

- Amended by G. N., F. D., No. FNR-1070/85/VII, dated 2nd May 1970
(M. G., Pt. IV-A, p. 507).
- Amended by G. N., F. D., No. FNR-1067/111538/VII, dated 5th May 1970
(M. G., Pt. IV-A, p. 507).
- Amended by G. N., F. D., No. HBA-1069/2292/VII, dated 29th May 1970
(M. G., Pt. IV-A, p. 655).
- Amended by G. N., F. D., No. FNR-1070/426/VII, dated 7th September 1970
(M. G., Pt. IV-A, p. 983).
- Amended by G. N., F. D., No. FNR-1068/164/VII, dated 28th November 1970
(M. G., Pt. IV-A, p. 1135).
- Amended by G. N., F. D., No. FNR. 1070/2175/VII, dated 4th February 1971
(M. G., Pt. IV-A, p. 137).
- Amended by G. N., F. D., No. HBA. 1067/140430/VII, dated 3rd March 1971
(M. G., Pt. IV-A, p. 185).
- Amended by G. N., F. D., No. HBA. 1070/144/VII, dated 16th April 1971
(M. G., Pt. IV-A, p. 237).
- Amended by G. N., F. D., No. HBA. 1070-2454-VII, dated 16th April 1971
(M. G., Pt. IV-A, p. 238).
- Amended by G. N., F. D., No. HBA. 1069/656-VII, dated 22nd April 1971
(M. G., Pt. IV-A, p. 287).
- Amended by G. N., F. D., No. FNR. 1071/278-A/VII, dated 21st June 1971
(M. G., Pt. IV-A, p. 466).
- Amended by G. N., F. D., No. FNR. 1068/2136/VII, dated 23rd July 1971
(M. G., Pt. IV-A, p. 560).
- Amended by G. N., F. D., No. HBA. 1068/1826/VII, dated 16th August 1971
(M. G., Pt. IV-A, p. 588).

A. 166 In exercise of the powers conferred by Article 166 of the Constitution of India, the Governor of Bombay is pleased to make the following rules, namely:—

1. *Short title and extent.*—(1) These rules may be called the **Bombay Financial Rules, 1959.**

(2) They extend to the whole of the State of Bombay.

GENERAL

CHAPTER 1—DEFINITIONS

2. (i) *Abstract Bill.*—A bill without details for contingent or travelling allowance expenditure, paid at a Treasury without the scrutiny and countersignature of a controlling authority, to save delay in the discharge of a claim.

(ii) *Appropriation.*—The amount authorised for expenditure under a major or minor head or sub-head or other unit of appropriation, or part of the amount placed at the disposal of a disbursing officer. The word is also technically used in connection with the provision made in respect of “charged” expenditure.

(iii) *Canons of Financial Propriety.*—The six canons laid down in Rule 10(a) of the Auditor-General’s Rules issued under section 96-D (1) of the Government of India Act (*vide* Fin. R. 58).

(iv) *Cash Order.*—A payment order issued by a District Treasury on a Sub-Treasury under its jurisdiction.

(v) *Controlling Officer.*—The authority responsible for the control of receipts or expenditure.

(vi) *Detailed Head*.—The lowest accounting unit below the "Primary Unit" under which transactions are recorded in the accounts, and is also the lowest unit by which figures are given in the budget estimates.

(vii) *Detailed Bill*.—A bill setting forth the details of either contingent or travelling allowance expenditure, and subject to countersignature by a controlling authority. It is marked "not payable at the Treasury" when it is prepared in support of a charge already drawn on an abstract bill.

(viii) *Disbursing Officer*.—An officer who can draw money either by bills or cheques (*vide* Subsidiary Rules under Treasury Order No. 16).

(ix) *District Officer*.—The officer in charge of a "District", the unit of administration in India.

(x) *Head of a Department*.—An authority declared to be such under Rule 9(23) of the Bombay Civil Services Rules.

[(x-a).—Head of an Office means an authority declared to be such by Government, for the purpose of these and other financial rules of Government.]

(xi) *Major Head*.—A main unit of account for the purpose of recording and classifying the receipts and expenditure of the revenues of the State.

(xii) *Major Work*.—An original work, the estimated cost of which exclusive of departmental charges, exceeds Rs. 50,000.

(xiii) *Minor Work*.—An original work, the estimated cost of which exclusive of departmental charges, does not exceed Rs. 50,000.

Note.—The term "Original Work" above indicates new construction, whether of entirely new works or of additions and alterations to existing works, and also all repairs to newly purchased or previously abandoned buildings required for bringing them into use. Where, however, a certain work consists of two parts, viz., original work and repairs, it is only the cost of the original work, that is taken into account for deciding whether the work is a major or minor work.

(xiv) *Minor Head*.—A head subordinate to a major head or a sub-major head.

(xv) *Non-recurring Expenditure*.—Expenditure sanctioned as a lump sum charge, whether the money be paid as a lump sum or by instalments. For the purposes of these rules sanction to any item of expenditure which is chargeable to contingencies or to pay of establishment and which does not extend beyond the financial year or beyond six months within the financial year is deemed to be a sanction for non-recurring expenditure.

(xvi) *Pre-Audit Cheque*.—A cheque issued by the Pay and Accounts Officer, Bombay, in payment of a civil claim at Bombay, after audit.

(xvii) *Principal Auditor*.—A head of an office of accounts and audit in the Indian Audit Department who is immediately subordinate to the Comptroller and Auditor-General.

(xviii) *Proposition Statement*.—A statement setting forth the financial effect of a proposal involving the creation, alternation or abolition of appointments on an establishment.

(xix) *Reappropriation*.—The transfer of funds from one unit of appropriation under which savings are anticipated to another unit of appropriation within the same grant to meet the excess expenditure anticipated under the latter unit.

Note.—The (Grant or) appropriation for a unit which is either increased or decreased by reappropriation is called provision or modified allotment.

(xx) *Recurring Charge*.—A charge which involves a liability for expenditure beyond the financial year in which it is originally incurred.

(xxi) *Recurring Expenditure*.—All expenditure which is not non-recurring. It includes all establishment or other monthly charges sanctioned for a period extending beyond the financial year or for a period of more than six months within the financial year.

(xxii) *State Revenue and Expenditure*.—Revenue and expenditure administered by the State Government.

(xxiii) *Subsidiary Rules*.—Rules issued by the Finance Department under Treasury Orders.

(xxiv) *Sub-Treasury*.—Sub-Treasury or a Taluka Treasury is a minor treasury in each district in account with the district treasury.

(xxv) *Suspense Head of Account*.—The head of account which records transactions of a temporary character which are not adjustable in accounts as final outlay or the correct classification of which cannot be determined at once.

(xxvi) *Treasury*.—The treasury established at the headquarters of a district and includes a sub-treasury unless the context otherwise expresses. Similarly it includes the Pay and Accounts Officer, Bombay, unless the contrary appears from the context.

(xxvii) *Treasury Orders*.—Orders relating to the rules regulating the procedure to be followed in the payment of moneys into and in the withdrawal, transfer and disbursement of moneys from the Consolidated Fund of the Bombay State and the custody of moneys standing in account.

(xxviii) *Union Revenue and Expenditure*.—Revenue and Expenditure administered by the Government of India.

(xxix) *Work*.—The term "work" when by itself, is used in a comprehensive sense, and applies not only to works of construction or repair, but also to other individual objects of expenditure connected with the supply, repair and carriage of tools and plant, the supply or manufacture of other stores, or the operations of a workshop.

(xxx) *Works Expenditure and Works Outlay*.—These terms are used to indicate respectively the expenditure, and the capital charges, on the special services connected with the construction, repair and maintenance of works. The charges falling under these categories may be met when, under the rules, any receipts are taken in reduction of the charges, but they do not include the cost of the general services, tools and plant, establishment, or any charges not taken to final heads of account, but kept under one of the suspense accounts.

CHAPTER 2—GENERAL PRINCIPLES AND RULES

Section I

A—Receipt of Government Money

3. Government servants receiving moneys on behalf of Government must give the payer a receipt.

This receipt should be signed only by a responsible officer who should satisfy himself at the time that the amount has been entered in the Cash-Book. Receipt-Books in Fin. R. Form No. 1 should be used in all cases and the blank receipt books should be kept in the safe custody of the officer who issues them.

4. A Government servant who handles Government money should not, except with the special sanction of the head of the office, handle also in his official capacity money which does not belong to Government. Where, under any special sanction, a Government servant deals with both Government and non-Government money in his official capacity, the Government money should be kept in a cash box separate from the non-Government money and the transactions relating to the latter should be accounted for in a separate set of books and kept entirely out of Government account.

Constitution of India



5. The following system should be adopted for passing receipts for money received on behalf of Government in Public Works Department offices:—

(1) Each member of the Supervisor Establishment and the Bombay Subordinate Engineering Service not in charge of a Sub-Division, Sectional Inspectors and temporary Overseers in charge of Sections and Canal Inspectors employed on irrigation works where there are no Sectional Inspectors or Subordinates should be supplied with a receipt book with foils in triplicate. A security deposit of Rs. 50 should be taken from Sectional Inspector and Canal Inspectors.

(2) Each Cashier of a Divisional Office, or the Head Clerk in a Divisional Office carrying on such duty, and the Head Clerk of a Sub-Divisional Office should be supplied with a receipt book with foils in duplicate.

Note.—Where the delay in the issue of receipt for payments received from the public is the normal feature, triplicate receipt books may be used. In such cases, the duplicate receipt books should be withdrawn from the Divisional and Sub-Divisional Head Clerks, and the Executive Engineer or the Sub-Divisional Officer only should issue duplicate receipts from his own book to the Divisional or Sub-Divisional Head Clerk or to the Executive Subordinates who receive money from the public on behalf of Government and issue triplicate receipts.

(3) Each supervisor or overseer or Sectional Inspector or temporary overseer in charge of a section or Canal Inspector employed on irrigation works where there are no Sectional Inspectors or Subordinates whenever he receives money on behalf of Government should hand a permanently numbered receipt to the depositor and send the duplicate with the money to the cashier or the Head Clerk carrying on such duty in the Divisional Office or the Head Clerk in the Sub-Divisional Office, who will issue a receipt from his book and paste the supervisor's or overseer's etc., receipt against his counterfoil. The supervisor or overseer, etc., will paste the receipt of the cashier or the Head Clerk carrying on such duty in the Divisional Office, or the Head Clerk in the Sub-Divisional Office, on his counterfoil. Any supervisor or overseer, etc., found giving a receipt not in the prescribed form will be severely dealt with. He should on no account lump items in one counterfoil but should send the counterfoil of each receipt granted.

(4) If the supervisor or overseer, etc., is far away from the headquarters he should deposit the money in the nearest treasury and send the treasury chalan with his duplicate receipt to the cashier or the Head Clerk carrying on such duty in the Divisional Office or the Head Clerk in the Sub-Divisional Office, who will send him a receipt and paste the supervisor's or overseer's etc., receipt and chalan against his counterfoil,—the supervisor or overseer, etc., pasting the receipt of the cashier etc., against his counterfoil.

(5) The Executive Engineers and the Sub-Divisional Officers will examine the receipt books issued to all their subordinates at every convenient opportunity and at least once a month and initial them in token of their scrutiny.

(6) One receipt book at a time should be issued to each subordinate by name and should be kept in the personal custody of the officer to whom the receipt book is issued. In the case of transfer the receipt book will be personally handed over to the relieving officer, who will certify in his charge papers that he has received the receipt book, stating the number of blank foils in triplicate which it contains. The Executive Engineer should keep an account of all the receipt books obtained by him for his Division and should keep the stock in safe custody in his office chest.

(7) Divisional Accountants should not be authorised, in any circumstances, to issue final receipts in Public Works Account Form No. 3 over their own signature. Ordinarily they should also not be required to receive or pay out cash. Under rule 17(b)(3) below, however, they are authorised to make payments up to Rs. 10 in each case on contractors' bills in the absence of the Executive Engineer. In cases where monetary transactions at the headquarters of the Divisional Officer are not large, either in number or in amount, Divisional Officers may also on their own responsibility but with the previous consent of the Principal Auditor entrust the receipt and disbursement of cash to the Divisional Accountant.

6. Receipt books containing Fin. R. Form No. 1, should be obtained annually on indent by Executive Engineers from the Yeravda Prison Press. The books should be carefully examined to see that the number of forms contained in each are intact and a certificate of count recorded on the flyleaf. Similarly, they should be examined again when issued to subordinates and care should be taken to see that they are acknowledged by the latter promptly. Counterfoils of used receipt books should be returned promptly to the divisional office for record.

Note.—Special Officers, viz., Chief and Superintending Engineers, Superintendents of Works and other special officers not being Divisional Officers or their subordinate officers, do not realise any departmental receipts.

7. Departmental receipts may ordinarily be realised in legal tender coins, or currency notes. But in certain cases cheques payable on demand including crossed cheques, remittance transfer receipts and demand drafts may be accepted.

8. (a) At places where the cash business of the treasury is conducted by the Bank, cheques on local banks may be accepted in payment of Government dues, or in settlement of other transactions with the Government, if the cheques have been crossed by the drawer. Until, however, a cheque has been cleared, the Government cannot admit that payment has been received and consequently final receipt shall not be granted when a cheque is tendered. A receipt for the actual cheque only may be given in the first instance, but if a person making payment in this manner so desires, a formal payment receipt shall be sent to his address after the cheque has been cleared. Collection charges of the Bank, if any, which should previously be ascertained by the payer, may be included in the cheque for the payment of Government dues or may be paid in cash. The preliminary acknowledgment of the receipt of the cheque will be given in the following form:—

“ Received cheque No. dated
for Rs., as per particulars below, drawn on
on account _____ No. Rs.
as per chalan
Collection charges (if included
in cheque) Rs. ”.

(N.B.—The collection charges should not enter Government Accounts.)

Note.—The Reserve Bank and the State Bank of India reserve to themselves the right to refuse to accept cheques the collection of which in their opinion cannot reasonably be undertaken and which they would not accept on behalf of their own constituents.

(b) In the event of a cheque being dishonoured by the bank on presentation the fact shall be reported at once to the tenderer with a demand for payment in cash, but the Government cannot accept any liability for loss or damage, which may possibly occur as a result of delay in intimating that the cheque has been dishonoured.

(c) When Government dues which are payable by certain fixed dates are paid by cheque, the person desiring to make such payment in this manner without risk must take suitable precautions to ensure that his cheque reaches the treasury or the receiving office at the latest on the working day preceding the date on which the payment is to be made. Cheques received on the last day of payment of Government dues may be refused at the discretion of the officer to whom they are tendered and those received later will not be accepted.

Note 1.—The term “local banks” as used in this rule means banks (including the Reserve Bank and the Imperial Bank of India), located in the Station in which Bank treasury is situated.

Note 2.—Government dues paid by Postal Money Orders should be deemed to have been paid on the date of actual remittance of money into the post office and not on the date of receipt of the money by the department concerned. This should also apply *mutatis mutandis* to Government dues paid by any other recognised mode of remitting money by post.

9. Public money in the custody of the department should be kept in strong treasure chests and secured by two locks of different patterns. In the absence of any precise orders from Government, the officer in charge of the chest should make such arrangements for the custody of the key and the proper disbursement of all moneys as he considers requisite. All the keys of the same lock must, except where the procedure prescribed in the note to this rule is adopted, be kept in the same person's custody, and, as a general rule, the keys of the one lock should be kept apart from the keys of the other lock, and in a different person's custody when practicable. When there is a police guard, the havildar or other petty officer of the guard should usually be the custodian of one set of keys. The chest should never be opened without both custodians being present. The non-commissioned officer or duffadar of the guard should always be present when a treasure chest is opened and until it is again locked. Whenever a cashier is attached to an office, the keys of one of the locks of the treasure chest will necessarily remain in his possession.

Note.—If considered desirable, the duplicate keys of cash chests may be placed under the seal of the officer in charge, in the custody of the Treasury Officer. In the event of this practice being adopted, a duplicate key register should be maintained and once a year, in the month of April, the keys should be sent for, examined and returned under fresh seal, a note being made in the register that they have been found correct.

10. The officer in charge of the chest will count the cash in the hands of each cashier at least once a month; or, in the case of outstations, he or any other gazetted officer named by him will count it whenever he may visit them, and will record a note in the cash book showing the date of examination and the amount (in words) found. The balance by actual counts should moreover be compared with the cash book balance and excess or deficit, if any, noted in the cash book and reported to the immediate superior.

11. The counting should be made on the last working day of each month immediately after closing the cash account of the month, but where this is not possible, the cash balance may be counted on the first working day of the following month before any disbursement is made on that date.

B—Receipt of Non-Government Money

12. (1) (a) Under Article 284 of the Constitution, all moneys received by or deposited with any officer, employed in connection with the affairs of the State in his capacity as such, other than Revenues or public money raised or received by Government, shall be paid into the Public Account.

(b) All moneys received by or deposited with High Court or any other Court in the State of Maharashtra, shall also be dealt with, in accordance with clause (a) of sub-rule (1).

(2) The Head of account to which such moneys shall be credited and the withdrawal of moneys therefrom shall be governed by the relevant provisions of Account Code, Volume I and II and the Bombay Treasury Rules or such other general or special orders as may be issued in this behalf.

(3) Personal Ledger Accounts within the Public Account in the treasuries should be opened by Government servants authorised to administer the funds. The Government servant will be personally responsible for ensuring that the moneys are expended in strict conformity with the rules and regulations governing the funds to which the moneys appertain and that precise record of all the transactions of the fund is kept in a form complying with the regulations of the fund.]

¹ Subs. by G.N. of 17-4-1967.

Section II—Deposit of Cash Chests and Valuables in the Treasury

13. No department may require that funds pertaining to it be received in the treasury for safe custody and kept out of account, or be received at all except under ordinary rules. ¹ * *

14. (a) Cash chests or sealed bags belonging to other departments may, however, be lodged in the treasury for safe custody where necessary. When so lodged they should be presented with a slip or memoranda stating the contents, and a receipt should be obtained from the Treasury Officer for the cash chests or sealed bags said to contain the amount specified in the slips. The keys of the chests or of the treasure boxes in which the sealed bags are kept in the treasury, should be kept by the depositing officer and he will be entirely responsible for the contents of the cash chests, or sealed bags deposited.

(b) Cash chests, Government Promissory Notes and similar valuables belonging to ²[Zilla Parishads/Panchayat Samitis] and cash chests belonging to Municipalities may be lodged in the treasury for safe custody subject to the same conditions as in clause (a) above, and to an undertaking to exonerate Government from all liability in case of loss by fire, theft, fraud, or any other cause whatsoever.

Cash chests or strong boxes belonging to Co-operative Societies registered under the Bombay Co-operative Societies Act, 1925, or to Co-operative Banks may at the request of the Registrar of Co-operative Societies also be lodged in the treasury for safe custody under the orders of the Collector, subject to the same conditions as in clause (a) above and an undertaking to exonerate Government from all liability in case of loss by fire, theft, fraud, or any other cause whatsoever.

Such concession will be subject to the following further conditions and any others which the Collector may impose in individual cases:—

(i) that the chest or box will be of moderate size and be provided with a good lock and sealed with proper seals;

(ii) that the treasury staff will not be harassed by too frequent applications to open the treasury;

(iii) that the concession may be modified or withdrawn, should the Collector see fit to do so; and

(iv) that the Collector is satisfied that the Society or the Bank could not otherwise, except at unreasonable cost, arrange for the custody of its funds and papers either with a Government Savings Bank or with an approved banker or in some other safe manner.

An application to the Treasury Officer in charge of the Government treasury or sub-treasury to take charge of a box or chest should be made in the form prescribed as Fin. R. Form No. 34. The deposit of the cash chest or strong box should be acknowledged by the Treasury Officer in the form prescribed as Fin. R. Form No. 38.

(c) Bullion, jewellery and other valuables such as promissory notes, security deposits, duplicate keys, etc., coming into the hands of a Government servant in his official capacity may be deposited into the treasury for safe custody at the discretion of the Collector.

¹ Deleted by G.N. of 28-11-1970.

² Subs. by G.N. of 17-12-1963.



The Treasury Officer should, once a month, examine the condition of boxes of bullion, etc., and record the result of the examination in the register prescribed in Fin. R. Form No. 36.

Note.—Any specially valuable property and boxes containing cash and valuable required to be deposited by the District Judges and Subordinate Judges in the Treasury or Sub-Treasury may be accepted directly by the Treasury Officers or Sub-Treasury Officer without prior reference to the Collector, up to 5-30 p.m. every working day. In case no adequate guarding arrangements exist for such property, the necessary steps should be taken to provide them and the matter should be reported to Government.

(d) Valuables of private individuals who evacuate their houses during epidemics or famine or scarcity may be deposited for safe custody, at the discretion of the Collector, in a room or rooms other than the treasury strong room so far as space may permit, and subject to the following conditions:—

(i) that the boxes are of moderate size and provided with good locks and sealed with proper seals;

(ii) that the treasury staff are not harassed by frequent applications to open the treasury;

(iii) that the concession may be modified or withdrawn, should the Collector see fit to do so;

(iv) that a fee of annas 8 a month or portion of a month is charged for each box;

(v) that an application to the Collector to take charge of a box is made in the form prescribed as Fin. R. Form No. 35. The deposit of the box should be acknowledged by the Collector in the form prescribed as Fin. R. Form No. 39.

(e) Cash chests belonging to Gram Panchayats, Sanitary Committees, Sanitary Boards and Village Improvement Committees may be deposited for safe custody at the discretion of the Collector in Government treasuries and sub-treasuries on the terms and conditions applicable in the case of cash chests belonging to Co-operative Societies and Co-operative Banks as laid down in clause (b) above.

(f) Security bonds and other valuable documents belonging to other Departments may be lodged in the treasury for safe custody and such documents should be sent to the treasury in a sealed double cover or packet with a forwarding letter, the details of the contents being recorded on the outer cover under the dated signature of the Departmental Officer. The Treasury Officer will pass a receipt for each such cover, enter the cover or packet, in a suitable register, record the register number on the sealed packet to facilitate its identification and then keep it in a box or almirah in the strong room under his own lock. For Greater Bombay the Pay and Accounts Officer, Bombay, should be considered as the officer for the purposes of this rule.

(g) Iron safes and chests of Banks should be accepted for the safe custody at the treasuries and sub-treasuries on the following conditions:—

(i) Neither the Government of Bombay nor any officer of Government shall be held liable or responsible for any loss that may be incurred by the banks through loss or destruction of the safe/box/chest or any of its contents by fire, theft, fraud or any other cause whatsoever (including negligence of its servants).

(ii) There is enough accommodation in the strong room of the treasury for the deposit of the safes or chests which should be of the normal size of about 2' x 2½' x 3'.

(iii) The banks will be permitted to deposit and remove the chests only once every day at the times fixed by the officers concerned, and only during the working hours of the treasury.

(iv) The banks will be charged fees on the scales mentioned in the statement below for services rendered:—

Size of Boxes, Safes, Chests, etc.	Charges per month for Banks other than Co-operative Banks and Societies		Charges per month for Co-operative Banks and Societies	
	Treasuries	Sub- Treasuries	Treasuries	Sub- Treasuries
	(1)	(2)	(3)	(4)
Small size up to 3' x 2½' x 3'.	Rs. 10 for each safe/ box / chest, etc.	Rs. 5 for each safe / box/ chest, etc.	No charge for one safe / box / chest, etc. The same as in column (2) for every additional safe / box / chest, etc.	No charge for one safe / box / chest, etc. The same as in column (3) for every additional safe / box / chest, etc.
Big size beyond 3' x 2½' x 3'.	Rs. 15 for each safe/ box / chest, etc.	Rs. 7.50 nP. for each safe / box/ chest, etc.	Rs. 5 for one safe/ box/chest, etc. The same as in column (2) for every additional safe / box / chest, etc.	Rs. 2.50 nP. for each safe/box/ chest, etc. The same as in column (3) for every additional safe / box / chest, etc.

Note 1.—A Co-operative Bank/Society should be allowed to deposit free of charge one single small size safe/box/chest or as an alternative thereto should be charged at concessional rate prescribed above for a single big size safe/box/chest. It should not be allowed both the facilities at one and the same time.

Note 2.—A month means a calendar month or part thereof.

Note 3.—Cash chests or sealed bags belonging to departments, bullion, jewellery and other valuables such as promissory notes, security deposits, duplicate keys, etc., shall be deposited by the departmental officers for safe custody in the Treasury/Sub-Treasury strong room with the permission of the Treasury Officer/Collector respectively for a period not exceeding three years from the date of such deposit, and withdrawn before the expiry of the said period for verification and re-deposited again, if necessary, under a fresh order from the Treasury Officer/Collector, as the case may be. A copy of the order issued by the Treasury Officer/Collector shall be endorsed to the Audit office and the Regional Deputy Director of Accounts and Treasuries, Poona/Nagpur as the case may be.]

Section III—Payments

(i) Drawing of money from the Treasury

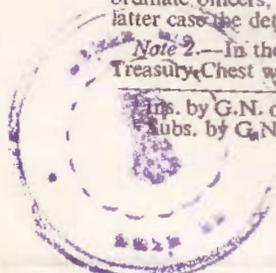
15. Detailed rules for the preparation of bills in which the different classes of charges are drawn, and as to the method of obtaining money from the treasury whether by bills or by cheques for subsequent disbursements are laid down in the Subsidiary Rules framed under Treasury Order No. 16, Financial Publication No. II.

