



SIKKIM FINANCIAL RULES

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PREFACE

This new compilation of the Sikkim Financial Rules contains mainly the rules relating to general system of financial management and control, responsibilities of various authorities regarding withdrawal of money from public account, powers of sanctioning expenditure, preparation of budget, purchase and handling of stores, loans and advances to Government servants, etc.

2. The rules contained in this volume apply to all departments. Officers of the Sikkim Public Works Department, Irrigation Department, Power Department and the Forest Department should follow these rules supplemented by special instructions, if any, contained in their departmental Codes or Manuals.

3. The rules and instructions contained in this volume supersede the corresponding rules wherever exist.

4. Finance Department will be responsible to keep this volume up-to date by issue of correction slips as and when necessary. The Accountant General and the heads of departments are requested to bring to notice of the Finance department any error or omission in this volume noticed by them and suggestion for corrections or additions that may be considered necessary.

Gangtok
The 1st September, 1979.

M.P. Pradhan
Secretary
Finance Department.

PREFACE TO THE SECOND EDITION

The first edition of Sikkim Financial Rules was published in September 1979. The limited number of copies printed at that time exhausted long back. The growing demands from the members of Accounts Services and others necessitated publication of this edition.

2. While doing so, opportunity has been taken to supplement a number of rules on the basis of experience gained during the last ten years to make the rules more clear and meaningful. Two new chapters one on security deposits and the other on destruction of office records connected with accounts - have been incorporated. Extracts of certain Articles of the Constitution of India which are referred to in these rules or otherwise relevant have also been incorporated as an Appendix for ready reference.

3. Due to manifold increase in public expenditure during the last ten years consequent on the launching of various development schemes involving large outlay, the financial powers delegated to various authorities as incorporated in the first edition, and amended from time to time, were found to be inadequate. Adequate powers have now been provided in this edition. The heads of departments will also redelegate powers, with the concurrence of Finance, to their subordinate officers at various levels to facilitate speedy execution of development schemes.

4. Finance Department will keep this volume up-to date by issue of corrected slips as and when necessary. Any omission or error in the rules may be brought to the notice of Finance Department for correction.

Gangtok
The 1st September, 1989

G.P. PRADHAN
SECRETARY
FINANCE DEPARTMENT

CHAPTER I

INTRODUCTORY AND DEFINITIONS

1. Short title and commencement :-

- (1) These rules may be called the Sikkim Financial (Amendment) Rules, 2006.
- (2) They shall come into force at once.

2. Definitions - In these rules, unless the context otherwise requires-

(i) **Accountant General** means the head of the office of audit and accounts subordinate to the Comptroller and Auditor General of India who keeps the accounts of the State and exercises audit functions in relations to those accounts;

(ii) **Administrative approval** means the formal acceptance by the administrative department concerned of the proposals for incurring any expenditure in the Public Works or Irrigation or Power Department on a work initiated by or connected with the requirement of such administrative department. It is, in effect, an order to the Public Works or irrigation or Power Department to execute certain specified works at a stated sum to meet the administrative needs of the department requiring the work.

(iii) **Advance payment** :means(a) a payment made on a running account to a contractor for work done by him but not measured.(b) Payment of other advance by the department as specified in the subordinate rules.

(iv) **Appropriation** means the assignments, to meet specified expenditure, of funds included in a primary unit of appropriation;

(v) **Bank** means the State Bank of Sikkim or any other branch of the State Bank of Sikkim;

(vi) **Director, Treasury, Pay & Accounts Office** means the Director, Treasury, Pay & Accounts Office of the Government of Sikkim;

(vii) **Competent Authority** means the Government or any other authority to whom the relevant powers may be delegated by the Government;

(vii)(a) **Accounts Officer**: Accounts Officer means the Accounts Officer/ Assistant Director/Senior Accounts Officer / Deputy Director/Deputy Chief Pay & Accounts Officer/Joint Director/Chief Accounts Officer/Additional Director/Director posted for performing Accounts and Finance functions from the Finance and Accounts Service in the Department.

(viii) **Comptroller and Auditor General** means the Comptroller and Auditor General of India;

(ix) **Consolidated Fund** means the Consolidated Fund of the State referred to in Article 266(I) of the Constitution;

(x) **Constitution** means the Constitution of India.

Note:- Certain Articles of the Constitution which are referred to in these rules or otherwise relevant, are given in Appendix II.

(xi) **Contingency Fund** means the Contingency Fund of the State established under the Sikkim Contingency Fund Act, 1975 in terms of Article 267 (2) of the Constitution;

(xii) **Controlling Officer** means a head of department or other departmental officer who is entrusted with the responsibility of controlling the incurring of expenditure and/or the collection of revenue;

(xiii) **Department** means a department of the Government of Sikkim as notified from time to time;

(xiv) **Disbursing Officer** means a head of office and also any other gazetted officer declared as such by the Finance Department to draw bills and make payments on behalf of the State Government. The term shall include a head of department where he himself discharges such functions;

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

(xvi) **Finance Department** means the Finance Department of the Government of Sikkim;

(xvii) **Financial year** means the year beginning on the 1st of April and ending on the 31st of March following;

(xviii) **Government** means the Government of Sikkim;

(xix) **Governor** means the Governor of Sikkim;

(xx) **Heads of Departments** are Government servants declared to be such by Government. A list of officers declared to be heads of departments for purposes of these rules is contained in Appendix I;

(xxi) **Head of Office** means (i) a gazetted officer declared as such under rule 57 and (ii) any other authority declared as such under any general or special orders of the competent authority;

(xxii) **Non recurring expenditure** means expenditure sanctioned as a lump sum charge, whether the money be paid as a lump sum or by instalments;

(xxiii) **Pay and Accounts Office** means the Pay and Accounts Office set up by the Government of Sikkim;

(xxiv) **Primary units of appropriation** are detailed heads or objects of expenditure under which a grant or appropriation for charged expenditure is distributed and accounted for broadly under Revenue and Capital Major Heads. Each such detailed head constitutes a primary unit of appropriation. The primary unit may include provision for both voted and charged expenditure and in that case the amount of each is shown separately, some of the primary units of appropriation are mentioned below:-

- (i) Salaries
- (ii) Wages
- (iii) Travel expenses
- (iv) Office expenses
- (v) Rents, Rates and Taxes
- (vi) Scholarships and stipends
- (vii) Motor Vehicles
- (viii) Maintenance;

(xxv) **Public Account** means Public Account of the State referred to in Article 266(2) of the Constitution;

(xxvi) **Public Works** means civil works including electricity and irrigation, embankment and drainage works;

(xxvii) **Reappropriation** means the transfer of funds from one primary unit of appropriation to another such unit;

(xxviii) **Recurring expenditure** means the expenditure which is incurred at periodical intervals;

(xxix) **Subordinate authority** means a department of the State Government or any other authority subordinate to the Government.

3. Removal of doubts - where a doubt arises as to the interpretation of any of the provisions of these rules, the matter shall be referred to the Finance Department for decision.

CHAPTER II

GENERAL SYSTEM OF FINANCIAL MANAGEMENT AND CONTROL

I. RECEIPT OF GOVERNMENT MONEY

4. General - (I) All moneys received by or on behalf of Government shall be brought into Government account without delay.

(2) 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 moneys raised or received by the Government, shall be paid into Public Account of the State. All moneys received or deposited with any Court in the State shall also be paid into the Public Account.

5. The head of account to which such moneys shall be credited and the withdrawal of money therefrom shall be governed by the List of Major and Minor Heads of Account prescribed by the Government of India in consultation with the Comptroller and Audit General of India and in such orders of Government as may be issued from time to time.

6. Assessment, collection and check of revenues :- Subject to the provisions of rule 50 and such general and specific instructions as may be issued by Government, it is the duty of each department to ensure that the dues of Government are correctly and promptly assessed, collected and paid into the Bank.

II EXPENDITURE AND PAYMENT OF MONEYS

7. Essential conditions governing expenditure from public funds:- Subject to the provisions of Articles 266(3), 267(2) and 283(2) of the Constitution, no authority may incur any expenditure or enter into any liability involving expenditure or transfer of money for investment or deposit from Government account unless such expenditure or transfer, as the case may be, has been sanctioned by general or special orders of Government or by any authority to which power has been duly delegated in this behalf.

8. The mere inclusion of an item in the budget does not constitute an authority for incurring expenditure on the particular item. Prior specific sanction of the competent authority is necessary in each case before any expenditure is incurred or commitment of a liability is made.

9. The charge in respect of a single item of expenditure may not be split up so as to bring each part within the competence of an authority to whom powers of sanction have been delegated. Every part or installment of the scheme requires the approval of such authority who alone may be competent to sanction the scheme as a whole, unless such powers are specifically delegated in any case.

10. Even if a particular scheme may have been approved and funds provided in the sanctioned budget, expenditure on different items of any scheme, like appointment of staff, purchase of stores, contingencies etc., can be incurred only with the specific sanction of the authority competent to sanction such appointments, purchase, contingencies etc.

11. Standards of financial propriety - Every officer incurring or authorising expenditure from public moneys should be guided by high standard of financial propriety. Every officer should also enforce financial order and strict economy at every step and see that all relevant financial rules and regulations are observed by his own office and by subordinate disbursing officers. Among the principles on which emphasis is generally laid are the following :-

- (i) Every officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money.
- (ii) The expenditure should not be prima facie more than the occasion demands.
- (iii) No authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage.
- (iv) Expenditure from public money should not be incurred for the benefit of a particular person or a section of the people, unless
 - (1) a claim for the amount could be enforced in a court of law; or
 - (2) the expenditure is in pursuance of a recognised policy or custom.
- (v) The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients.
- (vi) The responsibility and accountability of every authority delegated with financial powers to procure any items or service on Government account is total and indivisible. Government expects

that the authority concerned will have the public interest uppermost in its mind while making a procurement decision. This responsibility is not discharged merely by the selection of the cheapest offer but must conform to the following yardsticks of financial propriety :

- (1) Whether the offers have been invited in accordance with governing rules and after following a fair and reasonable procedure in the prevailing circumstances.
 - (2) Whether the authority is satisfied that the selected offer will adequately meet the requirement for which it is being procured.
 - (3) Whether the price on offer is reasonable and consistent with the quality required.
 - (4) Above all, whether the offer being accepted is the most appropriate one taking all relevant factors into account and in keeping with the standards of financial propriety.
- (vii) Wherever called for, the concerned authority must place on record in precise terms, the considerations which weighed with it while taking the procurement decision.

12. A controlling officer shall see not only that the total expenditure is kept within the limits of the authorised grant or appropriation but also that the funds allotted to spending units are expended in the public interest and upon objects for which the money was provided.

13. In order to maintain proper control, the controlling officer should arrange to be kept informed not only of what has actually been spent from the grant or appropriation but also what commitments and liabilities have been and will be incurred against them. He must be in a position to assume before Government and the Public Accounts Committee, if necessary, complete responsibility for departmental expenditure and to explain or to justify any instance of excess or financial irregularity that may be brought to notice as a result of audit scrutiny or otherwise.

14. In the discharge of his ultimate responsibility for the administration of a grant or appropriation, or a part thereof, placed at his disposal, every controlling officer must satisfy himself not only that adequate provisions exist within the departmental organisation for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores but also that the prescribed checks are effectively applied.

III. DUTIES AS REGARDS MAINTENANCE OF ACCOUNTS

15. Every subordinate authority whose duty it is to prepare and render any accounts or returns in respect of public funds or stores shall be personally responsible for their completeness and strict accuracy and their despatch within the prescribed date.

16. A subordinate authority who signs or countersigns a certificate shall be personally responsible for the facts certified to so far as it is his duty to know or to the extent to which he may reasonably be expected to be aware of them.

17. The fact that a certificate is printed is no justification for an officer signing it unless it represents the facts of the case. If in its printed form it does not represent the facts, it is his duty to make necessary amendments which will call attention to the deviation and so to give the authority concerned the opportunity of deciding whether the amendments cover requirements.

18. Demand for information by Audit - A subordinate authority shall afford all reasonable facilities to the Accountant General for the discharge of his functions and furnish fullest possible information required by him for the preparation of any official account or report.

19. A subordinate authority shall not withhold any information, books or other documents required by the Accountant General.

Note:- If the information, books or other documents, or a part thereof, are of a secret nature, they should be sent by name to the Accountant General and he will deal with them in accordance with standing instructions for handling and custody of such documents.

IV. DEFALCATIONS, LOSSES ETC.

20. Report of losses - (1) With the exception noted below, any loss or shortage of public money, departmental revenue or receipts, stamps, stores or other property held by, or on behalf of Government, caused by defalcations or otherwise including losses and shortages noticed as a result of physical verification, which is discovered in an office or department shall be immediately reported by the subordinate authority concerned to next higher authority as well as to the Accountant General even when such loss has been made good by the party responsible for it. A copy of the report should be endorsed to the Finance Department.

(2) If the irregularity is detected by Audit in the first instance, the Accountant General will report it immediately to the administrative authority concerned and if he considers necessary, to Government in the Finance Department as well.

Exception - Petty cases, that is, cases involving losses not exceeding Rs.500 each, need not be reported to the Accountant General unless there are in any case, important features which merit detailed investigation and consideration.

21. The officer receiving a report submitted to him under rule 20 must forward it forthwith to Government through usual channel with such comments as may be considered necessary. He should also submit a detailed report, after completing such departmental investigations as may be necessary or expedient, on the causes or circumstances which led to the defalcation or loss, the step taken to prevent its recurrence and the disciplinary or any other action proposed as regards the person responsible. The mere fact that the loss has been made good by the party concerned is not enough to drop the matter or close the case.

22. Accidents - Any serious loss of immovable property, such as buildings, communications or other works, caused by fire, flood, cyclone, landslide, earthquake or any other natural cause, shall be reported at once by the departmental officer concerned to the head of the department and by the latter to the Government. When a full enquiry as to the cause and extent of the loss has been made, the detailed report should be sent by the departmental officer concerned to the head of the department, a copy of the report being simultaneously forwarded to the Accountant General.

Note:- All losses of immovable property such as buildings, communications etc, caused by fire, flood, landslide or any other natural cause, exceeding Rs.5,000 in value should be treated as “serious” for the purpose of rule 22. The term “value” for this purpose should be interpreted as meaning the “book value”. Losses not exceeding Rs.5000 in value should, however, be reported to the head of the department; they need not be reported to the Government or the Accountant General.

23. Sabotage - All cases of loss due to suspected sabotage or other criminal action endangering the security of the state shall be reported to the Police promptly irrespective of the value of the loss involved.

24. Responsibility for losses etc. - (1) Every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through negligence on his part in the discharge of his duties, direct or supervisory. Any fraud is also a criminal offence, liable to be dealt with accordingly. (2) If, in the course of investigation any defects or deficiencies in the rules or procedures come to light, it shall be the duty of the department concerned to initiate remedial measures.

V. PROCEDURE FOR PAYING MONEY INTO THE GOVERNMENT ACCOUNT

25. Any person paying money into the Bank shall present with it a chalan in the prescribed form showing distinctly the nature of the payment, the person or Government officer on whose account the payment is made, and all the information necessary for the proper account Classification of the credit. Separate chalans shall be used for moneys creditable to different heads of accounts. The chalans shall be presented in quadruplicate. (See Office Memorandum No.53/Fin/Accts, Dt.28/04/97 for Procedure of filling up of the Chalan)

26. When money is paid by a private person into a Bank located in the same place as the departmental officer concerned in the payment, the chalan will, before presentation to the Bank, be signed by the departmental officer to whose account the money is to be credited. (See Office Memorandum No.53/Fin/Accts,Dt.28/04/97 for Procedure of filling up of the Chalan)

VI. CONTRACTS

27. General principles- (1) No contract shall be entered into by any authority which has not been empowered to do so by the Government. The Governor should be made a party to every contract of the Government and the words “for and on behalf of the Governor of Sikkim” should follow the designation appended below the signature of the officer authorised in this behalf under Article 299 of the Constitution and executing the contract.

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

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

(4) In cases where standard forms of contract are not used, legal and financial advice should be taken in the drafting of contracts and before they are finally entered into.

(5) The terms of a contract once entered into should not be materially varied without the previous consent of the authority who had approved the contract who may take prior legal and financial advice.

(6) No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without previous approval of the Government.

(7) Whenever practicable and advantageous, contracts should be placed only after tenders have been openly invited. Wherever a tender other than the lowest is to be accepted, the reasons therefor should be recorded and decisions taken only after such reasons have been accepted by the authority competent to approve the contract.

(8) In selecting the tender to be accepted the financial status of the individuals and firms tendering as also their performance in similar contracts must be taken into consideration in addition to all other relevant factors.

(9) Save in exceptional circumstances, no work of any kind should be commenced without prior execution of contract documents. Even in cases where a formal written contract is not made, no order for supplies etc., should be placed without at least a written agreement as to the price.

(10) Every contract should contain suitable penal provisions against any breach or non-fulfillment of the contract or any of its terms by the contractor. Any waiver of the prescribed penal consequences should be fully justified in writing and should have the prior approval of the authority competent to execute the contract.

(11) The question whether any sales tax, purchase tax, octroi and terminal taxes and other local taxes and duties are to be paid and if so, by which party, should be settled and cleared before entering into any contract involving transfer of movable property whatever its nature.

(12) Where any material is to be supplied by Government for use in the contract work, the contract should contain a schedule specifying the quantities of such materials along with issue rates thereof and providing for payment, by the party concerned, of any sales or other taxes or duties that may be applicable to such supplies.

(13) Security should normally be taken for the due fulfillment of a contract exceeding certain monetary limit as may be prescribed by Government.

(14) No payments to contractors by way of compensation or otherwise outside the strict terms of the contract should be authorised without consultation with the Law Department and the prior approval of Government in the Finance Department.

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

(16) No relaxation of specifications agreed upon in a contract or relaxation of the terms of an agreement entered into by Government should be made without

proper examination of the financial effect involved in such relaxation. The interest of the public exchequer should be taken due care of before agreeing to any relaxation of agreement or contract.

(17) When a contract is likely to endure for a period of more than five years, it should wherever feasible, include a provision for unconditional power of revocation or cancellation at the discretion of the Government at any time after the expiry of reasonable notice to that effect. The period of notice should not normally be longer than six months.

(18) Copies of all contracts and agreement of value of rupees one lakh and above should be sent to the Accountant General.

27(A). Maintenance Contract: Depending on the cost and nature of the goods purchased, Maintenance Contract for a period of not less than one year has to be signed between the Department and the Supplier/Manufacturer or any other competent and reliable Firm. The Maintenance Contract should be comprehensive so that the Maintenance Contract also covers the cost of spares replaced. It is to be ensured that the equipment or the machinery is to be maintained free of cost by the Manufacturer/Supplier till expiry of its Warranty Period.

27(B). Buy Back Offer: The Competent Authority may accord approval to replace an existing old item(s) with a new and better version of equipment(s) in terms of Buy Back Offer received from a reputed Manufacturer of the equipment; the Department may trade the existing old item while purchasing the new one.

27(C). Procurement of Services: Government Departments may hire external professionals, consultancy firms or consultants for a specific job which is well defined in terms of content and time frame for completion of a project or out source certain services. The hiring of a consultant may be resorted to in situations requiring high quality services for which the requisite expertise is presently not available. Approval of the Competent Authority shall be obtained before engaging Consultants. The eligibility and prequalification criteria to be met by the Consultant shall be notified through advertisement published in local and national papers. On the basis of the responses received from the interested parties, name shall be short listed for consideration of the Competent Authority. Number of short listed consultants should not be less than 3(three) and the best shall be selected.

CHAPTER III

WITHDRAWAL OF MONEY FROM GOVERNMENT ACCOUNT

I. GENERAL LIMITATIONS

28. No money shall be drawn from the Bank unless it is required for immediate disbursement. It is not permissible to draw money from the Bank in anticipation of demands or to prevent the lapse of budget grants.

II. MODE OF WITHDRAWAL

29. Save as otherwise specifically ordered by Government, money may not be withdrawn from the Government Account except by presentation of bills at the Pay and Accounts Office.

30. When a person not in Government employment claims payment for work done, service rendered or articles supplied, such claims shall, unless there are express orders of the Government to the contrary, be submitted through the head of the Department or other responsible Government officer under whose immediate order the service was done or equivalent was given for which payment is demanded.

31. Government officers may make such payments as are authorised to be paid out of permanent advances or imprests which they are permitted to hold under orders of competent authority subject to recoupment on presentation of bills.

32. General instructions regarding preparation and form of bills - The following instructions with regard to preparation and form of bills shall be observed :-

- (i) Printed forms of bills as far as possible in English should be adopted.
- (ii) All bills must be filled in and signed in ink. The amount of each bill should, as far as whole rupees are concerned, be written in words as well as in figures. The fractions of a rupee may, however, be written in figure after the words stating the number of rupees, but in case of there being no fraction of a rupee, the word “only” should be inserted after the number of whole rupees and care should be taken to leave no space for interpolation as in the following examples; “Rupees twenty six only,” “Rupees thirty five and paise 25”.

- (iii) All corrections and alterations in the total of a bill whether made in words or figure, should be attested by the full signature with date of the drawing officer as many times as such corrections and alterations are made.
- (iv) Erasures and overwriting in any bill should be avoided; if any correction be necessary, the incorrect entry should be cancelled neatly and the correct entry inserted. Each such correction, or any interpolation deemed necessary should be authenticated by the drawing officer setting his full signature with date against each.
- (v) The full accounts classification should be recorded on each bill by the drawing officer, the classification in the budget being taken as a guide. The classification should also show whether the expenditure is voted or charged (non-voted).
- (vi) Charges against two or more major heads should not be included in one bill as the items require different action in the Pay and Accounts Office, such as entry in different registers.
- (vii) In case of pay bills, the various sections comprising the establishment (such as UDC, LDC, Junior Accountant, Accountant etc.) should be shown separately the description of each section as well as the sanctioned numbers of posts included therein being prominently written in red ink at the top.
- (viii) The entries in all the money columns of the bill should be totaled separately under each section and the totals written in red ink. The totals should be checked by the drawing officer himself or by some responsible person other than the clerk preparing the bill.
- (ix) When bills are presented on account of charges incurred under any special orders, the orders sanctioning the charges should be quoted. Copies of sanctions accompanying a bill should be duly certified by a gazetted officer or by a responsible subordinate specially authorised in this behalf by the head of the office.
- (x) The space left blank either in the money column or in the columns for particulars of the bills should invariably be covered by oblique lines.
- (xi) A note to the effect that the amount of the bill is below a specified amount expressed in whole rupees which is slightly in excess of the total amount of the bill should invariably be recorded on the body of the bill in red ink. For example, if the amount of the bill is Rs.29.50 the words “ Below Rs.30 (thirty)” should be recorded in red ink as a safeguard against any possible interpolation.

- (xii) In case of a bill passed by drawing officer/ controlling officer for presentation at the Pay and Accounts Office but lost either before payment or before presentation at that office, the Government officer who drew the original bill should ascertain from the Pay and Accounts Office that payment has not been made on it before he issues a duplicate thereof. The duplicate copy if issued must bear distinctly on its face the word 'duplicate' written in red ink. The fact that duplicate bill has been issued shall be immediately communicated to the Pay and Accounts Office with instructions to refuse payment on the original bill if presented.

Note:- For this purpose the Pay and Accounts Office on receipt of a request from any drawing/controlling officer shall, after due verification from its records, furnish a certificate in the following form:-

'Certified that Bill No.....dated.....for Rs.....(Rupees.....) reported by (drawing officer) to have been drawn by him on this office in favor of has not been paid, and will not be paid if presented hereafter.'

- (xiii) When any kind of bill is required to be prepared in duplicate or triplicate, only one copy shall be signed or countersigned in full and the other copy or copies may be duly initialed. Only the bill with full signature should be presented at the Pay and Accounts Office for payment.
- (xiv) Instruction for rounding off transaction in Government Account. The instruction is contained in Appendix 12

33. Duplicates and copies of bills etc. - No Government officer may issue duplicate or copies of bills or other documents for payment 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 was paid to a certain person.

34. Stamps for receipt -Receipts for all sums exceeding Rs.20 must be stamped unless they are exempted from stamp duty.

Note: The limit of Rs.20. up-to which a receipt is not required to be stamped should be applied to the net amount payable on a bill and not the gross claim preferred therein.

35. Specimen signature and other safeguards -Every Government officer who is authorised to draw cheques or sign or countersign bills payable at the Pay and Accounts Office/Bank shall send a specimen of his signature to the Director, Treasury, Pay and Accounts Office/Bank through some superior or other officer

whose specimen signature is already with the Pay and Accounts Office/Bank. When such an officer makes over charge of his office to another, he shall likewise send a specimen of the signature of the relieving officer to the Pay and Accounts Office/Bank.

III RESPONSIBILITY FOR MONEY WITHDRAWN

36. General - It is not sufficient that an officer's accounts should be correct to his own satisfaction. A disbursing officer has to satisfy not only himself, but also the Audit, that a claim which has been accepted is valid, that a voucher is a complete proof of the payment which it supports, and that an account is correct in all respects. It is necessary that all accounts should be so kept and the details so fully recorded as to afford the requisite means for satisfying any enquiry that may be made into the particulars of a case, even though such enquiry may be as to the economy or the bonafides of the transactions. It is further essential that the records of payment must be so clear and self-contained as to be producible as satisfactory and convincing evidence of facts, if required, in a court of law.

37. Vouchers in support of payments -(1) A Government servant entrusted with the payment of money shall obtain for every payment he makes, a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification and identification in the accounts.

Note - In case of works below rupees ten thousand sanctioned by a District Coordination Committee to a panchayat nominee, the Pay & Accounts Office will not insist on production of vouchers in support of purchase of cement, timber etc. from authorised dealers. The Pay & Accounts Office will pass the bills on production of a certificate by the nominee from the concerned officer to the effect that the work has been duly completed according to specifications.

(2) Every voucher must bear, or have attached to it an acknowledgment of the payment signed by the person by whom, or on whose behalf, the claim is put forward. The acknowledgment should be taken at the time of payment.

(3) In all cases in which it is not possible or expedient to support a payment by a voucher or by the payee's receipt, a certificate of payment duly signed by the disbursing officer together with a note explaining the circumstances should invariably be kept on record.

Note 1:- 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 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 also covers the money order commission.

*Note 2:-*Cash memoranda which do not contain an acknowledgment of the receipt of money from persons named therein cannot be accepted as receipt. Cash memoranda will not, therefore, be regarded as sub-vouchers unless they contain an acknowledgment of the receipts of money from the persons named therein or, in cases where this is not practicable, they are stamped “paid” and initialed by the disbursing officer. The cash memoranda submitted in support of the claims for reimbursement of the cost of medicines purchased from the market under medical rules need not, however, be stamped or bear the suppliers acknowledgment.

