.87535/Sal.II/
80-1, dated 1st July 1981
- 235-B Government Letter No.100800/Sal.II/
84-3, dated 28th December 1984
47. 238 G.O. Ms. No.798, Salaries, dated
22nd December 1982, read with Letter
No. 27391/Sal.II/83-2, dated
25th June 1983
48. 239 Government Letter No.149815/Sal.II/
(a) (1) 80-3, dated 27th June 1981
49. 244 Government Letter No.104083/Sal.II/
82-5, dated 28th January 1983
50. 244(A) Government Letter No.94727/Sal.II/
(2) (iv) 80-10, dated 3rd July 1981
51. 255-C Government Letter No.58396/Sal.II/
81-5, dated 1st April 1982

LIST OF AMENDMENTS-cont.

52. 271(i) Government Letter No.87530/Sal.II/
Exception(5) 83-3, dated 13th October 1983
53. 271(i) Government Letter No.37088/Sal.II/
Exception 11 79-12, dated 3rd December 1980
54. 271(i) Government Letter No.91615/Sal.II/
Exception 12 and 13 81-8, dated 31st May 1982
- 271(i) Government Letter No.94888/Sal.II/
Exception 12 and 13 82-3, dated 22nd October 1982
55. 271(iii) Government Letter No.91940/Sal.II/
Sub-clause(iv) 79-22, dated 13th April 1983
56. 272(a) Government Letter No.168981/Sal.II/
80-18, dated 13th September 1983
57. 279 Government Letter No.101926/Sal.II/
82-12, dated 20th December 1983
58. 285 Government Letter No.21590-/Sal.II/
83-5, dated 20th August 1983
59. 294 Government Letter No.21046/Sal.II/
83-4, dated 20th August 1983
60. 310(A) Government Letter No.152652/Sal.II/
88-2, dated 31st May 1989
61. 320(a) Government Letter No. 7716/Sal.II/
82-6, dated 13th December 1982
62. 320(h) Government Letter No.37083/Sal.II/
87-11, dated 9th September 1988
63. 320(a)(i) Government Letter No.156772/Sal.II/
79-3, dated 28th July 1982

LIST OF AMENDMENTS-cont.

64. 321(b) Government Letter No.7716/Sal.II/
82-6, dated 13th December 1982
65. 321(m) Government Letter No.37083/Sal.II/
87-11, dated 9th September 1988
66. 326(b) G.O. Ms. No.23, Finance(Salaries),
dated 11th January 1984
- 326(b) Government Letter No.66640/Sal.II/
84-8, dated 30th March 1985
67. T.N.F.C. Government Letter No.56682/Sal.II/
Form 12 87-13, dated 22nd June 1989
68. Note in Government Letter No.123181/Sal.II/
T.N.F.C. 83-4, dated 26th March 1984
Form 12
69. T.N.F.C. Government Letter No.65324/Sal.II/
Form 23-A 82-15, dated 1st October 1983

Permanent Advances : Art 984
 Temporary advances : Act 99

Single Fender : Art. 125
 firm lot "end" : Act: 125

Measurement Book : P : 174 - 175

Pay slip :

Pay slip: is an authorization issued by the Pay and Accounts officer or the Accounts in-charge as the case may be authorizing the self drawing officer to draw their pay and allowances.