16. Government servants of the Forest ²[Department] draw money from the treasury by cheques, and disbursing officers of the Public Works Department in two ways, viz., directly by bills or by means of cheques. Government servants of other departments get their cash by bills on the treasury.

Note 1.—Cash required for contingent charges of the offices of Chief and Superintending Engineers, Superintendents of Works, and other special officers not being Divisional Officers or their subordinate officers, may be obtained either by bills on treasuries or from Divisional Officers. In the latter case the detailed procedure will be prescribed by the Principal Auditor.

Note 2.—In the case of the Public Works Department the term "Treasury" includes a Military Treasury Chest with which a Divisional Officer may be placed in account.

Ins. by G.N. of 28-11-1970.
Subs. by G.N. of 6-4-1964.



17. Primarily the Divisional Officer in the Public Works Department is the responsible disbursing officer of the Division but he may delegate this function to his Sub-Divisional Officer in certain cases at his discretion, and with a view to enable him to set a monthly limit on the drawings of any of his Sub-Divisional Officers he may require the submission by a convenient date of an estimate of the probable requirements of each such Sub-Divisional Officer in a suitable form.

(a) The following Government servants are competent to prepare or examine contractor's bills:—

- | | | |
|---|---------|------------------|
| (1) Executive Engineers | | } Without limit. |
| (2) Assistant Executive Engineers | .. .. . |  |
| (3) Officers of the Bombay Service of Engineers | .. .. . |  |
| (4) Executive Subordinates (i.e., Supervisors and Overseers in-charge of a Sub-division). | .. .. . |  |
| (5) Superintendent, Public Works Department, Stores and Workshop, Bombay (up to Rs. 1,000). | .. .. . |  |

(b) The following Government servants are competent to make payments on contractor's bills:—

- (1) Executive Engineers.
 (2) Sub-Divisional Officers ^{1*} * * to the extent noted below:—

Nature of Bills	Payment in cash	Payment by cheques
	Rs.	
(a) Bills for materials supplied as per requisitions passed by Executive Engineers, Assistant Executive Engineers, or officers of the Bombay Service of Engineers.	Up to 50	To any extent.
(b) Bills in Fin. R. Form No. 9 for work done by petty contract in A-1 or A-2 Form (attached to Government Resolution, Public Works Department, No. 7938, dated the 5th April 1935, and as amended from time to time), or on Rate Lists.	Up to 50	Current bills of all contract may be paid upto a limit of Rs. 1,000 in each case by Assistant Engineers (I) or Deputy Engineers B.S.E., Class II, and up to a limit of Rs. 500 in each case by other temporary or officiating Deputy Engineers and sent to the Divisional Office for audit immediately after payment. If previous bills sent to the Divisional Office for audit, are not likely to be received in time, subsequent current bills for the above amount should be paid in respect of all works by recording on the bills concerned brief reasons for making payments. Final bills should, after audit, be passed by the Divisional Office to ensure proper check. Bills in the Fin. R. Form No. 9 (first and Final Bill) for amounts not exceeding Rs. 500 may be paid without pre-audit but when they exceed Rs. 500 they should be paid only after audit.
(c) Bills in Fin. R. Forms Nos. 10, 11, 12 for work done by petty contract in A-1 or A-2 Form (attached to Government Resolution, Public Works Department, No. 7938, dated the 5th April 1935, and as amended from time to time), or on Rate Lists.	Do.	Do. do.
(d) Current Bills in Fin. R. Forms Nos. 10, 11, 12 for work done by regular contract.	Do.	Do. do.

Note.—As in the case of Sub-Divisional Officers in regard to item (a), members of the Bombay Subordinate Engineering Service, who are in charge of sections, are empowered to make cash payments without limit in the case of freight on goods, and up to Rs. 10, each time, in other urgent cases. ²The Mechanical and Civil Overseers are empowered to make cash payments upto Rs. 50

¹ Deleted by G.N. of 10-10-1969.
² Added by G.N. of 6-4-1964.

subject to the condition that the measurements of the purchases of certain items like petrol, oil or cost of spare parts, which are urgently required, are recorded by the overseers, on the spot, before payment is made.

(3) Divisional Accountants up to Rs. 10 in the absence of the Executive Engineer.

(4) Superintendent, Hadapsar Effluent Experimental Area Sub-Division, up to Rs. 50 each on bills at items (a) and (b) under clause (2), when this is considered necessary in the interest of work.

(5) Executive Engineers of Divisions are empowered to permit for the purposes of prompt payments, when necessary such of the work-charged Surveyors and Overseers who are imprest holders and have furnished security under Rule 51 to make payments on muster rolls before they are checked and passed by the Sub-Divisional Officer up to a limit of Rs. 50 for each muster roll, provided further that at the time of recoupment of the imprest, the Sub-Divisional Officer scrutinizes the charges carefully as required by Articles 86 and 87 of Account Code, Volume III, and records his *ex-post facto* sanction on the muster rolls concerned.

(c) Authorities competent to prepare or examine other demands for payment (i.e., muster rolls and acquittance rolls of work-charged establishments) and to make payments thereon.

Muster rolls will be prepared by a member of the Works establishment in immediate charge of a work subject to check both by the Subordinate-in-charge and the Sub-Divisional Officer. The latter will, however, pass the muster roll. Payment will either be made by the Sub-Divisional Officer himself or by an imprest-holder.

Those members of the Bombay Subordinate Engineering Service who are in charge of sections are empowered to disburse the salaries of members of the work-charged establishment who are serving under them on bills signed by the Sub-Divisional Officers. They are also empowered to make payments of unpaid wages on the receipt of abstracts approved by Sub-Divisional or Divisional Officers.

18. In the Forest Department Range Forest Officers are authorised to make payments for work done or supplies made by contractors or piece-workers up to a limit of Rs. 500 on a single bill. Bills in excess of Rs. 500 should be pre-audited and passed for payment by Divisional Forests Officers.

(ii) Cheques

19. The following rules relate to payments by cheques:—

(a) Disbursing officers authorised to draw cheques whether on treasuries or sub-treasuries or on the State Bank of India, either at the local head Office or a branch, should obtain their cheque books direct from the Treasury Officer in-charge of the head treasury concerned, by sending duly signed the printed requisition form which is inserted in each book towards the end. Not more than one book should be obtained on a single requisition. The cheque books should on receipt, be carefully examined to see that the number of forms contained in each book is intact and a certificate of count should be recorded on the flyleaf.

(b) Cheques from books obtained from a particular treasury should not be drawn on other treasuries or on sub-treasuries of other districts.

Exception 1.—In the case of Forest Department payments, cheques from one cheque book may be drawn on different treasuries and sub-treasuries.

Exception 2.—In the case of Public Works Department payments, cheques from one cheque book may be drawn on different treasuries and sub-treasuries, by the disbursing-officers in their jurisdiction.

(c) Each cheque book must be kept under lock and key in the personal custody of the drawing officer, who, when relieved, should take a receipt for the correct number of cheques made over to the relieving officer. The loss of a cheque book or blank cheque forms should be notified promptly to the Treasury Officer with whom the disbursing officer concerned has a drawing account.

(d) No advice of the issue of any cheque need be sent to the treasury. As a general rule cheques should not be issued for a sum less than Rs. 10 unless this is permissible under the provision of any law or rule having the force of law.

Note.—The provisions of this rule have been relaxed so as to allow cheques for sums less than Rs. 10, but not less than Rupee one, to be issued for the return of deposits in the Presidency Magistrate Courts in Bombay.

They are also relaxed in the case of cheques drawn by Forests Officers for transfer credit to forest remittances of the amounts of remuneration paid to village officers for collecting forest revenue. The Sheriff of Bombay is authorised to draw cheques for sums less than Rs. 10 on his Personal Ledger Account. The Official Assignee, Bombay, is authorised to issue cheques for a sum less than Rs. 10 on his Personal Ledger Account.

¹[The Collector of Ratnagiri is authorised to draw cheques for sums less than Rs. 10 but not less than Re. 1 on his Personal Ledger Account which has been opened in his name for crediting the amounts of occupancy price and commutation value of Khot's dues recovered in accordance with sections 4 and 5 of the Bombay Khoti Abolition Act, 1950.] ²[This restriction regarding the issue of cheques for a sum of less than Rs. 10 does not, however, apply to payments made on account of inter-departmental transactions affecting the values in Personal Ledger Accounts.] ³[The payments should be made by cheques/drafts which should bear either of the following forms:—

Nature of Remittance	Payable at	To be crossed/ Superscribed
1. Inter-departmental and inter-Governmental dues.	Office of the Reserve Bank, State Bank of India and Subsidiary Banks.	A/C Payee.
2. Inter-departmental and inter-Governmental dues.	Treasury Agencies..	A/C Government. Not payable in cash.
3. In favour of Government Officials for disbursement by them on behalf of Government.	Office of the Reserve Bank, State Bank of India and Subsidiary Banks and Treasury Agencies.	Not transferable.]

(e) When an officer is authorised to draw cheques on sub-treasuries, he should give notice to the Treasury Officer, from time to time, of the probable amount of his drawings on each sub-treasury in order that funds may be provided as far as possible. Cheques drawn on sub-treasuries should be distinguished by different numbers and letters from those drawn against the head-treasury.

(f) In cases of Forest, ⁴*and Public Works Departments where funds are issued from the treasury on cheques, the departmental officers should see that the drawings are regulated by budget grants and appropriations.

20. For petty disbursements of the Forests, ⁴*and the Public Works Departments lump sums may be drawn from the treasury by cheques. Only the minimum cash required should be drawn, and if it is found at any time, that the balance in hand is larger than is required, the surplus should be refunded into the nearest treasury.

¹ Ins. by G.N. of 2-9-1964.

² Added by G.N. of 25-8-1966.

³ Subs. by G. N. of 10-10-1969.

⁴ Deleted by G.N. of 6-4-1964.

21. If a limit has been set by a Public Works or Forest Divisional Officer on the drawings of Sub-Divisional Officer on any treasury (*vide* Subsidiary Rule No. 88 under Treasury Order No. 16, Financial Publication No. II), the limit so prescribed should be entered on the reverse of the counterfoil of the cheque book for that treasury before any cheques are drawn during that month, and the Sub-Divisional Officer should watch that the limit is not exceeded, by deducting from it, the amount of each cheque as it is drawn. The undrawn balance at the close of the month should not be carried forward to the next month.

22. In the absence of a monthly limit on the drawings, the drawing officer should record on the reverse of the counterfoil of each cheque, the amount of the next cheque drawn and of the total of drawings during the month, and carry forward their total to the next counterfoil. This will enable him, from time to time, to exercise an independent check on the postings of his cash book.

23. If the currency of a Public Works, ¹[or] Forest ²* * cheque expire owing to its not being presented at the treasury for payment within three months after the month of its issue, it may be received back by the drawer for destruction and issue of a new cheque in lieu of it. The fact of the destruction and number and date of the new cheque should be recorded on the counterfoil of the old cheque, and the number and date of the old cheque destroyed entered on the counterfoil of the new one.

24. When a cheque is cancelled, the cancellation should be recorded on the counterfoil, and the cheque, if in the drawer's possession, should be destroyed. If the cheque is not in the drawer's possession, he should stop payment at the treasury, and, on ascertaining that payment has been stopped, he should write back the entry in the cash book. A cheque remaining unpaid from any cause for twelve months from the date of its issue should be similarly cancelled and its amount written back.

25. As a rule no cheque should be drawn until it is intended to be paid and cheques drawn in favour of contractors and others should be made over to them by the disbursing officer direct; but the disbursing officer may be assisted in making disbursements by a cashier appointed for the purpose. The occasional delivery of cheques through a subordinate may be permitted at the discretion and on the responsibility of the disbursing officer. In such cases the subordinate should make no entry in any accounts which he keeps, as a payment made by cheque should appear in the cash account of the disbursing officer who draws the cheque, and the subordinates' record will be in his correspondence.

Note 1.—It is a serious irregularity to draw cheques and deposit them in the cash chest at the close of the year for the purpose of showing the full amount of grant as utilised.

Note 2.—With a view to effecting economy in the cost of service postage stamps, the Divisional Officers having drawing accounts on the Bank may send crossed cheques drawn in favour of well-known firms by ordinary post.

26. Payments due to contractors may be made to financing Banks instead of direct to contractors provided that the Department obtains (1) an authorisation from the contractor in the form of a legally valid document like a power of attorney or transfer deed conferring authority on the Bank to receive payment, and (2) the contractor's own acceptance of the correctness of the account made out as being due to him by Government or his signature on the bill or other claim preferred against Government, before settlement of the account or claim by payment to the Bank. While the receipt given by the Bank holding a power of attorney or transfer deed from the contractor constitutes a full and sufficient discharge for the payment, contractors should, wherever possible, be induced to present their bills duly receipted and discharged through their Bankers.

¹ Ins. by G.N. of 6-4-1964.

² Deleted, *ibid.*

27. Counterfoils of used cheque books should be returned promptly by the Sub-Divisional Officer to the Divisional Officer for record.

28. Cheques cannot be used for the transfer of funds from one division to another.

29. If a disbursing officer be informed that a cheque drawn by him has been lost, he may address the Treasury Officer drawn on, forwarding for signature a certificate in the accompanying form. If, after search through the lists of cheques paid, the Treasury Officer finds that the cheque has not been cashed, he will sign and return the certificate, taking care to note the stoppage of the cheque, a board showing the particulars of stopped cheques being hung up before the clerk concerned. If the original cheque be presented afterwards, the Treasury Officer will refuse payment and return the cheque to the person presenting it after writing across it "Payment stopped". The Disbursing Officer will enter in his account the original cheque as cancelled, and may issue another.

"Certified that Cheque No....., dated....., for Rs..... reported by the Disbursing Officer to have been drawn by him on the Treasury in favour of..... has not been paid, and will not be paid, if presented hereafter.

Treasury :

The.....19 .

Treasury Officer."

30. If a cheque is issued by Government in payment of any sum due by Government and that cheque is honoured on presentation to Government's bankers, payment shall be deemed to be made—

(a) if the cheque is handed over to the payee or his authorised messenger, on the date it is so handed over, or

(b) if it is posted to the payee, on the date when the cover containing it is put into the post.

The rule applies *mutatis mutandis* to a cheque in payment of Government dues or in settlement of other transactions received and accepted in accordance with the provisions of Fin. R. 8.

Note.—Cheques marked as not payable before a certain date should not be charged to the accounts until the date on which they become payable.

31. Government accept no responsibility for any fraud or misappropriation in respect of cheques in payment of an officer's pay, leave-salary, travelling allowance bills, etc., made over by him to a messenger.

Section IV—Vouchers for Departmental Payments

32. As a general rule, every payment, including repayment of money previously lodged with Government for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. As far as possible, the particular form of voucher applicable to the case should be used. Suppliers of stores and others should be encouraged to submit their bills and claims in proper departmental forms. But bills not prepared in such forms should not be rejected if they set forth the necessary details of the claims. In such cases, the additional particulars required should be added by the Disbursing Officer.

Note 1.—When it is not possible to support a payment by a voucher a certificate of payment, prepared in manuscript, signed by the disbursing officer, and endorsed if necessary by his superior officer, should always be placed on record. Full particulars of the claims should invariably be set forth, and, where this necessitates the use of a regular bill form, the certificate itself may be recorded thereon.

Note 2.—Cash memoranda issued by tradesmen for sales against each payment should not be regarded as sub-vouchers unless they contain an acknowledgment of the receipt of money from the purchaser as named therein for the price of the articles sold.

33. Every voucher must bear a pay order signed or initialled and dated, by the responsible disbursing officer. This order should specify the amount payable both in words and figures.

Note.—Cashiers and others authorised to make disbursements on passed vouchers should make no payment without a proper pay order of the responsible Disbursing Officer recorded clearly in ink on the bill or other voucher. No payment should be made on a voucher or order unless it is signed by hand and in ink.

34. Except as provided in Rule 26 every voucher should also bear, or have attached to it, an acknowledgement of the payment, signed by the person by whom or in whose behalf the claim is put forward. No payment will be made in the absence of the necessary acknowledgement.

Note 1.—If a disbursing officer anticipates any difficulty in obtaining, from the person to whom money is due, a receipt in the proper form, it is open to him to decline to hand him the cheque or cash, or to make a remittance to him, as the case may be until the acknowledgment of the payment, with all necessary particulars, has been given by him. In all cases of payment by remittance, a note of the date and mode of remittance must be made on the bill or voucher at the time of remittance. In cases of remittance by postal money order, the purpose of the remittance should be briefly stated in the acknowledgment portion thereof.

Note 2.—In the case of articles received by value-payable post, the value-payable cover together with the invoice or bill showing the details of the items paid for may be accepted as a voucher. The disbursing officer should endorse a note on the cover to the effect that the payment was made through the post office and this will also cover charges for the postal commission.

Note 3.—A certified copy, marked "Duplicate", of a receipted voucher may be retained by the disbursing officer should this be necessary to complete the record of his office, but the payee should not be required to sign such a copy or give a duplicate acknowledgment of the payment.

35. The following instructions regarding the preparation and completion of vouchers should be observed:—

(a) When the payee signs in a vernacular, he should be required to note the amount acknowledged in the vernacular in his own handwriting. In transliterating his acknowledgments the amount acknowledged, as well as any remark made by him, should also be reproduced in English.

(b) The disbursing officer is responsible that the full name of the work as given in the estimate or the name of the component Part (or sub-head) of it, or the head of account, to which the charges admitted on a voucher are debitable, or to which the deductions or other credits shown in the voucher are creditable is clearly indicated on it in the space provided for the purpose or in some prominent position.

These instructions are supplementary to those contained in Subsidiary Rule 26 under Treasury Order No. 16, Financial Publication No. II.

36. In cases of payments to suppliers of stores remittances of amounts of less than Rs. 25 for which Remittance Transfer Receipts cannot be issued by Treasury Officers, may be made by postal money order at the public expense.

Note 1.—"Payments to suppliers of stores" include petty payments of contingent charges also, for the purposes of this rule.

Note 2.—Whenever money orders are tendered for issue with treasury certificates or cheques, in lieu of cash, individual receipts in respect of each such money order should invariably be demanded.

Section V—Advances to Certain Government Servants for Tours

Rules regarding the procedure to be observed in the payment and adjustment of advances for travelling expenses to non-gazetted police officers

37. (1) These rules apply to all non-gazetted police officers when required to travel by road or train on journeys for which under the Bombay Civil Services Rules travelling allowance is admissible.

(2) The one year should be reckoned in the case of travelling allowance bills, from the date of return to headquarters, or from the 1st of the month if the tour continues over that date; in the case of officiating pay, from the date of receipt of the orders sanctioning the promotions, if the officiating pay is due for a past completed month or months, otherwise from the following pay day; in the case of leave salary, from the date of the order granting the leave and in other cases from the date on which a claim became due, to the date of its presentation at the treasury.

Note.—In the case of sanction accorded with retrospective effect, the charge does not become due before it is sanctioned. The time-limit specified in Rule 39 (a)(2) should be reckoned from the date of sanction and not from the date on which the sanction takes effect.

Exception.—In the case of the staff of the Public Works Department the period of one year should be reckoned from the first of the next month in respect of journeys performed during the previous month even though the tour may not continue over the first of the month.

(3) In all other cases, where no special orders exist, it will be left to the Treasury Officer when he feels no doubt to make arrear payments without pre-audit, but all claims in arrear require special care in examination, and it is always open to the Treasury Officer to send the bill to the Principal Auditor for pre-audit if he sees occasion to do so.

Exception.—Pre-audit by the Accountant General is waived in the case of travelling allowance bills of the constabulary [Rule No. 204 (3) of the Bombay Police Manual, Volume II, 1959 edition].

(4) In the case of claims which are more than six months old, the preferring officer should state in the bill the reason for the delay. In respect of travelling allowance claims, where delay in submission is on the part of the Government servant, the preferring officer should recommend rejection of the claims to the controlling officer, who should decide whether the claims should be rejected forthwith or be processed further. In cases where claims pertain to the preferring officer himself, the controlling officer should decide the rejection or otherwise of the claims after ascertaining the reasons for the delay.

Note 1.—In the case of claims for fees in Criminal cases preferred by the Government Pleader, High Court, Bombay or his Assistants the preferring officer should state in the bills the reasons for the delay only when the claims are more than four months old.

Note 2.—In the case of claims for lawyer's fees the period of one year for the purpose of pre-audit should be reckoned from the date of countersignature of the claim by the Remembrancer of Legal Affairs in Civil cases and the month following that to which the claim relates in the case of Criminal Cases.

(5) A claim presented for payment six months or more after the date of pre-audit will again require the sanction of the Principal Auditor for its payment.

(6) A claim for an amount of fine deducted on pay bills by the head of an office, and remitted by him, may, if the claim is not six months old, be paid without the sanction of the Principal Auditor.

(7) The above rules do not apply to claims for refunds of revenue.

Note 1.—Grants-in-aid to local bodies, charitable or educational institutions, etc. contributions to public exhibitions and fairs, and compensation to Government servants for accidental losses, etc. sanctioned either by Government or by subordinate authorities under the powers delegated to them should be disbursed at the treasury on the authority of such sanctions without the authority from the Principal Auditor.

In the case of grants sanctioned by Government of Local Authorities for primary education only for a specific purpose, e.g. grants to Local Authorities for the introduction of Basic Education in isolated schools, grants for the opening of new schools grant for entertainment of additional assistants, etc. the Director of Education is,

authorised to sanction payments through the statements issued by him periodically, as in the case of ordinary maintenance grants sanctioned by him to Local Authorities for primary education and of grants to such bodies for the same purpose which Government may authorise him to sanction from time to time.

Note 2.—Educational scholarships sanctioned by State Governments under the audit of the Accountant General, Central Revenues, may be disbursed by the Treasury Officer without specific authority from the Principal Auditor.

Note 3.—Claims of Government against Railways for overcharges and claims of Railways against Government departments for undercharges will be recognised and admitted if the claims are preferred within six months:—

(a) In the case of cash payments from the date of payment.

(b) In the case of warrants or credit notes from the date of presentation of bill by the Railway Administration.

Explanation.—The terms “overcharges” and “undercharges” used in this Note mean overcharges and undercharges of railway freight and fares only. They refer to shortages and excesses in the items included in a bill which has already been rendered the omission of an item in a bill is not an “undercharge” nor is the erroneous inclusion of an item an “overcharge”.

39(b). Claims of Government servants, whether gazetted or not, to arrears of pay or allowances, or to increments and claims of persons not in Government service which have been allowed to remain in abeyance for a period exceeding one year, cannot be investigated by the Principal Auditor, except under the special orders of the competent authority.

Note 1.—Delays in payment are opposed to all rules and are highly inconvenient and objectionable and when not satisfactorily explained should be brought to the notice of the head of the department concerned.

The right of a Government servant to the travelling allowance including daily allowance, transfer travelling allowance, conveyance allowance and permanent travelling allowance shall be forfeited or deemed to have been relinquished if the claim therefor, is not preferred within one year from the date on which it accrues. If the travelling allowance claim is not preferred by the administrative authority concerned for payment within one year from the date of its becoming due, it shall not be paid unless the reasons for delay are investigated in detail by the authority competent to sanction investigation of claim under Rule 39 and a specific sanction issued by it. If the investigation shows that the administrative delay was without adequate and cogent reasons suitable action may be taken against the officer/officers concerned. The date of preferring claim may be taken as the date on which the Government servant concerned prefers the claim to the Head of the Office or the controlling officer and in case of an officer who has been declared to be his own controlling officer for travelling allowance purposes the date on which he presents the claim of the treasury.

Consequent upon the forfeiture of the right to travelling allowance the advance so drawn shall be recovered from the pay of the Government servant or any other dues in one instalment by the authority competent to sanction such an advance.

Note 2.—The period of one year should be counted from the date on which a claim became due to that on which the investigation by the Principal Auditor is sought, i.e., the date of receipt of the application in the Principal Auditor's office. In the case of transfer travelling allowance claims of the Government servant, the period of one year should be reckoned from the date of his/her joining the new post. However, in respect of transfer travelling allowance claims of the members of his/her family, the period should be reckoned from the date following the date of the arrival of the family at the new station.

Note 3.—When claims which have remained in abeyance for a period exceeding one year are under the rule above, submitted for the orders of the competent authority, that authority should reject forthwith all claims, other than those that affect pension, which are petty as also all claims for the delayed submission of which an adequate explanation is not forthcoming. In considering old claims recommended to Government for sanction, Government will also take into account the fact that it is normally not possible, owing to the limited period of preservation of records to audit claims, more than six years old.

(2) Advances may be made by the Commissioner of Police, Bombay, or a District Superintendent of Police out of their respective permanent advances to a non-gazetted Police Officer for payment of his railway fare or expenses by road up to the amount of such fare or expenses and limited in the case of a road journey by the rates stated in Bombay Civil Services Rule 414 or rule 2 of Appendix XX to the Bombay Civil Services Rules, as the case may be. These advances should not be treated as ordinary contingent charges but the permanent advance should be recouped on encashment of the pay bills of the parties concerned.

(3) Heads of Police offices may also draw advances for travelling expenses for their non-gazetted Police subordinates. Such advances shall be sanctioned against pay and accounted for under travelling allowances as a final charge and they shall be finally adjusted in audit after receipt of the necessary pay bills from which the amounts advanced should be deducted.

(4) Advances may also be granted, at the discretion of the District Superintendent of Police, to Head Constables and Constables, when ordered suddenly to proceed from their headquarters, up to the maximum limit of one month's pay. These advances should be recouped in three equal monthly instalments from the pay.