(4) Every voucher must bear a pay order signed or initialed by the disbursing officer, specifying the amount payable, both in words and figures. All pay orders must be signed by hand and in ink.

(5) All paid vouchers must be stamped “paid” so that they cannot be used a second time.

38. The Director, Treasury, Pay and Accounts Office shall obtain sufficient information as to the nature of every payment he is making and shall not accept a claim which does not present formally that information, unless there are valid reasons, which he shall record in writing, for omitting to require it.

39. An Accounts Officer of the Pay and Accounts Office may correct an arithmetical inaccuracy or an obvious mistake in any bill presented to the Pay and Accounts Office for payment, but shall intimate to the drawing officer any correction which he makes.

40. First payment of pay, allowances etc. - When a Government servant present his pay bill for the first time or when the name of a Government servant appears for the first time in an establishment bill, the bill shall be supported by a last pay certificate in the prescribed form; or if he did not previously hold any post under the Government, a certificate of fitness from an appropriate medical authority in the prescribed form must accompany the bill.

41. Payment on quitting the service - The last payment of pay or allowances shall not be made to, or in respect of a Government servant finally quitting the service of the Government by retirement, resignation, dismissal, death or otherwise or placed under suspension until the disbursing officer has satisfied himself, by reference to the Director, Treasury, Pay and Accounts Office, the departmental authorities and his own records, that there are no demands outstanding against him.

42. Death of a payee - Pay and allowances can be drawn for the day of the man’s death; the hour at which death takes place has no effect on the claim.

Note -“Day” for the purpose of this rule should mean a calendar day beginning and ending at midnight.

43. Subject to the provisions of rule 41, pay and allowances of all kinds claimed on behalf of a deceased Government servant may be paid without production of the usual legal authority -

- (i) If the gross amount of the claim does not exceed Rs.2,000, under orders of the head of the office in which the Government servant was employed at the time of his death provided that the head of the office is otherwise satisfied about the right and title of the claimant; and
- (ii) If the gross amount of the claim exceeds Rs.2,000, under orders of the head of the department, on execution of an indemnity bond in the prescribed form, duly stamped for the gross amount due for payment, with such sureties as may be deemed necessary.

44. Overtime allowances - Subject to any general or special orders issued by Government in this behalf, every bill in which overtime allowances are claimed shall contain a certificate of the head of the office to the following effect:-

“Certified that-

- (i) The men for whom overtime allowances are claimed in this bill have actually earned by working overtime;
- (ii) the periods for which overtime allowances are claimed in this bill have been checked with the initial records and found correct; and
- (iii) overtime allowances are claimed at rates sanctioned by competent authority.”

45. Arrear bill - Arrears of pay, fixed allowance or leave salary shall be drawn not in the ordinary monthly bill, but in a separate bill the amount claimed for each month being entered separately with quotation of the number and date together with date of encashment of the bill from which the charge was omitted or withheld or on which it was refunded by deduction, or of any special order of competent authority granting a new allowance or an increase in pay. A note of the arrear bill shall invariably be made in the office copy of the bills for the period to which the claim pertains over the dated initial of the drawer of the arrear bill, in order to avoid the risk of the arrears being claimed over again. The drawing officer shall also record a certificate on the arrear bill under his dated signature to the effect that -

- (i) *no part of the amount claimed has been drawn previously; and*
- (ii) *a note of the arrear claim has been made in the office copy of the bills for the period to which the claim pertains.*

46. Disbursement of pay and allowances - acquittance rolls -(1)The head of an office is personally responsible for the amount drawn by him or on his behalf until he has paid it to the person entitled to receive it, and obtained a legally valid acquittance on the copy of the bill. If, in any case, owing to the large size of an establishment or for any other reason, if it not found feasible or convenient to obtain the receipts of the payees on the office copy of the bill, the head of the office may maintain a separate acquittance roll.

(2) If for any reason, payment cannot be made within the course of the month, the amount drawn for the payee shall be refunded by short drawal in the next bill, his pay and allowances may be drawn anew under rule 45 when the occasion for making the payment arises. If, however in the opinion of the head of the office this restriction is likely to operate inconveniently, the amount of undisbursed pay or allowances, may at his option, be retained for any period not exceeding three months, but this concession shall not be availed of unless the head of office is satisfied that proper arrangements can be made for the safe custody of the sums retained.

47. Audit objections and recoveries -Every Government servant must attend promptly to all objections and orders communicated to him by the Accountant General.

48. When the Accountant General disallows a payment as unauthorised, the disbursing officer is bound not only to recover the amount disallowed without listening to any objection or protest but to refuse to pay it in future till the Accountant General authorises the payment to be resumed.

Note 1:- If a Government servant from whom a recovery is ordered is transferred to the jurisdiction of another disbursing officer, the order of recovery should be passed on to that disbursing officer without delay.

Note 2:- A disbursing officer must not, when a retrenchment is ordered, enter into any correspondence with either the Accountant General or the Government servant concerned. It is his duty simply and promptly to carry out the orders he has received and to leave to the person agrieved to refer the case to the proper authority.

IV INSTRUCTIONS FOR HANDLING CASH

GENERAL RULE

49. Save as otherwise expressly provided in these rules or in any authorised departmental regulations, the following rules shall be observed by all the Government officers who are required to receive and handle cash:-

- (i) Every officer receiving money on behalf of Government should maintain a cash book in the prescribed form (Appendix 2). The cash book should be treated as one of the most important accounts records of the department.
- (ii) All monetary transactions should be entered in the cash book on the date on which they actually occur and strictly in the order of occurrence and attested by the head of the department/office in token of check.
- (iii) The cash book should be closed regularly and completely checked. The head of the department/office should verify the totaling of the cash book or have this done by some responsible subordinate other than the writer of the cash book and initial it as correct.
- (iv) At the end of each month the head of the department/office should verify the cash balance in the cash book and record a signed and dated certificate to that effect.
- (v) When Government moneys in the custody of a Government officer are paid into the Bank, the head of the department / office making such payment should compare the Bank's receipt on the chalan or his pass book with the entry in the cash book before attesting it and satisfy himself that the amounts have been actually credited into the Bank.
- (vi) An erasure or overwriting of an entry made in the cash book is strictly prohibited. If a mistake is discovered, it should be corrected by drawing the pen through the incorrect entry and inserting the correct one in red ink between the lines. The head of the department/office should initial every such correction and invariable date his initials.

Note I :- The duties imposed by items (ii) to (vi) above on the head of the department/office may be entrusted to subordinate gazetted officer nominated by the head of the department/office for the purpose.

Note 2 :- The cash books should be bound in convenient volumes and their pages machine numbered. Before bringing a cash book into use the head of the department/office or the officer nominated by him under Note 1, should count the number of pages and record a certificate of count on the first page of cash book.

- (vii) Every entry in the cash book should be concise. The date, the number of voucher, if any, and such a brief narration as will indicate unmistakably the nature of the transaction must be entered against each item.
- (viii) The head of the department/office should make surprise physical verification of the cash balance at least once a month and record a certificate on the cash book indicating the results of such verification.

CHAPTER IV

REVENUE AND RECEIPTS

I. GENERAL

50. (1) The head of every department/office shall be responsible to ensure that all revenue, receipts or other sums due to Government are regularly and promptly assessed, realised and credited to Government account under the relevant head of account. He shall arrange to have the accounts of such receipts maintained in the prescribed forms. He shall obtain from his subordinate officers monthly returns detailing the dues, the realisation and the arrears, with which they are concerned, review these returns promptly and issue suitable directions to them to expedite the collections of the outstandings.

(2) The departmental receipts accounts should be compiled monthly from the original documents received in proof of the amount having been credited to Government account. Their correctness should be verified from the statements received from the State Bank of Sikkim.

(3) Any amount due to Government shall not be left unrealised without sufficient reason. If any amount appears to be irrecoverable, orders of the competent authority should be obtained for enforcing or expediting the recovery or for their write off.

(4) Subject to any general or special orders issued by Government, a head of a department responsible for the collection of revenue shall keep the Finance Department informed of the progress of collection of revenue under his control and of all important variations in such collections as compared with the budget estimates.

(5) Every authority having the power to impose and realise a fine shall ensure that the same is realised promptly and credited to Government. Proper accounts of fines levied and collected shall be maintained by the authorities concerned.

(6) Detailed rules and procedure regarding assessment, collection, allocation, remission and abandonment of revenue shall be laid down in regulations of the department responsible for the collection of revenue.

II. REMISSIONS OR ABANDONMENT OF CLAIMS TO REVENUE OR OTHER DUES

51. No claims to revenue or other dues to Government shall be remitted or abandoned without the sanction of the Finance Department.

CHAPTER V

POWERS OF SANCTION

I. POWERS OF VARIOUS AUTHORITIES IN THE MATTER OF SANCTIONING EXPENDITURE

52. Powers of subordinate authorities - The financial powers of Government which have not been delegated to a subordinate authority, shall vest in the Finance Department.

53. Unless otherwise provided by any special rule or order, it shall be within the competence of an authority to exercise the financial powers delegated to another authority subordinate to it.

54. Government may by order from time to time delegate to the heads of departments and other officers such financial powers as it may deem fit.

55. Subject to these rules, the various subordinate authorities shall have the power specified in Appendix 3 Part I & II and Appendix 3A for incurring contingent expenditure including expenditure on the purchase of stores. Specific delegation made to certain heads of departments and others is contained in Appendix 4. All these powers shall be exercised subject to budget provision.

56. All sanctions to expenditure shall indicate the details of the provisions in the relevant grant or appropriation wherefrom the expenditure is to be met.

57. Heads of departments of the Government shall have powers to declare with the concurrence of the Finance Department, any gazetted officer subordinate to them as head of an office for the purpose of these rules.

58. The delegations contained in these rules are subject to the rules contained in the Sikkim Government Rules of Business made under clause (3) of Article 166 of the Constitution.

59. Redlegation of Powers - Save with the concurrence of the Finance Department no powers delegated under these rules shall be redelegated to any other subordinate authority.

60. Every proposal for expenditure outside the delegated financial powers will, after due processing by the respective departments, be referred to the Finance Department with the recommendation of the head of the initiating department, who should invariably furnish, along with his recommendations, a statement showing the following information:-

- (i) Budget provision on account of the expenditure so far proposed.
- (ii) Expenditure so far incurred
- (iii) Expenditure involved in the present proposal.
- (iv) Balance of funds provided for in the budget.

61. On receipt of the proposal, the Finance Department will, after proper scrutiny, submit its observations and recommendations to Government for approval.

62. The following general conditions shall be observed in the exercise of powers to sanction expenditure:-

- (i) It is primary condition of the exercise of all financial powers that public revenue should be spent only on legitimate public expenditure.
- (ii) A subordinate authority may sanction expenditure or advances of public money in those cases only in which it is authorised to do so.
- (iii) No authority to which powers are delegated shall sanction without previous consent of the Finance Department any expenditure which involves the introduction of a new principal or practice likely to lead to increased or recurring expenditure in future.

63. Sanction of new schemes - All specific schemes started after the coming into force of these rules and extension of schemes which are already in operation, whether within the Plan or Non-plan require the sanction of the Finance Department. For this purpose, full details as shown in Appendix 5 should be furnished to the Finance Department in respect of schemes costing Rs.5 lakhs and above. In respect of other schemes, the proposal should contain sufficient details to enable the Finance Department to exercise proper scrutiny.

II. POWERS IN REGARD TO CERTAIN SPECIAL MATTERS

64. Except in pursuance of the general delegation made by, or with the approval of the Governor a subordinate authority shall not, without the previous consent of the Finance Department, issue an order which-

- (i) involves any grant of land or assignment of revenue, concession, grant, lease or license of mineral or forest rights, or right to water power or any easement or privilege in respect of such concessions; or
- (ii) Involves relinquishment of revenue in any way; or
- (iii) Involves remission of disallowances by Audit and writing off of overpayments made to Government servants.

III. COMMUNICATIONS OF SANCTION

65. (1) Every sanctioning authority shall see that all sanctions and orders relating to expenditure, revision of scales, creation or abolition of appointment etc. against which audit is to be conducted are communicated to the Accountant General and the Director, Treasury, Pay and Accounts Office in accordance with the following procedure:

- (i) If the order is issued by an authority subordinate to the Government to whom the power to sanction has been delegated, by that authority direct.
- (ii) If the order is issued by an administrative department of the Government and to which the assent of the Finance Department is given, the orders will be conveyed by the Secretary to the Government in the administrative department concerned, who will also send a copy to the Finance Department.
- (iii) In other cases the order issued with the concurrence of the Finance Department will be communicated by the Secretary to the Government in the administrative department concerned direct indicating therein the number and date of the U.O./O.M/letter of the Finance Department conveying their concurrence.

Note 1.- The term “Secretary” used in clauses (ii) and (iii) includes Additional Secretary, Joint Secretary, Deputy Secretary and Under Secretary or any responsible Officer, nominated by the Head of Department but does not include the drawing and disbursing officer of the department concerned.

Note 2.- (1) In the case of plan schemes, a copy shall be endorsed to the Planning and Development Department also.

(2) All financial sanctions and orders involving payment from Government funds should be signed by the officer concerned in ink and should not be conveyed to the Accountant General/Chief Pay and Accounts Officer over cyclostyled signature. There is, however, no objection to the making out of extra copies of sanctions including signatures by cyclostyled process.

(3) All orders conveying sanctions to expenditure of a definite amount or upto specific limit, should express the amount of expenditure sanctioned both

in words and figures.

(4) All orders conveying sanctions to the grant of additions of pay, such as special pay and compensatory allowance, should contain a brief but clear summary of the reasons for the grant of the addition as to enable the Accountant General / Chief Pay and Accounts Officer to see that it is correctly classified as special pay or compensatory allowance as the case may be.

(5) If it is essential to issue a sanction to expenditure before funds are communicated, the sanction should specify that such expenditure is subject to funds being communicated in the budget of the year.

66. As audit of expenditure on works is conducted against technical sanctions, order conveying such sanctions must be communicated to the Accountant General by the Sikkim Public Works, Irrigation, Power, Rural Development and Forest Departments. In order to facilitate audit scrutiny, the authorities concerned should invariably quote the reference to administrative approval when they communicate technical sanction to the Accountant General.

IV DATE OF EFFECT OF SANCTION

67. (1) All rules, sanctions or orders shall come into force from the date of issue unless any other date from which they shall come into force is specified therein.

(2) No expenditure shall be incurred against a sanction unless funds are made available to meet the expenditure by valid appropriation or reappropriation.

(3) Orders sanctioning the creation of a temporary post should specify the duration of the post and the date from which it is created, whether it be the date of entertainment or otherwise.

V. RETROSPECTIVE SANCTION

68. (1) Retrospective effect shall not be given by competent authorities to sanctions relating to revision of pay or grant of concessions to Government servants, except in very special circumstances, without previous consent of the Finance Department.

(2) No posts shall be created from a retrospective date without the prior consent of the Finance Department and the appointing authorities should avoid making appointments against posts in anticipation of their creation.

VI. LAPSE OF SANCTIONS

69. A sanction for any fresh charges shall, unless it is specifically renewed, lapse if no payment in whole or in part has been made during a period of twelve months from the date of issue of the sanction:

Provided that:-

i. when the period of currency of the sanction is prescribed in the departmental regulations or is specified in the sanction itself, it shall lapse on the expiry of such period: or

ii. when there is a specific provision in a sanction that the expenditure would be met from the budget provision of a specified financial year, it shall lapse at the close of that financial year.

Explanation - The provisions in this rule are of general nature and apply to all sanctions in respect of any expenditure.

CHAPTER VI

BUDGET GRANTS AND APPROPRIATIONS

I. BUDGET

70. Presentation of budget to Legislature - The Finance Department shall arrange to lay before the State Legislature, in accordance with the provisions of Article 202 (1) of the Constitution, an 'annual financial statement' also known as the 'Budget' showing the estimated receipts and expenditure of the Government in respect of a financial year, before the commencement of that year.

71. Form of presentation of expenditure estimates -(1). The estimates shall show separately the sums required to meet expenditure 'charged' on the Consolidated Fund under Article 202(3) of the Constitution and sums required to meet other expenditure for which a vote of the Legislature is required under Article 203 (2) of the Constitution.

(2). The estimates shall also distinguish provision for expenditure on revenue account from that for other expenditure including expenditure on capital account, on loans by Government and for repayment of loans etc.

(3). The estimates for expenditure for which a vote of the Legislature is required shall be presented in the form of "Demands for Grants" after obtaining the recommendation of the Governor.

Note:- The provision for charged expenditure under any head for which there is a voted demand is to be included in that demand and shown separately but not presented for vote. Where the provision for expenditure is wholly charged, a separate appropriation is included for it in the book of Demands for Grants.

72. Demands to be gross expenditure and annual financial statement to show net expenditure- (1) The demands for grants to be presented to the Legislature shall be for the gross amount of expenditure to be incurred and shall show recoveries to be taken in reduction of expenditure separately by way of footnotes.

(2) The annual financial statement shall show the net amount of total expenditure under each head of account.

Explanation - As the demands for grants are for gross expenditure and the annual financial statement gives the net amount to be expended under each head, the totals of the two should be reconciled after adjustment of the recoveries taken in accounts in deduction of gross expenditure.

73. Form of annual financial statement and demands for grants :-The form of the annual financial statement and of the demands for grants shall be laid down by the Finance Department and no alteration of arrangement or classification shall be made without the approval of that department.

74. Detailed heads or sub-heads may be opened by each department in consultation with the Finance Department as and when necessary.

II. PREPARATION AND SUBMISSION OF DETAILED ESTIMATES - GENERAL PROCEDURE

75. Submission of detailed estimates by estimating authorities - (1) The heads of departments and subordinate authorities concerned shall submit to the Finance Department detailed estimates and such other material as may be called for by that department from time to time for preparation of the Budget and the demands for grants.

(2) Estimates under the minor and the detailed heads in each case shall be framed in round hundreds of rupees and the totals under the major heads should be rounded to the nearest thousand rupees.

(3) Estimates of fluctuating receipts and charges may be based on the average of the corresponding actual receipts and expenditure for the three preceding years, suitably modified with reference to any changes anticipated on account of special circumstances in respect of the year estimated for. The reason for any such modification should be clearly noted against the item concerned, either in the remarks column or in a separate explanatory note, with sufficient data to justify the estimate as made.

(4) No items of receipts or expenditure should be included in the estimates for which specific sanction or general authority does not exist.

Note : Items of receipts or expenditure which, although not sanctioned at the time of preparation of the estimates, have already been proposed and are expected to be sanctioned for the year under estimated, should be explained in a note to be appended to the estimate. Such items should be arranged according to the appropriate major or minor head of the main departmental estimates and the remarks column should draw attention to the appended note.

(5) In the case of cost of establishment, the estimates should be prepared in accordance with the following instructions -

- (i) The full expenditure on account of the sanctioned scale as on 1st April of the year estimated for should be shown, the details of rates of pay and the number of persons borne on the establishment at each rate being concisely quoted in brackets after the detailed head.

- (ii) In the case of progressive salaries, the actual salary earned on 1st April of the year estimated for should be shown and the amounts on account of increments falling due during the financial year should be included separately against each name.

Note : Irrespective of the date on which an increment falls due in a particular month, provision for the entire month should be made in the budget proposals.

- (iii) Where saving are expected owing to the absence of incumbents or other causes, a lump sum deduction should be made from the total for establishment costs under the appropriate minor head.
- (iv) Recurring personal, local, conveyance and house rent allowances should be shown separately and immediately after the salary of the official to whom the allowances has been granted.
- (v) Estimates of allowances of a fluctuating nature should be framed as prescribed in sub-rule(3).
- (vi) The estimates for contingent charges should not, without special reasons to be clearly stated either in the remarks column or in a separate explanatory note, exceed the average actual expenditure for the three preceding years. The estimates for contingent charges should be shown separately under each detailed head.

(6) Pay of officers, pay of establishment and fixed allowances should be grouped together as 'Salaries'. Fluctuating allowances, including travelling allowances, and contingent expenditure, should be shown separately.

III. SCRUTINY OF ESTIMATES

76. On receipt of the departmental estimates the Finance Department will subject each such estimates to careful scrutiny and after discussion with departmental officers, where necessary, embody the results thereof and its recommendations in each estimate.

77. The Finance Department will thereafter consolidate all the departmental estimates into a self-contained Budget in the prescribed form exhibiting receipts and expenditure under major heads so as to show at a glance the financial position of the Government for the year estimated for as compared with the position obtaining in two preceding years before presentation to the Legislature.

IV. VOTE ON ACCOUNT

78. Vote on Account - Pending completion of the procedure prescribed in Article 203 of the Constitution for the passing of the Budget, the Finance Department may arrange to obtain a Vote on Account to cover expenditure for one month or such longer period as may be necessary, in accordance with the provisions of Article 206 of the Constitution. Vote on Account will not be utilised for expenditure on a 'New Service'.

79. Expenditure in anticipation of the passing of the Appropriation Bill:- No expenditure shall be incurred out of the Consolidated Fund in anticipation of the passing of the Appropriation (Vote on Account) Bill or the Appropriation Bill relating to the Budget of a financial year, as the case may be.

V. COMMUNICATION AND DISTRIBUTION OF GRANTS

80. Communication of grants and appropriation -The consolidated Budget as finally approved and voted upon by the Legislature will become the authorised fund of the Government for the year to which it relates. The Finance Department shall, after the Appropriation (Vote on Account) Bill or the Appropriation Bill relating to the Budget, as the case may be, is passed by the Legislature, communicate to the administrative departments concerned the grants made and the appropriation sanctioned by the Legislature.

81. Distribution of grants and appropriations - The administrative department concerned on whose behalf a grant or appropriation is authorised by the Legislature, may distribute the sanctioned funds, where necessary, among the controlling and disbursing officers subordinate to it.

82. Availability of a grant or appropriation for the financial year for which it is sanctioned - A grant or appropriation shall be utilised to cover the charges, including the liabilities, if any, of the past year, to be paid during the financial year or to be adjusted in the accounts of the financial year for which such grant or appropriation is sanctioned. Such charges can be authorised by a competent authority, any time before, but not after, the expiry of the financial year. Any unspent balance shall lapse and shall not be available for utilisation in the following year.

VI. CONTROL OF EXPENDITURE

83. Responsibility for control of expenditure:- (1) The administrative department concerned on whose behalf a grant or appropriation is authorised by the Legislature shall be responsible for the control of expenditure against the sanctioned grants and appropriations placed at its disposal and shall exercise its control through the heads of departments and other controlling officers, if any, and disbursing officers subordinate to them.

Note :- In order to ensure that the departmental accounts are sufficiently accurate and to render possible an efficient departmental control of expenditure, reconciliation of figures given in the accounts maintained by the head of the department with those that appear in the Accountant General's books is most essential. The head of the department and the Accountant General shall be jointly responsible for this reconciliation which should be made monthly, the initial responsibility resting with the Accountant General. It should be remembered that the account finally published will be those maintained by the Accountant General.

(2) In order that the control of departments over such expenditure may be effective and real and that the controlling officer should be in a position from month to month to estimate the likelihood of savings in and excess over grants and appropriations, the Finance Department may lay down the detailed procedure for observance by all drawing, disbursing and controlling officers concerned.

(3) For the purpose of control of expenditure, the administrative departments of the Government should obtain from the controlling and disbursing officers subordinate to them, monthly and progressive total figures of Plan and Non-Plan expenditure separately. The information so obtained should be posted by each department in a Register kept for the purpose with a view to enabling a proper watch of total expenditure incurred against the sanctioned grant or appropriation.

(4) The administrative departments should also obtain from the controlling officers and other authorities subordinate to them statements showing the name of the scheme, the budget provision for each scheme, the progressive expenditure in each scheme, the progress of the scheme in physical terms and the detailed reasons for any shortfalls or excesses, both financial and physical. The above said data should be analysed by the administrative departments by correlating the progress of expenditure on each scheme to the progress of the scheme in physical terms and the results reported to the Government for initiating remedial action promptly, where necessary.

(5) In order to maintain proper control over expenditure a controlling officer should obtain from the spending authorities liability statements monthly from the month of October in each financial year which should be progressive and should give the position of outstanding liabilities upto the month to which the statement relates. This liability statement will be obtained in addition to the monthly statement of actual expenditure incurred.

(6) A controlling officer should maintain a liability register in which particulars furnished in the monthly statement should be consolidated. This will not only facilitate the exercise of effective exchequer control and the preparation of correct budget estimates but will also help in the elimination of cases of excesses over grants/appropriations and of non-surrender of savings.

84. Surrender of savings - Departments of Government shall surrender to the Finance Department, before the close of the financial year, all the anticipated savings noticed in the grants or appropriations controlled by them. The Finance Department shall communicate the acceptance of such surrenders as are accepted by them to the Accountant General before the close of the year.

Note 1: The savings should be surrendered to Government immediately they are foreseen without waiting till the end of the year, unless they are required to meet excesses under some other unit or units which are definitely foreseen at the time. No savings should be held in reserve for possible future excesses.

Note 2: Provision that cannot be profitably utilised should be surrendered. It is contrary to the interest of the Government that money should be spent hastily or in an ill-considered manner merely because it is available or that the lapse of a grant could be avoided. The existence of likely savings should not be seized as an opportunity for introducing fresh items of expenditure which might wait till the next year.

Note 3: Rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided.

85. Reappropriation of funds-(1) Reappropriation of funds from one primary unit of appropriation to another such unit within a grant or appropriation shall be sanctioned by the Finance Department at any time before the close of the financial year to which such grant or appropriation relates.

(2) Reappropriation of funds shall be made only when it is known or anticipated that the appropriation for the unit from which funds are to be transferred will not be utilised in full or that savings can be effected in the appropriation for the said amount.

(3) Funds shall not be reappropriated from a unit with the intention of restoring the diverted appropriation to that unit when savings become available under other units later in the year.

(4) No reappropriation shall be made from one grant or appropriation to another grant or appropriation.

(5) The authority sanctioning the reappropriation shall enclose a copy of the order to the Accountant General.

(6) Funds shall not be appropriated or reappropriated to meet expenditure which has not been sanctioned by an authority competent to sanction it.

(7) Funds provided for charged expenditure shall not be appropriated or reappropriated to meet votable expenditure and funds provided for voted expenditure shall not be appropriated or re-appropriated to meet charged expenditure.

(8) Funds provided for revenue expenditure shall not be appropriated or reappropriated to meet capital expenditure and funds provided for capital expenditure shall not be appropriated or reappropriated to meet revenue expenditure.