Note.—Whenever advances are sanctioned by Superintendents of Police it is essential that the Sub-Inspector, to whom the money is sent, should immediately take the signatures of the recipients of the advance on an acquittance roll in token of their having received them. The acquittance roll should be immediately forwarded by the Sub-Inspector to the Superintendent of Police for necessary action by the Police Accountant, who will be responsible for seeing that the advances are finally adjusted in due course.

38. Advance limited to 75 per cent of the travelling allowance admissible may be made by the Commandant General, Home Guards, State of Bombay, initially out of his permanent advance to the Home Guards Officers and the members of the paid staff of the Home Guards Organisation in emergent cases for meeting their expenditure while on tour.

§Section VI—Claims against Government including claims of pay and allowances of Government servants

39(a). (1) No claims against Government other than those by one department against another or by a State Government, not preferred within a year of their becoming due can be presented without an authority from the Accountant General, provided that (i) such claims not exceeding Rs. 100 (Rs. 500 in respect of contingent claims other than claims of recurring nature) presented within three years of their becoming due may be paid without pre-audit by the Accountant General, and (ii) this rule shall not apply to the following categories of such claims:—

- (a) claims on account of pensions, which are governed by special rules;
- (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 Rule 262 (1) of the Maharashtra Treasury Rules, 1968;
- (c) claims on account of interest on Government securities; and
- (d) any other class of payments which are governed by special rules or orders of Government.

Note.—Claims of Government servants referred to in provisos (i) and (ii) (b) to Rule 39 (a) (1) should be submitted to the competent authority for according sanction to the payment of claim, after due scrutiny and check as required in Notes 1 and 3 below Rule 39 (b). A copy of the sanction for payment accorded by the competent authority should be attached to such bills, while presenting them to the treasury for payment. In no case should such claims be preferred at the treasury direct for payment without a copy of the sanction.

¹ Subs. by G.N. of 7-9-1970.

Note 4.—Heads of Departments are empowered to authorise the Accountant General to investigate their own claims to arrears of pay or allowances or increments which have been allowed to remain in abeyance for a period exceeding a year but not exceeding three years.

Note 5.—Administrative Departments of the Secretariat are empowered to authorise the Accountant General to investigate the claims to arrears of pay or allowances or increments which have been allowed to remain in abeyance for a period not exceeding six years.

Note 6.—Initial investigation in respect of the time-barred claims relating to the period after 1st July 1954, arising in Bombay City will be carried out by the Pay and Accounts Officer, Bombay, subject to necessary post-check by the Resident Audit Officer, Bombay, on behalf of the Principal Auditor.

39(c). No payments may be made on account of increases to pay until the additional expenditure thereby caused has been sanctioned and funds provided therefor].

Section VII—Treatment of claims against Government which are barred by time

40. (1) A claim against Government which is barred by time under any provisions of law relating to limitation is ordinarily to be refused and no claim on account of such a time-barred item is to be paid without the sanction of Government. The onus is upon the claiming authority to establish a claim to special treatment for a time-barred item, and it is the duty of the authority against whom such a claim is made to refuse the claim until a case for other treatment is made out. All petty time-barred claims are to be rejected forthwith and only important claims of this nature considered.

(2) It is the duty of the executive authority in the first instance to consider the question of time-bar before submitting a claim to the Principal Auditor for sanction under Rule 39 of these Rules, and audit will refuse payment of all claims found to be time-barred until the sanction of Government has been obtained.

Note 1.—While submitting an arrear claim to the Audit Office the executive authority should certify that the claim is not time-barred by the provisions of any law. This does not apply to claims of arrears of pay or allowances, or to increments.

⁴*Note 2.*—Administrative Departments of the Secretariat are authorised to sanction time-barred claims upto a limit of Rs. 200 without consulting the Finance Department]

Section VIII—Issues of Duplicates or Copies of Documents

41. No Government servant, may issue duplicates or copies of receipts granted for money received, or duplicates or copies of bills or other documents for the payments, of money which has already been paid, on the allegation that the originals have been lost. If any necessity arises for such a document, a certificate may be given that on a specified day, a certain sum on a certain account was received from or paid to a certain person. This prohibition extends only to the issue of duplicates on the allegation that the originals have been lost, and does not apply to cases in which, according to special provision in these Rules, duplicates are prepared and tendered with the originals. In the case of a bill or deposit repayment voucher passed for payment at a treasury but lost before encashment or payment, the officer who drew the original bill or voucher should ascertain from the treasury that payment has not been made on the original before he issues a duplicate which should bear distinctly on its face the word "duplicate" written in red ink.

Section IX—Responsibility for Overcharge

42. (a) A drawer of pay abstracts or bills for pay, allowances, or contingent expenses will be held responsible for any overcharge.

(b) The responsibility of Countersigning officers will be that which attaches to all controlling officers.

¹ Added by G.N. of 6-4-1964.

(c) The Treasury Officer who makes payment without pre-audit, will be responsible for checking any palpable errors, and (in the case of change of office, or of a rate of salary of gazetted Government servants) for passing the new rate with reference to the orders directing the change. He is also required to examine the accuracy of the arithmetical computations in a bill.

(d) The responsibility will thus rest primarily with the drawer of the bill and (failing recovery from him) the overcharge will be recovered from the Treasury Officer, or the countersigning officer, only in the event of culpable negligence on the part of either of them.

Section X—Audit Objections

43. Every Government servant must attend promptly to all objections and orders communicated to him by the Audit Officer. So far as the Secretariat Departments are concerned, the Accountant-General will send audit objections to the appropriate Department and will also compile and forward to each Secretary to Government, half-yearly a list of objections which are outstanding against that Department for more than six months in the manner described below:—

(a) All old items, which are settled in half-year, will be omitted, and new items, added in the next half-year. In respect of old items which remain unsettled at the time of the issue of the next return only a reference to the return in which the items were originally included will be given.

(b) The half-yearly statements will be compiled office or department-wise in duplicate.

(c) Action required to be taken against each item of the statement will be indicated in the return.

(d) Returns will contain relevant details such as particulars of objections (which are outstanding for over six months), period to which they relate, money value of the objections and replies of the administrative authorities together with their latest reference, etc.

A copy of this list will also be sent to the Finance Department. It shall be the duty of the Department to arrange for prompt action being taken to settle the outstanding objections, if need be in consultation with the Finance Department. Efforts to hold periodical discussions between the Secretary of the Department and the Audit Officers concerned will facilitate quicker settlement of Audit objections. Special care should be bestowed in respect of such objections as involve the possibility of recurring loss being incurred unless quick remedial action is taken to prevent it.

The Departments should obtain periodical returns from subordinate officers by about the same date when the half-yearly returns from the audit authorities are received by them as it will facilitate comparison of data furnished by the subordinate authorities.

The following dates are prescribed for the half-yearly returns:—

	Audit objections for the period	
	April to September and not settled by March next	October to March and not settled by September next
(1) Half-yearly returns due from Audit Officers to Administrative Departments.	15th June next	15th December next
(2) Half-yearly returns due from Administrative Departments to Audit Officers.	15th September	15th March next year

The half-yearly returns at (1) above will contain all the items placed in the Objection Books which are six months old after the closing of the Objection Books for March and September every year.

In regard to Audit objections relating to the various offices under a Department periodical returns to the department showing the offices which have failed to clear the Audit objections, the number of such objections and the period for which such objections have been outstanding with each office will be sent by the Accountant-General half-yearly. The Department should obtain periodical returns from offices subordinate to them showing the particulars of outstanding objections and the reasons for their non-settlement to enable the Department concerned to check up those returns received half-yearly from the Accountant-General and to take such action as may be necessary in the circumstances of each item. The Department should intimate to the Accountant-General half-yearly the progress of settlement of the audit objections as communicated by the subordinate offices.

Note 1.—In the case of the Forest Department, the objection statements should be returned in original by the Divisional Forest Officer through the Conservator within a week of their receipt from the Principal Auditor.

Note 2.—The fact that some of the objections are still under reference is no reason for keeping back the statement. Such cases can be extracted for subsequent explanation.

44. Where the Principal Auditor intimates that a certain payment, proposed to be made or already made, is unauthorised, the head of the office concerned shall, on receipt of such intimation, ensure that the payment or further payment, as the case may be, is withheld at once;

And where, in respect of a payment already made or an amount drawn, the Principal Auditor also intimates that the amount paid or drawn should be recovered or refunded, the head of office shall, without delay, take steps to see that it is so recovered or refunded.

Government servants acting in contravention of this rule render themselves liable to disciplinary action; and such action may involve the recovery from them, in the manner prescribed in Appendix 20, of the full amount of any loss which may have been caused to Government.

Section XI—Cash Book

45. A simple cash book in Fin. R. Form No. 2 should be kept in Departments other than Forest and Public Works for recording in separate columns all moneys received by Government servants in their official capacity, and their subsequent remittance to the treasury or to the bank, as well as moneys withdrawn from the treasury or the bank either by bills or by cheques, and their subsequent disbursement.

The cash-book should be closed and balanced each day, and the balance of each column at the end of the month should be verified with the balance of cash in hand and a certificate to that effect recorded in the cash book under the signature of the Government servant responsible for the money.

Note —For Forest and Public Works Departments cash books are maintained under the Accounts and Audit Rules prescribed by the Auditor-General.

Cash Book of the Forest Department

46. (a) All revenue and expenditure must be recorded at once in the accounts of the division within which it is collected or incurred, without reference to its origin or object. The "division" has been adopted as the Forest unit to ascertain the results of the working of the Department and adjustments must be made between the different divisions when revenue is collected or expenditure incurred in one division on account of another.

Note.—Inter-divisional adjustments should also be made in the case of advance of pay, travelling allowance, etc., made to Government servants on transfer from one division to another.

(b) The adjustments referred to in clause (a) should be made monthly.

47. The bills on which the pay and travelling allowance charges of the Forest Department are paid by the Divisional Officer and not at the treasury are entered in the cash book.

Earnest-money Deposits

48. Earnest money deposits tendered by contractors should be paid by them direct into a treasury or sub-treasury, and orders authorising the repayments should be addressed by the Departmental Officers to the Treasury Officer concerned. This procedure should also be followed in the case of cash deposits received by officers of the Police Department from contractors who are called upon to furnish security in cash or in Government Promissory Notes against breach of contract, the Government Promissory Notes received as security being dealt with by the officers concerned in accordance with the rules in Chapter VIII of the Government Securities Manual.

Exception.—(1) The above procedure is not applicable in the case of tenders received by the Director of Education from outside the Bombay State in connection with the work of printing and publication of the Departmental Books. The earnest-money received by the Director of Education in such cases should, however, be paid by him into the treasury for credit to Revenue Deposits.

(2) The above procedure is also not applicable in the case of tenders received by the Director of Industries in his capacity as the Stores Purchasing Officer from outside the Bombay State. The earnest-money received by the Director of Industries in his capacity as the Stores Purchasing Officer in such cases should, however, be paid by him in the treasury for credit to Revenue Deposits. Such earnest money from Non-State tenders should be by bank-drafts on Local Banks.

Note 1.—When it is not possible for contractors to pay the earnest-money into a treasury or sub-treasury and the amount is received by an officer of the Public Works Department, the earnest-money received from and returned to contractors on the same day as the tenders are opened need not be passed by the Divisional Officers through the Divisional Accounts. The contractors concerned should, however, be required to give a stamped receipt for the money in the Register of Tenders maintained in the Divisional Office and the Register should be treated as a subsidiary cash book and consequently as an accounts form.

Note 2.—Claims on behalf of deceased contractors in respect of the earnest money deposits lodged by them should be dealt with in the manner prescribed in Financial Rule 72 (b), except that indemnity bonds should be taken in all cases before payments is made. The indemnity bond has been prescribed in Appendix 10.

Section XII—Financial Control over Departmental Accounts

49. (a) The Conservator of Forests exercises a strict control over the whole outlay of the Forest Department for conservancy and work, and examines the charges on account of travelling and contingencies. To facilitate the exercise of this control, the Conservator is furnished monthly by the Divisional Officer with duplicate copies of the Abstracts of Receipts and Expenditure submitted to audit.

(b) He is further required specially to control the adjustments of advances for which purpose the monthly abstracts of the contractors' and disbursers' ledger, submitted to Audit by the Divisional Officer, are required to pass through the Conservator.

(c) He is responsible for seeing that the accounts returns are punctually submitted to the Principal Auditor by Divisional Officers.

(d) Under the authority of Government he can delegate all or a portion of his duties with regard to the control of accounts to the gazetted Government servant in charge of his office.

(e) He should sign all letters issued from his office sanctioning expenditure, appointments, etc., and may delegate the power to a gazetted Government servant in charge of his office, but not to the head clerk or other office employee.

50. (a) A Chief Engineer, Public Works Department, exercises a control concurrent with the Principal Auditor over the duties of the officers of the department in connection with the maintenance of the accounts, and gives all legitimate support to the Principal Auditor in enforcing strict attention to the regulations concerning the disbursement of money, the custody of stores and the submission of accounts. If in

exercising this control any financial irregularity is discovered, it should be considered whether it is so serious as to require disciplinary action and the Finance Department should be consulted in every case before disciplinary orders are passed.

(b) The Superintending Engineer is responsible for the maintenance of the authorised system of accounts throughout his Circle. He should see that Divisional Officers submit their accounts to the Principal Auditor punctually. He should examine the books of Executive Engineers and their subordinates, and see that the matters relating to the primary accounts are attended to personally by Divisional and Sub-Divisional Officers, and that the accounts fairly represent the progress of each work. It will also be his duty to examine the registers of work so as to keep a vigilant watch over the rates of work, and, if he considers it necessary, he may require an Executive Engineer to report to him monthly or at longer intervals, on a Works Slip, the total expenditure to date under each sub-head of work in contrast with the sanctioned estimate.

Section XIII—Security Deposits

51. Cashiers, Store-Keepers, Sub-Store-Keepers and subordinates entrusted with the collection or custody of cash, stores, stamps or any other property may be required to furnish security in one of the forms mentioned below, the amount being regulated according to the circumstances and local conditions in each case under the sanction of the competent authority, Cash security normally of Rs. 200 in the form mentioned at item (2) below should always be taken by District Magistrates from the clerks who are in charge of cash and Muddemal property in the Courts of all Stipendiary Magistrates.

(1) By execution of a personal security bond with two sureties in the form prescribed in Appendix 3.

Note 1.—A Government servant serving in one department may be permitted to stand as a surety for a Government servant serving in another department provided in the case of Hindus they are not members of the same joint family. Retired Government servants and servants of local bodies should not be debarred from standing as sureties for Government servants.

Note 2.—The solvency of the sureties should be verified every year and fresh sureties should be called for wherever necessary.

¹[*Note 3.*—Provision of Rule 51 (1) shall not apply to the staff governed by relevant provisions of Civil Manual regarding the furnishing of security.]

(2) Fidelity guarantee policies in the form prescribed in Appendix 9. The policy should be from a company approved by Government.

When the security is taken in this form the Government servant should be asked to execute a bond in the form prescribed in Appendix 11.

Instruction.—Such policies should be accepted only if issued by the Indian Insurance Companies Association Pool.

(3) In cash, either in lump sum in the form prescribed in Appendix 5 or by monthly deductions from pay in the form prescribed in Appendix 6. The following may also be accepted as security in lieu of cash:—

(a) Government Securities as defined by the Indian Securities Act, 1920, or securities specified in clause (c) or (d) of section 20 of the Indian Trusts Act, 1882, or Post Office Cash Certificates, in the form prescribed in Appendix 7.

(b) Deposits in Post Office Savings Bank in the form prescribed in Appendix 8.

²[(c) Bonds and Debentures issued by the Maharashtra State Financial Corporation with the Government guarantee in accordance with the provisions of section 7 of the Maharashtra State Financial Corporation Act, 1951.]

¹ Ins. by G.N. of 6-4-1964.

² Ins. by G.N. of 14-8-1968.

Constitution of India



The following instructions are laid down for the guidance of the officers when security is taken in lieu of cash in any of the forms mentioned above:

(i) The security should be formally transferred to the Head of the Office concerned, i.e., the transfer should be made to the Head of the Office by designation.

(ii) In respect of (a) above a margin of 5 per cent on the market value of the paper to cover possible depreciation should be required at the time of first taking the security. During the period of deposit, the officer who accepts these securities is responsible for seeing that the security remains adequate and if there occurs a material fall in the market value of the securities which he has accepted, he may require that an additional security should be deposited. Where the fall in market value exceeds 20 per cent., additional security should invariably be taken.

[(iii) In respect of (c) above, the securities should be accepted at 5 per cent. below their market price or at their face value whichever is less. It should be verified that the guarantees by the State Government have not since been revoked and continue to be in force. Security in these forms should not be accepted unless the transfer of title to the concerned officer accepting the security on behalf of Government has been validly effected and, if necessary, registered in the books of the body corporate. The fees and other expenditure in connection with the transfer in favour of Government officer or Department, or transfer back to the person furnishing the security shall be borne by the person concerned or deposited by him in advance in cash along with the bond or debenture. If the market value of the securities falls subsequently the person offering security should agree to provide additional securities.]

(4) By assignment of a Postal Life Insurance or Endowment Assurance Policy and execution of a security bond in the form prescribed in Appendix 12.

The following instructions are laid down for the guidance of officers when the security is taken in this form:—

(i) Before accepting the security the Head of the Office concerned should ascertain from the Postmaster-General whether the policy is valid and has been in force for a period of three years and what its surrender value then is. This value should exceed the amount of security to be furnished by at least 25 per cent.

(ii) The policy should be assigned by the policy holder to the Head of the Office concerned by designation by making an endorsement in the following form on the policy itself:—

“ I hereby assign the within policy to now residing at

Signed in the presence of—

Address:

Signature of policy holder. ”

Address:

Dated:

(iii) Written notice of the assignment should be given to the Postmaster-General immediately after accepting the security. The premium receipt book along with the assigned policy should be kept in the custody of the Head of the Office during the continuance of the agreement in the form prescribed in Appendix 12.

¹ Ins. by G.N. of 14-8-1968.

³[The bonds mentioned against sub-rules 1, 2, 3(a) and (b) and 4 above shall be retained permanently or until it is certain that there is no further necessity for keeping it.]

Note 1.—When a Government servant, who vacates his post by reason of resignation, dismissal or otherwise, is reappointed to the same post or to any other post for which security is required, a fresh security bond should invariably be taken from him on his reappointment.

Note 2.—Claims on behalf of deceased Government servants in respect of security deposits lodged by them should be dealt within the manner prescribed in Fin. R. 72(b) except that indemnity bonds should be taken in all cases before payment is made. The indemnity bond has been prescribed in Appendix 2.

Note 3.—This rule is applicable to Industries Inspectors in the Department of Industries.

Note 4.—Securities required to be furnished by the Cashiers, Store-keepers, Sub-Store-keepers and subordinates entrusted with the collection or custody of cash, stores, stamps or any other property of Government under the above rule, should be obtained within a period of 30 days from the date of taking over the charge of the post by the person concerned. The Head of the Office concerned may, in exceptional circumstances to be recorded, extend this period for a further period of 30 days only in the cases where he is satisfied that it is not possible for the Government servant concerned to furnish the necessary security within the prescribed period of 30 days. On no account, however, the total period to be allowed for furnishing security should exceed 60 days.

⁴[*Note 5.*—When a Government servant vacates his post by reason of resignation, dismissal, death, retirement or otherwise the security deposit tendered by him for holding the said post shall be retained upto the end of one year from the date of vacating the post in question.] ⁴[The period of one year may, however, be relaxed in cases where the Head of the Office under whom the Government servant was working gives on his personal responsibility a specific certificate that there is no objection to refund the Security Deposit.]

⁴[*Note 6.*—No security need be insisted upon from (i) drivers of Government vehicles and (ii) Librarians or clerks in-charge of libraries in Government offices. However, it is open to any individual Head of Department to obtain a security deposit in any individual case, when he may consider such a course as necessary and feasible.]

⁴[*Note 7.*—No security need be insisted upon from a permanent or quasi-permanent Government servant appointed in a leave vacancy to a post in respect of which security is required to be furnished provided the competent authority is satisfied that (i) there is no risk involved, and (ii) the period of leave vacancy does not exceed four months.]

Section XIV—Destruction of Accounts Records

52. The rules and subsidiary rules regarding the destruction of Accounts records appertaining to the accounts audited by the Indian Audit Department are contained in Appendix 17 to these Rules.

Section XV—Responsibility for losses sustained by Government through fraud or negligence of Government servants

53. General Rules for the enforcement of responsibility for losses sustained by Government through fraud or negligence of Government servants are contained in Appendix 20 to these Rules.

Section XVI—Measures to prevent embezzlements, thefts, etc.

54. In order to minimise the risk of embezzlements, thefts, etc., the head of the office should see, whenever it is necessary to send a peon to cash bills of establishments or to send money with him for crediting it into Treasury or any other purpose, that the work is entrusted to a trustworthy peon of long service. Ordinarily one person may carry an amount up to Rs. 200. When such amount exceeds Rs. 200 two persons should be sent. If the amount is in excess of Rs. 5,000 one of the persons must invariably be a clerk or a cashier. These limits are applicable in all cases unless lower limits have, in specific instances, been laid down in other rules or orders of Government.

¹ Subs. by G.N. of 8-12-1966.

² Added by G.N. of 6-4-1964.

³ Added by G.N. of 19-4-1965.

⁴ Added by G.N. of 14-8-1968.

55. In order to minimise the risk of misappropriation, the Head of Office should make surprise check of the cash section once a month and certify that the cash balance allowed to remain with the cashier under the rules, is in order.

Section XVII—Honorary and Special Magistrates and Stipendiary Magistrates

56. Honorary and Special Magistrates sitting singly and all Stipendiary Magistrates should verify the cash balances and property in the custody of the Courts once in each calendar month, at intervals of not more than six weeks, and endorse a certificate to that effect in the registers. The Muddemal Registers prescribed in Appendix 13 should be kept in all Districts.

Section XVIII—Drawal of Money from Treasury and Canons of Financial Propriety

57. No money should be withdrawn from the treasury unless it is required for immediate payment. It is not permissible to draw advances from the treasury either for the prosecution of works, the completion of which is likely to take a considerable time or to prevent the lapse of appropriations.

58. Expenditure can only be incurred on a work or other object:—

(i) If sanction of competent authority has been obtained as required by any statutory rules or by any orders, general or special, issued thereunder by competent authority, e.g., the rules in any authorised code,

(ii) If funds to cover the charge during the year have been provided by competent authority, and

(iii) If no breach of any of the canons of financial propriety is involved.

Note.—The canons of financial propriety are reproduced below for ready reference:—

(1) Every Public Officer should exercise the same vigilance in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of expenditure of his own money.

(2) Money borrowed on the security of allotted revenues should be expended on those objects only for which, as provided by rules made under the Act, money may be so borrowed. If the money is utilised on works which are not productive, arrangements should be made for the amortisation of the debt.

(3) No authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage.

(4) Government revenues should not be utilised for the benefit of a particular person or section of the community unless—

(i) The amount of expenditure involved is insignificant,

(ii) A claim for the amount could be enforced in a Court of Law, or,

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

(5) The amount of allowances, such as travelling allowances, granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole sources of profit to the recipients.

Section XIX—Departmental Regulations

59. All departmental regulations in so far as they embody orders or instructions of a financial character, or have important financial bearing should be made by, or with the approval of the Finance Department.

CHAPTER 3—REVENUE RECEIPTS AND THEIR CHECK

60. The departmental controlling officers should see that all sums due to Government are regularly received and checked against demands and that they are paid into the treasury. They should accordingly arrange to receive from their subordinates accounts and returns claiming credit for so much paid into the treasury, and compare with them the figures in the statements supplied by the Principal Auditor in charge of the accounts.

The detailed rules regarding the demands and collection of revenue of the different departments are contained in the Manuals of the departments concerned.

Note.—It is essential that the departmental controlling officer's account should not be compiled from the returns prepared by the treasury. But the Treasury Officer is in some cases required to verify returns prepared for submission to departmental controlling officers.

61. In the case of payments into treasuries the officer making the payment should compare the Treasury Officer's receipt on the chalan with the entry in the cash book before initialling it, and when such payments are appreciable, he should obtain from the Treasury a monthly list of payments which should be compared with the posting in the cash book.

(i) *Revenue Receipts of the Public Works Department*

62. Public Works revenue is assessed and realised in accordance with the following rules:—

(a) Divisional Officers of the Public Works Department are responsible that demands are made as revenue falls due, that steps are taken with a view to effect prompt realisation of all revenue, regular or occasional, and that proper records are kept to show, in respect of all items of revenue, recurring or non-recurring, the assessments made, the progress of recovery and the outstanding debts due to Government.

Note.—The object of this rule is that all classes of revenue, whether accruing from property of any kind, from leases of rights and concessions (i.e., rights for fishing, grazing, etc., and use of water power), or from any other source are properly watched.

(b) the recovery of all dues to Government should receive the special attention of the Divisional Officer, and no debt should be remitted or written off except under the orders of competent authority.

(ii) *Irrigation Revenue collected in the Civil Department*

63. When revenue from irrigation and navigation works, etc., is realised in the Civil Department, the Divisional Officer should receive from the Collectors monthly statements of the amounts realised, to enable him to watch the progress of recovery against demands or assessments.

64. The Divisional Officer should also submit to the Principal Auditor a half-yearly statement showing, separately for each Civil district, the monthly realisations, as compared with assessments in respect of each canal or other work.

(iii) *Recoveries of Rents on Buildings and Lands*

65. (a) In all cases where a bungalow, flat or other building or land belonging to Government is let to a person not in the service of Government, the following rules shall apply—

(i) the full rent should be recovered in advance: provided that in any case where a rigid enforcement of the condition regarding the recovery of rent in advance is likely to result in the property falling, or continuing to be vacant with a consequent loss in revenue, the Executive Engineer of the Division (or the Collector in respect of properties under his control) may relax the condition and allow payment of the rent at the end of each month;

(ii) the question of taking a deposit and of fixing the amount thereof should be left to the discretion of the Executive Engineer or the Collector as the case may be. The deposit may be in the form of promissory notes or postal cash certificates or a sum of money at the tenant's option;

(iii) the tenant shall be required to execute a tenancy agreement or lease with the Governor in the form prescribed in Appendix 4. It shall be expressly provided in this instrument that arrears of rent due to Government be recoverable from the

lessee as an arrear of land revenue without prejudice to any other remedies which may be open to Government and that the lessee shall pay all costs and expenses which may be incurred in the preparation and execution of the lease including the stamp-duty and registration charges, if registration is necessary. The amount of this duty shall be calculated in accordance with the provisions of the Indian Stamp Act, 1899, in its application to the State of Bombay.

(b) The recovery of rents from Government servants occupying rentable buildings in charge of the Department should be made by deduction from their pay bills through the Treasury Officer or other disbursing officer concerned.

Note.—Amounts due on account of the hire of Government furniture and on account of the value of articles of furniture and other Government property lost or damaged by a Government servant as well as any other dues for which a Government servant may be liable to Government in respect of the residence allotted to him may also be recovered by deduction from pay bills.

66. A tenant, who is in receipt of a pension from Government, should be treated as a private individual for the purpose of these rules. But if he desires to make payments by deductions from his pension, recoveries from him may be made through the Treasury Officer or other disbursing officer concerned, on the pensioner furnishing the Divisional Officer with a written request authorising such deduction. This authority should be transmitted to the Treasury or disbursing officer with the first demand.

67. Where rent is recoverable in cash, a bill in suitable form should be sent to the tenant on or before the last day of each month. The tenant should be required to pay in the rent before the expiry of the following month.

68. When recoveries of rent are to be effected through a Treasury Officer or other disbursing officer, a demand in the Public Works Account Form No. 48 (Fin. R. Form No. 3), Statement of rents recoverable from Pay Bills, should be sent, in duplicate or triplicate, as the case may be, before the close of each month, to that officer who will make the necessary recoveries and return one copy of the statement duly completed. In the case of rents recoverable from non-gazetted Government servants, whose pay is drawn by the Heads of their Offices on a consolidated bill cashed at treasury, a demand in the Public Works Account Form No. 48 (Fin. R. Form No. 3) may be sent to the drawing officers and not to the Treasury Officer.

Note 1.—In cases of cash recovery from Government servants, the Divisional Officer should obtain from the disbursing officers a certified statement in the Public Works Account Form No. 48 (Fin. R. Form No. 3).

Note 2.—In the Public Works Account Form No. 48 (Fin. R. Form No. 3) will also be included any amounts due on account of the hire of Government furniture the value of articles of furniture and other Government property lost or damaged by a Government servant as well as any other dues for which a Government servant may be liable to Government in respect of the residence allotted to him, *vide* Note under Fin. R. 65(b).

Note 3.—A separate Public Works Account Form No. 48 (Fin. R. Form No. 3) should be prepared in respect of each tenant who is a gazetted Government servant and who draws his pay direct from the treasury. For non-gazetted Government servants there should be a single consolidated form for each class of establishment whose pay is drawn in a separate bill. Particulars in regard to this should be obtained by the Divisional Officer from the disbursing officers.

Note 4.—In the case of gazetted Government servants, Public Works Account Form No. 48 (Fin. R. Form No. 3) will be filled up from the information contained in the salary slip received from the Audit Officer under Article 232-A, Audit Code. When a tenant goes into occupation of a residence, the Divisional Officer will intimate the fact to the Audit Officer and call for a salary slip. In the case of non-gazetted Government servants, Public Works Account Form No. 48 (Fin. R. Form No. 3) will be prepared on the basis of information to be obtained from disbursing officers.

Note 5.—Treasury Officers and other disbursing officers have instructions to recover the amount specified by the Divisional Officer, without prior reference to the tenants, and to note in the statement of rents the particulars of emoluments, and of changes therein, in respect of Government servants whose rent is limited to a percentage of such emoluments.

Note 6.—If a Divisional Accountant becomes aware that the emoluments of a Government servant have been changed in respect of a period during which he occupied a Government residence at some other station or stations, he should see that the intimation of the change of emoluments is given to the Divisional Officers of the stations concerned, to enable them to recover the arrears of rent where necessary.

¹*Note 7.*—In order to enable the Pay and Accounts Officer, Bombay, to comply with the provisions of Rule 68, Public Works Account Form No. 48 (Financial Rule Form No. 3), statement of rents recoverable from the bills should be sent to him at least 10 days before the last working day of every month.]

69. If a Government servant vacates his quarters before the last day of a month, owing to his departure or transfer, leave or retirement, the demand for the rent for the broken period should be made at once, so that the amount due may be recovered before his departure.

70. Pending orders on a representation against the Divisional Officer's assessment, the amount assessed must be paid by tenants on demand. Should the representation prove successful, the excess amount charged should be adjusted as soon as orders are issued, by a reduction in the assessment of a subsequent month, or, if this is not practicable or convenient, by an actual repayment.

Note.—The recoveries of rents of residences maintained by Departments other than the P. W. D. should be generally regulated by the rules applicable to Public Works residences.

CHAPTER 4—PAY AND ALLOWANCES—GENERAL RULES

(i) Due Date

71. Pay bills may be signed at any time on the last working day of the month by the labour of which the pay is earned, and are due for payment on the next working day. But pay bills payable at State Headquarters, which require to be pre-audited, and those payable at District Treasuries, may be signed and presented for payment seven and four days, respectively, before the last working day of the month to which they relate. Payment of such bills, however, should not be made before the first working day of the next month. In the following cases separate bills must be presented in India for pay ²[and allowances, leave salary] or pension due for part of a month, and these bills may be paid before the end of the month, viz.—

(a) When a Government servant proceeds out of India on deputation or on leave.

Note.—If a Government servant wishes, under the provisions of Fundamental Rule 91, or B. C. S. Rule 761, to draw his leave salary in India, he will not be paid up to the date of relief, but will be allowed to draw his pay and allowances, for the broken period of the month at the commencement of the next month along with the leave salary for the rest of the month.

(b) When a Government servant is transferred to another audit circle or within the same audit circle (i) from one department to another, (ii) within the same department when there is a change of controlling authority as specified in the Budget Manual, (iii) from one Public Works Division to another, (iv) from one district to another and (v) from one Forest Division to another.

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

(d) When a pensioner is allowed to commute a part of his pension with effect from a particular date, the unreduced amount of his pension due up to the date preceding the one on which the commutation takes effect may be disbursed before the expiry of the month to which it relates and along with the capitalized value of the part of pension commuted.

¹ Ins. by G.N. of 6-4-1964.

² Ins. by G.N. of 11-10-1966.

¹[*Explanation.*—For the purpose of this rule, “Working day” shall be deemed to be a day on which the office in which the disbursement is to be made and treasury or, in the case of a Bank-Treasury, the Bank are both open for transacting their respective ordinary business so that withdrawal of moneys and disbursement thereof become practicable on the same day.]

²[*Note 1.*— If the first two days (including Sunday) of a month, other than the month of April, are public holidays on which pay and allowances and pensions are not disbursed at the treasury, payment on the last open day before the holidays may be made under orders of Government:—

(a) of monthly pay bills except those of gazetted Government servants,**

(b) of pension bills of pensioners drawing pension of ⁴[Rs. 200 or less, and]

³[(c) of the bills for payment of financial assistance to the freedom fighters/their dependents, drawing monthly payments of Rs. 200 or less.]

Note 2.—The last payment of pay should not be made to a gazetted Government servant or to a Government servant whose pay is drawn on pay bill forms of a gazetted Government servant, finally quitting the service of Government or placed under suspension, until the Treasury Officer has satisfied himself by reference both to the Principal Auditor and to his own records, that there are no demands outstanding against him. In other cases payment may be made without reference to the Principal Auditor on the responsibility of the head of the office concerned.

Note 3.—In the case of Government servants accompanying Government to the hill station, pay bills drawn at the hill station for payment at the State capital or *vice versa*, may be signed one, two or three days before the end of the month, though they will not be due for payment before the first working day of the next month.

(ii) Death of the Payee

72. (a) Pay, allowances or pension can be drawn for the day of a man's death; the hour at which death takes place has no effect on the claim.

(b) ⁴[Subject to the provisions contained in note 2 below rule 71, pay and allowances of all kinds claimed on behalf of a deceased Government servant may be paid without production of usual legal authority:—

(a) When amount due does not exceed Rs. 2,500, payment may be made under the orders of the competent authority who will make such enquiries into the rights and title of the claimants as he may deem sufficient:

Provided that the competent authority may make anticipatory payment of an amount not exceeding Rs. 2,500 and provided further that in any case of doubt, payment shall be made only to the person producing the legal authority.

Explanation.—The expression competent authority means—

(i) in the case of a Government servant who was a non-gazetted Government servant at the time of retirement, ‘the Head of Office’ who drew the pay and allowances of the person concerned before retirement,

(ii) in the case of Government servant who was a gazetted Government servant at the time of retirement, the ‘Head of Department concerned’, and

(iii) in the case of a Government servant who was the Head of Department at the time of retirement, the ‘Administrative Department concerned in the Secretariat’.

¹ Ins. by G.N. of 6-8-1964.

² Ins. by G.N. of 30-6-1967.

³ Deleted by G.N. of 7-3-1969.

⁴ Subs. *ibid.*

⁵ Ins. *ibid.*

⁶ Subs. by G.N. of 6-4-1964.

(b) When the amount due exceeds Rs. 2,500, payment may be made under the orders of Government on the execution of an indemnity bond in the prescribed form, duly stamped, for ^{1*}the gross amount for payment, with such sureties as Government may require, if they are satisfied of the right and title of the claimant and consider that undue delay and hardship would be caused by insistence on the production of letters of administration.

²[Note 1].—The form of indemnity bond prescribed in Fin. R. Form No. 4, should be used for the purpose of payment of arrears of pensions of deceased pensioners, *vide* Bombay Civil Services Rule 228 (ii). The same form should also be used for the payment of arrears of rewards and other *ex-gratia* payments of deceased Government servants and pensioners.

³[Note 2.—Normally there should be two sureties, both of known financial ability, unless the gross amount of the claim is less than Rs. 5,000 in which case the authority accepting the indemnity bond in Fin. R. Form No. 4 for and on behalf of the Governor should decide, on merits of each case, whether to accept only one surety instead of two.

Note 3.—The obligor as well as the sureties executing the indemnity bond should have attained majority so that the bond may have legal effect or force. The bond is also required to be accepted on behalf of the Governor by an officer duly authorised under Article 299 (1) of the Constitution of India.

Note 4.—The procedure prescribed in this rule shall also apply to any claim for payment of dues or honorarium payable to any deceased non-official (including non-official member of any commission or Committee, whether statutory or not), as it applies to the claim for payment of pay and allowances of a deceased Government servant, but that the indemnity bond shall be in Form Fin. R. Form No. 4-A.]

(iii) Bond of Indemnity for drawing leave salaries, etc.

73. (a) Government servants often make arrangements with their agents to draw their leave salaries or vacation pay, pensions, etc., either granting them powers-of-attorney to enable them to do so, or leaving their bills ready signed in the agent's custody for presentation, the agents in their turn giving Government a bond of indemnity as security against any loss in case of overpayment.

Note.—A Register of Powers-of-Attorney will be kept by the Treasury Officer in the form prescribed in paragraph 50 of the Government Securities Manual.

(b) The bond of indemnity which must be stamped should be in one of the Forms A, B and C prescribed in Appendix I according as the bond is executed by an individual, a firm, or a registered company, respectively.

(c) It must of course be seen that the person signing the bond of indemnity has authority to bind the firm or bank.

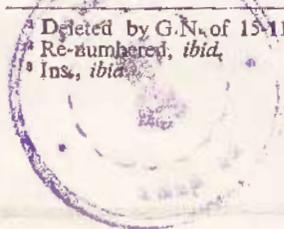
(d) It is not necessary, however, for a separate bond to be entered into in the case of each individual Government servant. Agents of standing and respectability may, for the purpose, be allowed to enter into a general agreement in Form D given in Appendix 1, provided and if they are bankers incorporated in the United Kingdom or the British Dominions and are in the position of drawing pay, pension, etc., for a considerable number of officers.

Note.—The form of the bond executed under clause (d) of this Rule requires advice to be sent to the High Commissioner for India of any change in the constitution of an unincorporated firm. When such advice is received in the Account Office, a recognition of the existing arrangements that have been concluded previous to the change in the partnership should be obtained either by calling for fresh agreements to be executed by the new partnership or by obtaining an acknowledgement from the new partnership that they are bound by the existing agreement of the old partnership or otherwise.

⁴ Deleted by G.N. of 15-11-1968.

⁵ Re-numbered, *ibid.*

⁶ Ins., *ibid.*



CLAIMS ON THE TREASURY

CHAPTER 5—GAZETTED GOVERNMENT SERVANTS' BILLS

74. Pay may be paid only upon the personal claim of the Government servant concerned, and to his personal receipt, and not otherwise. At the written request or order of the Government servant the pay bill may be made payable to some well-known banker or agent.

Note 1.—Under the above Rule the receipt of the banker or agent cannot be accepted as a final acquittance unless the bill itself is endorsed in favour of the banker or agent by means of a distinct pay order. The receipt of the banker or agent will be stamped whether it is in the body of the bill itself or separate, unless the receipt of the bill, has already been duly signed and stamped by the Government servant himself.

Note 2.—A Government servant or any other single person cannot be constituted an "Agent" for the purposes of the above rule, except when he holds a legally valid power of attorney to act for the Government servant concerned.

Note 3.—This ruling applies to all payments whether on account of pay, travelling or other allowances which under the rules are made to Government servants on their personal account.

Note 4.—When the endorsement on a bill is incomplete or irregular, the Treasury Officer should refuse payment of the bill and return it to the person who presents it with a memorandum explaining why payment is refused. When payment is made by cheque it is not correct to disregard the endorsement and issue a cheque in favour of the drawer.

75. The leave salaries of a gazetted Government servant of the Forest Department on leave in India, at a place where there is no disbursing officer of his Department, may be paid under the same rules as those of any other gazetted Government servants. No charge on account of such payments will appear in the cash book or accounts of the division.

(i) Pay to Officers in England

76. If pay be due in India to a Government servant absent in England, he must make his own arrangements to receive it in India.

(ii) Transfer of Office

77. Every transfer of charge of a gazetted Government servant should be reported by post on the same day to the Principal Auditor. A copy of the report of transfer of charge should also be simultaneously sent to the Treasury Officer and the Head of the Department or the Controlling authority concerned and endorsement to the effect that a copy has been sent to the Treasury Officer should be made on the copies of report sent to the Audit Officer and to the Head of Department or the Controlling authority concerned.

78. For transfer of charge the following points should be observed:—

(1) The cash book imprest account or permanent advance account should be closed on the date of transfer and a note recorded in it over the signature of both the relieved and the relieving officers, showing the cash and imprest or permanent advance balances and the number of unused cheques, if any, made over and received in transfer by them, respectively.

(2) The relieving officer in reporting that the transfer has been completed should bring to notice anything irregular or objectionable in the conduct of business that may have come officially to his notice. He should examine the accounts, count the cash, inspect the stores, count, weigh and measure certain selected articles in order to test the accuracy of the returns. He should also describe the state of the records.

(3) In the case of any sudden casualty occurring or any, emergent necessity arising for an officer to quit his charge, the next senior officer of the Department present will take charge. When the person who takes charge is not a gazetted officer, he must at once report the circumstances to his nearest departmental superior, and obtain order as to the cash in hand, if any.

Note—The provisions of this rule apply *mutatis mutandis* to non-gazetted Government servants also who are required to take over charge of cash and other accounts as relieving officers.

CHAPTER 6—ESTABLISHMENT

Section I—Revision of Establishment

79. I. When the entertainment of a new establishment or a change, temporary or permanent, is proposed in an office, a letter fully explaining the proposals and the conditions which have given rise to them should be submitted to the authority concerned. In this letter should be set out—

(i) the present cost, either of the section or sections affected, or of the total establishment as the circumstance of the case may indicate to be necessary.

(ii) the cost after revision; and

(iii) details of the number and pay of the posts which it is proposed to add or modify.

Explanation (a).—When a scheme requires the sanction of higher authority only because particular items are beyond the powers of sanction of the subordinate authority, in the letter submitted to the higher authority full details should be given of these items and of any other part of the scheme so connected with them that, unless it is explained, it must be difficult for the higher authority to determine whether sanction should be given to these items or not. Details of other parts of the scheme are not required and should not be given, lump sum figures showing the total cost of each part of the scheme being sufficient.

Example 1.—It is proposed to establish a first grade college, and the sanction of higher authority is required only because it is desired to create a post in the Bombay Educational Service for the Principal and three Professors. Full details of the teaching staff should be given, because without these details the necessity for the post in the Bombay Educational Service cannot be gauged. No details should be given of the clerical or other subordinate staff.

Example 2.—It is proposed to establish a Government High School and the sanction of higher authority is required only because it is proposed to create a post in the Bombay Educational Service for the Headmaster. No details are required of the staff proposed for the school except the Headmaster, because a knowledge of these details is not necessary in order to determine whether a post in the Bombay Educational service is required.

Explanation (b).—When the revision of a number of establishments is undertaken in pursuance of one definite central idea, which constitutes a single scheme for purposes of sanction, and when the scheme requires the sanction of higher authority in the letter submitting the proposals for sanction full details of the several establishments need not be given but only such details as will indicate the financial effect of each portion of the proposals.

Thus if the scheme is for the increase of pay of a number of establishments it will suffice to set out—

(i) The present cost of all establishments concerned.

(ii) The various increases of pay or the various percentages of increases proposed and the reasons justifying the proposals.

(iii) In respect of each separate rate of increase proposed as set out in (ii)—

(a) A list of the establishments or classes of Government servants to which it is to be applied and the reasons for such differentiation.

(b) As accurate an estimate as possible of the probable cost with a statement that this has been worked out in consultation with the Principal Auditor and that it is accepted by him as correct.

Note.—In determining the extra cost allowances whether fixed or variable should be included. The estimate of the extra cost due to variable allowances such as those granted under house allowance schemes cannot be exact but it should be as accurate as possible.

II. (a) In the following cases a proposition statement in duplicate in Fin. R. Form No. 5 should also be submitted:—

- (i) cases of general revision of establishment;
- (ii) proposals which cannot be set out clearly without it;

Note.—A simpler (Fin. R. Form No. 6) may be used in this case when the full details of Fin. R. Form No. 5 are not necessary.

(b) The details to be shown in the proposition statements will be determined by the following rules:—

(i) The proposition statement, where this is necessary, should relate strictly to the section or part of the office affected by the proposals. As regards the other parts or sections of the office, neither details nor figures of total cost need be included.

(ii) Where a section consists of both class IV and superior servants, details need be given only of the class affected, if a saving of labour will result from the adoption of this procedure.

(iii) The rules as to detail set out in Clause I above.

[The following procedure should be applied for ascertaining the average cost of time scales of pay:—

A progressive pay is, on an average, equivalent to the fixed pay, the amount of which lies between the minimum and the maximum of the progressive pay. The exact amount of this equivalent varies according to the conditions of each appointment, but in practice it is assumed that a progressive pay rising to its maximum by five equal yearly increments, is equivalent to a fixed pay equal to the minimum plus two-thirds, or if the appointment is a ministerial appointment, plus three-fourths, of the difference between the minimum and the maximum. The following formulae should, therefore, be applied for ascertaining the average cost of time scales of pay:—

A. When the increment is annual and the period of rise is five years, the average monthly cost should be taken, in the case of ministerial appointments at the minimum plus three-fourths, and in the case of non-ministerial appointments, at the minimum plus two-thirds, of the difference between the maximum and the minimum.

B. When the increment is annual or biennial and the period of rise is above five years, the following principles shall be followed, namely:—

(a) In the case of ministerial appointments:—

Average cost = Minimum + $(\frac{5}{6} - \frac{X}{60})$ of the difference between the maximum and the minimum;

(b) In the case of other than ministerial appointments:—

Average cost = Minimum + $(\frac{13}{18} - \frac{X}{90})$ of the difference between the maximum and the minimum;

Where 'X' represents the total period of rise in years.]

Note 1.—Details of the data adopted in Working out the average cost should invariably be prepared and furnished along with the proposition statement.

Note 2.—The fixed allowances referred to in the note to Clause I above should be entered in proposition statements when such statements are prepared but the variable allowances should not be included therein.

(c) The proposition statement or the proposal for revision should be forwarded through the Principal Auditor.

III. The statement prescribed in Budget Manual Form No. 10 should also be submitted when necessary.

80. Early in ¹[May] in each year, a detailed statement of the permanent establishment existing on the 1st March will be prepared in such form and in such manner as may be prescribed by the Comptroller and Auditor-General and transmitted to the Accountant-General as soon as possible, and, in any case, not later than the 15th ¹[May].

The directions given by the Comptroller and Auditor General with regard to the Form, preparation and submission of these returns are contained in Appendix 24 to these Rules.

An up-to-date file of the special instruction, if any, issued by the Accountant-General, in regard to the preparation of these returns should be maintained for reference in each office.

Section II—Payment of Bills

Procedure for the payment of pay and allowances including leave salary of non-gazetted Government servants on leave (including casual leave).

PART I—GENERAL RULES

81. A "Messenger" may be permitted to draw pay and allowances including leave salary on behalf of a non-gazetted Government servant on leave (including casual leave) provided he holds a letter of authority, signed by the Government servant concerned, authorizing him to receive his pay and allowances, including leave salary on his behalf, and also a personal receipt with stamp where necessary, of the Government servant on leave (including casual leave) signed by him on or after the date on which the pay and allowances including leave salary accrued. The cashier in an office or a member of the cash section of an office should not be allowed to act as a messenger. As an additional safeguard, the signature of the absentee on the receipt and the letter of authority should be verified by the bill clerk or the cashier and the Head of an Office should either identify the messenger or have him identified by some other person to his satisfaction. The messenger should also be required to sign on the Government servants' personal receipt stating the exact amount actually received.

Such a payment will be solely at the risk of the payee and no claim for loss, etc., will lie against Government.

PART II—SPECIAL RULES FOR THE PUBLIC WORKS AND FOREST DEPARTMENTS

(i) Public Works Department

82. The pay and allowances of subordinates of the Public Works Department employed in out of the way places may be remitted to them by postal money order at Government cost.

Note 1.—The pay and travelling allowance bills of the non-gazetted establishment and of the Sectional Officer, Nimblak Section in the Nira Canals Division, may be paid by the Executive Engineer, Nira Canals Division, by drawing cheques on the Bhor and Phaltan treasuries, the amount being debited in his accounts to the remittance head.

Note 2.—Remittance Transfer Receipts obtained by the Executive Engineer, Kaira and Panch Mahals Division, from the Kaira Treasury for payment to the staff stationed in the Broach and Panch Mahals District should be made payable at the sub-treasuries of that District.

¹ Subs. by G.N. of 6-4-1964.

83. If the encashment of a bill for an advance on transfer is likely to delay a transfer, which is urgently necessary in the public interest, ¹[or if a Government servant is required to travel on duty by rail, road, sea or air at such a short notice that the drawal of travelling allowance advance is not practicable,] the advance may be made from the permanent advance (if any), works imprest, or other available cash in the hands of the disbursing officer concerned pending recoupment, when the bill ²[for an advance on transfer or the tour travelling allowances bill, as the case may be,] is subsequently encashed.

(ii) Forest Department

84. The general rules regarding the preparation of pay, and the travelling allowance bills of the Civil Departments apply to this Department with the difference that Divisional Officers discharge the functions of the Treasury Officers, and pay the charges by cheques, or out of cash obtained from the treasury by cheques.

85. All changes in the personnel of a circle scale and the grant of all leaves to subordinate employees, sanctioned by Conservators as well as by those Divisional Officers who have been authorized to exercise such powers, should be intimated by the Conservator to the Principal Auditor in Fin. R. Forms Nos. 7 and 8 a separate list being prepared for each class of temporary establishment and for each class of permanent establishment.

86. Pay and Travelling allowance due to a Government servant on his transfer to another circle or division and not paid on his departure should be paid from the division to which he has been transferred but charged against the appropriation of the division from which he has been transferred].

Section III--Recoveries from Establishment Bills

(i) Fines

87. Fines imposed on non-gazetted Government servants for ordinary neglect of office duty are properly recovered by stoppage from pay and consequent short drawings from the treasury.

(ii) Other recoveries

88. Recoveries on account of security deposits of the employees of different departments should be made in cash, at the time of disbursement of pay, and when such deposits are to be paid into the Post Office Saving Bank, the amount recovered should be forthwith remitted to the Post Office.