(9) Funds provided for Plan expenditure shall not be appropriated or reappropriated to meet Non-Plan expenditure and funds provided for Non-Plan expenditure shall not be appropriated or reappropriated to meet Plan expenditure.

(10) Funds shall not be appropriated or reappropriated to meet expenditure on a new service not contemplated in the budget as approved by the State Legislature.

(11) Funds shall not be appropriated or reappropriated to any work which has not received administrative approval and technical sanction as prescribed by rules from time to time.

(12) The amount appropriated to any work shall not exceed the amount approved or sanctioned for that work by a sum greater than the excess which may be authorised under the rules.

(13) Since voted and charged portions as also the revenue and capital sections of a grant/appropriation are distinct and reappropriation inter se is not permissible, an excess in any one portion or section is treated as an excess in the grant/appropriation.

86. Supplementary grants - If the amount provided for in the sanctioned Budget for any service in a financial year is found to be insufficient for the purpose in that year or when a need has arisen during that year for supplementary or additional expenditure upon some 'new service' not contemplated in the original budget for that year, the head of the department concerned shall arrange to obtain the necessary supplementary grants or appropriations in accordance with the provisions of Articles 205(I) of the Constitution.

Note : The expression 'new service' has not been defined in the Constitution. As decided by the Central Government in consultation with the Comptroller and Auditor General of India, no attempt should be made to the definition of it, but the matter should be allowed to be regulated by experience and the evolution of a body of case-laws.

87. Advance from Contingency Fund - (I) When a need arises to incur unforeseen expenditure in excess of the sanctioned grant or appropriation or on a 'new service' not provided in the budget and there is no sufficient time for

the voting of the supplementary demand and the passing of the connected appropriation bill, an advance from the Contingency Fund set up under Article 267(2) of the Constitution shall be obtained before incurring the expenditure.

(2) An advance from the Contingency Fund shall also be obtained to meet expenditure in excess of the provision for the service included in an Appropriation (Vote on Account) Act.

(3) The procedure to be followed for obtaining an advance from the Contingency Fund shall be as laid down in the Sikkim Contingency Fund Rules, 1975 (Appendix 6), as amended from time to time.

88. Inevitable payments - (I) Subject to the provisions of Article 204(3) of the Constitution, money indisputably payable by Government shall not ordinarily be left unpaid and the payments made shall not be kept out of accounts longer than is absolutely necessary.

(2) Suitable provision for anticipated liabilities should invariably be made in demands for grants to be placed before the Legislature. The onus of proving that the disbursements could not have reasonably been anticipated would be on the controlling officer.

Note : It is not open to a disbursing authority to incur or authorise payments in excess of the amounts provided in the Appropriation Act. If inevitable payments, for which no appropriation exists in the Appropriation Act, have to be made, an advance from the Contingency Fund should be obtained before the expenditure is actually incurred.

VII. REVISED ESTIMATES

89. In the first week of October every year, all heads of departments will review the progress of receipts and expenditure against the approved budget for the year with reference to the actual for such period as may be available and prepare revised estimates for the year. If any savings from or excess over the original estimates are proposed, the reason therefor should be recorded in an explanatory note which, together with the revised proposals, should be forwarded to the Finance Department in the prescribed form not later than 31st October. Any appreciable variations discovered in the revised figures of expenditure and receipts subsequent to their communication to the Finance Department should be intimated to that department as early as possible but not later than 15th January in any case.

90. On receipt of the revised estimates from all the departments, the Finance Department will compile a consolidated statement of revised estimates for the entire Government in the prescribed form.

91. It should be noted that the revised estimates do not constitute sanctions for additional expenditure over the original budget and the procedure prescribed in rule 86 or rule 87 should be followed before incurring the additional expenditure.

CHAPTER VII

ESTABLISHMENTS

92. Alterations of establishment - The Finance Department shall be consulted before the issue of orders upon any proposal-

- (i) to add any post, whether permanent or temporary, to or abolish any post from the public service;
- (ii) to sanction an allowance or special or personal pay or special allowance for any post or class of posts or to any servant of the State Government;
- (iii) to prescribe formula of fixation of pay; and
- (iv) relating to other conditions of service or posts.

93. All such proposals should be referred to the Finance, Revenue & Expenditure Department by or through the Department of Personnel Administrative Reforms, Training, Public Grievances, Career Options & Employment Skill Development & Chief Minister's Self Employment Scheme

94. Transfer of officer - A report of transfer of a gazetted Government servant duly made in the prescribed form and signed both by the relieved and the relieving Government servants shall be sent on the same day to the Director, Treasury, Pay and Accounts Office. A copy of the report of transfer shall be sent simultaneously to the Accountant General and the head of the department or other controlling officer concerned.

95. In cases in which the transfer of charge involves assumption of responsibility for cash, stores etc., the following instructions should be observed:-

- (i) The cash book or imprest 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 Government servants, showing the cash and imprest balance and the number of unused cheques, if any, made over and received by them respectively.
- (ii) The relieving Government servant reporting that the transfer has been completed should bring to the 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 accounts records.

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

96. Date of birth – (1) Every person newly appointed to a service or post under the Government shall at the time of the appointment declare the date of birth by the Christian era with as far as possible confirmatory documentary evidence such as school leaving certificate, municipal birth certificate and so on. If the exact date is not known, an approximate date shall be given.

(2) The actual date or the assumed date determined under rule 97 shall be recorded in the history of service, service book, or any other record that may be kept in respect of the Government servant's service under the Government and once recorded, it cannot be altered, except in the case of a clerical error, without the previous orders of the head of the department concerned.

97. Determination of date of birth when exact date is not known:- (1) If a Government servant is unable to state his exact date of birth but can state the year, or year and month of birth, the 1st July or the 16th of the month respectively, shall be treated as the date of his birth.

(2) If he is only able to state his approximate age, his date of birth shall be assumed to be the corresponding date after deducting the number of years representing his age from his date of appointment.

98. Service books - At a fixed time early in the year the service books shall be taken up for verification by the head of the office who after satisfying himself that the services of the Government servants concerned are correctly recorded in each of the service books, shall record in each case a certificate in the following form over his signature :-

“Service verified up-to (date) from (the record from which, the verification is made)”

Note : The verification of service referred to above is intended to ensure that the head of the office has satisfied himself that the Government servant's entire service, whether permanent or temporary, as recorded in the service book, is completely borne out by actual facts.

CHAPTER VIII

CONTINGENT EXPENDITURE

I. CONTINGENCIES

99. Introductory - The term “contingent charges” or “contingencies” used in these rules means and includes all incidental and other expenses which are incurred for the management of an office as an office or for the technical working of a department, other than those which under prescribed rules of classification of expenditure fall under some other head of expenditure, e.g., “works”, “stores”, “tools and plant” etc.

99-A. Responsibilities of Accounts Officers : The Accounts Officers are responsible for strict implementation of all Financial Rules. They shall be the Head of the Accounts of the Departments/Office and Financial Advisor to the Secretary/ Head of Department/Head of Office. Their advice is obligatory before sanctioning any expenditure in the Department.

NOTE: Where any discrepancy or difference of opinion arises between the advice of Accounts Officer and that of the Secretary/ Head of Office and that of the Secretary/Head of Department/Head of Office in respect of interpretation of these rules or any other matter, the case should be referred to Finance Secretary whose decision will be final and binding.

100. Responsibility of drawing officer- The drawing officer is responsible for seeing that the rules regarding the preparation of bills are observed, that the money is required for immediate disbursement or has already been paid from the permanent advance, that the expenditure is within the available appropriation and that all steps have been taken with a view to obtaining an additional appropriation if the original appropriation has either been exceeded or is likely to be exceeded.

101. Responsibility of controlling authority - The countersigning officer shall be responsible for seeing that the items of expenditure included in a contingent bill are of obvious necessity and are at fair and reasonable rates, that previous sanction for any item requiring it is attached, that the requisite vouchers are all received and are in order, that the calculations are correct, and specially that the grants have not been exceeded nor are they likely to be exceeded. If expenditure be progressing too rapidly, he shall communicate with the drawing officer and insist on its being checked.

102. Cancellation and destruction of sub-vouchers - The following rules for the prevention of the fraudulent use of sub-vouchers shall be observed by all drawing and controlling officers in the matter of cancellation and destruction of sub-vouchers:-

- (i) Unless in any case it is distinctly provided otherwise by any rule or order, no sub-voucher may be destroyed until after a lapse of three years.
- (ii) Sub-vouchers attached to the contingent bills should not be cancelled either by the drawing officer or by controlling officer, as the duty of cancelling these sub-vouchers to prevent their fraudulent use devolves on the Pay and Accounts Office.

103. Maintenance of contingent register - A register of contingent expenditure shall be kept in each office and the initials of the head of the office, or of a gazetted officer to whom this duty has been delegated by him, shall be entered against the date of payment of each item.

104. As each payment is made, entries must be made in the contingent register of the date of payment, the name of the payee and the number of sub-vouchers and the amount. The progress of expenditure under each head as compared with the appropriation for it, can be watched through this register.

II. PERMANENT ADVANCE

105. General – (1) Permanent advance of reasonable amount may be sanctioned by the Government to heads of departments/offices to enable them to make payments of a contingent nature before they can place themselves in funds by drawing money through presentation of bills.

(2) As these advances involve permanent retention of money outside the Bank, the amount of such advances must not be larger than is absolutely necessary. All applications for the grant of permanent advance or revision of an advance already sanctioned shall be submitted to the head of the department who will obtain the approval of the Finance Department and issue sanctions therefor.

(3) Permanent advances are intended to provide, on the responsibility of the officer entrusted with it, for emergent petty advances of all kinds though it is seldom that they will be needed for other than contingent charges.

(4) The holder of a permanent advance is responsible for the safe custody of the money placed in his charge and he must at all times be ready to account for the total amount of the money.

(5) Expenditure from the permanent advance may be recouped on the basis of properly prepared and duly passed bills which shall be marked as debitable to appropriate expenditure head. Every person holding such advances shall maintain, in a subsidiary cash book in the prescribed form, the day to day accounts for expenditure from these advances.

(6) In the case of transfer of charges and yearly on the 15th April, each officer in whose favor the permanent advance is sanctioned shall send an acknowledgment to the Accountant General of the amount due from and accountable for by himself as on 31st March proceeding.

106. The number of permanent advances should not be multiplied unnecessarily. An advance sanctioned to a head of department or office should normally include the needs of every authority under him authorised to handle permanent advance on behalf of the department. The head of the department or office shall be responsible for the proper accounting of all such advances made by him to other officers of his department.

CHAPTER IX

MISCELLANEOUS EXPENDITURE

I. REFUNDS OF REVENUE

107. All sanctions to refund of revenue to which claimants may be entitled under the provisions of any law and/or rules made thereunder, or which may be made ex-gratia, shall be regulated by the orders of the departmental authorities according to provisions of the departmental rules and orders contained in the departmental manuals etc. A copy of the sanction shall be endorsed to the Accountant General and the Director, Treasury, Pay and Accounts Office. The sanction should also be quoted in the bill.

Government of Sikkim instruction. (Noti.No.446/Fin.Dated:31st July,1972)

The public are hereby informed that a deduction of:

12 1/2 % on the first Rs.500/-

7 1/2% on Rs.501/- to Rs.2,000/- and

3% above Rs.2,000 will be charged as establishment charges on all kinds of refunds on account of office works done and other expenditure.

(Clarification to Noti.No.446/Fin Dated:31.07.1992)

The word 'refund' appearing in the 5th line of the above Notification will not include the cases where refund is made for excess deduction of loans from the individual's pay, refund of deposit made by individuals way of Security Deposit, Earnest Money, Bail Money or refund of money which are deposited on Government orders.

2. The Establishment charges which will be deducted according to this Notification will apply only in respect of refunds of wrong and irregular credits.]

108. Before a refund of revenue to which a claimant is either legally entitled or which is allowed ex-gratia, is made, the original demand or realisation, as the case may be, must be traced and a reference to the refund should be so recorded against the original entry in the cash book or other documents as to make the entertainment a double or erroneous claim impossible. A certified copy of such a note having been made must be given in all vouchers for refund.

109. Remission of revenue allowed before collection are to be treated as reduction of demands and not as refund.

II GRANTS-IN-AID ETC.

110. The rules in this section shall be observed by all authorities competent to sanction grants-in-aid, including scholarships, to educational and other institutions, local bodies and co-operative societies.

Note : - In cases where financial assistance is proposed to be granted to a society or an organisation likely to make profits, the feasibility of giving loans instead of grants-in-aid should be specifically considered by the sanctioning authority in consultation with the Finance Department.

111. (1) Unless in any case Government directs otherwise, every order sanctioning a grant shall indicate whether it is recurring or non-recurring in nature and specify clearly the object for which it is given and the conditions, if any, attached to the grant. In the case of non-recurring grants for specified objects, the order shall also specify the time limit within which the grant or each instalment of it is to be spent.

(2) An order for payment of a grant-in-aid should be so worded that there is a specific direction for the payment of a specified sum and should be distinguishable from orders approving a proposal for a grant-in-aid.

112. Grants should be made available, as far as possible, on the basis of specified schemes drawn up in sufficient detail and duly approved by Government.

113. (1) When recurring grants-in-aid are sanctioned to the same institution for the same purpose, a certificate to the effect that the unspent balance of the previous grant has either been surrendered to Government or has been taken into account in sanctioning the subsequent grant should be incorporated in the sanction letter in such cases.

(2) Only so much of the grant shall be paid during any financial year as is likely to be expended during that year. In the case of grants for specific works or services such as buildings or other schemes the sanctioning authority shall use its discretion in authorising payments according to the needs of the work. It should be ensured that money is not drawn in advance of requirements and that a rush of payment of these grants in March is avoided.

Note 1:- Grant-in-aid in excess of Rs. 1 lakh per annum recurring and Rs.5 lakhs non-recurring should normally be sanctioned with the specific conditions laid down in the sanction letters that the accounts of the institution receiving the grant should be open for test check by the Comptroller and Auditor General at his discretion. The audit in pursuance of this provision will be undertaken by the Comptroller and Auditor General in consultation with the administrative department concerned which will make necessary arrangements with the institutions for the conduct of such audit.

Note 2 : The Comptroller and Auditor General may, at his discretion, approach the Government when in any very special case he considers that the audit of the grantee's books, even where the grant is less than the monetary limits prescribed above, is called for.

Note 3 : When an institution receiving a grant is required to submit its accounts for audit it should be ensured by the sanctioning authority that the accounts whether complete or not are rendered promptly, whenever the institution is called upon to do so.

114. Institutions or bodies receiving grants exceeding Rs.1 lakh per annum recurring or Rs.5 lakhs non-recurring should be required to maintain subsidiary accounts of the Government grants and be to furnish to the Accountant General-

- (i) a copy of the audited statement of its accounts; and
- (ii) a copy of their constitution.

115. In case in which conditions are attached to the utilisation of a grant in the form of specification of particular objects or expenditure or the time within which the money must be spent, or otherwise, the sanctioning authority shall be primarily responsible for certifying to the Accountant General, where necessary, the fulfillment of the conditions attaching to the grant, unless there is any special rule or order to the contrary. This certificate should be furnished in such form and at such intervals as may be agreed between the Accountant General and the head of the department concerned. Before recording the certificate, the certifying officer should take steps to satisfy himself that the conditions on which the grant was sanctioned have been or are being fulfilled.

116 (1) Unless it is otherwise ordered by Government, every grant made for a specific object is subject to the implied conditions -

- (i) that the grant shall be spent upon the object within a reasonable time, if no time limit has been fixed by the sanctioning authority ; and
- (ii) that any portion of the amount which is not ultimately required for expenditure upon that object shall be duly surrendered to Government.

(2) Even in respect of unconditional grant-in-aid, Government reserve the right to have the accounts of the recipient body audited by the Comptroller and Auditor General on their own initiative, if and when occasion demands, to satisfy themselves regarding the manner in which the affairs of the recipient body are managed.

Note - The expression 'within a reasonable time' used in sub-rule (i) above should ordinarily be interpreted to mean one year from the date of issue of the letter sanctioning the grant.

III. LOCAL BODIES

117. The financial transactions between Government and local bodies will be regulated by the following rules and by such other general or special orders as may be issued by Government in this behalf.

118. 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 sanctioned for payment to it.

119. Audit of accounts :- The accounts of local bodies other non-Government bodies or institutions will be audited by the Comptroller and Auditor General of India on such terms and conditions as may be agreed upon between the Government and the Comptroller & Auditor General.

CHAPTER X

STORES

I. GENERAL RULES

120. The term “stores” used in this chapter applies generally to all articles and materials purchased or otherwise acquired for the use of a department including not only expendable and issueable articles in use or accumulated for specific purposes, but also articles of dead stock of the nature of plant, machinery, instruments, furniture, equipment, fixtures, etc.

121. These rules are generally applicable to all departments. These shall be applied on conjunction with special rules which may be existing or may be made for particular departments, e.g., S.P.W.D. Irrigation, Power, Forest and S.N.T, etc.

122. Periodical indents should be prepared and all purchase of stores should be made in the most economical manner in accordance with the definite requirements of the public service. Care should be taken not to purchase stores much in advance of actual requirements, if such purchases are likely to prove unprofitable to Government. At the same time, where materials are scarce and controlled and receipt through Government channels may take an appreciable time, indents should be placed sufficiently in advance so as to ensure that developmental projects are not delayed.

123. Where scales of use or limits of stores have been laid down, the officer ordering a supply should certify on the purchase order that the prescribed scales or limits are not exceeded.

124. Purchase orders should not be split up to avoid the necessity for obtaining the sanction of the higher authority required with reference to the total amount of the orders.

II. PURCHASE OF STORES.

125. Local purchase of stores may normally be made -

- (i) when the requirement is immediate;
- (ii) when the requirement is of such minor magnitude and no bulk central purchase arrangement exists or is warranted; and
- (iii) the expenditure involved does not exceed Rs.20,000 at a time.

126. Purchases should conform to the following procedure:-

- (i) In case of purchases costing less than Rs.10000 at a time, after reasonable market enquiry.
- (ii) For purchase costing Rs.10000 to Rs.20,000 by direct invitation of rates from a reasonable number of reliable firms.
- (iii) For purchase costing over Rs.20,000 normally through the State Trading Corporation of Sikkim.

Note : In exceptional cases of urgency, direct purchases may be made with the specific prior approval of the Finance Department.

127. When stores are purchased from the open market directly the system of open competitive tender should, as far as possible, be adopted. In the case of all purchases of stores costing more than Rs. 10,00,000/- (Rupees ten lakh) only whether to be purchased through STCS or direct, open tenders (through advertisement) should be invited giving wide publicity in the leading newspapers at least a month before the last date of submission of tenders. All such tenders should be opened at Gangtok by a Tender Selection Committee of five, which should have one member from the department concerned, one from Finance and one from State Trading Corporation and such other members as the Government may decide. The tenders should be accepted only on the recommendations of the Tender Selection Committee. For other purchases costing not more than rupee one lakh, whether made direct by the department or by STCS, the sealed tenders/quotation through advertisement in local papers should be invited. The tenders/quotations should be opened at a given time and place in the presence of tenderers as far as possible, by a Departmental purchase Committee, consisting of at least three officers appointed by the Head of Department concerned/Managing Director, STCS, which should include the Accounts Officer or any other officer of the Department dealing with accounts.

128. For purchase of goods of value exceeding Rs.20,000 tenderers should normally be required to furnish a security deposit of such amounts as may be considered adequate by the indenting authority with the approval of Government.

129. While inviting tenders, time limits for the completion of the supplies to be ordered, should invariably be indicated.

130. Comparative statements of tenders/quotations should be prepared in all cases where tenders/quotations are called for. In addition, the following points should be observed:-

- (i) The rates should be inclusive of packing and forwarding charges; or such charges should be quoted separately.

- (ii) Wherever possible, rates should be F.O.R. destination.
- (iii) The quotations or tenders should specify whether the rates are inclusive or exclusive of sales tax and other levies.

Note : Ordinarily goods should be booked by rail at goods rate and for the transport by road, by the vehicles of the Sikkim Nationalised Transport. For any other mode of transport, special sanction of Government will be necessary.

- (iv) From the nearest Railway station in India, goods will invariably be carried by the Sikkim Nationalised Transport or under arrangements authorised by it.
- (v) Transit risks to the place from delivery from suppliers outside Sikkim should be covered by insurance where ever considered necessary. Such insurance shall ordinarily be required to be taken by the supplier.
- (vi) For purchasing high value plant, machinery, etc. of complex and technical nature, bids may be obtained in two parts as under:-

- (a) Technical bid consisting of all technical details along with commercial terms and conditions; and
- (b) Financial bid indicating item-wise price for the items mentioned in the technical bid.

The technical bid and financial bid should be sealed by the bidder in separate covers duly superscribed and both the bids sealed in single cover duly superscribed to be opened by the Purchase Committee. Late bids received after the specified date and time fixed for receipt of the bids shall not be considered.

Procurement from a single source may be done in the following cases:-

- (a) It is to be confirmed by the Department that the only a particular Firm is the Manufacturer/Dealer of the goods required.
- (b) In case of emergency, the required goods may be purchased from a particular source duly recording the reasons for such decision with the approval of Competent Authority.
- (c) For standardized of Machinery/Equipment and to ensure that the parts purchased are compatible to the existing equipment/machinery, the required item may be purchased from the authorized dealer.

III ACCEPTANCE OF TENDERS FOR DIRECT PURCHASES

131. The tenders/quotations for direct purchases shall be called and accepted by

or under the orders of Government except where powers to accept them have been specifically delegated. The purchases should be made from the lowest tenderers unless there are any special reasons to the contrary which should be recorded in writing. Sanctions on the basis of acceptance of tenders/quotations, as also when purchases are to be made at controlled rates or rate contract prices for identical stores, will be issued in each case by Government or by such authority as may be nominated by it. Such sanctions will indicate the quantity of supply, specifications, rate, prices and mode of supply, consignee, classification of expenditure, etc. When the accepted terms of supply require the payments of any amount in advance of supply, specific mention to the effect shall be made in the sanctions. Otherwise, payments shall be made only after supplies have been received in accordance with the supply orders and the goods have been accepted by the indenting authority. At the time of making payment it should be seen that the rates paid are not in excess of those entered in the contract or agreement made for the supply of stores and that suitable notes of payments are recorded against the indents and invoices concerned to prevent double payment.

IV. RECEIPT OF STORES

132. All materials received should be examined, counted, measured or weighed as the case may be, when delivery is taken and it should be ensured that the quantities are correct and the quality according to specifications ordered. A certificate to such effect must be recorded on the relevant cash memo or invoice which is to form the documents on which the payment for the supplies will be made. The officers receiving the stores should also record a certificate that he has entered the stores in the appropriate stock register, mentioning the page number of the register in each case.

V. CUSTODY AND ACCOUNTING OF STORES

133. (1) The departmental officers entrusted with the care, use or consumption of stores of any kind are responsible for their safe custody and for keeping them in good condition. They should also arrange for the proper maintenance of accounts of the stores and take adequate steps for preventing losses through deterioration, theft, accident, fraud, etc. Any loss or damage to Government stores should forthwith be reported by them to their immediate superiors.

(2) An inventory of the dead stock shall be maintained in all Government offices showing the number or quantity received, the number or quantity disposed of (by consumption, transfer, loss, sale etc.) and the balance in hand of each kind of article. The inventory shall be priced where the value of items is to be recovered from private persons or bodies. Articles of dead stock shall be physically verified once a year and the result of verification recorded on the inventory. All discrepancies shall be investigated and brought to account immediately so that the inventory may represent the true account.

(3) When articles of dead stock e.g. tools and plant are lent to local bodies, contractors, etc. the hire and other charges as determined under prescribed rules shall be recovered regularly.

(4) Priced lists of stores, recording both quantities and value shall be maintained in cases where the stores are to be issued to contractors for use on works or the cost of stores is to be distributed over works, items or objects on which they are actually used. In such cases, the expenditure on stores shall be charged to stock suspense in the first instance, instead of to the final head of account.

Item wise list and accounts shall be maintained and accurate returns in respect of goods and materials in stock have to be maintained so that it is possible to check and confirm the actual balances with book balances at any point of time. The accounts shall be maintained in the form prescribed separately for:-

(i) Fixed Assets such as plant, machinery, equipment, furniture, fixtures, etc. in Form I.

(ii) Consumables such as office stationeries, chemicals, maintenance spare parts, etc. in Form II.

(iii) Library books in Form III.

(iv) Assets of historical/artistic value in Form IV.

VI. ISSUE OF STORES

134. When materials are issued, a written acknowledgement should be obtained from the person to whom they are delivered. In case of stores issued to a contractor the cost of which is recoverable from him, the acknowledgment should give full particulars of the materials issued including the recovery rates and the total value chargeable to the contractor.

134 (a). Hiring of Assets- When Assets are hired to local bodies, contractors etc. proper record of the Assets shall be maintained and the hire charges recovered regularly at rates fixed by the Competent Authority and deposited into Government Accounts.

VII. TRANSFER OF CHARGE OF STORES

135. In case of transfers, the officer-in-charge of stores shall see that the stores in his custody are made over correctly to his successor and a proper receipt taken from him.

VIII. PHYSICAL VERIFICATION

136. (1) A physical verification of all stores must be made at least once in every year by the head of the department or such other officer as may be specially authorised by him in this behalf, who should after verification record a certificate in the stock register indicating the results of such verification. The verification should not, however, in any case be entrusted to a person

- (i) who is the custodian, ledger keeper or the accountant of the stores to be verified, or who is a nominee of, or is employed under, the custodian ledger keeper or the accountant; or
- (ii) who is not conversant with the classification, nomenclature and technique of the particular classes of stores to be verified.

(2) The verification shall never be left to low paid subordinates and in case of large and important stores, it shall, as far as possible, be entrusted to a responsible officer who is independent of the subordinate authority in charge of the stores.

137. Verification must always be made in the presence of the officer responsible for the custody of the stores or of a responsible person deputed by him. All discrepancies noticed must be brought to account immediately, so that the stores account may represent the true state of the stores. Shortages and damages, as well as unserviceable stores should be reported simultaneously to the authority competent to write off the loss. In case of loss of books or items of a value exceeding Rs. 1,000/- (one thousand only) and rare books and items irrespective of value, shall be properly investigated and appropriate action taken with the approval of the Government.

138. (1) In order to ensure that stores are not held unnecessarily in excess of the requirements of a reasonable period, half-yearly inspections should be conducted by a responsible officer who must submit a report of surplus or obsolete stores to the authority competent to issue orders of their disposal.

(2) All stores, which may be declared as obsolete, surplus or unserviceable shall be disposed of under orders of the authority to whom powers may be delegated in this behalf. Obsolete and unserviceable material of residual value less than Rs. 10,000/- (Rupees ten thousand) the mode of disposal will be determined by the Competent Authority keeping in view the necessity to avoid accumulation of such goods and also to avoid deterioration of such goods to be disposed of. All surplus of obsolete and unserviceable material of assessed value above Rs. 10,000 shall be disposed of by obtaining bids through quotations or tenders by advertisement in the Sikkim Herald and few local papers. The bids should be supported by adequate security deposit as may be determined by the Competent Authority. If, however, any Department is unable to dispose of the obsolete items in spite of two attempts for disposal through advertisements, they may dispose the same at its scrap value with the approval of the Competent Authority in consultation with the Finance, Revenue & Expenditure Department and if it is still unable to dispose of the items at scrap value, any other mode of disposal may be adopted in the most eco-friendly manner. A sale account of the goods disposed of shall be prepared in Form V duly signed by the Officer who supervises the sale.

(3) All profits and losses due to revaluation, stock taking or other causes shall

be duly recorded and adjusted where necessary. Formal sanction of the competent authority shall be obtained in respect of losses, even though no formal correction or adjustment in the accounts is involved.

(4) Losses shall be grouped under the following heads:-

- (i) losses due to theft or fraud;
- (ii) losses due to neglect;
- (iii) losses due to an act of God and other calamities such as fire, enemy action, etc;
- (iv) losses on account of surplusages or obsolete stores or of purchase in excess or requirements;
- (v) losses due to depreciation and
- (vi) other losses due to damage, etc.

Subject to delegation of powers, the previous sanction of the Government, with the consent of the Finance Department, shall be obtained to writing off all losses, deficiencies or depreciation in value of stores.

ANNEXURE

(See rule 127)

The Public Accounts Committee 1977-78 in their first report on the accounts of Electricity (Power) Department has observed: The Committee feels that to avoid malpractices, contracts for purchase/supply should be with registered and reputed firms only. The Committee recommends that in future all purchases over rupees one lakh or any specified amount as may be fixed by the Government, may be made on the basis of open tenders invited at Gangtok after giving wide publicity in the local and national news papers at least a month before the last date of submission of tenders except in cases of emergent purchase the reasons for which should be recorded in writing by the competent authority. All such tenders should be opened at Gangtok by a Committee of five, which should have one member from the department concerned, one from Finance and State Trading Corporation each and such other members as the Government may decide.

2. The P.A.C. (1978-79) in their second report has further observed: In reply to a query made by the Committee, the Department (Power) admitted that it had not so far initiated any proposal for constitution of such a committee. The committee finds this apathy toward the Committee's recommendations to be highly deplorable and recommends that immediate steps should be taken for constitution of such a committee under proper orders of the Government not only for the Department of Power but also for all the other major purchasing departments.

3. The Committee also recommended that recommendations made in regard

to Power Department regarding procedure to be followed in inviting tenders and assessment and acceptance should be made applicable in the case of State Trading Corporation also.

4. Accordingly the matter was examined by the Government and it has been decided that the procedure set out in the succeeding paragraphs should be followed in the case of all purchases by the departments including the State Trading Corporation of Sikkim with immediate effect.

TENDERS

5. In the case of all purchases of stores costing more than Rs.1,00,000 (Rs. one lakh) whether to be purchased through S.T.C. or direct, open tenders (through advertisement) should be invited giving wide publicity in the leading newspapers at least a month before the last date of submission of tenders. All such tenders should be opened at Gangtok by a Tender Selection Committee of five, which should have one member from the department concerned, one from Finance and State Trading Corporation each and such other members as the Government may decide. The tenders should be accepted only on the recommendations of the Tender Selection Committee.

6. For other purchases costing not more than rupees one lakh, whether made direct by the department or by S.T.C., the sealed tenders/quotations through advertisement in local papers should be invited. In this connection reference to instructions contained in Finance Department Notification No.11/Fin dated 21.10.76 is also invited. The tenders/quotations should be opened at a given time and place in the presence of tenders as far as possible, by a Departmental Purchase Committee, consisting of at least three officers appointed by the head of the department concerned/ Managing Director of S.T.C. which should include the Accounts Officer or any other officer of the department dealing with account.

7. For materials available at D.G.S & D. rate contract, no tenders may be necessary. Firms holding D.G.S.& D. rate contract may be registered with State Trading Corporation who may procure the materials at the D.G.S. & D. rate contract from such firms. No such procurement should, however, be made from the agents of the D.G.S. & D. rate contract holding firms. Similarly procedure may be followed for articles which are specially certified as of proprietary nature or when it is clear that only a particular firm is the manufacture of the stores required.

(Government of Sikkim instruction) Not. No. 45/Fin/Adm dated 9.12.97

1.1 Matters relating to procurement of store items from the authorised dealers/manufacturers on tender basis, the provision of the annexure to Rule 127 of Sikkim Financial Rules, 1979, is mandatory. Of late it has been brought to the notice of the Government that provisions contained in the said annexure and Rule 128 to 132 are also not complied with causing dissatisfaction of dealers/companies in not getting sufficient time for them to participate in the tender/

quotation. To maintain not only the standard in quality and cost of items, but also to obtain most competitive rates, the participation of maximum number of tenders in imperative and also to have transparency in the mode of transaction must confirm with laid down rules and procedures.

1.2 It is, therefore, directed that the following directives be followed to avoid the above stated lapses:-

- (a) Minimum time for tender notice in national papers, on no account, be less than 30 days from the date of issue of notice inviting tender.
- (b) Preference may be given to the manufacturers and agencies holding rate contract with D.G.S. & D.
- (c) In the notice inviting tender it may invariably be mentioned that tender/quotation will also be received by registered post and considered, if received on or before the appointed date and time. The authority inviting tender/quotation shall not be responsible for late receipt due to postal delay.

INSPECTION AND TEST

8. For materials procured not at D.G.S. & D. rate contract, inspection should be carried by an officer of the indenting department nominated by the head of the department before despatch commences from supplier's premises.

- 9. The above procedure shall be followed in case of all purchases whether made direct by the department under specific orders of the competent authority or through State Trading Corporation of Sikkim under the existing orders. The State Trading Corporation of Sikkim shall also adopt the above procedure mutatis mutandis.

CHAPTER XI

WORKS

139. The execution of works by the Sikkim Public Works, Irrigation, Power, Rural Development and Forest Departments shall be regulated by the specific rules and procedure applicable to them with such modifications as may be approved by Government from time to time. The following general principles shall, however, apply to the execution of all works.

140. General rules - (1) Except as provided in sub-rule (2) of this rule or in cases covered by any special rules or orders of Government, no work shall be commenced or liability incurred in connection with it until-

- (i) administrative approval had been obtained from the authority appropriate in each case;
- (ii) Sanction to incur expenditure has been obtained from the competent authority;
- (iii) a properly detailed design and estimate has been sanctioned; and
- (iv) funds to cover the charge during the year have been provided by competent authority.

(2) If, in any case, whether on grounds of urgency or otherwise, an executive officer is required by superior authority to carry out a work or incur a liability which involves an infringement of sub-rule (1) above, the orders of such authority shall be conveyed in writing. On receipt of such written order, or in cases of emergency, on his own responsibility, the officer may proceed to carry out the necessary work subject to the condition that he immediately intimates to the said superior authority the liability he is incurring stating approximately the amount of the liability which he is likely to incur and requesting for formal sanction of the competent authority.

141. For purpose of approval and sanctions, a group of works which forms one project, should be considered as one work, and the necessity for obtaining the approval or sanction of higher authority to a project which consists of such a group of works is not avoided by any fact that the cost of each particular work in the project is within the powers of approval or sanction of any authority subordinate thereto.

142. The sanction given to an estimate must on all occasions be looked upon as strictly limited by the precise objects for which the estimate was intended to provide. Accordingly, any anticipated or actual savings on a sanctioned estimate for a definite project should not, without special authority, be applied to carry out additional work not contemplated in the original project or fairly contingent on its actual execution.

143. Any development of a project thought necessary while a work is in progress, which is not fairly contingent on the proper execution of the work as first sanctioned, should be covered by a supplementary estimate.

144. To facilitate the preparation of estimates, as also serve as a guide in settling rates in connection with contract agreements, a schedule of rates for each kind of work commonly executed should be maintained for each locality and kept up to date. The rates entered in the estimates should generally agree with the schedule rates, but where, for any cause, these are considered insufficient or in excess, a detailed statement must be given in the report accompanying the estimate, showing the manner in which the rates used in the estimate are arrived at.

145. When works are given out on contract, the general principles laid down in rule 27 shall be carefully borne in mind.

146. When works allotted to a civil department other than the Sikkim Public Works Department are executed departmentally, whether direct or through contractors, the form and procedure relating to expenditure on such works shall be prescribed by departmental regulations in consultation with the Finance Department and the Accountant General, generally on the principles underlying the financial and accounting rules prescribed for similar works carried out by the Sikkim Public Works Department. The guiding principles to be followed in such cases are —

- (i) for every work there should be a duly sanctioned detailed estimate; copies of sanctions to estimate should be communicated to the Accountant general and the Chief Pay and Accounts Officer by the sanctioning authority as soon as a sanction is accorded; and
- (ii) payments for all works done by contract or materials purchased should be made on the basis of measurements recorded in Measurement Books kept for the purpose.

147. Advances to contractors - As a general rule, and subject to such exceptions as may be authorised by Government, no payment can be made to a contractor, except for work actually done or supplies actually received. Subject to such general or special orders as may be issued by Government in this behalf, advances, if any, made to contractors during the execution of a work shall invariably be recovered from their bills for the value of work done or supplies made before final payment is made, which must in no case be permitted without detailed measurement.

However it may become necessary to make some advance payment to original manufacturers of equipments, firms holding maintenance contracts with the Government for servicing of office equipment or part payment to be made to suppliers depending on the terms & conditions incorporated in a supply order. In such cases, advance payment may be permitted not exceeding the following limits:-

(i) Thirty percent of the total value of the supply order to original manufacturer of equipments. (ii) Fifty percent of the total value of the supply order to a State or Central Government Agency or a Public Sector Undertaking. (iii) Fifty percent of the total value of the Annual Maintenance Contract for maintenance of Office Equipment.

CHAPTER XII

LOANS TO LOCAL BODIES AND PRIVATE INDIVIDUALS

148. (1) A competent authority may sanction loans to local bodies and private individuals for the purpose and subject to the conditions that may be prescribed by Government from time to time. An order for payment of a loan should clearly specify whether it is a sanction for payment or merely an order approving a proposal for loan.

(2) In cases in which conditions are attached to the utilisation of loan, either in the shape of the specification of the particular objects on which or the time within which the money must be spent, or otherwise, the authority competent to sanction the loan shall be primarily responsible for certifying to the Accountant General, where necessary, the fulfillment of the conditions attaching to the loan, unless there is any special rule or order to the contrary.

149. (1) In all cases of loans which the Government may decide to grant, the terms under which such loans are granted should be covered by a deed to be executed by the loanee and the deed shall ordinarily include -

- (i) a fixed rate of interest to be paid not less often than yearly;
- (ii) a fixed or proportionate scale of repayment in installment not less often than yearly;
- (iii) the date from which repayment shall commence and the head of account to which the repayments shall be credited;
- (iv) hypothecation to the Government of security of such value as the Government may consider adequate; and
- (v) provision for penalties in the event of delay or default in fulfilling the terms of the loan, one of the penalties invariably being recovery through disposal of the hypothecated security.

(2) With the previous consent of the Finance Department Government may remit or write off any loan owing to their recovery or otherwise.

(3) Subject to such general or specific directions as may be given by the Comptroller & Auditor General in this behalf, detailed accounts of loans to institutions and organisations' etc. shall be maintained by the Accountant General

who shall watch their recovery and see that the conditions attached to each loan are fulfilled. This shall not however, absolve the departmental authorities of their responsibility to see that recoveries of installments are made regularly and that the conditions of loans are fulfilled.

(4) In the case of loans to private individuals, the detailed accounts shall be maintained by the departmental authorities concerned who shall also watch their recovery and see that the conditions attached to each loans are fulfilled.

CHAPTER XIII

LOANS AND ADVANCES TO GOVERNMENT SERVANTS

I. GENERAL

150. An advance from public funds shall not be granted to a Government servant without a substantive appointment, except as provided in these rules, and the grant of the advance shall be subject to such general or special instructions as may be issued from time to time by the Finance Department.

II. LOAN FOR CONSTRUCTION / PURCHASE OF DWELLING HOUSE

151. Eligibility - Loans under these rules may be granted to-

- (i) all permanent Government servants; and
- (ii) temporary Government servants with ten years or more continuous Government service.

152. Loans under these rules may be granted for purposes of -

- (i) construction of dwelling house in the housing colony, provided the construction conforms to plans and specification approved by Government or Municipal authority concerned;
- (ii) construction of dwelling house on land owned by the loanee; and
- (iii) purchase of ready built house or flat.
- (iv) Enlarging living accommodation in an existing house owned by the official or jointly with spouse. The total cost of the existing structure (excluding cost of land) and the proposed additions should not exceed the prescribed ceiling limit.

153. No loans under these rules shall be granted to a Government servant who has already received loan for or in connection with the construction or purchase of a house from other Government sources.

154. (i) Amount of loan - The maximum amount of loan that may be advanced under these rules to an individual Government servant shall be as follows :-

Group A Government servant.....	Rs.5,00,000
Group B Government servant.....	Rs.4,00,000
Group C Government servant.....	Rs.2,50,000
Group D Government servant.....	Rs.1,50,000

Note : No difference or additional loan will be granted to the Government employees who have already drawn the Housing Building Advance prior to 1.4.98.

(ii) The cost of the house to be built / purchased (including the cost of residential plot as mentioned in the Sale/Lease Deed of the land / house) should not exceed 200 times of the basic pay + NPA + stagnation increment of the official, subject to a minimum of Rs.5.50 lakhs and a maximum of Rs.18.00 lakhs.

(iii) Not more than one advance shall be sanctioned under these rules to a Government Servant during his/her entire service.

(iv) Applicant may be granted not exceeding an amount equal to 50 times the monthly basic pay, subject to a maximum of amount specified under Sub Rule (i) to Rule 154 for each Group of Government servant whichever is less.

(v) Loan amount shall be calculated to the nearest thousand rupee.

155. In calculating the amount of loan the following facts shall be taken into account :-

- (i) Gratuity of the applicant which can be adjusted towards repayment.
- (ii) The amount of monthly instalment which the applicant can conveniently pay.
- (iii) The remaining period of service to be completed for retirement.

156. Due date for repayment - (1) The loan shall be due for repayment from the pay of eighteenth month after the date on which the first instalment of loan was paid and shall be fully repaid within a maximum period of 20 years.

(2) Unless any Government employee desires to pay earlier, the loan shall be repaid in 240 instalments inclusive of the amount of interest. The principal shall be recovered in 180 instalments and the interest in the next 60 instalments. The entire amount of loan with interest shall be repaid before a loanee retires from service.

Note : Each instalment on account of repayment of a loan except the last one shall be a number of whole rupees, the amount of the last instalment being raised or reduced, if necessary, to admit of the fixation of such instalment and recovery of the balance including any fraction of a rupee. An undertaking should be obtained from the loanee to recover the instalments by monthly deduction from his pay.

157. Interest on loan –An advance granted under these rules shall carry simple interest from the date of disbursement of the first instalment of the advance, the amount of interest being calculated on the balance outstanding on the last day of each month.

The interest shall be :-

If the sanctioned Amount is up-to	Prior to 31.3.1990	1.4.1999to 31.3.1998	1.4.1998 onwards
Upto Rs. 20,000	Interest free for the First five years and Thereafter @ 6%		
Above Rs. 20,000	Interest free for the First five years and Thereafter @ 8%		
Upto Rs. 25,000	-	6 %	-
Upto Rs. 40,000	-	6 .5%	-
Upto Rs. 60,000	-	7 %	-
Upto Rs. 80,000	-	7.5 %	-
Upto Rs. 1,50,000	-	-	10 %
Upto Rs. 2,50,000	-	-	11 %
Upto Rs. 4,00,000	-	-	12 %
Upto Rs. 5,00,000	-	-	12 %

158. Conditions : Sites for construction of dwelling house at any approved housing colony that may be started hereafter would be allotted on rates fixed by Government and unless the allottee elects to make payment in cash the cost of land would be reckoned as part of the loan.

159. Application for loans shall be made to the Secretary, Finance Department through the applicant's head of department in the form prescribed in Appendix 7. Among other things, the applicant should mention the site where he wants to construct the house.

160. The house thus constructed with the loan shall not be let out or transferred either partly or wholly to others till the repayment of the loan with interest is completed. Prior permission of the government shall be required before such a house could be transferred to another by way of sale even after the repayment of the loan.

161. All applications shall be verified by the Land Revenue Department for certification to the effect that the applicant does not possess a house of his own.

162. The Government servant who has been granted loan under the provisions of these rules shall vacate a Government quarter if he is in occupation of one soon after the completion of the house. His failure to do so will make him liable to pay the house rent of the Government quarter at the market rate.

163. Construction of dwelling house would be required to be completed within a maximum period of one year calculating from the date of grant of the loan and the loanee shall report such completion to the Land Revenue Department which would make a record of completion after due verification.

164. In the event of the loanee being discharged from service or dying before making full payment of the loan

- (i) the legal heir may occupy the house and the repayment of the loan may be continued by him through monthly deduction, if he happens to be a Government servant; or
- (ii) the legal heir may occupy the house and the remaining loan may be repaid within five years by furnishing two sureties for the outstanding portion of the loan if he does not happen to be a Government servant provided that the sureties are in possession of immovable property sufficient to cover the outstanding loan; or
- (iii) the Government may resume ownership of the house and allot the same to other applicant; the loanee or his legal heir who fails to repay the loan may be paid whatever amount is considered reasonable.

165. Disbursement of loan : The loan under these rules shall be paid in three instalments and according to progress of construction. The loan, however, may be paid in one instalment where the construction is nearly completed or the loan is for the purchase of a ready-built house.

166. Grant of loans shall be limited to one member of an individual family if both the husband and wife are Government servants eligible for loan under these rules.

167. The Finance Department shall have the authority to approve payment of individual instalment on the loans so granted under these rules after satisfying itself that the work is progressing satisfactorily and that amount given earlier has been utilised properly.

168. Mortgage deed - The loanee shall execute a mortgage deed with the Governor pledging the house to be constructed or to be purchased as security against the loan. The house shall remain mortgaged to the Governor until the entire loan together with interest has been repaid.

169. The mortgage deed shall be registered in the District Court.

III. LOAN FOR REPAIR OF HOUSE

170. Powers of Sanction - (1) The Finance Department may, on the recommendation of a head of department, sanction loan to a Government servant for repairs of a house.

(2) Before recommending a loan, the head of department shall satisfy himself, after proper verification, that the Government servant concerned possesses a house of his own and the repairs for it is necessary and the amount applied for is reasonable.

Note : Applications for loan for repairs of a house should not normally be considered before ten years of the construction or reconstruction of the house.

171. Eligibility - Loan under this section may be granted to a permanent Government servant who has rendered at least four years of continuous service under the Government.

172. Amount of loan - The maximum amount of loan which may be granted to a Government servant for repairs of a house which should be distinguished from construction or reconstruction of the house, shall be as follows :-

Group A	Government servant	Rs.8,000
Group B	Government servant	Rs.6,000
Group C	Government servant	Rs.4,000
Group D	Government servant	Rs.3,000

173. Grant of a second loan - No application from a Government servant for a second loan shall be considered until at least two years after the repayment in full of the previous loan with interest.

174. Utilisation report - The head of department shall submit to the Finance Department, within three months from the date of disbursement of the loan, a report to the effect that the money has been utilised for the purpose for which the loan was granted.

175. Recovery of the Loan - (1) The loan shall be recovered in monthly instalments from the pay and allowances of the Government servant.

(2) Each instalment of the repayment shall be fixed as to ensure recovery of the entire amount of loan with interest at 6% per annum, within three years from the month of disbursement of the loan.

(3) The recovery shall commence with the first issue of pay, leave salary or subsistence allowance as the case may be, after the loan is disbursed.

IV. LOAN FOR PURCHASE OF LAND

176. Power of sanction - The Finance Department may, on the recommendation of a head of department, sanction loan to a Government servant for purchase of land.

Note : Applications for loan for purchase of land must indicate how much land an applicant already possesses. Priority should be given to those who has no land or has barely sufficient for sustenance. Applicants having ten acres or more land should be placed below these two categories.

177. Conditions of eligibility - (1) A loan under this section may be granted to a permanent Government servant who has rendered at least four years of continuous service under the Government.

(2) No payment shall be made until the documents relating to the purchase of land for which the loan is required have been registered.

178. Amount of loan - The total amount of loan which may be granted to a government servant for the purchase of land shall not exceed ten months' basic pay of the Government servant or the anticipated price of the land, whichever is less subject to a maximum of Rs.6,000.

179. Recovery of loan - The loan shall be recovered in monthly instalments from the pay and allowances of the Government servant.

(2) Each instalment of repayment of the loan shall be so fixed as to ensure recovery of the entire amount of loan with interest at 6 per cent per annum within three years from the months of disbursement of the loan.

(3) The recovery shall commence with the first issue of pay, leave salary or subsistence allowance, as the case may be, after the loan is disbursed.

180. Mortgage deed - (1) The loanee shall execute a mortgage deed with the Governor in the prescribed form indicating the area, boundaries and the measurements of the land so purchased. The land purchased shall remain mortgaged to the Governor against the loan till the loan has been fully repaid with interest.

(2) The loanee shall produce a certificate from the District Collector to the effect that he is the owner of the land mortgaged.

(3) The mortgaged deed shall be registered in the District Court.

V. LOAN FOR PURCHASE OF INDANE GAS

181. Power of sanction : The Finance Department may, on the recommendation of a head of department, sanction to a non-gazetted Government servant a loan for the purchase of Indane Gas for domestic use.

182. Amount of loan - The maximum amount of loan which may be granted to a non-gazetted Government servant under this section shall not exceed Rs. 500.

183. Recovery of loan - (1) The loan shall be recovered from the pay and allowances of the government servant in ten equal monthly instalments.

(2) The recovery shall commence with the first issue of pay, leave salary or subsistence allowance, as the case may be, after the loan is disbursed.

(3) The loan shall not carry any interest.

IV. ADVANCE FOR PURCHASE OF MOTOR CONVEYANCE

184. Power of sanction - The Finance Department shall be competent to sanction to a Government servant an advance for the purchase of motor conveyance.

185. Eligibility - An advance for purchase of motor conveyance shall not be granted to a Government servant without substantive appointment, except as provided in rule 186 and the grant of the advance shall be subject to such general or special instructions as may be issued by Government from time to time.

Note: - Applications for advance for purchase of motor car/scooter/ motor cycle should be submitted to the Finance Department through the administrative department in the form prescribed in Appendix 8.

186. A Government servant without a substantive appointment may be granted an advance provided he has rendered atleast three years of continuous service under the Government. The advance may be sanctioned in each case subject to furnishing sureties of two permanent Government servants having a status comparable to, or higher than that of the government servant who applies for the advance as a further security.

187. If an advance is granted to a Government servant who is due to retire or whose services are likely to be terminated within the maximum period prescribed for its repayment, the number of instalments for repayment shall be so regulated that the repayment of advance with interest is completed before retirement or termination of service, as the case may be.

188. The advance may be granted if the authority competent to sanction it -

(i) certifies that the possession of the conveyance by the Government servant concerned will be useful to the public service in the discharge of his official duties; and

(ii) is satisfied that the Government has the capacity to repay the advance.

189. Grant of second advance - An advance shall not ordinarily be sanctioned unless the outstanding balance in respect of an advance previously granted for the same purpose, together with interest thereon, has been fully repaid.

190. Advance of gazetted officers only - An advance for the purchase of a motor car (including jeep) shall be admissible only to gazetted Government servants.

191. Availability of funds - No sanction for the payment of advance for purchase of conveyance shall be issued unless it has been verified that funds are available in the financial year in which the amount of advance is to be paid.

192. Rate of interest - Simple interest at 8 per-cent per annum for motor car (including jeep) and 7 per cent per annum for motor cycle/scooter shall be charged on the advance granted to Government servants or such other rate as may be fixed by Government from time to time, shall be charged on advance granted to the Government servants. The interest shall be calculated on balance outstanding on the last day of each month. In cases where pay bills for a month are disbursed before the end of a 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 day for disbursement of pay.

193. Amount of advance - The maximum amount of advance which may be granted to a Government servant for the purchase of a motor car (including jeep) shall not exceed sixty thousand rupees or the anticipated price of the motor car, whichever is less. The advance which may be granted for the purchase of a scooter shall not exceed eight thousand rupees and for motor cycle ten thousand rupees or the anticipated price of the scooter/motor cycle, whichever is less. If the actual price of the motor car/scooter/motor cycle paid by the Government servant is less than the amount of advance he shall refund the balance to Government forthwith.

Note : The expression “actual price” used in this rule includes sales tax and the cost of such accessories e.g. spare wheel, tyre and a tube (or a pillion seat in a scooter/motor cycle) on the purchase of which the purchaser has no choice. It also includes insurance and registration charges of the vehicle.

194. No advance during suspension - Notwithstanding anything contained in rules 188 to 190 an advance for the purchase of a conveyance shall not be granted to a Government servant who is under suspension and if an advance has already been sanctioned to him before he was placed under suspension, he shall not be permitted to draw such an advance during the period of his suspension.

195. Recovery of advance - The amount of an advance granted to a Government servant under these rules shall be recovered from him in such number of equal monthly instalments as he may elect, but such number shall not be more than eighty in case of motor car and sixty in case of scooter/motor cycle. The Government servant may, however, at his option, repay more than one instalment in a month.

196. The recovery of the advance shall commence with the first issue of pay, leave salary or subsistence allowance, as the case may be, after the advance is drawn.

Note : Each instalment on account of repayment of an advance except the last one shall be a number of whole rupees, the amount of the last instalment being raised or reduced, if necessary, to admit of the fixation of such instalment and recovery of the balance including any fraction of a rupee.

197. The amount of interest calculated under rule 192 shall be recovered in the minimum number of monthly instalments, the amount of each such instalment being not greater than the amount of the instalment fixed under rule 195.

198. The recovery of interest shall commence from the month immediately following that in which the repayment of the advance is completed.

199. Sale or transfer of the conveyance - A Government servant shall not, except with prior permission of the Government, sell or transfer the conveyance so long as the amount of advance together with the accrued interest has not been fully repaid.