³[Attachment of Pay and Allowances for Debt

89. (1) When the pay of a Government servant is attached by any order of a Court of Law, it is the duty of the officer receiving the attachment order to see that the proper deduction is made in satisfaction of such order from the pay of the Government servant concerned.

(2) When a Government servant is adjudged insolvent, the attachable portion of his salary vests in the Court that passed the order of insolvency or the Receiver appointed by the Court. The amounts which have been under attachment in execution of decrees against the insolvent shall, after the order of insolvency, vest in the

¹ G.N. of 17-4-1967.

² G.N. of 19-10-1964.

³ G.N. of 21-4-1969.

Court that passed the order or the Receiver, as the case may be. The attached amounts instead of being sent to the various Courts which issued the orders of attachment, should be sent to the Insolvency Court or the Receiver as the case may be, for *prorata* distribution among all the creditors of the insolvent Government servant.

Note 1.—The extent to which the emoluments of a Government servant are exempt from attachment for debt is laid down in sub-section (1) of section 60 of the Code of Civil Procedure, 1908.

The following is an extract of the relevant provisions of the section:—

“ 60. (1) The following property is liable to attachment and sale 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 first two hundred rupees and one half of the remainder in execution of any decree other than a decree for maintenance:

Provided that where such salary is the salary of a servant of Government or a servant of a local authority, and the whole or any part of the portion of such salary liable to attachment has been under attachment, whether continuously or intermittently for a total period of 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;

(ia) one-third of the salary in execution of any decree for maintenance;

(l) Any allowance forming part of the emoluments of any servant of the Government or of any servant of a local authority which the appropriate Government may by notification 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 clauses (h) and (i), “salary” means the total monthly emoluments excluding any allowance declared exempt from attachment under the provisions of clause (i), 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 or a servant of any other local authority, the State Government.

Note 2.—The following declarations have been made by the State Government under clause (l) of the proviso to sub-section (1) of section 60 of the Code of Civil Procedure:—

- (i) All House rent allowances;
- (ii) All kinds of conveyance allowances;
- (iii) Compensatory allowances;
- (iv) All kinds of travelling allowances;
- (v) Allowances granted as compensation on account of higher cost of living in localities considered by the Government to be expensive localities, including hill stations;
- (vi) Allowances granted on account of uniforms and rations; and
- (vii) Dearness allowances, war allowance and cost of living allowance;
- (viii) All amounts paid by way of reimbursement of Medical expenses.

(3) the maximum amount attachable by a Civil Court is calculated on the amount earned and not on what remains after satisfying any debts due to Government on account of advances taken under these rules;

(4) 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, ¹[dues of Co-operative Societies] and debts due to Government should be made from the non-attachable portion of the Government servant's salary;

(5) the cost, if any, of remittance to a Court of money realised under its attachment order should be deducted from the amount realised and the net amount remitted to the Court;

(6) cases may occur in which the judgement debtor does not sign the acquittance roll and intentionally allows his pay to remain undischarged or the judgement debtor, being a gazetted officer, or not being a gazetted officer but being permitted to draw his pay on a separate pay bill, may refrain from preparing his pay bill and drawing his pay regularly in order to evade payment on account of an attachment order issued by a Court of Law. In such circumstances the Head of Office, or in the case of a gazetted officer or of an officer treated in this respect like a gazetted officer, the Administrative Officer of the Department concerned may draw the pay of the judgement debtor in satisfaction of the attachment order, subject to the prescribed restrictions and remit the amount to the Court concerned. The amount drawn should be charged in the accounts, the particulars of the attachment order being cited in the acquittance roll or the pay bill, as the case may be, as an authority for the charge and the Court's receipts for the amount should be filed with the attachment register.

(7) In accordance with the above provisions, the maximum amount attachable by a Civil Court, for decrees other than decrees for maintenance is to be calculated thus:

If the total gross emoluments earned by a Government servant are represented by X and the allowances declared to be exempt from attachment (*vide* Note 2 above) and, if a Government servant is under suspension, any subsistence grant or allowance made to him, are represented by Y, the net amount attachable, if any, is $\frac{X-Y-200}{2}$

Note.—The limit of the first two hundred rupees and one-half of the remainder laid down in subsection (1) of section 60 of the Code of Civil Procedure, 1908, takes effect from the 4th September 1963. The decrees awarded by Courts prior to that date, based on the limit of the first hundred rupees and one-half of the remainder which was applicable until the provision was amended would continue to be valid until revised by the Courts. In such cases the net amount attachable would be $\frac{X-Y-100}{2}$]

90. For payments made into a Court of Law, on account of attachment or otherwise, the proper procedure is to remit to the Court the amount realised under the attachment order less the remittance charges. The disbursing officer is not entitled to deduct from the salary anything in excess of the amount specified in the attachment order. The debtor will, therefore, receive credit only for the net amount received by the Court after the remittance charges have been deducted, and not for the whole amount deducted from the pay bill. The following rules and instructions should be followed in making such payments:—

I—Offices situated outside Greater Bombay

(a) Amounts deducted from pay bills of gazetted and non-gazetted Government servants under prohibitory orders issued by a Court of Law not located at the headquarters of the treasury cashing the bills should be remitted to the Court concerned by Postal Money Order:—

(i) In the case of attachments of the pay of gazetted Government servants the treasury officers disbursing their pay will prepare money order forms in favour of the Courts concerned for the amounts to be remitted under the prohibitory

¹ Added by G.N. of 2-5-1970.

orders less the money order fees. The treasury officers should deduct the amounts specified in the attachment orders from the bills, and after passing the net amounts of the bills send the money order forms to the Post Offices for issue. A certificate should be recorded on each form to the effect that the amount of the money order with the money order fees due thereon has been credited to the Post Office by book transfer.

(ii) In the case of non-gazetted officers, the drawing officer should attach to the pay bill properly prepared money order forms for the amounts to be remitted under the prohibitory orders less the money order fees; the amounts specified in the attachment order should be shown as deductions in the pay bill. The Treasury Officer will pass the bill for the net amount, credit the deductions by transfer to the Post Office and send the money order forms to the Post Office together with the certificate prescribed in sub-clause (i) above. On obtaining the money order receipt, the Treasury Officer, will check it and see that the amount specified on the receipt together with the money order fee thereon corresponds to the amount deducted from the bills and then transmit it for record to the drawing officer.

(b) Amounts deducted from pay bills of gazetted and non-gazetted Government servants under prohibitory orders issued by a Court of Law located at the headquarters of the treasury cashing the bills should be paid by transfer credit to Civil Court Deposits, for which transfer entry chalangans should be passed as under:—

(i) In the case of attachment of the pay of gazetted officers the Treasury Officers should prepare chalangans in triplicate. The amounts will be deducted from the pay bills and credited in the treasury accounts by transfer to the head "Civil Court Deposits". One copy of the chalan duly signed by the Treasury Officer will be forwarded to the Court, the duplicate to the gazetted officer concerned and the triplicate will be retained in the treasury. The payment of the amounts due to the parties concerned will be under the procedure for repayment of deposits.

(ii) In the case of attachments of the pay of non-gazetted officers, the drawing officer will obtain before the end of the month chalangans in triplicate signed by the Bailiff of the Court and attach them to the pay bills, the amounts of the chalangans being shown as deductions in the pay bills. The Treasury Officer will pass the net amount of the bill and credit the amount to the head "Civil Court Deposits" and forward the original copy of the chalan to the Court and the duplicate to the drawing officer retaining the triplicate in the Treasury.

Note.—The gross amount of the bill and the *per contra* deduction on account of Court attachments made therefrom should be shown in the treasury accounts, under the service head concerned and the deposit head "Civil Court Deposits" respectively.

II—Offices situated in Greater Bombay

¹⁹³⁴ [(a)] Remittance to the Courts in Bombay.—In the case of gazetted Government servants crossed cheques for the amounts of the attachments will be issued by the Pay and Accounts Officer, Bombay, in favour of the Judges of the Courts concerned and sent direct to those Courts.

In the case of non-gazetted Government servants, the Head of the Office should attach to the pay bills a schedule showing, (1) the names of the Government servants, (2) the amount to be deducted from the pay of each, and (3) the names of the Courts to which the money is to be remitted. The Pay and Accounts Officer, Bombay, will draw a crossed cheque in favour of the Court specified and send it to the Head of the Office concerned along with the cheque for the remaining amount of the pay bill. The Head of the Office will be responsible for forwarding the cheque to the Court concerned.

¹ *Im. by G.N. of 23-6-1960.*

1[(b) Remittances to courts outside Bombay.—(i) In this case also the procedure indicated in clause (a) above should be followed except that the amounts to be remitted to the courts will be those realised under the prohibitory orders less the money order fees thereon. Crossed cheques for the amounts realised under the prohibitory orders will be issued by the Pay and Accounts Officer, in favour of the Post Master General, Bombay (or any other post office in the Bombay City if this be more convenient to the head of the office). As the post office does not accept cheques for amounts less than Rs. 20, crossed cheques will be issued by the P. and A. O. if the total amount to be remitted by postal money order by each Head of the Office is Rs. 20 or above, inclusive of the money order charges. In the case of recoveries made from the pay bills of gazetted officers, the responsibility for remitting the amounts by money orders will rest with the pay and Accounts Officer. In the case of non-gazetted Government servants, the crossed cheque along with the cheque for the remaining amount of the pay bill will be sent to the Head of the Office who will be responsible for issuing the money orders. All such money orders will be for the amounts realised under the attachment orders less the money order fees thereon.

(ii) For amounts less than Rs. 20 the procedure in clause (a) of Section I of this Rule should be followed by the Pay and Accounts Officer and the Head of the Office concerned in the case of gazetted and non-gazetted Government servants, respectively.

III—Special procedure for Forest and Excise Departments

Amounts deducted from pay bills of gazetted and non-gazetted Government servants of the Forests ² * ^{*} Department under prohibitory orders issued by a Court of Law located at the headquarters of the Government servant concerned or of the Division in the accounts of which the pay bill is finally debited should be paid by drawing a cheque on the Treasury with instructions to pay it by transfer credit to Civil Court Deposits as prescribed in rule 90-I(b). In the case of remittances to the Courts in Bombay of the amounts recovered from the pay bills paid in Greater Bombay, the procedure indicated in clause II of rule 90 should be followed by the departmental disbursing officers. When, however, the amounts are below Rs. 10 they may be paid into the Court in cash.

When the prohibitory orders are issued by Courts not located at the headquarters of the Government servant concerned or of the Division in the accounts of which the pay bill is finally debited, the departmental disbursing officer should draw a cheque for the amount of the money order as well as money order commission and send it with the money order form to the Treasury Officer for payment by transfer credit to the Post Office and the Treasury Officer will then forward the money order form to the Post Office for necessary action.

Section IV—Custody of Undisbursed Pay

91. If at the time of distribution of pay, the payee does not present himself before the end of the month, the amount drawn for him should ordinarily be refunded by short drawal in the next bill, it being drawn anew when he presents himself to receive it. In cases, however, where the restriction will operate inconveniently, the amount of the undisbursed pay, at the option of the disbursing officer, may be retained for a period not exceeding three months, provided proper arrangement can be made for the safe custody of the sums retained. Pay must not under any circumstances be placed in deposit. ³[Cash drawn on pay and travelling allowance bills of establishment should not be mixed with regular cash balance of the Department, if any. An account of undisbursed pay and allowances etc., should be kept in a register in Financial

¹ Ins. by G.N. of 23-6-1960.

² Deleted by G.N. of 6-4-1964.

³ Subs., *ibid.*

Form No. 41. Entries of the total and particular amounts of undisbursed pay and allowances may be made against each bill serially and subsequent payments thereof entered in the appropriate columns of the register and the Cash Book, each such entry being attested by a Gazetted Officer. From this Register an abstract of amounts remaining undisbursed for three months should be prepared to ensure their refund either in cash or by short drawal from the next bill.

Note.—This rule applies also to cash received by a subordinate office for payment of pay and allowances of Government servants serving under him.

92. Undisbursed balances of cash obtained by Public Works Disbursing Officers from treasuries on bills for pay and allowances of Establishment, not charged directly to works, may be kept in departmental cash chests but they should not be mixed up with regular cash balances of the department accruing from money obtained on cheque.

CHAPTER 7—MISCELLANEOUS CHARGES

(i) Refund

93. The sanction necessary for refunds of revenue is regulated by the delegation orders. This sanction may either be given on the voucher itself, or quoted on it, a certified copy being attached when such orders are not separately communicated to the Audit Office.

¹[93-A. In cases in which revenue is credited to a wrong head of account or credited wrongly under misapprehension, the authority competent to order refund shall be the authority to whom the original receipts correctly pertain.]

94. Remissions of irrigation revenue allowed before collection should be treated as reductions of demands, and cash repayments of such revenue after collection, as outlay against the appropriation for the head "Deduct—Refunds" subordinate to Direct Receipts. All other refunds of revenue and repayments of "Receipts and Recoveries on Capital Account" should be taken in reduction of the receipts under the heads concerned.

95. The Superintendent of Stamps, Bombay, as a controlling officer should check in every case the amount of refund of spoilt stamps and refund of Judicial Stamps allowed by Courts. Spoilt stamps are attached to vouchers in support of refunds allowed by Treasury Officer. In the case of refunds of Judicial Stamps allowed on court certificates payment should be made on the court certificate itself, the receipt of the party being taken on such certificate, which should then be treated as a voucher. These vouchers should be sent for verification in the same way as vouchers for spoilt stamps to the Superintendent of Stamps, who will after verification forward to the Principal Auditor along with the schedule, the vouchers for amounts exceeding Rs. 100 each retaining the rest in his office.

96. Before a remission or refund of any kind, otherwise, in order, is allowed, the original demand or realisation, as the case may be, should be traced and a reference to the remission or repayment should be so recorded against the original entry in the cash book and other accounts so as to make the entertainment of double or erroneous claim impossible. Any acknowledgement previously granted should be taken back if possible and destroyed.

(ii) Charges in connection with Anti-rabic Treatment

97. The rules regulating the concessions granted for undergoing anti-rabic treatment will be found in Appendix 15 to these rules.

¹ Ins. by G.N. of 21-12-1965.



¹[(ii)-(a) *Concessions to Government servants suffering from Tuberculosis*

97-A. Rules relating to the grant of concessions to Government servants and Policemen suffering from Tuberculosis are contained in Appendix 25.]

(iii) *Refund of Lapsed Deposits*

²98. The lapsed deposits credited to State Revenues may be repaid by the sanctioning authority after ascertaining that the item was really received, was carried to credit as lapsed, and is now claimed by the person who might have drawn it any time before the lapse. The treasury officers will exercise the second independent check with reference to the detailed accounts kept by them. The payment of the deposit should be recorded in the district register of receipts, so as to guard against a second repayment. However, the system of pre-check by the Accountant General for repayment of lapsed deposit will be necessary where detailed accounts are not kept in the Treasuries.

The concerned authorities should forward the statements of lapses to the Accountant General every year, who will carry out necessary adjustments by crediting the amount to revenue under intimation to the treasury officer who would make necessary note in his records. When a refund of lapsed deposit is made, the treasury officer will account for it as a refund of revenue.

³[*Note.*—The Caution Money Deposit received in a Government Educational Institution from students should lapse to Government if the same is not claimed in writing (i) within three complete account years after the student actually leaves the Institute, either by obtaining a leaving certificate or by informing in writing of his intention to leave the Institute or (ii) within the three complete account years after the date of successful completion of the course whichever is earlier.]

4* * * * *

99. The application for sanction will be made in Fin. R. Form No. 33. There must be a separate application for deposits repayable to each person, and it will be used as the voucher on which the payment is to be made and submitted to the Principal Auditor with the List of Payments in which it is charged.

(iv) *Acquisition of Land by Private Negotiations*

100. In the case of land acquired by private negotiations, the officer who settles the price, etc., should draw up Form A (appended herewith) prescribed for use in the case of an award, and this should be made the basis of the subsequent payments.

FORM A REFERRED TO IN RULE 100

A

Number and date of statement.....
 Date of award.....
 Name of work for which land has been acquired.....
 No. and date of declaration in..... Gazette, viz.
 No....., dated....., page.....

¹ Ins. by G.N. of 29-12-1959.
² Subs. by G.N. of 5-7-1969.
³ Subs. by G.N. of 10-12-1966.
⁴ Deleted by G.N. of 5-7-1969.

Statement showing compensation awarded by..... under section..... Act I of 1894, to all the persons interested in the plot..... of land situated in the village of..... in estate..... No..... on the Revenue Roll of the District of..... Pergunnah.

Serial Number	Names of persons to whom payment is due under the award	Area of land	Abatement of Land Revenue	A valuation of any buildings that may be taken upon the land	Total amount due to each person, including the amount shown in column 5, the amount awarded for the land, interest, costs and any other amounts due to the payee in connection with the acquisition of the land
(1)	(2)	(3)	(4)	(5)	(6)
			Rs. nP.	Rs. nP.	Rs. nP.

†Distribution of the amount in column 6 taken from the subsidiary Statement AA	Remarks	Number and Date of Vouchers		Date on which possession of the land was handed over to the Departmental Authorities for whom it is acquired	
		No.	Date	Date	Reference to the report stating the date
(7)	(8)	(9)*		(10)*	

* To be filled up in the Accountant-General's Office.

† Not printed.

Note.—Each award statement should be confined to the lands to be taken under one declaration, i.e., the awards given for lands acquired under more than one declaration should not be incorporated in one statement, but as many separate statements submitted as there are declarations.

CHAPTER 8—WORKS

Works executed by Civil Officers

(i) General

101. Expenditure on construction and repairs executed by Civil Officers is treated as contingent expenditure of the department incurring it, when it does not exceed Rs. 2,500 in amount and if the work has been assigned to the Civil Department. When the amount exceeds that sum, and the work is still executed by Civil Officers, the expenditure is treated as "works" expenditure of the department vested with the administrative control of the expenditure.

(ii) Execution of Works

102. The works executed by Civil Officers may be carried out departmentally or through contractors. In the former case, advances may be drawn from the treasury, and when detailed expenditure is incurred out of those advances, full details of expenditure showing the quantity of materials and labour, rates and cost working up to the total amount should be furnished to the Principal Auditor with the actual payee's receipts in support of the advances. In the case of works executed through contractors, advances are strictly prohibited, but payment may be made in instalments for work actually done, e.g., in the case of a building construction work, the contractor may be paid first the value of the foundation work, as soon as it is completed, and later on for the walls, the wood-work and so on. To pay for materials before they are actually utilised in the construction work, would be practically giving an advance, a procedure which should be definitely forbidden. When the work is finally completed a completion certificate should be furnished to the Principal Auditor along with the final bill, together with the estimate or a copy thereof, by the departmental disbursing officer after satisfying himself, by measurement or otherwise, that the actual work done corresponds with the estimate and is covered by the total payments made.

No money on account of construction should be retained in hand after the close of the year. All that has been drawn and remains unexpended on the 31st of March should be refunded into the treasury.

In no case should bills for work be submitted before the work billed for is completed. Bills may be submitted for portions of the grant expended from time to time but not for the whole sum in one bill before the work is completed.

No Government servant can spend on one work money sanctioned for another.

Note.—The above procedure is intended for smaller works costing not more than Rs. 5,000. For larger works the procedure should be on the lines of the procedure prescribed for the execution of similar works by the Public Works Department.

(iii) Sale of Government Land and Immovable Property

103. All land, the property of Government, should ordinarily be sold through the Revenue Department.

104. Whenever any Government land or building is sold to a public body or a private individual and the purchaser takes possession of the property before the sale price is settled and paid, interest at 6 per cent on the sale price should be charged when more than one month elapses between the date of taking over of the land or building and the payment of the price.

105. When any land or building is transferred from one department to another under the same Government, the transfer shall be free of all charge, except when the property is transferred to or from a commercial department in which case the full market value of it will be charged.

106. When any immovable public property is made over to a local authority for public, religious, educational or any other purposes, the grant should be made expressly on the conditions, in addition to any others that may be settled that the property shall be liable to be resumed by Government if used for other than the specific purposes for which it is granted and that should the property be at any time resumed by Government, the compensation payable therefor shall in no case exceed the amount (if any) paid to Government for the grant, together with the cost, or their present value at the time of resumption, whichever may be less, of any buildings erected or other works executed on the land by the local authority.

107. The following general principles should be followed by officers of this Government entering into contracts involving expenditure from State revenues:—

(1) The terms of a contract must be precise and definite, and there must be no room for ambiguity or misconstruction therein.

(2) As far as possible, legal and financial advice should be taken in the drafting of contracts and before they are finally entered into.

(3) Standard forms of contracts should be adopted wherever possible, the terms to be subject to adequate prior scrutiny.

(4) The terms of a contract once entered into should not be materially varied without the previous consent of the competent financial authority.

(5) No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the previous consent of the competent financial authority.

(6) Whenever practical and advantageous, contracts should be placed only after tenders have been openly invited and in cases where the lower tender is not accepted, reasons should be recorded.

(7) In selecting the tender to be accepted the financial status of the individuals and firms tendering must be taken into consideration in addition to all other relevant factors.

(8) Even in cases where a formal written contract is not made, no order for supplies, etc. should be placed without at the least a written agreement as to price.

(9) Provision must be made in contracts for safeguarding Government property entrusted to a contractor.

(10) The Auditor-General and under his direction, other audit authorities have power to examine contracts and to bring before the Public Accounts Committee any cases where competitive tenders have not been sought, or where high tenders have been accepted, or where other irregularities in procedure have come to light.

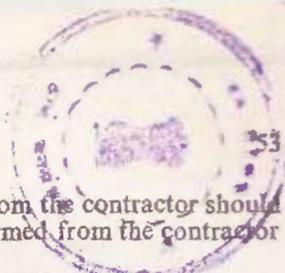
(11) In contracts enduring or likely to endure for a period of more than five years provision should, whenever feasible, be made for an unconditional power of revocation or cancellation of the contract at any time on the expiry of six months' notice to that effect.

(12) All items of work and other terms and conditions should be clearly specified in the tender notice for separate quotations.

(13) Utmost care should be taken to scrutinize the tenders to ensure that the quotations cover all the items of work mentioned in the tender notice and are also according to the terms and conditions prescribed in the tender.

(14) The letter of acceptance of the tender should clearly specify the rates for all items of works for which quotations have been called for.

21/10/21
K. S. S. S.



(15) The verbal discussions and assurances obtained from the contractor should be always reduced to writing immediately and got confirmed from the contractor in writing.

(16) The contractors are not allowed to operate contracts on verbal assurances from them without getting the agreement incorporating the verbal assurances executed by them except in special and emergent circumstances, where work requires to be started before the formal execution of an agreement. In any case the condition mentioned in (15) above must be fulfilled before the work starts and the agreement should be got formally executed as soon as possible.

108. Cases involving revision of fixed rates specified in contracts should be referred to Government in the Administrative Department concerned for orders. This rule, however, does not apply to the revision of rates in contracts entered into by the officers under the administrative control of the Public Works Department, which are governed by Government Resolution, Public Works Department, No. 2363/27, dated 11th February 1929 nor to the revision of those in contracts made by the Forest Department unless in respect of the latter contracts it is proposed to increase any accepted contract rates by more than 10 per cent.

CHAPTER 9—PUBLIC BUILDINGS

Introductory Note.—The rules in this Chapter (except rule 111) are generally applicable to buildings maintained by the Public Works Department, but they should be applied *mutatis mutandis* to any other Department maintaining buildings departmentally. Rules for the calculation of rents will be found in Chapter XVII of the Bombay Civil Services Rules, 1959.

109. The term "Public Buildings" as used in these rules applies to buildings borne on the books of the Public Works Department and maintained from the appropriation for Public Works in charge of Public Works Officers.

(i) Fixtures and Furniture

110. Every public building should be provided with all necessary fixtures. The periodical repair of these fixtures should be carried out by the Public Works Department and charged to the repair estimate of the building. All petty repairs of fixtures and replacement of broken glass in doors and windows required in the intervals between the periodical repairs should be carried out by the officer in occupation of the building (see rule 89 in the Bombay Contingent Expenditure Rules, 1959) and charged to his contingent accounts. The Executive Engineer will not supply nor repair furniture, screens, purdahs or tatties, nor will he perform any of the duties specified above as devolving on the departmental officer in charge. Furniture for new offices, may, however, be supplied by the Executive Engineer, provided the cost of such furniture is included in the estimates of the offices concerned. The supply and repairs of furniture in District and Travellers' bungalows should be made by the Public Works Department and the provision of funds for the same should also be made in the Public Works Department budget. In the case of Public Works inspection bungalows, the furniture should be supplied and repaired at the cost of the Public Works Department.

Note.—Under the special rules laid down by Government for the maintenance of circuit houses, circuit houses in the State are in charge of the Public Works Department. The Executive Engineer of the Division is responsible for the care of the building, including fittings and furniture and the grounds; and he has to see that due provision is made to meet charges for replacement and renewal of furniture, carpets, crockery, table linen, etc., as necessity arises.

111. The administration of the furniture funds of the official residences of the Governor should be conducted by the Military Secretary to the Governor/Comptroller of the Governor's Household in accordance with the rules in Appendix I4

to these Rules. An annual certificate of verification in the form given below should be obtained by the Accountant-General from the Military Secretary to the Governor/Comptroller of the Governor's Household. During the second and fourth years of the incumbency of the Governor, and at least once in every three years, the certificate of verification should be countersigned by the Executive Engineer, Poona Division, in token of his joint responsibility for the actual verification:—

Certified that all furniture at the official residences of the Governor of Bombay has been inspected and checked with the stock lists maintained. I am satisfied (i) that all new supplies upto date have been correctly brought on to the inventories, (ii) that the inventories are correct in all respects, (iii) that the articles in stock agree with the inventories, (iv) that sale-proceeds have been properly accounted for and (v) that sanctions of competent authority exist for writing off all articles taken off the inventory.

112. (a) Government residences in Bombay and Poona are allotted to the Ministers, the Chairman, Legislative Council and the Speaker, Legislative Assembly, without payment of rent or any assessment, tax, rate or cess due to Government or any local authority, the residences being furnished. These conditions also hold good when they retain residences in Bombay in addition to those allotted to them in Poona.

(b) The occupants including the Parliamentary Secretaries are required to give intimation regarding connection or disconnection of the electric supply to the Supply Undertaking or the Company and the Executive Engineer in charge of the residences, as, under Government Circular Memorandum, Public Works Department, No. C. W. 12414, dated 12th August 1921, they are held responsible for the consumption of any energy between the date of their vacating the residences and the date of disconnection of the installation.

(c) All bulbs required for these residences either for the first installation of electric wiring, or for replacement due to breakage, or wear and tear should be supplied by Government at the rate of one bulb per socket. When the residences remain vacant, the electric staff should keep the bulbs in safe custody till such time as they are required again.

(d) The storage of grass or of quantities of other inflammable materials in any portion of the residence or its out-houses, excepting such portions as may be specially set apart for the purpose, is prohibited.

(e) Charges for sweepers engaged for cleaning water closets, bath-rooms and compounds of these residences, as well as charges for electric energy consumed, have to be borne by the occupants concerned during the period the residences are in their occupations.

(f) The gardens attached to these bungalows should be maintained by Government including pay of the malis, charges for water, etc.

(g) When the Parliamentary Secretaries are provided with Government quarters, they should cease to draw house rent allowance and they are liable to pay taxes for specific services including charges for water, halalkhore and electric energy consumed in respect of these quarters as in the case with other tenants.

(ii) *Purchase and Sale of Government Buildings*

113. No building may be purchased for public purposes without the orders of Government.

114. Permanent public buildings, whatever be their book value, constructed from State funds may be sold or dismantled under the orders of Government. The limits and conditions on which sale and dismantlement may be conducted by subordinate authorities are regulated by the Manual of Financial Powers and the Delegation Orders.

Temporary buildings erected during the construction of work may under the sanction, previously obtained, of the Superintending Engineer, be sold or dismantled on the completion of the work or when the purpose for which they were erected has been served.

Note.—See rule 104.

(iii) *Hire of Office Accommodation*

115. When no suitable Government building is available, private buildings may be hired for public purposes, the rent and Municipal and Cantonment taxes being paid as laid down in rules 147(a), 147(b) and 148(d)I in the Bombay Contingent Expenditure Rules, 1959, when the building is entirely used for office accommodation. In case it is occupied partly as a residence and partly as an office for which no separate rent is paid the share of the rent payable by an officer residing therein will be determined in accordance with the rules in Chapter XVII of the Bombay Civil Services Rules, Volume I.

(iv) *Use of Government Buildings by Auxiliary Force.*

116. The following principles should be observed in dealing with questions regarding the conditions on which the Auxiliary Force should be allowed the use of buildings which are the property of Government:—

(i) If buildings are likely to be required again by Government, they should be retained in State Public Works charge and be repaired at the cost of Government, the Force being charged rent for the accommodation. Any alterations or additions required by the Force should be carried out at the expense of Government, and considered in fixing the rent.

(ii) When the buildings are no longer required by Government, and when there is no probability of letting them to advantage, they may, with the approval of Government, be handed over altogether to the Auxiliary Force free of charge. The Force should then keep them in repair, and may alter or adopt them as they think fit, the cost being met from their own funds. The site would remain the property of Government and a small ground rent may be charged.

(iii) If the buildings should in any circumstances be resumed, Government will compensate the Auxiliary Force for any expenditure they might have incurred in alterations or additions to the buildings, but not for outlay on repairs.

(iv) In the case of an Auxiliary Force ceasing to exist, buildings handed over to them free of charge would revert to Government.

(v) *Registrar of Buildings*

117. Each Superintending Engineer will keep a register of all buildings in charge of the department within his circle, and each Executive Engineer a similar register of all the buildings within his division. In these registers the value of the land comprised in a property will be shown separately from the value of the building or buildings thereon, the value of each separate structure being also shown separately. In the case of purchased property the price paid will be apportioned between the various items comprising the property, e.g., land, main building, servants' quarters, compound wall, well, etc.

The capital value of any portion of the building which is abandoned or dismantled without replacement should be written off the total capital value of the building.

[When a loss occurs by way of damage to any immovable property belonging to Government due to any calamity such as fire or flood or any other cause other than fair wear and tear, the value of the damaged portion need not be written off the accounts, if the restoration of the damaged portion is commenced within a period of two years from the date of the damage.]

¹ Ins. by G.O. no. 6-6-1964.

As all the details of the immoveable property are shown in the printed Return of Buildings, any additions or alterations in the cost of these due to repairs or replacements should find a place therein, the cost of the portion replaced or remodelled (which should be estimated if not known) being credited to the estimates for "Original Works" and debited to "Repairs" *vide* para. 128 (3) of Public Works Department, Volume I. A report regarding damage to the immoveable property in the Fin. Form No. 43 reproduced below may be furnished to the Accountant-General by the Executive Engineer concerned.]

CHAPTER 10—LOANS AND ADVANCES

Introductory Note.—The rules in this Chapter apply to Loans and Advances provided for in the State Budget only.

(i) Sanctions and estimates

118. Loans and advances met from State revenues may be sanctioned by Government, and provisions should be made in the budget estimates for all such loans and advances which can be foreseen and which are not repayable within the year.

Note.—The powers of Government to grant loans to Presidency Corporations are subject to the conditions of the Special Acts applicable thereto.

119. No public department or public officer may incur any expenditure or any liabilities against such loan funds unless a statement in writing is first obtained from the Accountant-General that the amount is available out of the loan funds and has been placed in a separate account by him so as to be available for the proposed expenditure.

(ii) Interest

120. State revenues are credited with the full amount of interest received on these loans and advances and, if any, sums left prove irrecoverable, they must at once be charged to State revenues and credited to the advance account.

(iii) Conditions of Repayment

121. Loans and advances are usually granted to local bodies under the following rules:—

(a) The term of loans may in very special cases extended to 30 years, but ordinarily the advances should be repaid within as short a period as possible.

Note.—In the case of loans to Co-operative Building Societies the term may extend up to 50 years.

(b) The term is to be calculated from the date on which the loan is completely raised or declared by Government to be closed.

(c) Dates should be fixed for the payment of instalments.

(d) Instalments paid before the due date will be taken entirely to principal, unless, of course any interest for a preceding period is overdue.

Note 1.—When a loan of public money is taken in instalments, the first half-yearly repayment should not be demanded until six months after the last instalment is taken; meanwhile simple interest only should be realised. But should it appear that there is undue delay on the part of the debtor in taking the last instalment of a loan, Government may at any time declare the loan closed, and order repayment of capital to begin. The Principal Auditor should bring to the notice of Government any delay that appears to him to require the above remedy, and he should take this step whether there are any dates fixed for the taking of instalments or not.

Note 2.—If in any case dates have been fixed for the payment of ~~Treasury Order~~ the repayment of instalments of debt, then such repayments should not begin until the second of the half-yearly dates so fixed, after the loan has been completely taken up simple interest only being recovered on the first half-yearly date after the completion of the loan. For example, supposing a loan the interest on which is recoverable half-yearly to be completely taken up on 31st March and the interest to be payable on 30th June and 31st December, the first half-yearly instalment in repayment of principal will not be due until 31st December following. Simple interest only will be due on the intermediate 30th June.

Note 3.—Notes 1 and 2 are applicable, *mutatis mutandis*, to loans the repayments of which are made by other than half-yearly instalments.

122. When the repayment of an advance with interest is made by fixed equal periodical instalments, punctual payment of the instalments is indispensable, as otherwise the loan will not be discharged in time.

(iv) *Calculation of Interest*

123. A loan bears interest for the day of advance but not for the day of repayment. Interest for any shorter period than a complete half year will be equal to—

$$\frac{\text{No. of days}}{365} \times \text{yearly rate of interest.}$$

Funds spent by any public department or officer on behalf of a local authority against a loan sanctioned by Government shall reckon for interest as if they were drawn on the last day of the month in the accounts of which they are included by the spending department or officer.

(v) *Defaults in Payment*

124. (a) Any default in the payment of interest upon a loan of public money, or in the repayment of the principal should be reported promptly to Government by the Principal Auditor and immediate steps will be taken by Government to remedy the default.

(b) The authority which sanctions a loan may, in so far as the law allows, enforce a penal rate of compound interest, upon all overdue instalments of interest, or principal and interest. If a penal rate is enforced, it should not be less than ¹[10] per cent per annum, or more than ²[12½] per cent per annum. ²[The penal rate of interest should be charged in lieu of the rate of interest charged.]

Note.—The responsibility imposed on the Principal Auditor by this rule, refers only to loans, the detailed accounts for which are kept by him.

125. Borrowers should be required to adhere strictly to the terms settled for the loans made to them. Modification of these terms in their favour can be made subsequently only for very special reasons.

(vi) *Accuracy of Plus and Minus Memorandum*

126. If a Government servant desires to question the accuracy of the *plus* and *minus* memorandum of loans and advances maintained at the treasury in which transactions for each loan are separately recorded, he must address the Principal Auditor and induce him to correct it. Every Government servant should, therefore, see that the debits and credits made to his account accurately correspond with those recorded in his own registers and returns. If he is not the District Officer, he should obtain from the Treasury a copy of the *plus* and *minus* memorandum with which he is concerned. Special care should be taken in paying recoveries into the treasury to show the amounts of interest and of principal separately, so that they may be separately credited in the treasury accounts, as the former must not, and the latter must be credited in the treasury *plus* and *minus* memorandum of loans and advances.

¹ Subs. by G.N. of 23-12-1967.

² Added, *ibid.*

(vii) Revenue Department Returns

127. (a) With every return of revenue advances made to the Revenue Authorities a memorandum should be submitted setting forth the figures of the treasury *plus* and *minus* account and agreeing them with the figures of the return.

(b) The Principal Auditor will, at the close of every year's accounts, send to the Chief Revenue Controlling Authority a return in such form as may be agreed on, showing the figures that pass upon his books in respect of revenue advances. The object of the statement is to enable the Chief Revenue Authority to check the reconciliation prescribed in clause (a).

(viii) Irrecoverable Loans and Advances

128. Government or any subordinate authority to whom power has been delegated can remit loans and advances which are found to be irrecoverable (*vide* Note I below Financial Rule 146 and the Manual of Financial Powers).

129. In the case of revenue advances met from State revenues the Revenue Authorities should, as soon as any such advance is ascertained to be irrecoverable, cause the amount to be written off the accounts and advise the Principal Auditor, in order that he may charge off the amount as expenditure and direct its being written off the treasury *plus* and *minus* memorandum. A separate record of such irrecoverable advances should, however, be kept for eventual recovery, if possible, and treated as revenue without affecting the *plus* and *minus* memorandum.

¹(ix) Accounts and Control

129-A. Unless in any case Government directs otherwise, detailed accounts of all types of loans other than those mentioned in the exception below should be maintained by the Controlling Officers who will also be responsible to watch the recovery of such loans, together with interest if any, thereon, and to see that the conditions attached to each loan or advance are fulfilled.

Exception.—The detailed accounts of the following types of loans are maintained by the Accountant General:—

- (1) ²[Loans to municipalities sanctioned by Government (and not by any subordinate officer.)]
- (2) Loans to Land holders and other notabilities (except Loans granted by the merged States the outstanding balances of which are brought to Government account by correction of opening balances).
- (3) Loans to Village Panchayats (except loans granted by the authority subordinate to Government).
- (4) Loans to District Local Boards.
- (5) Loans to Agricultural Produce Market Committees sanctioned by Government.
- (6) Loans to Co-operative Housing Societies under the subsidised Industrial Housing Scheme.]
- ³[(7) Loans to employers under subsidised Industrial Housing Scheme.
- (8) Loans to Presidency Corporations.
- (9) Advances under special laws.]

⁴[*Note 1.*—In so far as Bombay City and Nagpur loans listed in exception are concerned the detailed accounts will be maintained by the Pay and Accounts Officer, Government of Maharashtra, Bombay and Senior Deputy Accountant General, Maharashtra, Nagpur, respectively.

Note 2.—The detailed Accounts of such other loans which are not covered by the exceptions but are deemed necessary to be maintained by the respective Audit Offices at the instance of Government or otherwise, will continue to be maintained by them.]

¹ Ins. by G.N. of 23-9-1960.

² Subs. by G.N. of 27-5-1966.

³ Ins. by G.N. of 26-6-1961.

⁴ Added, *ibid.*

[(x)] Periodical Review

130. The Accountant-General will submit to Government annually on the 30th September a statement in Form 13 showing the details of the loans and advances borne on his books, under the head 'Loans and Advances by State Governments'. The statements should show separately the details of each loan under each of the classes, loans to Presidency Corporations, and loans to Landholders and other Notabilities. Loans under special laws should be classified under the different Acts of Legislature under which they have been granted, and no other details are required. Advances to cultivators should be shown in lump-sums, the land improvement advances being shown separately from those for the relief of agricultural distress and other purposes. For these the first four columns and the last column of the statement need not be filled in.

131. The Accountant-General will also submit annually on the 30th September to Government a statement in Form 14 of the Sinking Funds on account of the different loans borne on his books. The arrangement in this statement will follow that of Form 13. The interest realised on the securities of the Fund will be credited with the other cash receipts in column 5 of Form 14.

CHAPTER 11—MISCELLANEOUS ADVANCES

Rules Regulating the Grant of—

(I) Advances bearing Interest and (II) Other Advances

132. Orders regulating the grant of advances to Government servants and others are included in this Chapter. In cases not covered by these rules or by the rules in Chapter 10, advances cannot be made except under the special orders of Government, *vide* also Financial Rule 118.

The following conditions are applicable to all advances:—

(a) Rules 134 to 142 do not apply to Government servants who are not in permanent Government employ. As the pay of such Government servants does not constitute adequate security for a loan, advances should not ordinarily be granted to them. If, however, in any special case the circumstances admit of the provision of adequate security, an advance may be sanctioned, in accordance with the terms of these rules and subject to provisions made in Note 5 to Rule 136, by the Finance Department to temporary Government servants under the administrative control of Government. For delegation of powers under this rule, *vide* serial No. 36 in the Manual of Financial Powers—Financial Publication No. VII.

(b) It is not permissible to sanction an advance which involves a breach of any of the canons of financial propriety reproduced in Financial Rule 58 ; provided that in any case where a cash grant would be within the powers of sanction of a competent authority, the grant of an advance not exceeding the amount of the cash grant does not require the sanction of a higher authority.

(c) The amount of the advance to be recovered monthly should be fixed in whole rupees except in the case of the last instalment when the remaining balance including any fraction of a rupee should be recovered.

I—ADVANCES BEARING INTEREST

- (i) House-building advances.
- (ii) Advances for purchase of conveyances.
- (iii) Tentage advances.
- (iv) Passage advances to Government servants of non-Asiatic domicile and their families.

* Renumbered by G.N. of 23-9-1960.

133. The following rules regulate the drawing of advances bearing interest:—

(i) No advance should be sanctioned unless a certificate to the effect that there is sufficient balance available for expenditure is obtained from the ¹[Administrative Department].

(ii) Unless sanction is accorded within three months in the case of house-building advances and within one month in the case of other advances, from the date of issue of the certificate of availability of funds from the ¹[Administrative Department] this certificate should be considered as having become invalid and a fresh one should be called for.

(iii) The first instalment of a house-building advance or an advance for the purchase of motor car or boat or tent must be drawn within two months, and the first instalment of an advance for the purchase of other conveyances must be drawn within one month from the date of issue of the order according sanction, otherwise the sanction will be considered to have lapsed.

(iv) As soon as it becomes known that any amount, for which certificates or sanctions have been issued is not likely to be drawn, intimation should be given to the ¹[Administrative Department] which will make a further report if any surrender of the grant is advisable.

(v) In each financial year, the ¹[Administrative Department], except in cases of real urgency, will stop issuing certificates of availability of funds after 31st January in the case of house-building advances and after 28th February in the case of other advances, so as to ensure that all advances sanctioned in a year are drawn within that year. All certificates and sanctions will lapse on 31st March except sanctions for undrawn instalments of house-building advances.

(vi) All advances taken by Government servants for the purposes mentioned in rules 134—141 and special passage advances made in England by the High Commissioner for India [*vide* Exception under Rule 142 (b)] will be payable with simple interest at such rate as may be fixed by the Governor of Bombay from time to time. The interest will be calculated on balances outstanding on the last day of each month. The amount of interest calculated accordingly should be recovered in one or more instalments, each such instalment being not appreciably greater than the instalments by which the principal was recovered. The recovery of interest will commence from the month following that in which the whole of the principal has been repaid.

²[In the case of Gazetted Officers, who are their own Drawing Officers and in whose case the personal audit is conducted by the Audit Officer, the Audit Officer will calculate the interest due on the advance just after the recovery of last but two instalments of the principal and raise the demand against the officer concerned with the proviso that in case the last two instalments are not paid in time, the amount of interest will increase. In the case of non-gazetted Government Servants where the Head of Office draws and disburses the pay and allowances and makes the recovery, the responsibility for calculation of interest shall rest with the Head of Office. The audit office, will, however, check the correctness of the interest recovered from the non-gazetted Government Servants in post audit. The audit office shall also furnish such particulars as the Head Office may require for calculation of interest as well as such assistance as he may need.]

Note.—In cases where pay bills for a month are disbursed before the end of the month, an instalment in repayment of an advance received through the pay bill will be taken as having been refunded on the first of the following month, the normal date for the disbursement of pay.

¹ Subs. by G.N. of 6-6-1969.

² Ins. by G.N. of 17-3-1967.

(vii) Advances shall be recovered by deduction from the pay bills of the Government servants concerned in the following number of monthly instalments:—

Motor car or motor boat advances	..	..	..	..	..	36
Motor Cycle advances	..	..	..	..	..	36
Tent advances	..	..	..	..	..	36
Other conveyances	..	..	..	..	..	12

Note.—The authority sanctioning an advance may, however, permit recovery to be made in a smaller number of instalments if the Government servant receiving the advance so desires. In the case of advances for the purchase of bicycles, the authority sanctioning the advances may extend up to a maximum of twenty-four, the number of instalments in which an advance should be repaid to Government.

(viii) The repayment of an advance should commence from the first issue of pay after it is drawn except when specifically provided otherwise in these rules.

(i) *House-building advances*

134. Advances to the Government servants for the construction and purchase of and for repairs to houses shall be regulated by the rules contained in Appendix 26 to these rules].

135. 1* * * * *

(ii) *Advances for purchase of conveyances*

136. An advance to a Government servant for the purchase of a motor car or a motor boat may be sanctioned subject to the following conditions:—

³[(1) An advance will be given only—

(i) if it is certified by the competent authority that, in his opinion, it will be useful to the public service if the Government servant possesses car or a boat for the performance of his official duties, and

(ii) if the competent authority is satisfied that the Government servant has the capacity to repay the advance.

Note.—The grant of such advance would not *ipso facto* entitle an officer to draw transportation charges for a conveyance under rule 490 of the Bombay Civil Services Rules.]

(2) The total amount to be advanced to a Government servant shall not exceed Rs. 7,500 or four months' pay, or the anticipated price of the car or boat, whichever is least. If the actual price paid is less than the advance taken the balance should be forthwith refunded to Government. ⁴[The sanctioning authority should furnish to the Audit Officer, the cash receipt and the bill for the purchase of the conveyance for scrutiny that the advance has been utilised for the purchase of conveyance within the prescribed period and that the actual price is not less than the amount of advance. The cash receipt and the bill should be returned to the borrower through the sanctioning authority.]

⁵[*Note.*—The actual price should be construed as the price paid by the Government servant as the cost of the car, including sales tax, and may include such items which have to be purchased along with the motor car e.g. spare wheel, tyre and a tube, pillion seat in a scooter. Certain accessories, e.g. radio in a car, plastic cover which are not essential and which the Government Servant purchases of his own volition, will not be included in the actual price of the car. Insurance and Registration charges are incurred for running of the motor vehicle and cannot be included in the actual price of the car. However, insurance charges incurred at the time of purchase of the motor vehicle may be included in the actual price. The cost of transportation of the conveyance upto the place of duty of the Government Servant concerned at the time of purchase irrespective of the fact whether the transport is arranged by the distributors or the Officer himself and the Octroi charges actually paid may be included in the actual price.]

¹ Deleted by G.N. of 28-7-1962.

² Subs., *ibid.*

³ Subs. by G.N. of 1-4-1968.

⁴ Added by G.N. of 11-11-1966.

⁵ Ins., *ibid.*

(3) (a) An officer who is on leave or about to proceed on leave for whom an advance has been approved by Government will not be allowed to draw the advance earlier than a week before the expiry of the leave.

(b) An advance for the purchase of a motor car or other conveyance intended to be drawn in the United Kingdom while the Government servant is on leave outside India should not be granted.

(4) Except for special reasons which should be recorded in writing a fresh advance should not be sanctioned within a period of three years from the date the previous advance was drawn.

Before the drawal of a fresh advance the balance of the outstanding advance together with the interest thereon must be completely repaid.

(5) 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 a motor car or a motor boat necessary, the previous sanction of Government is necessary to the sale by him of a car or a boat purchased with the aid of an advance which has not been fully repaid. If a Government servant wishes to transfer such a car or boat to another Government servant who performs the duties of a kind that renders the possession of a motor car or a motor boat necessary Government may permit the transfer of the liability attaching to the car or the boat, to the latter, provided that he records a declaration that he is aware that the car or the boat transferred to him remains subject to the mortgage bond and that he is bound by its terms and provisions.

(6) In all cases in which a car or boat is sold before the advance received for its purchase from Government has been fully repaid, the sale-proceeds must be applied, so far as may be necessary, towards the repayment of such outstanding balance. When an officer is not in a position to repay to Government immediately on the sale of a car the whole of the outstanding amount, specific sanction of Government should be obtained for its sale and if the insurance has run out in the meantime steps should be taken to renew the insurance. Provided that when the car or boat is sold only in order that another car or boat may be purchased, Government may permit a Government servant to apply the sale-proceeds towards such purchase, subject to the following conditions:—

(a) the advance outstanding shall not be permitted to exceed the cost of the new car or boat;

(b) the advance outstanding shall continue to be repaid at the rate previously fixed;

(c) the new car or boat must be insured with a company approved by Government and mortgaged to Government as required by these rules;

[(d) the Government servant shall execute a Fresh bond prescribed in Financial Rules Form 21-A.]

Note.—It is not permissible for a Government servant to deliver a car which is under mortgage to Government in advance of his receiving the price of it.

(7) An advance for the purchase of a motor car or motor boat for use during the period of deputation may not be granted to a Government servant about to proceed on deputation out of India.

Note 1.—A Government servant may be allowed advances to purchase more than one car or boat at a time if it can be shown that such action is clearly desirable in the public interest and provided that the total amount outstanding at any one time by way of such advances against a particular Government servant does not exceed the limit within which advances may be given.

Note 2.—(i) A Government servant who draws an advance for the purchase of a motor car or motor boat is expected to complete his negotiations for the purchase, and to pay finally for the car or boat, within one month from the date on which he draws the advance; failing such completion and payment, the full amount of the advance drawn, with interest thereon for one month, must be refunded to Government. At the time of drawing the advance, the Government servant will be required to execute an agreement in Fin. R. Form No. 20 and, on completing the purchase, he will further be required to execute a mortgage bond in Fin. R. Form No. 21, hypothecating the car or boat to the Governor of Bombay as security for the advance. The cost price of the car or boat purchased should be entered in the schedule of specifications attached to the mortgage bond.¹ [The agreement, the mortgage bond and the Insurance Policy should be shown to the local audit parties of Audit Office at the time of local inspection.]

²[Failure to execute a mortgage bond in time will render the Government Servant drawing the advance liable to refund forthwith the whole of the amount of advance with interest accrued unless good and sufficient reason is shown to the contrary and the authority mentioned at Serial Numbers 33, 34 or 35 as the case may be in Section I on page 29 of the Manual of Financial Powers, 1964, waives the condition prescribed in this regard.]

³[(ii) A certificate signed by the sanctioning authority to the effect that the agreement in Financial Rules Form No. 20 or 20-A, as the case may be, has been signed by the Government Servant drawing the advance and that it has been examined and found to be in order, should be attached to the bill in which the advance is drawn. The sanctioning authority should ensure that the conveyance is purchased and hypothecated to the Governor as security for the amount advanced to the borrower together with interest thereon in the prescribed form within one month from the date of drawal of the advance.]

(iii) When the advance has been fully repaid, the bond should be returned to the Government servant concerned, duly cancelled, after obtaining a certificate from the Accountant General of the complete repayment of the advance with interest.

Note 3.—The form of mortgage bond executed by a Government servant drawing an advance for the purchase of a motor car or motor boat provides for insurance against full loss by fire, theft or accident. Insurance on owner driven or other similar qualified terms is not sufficient for the purpose of this rule. Insurance policies at a reduced rate of premium shall, however, be accepted as adequate in the following cases, provided that, in cases falling under clause (a), the borrower agrees to execute a subsidiary bond in Fin. R. Form No. 22.—

“(a) when the owner of the car undertakes to meet the first Rs. 100 of a claim preferred against an insurance company in the event of an accident,

Or

(b) when the car is not insured against accident for any season of the year during which it is not in use but is stored in a garage.”