200. If a Government servant seeks permission to transfer a motor conveyance to another eligible Government servant who should use the motor conveyance in the discharge of his official duties, he may be permitted to transfer the liability attaching to the motor conveyance to the latter, provided that the transferee records a declaration that he is aware that the motor conveyance transferred to him remains subject to the mortgage bond and that he is bound by its terms and provisions. In all cases in which the motor conveyance is sold before the amount of advance and the interest thereon is fully repaid, the sale proceeds must be applied, so far as may be necessary, towards the repayment of such outstanding balance;

provided that when the motor conveyance is sold only in order that another motor conveyance may be purchased, the authority competent to sanction may accord permission subject to the following conditions :-

- (i) The entire sale proceeds of the old motor conveyance should be applied towards the purchase of another motor conveyance.
- (ii) The amount of advance outstanding should not be permitted to exceed the cost of the newly purchased motor conveyance.
- (iii) The amount outstanding should continue to be repaid at the rate fixed previously.
- (iv) If the sale proceeds of the motor conveyance are not sufficient to purchase another motor conveyance the amount of second advance which may be granted under rule 189 should be restricted to the excess of the price of the newly purchased motor conveyance over the sale proceeds of the old motor conveyance, provided that the advance so granted together with the balance out-standing in respect of the first advance does not exceed the price of the newly purchased motor conveyance, or the ceiling laid down in rule 193, whichever is less.
- (v) The newly purchased motor conveyance should be comprehensively insured and mortgaged to the Governor.

201. Time limit for purchase - Unless the Government servant, who is sanctioned an advance for the purchase of a motor conveyance completes the purchase of, and pays for, the motor conveyance within one month from the date on which he draws the advance, he shall refund forthwith the full amount of advance drawn together with accrued interest. The Government may, in exceptional cases, extend the period of one month prescribed in this rule.

Note : The conditions specified in rule 201 should be mentioned in all sanctions to the grant of an advance for the purchase of a motor conveyance.

202. Mortgage deed - Prior to the drawal/disbursement of an advance by/to a Government servant for the purchase of a motor conveyance he shall execute an Agreement-cum-Mortgage Bond in the form prescribed in Appendix 9. On completion of the purchase of a motor conveyance, he shall execute the mortgage bond hypothecating the motor conveyance to the Governor as security for the advance.

203. Conveyance to be insured - A Government servant who purchases a motor conveyance with an advance obtained from the Government shall, from the date of its purchase comprehensively ensure and so long as the advance and the interest on such advance is not fully repaid, keep so insured the motor conveyance against loss or damage by fire, theft, accident, strike, riot or any disturbance of public peace, in accordance with such instructions as may be issued by the Finance Department.

Note 1. - Insurance on owner-driven or other similar qualified terms is not sufficient. Insurance policies at a reduced rate of premium may, however, be accepted as adequate in the case of a motor car where the Government servant undertakes to meet upto the first two hundred and fifty rupees of a claim preferred against an insurance company in the event of an accident, or where the car is not insured against accident, for any period during which it is not in use, but is stored in a garage.

Note 2. - When a motor conveyance is purchased with an advance obtained from, and is mortgaged to Government the insurance policy taken on the motor conveyance should invariably contain the following clause:-

“It is hereby declared and agreed that Shri(the owner of the motor conveyance, hereinafter referred to as the insured in the schedule to this policy) has hypothecated the motor conveyance to the Governor of Sikkim hereinafter referred to as the Governor as security for an advance for the purchase of the motor conveyance and is further declared and agreed that the Governor is interested in any moneys which but for this endorsement is payable to the said Shri.....(the insured under this policy) in respect of loss, or damaged to the said motor conveyance (which loss or damage is not made good by repair, reinstatement or replacement) and such moneys shall be paid to the Governor as long as he is the mortgaged of the motor conveyance and his receipt shall be full and final discharged to the company in respect of such loss or damage.

Save as by this endorsement expressly agreed, nothing herein shall modify or affect the rights or liabilities of the insured or the company respectively under or in connection with this policy or any term, provision or condition thereof.”

204. The amount for which a motor conveyance is insured for any period shall not be less than the outstanding of the advance together with interest accrued at the beginning of that period, but if such amount is less, the difference shall be refunded to Government in not more than three equal monthly instalments.

VII. ADVANCE ON THE EVE OF IMPORTANT FESTIVALS

205. Powers of sanction - A head of department may sanction an advance to a Government servant under his administrative control on the eve of any one of the following festivals:-

- (i) Durga Puja
- (ii) Laxmi Puja
- (iii) Lossong
- (iv) Christmas and New Year
- (v) Id-UI-Fiter
- (vi) Tibetan New Years Day

Exception :- In case of Police personnel upto the rank of Deputy Superintendent of Police, Assistant Inspector General of Police may sanction an advance under this rule.

Note : An application for the grant of an advance should be submitted to the head of department at least 15 days before the festival.

206. Conditions of eligibility - (1) The advance shall be admissible to all regular Government servants. The advance shall not be admissible to a Government servant under suspension or on leave preparatory to retirement.

Note - The advance may also be granted to work-charged employees drawing salary on regular scale of pay.

(2) Where the Government servant is of a temporary status, he shall furnish a surety from a permanent Government servant of equal or higher status than him undertaking to repay in full to Government in the event of the failure of the former to repay the advance.

207. (1) An advance under this section shall not be granted to a Government servant more than once in a calendar year.

(2) Where a Government servant is transferred from one establishment to another and applies to the latter for the grant of an advance on the eve of an important festival, he shall furnish in his application a certificate to the effect that he had not drawn any such advance prior to his transfer within the same calendar year. Such a certificate may be test checked by the head of the department where it is considered necessary.

208. Amount of advance - The amount of advance which may be granted to a Government servant shall be equal to half a month's pay subject to a minimum of Rs.600 and a maximum of Rs.1000.

209. Disbursement of advance - A drawing and disbursing officer shall draw the amount of advance sanctioned under these rules before the festival in respect of which the advance is sanctioned.

210. Recovery of advance - The amount of advance granted under these rules shall be recovered in six equal monthly instalments.

211. The recovery of the amount of advance shall commence with the issue of pay for the month following that in which such amount is disbursed.

212. An advance shall not be sanctioned in the following calendar year unless the advance, if any, granted earlier has been recovered in full.

VIII. ADVANCE IN CONNECTION WITH TOURS

213. Powers of sanction - (1) A head of department may with the concurrence of the Finance Department sanction to a permanent or temporary Government servant under his administrative control who is required to proceed on tour including a prolonged tour in the interior to places which are difficult of access, an advance to cover his personal travelling expenses for a period not exceeding thirty days as well as his expenses on contingent charges arising out of the tour.(See Office Memorandum No. 52/ Fin/ Accts, Dt.28/04/97 for amount of advance entitlement)

(2) An officer who is declared to be his own controlling officer for the purpose of travelling allowance may sanction the grant of an advance under this rule to himself with the concurrence of the Finance Department.

Explanation-The term "personal travelling expenses" used in sub-rule (1) means rail or air fares, incidental charges, road mileage and daily allowance for a period not exceeding thirty days. "Contingent charges" mean expenses on hire of conveyances or animals for the carriage of records, tents or other Government property.

214. A second advance cannot be made to a Government servant under this section until an account has been given of the first.

215. A Government servant who has taken an advance under these rules for any particular journey shall not take payment on travelling allowances or other bills drawn in respect of the same journey while the advance or any portion of it still remains unadjusted.

216. Adjustment of advance - (1) The amount of advance granted under this section shall be adjusted immediately on the completion of the tour or by the 31st March whichever is earlier. Advances drawn in the month of March may, however, be adjusted on completion of the tour or by the 30th April whichever is earlier (See Office Memorandum No.52/Fin/Acctts, Dt.28/04/97)

(2) The right of a Government servant to travelling allowance including daily allowance shall be forfeited or deemed to have been relinquished if the claim for it is not preferred within one year from the date on which the journey is completed. The advance so granted shall be recovered from his pay or any other dues in one instalment by the authority competent to sanction such advance.

CHAPTER XIV

SECURITY DEPOSITS

I. GENERAL RULES

217. (1) Subject to any general or special instructions prescribed by Government in this behalf, every Government servant, who is entrusted with the custody of cash or stores, shall be required to furnish security for such amount as may be prescribed according to circumstances and local conditions in each case and to execute a security bond setting forth the condition under which the Government will hold the security and may ultimately refund or appropriate it.

(2) In cases of officiating arrangement for not exceeding four months in place of a regular cashier or a store-keeper proceeding on leave, the Government may grant exemption from furnishing security deposit in case of a permanent Government servant appointed to officiate.

218. Notwithstanding anything contained in rule 217 security need not be required to be furnished in cases of —

- (a) Government servants who are entrusted with the custody of stores which are not considerable;
- (b) Government servants who are entrusted with the custody of office furniture, stationery and other articles required for office management, if there are satisfactory safeguards against loss through pilferage;
- (c) Librarians and Library staff;
- (d) Drivers of Government Vehicles; and
- (e) Government servants entrusted with handling service postage stamps.

219. (1) Subject to any general or special instructions issued by Government in this behalf, a private person or a firm, contracting with the Government to supply stores or to execute a work shall, unless exempted by orders issued with the prior consent of the Finance Department, be required to furnish security for the due fulfillment of the contract. A suitable provision regarding security shall be incorporated in the agreement.

(2) No security need be obtained for purchases of stores upto Rs.20,000.

II. RECOGNISED FORMS OF SECURITIES

220. Forms of security - The security to be taken from a Government servant or a contractor shall be in one of the following recognised forms :

Forms of security	Conditions
(i) Cash	<p>(1) Government will not pay any interest on any security deposit held in the form of cash. Such security deposit may be converted at the cost of the depositor into any of the interest bearing forms of security mentioned in items (ii) and (iii) below, if the depositor expressly requests in writing to that effect and the acceptance of the new form or forms of security is permissible under this rule and under the terms of agreement or bond. Cash actually received or recovered may be converted into an interest bearing form of security even when it forms part of a deposit which is being paid in instalment but has not been realised in full.</p> <p>(2) Percentage deductions made from a contractor's bills held as security for the due fulfillment of a contract shall not be converted into any other form of security unless there is a special rule or order for such conversion</p>
(ii) Post Office Cash Certificates, National Savings Certificates, National Plan Savings Certificates, 12 years National Defence Certificates and 10 years Defence Certificate.	<p>(1) These certificates shall be formally transferred to the Governor. The departmental authorities authorised to accept security shall accept the same with the sanction of the Post Master of Deposit the office of registration at their surrender value at the time of tender.</p> <p>(2) Certificates which are not held in the name of the person furnishing the security shall not be accepted.</p>

(iii) Post Office Savings Bank
Pass Books.

(1) A Pass book for a deposit made under the post office savings Bank Rules may be accepted as security provided that the depositor has signed and delivered to the Post Master a letter in the prescribed form as required by those rules.

(2) The pass book shall be sent to the post office as soon as possible after the 15th June of each year so that the necessary entries on account of interest may be made in them.

(iv) Deposit receipts of all
scheduled banks.

(1) The deposit receipts shall be made out in the name of the pledgee or, if it is made out in the name of the pledger, the bank shall certify on it that the deposit can be withdrawn only on the demand, or with the sanction of the pledgee. The bank shall agree that on receiving a signed chalan and a withdrawal order from the pledgee in respect of the deposit, or any part thereof, it will at once remit the amount specified into the nearest branch of State Bank of Sikkim alongwith the challan and send the bank receipt to the pledgee.

(2) The depositor shall agree in writing to undertake any risk involved in the investment and make good the depreciation, if any.

(3) The depositor shall receive the interest when due, direct from the bank on a letter from the pledgee, authorising the bank to pay it to him.

(4) The responsibility of the pledgee in connection with the deposit and the interest on it will cease when he issues a final withdrawal order to the depositor and sends an intimation to the bank that he has done so.

(v) Fidelity bond from any one of the following four subsidiaries of the General Insurance Corporation of India:-

- (a) National Insurance Company Limited.
- (b) New India Assurance Company Limited.
- (c) Oriental Fire and General Insurance Company Limited.
- (d) United India Fire and General Insurance Company Limited

Fidelity bond may be accepted as security from a Government servant but not from a private party. When a Government servant has furnished security the departmental authority authorised to accept the security shall see that the Government servant pays the premia necessary to keep it alive on the dates and continues to do so until he vacates his office. If the Government servant fails to submit the premium receipts in time, he shall not be allowed to perform the duties of his post and dealt with in accordance with the terms of his appointment.

(vi) Any other form of security approved by Government for acceptance in any particular department such as mortgages on real property and personal security.

These securities may be accepted only in accordance with the rules and conditions laid down in the relevant departmental regulations or by special orders of Government.

(vii) Cheques/drafts issued by big Urban Banks whose working capital exceeds Rs.5 cores and by A B or C Class Central Cooperative Banks/Non Scheduled State Cooperative Banks.

Cheques / drafts may be accepted as security from private contractors/suppliers. When a contractor / supplier has furnished a cheque/draft, the authorities concerned shall ensure that the cheque/draft is encashed immediately and the contract is allotted only after the encashment of cheque/draft.

221. Government may authorise a departmental authority not lower than a head of department to accept security in any of the forms given in rule 220.

222. Subject to any general or special instructions issued by Government in this behalf, the form of the security bond to be executed at the time of furnishing security shall be determined by Finance Department according to the kind of security furnished.

III. CUSTODY OF SECURITIES

223. Custody of securities - (1) Post office savings pass books, deposit receipts of banks, fidelity bonds and security bonds or agreements shall be kept in the safe custody of the authority authorised to accept the security under rule 221.

(2) Post office cash certificates, national savings certificates etc. deposited as security shall be lodged for safe custody with the State Bank of Sikkim.

224. A security deposit taken from a Government servant shall be retained for atleast six months from the date when he vacates his post but a security bond shall be retained permanently or until it is certain that there is no further necessity for keeping it.

225. The percentage deductions from the bills of contractors held as security in connections with contracts to execute works shall not be refunded till the final bill has been prepared and passed and except in accordance with the terms of contract agreement.

226. Release of securities - Without the special orders of Government no Security deposit shall be repaid or retransferred to the depositor or otherwise disposed of except in accordance with the terms of his security bond or agreement. The departmental authority to accept security under rule 221 shall, while returning any security to the depositor, invariably obtain his acknowledgement duly signed and witnessed. When an interest-bearing security is returned or retransferred, the acknowledgement shall set forth full particulars of the security.

CHAPTER XV

MISCELLANEOUS

227. Destruction of office records connected with accounts :- Subject to any general or special rules or orders applicable to particular departments as prescribed in their departmental manuals, no Government record connected with accounts shall be destroyed except in accordance with the provisions of appendix 10.

APPENDIX I
(See Rule 2 (xx))

LIST OF HEADS OF DEPARTMENT

Sl. No.	Post	Department
1	Chief Election Officer	Election Department
2	Development Commissioner	Development Planning, Economic Reforms & North Eastern Council Affairs Department
3	Director General of Police	Police Department
4	Director	Vigilance Department
5	Secretary	Animal Husbandry, Livestock, Fisheries & Veterinary Services Department
6	Secretary	Food Security Agriculture Development Department
7	Secretary	Building & Housing Department
8	Secretary	Co-operation Department
9	Secretary	Cultural Affairs & Heritage Department
10	Secretary	Ecclesiastical Department
11	Secretary	Human Resource Development Department
12	Secretary	Excise (Abkari) Department
13	Secretary	Finance, Revenue & Expenditure Department
14	Secretary	Food, Civil Supplies & Consumer Affairs Department
15	Secretary	Forestry & Environment Management Department
16	Secretary	Health Care, Human Services & Family Welfare Department
17	Secretary	Home Department
18	Secretary	Horticulture & Cash Crops Development Department
19	Secretary	Commerce & Industries Department
20	Secretary	Information & Public Relation Department
21	Secretary	Labour Department
22	Secretary	Land Revenue & Disaster Management Department
23	Secretary	Law Department
24	Secretary	Mines Minerals & Geology Department
25	Secretary	Irrigation & Flood Control Department
26	Secretary	Department of Personnel Administrative Reforms, Training, Public Grievances, Career Options & Employment Skill Development & Chief Minister's Self Employment Scheme
27	Secretary	Energy & Power Department
28	Secretary	Printing & Stationery Department
29	Secretary	Water Security & Public Health Engineering Department
30	Secretary	to His Excellency the Governor
31	Secretary	Roads & Bridges Department
32	Secretary	Rural management Development Department
33	Secretary	Science & Technology Department
34	Secretary	Transport Department (Motor Vehicles & Sikkim Nationalized Transport)
35	Secretary	to the Honourable Chief Minister
36	Secretary	Tourism Department
37	Secretary	Urban Development & Housing Department
38	Secretary	Social Justice, Empowerment & Welfare Department
39	Secretary	Sports & Youth Affairs Department
40	Secretary	Parliamentary Affairs Department
41	Secretary	Information Technology Department

APPENDIX 2

(See Rule 49)

CASH BOOK

OFFICE OF

MONTH OF

RECEIPT

PAYMENT

D a t e	No.of receipt where necessary	Particul ars	Pay & allowan- ces	In recopment of permanet advance	Advances payment	Miscell- aneous	Total	Classi - fication	D a t e	Sub- Vou cher Nos.	Particu lars	Pay & allow ances	Out of perma nent	Out of money drawn in anticip ation	Misce llaneo us	Total	Classif ication

APPENDIX – 3

DELEGATION OF POWERS

(SEE RULE 55)

PART I - CONTINGENT AND MISCELLANEOUS EXPENDITURE

SL. NO.	ITEMS OF EXPENDITURE	SECY/HEAD OF DEPTT.	HEAD OF OFFICE	R E M A R K S
1	RESIDENTIAL / NON-RESI. BLDG a).Rent for private buildings for office accommodation / residence b).Electric/Water charges of non-resident. buildings c).Municipal flats/taxes of non-resident. buildings d).Petty repairs to non-residential buildings	Full Powers Full Powers Full Powers Upto Rs.30,000/- per annum	Full Powers Full Powers Full Powers Upto Rs.15,000/ per annum	Provided hiring of accommodation is approve by the Govt. & the rent is fixed by S.P.W.D. (Bldg, & Housing). Deptt. as per prescribed norms Work should be executed as per the provision of Public Work Code & manual & such instructions as may be issued by the Government from time to time. All works involving expenditure exceeding to minimum limit prescribed in the PWD code/manual shall be executed through the appropriate Agency..
2	Purchase & Repair of typewriter duplicators, furniture etc. a).Purchase of ordinary, typewriter, duplicator, calculators other than electronic typewriter / photocopiers / computers b).Repair of typewriter, duplicators, calculators, other than electronic typewriters/photo copier/ computers.	Full Powers Full power	Full power Full power	Subject to the prescribe norm & such instruction as may be issued by the Govt. from time to time. Subject to the prescribe norm & such instruction as may be issued by the Govt. from time to time.

3	c).Repairs & maintenance of electronic typewriters / photo copier / computers, T.V / V.C.R/ Fax / Medical / Scientific instruments / Film Projector.	Full Power	Full Power	Subject to terms contained in the annual maintenance contract of the manufacturers/Agency or on the basis of approved rates after inviting quotations & such directions as may be issued by the Govt. from time to time.
	d).Purchase of office furniture, fixture, fittings and furnishings.	Full Power	Full Power	Subject to the prescribed rates after inviting quotations & such directives as may be issued by the Govt. from time to time.
	e) Repair of office furniture, fixture, fittings and furnishings.	Full Power	Full power	Subject to the approved scale & such directives as may be issued by the Govt. from time to time.
	OTHER ITEMS			
	a) Purchase of crokery & cutlery for rest house / inspection bungalows	Full powers	Upto Rs.5000 per annum	Subject to prescribed norms & such instruction as may be issued by the Govt. from time to time .
	b) Purchase of books,Acts, Codes Rules,Govt. Publications, Roports & books required in courts, training instructions, libraries Department & office.	Full powers	Full Powers Subject to maximum of Rs. 1500/- per month	Subject to the condition that books & journals are relevant to the functioning of the concerned deptt. & in accordance with norms that may be prescribed by the Govt. from time to time.
	c)Refreshment for inter-departmental meetings.	Full Power	Full Powers Upto Rs. 500/- per month	Subject to prescribed norms & restrictions as may be prescribed by the Govt. from time to time.
	d) Purchase of liveries & uniforms for peons and drivers. Complete.	Full Powers	Full Powers	Subject scale & norm as may be prescribed by the Govt. from time to time.
	e).Purchase of Stationery articles	Full Powers	Full Powers	Subject to norms & such restrictions as may be prescribed by the Govt. from time to time.
	f).Advertisng charges	Full Powers	Full Powers	Subject to norms & such restrictions as may be prescribed by the Govt. from time to time.
	g).Printing works at Govt. Press	Full Powers	Full powers	Subject to norms & such restrictions as may be prescribed by the Govt. from time to time.

4	Purchase of forms, register etc. from Government Press.	Full powers	Full powers	Subject to norms & such restrictions as may be prescribed by the Govt. from time to time.
5	Telephone Charges	Full powers	Full powers	Subject to norms & such restrictions as may be prescribed by the Govt. from time to time. This does not include cost of installation of new telephone connection.
6	Postage Stamps, telegrams.	Full powers	Full powers	Subject to purchase of service stamps and official telegram only.
7	Survey instruments	Full powers	Full powers	Subject to norms & restrictions as may be imposed by the govt. from time to time.
8	Exhibition and Fairs	Full powers	Full powers	Subject to the participation having been approved by the Govt.
9	Charge for legal experts & Advocates	Full powers	Full powers	Subject to the rates being certified by the Law Department.
10	Remuneration for holding examinations	Full powers	Full powers	Subject to norms & restrictions as may be imposed by the govt. from time to time.
11	Staff paid from contingencies	Full powers	Full powers	Subject to observance of the restrictions imposed on appointment of such staff & as per the wage rate prescribed by the Govt. from time to time.
12	Scholarships and stipends	Full powers	Full powers	Subject to regulations & rates as may be prescribed by the Govt. from time to time.
13	Freight charges	Full powers	Full powers	Subject to observance of norms and the purchase having been made under the sanction of the competent Authority.
14	Customs and Excise duty	Full powers	Full powers	As per the norms and rates prescribed by the Govt.
15	Commission on postal M.O. / Bank Draft for official purposes.	Full powers	Full powers	- do -
16	Testing charge of material in Govt. / recognized laboratories & inspection wing of DGS & D.	Full powers	Full powers	- do -

17	Grant-in-aid to Zilla Panchayat	Full power	--	Subject to observance of norms and criteria laid down in Notification No 35(2)94-95/38/RDD/P(II) dt.13.5.98 & such other instructions as may be issued by the Govt from time to time.
18	Motor Vehicle Taxes	Full power	--	Subject to rates fixed and notified by the Govt. from time to time.

APPENDIX – 3

DELEGATION OF POWERS

(SEE RULE 55)

PART II – SANCTION OF CONTIGENT EXPENDITURE OF ACCOUNT OF OFFICE EXPENSES.

SL. NO.	ITEMS OF EXPENDITURE	SECRETARY/ COMMISSIONER OF ADMINISTRATIVE DEPTT./DGP	HEAD OF OFFICE	REMARKS
1	a) Recurring Expenditure not covered under part I.	Upto Rs. 30,000 in each case.	Upto Rs. 10,000 in each case	Subject to observance of prescribed purchase procedure and such restrictions as may be imposed by the Government from time to time.
	b) Non recurring expenditure not covered under part I.	Upto Rs. 1,00,000 in each case.	Upto Rs. 30,000 in each case.	-do-
2	CHIEF SECRETARY			
	a) Recurring Expenditure	Upto Rs. 1,00,000		-do-
	b) Non-recurring Expenditure	Upto Rs. 5,00,000		-do-

NOTE : Contingent expenditure has been defined in Rule 99 of the Sikkim Financial Rules,1979.

APPENDIX - 4
DELEGATION OF POWERS
(SEE RULE 55)

SPECIFIC DELEGATION TO CERTAIN HEADS OF DEPARTMENTS & SUBORDINATE AUTHORITIES.

SL. NO.	ITEMS OF EXPENDITURE	TO WHOM DELE – GATED	EXTENT OF POWER	R E M A R K S
1.	HORTICULTURE & CASH CROP DEVELOPMENT DEPARTMENT Procurement of fertilizer, seeds, insecticides and planting materials	Secretary	Full Powers	Provided purchases are made from Govt. approved agencies at the current price of the manufacturers under the Schemes approved by the Government through Development Planning, Economics & North Eastern Council Affairs Department and Finance, Revenue & Expenditure Department.
2.	ANIMAL HUSBANDRY, LIVESTOCK, FISHERIES & VETERINARY SERVICES DEPARTMENT (a).Procurement of feeds, seeds and implements. (b).Oxygen Gas (c).Medicines, drugs, serum and vaccine.	Secretary Secretary Secretary	Full Powers Full Powers Full Powers	Provided purchases are made from Government approved agencies at the current price of the manufacturers under the Schemes approved by the Government through Development Planning, Economics & North Eastern Council Affairs Department and Finance, Revenue & Expenditure Department. Provided purchases are made from approved Agencies / Manufacturers. Provided purchases are made from approved Agencies / Manufacturers.
3.	HUMAN RESOURCE DEVELOPMENT DEPARTMENT a).Purchase/publication of text books	Secretary	Full Powers	Provided purchases are made from approved agencies upto the amount approved by the Government Development Planning, Economics & North Eastern Council Affairs Department and Finance, Revenue & Expenditure Department.

4.	b)Science equipment/chemicals for educational institutions	Secretary	Full Powers	Provided purchases are made from approved agencies upto the amount approved by the Government Development Planning, Economics & North Eastern Council Affairs Department and Finance, Revenue & Expenditure Department.
	c).Furniture for School/ colleges/ Hostels.	Secretary	Full Powers	Provided purchase are made from approved agencies as per scales fixed for each institution from time to time by the Government.
	d).Repairs for School/ Colleges/ Hostels, Teachers quarters/buildings within school compound	Secretary	He/She may exercise power as per SPWD Code.	Subject to prescribed norms and such instruction as may be issued by the Government from time to time.
	e).Ancillary purchases for holding periodical examination in school & College	Secretary	Full Powers	Subject to prescribed norms & such instructions as may be issued by the Govt. from time to time.
	f).Purchase of books for School/ College library.	Secretary	Full Power	Upto the amount of the relevant administrative approval for purchase / publication accorded by the Government.
	g)Remuneration for holding examination paper setting, evaluation, Superintending, invigilation.	Secretary	Full Power	As per rates prescribed / approved by the Govt. from time to time.
	HEALTH CARE, HUMAN SERVICES & FAMILY WELFARE DEPARTMENT.			
	a) Purchase of medicines, drugs, serum and vaccines.	Secretary	Full Power	Provided purchases are made from approved agencies / manufacturers within the administrative approval of the Govt. as recommended by the Purchase Committee.
	(b) Emergency purchase of medicines, drugs, serum and vaccines.	1. CMO at District Hospital	Upto Rs. 1,00,000/ annum	Subject to obtaining non-availability certificate from the Central Medical Store and as approved rates/Company price.

		2. Medical Supdt. STNM. Hospital	Upto Rs. 1,50,000 at a time	<p>Provided that:</p> <p>1).There shall be an Emergency Purchase Committee with Medical Superintendent as Chairman, the officer dealing with stores as Member Secretary and another officer of the hospital as Member for determining the quality and the rate of medicine to be purchased locally for meeting emergency needs of the hospital only when such medicine are not available in the Central Store.</p> <p>2).Prescribed purchase procedure is adhered to by the Committee.</p> <p>3)This delegation of power is applicable only for the purchase of medicines required for treating the patients in emergency cases and not for general use in the hospital.</p>
	c) X-ray films Ultra sound films etc.	1.Secretary	Full Powers	Provided purchase are made from approved agencies / manufacturers at prescribed rates.
		2. .Suptd. S.T.N.M. Hospital	Full Power upto Rs. 1,00,000 at a time.	Provided purchase are made from approved agencies / manufacturers at prescribed rate.
	d) Oxygen gas	Secretary	Full Powers	Provided purchase are made from approved agencies / manufacturers at prescribed rate.
	e) Bedding and linon for hospitals.	Secretary	Full Power	Subject to norms and scales fixed by the Government and observance of prescribed purchase procedure from agencies approved by the Govt.
	f).Diet charges in Hospitals.	1.Secretary	Full Power	Subject to scales and rates approved on basis of open quotations/tenders.

		2. Medical Supdt. S.T.N.M./ Namchi Hospital	Upto Rs. 1,00,000 at a time.	Subject to scales and rates approved on basis of open quotations / tenders. The expenditure will be limited to the funds allotted to each District Hospital inn the respective Demand for Grants. These Officers will be responsible for exercising effective control over the expenditure.
		3. C.M.O. of District Hospital	Upto Rs. 55,000 at a time	Subject to scales and rates approved on basis of open quotations / tenders. The expenditure will be limited to the funds allotted to each District Hospital inn the respective Demand for Grants. These Officers will be responsible for exercising effective control over the expenditure.
	g).Repairs to hospital buildings/ hospital quarters.	Secretary	As per powerconferred by SPWD. Code.	
	h).Repairs to Hospital equipments and accessories	1.Secretary	Full power upto Rs. 2.00 lakh per annum	Subject to prescribed norms and restrictions as may be imposed by the Government.
		2. Medical Supdt. S.T.N.M. Hospital	Full power upto Rs. 1.00 lakh per annum	Subject to prescribed norms and restrictions as may be imposed by the Government.
	i)100% Centrally Sponsored Family Planning / AIDS Programme.	Secretary	Full Powers	Subject to norms prescribed by the Govt. of India. This does not include creation of posts/purchase of vehicles.
	j) Uniforms to Doctors, Nurses, Ward attendants.	Secretary	Full Powers	Subject to such norms & scales as may be prescribed by the Govt. from time to time.

5.	k).Purchase of spare parts for Mechanical Workshop of Health Department.	Secretary	Full Powers	Subject to conditions as laid under para 10 of Appendix 3A.
	TRANSPORT DEPARTMENT			
	a).Procurement of Petrol.	Secretary	Full Powers	Provided purchases are made from Government approved undertakings.
	b).Spare parts and such other articles for functional vehicles only.	Secretary	Full Powers	Provided purchases are made from Manufacturers under Association of State Road Transport Undertaking (ASRTU) Rate Contract & subject to such other restrictions as may be imposed by the Govt. from time to time.
	c).Registration fee of vehicles.	Secretary	Full Powers	As per rates fixed by the Government.
6.	d).Insurance premium of vehicles.	Secretary	Full Powers	As per rates fixed by the Insurance Company.
	e).Payment of hire charges to private truck owners.	Secretary	Full Powers	As per rates fixed by the Government.
	POLICE DEPARTMENT			
	a)Diet charges for accused persons.	Suptd. of Police of Districts	Full Powers	As per rates/scales prescribed by the Govt.
	b).Hiring of Private vehicles for carrying Dead Bodies for investigation, Law and Order Duty.	Suptd. of Police of Districts	Full Powers	As per the rates fixed by the Govt. & certified by the RTO & subject to observances prescribed by DGP in consultation with Finance, Revenue & Expenditure Department..
	c)Meal Charges for Police personnel (SAP, CRPF, India Reserved Battalion, Home Guard etc.) deployed on Emergency Duty for maintenance of Law and Order.	Director General of Police	Full Powers	Provided the duty period is stretched continuously for more than 8 hrs.
	d).Purchase of spare parts for mechanical workshop of Police Vehicles.	Director General of Police	Full Power	Subject to conditions as laid under para 10 of Appendix 3A.

e).Reward to non-gazetted police personnel.	Director General of Police	Full Power upto Rs. 5,000/-in each case	
f).Reward to Private person for providing valuable information.	Director General of Police	Full Power upto Rs. 5,000/-in each case	
g).Payment of Duty allowances to Home Guards deployed for Law & Order Duty.	Director General of Police	Full Powers	Subject to procedure prescribed under O.O.No:32/HG/91-92 dated 20/04/91
h).Purchase of arms and payment of advance to the ordinance factory of Ministry of Home Affairs.	Director General of Police	Full Powers	Subject to restrictions as may be imposed by the Govt. &procurement being made solely from Govt. Ordinance Factories.
i).Purchase of uniforms to non-gazetted police personnel.	Director General of Police	Full Powers	Provided procurement being made directly from manufacturers/ Authorised dealers or by open quotations/tenders duly abiding by the purchase procedure as per Sikkim Financial Rules 127 and subject to such other restrictions as may be imposed by the Govt.
j).Petty repairs to Govt. (Police) family quarters/ buildings/Check Posts & Out Posts.	Director General of Police	Full Powers upto Rs. 50,000 for each unit /quarter	Work should be executed as per the provision of S.P.W.D.Code through Building & Housing Department.
k).Purchase of Wireless and Equipments.	Director General of Police	Full Powers	Provided procurement is made directly from manufacturers/ Authorised dealers and subject to such other restrictions and may be imposed by the Government and also subject to observance of prescribed purchase procedure.

7.	COMMERCE & INDUSTRIES DEPARTMENT Payment of incentive to small scale Industries.	Secretary Director	Full Powers upto Rs. 20,000 in each case Full Power upto Rs. 20,000 in each case	Subject to observance of the procedure prescribed by the Government notification No 27/DI/88-89/2480 dated 23.08.88
8.	PRINTING & STATIONERY DEPARTMENT a)Purchase of Printing Ink b).Purchase of papers.	Secretary Secretary	Full Powers Full Powers	Subject to purchase being made from manufacturers or Government undertakings at prescribed Government rates. -do-
9.	TOURISM DEPARTMENT a).Quarterly release of operational expenses of lodges, restaurants.	Secretary	Full Power	Subject to such norms fixed by the Government from time to time.
10.	FORESTRY & ENVIRONMENT MANAGEMENT DEPARTMENT. a). To accord technical sanction to detailed estimate of works. b).Purchase of Arms & Payment of advance. c). Purchase of wireless sets & equipments.	Principal Chief Conservator of Forest Principal Chief Conservator of Forest Principal Chief Conservator of Forest	Full Power Full Power Full Power	Powers to be exercised in accordance with the Forest Code and Manual. Provided the procurement is done through the Police Department. Provided procurement is made directly from the manufacturers /Authorized dealers & subject to such other restrictions as may be imposed by the Govt. & also subject to observance of prescribed purchase procedure.

11.	FINANCE, REVENUE & EXPENDITURE DEPARTMENT a).Sanction of House Building Advance, State loan, Motor Vehicle Advance, Gas Loan, etc. to Government Employee	Secretary	Full Powers	As per norms prescribed under Sikkim Financial Rules.
	b). Sanction of Interest and Principle payable to Government of India and Financial Institution (Rural Electrification Corporation, Power Finance Corporation,, Life Insurance Corporation of India, General Insurance Corporation, National Insurance Corporation ,Reserve Bank of India, NABARD, Market Borrowing, etc.)	Secretary	Full Powers	Subject to repayment and payment of interest schedule of Government of India and Financial Institute and agreement as amended from time to time.
	c). Sanction of GPF/GIS benefits to retired / diseased Govt. Employees..	Director, Pension	Full Powers	Subject to rules as prescribed under GPF/GIS rules and certificate form GPF/GIS section and recommendation.
	d). Sanction of Retirement benefits.	Director, Pension	Full Power	As per norms prescribed under Sikkim Government Service (Pension) Rules.
12.	ELECTION DEPARMTENT a).Preparation for and conduct of Election to Lok Sabha/Rajya Sabha and State Legislature.	Chief Election Officer	Full Powers	Subject to the schedule and direction of Election Commission of India. The expenditure is to be incurred as per norms & guidelines issued from time to time.
	b).Purchase of Stationeries for conduct of Election.	Chief Election Officer	Full Powers	Subject to prescribed purchase norms as amended from time to time by the Government.
	c).Preparation of Photos ID Cards to voters and payment thereof.	Chief Election Officer	Full Powers	Provided the approval of Government through Finance, Revenue & Expenditure Department is obtained before undertaking such work.
	d).Preparation and conduct of Intensive /Summery/ Special provision of Electoral Rolls and printing thereof.	Chief Election Officer	Full Powers	Subject to time schedule and directions issued by Election Commission of India and observance of prescribed norms.

13.	EXCISE (ABKARI) DEPARTMENT a).Reimbursement of Export Pass Fee.	Commissioner / Secretary	Full Powers	Subject to provisions of Sikkim Foreign Liquor (Import, Export and Transport) Rules 1993 and other instructions issued by the Government time to time with the prior concurrence of Finance, Revenue & Expenditure Department
14.	HORTICULTURE, CASH CROP DEVELOPMENT DEPARTMENT Procurement of seeds, fertilizers, insecticides and planting materials	Secretary	Full Powers	Provided purchase are made from Government approved agencies at the current price of the manufactures under the scheme approved by the Government through Development Planning, Economics & North Eastern Council Affairs Department and Finance, Revenue & Expenditure Department.
15.	ENERGY & POWER DEPARTMENT Purchase of spare parts for mechanical workshop of Power Department.	Secretary	Full Powers	Subject to conditions as laid under para 10 of Appendix 3A.
16.	S.P.W.D.(MECHANICAL) Purchase of spare parts for mechanical workshop of SPWD.	Secretary	Full Powers	Subject to conditions as laid under para 10 of Appendix 3A.
17.	CO-OPERATION DEPARTMENT Payment of subsidies / Grants to Cooperative Societies.	Secretary	Full powers	Subject to observance of norms and criteria laid down in Departmental Notification No. 1/Coop. Dated 11.5.98 and such other norms fixed by the Government from time to time.
18.	HOME DEPARTMENT Quarterly release of resource to Sikkim House, Delhi.	Secretary	Full powers	Subject to timely submission of relevant vouchers & expenditure statement.
19.	Release of monthly Life Time State Appreciation Grant doe National awardees from Sikkim	Secretary	Full powers	Provided the norms of the awardees are approved & notified by the Govt.
20.	Release of monthly Pension to Secretary Sikkim Ratna Awardees.	Secretary	Full powers	Provided the norms of the awardees are approved & notified by the Govt.

Appendix 5

(See Rule 63)

STATEMENT IN SUPPORT OF PROPOSALS RELATING TO NEW SCHEMES

This form should be used for schemes, the estimated expenditure of which is Rs.5 lakhs or above. It need not be used for schemes costing less, but substantially the same information should be supplied for these schemes also.

Government of Sikkim
.....Department.

Subject:

1. A concise statement of the proposal and full justification for it.
2. (a) is the proposal in respect of a “New Service”?

(b) Has the proposal or any part of it been already considered by the Finance Department and if so, what is the decision taken?
3. Expenditure involved in the proposal.

	Expenditure		Budget provision
	Non-recurring	Recurring	
(1)	(2)	(3)	(4)
(i) During the first year
(ii) During the subsequent year (year wise)
(iii) Total expenditure on the scheme

4. State, briefly the estimated yield on the project and the economic implication, indicating anticipated receipts.
5. Is the proposal included in the State Plan? If so, state
 - (a) the amount included for the scheme in the plan;
 - (b) if the scheme or the total provision envisaged in the plan has been modified, indicate the extent of modification and reason for the same.

Also, state whether the Planning & Development Department has concurred in the modification. Extracts of the views of the Planning & Development Department should be enclosed.

6. Is any foreign exchange involved? If so, state (a) items of expenditure involving foreign exchange, (b) expenditure on foreign experts; and (c) whether clearance of the Government of India has been obtained.

7. Purchase of plant, equipments, and stores:- State the procedure to be adopted for purchasing stores, plant, machinery, etc, and whether any departure is necessary or proposed from the normal procedure prescribed for such purchases, with reasons.

8. Is any collaboration, technical and financial, with foreign Government or Firms contemplated ? If so, furnish details.

9. Extent of financial assistance, if any, the source from which it is expected or assured and the nature of assistance, whether grants, or loan or supply of machineries, vehicles, etc.(copy of the correspondence providing the assistance should be enclosed)

10. Is the expenditure within the committed ceiling?

11. Supplementary information, if any.

Please attach :-

(i) a statement indicating the number of posts as well as the pay scales under various categories required.

(a) in the first year of the scheme; and

(b) eventually, when the scheme is in full operation together with the basis (work standard) adopted for staffing, if any;

(ii) a statement showing expenditure on building and other work, indicating the basis on which it has been estimated and also the phasing of the work year by year; and

(iii) a statement showing expenditure on stores, equipments, etc. giving details of equipments or stores costing above Rs.10,000.

Note:- Where estimates for buildings, equipments and other stores have been worked out on the basis of current costs, any increase that is likely or expected should be indicated.

APPENDIX 6

(See Rule 87(3))

SIKKIM CONTINGENCY FUND RULES

In exercise of the powers conferred by section 4 of the Sikkim Contingency Fund Act, 1975, the Governor of Sikkim is pleased to make the following rules:-

1. These rules may be called the Sikkim Contingency Fund Rules, 1975.
2. The Sikkim Contingency Fund shall be held on behalf of the Governor by the Secretary to the Government of Sikkim in the Finance Department.
3. Advances from the Fund shall be made only to meet unforeseen expenditure for such services, the expenditure on which, as authorised by the annual Appropriation Act, is found to be insufficient or where a need has arisen during the current financial year for supplementary or additional new expenditure or expenditure on some new service or scheme, not contemplated in the annual financial statement for the year. The unforeseen expenditure to be sanctioned pending its authorisation by the Legislature under appropriation made by law must be of such an emergent character that its postponement would either be not administratively possible or would involve serious inconvenience or serious loss or damage to public service.
4. A proposal for an advance from the Fund shall be submitted to the Secretary to the Government of Sikkim, Finance Department. The head of the department shall, while referring such a proposal to the Finance Department, prepare a self contained note indicating-
 - (i) brief particulars of the expenditure involved;
 - (ii) the circumstances in which provision could not be included in the Budget;
 - (iii) why its postponement is not possible;
 - (iv) the amount required to be advanced from the Fund with full cost of the proposal for the year or part of the year, as the case may be; and
 - (v) the grant or appropriation under which supplementary provision will eventually have to be obtained.
5. A copy of the order sanctioning the advance, Which shall specify the amount, the grant or appropriation to which it relates and give brief particular by sub-heads and units of appropriation of the expenditure shall be forwarded to the Accountant General.

6. All bills for such expenditure shall conspicuously be labeled as pertaining to the Contingency Fund, quoting the order sanctioning the advance from the Fund, and the usual classification of expenditure on the bills shall also invariably be given by the disbursing officers.

7. Supplementary estimates for all expenditure financed from the Fund shall be presented to the legislature at the earliest opportunity. Such an estimate can either be for the amount equal to the full estimated expenditure for which an advance has been made from the Fund or for a reduced sum owing to certain savings being available within the grant or charged appropriation concerned or because of the estimate of expenditure at the time of sanctioning an advance having been subsequently found to be in excess of requirements or for a token sum only where expenditure involved can be met entirely by savings in the grant or charged appropriation concerned.

Note 1.- While presenting to the State Legislature, supplementary estimates for expenditure financed from the Fund, a note to the following effect shall be made in the explanatory memoranda relating to such estimates:

“A sum of Rs.....has been advanced from the Sikkim Contingency Fund and an equivalent amount is required to enable repayment to be made to that Fund” .

Note 2.- If any new expenditure or expenditure on a new service or scheme not contemplated in the annual financial statement for which an advance from the Contingency Fund has been sanctioned can be met wholly or partly from savings available within the authorised appropriation, the note appended to the estimate submitted shall be in the following form:-

“ The expenditure is on a new item or service or scheme. A sum of Rs.....has been advanced from the Contingency Fund and an equivalent amount is required to enable repayment to be made to that Fund. The amount, namely Rs.....can be found by re-appropriation of savings within the grant/charged appropriation and a token vote only is now required/vote is required for the balance, that is Rs.....only” .

8. If, in any case, after the order sanctioning an advance from the Contingency Fund has been issued in accordance with rule 5 and before action is taken in accordance with Rule 7, it is found that the advance sanctioned will remain wholly or partly unutilised, an application shall be made to the sanctioning authority for canceling or modifying the sanction, as the case may be.

9. All advances sanctioned from the Contingency Fund to meet the expenditure in excess of the provision for any service included in an Appropriation (Vote on Account) Act shall be recouped to the Fund as soon as the Appropriation Act in respect of the expenditure on the service for the whole year, including the excess met from the advances from the Fund, has been passed.

10. As soon as the State Legislature has authorised the expenditure by including it in a Supplementary Appropriation Act, the advance made from the Fund shall be recouped to the Fund and necessary adjustment made in the accounts.

11. As soon as the advance made from the Contingency Fund has been recouped to the Fund, consequent on the enactment of the Appropriation Act, the Finance Department shall inform the Accountant General about it, indicating the number and date of the order under which the original advance was made. A copy of the Appropriation Act shall be forwarded.

12. The heads of departments/offices shall maintain a separate record of all transactions connected with the expenditure out of the advances from the Contingency Fund in the same form or forms as are used for the maintenance of records of expenditure out of the Consolidated Fund and in similar details in respect of major and minor heads and units of appropriation as would have been operated upon had the expenditure been incurred out of the Consolidated Fund. The form or forms referred to above, may however, be so amplified as to enable the disbursing officers to keep a close watch on the progress of expenditure from and out of individual advances from the Fund as also to keep a record of the details in respect of recoupment, when made, of those advances to the Fund.

13. An account of the transactions of the Fund shall be maintained by the Finance Department in a separate register in the form annexed to these rules.

14. Actual expenditure incurred against advances from the Contingency Fund shall be recorded in the account relating to the Contingency Fund in the same details as it would have been shown if it had been paid out of the Consolidated Fund.

ANNEXURE

(See Rule 13 of Appendix 6)

Sikkim Contingency Fund

Amount of the Fund Rs. 1.00 crores

Sl. No.	Date of transaction	Number and name of grant or appropriation	Number and date of application for advance	Number and date of order making the advance	Amount advanced	Supplementary Appropriation Act providing for the additional expenditure	Amount of advance resumed	Balance after each transaction	Initials of officer-in-charge	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

Note 1:- The balance should be struck after each transaction.

Note 2:- The amount of the advances should be entered in black ink when made and in red ink when resumed.

SIKKIM GOVERNMENT GAZETTE
(EXTRAORDINARY) PUBLISHED BY AUTHORITY

Ex.Gaz. No.43

Gangtok, October 20 1975

LEGISLATIVE DEPARTMENT

NOTIFICATION

No.3/L/75

Dated 20th October,1975

The following Act of the Sikkim Legislature having been assented to by the Governor on the 12th October,1975, is hereby published for general information.

Sikkim Act. No. III of 1975

THE SIKKIM CONTINGENCY FUND ACT 1975

AN ACT “to provide for the establishment and maintenance of a Contingency Fund for the State of Sikkim. Be it enacted by the Legislature of the State of Sikkim in the Twenty-sixth Year of the Republic of India as follows :-

1. **Short title** :-This Act may be called the Sikkim Contingency Fund Act, 1975.
2. **Establishment Of The Contingency Fund Of The State Of Sikkim** :There shall be established a Contingency Fund in the nature of an imprest entitled the Contingency Fund of the State of Sikkim, into which shall be paid from and out of the Consolidated Fund of Sikkim a sum of one crores of rupees (as amended by the Act 9 of 1997)
3. **Custody Of The Contingency Fund And Withdrawal Therefrom** :The Contingency Fund of the State of Sikkim shall be held on behalf of the Governor by a Secretary to the Government of Sikkim in the Finance Department, and no advance shall be made out of such Fund except for the purposes of meeting unforeseen expenditure pending authorisation of such expenditure by the Legislature of Sikkim.
4. **Power Of Make Rules** :- For the purpose of carrying out the objects of this Act, the State Government may make rules regulating all matters connected with or ancillary to the custody of, the payment of moneys into and withdrawal of moneys from the Contingency Fund of the State of Sikkim.

(REVISED)

APPENDIX - 7

(See Rule 159)

**APPLICATION FORM FOR LOAN UNDER THE HOUSING SCHEME
(STATE AND CENTRAL GOVERNMENT SERVANTS)**

Particulars of Loanee.	1. Name (Block letters)
	2. Designation
	3. Department
	4. Place of Posting
	5. Whether Temporary/Permanent/Officiating/Adhoc/ Co-terminus
Passport	6. Date of First appointment
Photo.	7. Length of service on the date of application.
	8. Present pay (Basic+NPA+SI)
	9. Scale of Pay
	10. Date of birth and the age on next birthday.....	
	11. Date of Superannuation.....	

PARTICULARS RELATING TO ADVANCE

12. If advance is needed for purchase of a plot and/or construction of a new house, please give the following information.

A. PLOT

- a) Plot No.....
- b) Location.....
- c) Rural/Urban.....
- d) Is it clearly demarcated and developed?.....
- e) Approximate area in (sq. ft.).....
- f) Cost/actual amount paid.....
- g) If not purchased, when
proposed to be acquired ?.....
- h) Unexpired portion of Lease if not freehold

Note : Copy of Parcha / Lease / Sale Deed to be attached with this application.

B : CONSTRUCTION

Floor-wise area to be constructed (in Sq. Ft.)	Estimated Cost.	Amount of advance required for land Construction/ Both.	No. of instalments for repayment.
1	2	3	4
Ground Floor			
1st Floor			
2nd Floor			

13. If advance is required for enlarging the existing house, please state.

- a) Plot No.
- b) Location
- c) Plinth Area (in sq. ft.)
- d) Plinth Area proposed for
enlargement (in sq. ft.)
- e) Cost of construction/
acquisition of existing house.....
- f) Cost of proposed enlargement
- g) Total plinth area (c+d)
- h) Total cost (e+f)
- i) Amount of advance required.....
- j) Number of instalments for
repayment.

NOTE : If the enlargement is proposed on any floor other than ground floor, a certificate from an approved Engineer (UD&HD/RDD/PWD) to the effect that the foundation of the existing structure can safely take the load of the proposed enlargement, should be enclosed).

14. If advance is required for purchasing a ready built house/flat, please state.

- a) Location with address
- b) Plinth Area
- c) When constructed
- d) Price settled
- e) The agency from whom to be
purchased
- f) Amount a) already paid
- b) to be paid
- g) Amount of advance required
- h) Number of instalments for repayment

15. MISCELLANEOUS

If you or any dependent member of your family already own(s) a house, please state

- a) Location with address
 - b) Plinth Area (Floor-wise)
 - 1.....
 - 2.....
 - 3.....
 - 4.....
 - 5.....
 - c) Present fair market value
 - d) Reason for acquiring another house or enlargement to the existing house
16. a) Is your title to the land/ house undisputed and free for encumbrances?
- b) Can you produce, if required original documents in support of your title? If not, state reason therefor indicating what other documentary proof, if any, can you furnish in support of your claim.
- c) Does the locality in which the plot of land /house is situated possess essential services like road, water supply, drainage, sewerage, street lighting etc?.
17. In case you are due to retire from service within ten years of the date of this application and are eligible for the grant of gratuity or DCRG, do you agree by giving a declaration in the Agreement Form that the Govt. shall be entitled to recover the balance of the said advance together with interest remaining unpaid at the time of your retirement or death preceding retirement from whole or any specified part of the gratuity that may be sanctioned to you ?.....

18. (For AIS employees in State Cadre/Deputation).
If Rule 5 (b) is applicable to your case? If so, state.

a) The name, designation, scale of pay,
department /office etc. of the permanent
Government servant who is willing to stand
surety for you.

b) The date on which the proposed surety
is due to attain superannuation.

19. Have you enclosed ?

a) Parcha copy or Sale/ Lease Deed copy ?

b) The relevant construction Plan (Blue Print Plan)
approved by the UD&HD/RD for Urban/Rural area
respectively

c) Detailed construction estimates based on PWD Schedule, signed
by a qualified Junior Engineer/Engineer?

DECLARATION

1. I solemnly declare that the information furnished by me in reply to the various items indicated above and certificate given below is true to the best of my knowledge and belief. In the event of availing of loan by misrepresentation, I undertake to refund the loan amount in full alongwith the interest.

2. I have read the rules regulating the grant of advance to central/ State Government servants for purchase of land/ purchase/ Construction of building etc. and agree to abide by the terms and conditions stipulated therein.

3. I certify that:

(1) I have not taken any House Building Advance from the State Government under this rule.

*(2) My wife/husband.....who is employed as in the Department of has not taken any H.B.A. loan from State Government under this rule, nor shall she/he apply for the same in future if granted to me.

(*3) My wife/husband is not a Government servant.

(* Strike out whichever is not applicable)

Station:.....

Dated:.....

Signature of Applicant.....

Designation.....

Department/Office in which employed.....

(For use by the applicant's Head of department / Office)

I have scrutinised the application of Shri/Smt/Kumari
(Designation) and have satisfied myself of the correctness of the
facts etc. stated therein. My recommendations are as follows:

I have satisfied myself that the applicant has/will get a clear
unencumbered titled to the property.