⁴[The sanctioning authority should furnish to the Audit Officer a certificate that the borrower has comprehensively insured the vehicle for an amount not less than the outstanding amount of advance plus interest thereon, if any, and the Insurance Company has been notified about the interest of Government in the Policy. If insurance is effected on annual basis, the procedure should be repeated every year until advance has been fully repaid to Government.]

Explanation.—In cases where the Insurance Company does not issue fresh policy every year and the original one in which the clause as in Fin. R. Form No. 23 already stands inserted is renewed, it is not necessary to repeat the process of obtaining from Government servants letters in Fin. R. Form No. 23 for onward transmission to the Insurance Company. The sanctioning authority should however ensure that the original policy has been renewed by the Company and the relevant clause in Fin. R. Form No. 23 already stands included in the original policy 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 Audit Officer. In cases where a fresh policy is issued every year by the Insurance Company it would be necessary to repeat the process as contemplated in Note 3 above.]

Vehicles purchased with the help of an advance from Government should be *ab initio* fully insured according to these Rules. Every Government servant taking advance for the purchase of a vehicle shall get the clause as prescribed in Financial Rule Form No. 23 inserted in all the policies of insurance in respect of a motor car, motor cycle, motor boat and other vehicles purchased by him/her with the help of

¹ Added by G.N. of 11-11-1966.

² Added by G.N. of 24-8-1967.

³ Subs. by G.N. of 11-11-1966.

⁴ Ins., *ibid.*

advance taken from Government. Contravention of these orders will render the officer liable to refund the whole of the amount advanced with interest accrued unless good reason is shown to the contrary ¹[and the authority mentioned in column 4 against the serial Nos. 33, 34, or 35, as the case may be, in Section I of the Manual of Financial Powers, 1964, waives the condition prescribed in this behalf.] The amount for which the car or boat is insured during any period should not be less than the outstanding balance of the advance with interest 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 and for any reason, the amount insured under a current policy is less than the outstanding balance of the advance, including interest already accrued, the officer should refund the difference to Government. The amount to be refunded must be recovered in not more than three monthly instalments:

²[*Note 4.*—Advances for the purchase of motor cars or motor boats to Government servants in foreign employ should be granted from the funds of the foreign employer and when the latter desires to make such an advance, he should apply to Government for the necessary sanction. Government may grant sanction in such cases subject to the proviso that the advance should be regulated by the same conditions as would apply if the person were serving directly under Government. In special cases, however the advance may, under special order of Government, may be met from the general revenues of the Government.]

Note 5.—Advances for the purchase of motor cars or motor boats to temporary Government servants should not exceed 75 per cent. of the purchase price. Such advances should be sanctioned ordinarily only when there is reasonable prospect of the officer continuing in Government employ till the complete repayment of the advance.

Note 6.—This rule does not preclude the grant of an advance after the conveyance referred to in this rule has been purchased, provided application is made within one month of taking delivery, or within one month of importation into India. ³[The form of agreement to be executed in such a case as well as in cases where the Government servant after applying for advance locates and purchases the conveyance before the receipt of the advance by raising private loan should be in Financial Rule Form 20 A.]

⁴[*Note 7.*—Government servant who is sent on deputation exceeding 12 months out of India or is transferred to a post abroad before an advance drawn by him in India for the purchase of a motor vehicle is completely repaid by him, may at his option, be allowed by the authority who sanctioned the advance, to repay the remaining instalments in rupees in India. The Government servant should arrange to remit the amount due by bank draft by 15th of every month in favour of the Accounts Officer in whose books the accounts of the advance in question are kept. A written undertaking shall be obtained from the Officer to this effect and the office to which he is attached abroad informed accordingly. If the draft is not received by Accounts Officer before the end of the month, he should immediately report the matter to the Administrative Department concerned and also to the office abroad where the officer is working for further necessary action. Failure on the part of the officer concerned to remit the bank draft by the due date will constitute default in terms of Rule 124, Bombay Financial Rules, 1939 and render him liable to pay penal rate of compound interest in accordance with the provision of the above mentioned Rule. On return of the officer to India any amount left unrecovered will be deducted as before from his monthly pay bills by the Accounts Officer concerned.]

137. An advance for the purchase of a motor cycle may be sanctioned to a Government servant whose substantive pay does not exceed Rs. 1,200 per month. The amount of such advance should not exceed Rs. 2,000 or four months' pay or the anticipated price of the cycle, whichever is least. If the actual price paid is less than the advance taken the balance should be forthwith refunded to Government. The conditions in clauses (1), ⁵[(3) (a)], (4), (5), (6) and (7) of Fin. R. 136 and the notes thereunder apply also to this rule.

Note 1.—In the case of temporary Government Servants a permanent Government Servant should stand as surety.

Note 2.—A scooter and an autocycle may be treated as motor cycle for purposes of this rule.

¹ Added by G.N. of 18-1-1968.

² Subs. by G.N. of 6-4-1964.

³ Added, *ibid.*

⁴ Ins. by G.N. of 19-9-1967.

⁵ Ins by G.N. of 6-4-1964.



Rules for advance for purchase of a Tonga and a pair of Horses

138. An advance to a Deputy Collector promoted from the rank of Mamlatdar for the purchase of a tonga and a pair of horses may be sanctioned by the Collector of the District subject to the general rules regulating advances bearing interest and on the following conditions:—

(1) The maximum amount to be advanced shall be (i) Rs. 800 for a tonga and a pair of horses or (ii) two months' pay or (iii) the anticipated price of the tonga and pair of horses, whichever is least.

Note.—For the purposes of these rules "a tonga" means a vehicle drawn by two horses.

(2) If the actual price paid is less than the advance drawn, the balance shall be forthwith refunded to Government.

(3) An Officer, who is on leave or about to proceed on leave and for whom an advance has been sanctioned by the Collector will not be allowed to draw the advance earlier than a week before the expiry of the leave.

(4) The advance shall be repayable in not more than twenty monthly instalments.

(5) Except for special reasons, which shall be recorded in writing a fresh advance shall not be sanctioned within a period of five years from date the previous advance was drawn.

Before the draw of the fresh advance the balance of the outstanding advance together with the interest thereon must be completely repaid.

(6) Except when a Government servant proceeds on leave other than leave on average pay not exceeding four months, or retires from service, or is transferred to an appointment the duties of which do not render the possession of a tonga and horses necessary, the previous sanction of the Collector is necessary to the sales by him of the tonga and horses purchased with the aid of an advance which has not been fully repaid. If the Government servant wishes to transfer the tonga and pair of horses to another Deputy Collector who performs duties of a kind that renders the possession of a tonga and pair of horses, necessary, the Collector may permit the transfer of the liability attaching to the tonga and horses to the latter officer, provided that such officer records a declaration that he is aware that the tonga and horses transferred to him remain subject to the mortgage bond and that he is bound by its terms and provisions.

(7) In all cases in which a tonga with horses is sold before the advance received for the purchase from Government has been fully repaid the sale proceeds must be applied, so far as may be necessary, towards the repayment of such outstanding balance.

When a Deputy Collector is not in a position to repay to Government immediately on the sale of the tonga and horses the whole of the outstanding amount, specific sanction of the Collector should be obtained for the sale provided that, when the tonga and/or one or both the horses is sold in order that another tonga and/or one horse or pair of horses may be purchased, the Collector may permit a Deputy Collector to apply the sale proceeds towards such purchase, subject to the following conditions:—

(a) the advance outstanding shall not be permitted to exceed the altered cost of the tonga and pair of horses;

(b) the advance outstanding shall continue to be repaid at the rate previously fixed;

(c) the tonga or horse or horses will be considered to be the property of Government until the advance is repaid.

(8) An officer who draws an advance under these rules must complete his negotiations for the purchase and pay finally for the tonga and pair of horses within one month from the date on which he draws the advance, failing which the full amount of the advanced drawn, with interest thereon for one month, must be refunded to Government. At the time of drawing the advance, the officer will be required to execute an agreement in Form No. 25 and in completing the purchase he will further be required to execute a mortgage bond in Form No. 24 hypothecating the tonga and pair of horses to the Governor of Bombay as security for the advance. The cost price of the tonga and pair of horses should be entered in the schedule of specifications attached to the mortgage bond.

Note.—When an advance is drawn, the Collector will furnish to the accounts officer concerned a certificate that the agreement in the prescribed form has been signed by the officer to whom the advance has been given and that it has been examined and found to be in order. The Collector should see that the tonga and pair of horses is purchased within one month from the date on which the advance is drawn and should submit the mortgage bond in form 24, promptly to the accounts officer concerned, for examination, before final record.

139. An advance may be paid to a gazetted or non-gazetted Government servant not holding a post which would ordinarily be held by a member of an All India Service, for the purchase of a means of conveyance other than a motor car, motor boat or a motor cycle, subject to the following conditions:—

(1) An advance will be allowed only when the appointment held is that specified under the "Explanation" below Bombay Civil Services Rule 490 (A) 1(iv).

Note.—An advance for the purchase of a bicycle may be granted even though the post held does not come within the scope of the 'Explanation' below Bombay Civil Services Rule 490(A)1(iv), if, in the opinion of the competent authority, the possession of a bicycle will add to the efficiency of the Government servant concerned.

(2) The total amount to be advanced to a Government servant shall not exceed two months' salary or Rs. 250, whichever is greater and shall be limited to the anticipated price of the article to be purchased. If the actual price paid be less than the advance taken, the balance must be immediately refunded to Government.

(3) The article purchased with the advance will be considered to be the property of Government until the advance is repaid.

Note 1.—The conditions specified in clauses (4) and (6) of Fin. R. 136 and Note 5 thereunder apply also to this rule.

Note 2.—A Government servant who takes an advance under this rule, should within one month after drawing the advance, furnish the head of the office with a Certificate giving full particulars of the conveyance purchased with the advance and the cash receipt obtained for the amount actually paid. In case the conveyance is not purchased within the period mentioned above, the full amount of the advance drawn, with interest thereon, must be refunded to Government forthwith.

[Note 3.—(i) On the completion of the purchase, a mortgage bond shall be executed in Fin. R. Form 42, hypothecating the cycle as security for the advance. The cost price of the bicycle shall be entered in the schedule attached to the mortgage bond.

(ii) When an advance is drawn the Head of Office will furnish to the Accounts Officer concerned a certificate that the mortgage bond in Fin. R. Form No. 42 has been signed by the Government servant to whom the advance has been given and that it has been examined and found to be in order.]

[Note 4.—Advances for the purchase of bicycles to Government servants in foreign employ including local bodies, may be sanctioned from the funds of the foreign employer. Such advances should be regulated by the same conditions as would apply, if the Government servants were serving directly under Government.]

³[139-A. No temporary Government Servant should be granted advance for purchase of any vehicle unless a permanent Government servant stands surety for repayment of such advance and executes a Surety Bond in Form 22-A.]

¹ Ins. by G.N. of 6-4-1964.

² Ins. by G.N. of 28-12-1967.

³ Ins. by G.N. of 16-8-1967.

(iii) Tentage Advances

140. (1) Advances for purchase of tents may be sanctioned to the following touring officers subject to the conditions that (1) the officer at the time the advance is made is actually performing the duties of, or has been gazetted to, an appointment in which he is required to provide himself with tents at his own expense and (2) no fresh advance will be drawn so long as any part of a previous one remains unpaid:—

(i) Officers of the Indian Civil Service may be permitted to take advances, three times during their service, viz.—(1) at the commencement of service, (2) after eight years' service, and (3) at any time thereafter which may be convenient to them, the amount of the advance not exceeding Rs. 600 on the first occasion and Rs. 1,000 on each of the other two;

(ii) Deputy Collectors including probationers may be allowed two advances not exceeding Rs. 400 each during their service at intervals of not less than eight years;

(iii) Officers of the Excise Department may be allowed advances not more than three times during their service at intervals of not less than eight years. The advance on each occasion shall not exceed Rs. 1,000 or the substantive monthly pay of the officer whichever is less;

(iv) Officers of the Forest Department may be allowed advances not more than three times during their service, at intervals of not less than eight years, on the following scale:—

	All-India Service and State Service Class I Amount not exceeding	State Service Class II Amount not exceeding
	Rs.	Rs.
Officers under 8 years' service	400	200
Officers of 8 years' service but not exceeding 16 years' service	600	300
Officers of 16 years' service and over	800	400

(2) If the actual price paid for the tents is less than the advance taken the balance should forthwith be refunded to Government. At the time of drawing the advance the Government servant, should execute an agreement in Fin. R. Form No. 20 and on completing the purchase, he shall execute a mortgage bond in Fin. R. Form No. 21 hypothecating the tent to the Governor of Bombay as security for the advance.

(iv) Passage Advances to Government servants of non-Asiatic domicile and their families

141. Advances for the purchase of passages by sea or by air may be sanctioned to Government servants of non-Asiatic domicile and their families in accordance with the following rules:—

1. In these rules "family" means a Government servant's wife, legitimate children and step-children residing with and wholly dependent upon him.

2. These rules apply only to gazetted Government servants of non-Asiatic domicile holding substantively a permanent post under the administrative control of the Government of Bombay:

Provided that, in the case of officers who are entitled to passages under Rule 12 of the Superior Civil Services (Revision of Pay, Passage and Pension) Rules, 1924, an advances will be admissible only when they have exhausted their benefits under the above Pay, Passage and Pension Rules.

Note.—An officer's domicile for the purposes of these rules should be determined according to the criteria laid down in Appendix B to Schedule IV of the Superior Civil Services (Revision of Pay, Passage and Pension) Rules, 1924.

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3. An advance may be made to a Government servant for the cost of passage by sea or by air from a port or aerodrome in India to a port or aerodrome outside Asia of himself and members of his family and also for the cost of the return voyage or journey. The advance for members of the family will be admissible even though they do not accompany the Government servant on the voyage or journey.

4. The amount of each advance shall not exceed four months' pay of the Government servant or Rs. 6,000, whichever is less, subject to the further condition that it shall not exceed the amount actually required at the time for the purpose for which it is granted. It should be a sum expressed in whole rupees, being a multiple of thirty-six.

5. When an advance has previously been sanctioned, the amount of a further advance should be so regulated that the total amount outstanding will not exceed the limits mentioned in Rule 4 above. For the purpose of recoveries each advance shall be treated separately.

6. An advance will not be admissible to a Government servant who does not intend returning to duty on the expiry of the leave and the Government servant shall submit with his application for the advance a certificate that he intends to return to duty on the expiry of the leave. The applicant should at the same time certify that he has not taken an advance for the same purpose under the rules regulating the General Provident Fund or any other similar provident fund rules.

7. (a) Advances will be recovered in thirty-six equal monthly instalments by compulsory deductions from pay, commencing from the first payment of a full month's pay after the advance is granted. Except as provided in clause (b) of this rule, no recovery will be made from a Government servant while he is on leave. A borrower may, however, make repayment in less than thirty-six instalments or may repay two or more instalments at the same time.

(b) If the Government servant retires, or applies for and receives permission to retire on the expiry of his leave the outstanding balance of the advance will be recoverable at once, but where undue hardship is likely to result from compelling payment in one instalment the administrative Department concerned or the High Commissioner for India may permit a relaxation of this rule to the extent of allowing monthly recoveries to be made from the pension or leave salary admissible to the Government servant at a rate not less than half the monthly amount of such pension or leave salary. In applying this rule consideration should be given to the amount which will be handed over to a provident fund subscriber on his retirement.

(c) The borrower will submit to the audit officer concerned or, if the advance is paid in England, to the High Commissioner for India, within three weeks of the receipt of the advance, receipts showing the amount of payments made for passages. Where, however, the money for passages had to be remitted from India to England (or vice-versa), the time for submission may be extended by two months. In the event of failure to comply with this rule, the amount advanced shall be recoverable at once. If the receipts produced are for an amount less than that advanced, the balance shall be recoverable at once.

8. Subject to the conditions of these rules, the High Commissioner may sanction an advance to a Government servant on leave drawing his leave salary in London, for the cost of return passages to India of the Government servant and his family provided no advance for the same journey has been previously made.

9. A Government servant receiving an advance under these rules will, on receipt of the advance, sign and deposit with Government an undertaking in Form 31.

II—OTHER ADVANCES

142. Advances may also be made under the rules specified below:—

(a) To a Government servant under orders of transfer, up to an amount not exceeding one month's substantive pay ¹[or if he is in receipt of officiating pay, the pay that he is in receipt of immediately before transfer, or the pay 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. Such advances may be sanctioned by any Government servant who should not ordinarily be of a lower rank than the Principal District Officer in the Department concerned, or any authority specifically empowered by Government, in favour of any officer under his control, including himself. The advances should be recorded on the Government servant's last-pay certificate. The advance of pay should be recovered from the pay of the Government servant in three equal monthly instalments beginning with the month in which a full month's pay is drawn after the transfer. The advance of travelling allowance should be recovered in full within three months from the date of completion of the journey by the Government servant, or by his family, as the case may be, by deduction from his transfer Travelling Allowance bill or in cash or by deduction from his pay in the pay bill.

Note 1.—The advance referred to in this clause is also permissible to a Government servant who receives orders of transfer during leave. In such cases advances may be sanctioned by the authority mentioned in this clause. In the case of an officer who is competent to grant an advance to himself while on duty under this clause but receives the orders of transfer while on leave, the advance shall be sanctioned by the Head of the Department. If the Government servant on leave is himself of the status of a Head of a Department, the advance shall be sanctioned by Government. In the case of gazetted Government servants who draw their leave salary at a place other than the old or the new headquarters and wish to draw the advance *before* they proceed to their new headquarters, the procedure indicated below should be followed. The sanction shall be communicated to the Audit Officer concerned for the issue of necessary instructions to the Treasury Officer concerned to make the payment. In cases of urgent necessity, the Collector of the District where the leave salary of the Officer is being drawn, may require the Treasury Officer to pay the advance, provided it is sanctioned by a competent authority and action is taken as laid down in Treasury Order No. 23.

Note 2.—The power of granting advances to self under this clause should not be exercised by officers in temporary service.

Note 3.—Clause (a) above does not preclude the grant of a second advance to a Government servant to cover the travelling expenses of any member of his family who, under Bombay Civil Services Rule 490, follows him within six months from the date of his transfer and in respect of whom an advance of travelling allowance has not already been drawn. ²[Such an advance may also include charges for the transportation of the personal effects].

Note 4.—When a single lump advance is drawn to cover the travelling expenses both of the officer himself and of his family, it may be adjusted by the submission of more than one bill if it so happens that the members of the officer's family do not actually make or complete the journey with him. In such a case, the officer should certify on each adjustment bill admitted by him that a further bill in respect of travelling allowance of the members of his family (to be specified) who have not yet completed the journey will be submitted in due course and is expected to include an amount not less than the balance of the advance left unadjusted in this bill.

Note 5.—The advance of pay under this clause may be allowed to be drawn at the new station soon after the arrival of the officer there, on production of the last pay certificate showing that no advance was drawn at the old station.

Note 6.—Students and candidates of the Public Works Department under orders of transfer may also be granted advances up to an amount not exceeding one month's subsistence allowance, plus the travelling allowance, subject to the condition that similar advances previously drawn are completely repaid before fresh advances are paid.

Note 7.—An advance of travelling allowance under this rule may be made by the competent authority to a temporary Government servant without insisting on a surety from a permanent Government servant provided it is restricted only to cover conveyance charges on account of the Government servant concerned, his family and his baggage to the new station and provided further that there is a reasonable prospect of the Government servant continuing in service till the complete repayment of the advance. This does not preclude the sanctioning of advances of pay and travelling

¹ Subs. by G.N. of 2-11-1963.

² Added by G.N. of 6-4-1964.

allowance to a temporary Government servant on the same basis as for a permanent Government servant provided a surety from permanent Government servant is obtained in the Fin. R. Form No. 32.

(b) To any Government servant in the Civil Department:—

(i) on arrival in India on first appointment, of an amount not exceeding two month's substantive pay less the amount of any advance made in England;

Note.—When a Government servant on arrival in India asks for an advance and produces no last pay certificates, an advance may be granted by the Accounts Officer concerned, on the Government servant furnishing a declaration that he has not received any advance from the High Commissioner for India.

(ii) on return from leave other than leave on average pay not exceeding four months' or deputation out of India, not exceeding two months' substantive pay or Rs. 1,000 whichever is less, in addition to any advance made in England, provided no advance has been drawn under clause (a) above.

Exception.—Special passage advances made in England by the High Commissioner for India at his discretion to enable officers to return to duty shall be recovered in 36 monthly instalments and bear interest at the usual rate for such advances—*vide* Fin. R. 133 (vi).

Note.—The advance may be drawn under the orders of the Principal Auditor from any treasury in the Bombay State specified in such orders. Such advances as well as similar advances made in England, are recoverable by monthly instalments of one-third of pay fixed in whole Rupees.

(c) To a Government servant other than an inspecting officer referred to in [rule 43 of the Bombay Contingent Expenditure Rules, 1959,] proceeding on tour, an amount sufficient to cover for a month his tour charges and also contingent charges, such as those for the hire of conveyances or animals for the carriage of records, tents or other Government property, subject to adjustment upon the officer's return to Headquarters or 31st March, whichever is earlier. An advance of travelling allowance to a gazetted officer under this rule is permissible only if his travelling expenses for the particular tour are not likely to be less than ²[Rs. 50] and is subject to the sanction of the competent authority in each case. Officers proceeding to Karachi, Aden, etc., should engage their passages through the office of the Accountant-General. This course will render an advance of travelling allowance unnecessary.

³[*Explanation.*—The expression "the amount sufficient to cover for a month his tour charges" means that the amount of advance of travelling allowance for a particular tour should not exceed the amount of the actual fare charges both ways together with daily allowance, admissible for likely periods of halt not exceeding thirty days, but excluding the incidental charges if any admissible on that tour.

This restriction should not, however, be made applicable to the advances of travelling allowance to Class IV Government servants.]

⁴[*Note 1.*—A second advance cannot be made to the same Government servant under this rule until the first one has been accounted for, except in the cases of Government servants from the offices of the Superintending Engineers and Executive Engineers under the control of Irrigation and Power Department and Building and Communication Department and the office of the Director, Maharashtra Engineering Research Institute, Nasik.

To ensure a proper check on the adjustment that is to be carried out in this connection, the sanctioning authority should attach to the orders allowing the advance one of the following certificates:—

"(1) Certified that no previous advance is outstanding against Shri

or

(2) Certified that Travelling Allowance Bill of the Officer on tour in respect of the previous advance granted to him has been received and is under scrutiny in my office."

¹ Subs. by G.N. of 6-4-1964.

² Subs. by G.N. of 4-2-1971.

³ Added by G.N. of 25-4-1966.

⁴ Subs. by G.N. of 21-6-1971.

Advance should be sanctioned only if the sanctioning authority gives one of the two certificates mentioned above.]

Note 2.—A Police Officer, proceeding outside Indian Waters with a Government passage on duty in connection with extradition and other cases, may be given an advance of an amount sufficient to meet the probable incidental expenses of the journey.

Note 3.—Advances can be sanctioned under this Rule, by all Heads of Departments to themselves.

Note 4.—An advance of travelling allowance under this rule may be sanctioned to temporary Government servants by the authority sanctioning the tour. The advance should be restricted to one month's pay, provided there is a reasonable prospect of Government servant continuing in service till the advance is repaid. This does not preclude sanctioning of an advance on the same basis as for a permanent Government servant, provided surety from a permanent Government servant is obtained in the Fin. R. Form No. 32.

¹[*Note 5.*—The Travelling Allowance advance on tour drawn in the month of March may be adjusted on completion of the tour or by the 30th April whichever is earlier. The existing provision in Rule 142(c) of Bombay Financial Rules referred to above should however be continued to be followed as hithertofore in respect of advances drawn and journeys performed in other months of the year.]

²[*Note 6.*—In case, the regular Travelling Allowance bill is not submitted within a period of three months from the date of completion of journey by the Government servant to whom a tour advance was given, the amount of advance should be deducted from his monthly pay bill and settled finally.]

(d) To a Treasury Officer or District Superintendent of Police, for expenses, connected with a remittance of treasure, to be adjusted when the duty is completed.

(e) For law-suits to which Government is a party.

Note.—The advances mentioned in clauses (c) and (e) are treated as final charges and not as advances recoverable, and are to be drawn and accounted for either as contingent charges or travelling expenses of establishments as the case may be. Advances granted under clause (c) to the Camp Establishment of the Registrar, Co-operative Societies, to Assistant Registrars, Special Auditors, Auditors, to Sub-Auditors, to the Weaving Staff, to Agricultural Organisers and their establishment, and to the Special Supervision Officer, Rural Development Inspectors and their establishment, Assistant Rural Development Inspectors, Deputy Director's establishment, District Marketing Inspectors and their establishments, Shikar Officer and his establishment, Chief Marketing Officer's establishment and other such establishment under the Registrar, Co-operative Societies ¹[President, Maharashtra Co-operative Tribunal and his establishment] need only be adjusted on 31st March every year. Advances to Gazetted and non-gazetted Government servants under clause (c) and advances under clause (e) may be sanctioned by controlling Officers who are competent to sanction the expenditure as a final charge. Advances under clause (c) to non-gazetted Government servants may also be sanctioned by Gazetted Heads of Offices if so authorized by their controlling Officers, provided the advances are adjusted within one month from the date of drawal of the advances.