1. Date of appointment
2. Date of retirement
3. Pay (Basic+NPA+SI)
4. 50 months pay
5. Cost ceiling for construction
6. Amount of G.P.F. withdrawal
and / or any other advance to
be adjusted
7. Advance entitled (5 minus 6)
8. Estimated/Assessed cost of
construction
9. Expected date of starting
recovery
10. Number of monthly instalments
11. Repaying capacity:
 - a) Proposed rate of recovery
 - b) Amount recoverable at the
proposed rate of recovery
 - c) Amount adjustable from DCRG
 - d) Total (b+c)
12. Approximate amount of interest
13. Amount of advance that can be
sanctioned based on repaying capacity
14. Amount of H.B.A. recommended for sanction
(the least of Sl. No. 4,7,8,13 and maximum
specified under Rule 154(i)
15. Rate of recovery :
 - a) Principal Rs.....in..... instalments of Rs.....each.
 - b) Interest Rs.....ininstalments of Rs.....each.
16. An advance of Rs.....is recommended for sanction.

Signature of D.D.O.

Signature of Head of Department/
Head of Office.

APPENDIX 8
(see note below Rule 185)

**APPLICATION FORM FOR ADVANCE FOR THE PURCHASE
OF MOTOR CONVEYANCES**

1. Name of Applicant (in block letters).
2. Applicant's designation.
3. District and Station.
4. Whether the applicant is a permanent or temporary Government servant.
5. Pay-
 - (i) Substantive pay.
 - (ii) Officiating pay or pay drawn in temporary post.
 - (iii) Special/personal pay.
6. Anticipated price of motor car/scooter/motor cycle.
7. Amount of advance required.
8. Date of superannuation or retirement or date of expiry of contract in case of a contract officer.
9. Number of instalment in which the advance is desired to be repaid.
10. Whether advance for similar purpose was obtained previously and if so-
 - (i) date of drawal of the advance;
 - (ii) the amount of advance and/or interest thereon still outstanding, if any.
11. Whether the intention is to purchase-
 - (i) a new or and old motor car/scooter /motor cycle;
 - (ii) if the intention is to purchase motor car / scooter motor cycle through a person other than a regular or reputed dealer or agent, the name and full address of such person should be given
12. Are any negotiations or preliminary enquiries being made so that delivery may be taken of the motor car/scooter/motor-cycle within one month from the date of drawal of the advance?
13. Certified that-
 - (i) the information given above is complete and true;
 - (ii) I have not taken delivery of the motor car/scooter/ motor cycle for which I apply for the advance;
 - (iii) I shall complete negotiation for the purchase of, pay finally and take possession of the motor car/ scooter/motor cycle before the expiry of one month from the date of drawal of the advance;
 - (iv) I shall insure it from the date of taking delivery of it.

Date

Applicant's Signature.

APPENDIX 9

(See Rule 202)

AGREEMENT-CUM-MORTGAGE BOND FOR ADVANCE FOR PURCHASE OF MOTOR CONVEYANCE

Full name (in block letters)

Fathers name

Residence

Category/description of the motor conveyance proposed to be mortgaged

Amount of advance - Rs (Rupees.....)

Rate of interest- per cent per annum.

Repayment Schedule :

(1) monthly instalment of Rs.

(2) Last instalment : Rs.

Followed by payment of accrued interest as per rule 197 :

Particulars of sureties :

First

Second

Name

(in block letters)

Designation

Address

I agree to repay the loan granted by the Government of Sikkim in the manner indicated above. If at any time any instalment falls into arrear for more than two months, or if I cease to be in service or die before repayment of the entire loan, the Government of Sikkim may take possession of and recover the loan together with accrued interest by sale of the vehicle which is mortgaged to the Governor.

Date :

Signature of applicant.

Should the borrower die or become insolvent or at any time ceases to be in service of the Government, we hold ourselves responsible jointly and severally, for the repayment of the whole or so much of the said principle sum as shall then remain unpaid and the interest due on the said sum in one instalment.

(Signature of first surety)

(Signature of second surety)

Date

Date

Executed in the presence of Secretary, Finance Department Government of Sikkim.

Secretary, Finance Department

Full particulars of the motor conveyance :

- 1) Description
- 2) Registration number
- 3) Name of Insurance Company
- 4) Number of Insurance Policy

Signature of loanee.

Countersigned. The insurance policy taken on the motor conveyance contains the clause as per Note 3 below rule 203 of the Sikkim Financial Rules.

Date :

Secretary, Finance Department.

APPENDIX 10

(See Rule 217)

Destruction of office records connected with accounts

The destruction of records (including correspondence) shall be governed by the following rules and such other subsidiary rules consistent therewith as may be prescribed by Government in this behalf with the concurrence of the Accountant General.

1. The following shall on no account be destroyed :-

i) Records connected with expenditure which is within the period of limitation fixed by law.

ii) Records connected with expenditure on projects, schemes or works not completed, although beyond the period of limitation.

iii) Records connected with claims to service and personal matters affecting persons in the service except as indicated in the annexure to this appendix.

iv) Orders and sanction of a permanent character until revised.

v) If record is required in connection with disposal of another record the former will not be webbed out until after all the issues in the latter have been decided even though the retention period marked on the former may have expired in the meantime. In fact, the retention periods initially marked on such records should be reviewed from time to time and where necessary revised suitably.

2. Full detail shall be maintained permanently in each office, of the records destroyed from time to time.

ANNEXURE

The following shall be preserved for not less than the periods specified against them.

Sl.No.	<u>Description Records</u>	<u>Retention Period</u>
1.	Acquittance Rolls	3 years or one year after completion of audit whichever is later.
2.	Advance Register: (a) for long term advance	3 years after all the advance recorded in the register have been fully recovered: mortgage deeds and other agreements executed shall, however, be kept in safe custody for the period they are valid.
	(b)for short term advances	One year after all the advances recorded in the register are fully recorded.
3.	Allotment Register.	3 years.
4.	Attendance Register.	One year.
5.	Audit files and inspection Reports.	Till the objections are cleared by the Accountant General.
6.	Bank Pass Book.	3 years or one year after completion of audit which ever is later.
7.	Bill Register.	5 years or one year after completion of audit whichever is early.
8.	Board Sheet of G.P.Fund.	6 years after the close of the year to which it pertains. However, the Broad Sheets which have not been proved and balances in which have not been agreed with those in the P.F. ledger could continue to be preserved even after 6 years and weeded out only after the proving and agreement has been effected and discrepancies and difference in any fully settled.
9.	Budget Estimates.	5 years.
10.	Cash Book.	20 years.

11.	Casual Leave Register.	1 year.	
12.	Cheque Counterfoils.	5 years (in cases where counter foils are required to be preserved in connection with settlement of some enquiry etc. those should not be destroyed unless otherwise advised by the authority conducting the enquiry).	
13.	Circulars.	To be retained permanently.	
14.	Confidential sheets / reports etc. relating to retired or dismissed or deceased employees.	5 years after retirement or dismissal or resignation of the Government servant.	
15.	Contingent Bills.	3 years or one year after completion of audit whichever is later.	
16.	Contingent Registers.	3 years or one year after completion of audit whichever is later.	
17.	Despatch register.	5 years.	
18.	Expenditure sanction not covered by paragraph 1, (including sanction relating to grant-in-aids).	3 years or one year after completion of audit whichever is later.	
19.	Expenditure statements and correspondance.	5 years.	
20.	Files, papers and documents relating to contracts, agreements etc.	3 years after the contract/agreement is fulfilled or terminated. In cases where Audit Objections have been raised, the relevant files and documents shall not under any circumstances be allowed to be destroyed till such time as the objections have been cleared to the satisfaction of the Audit authorities or have been removed by the Public Accounts Committee.	
21.	General Provident Fund Schedules.	3 years or one year after completion of audit whichever is later.	
22.	Imprest Accounts.	4 years.	

23.	Indent for stationary forms etc.	3 years.	
24.	Muster Rolls.	3 years or one after completion of audit whichever is later.	
25.	Pay Bill Registers.	35 years.	
26.	Pay Bills.	6 years or one year after completion of audit whichever is later.	
27.	Postage Stamp register.	3 years.	
28.	Provident Fund Ledgers.	35 years.	
29.	Receipt Registers.	To be retained permanently.	
30.	Receipt Books.	3 years or one year after the completion of audit whichever is later.	
31.	Rules and Orders.	Permanent in case of departments issuing the rules, order and instructions; other departments need keep only rules and standing orders, weeding out the superceded ones as and when they become obsolete.	
32.	Service Books and Leave Accounts of- (a) Officials entitled to retirement benefits. (b) Other employees.	3 years after issue of pension/ gratuity payment orders. 3 years after they have ceased to be in service.	
33.	Stock Register.	5 years or one year after the compilation of audit whichever is later.	
34.	T.A.Bills.	3 years or one year after the completion of audit whichever is later.	
35.	Bills Received Registers.	3 years.	
36.	Bills Transit registers.	3 years.	
37.	Registers of Bills Returned	3 years.	

38.	Register of Cheques Drawn.	5 years.	
39.	Register of Cheques Delivered	5 years.	
40.	Stock Register of Cheques Books.	5 years or one year after completion of audit whichever is later.	
41.	Allotment Check Register.	3 years.	
42.	Salary Per-Check Registers.	3 years.	
43.	Letters of Authority for cheques delivered.	5 years (in case these letters of authority are required to be preserved in connection with settlement of some enquiry etc. these should not be destroyed unless otherwise advised by the authorities conducting the enquiry).	

APPENDIX 11

(Certain Articles of The Constitution of India - See Rule 2(x))

Article 148: Comptroller and Auditor General of India-

(1) There shall be Comptroller & Auditor General of India who shall be appointed by the President by warrant under his hand and seal and shall only be removed from office in like manner and on the like ground as a judge of the Supreme Court.

(2) Every person appointed to be the Comptroller & Auditor General of India shall, before he enters upon his office, make and subscribe before the President, or some person appointed in that behalf by him, an oath or affirmation according to the form set out for the purpose in the third Schedule.

(3) The salary and other conditions of service of the Comptroller & Auditor General shall be such as may be determined by Parliament by Law and, until they are so determined, shall be as specified in the Second Schedule.

Provided that neither the salary of a Comptroller & Auditor General nor his rights in respect of leave of absence, pension or age of retirement shall be varied to his disadvantage after his appointment.

(4) The Comptroller & Auditor General shall not be eligible for further office either under the Government of India or under the Government of any State after he has ceased to hold his office.

(5) Subject to the provisions of this Constitution or any law made by Parliament, the condition of service of persons serving in the Indian Audit & Accounts Department and the administrative powers of the Comptroller & Auditor General shall be such as may be prescribed by rules made by the President after consultation with the Comptroller & Auditor General.

(6) The administrative expenses of the office of the Comptroller & Auditor General, including all salaries, allowances and pensions payable to or in respect of persons serving in that office, shall be charged upon the Consolidated Fund of India.

Article 149: Duties and powers of the Comptroller & Auditor General.

The Comptroller & Auditor General shall perform such duties and exercise such powers in relation to the accounts for the Union and of States and of any other authority or body as may be prescribed by or under any law made by Parliament and, until provision in that behalf is so made, shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States as were conferred on or exercisable by the Auditor General of India immediately before the commencement of this Constitution in relation to the account of the Dominion of India and of the Provinces respectively.

Article 150: Form of accounts of the Union and of the States. The accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller & Auditor General of India, prescribe.

Article 151: Audit reports - (1) The reports of the Comptroller & Auditor General of India relating to the accounts of the Union shall be submitted to the President, who shall cause them to be laid before each House of Parliament.

(2) The reports of the Comptroller & Auditor General of India relating to the accounts of a State shall be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State.

Article 166: Conduct of business of the Government of a State: -(1) All executive action of the Government of a State shall be expressed to be taken in the name of the Governor.

(2) Orders and other instruments made and executed in the name of the Governor shall be authenticated in such a manner as may be specified in rules to be made by the Governor, and the validity of an order or instrument which is so authenticated shall not be called in question on the ground that it is an order or instrument made or executed by the Governor.

(3) The Governor shall make rules for the more convenient transaction of the business of the Government of the State, and for the allocation among Ministers of the said business in so far as it is not business with respect to which the Governor is by or under this Constitution required to act in his discretion.

Articles 202: Annual financial statement -(1) The Governor shall in respect of every financial year cause to be laid before the House or Houses of the Legislature of the State a statement of the estimated receipts and expenditure of the State for that year, in this Part referred to as the “annual financial statement”.

(2) The estimates of expenditure embodied in the annual financial statement shall show separately

(a) the sums required to meet expenditure described by this institution as expenditure charged upon the Consolidated Fund of the State; and

(b) the sums required to meet other expenditure proposed to be made from the Consolidated Fund of the State; and shall distinguish expenditure on revenue account from other expenditure.

(3) The following expenditure shall be expenditure charged on the Consolidated Fund of each State -

(a) the emoluments and allowances of the Governor and other expenditure relating to his office;

(b) the salaries and allowances of the Speaker and the Deputy Speaker of the Legislative Assembly and, in the case of a State having a Legislative Council, also of the Chairman and the Deputy Chairman of the Legislative Council;

(c) debt charges for which the State is liable including interest, sinking fund charges and redemption charges, and other expenditure relating to the raising of loans and the service and redemption of debt;

(d) expenditure in respect of the salaries and allowances of Judges of any High Court;

(e) any sums required to satisfy any judgement, decree or award of any court or arbitral tribunal;

(f) any other expenditure declared by this Constitution or by the Legislature of the State by law, to be so charged.

Article 203 : Procedure in Legislature with respect to estimates: (1) So much of the estimates as related to expenditure charged upon the Consolidated Fund of a State shall not be submitted to the vote of the Legislative Assembly, but nothing in this clause shall be construed as preventing the discussion in the Legislature of any of these estimates.

(2) So much of the said estimates as relates to other expenditure shall be submitted in the form of demands for grants to the Legislative Assembly, and the Legislative Assembly shall have power to assent, or to refuse to assent, to any demand or to assent to any demand subject to a reduction of the amount specified therein.

(3) No demand for a grant shall be made except on the recommendation of Governor.

Article 204: Appropriation Bills- (1) As soon as may be after the grants under Article 203 have been made by the Assembly, there shall be introduced a Bill to provide for the appropriation out of the Consolidated Fund of the State of all moneys required to meet

(a) the grants so made by the Assembly;

(b) the expenditure charged on the Consolidated Fund of the State but not exceeding in any case the amount shown in the statement previously laid before the House or Houses.

(2) No amendment shall be proposed to any such bill in the House or either House of the Legislature of the State which will have the effect of varying the amount or altering the destination of any grant so made or varying the amount of any expenditure charged on the Consolidated Fund of the State, and the decision of the person presiding as to whether an amendment is inadmissible under this clause shall be final.

(3) Subject to the provisions of Articles 205 and 206, no money shall be withdrawn from Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of this article.

Article 205: Supplementary, additional or excess grants(1) The Governor shall -

(a) if the amount authorised by any law made in accordance with the provisions of Article 204 to be expended for a particular service for the current financial year is found to be insufficient for the purposes of that year or when a need has arisen during the current financial year for supplementary or additional expenditure upon some new service not contemplated in the annual financial statement for that year; or

(b) If any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year;

cause to be laid before the House or the Houses of the Legislature of the State another statement showing the estimated amount of that expenditure or cause to be presented to the Legislative Assembly of the State a demand for such excess, as the case may be.

(2) The provisions of articles 202, 203 and 204 shall have effect in relation to any such statement and expenditure or demand and also to any law to be made authorising the appropriation of moneys out of the Consolidated Fund of the State to meet such expenditure or the grant in respect of such demand as they have effect in relation to the annual financial statement and expenditure mentioned therein or to a demand for a grant and the law to be made for the authorisation of appropriation of moneys out of the Consolidated Fund of the State to meet such expenditure or grant.

Article 206: Votes on account, votes of credit and exceptional grants –

(1) Notwithstanding anything in the foregoing provisions of this Chapter, the Legislative Assembly of a State shall have power –

(a) to make any grant in advance in respect of the estimated expenditure for a part of any financial year pending the completion of the procedure prescribed in Article 203 for the voting of such grant and passing of the law in accordance with the provisions of Article 204 in relation to the expenditure;

(b) to make grant for meeting an unexpected demand upon the resources of the State when on account of the magnitude or the indefinite character of the service the demand cannot be stated with the details ordinarily given in an annual financial statement;

(c) to make an exceptional grant which forms no part of the current service of any financial year;

and the Legislature of the State have power to authorise by law the withdrawal of money from the Consolidated Fund of the State for the purposes for which the said grants are made.

(2) The provisions of Articles 203 and 204 shall have effect in relation to the making of any grant under clause (1) and to any law to be made under that clause as they have effect in relation to the making of a grant with regard to any

expenditure mentioned in the annual financial statement and the law to be made for the authorisation of appropriation of money out of the Consolidated Fund of the State to meet such expenditure.

Article 229(3) : The Administrative expenses of the High Court, including all salaries, allowances and pensions payable to or in respect of the officers and servants of the Court, shall be charged upon the Consolidated Fund of the State, and any fees or other moneys taken by the Court shall form part of that Fund.

Article 258: Power of the Union to confer powers, etc. on States in certain cases-

(1) Notwithstanding anything in this Constitution, the President may, with the consent of the Government of a State, entrust either conditionally or unconditionally to that Government or to its officer functions in relation to any matter to which the executive power of the Union extends.

(2) A law made by Parliament which applies in any State may, notwithstanding that it relates to a matter with respect to which the Legislature of the State has no power to make laws, confer powers and impose duties, or authorise the conferring of powers and the imposition of duties, upon the State or officers and authorities thereof.

(3) Where by virtue of this Article powers and duties have been conferred or imposed upon a State or officers or authorities thereof, there shall be paid by the Government of India to the State such sums as may be agreed, or, in default of agreement, as may be determined by an arbitrator appointed by the Chief Justice of India, in respect of any extra costs of administration incurred by the State in connection with the exercise of those powers and duties.

Article 265: Taxes not to be imposed save by authority of law - No tax shall be levied or collected except by authority of law.

Article 266: Consolidated Funds and public accounts of India and of the States

(1) Subject to the provision of Article 267 and to the provisions of this Chapter with respect to the assignment of the whole or part of the net proceed of certain taxes and duties to States, all revenues received by the Government of India, all loans raised by that Government by issue of treasury bills, loans or ways and means advances and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled "the Consolidated Fund of India", and all revenues received by the Government of a State, all loans raised by that Government by issue of treasury bills, loans or ways and means advances and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled the "Consolidated Fund of the State".

(2) All other public moneys received by or on behalf of the Government of India or the Government of a State shall be credited to the public account of India or the public account of the State, as the case may be.

(3) No moneys out of consolidated Fund of India or the Consolidated Fund of a State shall be appropriated in accordance with and for the purpose and in manner provided in this Constitution.

Article 267: Contingency Fund - (2) The Legislature of a State may by law establish a Contingency Fund in the nature of an imprest to be entitled “the Contingency Fund of the State” into which shall be paid from time to time such sums as may be determined by such law, and the said Fund shall be placed at the disposal of the Governor of the State to enable advances to be made by him out of such Fund for the purposes of meeting unforeseen expenditure pending authorisation of such expenditure by the Legislature of the State by law under Article 205 or Article 206.

Article 275: Grants from the Union to certain States –

(1) Such sums as Parliament may by law provide shall be charged on the Consolidated Fund of India in each year as grants-in-aid of the revenues of such States as Parliament may determine to be in need of assistance, and different sums may be fixed for different States:

Provided that there shall be paid out of the Consolidated Fund of India as grants-in-aid of the revenues of a State such capital and recurring sum as may be necessary to enable that State to meet the costs of such schemes of development as may be undertaken by the State with the approval of the Government of India for the purpose of promoting the welfare of the Scheduled Tribes in that State or rising the level of administration of the Scheduled Areas therein to that of the administration of the rest of the areas of that State.

(2) Until provision is made by Parliament under clause (I), the powers conferred on Parliament under that clause shall be exercised by the President by order and any order made by the President under this clause shall have effect subject to any provision so made by Parliament:

Provided that after a Finance Commission has been constituted no order shall be made under this clause by the President except after considering the recommendations of the Finance Commission.

Article 283: Custody, etc. of Consolidated Funds, Contingency Funds and moneys credited to the public accounts -

(2) The custody of the Consolidated Fund of a State, and the Contingency Fund of a State, the payment of money into such Funds, the withdrawal of moneys therefrom, the custody of public moneys other than those credited to such Funds received by or on behalf of the Government of the State, their payment into the public account of the State and the withdrawal of moneys from such accounts and all other matters connected with or ancillary to matters aforesaid shall be regulated by law made by the Legislature of the State, and, until provision in that behalf is so made, shall be regulated by rules made by the Governor of the State.

Article 284: Custody of suitors' deposit and other moneys by public servants and courts - All moneys received by or deposited with -

(a) any officer employed in connection with the affairs of the Union or of a State in his capacity as such, other than revenues or public moneys raised or received by the Government of India, or the Government of the State, as the case may be, or

(b) any court within territory of India to the credit of any cause, matter, account or persons, shall be paid into the public account of India or the public account of the State, as the case may be.

Article 293: Borrowing by States -(1) Subject to the provisions of this Article the executive power of a State extends to borrowing within the territory of India upon the security of the Consolidated Fund of the State within such limits, if any, as may from time to time be fixed by the legislature of such State by law and to the giving of guarantees within such limits, if any, as may be so fixed.

(2) The Government of India may, subject conditions as may be laid down by or under any law made by Parliament, make loans to any State or, so long as any limits fixed under Article 292 are not exceeded, give guarantees in respect of loans raised by any State, and any sums required for the purpose of making such loans shall be charged on the Consolidated Fund of India.

(3) A State may not without the consent of the Government of India raise any loan if there is still outstanding any part of loan which has been made to the State by the Government of India or by its predecessor Government or in respect of which a guarantee has been given by the Government of India or by its predecessor Government.

(4) A consent under clause (3) may be granted subject to such conditions, if any, as the Government of India may think fit to impose.

Article 299: Contracts - (1) All contracts made in the exercise of the executive power of the Union or of a State shall be expressed to be made by the President or by the Governor of the State, as the case may be, and all such contracts and all assurances or property made in the exercise of that power shall be executed on behalf of the President or the Governor by such persons and in such manner as he may direct or authorise.

(2) Neither the President nor the Governor shall be personally liable in respect of any contract or assurance made or executed for the purpose of this Constitution, or for the purpose of any enactment relating to the Government of India heretofore in force nor shall any person making or executing any such contract or assurance on behalf of any of them be personally liable in respect thereof.

Article 322 : Expenses of Public Service Commission :- The expenses of the Union or a State Public Service Commission including any salaries, allowances and pensions payable to or in respect of the members or staff of the Commission,

shall be charged on the Consolidated Fund of India or, as the case may be, the Consolidated Fund of the State.

APPENDIX 12

INSTRUCTION FOR ROUNDING OFF TRANSACTION IN GOVERNMENT ACCOUNT

(See Rule 32 (xiv))

The following transactions of Government involving fractions of a rupee shall be brought to account by rounding off to the nearest rupee (fraction of 50 paise and above to be rounded off to the next higher rupee and fraction of less than 50 paise be ignored:-

(1) Personal claims of Government servants and pensioners:-

(a) All entitlements due to an individual employee by way of H.R.A./D.A./T.A., etc and all Inner Column's deductions including from salary bills on account of P.L.I./License fee/ Taxes, etc. including book transactions shall be rounded off in whole rupees.

(b) In the case of Travelling Allowance bills the rounding shall be done only at the last stage and not in respect of each item, e.g. Railway fare, Mileage and daily allowance, comprising the claim of an individual.

(c) Interest on loans and advances to an employee which is computed as a percentage of base amount and its recovery is effected in instalments shall be made in whole rupee.

Note 1. In the case of emoluments fixed by law, amounts which are in fraction of a rupee shall be rounded off to the next higher rupee.

Note 2. Payment on account of pension/relief on pension / D.C.R.G/ commuted value of pension shall be rounded off to the next rupee.

(d) All Government transactions, whether involving actual receipts/payments of book adjustment, involving fractions of rupee shall be in whole rupee.

(2) All transactions of P.A.Os./Banks through cheques and B.R./Chalan

(3) Transactions between one Government and another or between two departments of the same Government.

(4) Amounts converted into Indian currency from other foreign currencies.

(5) Reserve Bank remittances, other than those of sums representing dues fixed by or under any law or under any contractual obligation of the Government. Sums representing dues fixed by or under any law shall always be rounded off to the next higher rupee.

(6) Deposits and Receipts other than those which are fixed by or under any law or are specially exempted by the Government from the operation of this rule. Sums representing amounts fixed by or under any law shall always be rounded off to the next higher rupee.

(7) The only type of transactions which have to involve paise would be cash transactions for petty purchases or sales which are reflected in a primary record like cash book. Instructions for rounding off of such transactions are given in the ANNEXURE to this Appendix.

ANNEXURE

(i) Petty cash payments for local purchases are met out of cash imprest available with the head of office and recoupment bill duly supported by sub-vouchers (where necessary) is required to be preferred periodically to the Pay and Accounts Office for replenishment of the imprest. As far as possible, supplier should be persuaded to co-operate in rounding off the amount payable to them on each occasion to the nearest rupee. In exceptional cases where payment of paise cannot be avoided, the total of the sub-vouchers sought to be recouped would include paise also. Nevertheless, the recoupment bill shall be submitted to the P.A.O. for the whole rupee portion only. However, for the purpose of balancing the transactions in the main cash book as well as in the petty cash book, DDO will

- (a) indicate the actual amount received in recoupment of the permanent advance;
- (b) record therein the unrecouped paise as an item of rounding off of transactions; and
- (c) carry it over to be claimed through the subsequent recoupment bill by giving particulars of the bill in which this amount was short received .
Illustrative examples are given in proforma A and B for guidance.

(ii) In the case of receipts arising out of sale of waste papers or old newspapers periodicals condemned furniture etc., the amount to be released should be rounded to the nearest rupee and not include paise in the sum total of the transactions with any party for which a single receipt is given so that the receipts are credited into Government account in whole rupees only.