(f) To any person either in Government service or not undergoing anti-rabic treatment in accordance with the rules in Appendix 15 to these Rules.

(g) To Sub-Inspectors of Police for the purchase of a sword and scabbard, of an amount not exceeding Rs. 75 in each case or the cost of the sword and scabbard, whichever is less. Such advances may be sanctioned by an officer not lower in rank than a Superintendent of Police. The advances should be recovered from the pay of the Government servant in three equal monthly instalments.

(h) For purchase of provisions to Forest Department subordinates in ranges which are inaccessible during monsoon months and consequently cut off from markets. Such advances are not to exceed two months' substantive pay or Rs. 75, whichever is less, and should be sanctioned by the Chief Conservator of Forests according to the requirements of each case. The subordinates should be asked to produce, as soon as possible, vouchers or any other evidence showing the amount of payments actually made. If it is found that the amount spent is less than that advanced or that the amount has been misapplied, the balance or the

¹ Ins. by G.N. of 6-4-1964.

² Ins. by G.N. of 5-5-1967.

total amount, as the case may be, should be forthwith refunded to Government. The advances should be free of interest and should be recovered in five equal monthly instalments by deduction from pay.

[(g) Government servants proceeding on deputation outside India may be granted an advance of pay subject to the following conditions:—

- I. A Government servant in receipt of pay of less than Rs. 500 per month. An advance of three months' pay provided that—
- The period of deputation is not less than one month.
 - The amount of advance is recovered in equal instalments not exceeding twelve.
 - In the case of a temporary Government servant surety from a State Government servant is obtained.
- II. A Government servant drawing pay of Rs. 500 and above. An advance of Rs. 1,500 or one month's pay whichever is more provided that—
- The period of deputation is not less than one month.
 - The amount is recovered in monthly instalments equal to one-third of the pay the last instalment being suitably reduced, if any.
 - In the case of temporary Government servants surety from a State permanent Government servant is obtained.]

143. All advances are subject to adjustment by the officers receiving them, in accordance with the rules applicable to each case. When an advance is adjustable by recovery, the amount to be recovered monthly should not be affected by the fact of an officer going on leave of any kind, with allowances or on subsistence allowance. Government may, however, order a reduction in any case in which they deem it right to do so provided that in the case of advances under Fin. Rules 134, 135 and 136 the whole amount shall be completely recovered by the due date.

Note.—The term "Government" includes Departments of the Secretariat and Heads of Departments.

CHAPTER 12—POWERS OF SANCTION

(i) Classification of Charges

144. Service payments on Government account are divided into two broad classes—Central and State.

(ii) Powers of Sanction to Expenditure

145. All the most important general orders relating to the financial powers exercised by the authorities subordinate to the Government of Bombay in respect of State expenditure are contained in the Manual of Financial Powers.

¹ Ins. by G.N. of 1-4-1964.

(iii) Write-off of Losses

146. (a) The irrecoverable value of stores or public money lost by fraud or the negligence of individuals or other causes, may be finally written-off by Government Heads of Departments or other subordinate authorities having the power to write-off losses within specified limits (*vide* the Manual of Financial Powers and the Delegation Orders) subject to the conditions (1) that the loss does not disclose a defect of system the amendment of which requires the orders of Government, and (2) that there has not been any serious negligence on the part of some individual Government servant or Government servants which might possibly call for disciplinary action requiring the orders of higher authority.

(b) All sanctions to write-off should be communicated to the Principal Auditor for scrutiny in each case and for bringing to notice any defect of system which appears to require attention.

Note 1.—This rule applies also to irrecoverable advances (State) and losses of revenue.

Note 2.—The expression "value of stores" used in this rule should be interpreted as meaning "Book value" where priced accounts are maintained and "replacement value" in other cases. Book value means the written down value which is the residuary value of the articles left over after charging off the depreciation on the original value from year to year at the rate applicable to that article. Replacement value means the current market value of the new article purchased or required to be purchased to replace the lost one less the depreciation to be calculated for such number of years for which the article lost was used. Depreciation allowance at the rate applicable to any article should in such cases be calculated on straight line method, i.e., by writing-off every year a fixed amount from the current market price of the new article to be purchased. When the annual valuation of the article reaches ten per cent of original cost no depreciation need be charged thereafter. Wherever the question of recovery of the value of article arises, the recovery should be restricted to 10 per cent of the original cost or depreciated value whichever is more.

147. Government may waive the recovery of an amount placed under objection but it is open to the Principal Auditor to require that the action taken in any case shall be reported as soon as possible to the Committee on Public Accounts.

148. Rules for the exhibition of losses in the Government Accounts and in the Appropriation Accounts have been inserted as Appendix 19 to these Rules.

(iv) Communication of Sanction

149. Rules and procedure for sanctioning and payments of grant-in-aid or contributions to educational and other institutions, local bodies, co-operative societies, etc., and educational scholarships have been inserted as Appendix 22 to these Rules.

150. Sanctioning authorities should communicate to the Audit Office copies of all orders sanctioning expenditure. When the consent or sanction of the Finance Department is required by the rules such consent or sanction must be expressed in writing and communicated to the Principal Auditor. It will, however, be open to such department to prescribe, by general or special order, cases in which its consent may be presumed to have been given, but a copy of any such order must be communicated to the Principal Auditor.

The assent of the Finance Department may be presumed in the following cases:—

(1) In the case of all establishments specified in any scheme provided for after examination in the Finance Department and entertained after provision is granted by the Legislative Assembly. For the purpose of this rule a lump allotment by the Public Works Department to cover temporary establishments may be taken as a sufficient specification for the purpose of the Finance Department's examination and assent before provision is made in the estimates.

(2) In all cases of grants of lands not exceeding Rs. 50,000 in value and in cases of exploring and prospecting licenses and grant or refusal of mining leases.

(3) In the case of abandonment of revenue up to the limit of Rs. 100 in each case with a total of Rs. 2,000 for each Secretariat Department, a monthly report of such cases with a running total of all sanctions in the current year being supplied to the Finance Department. Similarly, the assent may be presumed up to the limit of Rs. 1,000 in each case of non-recurring expenditure if the Minister can meet the charge by a re-appropriation of funds within his competence.

Note.—The Finance Department should be consulted on all proposals for legislation which involve, or are liable to involve, any increase or decrease of state revenues or any increase or decrease of State expenditure. Similarly, if any amendment to a Bill is proposed by a Member of the Legislative Assembly or is accepted in Select Committee which affects in any way the financial aspect of a Bill, the fact should be specifically brought by the Administrative Department in charge of the Bill, to the notice of the Finance Department, if there is time, and failing that, to the notice of the Finance Minister.

151. All letters or memoranda conveying sanction to the grant of additions to pay such as special pay and compensatory allowance should contain a brief but clear summary of the reasons for the grant of the addition so as to enable the Audit Office to see that it is correctly classified as special pay or compensatory allowance as the case may be. In cases in which an official record in an open letter is considered undesirable, the reasons for the grant of such additions to pay should be communicated confidentially to the Audit Officer. A similar procedure should also be followed in all other cases in which the rules require that reasons for the grant of special concessions or allowances should be recorded. With a view to avoid the risk of typographical error, and of consequent overpayment and delay, all orders communicating the sanction to expenditure should express the amount sanctioned by them in words and figures.

152. Orders conveying sanction to expenditure must be communicated to the Principal Auditor—

(1) if the order is issued by an authority subordinate to Government to whom the power to sanction has been delegated by that authority;

(2) if the order is issued by an Administrative Department and is one to which the assent of the Finance Department is presumed, the order will be conveyed by the Administrative Department concerned, which will send a copy to the Finance Department;

(3) in other cases the order will be conveyed under the endorsement of the Finance Department, to whom the Administrative Department will send a copy of the order sanctioning expenditure for confirmation and communication to the Principal Auditor.

¹[152-A. Advance copies or final copies of Government orders in respect of the following items meant for Audit Offices and/or Finance Department should invariably bear manuscript signature of the Officer issuing the order, in ink—

(a) Government Resolutions, Memoranda, Letters, Orders, etc. sanctioning expenditure.

(b) Copies of Government Notifications.

(c) Advance copies of Government Orders/Notifications regarding appointments, promotions, transfers, etc. of Gazetted Officers, or Orders inflicting punishment other than censure on the Gazetted Officers, or Orders involving issue of fresh pay slips, leave salary, etc.

(d) All other confidential and/or important communications.]

¹ Ins. by G.N. of 25-6-1968.

153. When an order sanctioning expenditure is issued by an Administrative Department after unofficial reference to the Finance Department previous consultation with which is required under the rules, the order should show that the reference to the Finance Department has been made. It is essential for audit purposes that the Principal Auditor should know that necessary reference to the Finance Department has been previously made.

154. Sanctions accorded by Government to grant of land and alienation of land revenue other than those in which assignments of land revenue are treated as cash payments should be communicated to Principal Auditor in a consolidated monthly return giving the details necessary for enabling the Audit Office to audit the sanctions accorded.

(v) *Date of Effects of Sanction*

155. Statutory Rules made by the Governor have effect from the date on which they are passed and executive orders issued by the Governor take effect from the date of issue of the despatch, letter or telegram in which the sanction is conveyed.

A sanction of the State Government or an authority subordinate to it has effect from the date of the orders conveying the sanction in the absence of special provision as to date of effect in the rules, orders or sanctions themselves. The general principle in all such cases should be—

Sanction to any expenditure becomes operative as soon as funds have been appropriated to meet the expenditure and does not become operative until funds have been so appropriated.

Sanction to recurring expenditure covering a specified term of years becomes operative when funds are appropriated to meet the expenditure of the first year and remains in operation for each year of the specified term subject to appropriation in such year.

Note.—A sanction would become operative, when, though no appropriation exists in the estimates, the expenditure is provided by reappropriation later on.

156. Retrospective effect should not be given to any proposals for revision of pay except in very special circumstances. Whenever retrospective effect is given to any such proposals, the reasons for the same should invariably be specified in the sanction itself.

(vi) *Lapse of Sanction*

157. A sanction for any fresh charge which has not been acted on for a year must be held to have lapsed, unless it is specifically renewed with necessary provisions in the budget estimates.

Note 1.—This rule does not apply to a case where an allowance sanctioned for a post or a class of Government servants has not been drawn by a particular incumbent of the post or a particular set of Government servants, nor does it apply to additions made gradually from year to year to a permanent establishment under a general scheme which has been sanctioned by proper authority.

Note 2.—The term "year" occurring in this Rule should be interpreted to mean a period of twelve months, provided that, when this period of 12 months goes into the next financial year, funds are allotted in that year to meet the expenditure, and that there is nothing in the wording of the order itself to show that the sanction lapses on a specified date, e.g., the 31st March of that year.

[Note 3.—This rule does not apply to a sanction for a temporary [for non-refundable] Provident Fund advance under the Bombay General Provident Fund Rules and the Contributory Provident Fund Rules (Bombay) which should remain operative for a period of three months from the date of sanction and should be deemed to have lapsed after this period unless it is specifically renewed.]

[Note 4.—The instructions contained in the Note 3 should not apply to the final withdrawals effected in the instalments. In such cases, the sanction accorded for the final withdrawals from the Provident Fund should remain valid up to the particular date to be specified by the sanctioning authority in the sanction order itself.]

¹ Ins. by G.N. of 6-4-1964.

² Ins. by G.N. of 15-1-1968.

158. The sanction to an estimate for a public work will ordinarily cease to operate after a period of 5 years from the date upon which it was accorded, but the acceptance by competent authority of a budget estimate which includes specific provision for expenditure upon a work which is in progress may be regarded as reviving for the year in which the provision is made, the sanction to the estimate.

¹[CHAPTERS 13 AND 14]

CHAPTER 15—LOCAL FUNDS

183. The expression "Local Fund" denotes—

- (1) revenues administered by bodies which by law or rule having the force of law come under the control of Government, whether in regard to the proceedings generally, or to specific matters such as the sanctioning of their budgets, sanction to the creation or filling up of particular appointments, the enactment of leave, pension or similar rules;
- (2) the revenues of any body which may be specially notified by Government as such.

The transactions of Local Funds are not included in the public accounts.

Note.—The creation of Local Fund falling under clause (2) above requires the sanction of the Government in the Finance Department.

(i) Receipts and Payments

184. Municipalities are ordinarily obliged to place their funds in a Government treasury or a bank or branch bank used as a Government treasury, if there is one in or near the Municipality.

185. No Local Fund is allowed to overdraw the balance at its credit and no advance to cover such overdrafts will be sanctioned by Government.

186. Service stamps may not be used by a Local Fund Officer or any Government servant acting in a capacity connected with a Local Fund such as President or Secretary of a Local Fund Committee, but service labels may be used on the correspondence of a public officer acting as such, even though the correspondence may relate to the affairs of a Local Fund.

Note.—Telegraphic messages, the charges for which are to be borne by Local Funds, should be classed as "Private" and not as "State".

187. The transactions of all local funds, including municipal funds, should be recorded in the form used for personal deposits, but must be kept quite distinct, and must pass into the cash accounts as Deposits of Local Funds, and not as Personal Deposits.

188. The transactions of each fund should be entered in a separate column in the treasury register which allows one column for every such fund in the district. Unless the funds are very few in number, it is most convenient to have registers and total for municipal and cantonment funds separate from those of other funds.

(ii) Verification of Balances

189. The balances at credit of each fund are verified at the end of the year by the Treasury Officer in communication with the Principal Auditor on one side, and the officer or committee administering the fund on the other. The balance on the Principal Auditors' books is the balance acknowledged by Government, and the Treasury Officer is required to follow it, and not the local accounts as his standard.

¹ Chapters 13 and 14 were deleted by G.N. of 23-7-1971.

(iii) Miscellaneous

190. Unless any of the following arrangements has been authorised by Government, a Local Fund is required to pay in advance the estimated amount of charges to be incurred or cost of services to be rendered by Government on account of the Fund:—

(a) Payments as made by Government may be charged to the balances of the deposits of the Local Fund in Government books.

(b) Recovery from the Local Fund may be postponed till the time when Government has to make payment for the charges.

(c) Payments may be made as advances from Government funds in the first instance, pending recovery from the Local Fund.

Note.—Local Funds have to pay for medicines supplied and their liability cannot be accurately known till the account of supplies has been received from the Military Department. In cases where such account is not likely to be received by 31st March, the Local Fund is required to pay during March the sum roughly estimated as the value of the medicines. Any over-recovery will be readjusted in the new year.

¶190-A. Any amount due to Government by a local body, including any amount overdue for payment in respect of a loan, is subject to recovery by adjustment from any non-statutory grant payable to it. The authority signing or countersigning a bill for such a grant should see that this Rule is observed as far as practicable.]

191. (1) The Administrators of a Local Fund may, with the permission of Government, make a permanent arrangement for contributing to pensions payable from the general revenues for its permanent employees engaged before 1st October 1939 or for any specified classes of them, by paying to Government a contribution at the rate of one-ninth of the sanctioned salaries of the several appointments:

Provided that—

(a) The contribution must be paid in full at the beginning of each month by cash or cheque to the nearest Government treasury. As the pension contribution is payable on the total sanctioned strength of an establishment, the amount recoverable will be the same every month unless additions and reductions of a permanent nature are made in the establishment. In order to enable such Local Authorities as are situated in remote places from Government treasuries to pay the pension contributions in time, a period of grace for paying pension contributions up to the last day of the month for which the contributions are due will be allowed. Those Local Authorities which make default and fail to pay the contributions within this period should be charged penal interest at the rate of 9 per cent per annum on overdue contributions with effect from the date of expiry of the last day of the month from which the default is made;

(b) In order to enable the Principal Auditor to exercise a proper check over the recovery of the pension contributions from local bodies, the Commissioners of Divisions should furnish the Principal Auditor with statements showing in respect of each local body within their jurisdictions, the various pensionable posts for which pension contributions are paid with their sanctioned scales of pay. In the case of primary school teachers the sanctioned number of posts in each grade (e.g., III year certificate, II year certificate, etc.) should also be stated differentiating between teachers appointed before and after 30th June 1923. Any additions to or reductions in the sanctioned establishment should be simultaneously communicated to the Principal Auditor by the sanctioning authorities without fail. Whenever a post held by a pensionable employee falls vacant due to death, retirement, etc., and is to be filled by a person who is not eligible for pension, it will

be open to the Local Authority to consider such a pensionable post abolished from the date it falls vacant. Pension contribution should then cease to be paid with effect from the date. Similarly, if a pensionable employee joins the Provident Fund of the Local Authority either voluntarily or under compulsion, pension contribution on his behalf should cease to be paid with effect from the date of his joining the Provident Fund. The occurrence of such an event should, however, be promptly communicated to the Accountant-General, by the Local Authority of Government, who will certify to the correctness of the Government, who will certify to the correctness of the changes.

(c) The bills for establishment charges must be subject to audit by Government with a view to ensuring that health certificates have been obtained for new entrants, that the contributions are recovered in respect of the whole sanctioned establishment which is treated as pensionable and that no employee in any month draws, more than the amount sanctioned for the appointment held by him.

(d) The contribution on account of the attendance allowances may be paid by the Local Authorities not in advance but in arrears, that is, before the end of the following month. In case of delay, penal interest will be charged at the rate specified in proviso (a) above.

(2) All persons in the service of the Administrators of a Local Fund for whom pension contribution is paid to Government as stated above, shall be subject to the pension rules laid down in Chapter XI of the Bombay Civil Services Rules, except the rules regulating the grants from the compassionate fund, provided that it shall be open to any person in the service of the Administrators of a Local Fund on the date this rule comes into force to exercise the option of remaining under the pension rules to which he has hitherto been subject. The intention of exercising this option must be specifically declared within three months from the date this rule comes into force, or, if the servant is on leave on that date within three months of his return from leave. Every servant who does not make such a declaration will become subject to the rules laid down in Chapter XI of the Bombay Civil Services Rules except the rules regulating the grants from the compassionate fund. The option once exercised is final.

Arrears contributions in respect either of individual officers or classes of officers, proposed with a view to render past service pensionable, cannot be accepted.

(3) A Local Authority should obtain the approval of Government before sanctioning increased rates of pay to any of its employees, on whose behalf pension contribution is paid to Government, if such higher pay is to count for pension.

Explanations—(i) The term "Local Authority" occurring in this Rule means the Local Authority as defined in Section 2 of the Bombay Primary Education Act, 1923, in the case of Primary School teachers, and in all other cases the Administrators of the Local Funds concerned.

(ii) The term "sanctioned strength" occurring in this Rule means the strength sanctioned or approved by Government for the purpose of the Rule. The Local Authority should obtain the sanction of Government before paying contributions in respect of new posts. Provided that the total sanctioned number of pensionable posts of teachers remains unaltered, the sanction of Government need not, however, be obtained (1) whenever the number of posts of higher grades is increased by a corresponding reduction in the number of posts in lower grades owing to (a) the output of trained teachers deputed for training by the Local Authority with the sanction of the Director of Education, (b) the replacement of unqualified by qualified teachers or (c) the confirmation of temporary qualified teachers, or (2) whenever the number of posts of lower grades is increased by a corresponding reduction in the number of posts of higher grades owing to the appointment of teachers in the lower grades in vacancies in the higher grades caused by retirement, transfer, resignation, dismissal or death, etc.

Note 1.—The above rule takes effect from 1st April 1932.

Note 2.—In cases of those primary school teachers transferred to local authorities under Section 8(i) of the Primary Education Act, 1923, on whose behalf local bodies are paying pension contributions to Government, their dependents will be eligible for the grants from the Compassionate Fund.

¹[Note 3.—The employees of the Local Fund Service of ex-Hyderabad State from areas transferred to this State after the States Reorganisation who were in service on 5th November 1959 (i.e., the date from which these rules were made applicable to that area) have been similarly given option either to retain the rules by which they were governed or to come over to the Revised Pension Rules, 1950 and also further to opt for the Family Pension Scheme, 1964. Those who failed to exercise the option within the time stipulated for the purpose are deemed to have opted for the Revised Pension Rules, 1950, of this State.]

(iv) Audit

192. Item 5 in list II-State list in the Seventh Schedule to the Constitution of India classes as a State subject "Local Government". There is a great variety of account coming under Government audit which, while it does not relate strictly to receipt and expenditure of Government monies, still does not fall literally within the definition of Local Fund Audit and which would, therefore, in the absence of special arrangements to the contrary, remain subject to audit by the Comptroller and Auditor General of India. Many of these accounts are of such a local nature that their audit should clearly be treated as a State matter, and it has accordingly been declared that such audit is a matter of a local nature within the State concerned. Thus the accounts of Local funds, with the audit of which the State Government are concerned, fall into the following two classes:—

- (1) Accounts, the audit of which is a State subject in accordance with the provisions of item 5 in list II-State list in the Seventh Schedule to the Constitution of India.
- (2) Accounts, the audit of which not being strictly covered by (1) above has been declared to be of State nature, and in respect of which the State Government have to decide the extent of audit necessary and whether it should be conducted through Government agency.

193. All local funds, the accounts of which are audited under Government orders by the Chief Auditor, Local Funds Accounts are to be charged audit fees on the basis of daily rates as, under, unless any of them are specifically exempted from the payment of such fees:—

- | | |
|--|--------------------------|
| Rs. 40 per day for each District Audit Officer, | } included in the party. |
| Rs. 35 per day for each Senior Auditor, | |
| Rs. 20 per day for each Selection Grade Auditor, | |
| Rs. 20 per day for each Junior Auditor, | |
| Rs. 5 per day for each peon or attendant | |

Note.—Where grants-in-aid are given to Local bodies or funds to meet the cost of audit of their accounts, the amounts of the grants-in-aid should be calculated on the basis of the daily rates specified above.]

194. The following local bodies, the accounts of which fall under class (1) in Rule 192 above and the audit of which is conducted by the Local Fund Audit Department, have been exempted from the payment of audit fees:—

- (1) The Municipal Councils.
- (2) The Zilla Parishads.
- (3) The Panchayat Samitis.
- (4) The School Boards.
- (5) The Corporation of the City of Nagpur.
- (6) The Nagpur Improvement Trust.
- (7) The Village Panchayats.]

¹ Ins. by G.N. of 6-2-1968.
² Subs. by G.N. of 17-4-1964.
³ Subs. by G.N. of 15-2-1968.

195. The following funds and institutions the accounts of which fall under class (2) in Rule 192 above and for the audit of which the State Government are responsible, have been exempted from the payment of audit fees:—

- (1) Workmen's Compensation.
- (2) Ahmednagar Famine Relief Trust Fund.
- (3) Presidency War Relief Fund.
- (4) Bombay University.
- (5) Trust funds under the Director of Education and the officers subordinate to him the accounts of which are audited quinquennially.
- (6) The Dhadhar Flood Relief Fund, Broach.
- (7) The Narbada Flood Relief Fund, Broach.
- (8) Mr. Samaldas Parbhoodas, donation of Rs. 1,10,000 for the maintenance of a T. B. Ward at the G. T. Hospital, Bombay.
- (9) Monies received from the Hospital Maintenance Fund Committee, Bombay, and from the Hospital Fund.
- (10) Endowment funds connected with the Grant Medical College, Bombay.
- (11) David Sasson Industrial School, Bombay.
- (12) Yeravda Industrial School Sports and Excursions Fund.
- (13) Children's Aid Society, Bombay.
- (14) Police Ramoshi Fund of the Bombay Suburban District,
- (15) Bombay State Soldiers', Sailors' and Airmen's Board, Poona,
- (16) Caution Money, Basic Training Centre, Katargam, Dabka.
- (17) Caution Money, Training College for Men, Bordi, Thana.
- (18) Caution Money, Urdu Training College for Women, Poona.
- (19) District Soldiers', Sailors' and Airmen's Boards at Ahmedabad, Baroda, Surat, Ahmednagar, Jalgaon (East Khandesh), Dhulia (West Khandesh), Nasik, Poona, Satara (North Satara), Sholapur, Kolaba, Ratnagiri, Sangli (South Satara), Kolhapur, and City Soldiers', Sailor' and Airmen's Board, Bombay.
- (20) Treasurer, Charitable Endowments.
- (21) Ramoshi Fund.
- (22) Mirror Port, Kutch.
- ¹[(23) Presiding Officer, First Labour Court, Bombay.
- (24) Presiding Officer, Labour Court, Poona].

[CHAPTER 16—EXEMPTION, REPEALS AND SAVINGS]

196. *Repeals and Savings.*—The Financial Rules under Devolution Rule 37 (e) in force in the pre-reorganisation State of Bombay excluding the transferred territories and all other rules corresponding thereto in force in any part of the State immediately before the commencement of these rules are hereby repealed:

Provided that anything done or any action taken in the exercise of the powers conferred by or under the rules so repealed shall be deemed to have been done or taken in the exercise of the powers conferred by or under the corresponding provisions of these rules.

²[197. Where Government is satisfied that the operation of any of these rules causes or is likely to cause undue hardship in the case of any Department, Office, Government servant or class of Government servants, it may, by an order in writing, exempt any such Department, Office, Government servant or class of Government servants from any of the provisions of these rules or may dispense with or relax the requirements of any rule to such extent and subject to such conditions, if any, for dealing with the case in a just and equitable manner.]

¹ Added by G.N. of 1-4-1964.

² Subs. by G.N. of 23-11-1966.

³ Ins. *ibid.*