PROFORMA 'A'
(See para (I) of Annexure of Appendix 12)

RECEIPT				PAYEMENTS				
Amount Received Rs. Np.	Date	Sub-voucher No./Cheque No.	Particulars	Amount Paid Rs. Np.	Conveyance Rs.Np.	Postage & Stamps	Misc Rs. Np.	Remarks Rs Np.
500.00	1.4.95 2.4.95 2.4.95 2.4.95	Vr.No.1 Vr.No.2 Vr.No.3 Vr.No.4	1. Permanent cash imprest 2. Conveyance 3. Purchase of stationary 4. Conveyance Total	15.20 25.80 20.70 61.70	15.20 20.70 35.90		25.80 25.80	
500.00			Cash in hand c/o Total at the end of the day	438.30 500.00				
438.30 61.00	10.4.95	Bill No.10	Balance b/d (cash in hand) Recoupment of permanent cash imprest Cash in hand c/o Total at the end of the day	 499.30 499.30				
499.30								0.70 unrecouped amount
499.30	15.4.95 15.4.95	Vr.No.20 Vr.No.25	Balance b/d (cash in hand) Conveyance Local purchase of gum bottles Total	16.25 18.05 34.30	16.25		18.05 18.05	0.70 unrecouped amount
35.00 534.30	15.4.95	Bill No.26	Recoupment of Permanent Cash Imprest Cash in Hand Total at the end of the day	 500.00 534.40				* includes Rs.0.70 on account of Bill No.10 recouped vide Bill No.26

CASH BOOK

OFFICE OF MONTH OF

RECEIPT														PAYEMENTS				
Date	No. of receipt where necessary	Particulars	Pay & Allowance	In repayment of advance	Advance Payment	Miscellaneous	Total	Classification	Date	No. of receipt where necessary	Particulars	Pay & Allowance	Out of money permanent advance	Out of money drawn in anticipation	Miscellaneous	Total	Classification	
2.4.95	1	Recd.P.A.O. Balance b/d		61.00	500.00 438.30		500.00 438.30 61.00		2.4.95	2,3&4	Closing Balance		61.70 438.30			61.70 438.30		
10.4.95	10	Rect.P.A.O.					499.30				Balance c/d		500.00 499.30			500.00 499.30		
											Difference of	0.70 is	On account	Of Perma	nent	Advance		
									15.4.95	20 & 25	Closing Balance b/d			34.30 500.00		34.30 500.00		
														534.30		534.30		

(Appendix-3A)

(The rules supersede all orders, notification in respect of maintenance and repair of Government vehicles with effect immediate effect)

MAINTENANCE AND REPAIRS OF GOVERNMENT VEHICLES

1. The expenditure on repairs of Government vehicles shall not exceed the ceiling specified in Schedule I to this Appendix.
2. If any vehicles is certified to be road worthy after technical inspection by Transport Department, Sikkim National Transport Division, even after being in use beyond prescribed life span, maintenance cost up to Rs.35,000/-per annum per petrol vehicle Rs.50,000/-per annum per light diesel vehicle and Rs.75,000/-per annum per Truck/Bus/Heavy vehicles may be incurred from the 11th year onwards. The yearly ceiling amount shall be calculated on cumulative basis so that in the event of saving within the ceiling in any previous year the same can be carried over the next year for maintenance of a vehicle.

Exceptions:-

- (a) The Heads of Departments/Heads of Offices can exercise their discretion to get the vehicle repairs in private garages and sanction the expenditure if the cost of repairs does not exceed Rs5,000/-in each case duly following the prescribed norms subject to maximum of Rs.20,000/-per vehicle per annum but not in excess of the prescribed ceiling limit as per Schedule-I to this Appendix. These bills need not be send to Transport Department, Sikkim Nationalised Transport Division for rate verification.
 - (b) Expenditure incurred under (a)above shall be included in the History sheet of the vehicle confining it within the cumulative ceiling limit.
 - (c) The Heads of Departments, Heads of Offices and Drawing and Disbursing Officers should ensure that a register of expenditure on account of minor repairs is maintained for each vehicle and the cumulative limit of Rs.20,000/-per year per vehicles is not exceeded and over all expenditure is within the prescribed ceiling limit.
3. Expenditure incurred on a vehicle which has met with an accident shall be determined by the Transport Department, Sikkim Nationalised Transport Division. This amount shall stand excluded from the monetary ceiling limit specified under schedule-I to this Appendix.
Prior to undertaking such works, concurrence of Home Department and Finance, Revenue and Expenditure Department shall be obtained.
 4. Heads of Departments shall have full power to sanction expenditure within the prescribed ceiling limit as per schedule I to this Appendix.
Heads of offices shall exercise powers to the extent delegated.
 5. Procedure for repair of Government vehicles shall be as follows:-
 - (a) There will be a complete ban on getting vehicles repaired through private garages, other then those authorized by the Government.
 - (b) Vehicles requiring repairs shall first be examined by the Transport Department, Sikkim National Transport Division who shall be the sole authority to examine the vehicles certify the extent of repairs that are necessary.

(c) The repairs are to be done through authorized garages in Sikkim who are selected by the chief Engineer, Transport Department, Sikkim Nationalised Transport Division on the basis of their technical competence to undertake repairs. Work order shall be issued on the basis of competitive tenders/quotations for all types of repair works from the authorized garages.

(d) No bill other than what is specified under para 2(a) will be paid unless it is certified by the Chief Engineer, Transport Department, Sikkim Nationalised Transport Division.

(e) The purchases of spare parts shall be made from manufacturers, authorized dealers/agencies on the basis of competitive rates duly verified by Chief Engineer, Transport Department, SNT Cell.

6. The sanction order accompanying the bill to be presented to the pay and Accounts office shall specifically mention, among other things, the date of purchase of the vehicle, the up to date amount already spent on its repairs and maintenance, the amount sanctioned for the present repair, the cumulative distance covered by the vehicles on the date of repair and the allowable amount under this rule, with a certificate that the expenditure is within the prescribed ceiling, failing which the pay and Accounts Office shall not pass the bill.

7. (a) No one shall be competent to sanction expenditure on account of any additional fixtures like searchlights, decorative fixture, cassette player etc. in Government vehicles. This proviso will not apply for fitting required under Motor vehicles Act and other specific regulation of the Government.

(b) The provision under (a) above will not apply to vehicles attached to the VVIPs, VIPs. The special fitting works required for these vehicles shall be as per the technical specification of Transport Department, Sikkim Nationalised Transport Division. Heads of Departments will have full powers to sanction this expenditure which shall be limited to Rs.35,000/- once in a lifetime of the vehicle. The expenditure incurred for these items shall be noted in the History sheet and relevant record of the vehicle but not included in the cumulative repair cost of the vehicle.

8. Condemnation of vehicles -

Government shall have powers to condemn Government vehicles after observing the following criteria and procedure:-

(a) The value for this purpose shall be as assessed by Transport Department, Sikkim Nationalised Transport Division.

(b) The life span of various types of vehicles in terms of distance run (in kilometer) and length of use (in years) shall be as mentioned in Column 3 of Schedule – I to this Annexure.

(b) The lives of Fire Service Vehicles and Appliances shall be as mentioned in table below:-

	TYPES OF VEHICLES	LIFE
(A)	Water Tender Type “A” & “B”, Portable Pump/Tractor Pump/Motor Fire Engine/ Dry Powder/Jeep/Fire Truck/CO2 Crash Tender/Jeep Fire Engine Trailer mounted Tanker	5000 hrs. static operation or 10 years in service whichever is completed later (24 km. run on road is equivalent to 1 hour stationery operation.)
(B)	Other motor vehicles fitted with less than 18	1.50 lakhs km. run or 8 years of

	HP engines whose power is not used to propel Fire Pumps	service whichever is completed later
--	---	--------------------------------------

(c) All Government vehicles should be condemned only after certificate has been obtained from the Transport Department, Sikkim Nationalised Transport Division or any other Competent Authority designated by the Government to the effect that the vehicle is not fit for any further economical use. Concurrence of Finance Department is to be obtained prior to condemning any Government vehicle

(9)The condemned vehicle may be disposed off by the concerned Department duly ensuring the best offer to the advantage of the Government and in accordance with the following instructions:-

(a) Subject to any special rules or orders applicable to any particular department, report of the condemned vehicle may be declared as such and ordered to be disposed of by the authority delegated in this behalf, such authority shall also specify the manner in which the vehicles are to be disposed off after inviting quotations/tenders through wide publicity.

(b) Each order declaring the condemnation shall specify the full reasons for declaring it as such and proper records of all such shall be maintained for watching disposal thereof within one month of condemnation of the vehicle.

(c) All such vehicles, which are declared fit for condemnation and ordered for disposal shall be disposed off after inviting quotations/tenders and based on the highest offer received.

(d) Head of Office or any other Gazetted Officer should invariably be present on the date of opening of tenders/quotations.

(e) The report of the vehicle for disposal should be prepared in Form I attached to this Annexure. This report should be signed by the Head of Office or any other Gazetted Officer so delegated, after satisfying all formalities and approval of the Competent Authority.

(f) A sale account should be prepared in Form II attached to this Annexure. The sale account shall be signed by the officers who have supervised the opening of the quotations/tenders comparing the entries made in the sales account with the report of condemnation of the vehicle.

(g) Wide publicity for disposal of the condemned vehicle shall be given.

10. Procurement of parts by the Departmental Workshops –
All parts for repair of Government condemned vehicles by Departments having Motor Transport Workshops shall be made from Manufactures/Authorized Dealers/Agencies on

the basis of competitive rates and subject to such other restrictions as may be imposed by the Government from time to time and subject to the observance of prescribed purchase procedures.

11. Procurement of Government vehicles -

Procurement of all new and replacement of vehicles shall be made only after concurrence of Development Planning, Economic Reforms and North Eastern Council Affairs Department for expenditure being incurred under the Plan and Finance, Revenue and Expenditure Department and in specific cases the Home Department and sanction of the Chief Minister, through the Chief Secretary is obtained and provision is made in the Budget estimate for that year.

Entitlement of vehicles -

Purchase and allotment of vehicles shall be made strictly in accordance with the entitlement of the level of officers as follows:-

LEVEL OF OFFICERS	ENTITLEMENT
(A) Commissioner/Secretary/Director General Police//Additional Secretary and equivalent	of Hard top Maruti Gypsy/Bolero
(B) Other touring officers below the rank of Additional Secretary	Soft-top Gypsy/Mahindra Jeep

12. Advance payments -

Heads of Departments and Heads of Offices shall have full powers to sanction advance for the following items with the concurrence of the Finance Division of their respective Departments/Offices.

DETAILS	REMARKS
(A) Purchase of Motor Spirit/Diesel/Mobil oil from Transport Department, Sikkim Nationalised Transport Division	Subject to such norms as may be prescribed by the Government from time to time
(B) Purchase of Tyres/Tubes/Battery from Transport Department, Sikkim Nationalised Transport Division/STCS or any other agency designated by the Government	Subject to such norms as may be prescribed by the Government from time to time. Replacement of tyres shall be linked to a maximum of 4 tyres at a time
(C) Motor Vehicles Tax	Subject to such norms as may be prescribed by the Government from time to time

13. (a) There will be complete ban on purchase of Radial tyres except in respect of vehicles which are fitted with radial tyres viz. Bolero by the Manufacturers at the time of purchase.

(b) Purchase and replacement, not exceeding four tyres and tubes at a time, shall be made after coverage of kilometers as specified below:-

1. Maruti (Car/Van) - 20,000 Km..
2. Ambassador - 18,000 Km.
3. Premier Padmini - 20,000 Km.
4. Jeep/Gypsy/Bolero- 15,000 Km.

(d) The expenditure will not be included in the cumulative ceiling of expenditure under Schedule I to this Appendix but noted in the appropriate column of History Sheet and relevant record of the vehicle.

14. Guarantees for repairs undertaken for the following major jobs shall be given by the Authorized Workshops and the Supplier of Spare parts as indicated below:-

- (a) Engine - 2 years from the date of repair.
- (b) Gear Box - 1 year from the date of repair.
- (c) Minor Engine repair - 1 year from the date of repair.

FORM – I

(See paragraph 9(e) of Appendix 3A)

REPORT OF CONDEMNED VEHICLES FOR DISPOSAL

Vehicle No.	Particulars of Vehicle	Book Value/Original Purchase Price of the vehicle	Condition & Year of Purchase of the vehicle	Valuation of vehicle by Chief Engineer, Transport Department (SNT Division)	Mode of disposal	Remarks
1	2	3	4	5	6	7
<div>Signature: Designation: Date:</div>						

FORM – II

(See paragraph 9(f) of Appendix 3A)

Vehicle No.	Particulars of Vehicle	Valuation of vehicle by Chief Engineer, Transport Department (SNT Division)	Name & Full Address of Purchaser	Highest bid accepted	Highest bid rejected	Earnest Money realized	Date on which the complete amount is realized & credited into bank	Whether the vehicle(s) was actually handed over on the spot. If not the actual date of handing over of the vehicle
1	2	3	4	5	6	7	8	9

Signature:
Designation:
Date:

Sd/
(T.T. Dorji) IAS,
Principal Secretary,
Finance, Revenue & Expenditure Department,
Government of Sikkim, Gangtok.

SCHEDULE - I
(See Para 1 in Appendix 3A)

(Rs. In lakhs)

Sl. No.		Class of Vehicle	Life in lakh Kms. life in years	Year wise Cummu-lative Ceiling on cost of Repairs									
				Up to 1st Yrs.	Upto 2nd Yrs.	Upto 3rd Yrs.	Upto 4th Yrs.	Upto 5th Yrs.	Upto 6th Yrs.	Upto 7th Yrs.	Upto 8th Yrs.	Upto 9th Yrs.	Upto 10th Yrs.
1		2	3	4	5	6	7	8	9	10	11	12	13
1	NON-FUNCTIONAL												
	A	Car/Gypsy/Maruti Van	1.5 10(ten)	0.1	0.16	0.4	0.52	1.2	1.35	1.63	2.07	2.34	2.54
	B	Bolero/Jeep/Light Petrol/Diesel Vehicles	1.5 10(ten)	0.2	0.32	0.8	1.04	2.4	2.7	3.26	4.14	4.68	5.08
2	FUNCTIONAL												
	A	Jeep/Tata-Mobile /Pick-up Van/ Matador/Diesel Vehicles	1.5 10(ten)	0.12	0.32	0.8	1	2.06	2.3	2.78	3.04	3.58	3.96
	B	Truck/Bus/Heavy Vehicles	3 10(ten)	0.28	0.85	1.41	1.98	2.78	4.35	4.94	5.5	6.06	7.5
	C	Motor Cycle	0.8	0.04	0.06	0.1	0.13	0.18	0.21	0.25	0.29		
	D	Tractor/Heavy Diesel Vehicle	10000 Hrs.	0.08	0.28	0.46	0.69	0.91	1.46	1.65	1.88	2.06	2.25



GOVERNMENT OF SIKKIM
FINANCE DEPARTMENT
GANGTOK

No11.. / Fin

Dated..18/11/04

OFFICE MEMORANDUM

In continuation to this Office Memorandum No.1/Fin/Adm, dated 22/05/2001, attention of all Departments is drawn to Sikkim Financial Rules 60 to 63, which require that any proposal initiated by a Department for obtaining approval of the Government should be submitted in the manner prescribed under the Rules. The details are to be verified by the respective Accounts Section of the concerned Department after which the Head of the Department will submit the proposal for approval of the Government.

Further, SFR 83(5) enjoins all Departments to maintain a Liability Register as prescribed. The liability of a Department forms a data base while finalizing the budget of the Department. The liability Statement of the Department must be submitted to the Finance, Revenue & Expenditure Department on quarterly basis.

The Instructions contained in the Sikkim Financial Rules and also communicated vide Office Memorandum referred to above are not being followed. All Heads of Departments are requested to comply.

Sd/-
(T.T. Dorji),IAS,
PRINCIPAL SECRETARY
FINANCE, REVENUE & EXPDT. DEPTT.

**GOVERNMENT OF SIKKIM
FINANCE DEPARTMENT
GANGTOK**

No.53/Fin/Acct

Dated:28.04.97

OFFICE MEMORANDUM

**Subject : Crediting Of Government Revenue, Dues Etc. Into Bank
Procedure - Regarding.**

It has been brought to the notice of the Finance Secretary by the Accountant General, Sikkim and Additional Director, Pay and Accounts Office that the Government Revenues, dues etc. are not being credited as per Rule 25 and 26 of the Sikkim Financial Rules, 1977, numerous mistakes in classification of head of account pertaining to the receipt has arisen.

In order to avoid such mistakes, the following procedures will be adopted by the department as well as State Bank of Sikkim for amounts exceeding Rs.10,000/- with immediate effect.

- (1) All Cash/Cheques/Drafts shall be deposited by the departments into the State Bank of Sikkim in the prescribed challan form attached with this Office Memorandum in triplicate.
- (2) The departments and State Bank of Sikkim shall keep sufficient copies of this challan to be supplied to intending depositors free of charge.
- (3) All the three copies of the challan shall be filled up in ink/or type written showing distinctly the name of the payee, nature of payments. The department, proper account classification of the remittance duly signed in each copy in ink by the Officer / D.D.O. of the department, Officer-in-charge of revenue collection and by the private individual (no carbon copies shall be used).
- (4) (a) One copy of this challan duly filled up and signed in ink by an authorised Officer in the concerned department shall be given to the private person/party alongwith the bill / claim to deposit in the nearest branch of State Bank of Sikkim or any other Bank authorised by the Government for this purpose.

(b) When deposit is being made in the form of Draft/Cheques, details of such Draft / Cheques shall be made in the reverse of the challan by the Depositor.

- (5) Money payable in form of Draft / Cheques into Bank by the department, the procedure under 3 & 4 above shall be adhered to strictly.

(6) Procedure by Bank:

- (a) On receipt of Challan from the Department/Private person or party they shall ensure that all the three forms are filled up properly and signed by the departmental Officer. They shall also ensure all the details of Cheques/Drafts deposited are given in the reverse of the Challan.
- (b) The entries shall be made in duplicate in their Challan receipt register giving full particulars of the name of the Depositors, Department/Office from whose books the demand emanated, Heads of account and amount. The registers shall be machine numbered.
- (c) The serial number shall start from (one) on commencement of financial year (i.e. from 1st April) and continue serially till the end of the financial year (i.e. 31st March) of the preceeding year. The Challan register shall be closed daily.
- (d) When all deposits are tallied and received in full, the Bank for this purpose shall give the Challan No. from the challan receipt register and token of receipt at the end of the challan in the space provided in ink on all three copies. The Bank shall also put their dated Bank seal on all copies of the challan.
- (e) The depositors copy shall be detached and handed over to the depositor. The copy of the department shall be sent by Peon/Post as the case may be to each department. The Pay & Accounts Office copy shall be sent along with the original copy of challan register sheets and Bank scroll at the end of each month.

7. Direction to Press:

The standard size of each challan will be 14cm by 28cm. The size of the whole challan sheet shall be 42cm by 28cm and the places to be detached shall be perforated.

Sd/-
(Tashi Topden, IAS)
Secretary-Finance.

GOVERNMENT OF SIKKIM (P.A.O Copy)
Forms for crediting cash/D.D./Cheque into Bank.
(See Rule 25 & 26 of SFR)

Challan No:
(To be filled by Bank)

Name of the branch of SBS

Name (& designation &
Address of the party) i.e.
Tax payer,etc) crediting money.

Department/Office from whose
books the demand emanated.

Purpose/Nature of remittance
and / or Authority (if any)

Amount	Rs.	Np.
--------	-----	-----

Head of Account
Major Head
Sub-Major Head
Minor Head
Details

Accounts Officer/D.D.O.
by whom adjustable

Order to Bank | Receive & grant receipt

Date:-

Signature of the
depositor.

(Signature,date & full
designation of the officer
ordering the deposit).

Rupees..... .

(Recieved payment of Rupees.....)

Dated stamp of
the Bank

MANAGER

GOVERNMENT OF SIKKIM (Deptt. Copy)
Forms for crediting cash/D.D./Cheque into bank.
(See Rule 25 & 26 of SFR)

Challan No.....

(to be filled by Bank)

Challan or money paid into State Bank of Sikkim.

Name of the branch of SBS

Name (& designation &

Address of the party) i.e.

Tax payer,etc) crediting money.

Department/Office from whose
books the demand emanated.

Purpose / Nature of remittance
and/or authority (if any)

	Rs.	Np.
Amount		

Head of Account

Major Head

Sub-Major Head

Minor Head

Details

Accounts Officer/D.D.O.

by whom adjustable

Order to Bank

Receive & grant receipt

Date

Signature of the
depositer.

(signature,date & full
designation of the officer
ordering the deposit).

(Rupees)

Recieved payment of Rupees.....

Dated stamp of
the Bank

Manager

GOVERNMENT OF SIKKIM (Depositors Copy)
Forms for crediting cash/D.D./Cheque into bank.
(See Rule 25 & 26 of SFR)

Challan No.....

(to be filled by Bank)

Challan or money paid into State Bank of Sikkim.

Name of the branch of SBS

Name (& designation &
Address of the party) i.e.
Tax payer,etc) crediting money.

Department/Office from whose
books the demand emanated.

Purpose / Nature
of remittance and/or authority
(if any)

	Rs.	Np.
Amount		

Head of Account
Major Head
Sub-Major Head
Minor Head
Details

Accounts Officer/D.D.O.
by whom adjustable

Order to Bank

Receive & grant receipt

Date

Signature of the
depositer.

(Signature, date & full
designation of the officer
ordering the deposit).

Rupees.....

(Received payment of Rupees.....)

Dated stamp of
the Bank

Manager

**GOVERNMENT OF SIKKIM
FINANCE DEPARTMENT
GANGTOK**

OFFICE MEMORANDUM

No. 52/Fin/Acctt.

Dated : 28.04.97

SUBJECT: SANCTION OF ADVANCE IN CONNECTION WITH TOURS-REGARDING.

In partial modification of the Rule 213(1) of SFR advance TA/DA may be sanctioned by the Head of Department, strictly adhering to the following instructions:

1. Advance can be drawn only if requests for advances are concurred/approved by the Financial Advisor in the Department before sanction by the Head of Department.

2. The Financial Advisor will take into account the following items of expenditure, to determine the quantum of advance.

a) Daily allowances as per Rule 29, Column(c) of the TA Rules for the number of days on tour.

b) Air Fare/Railway Fare/Roadway Fare as entitled as per the TA Rules.

c) Room Rent for stay in Sikkim House/New Sikkim House at Delhi and STCS Guest House, Calcutta for the number of days of stay on tour.

d) Mileage allowance as per Rule 30 of the TA Rules for 200 KM within one Municipal Area.

3. Normally only 75 % of the estimated expenditure is to be granted as advance.

4. All advances will be fully settled in the final TA Bill for the journey actually performed.

5. The AO(Hq)/DDO(Hq) shall be fully responsible for settlement of such advances as per Rule 216 of SFR.

6. Second advance shall not be sanctioned until the previous advance taken is settled in full.

All Heads of Department /Office,the Pay and Account Office in particular shall insure that all the above directives are properly adhered to by the Department, failing which, the Pay and Account Office shall not pass the bill.

Sd/-

(Tashi

Topden,IAS)

Secretary-Finance.

**GOVERNMENT OF SIKKIM
FINANCE DEPARTMENT**

No.51/Fin/Acctt.

Dated:28/04/97

OFFICE MEMORANDUM

**SUBJECT: SANCTION OF FURNISHING OF GOVERNMENT VEHICLES -
REGARDING**

In supersession of our O.M. No.14/Fin. dated 06/05/95 the following guidelines shall be strictly followed in respect of servicing and furnishing of Government vehicles purchased by various Government Departments.

1. The servicing of each Government vehicles inclusive of lubricants will be restricted to :

a) Ambassadors	Rs.2,500/-
b) Gypsy/Maruti car/Van	Rs.2,000/-
c) Jeep/Pick-up	Rs.2,500/-

NOTE : Servicing shall be restricted to :

- i.)
 - a) Once in three months for touring vehicles.
 - b) Once in 4 months for local duty vehicles.
- ii) The above provision shall not be applicable till the free services given by the manufacture is exhausted.
- iii) The cost of furnishing of vehicles shall be restricted to :
 - a) Rubber / Jute Footmats - 4 Nos.per vehicle at a cost not exceeding Rs. 200/- each. Replacement is allowed only after one and half years of initial purchase.
 - b) Seat cover complete including stitching charges should not exceed Rs. 1350/-. No replacement will be allowed before one and half year of initial purchase.

These items shall not be included in the cumulative cost as specified in Schedule-I of Appendix 3A in the Sikkim Financial Rules, 1979.

The sanction order accompanying the bill to be presented to Pay and Accounts Office shall specifically mention the date of purchase of vehicle, details of previous

servicing/purchase duly signed by the Head of Department/Office, failing which the Pay and Accounts Office shall not pass the bill.

Sd/-

(Tashi Tobden,IAS)

Secretary-Finance

FORM – II
(See Rule 133(2)(ii))

STOCK REGISTER OF CONSUMABLES SUCH AS STATIONERY, CHEMICALS, SPARE PARTS, ETC.

Name of articles _____ Unit of Accounts _____

Sl. No .	Date	Particulars	Suppliers Invoice No. & Date	Total Received	To whom issued	Total issued	Balance	Unit Price

NOTE: User's indent in original shall be treated as issued voucher, issued voucher number shall be in consecutive order, financial year wise and it should be noted on each indent.

REGISTER OF LIBRARY BOOKS

[illegible]

FORM – IV
(See Rule 133(2)(iv))

REGISTER OF ASSETS OF HISTORICAL/ARTICTIC VALUE

Name of Asset _____

Date of acquisition	Source of acquisition	Cost price, if any	Particulars of the asset of historical/artistic value	Particulars of the custodian of the asset	Location of the asset	Remarks

NOTE 1: The custodian shall take appropriate measures for preservation of the assets.

NOTE 2: The present value of the asset should be ascertained by obtaining appropriate valuation from an expert agency and the same is indicated in Column 3, every five years.

FORM – I
(See Rule 133(2)(i))

REGISTER OF FIXED ASSETS

Name and description of the Fixed Assets _____

Sl. No .	Date	Particulars of Asset	Particulars of supplier		Cost of the Asset	Location of the Asset	Remarks
			Name & Address	Bill No. & date			

NOTE: The items of similar nature but having significant distinctive features (e.g. study table, office table, computer table, etc.) should be accounted for separately in stock.

FORM – V
(See Rule 138(2))

SALE ACCOUNT

Item No.	Particulars of Stores	Quality/Weight	Name & Full address of purchaser	Highest bid rejected	Earnest money realized on the spot	Date on which the complete amount realized & BR/Challan No., Date & Amount	Whether the articles were actually handed over on the spot. If not, the actual date of handing over of the articles with quantities	Remarks

Signature _____

Designation _____

Date _____

PROFORMA

Name of Department _____

[illegible]

Government of Sikkim
Finance Department
Gangtok

CIRCULAR

No 7/Fin

Dated 19.3.1979

Subject : **Purchase of newspapers, periodicals, magazines.**

One of the generally recognised canons of financial propriety is that the funds allotted to appending units are expended only in the public interest and upon objected for which the money was provided. It is in the responsibility of every Government officer to ensure that no unnecessary expenditure is incurred.

2. It has, however, come to notice that some of the departments/offices are contributing to a number of newspapers, periodicals, magazines, etc., at public expenses, most of which have no relevance to the functioning of the departments / offices and, therefore, cannot be said as serving any public interest. This is no doubt a very unhappy position.

3. The heads of departments/offices are, therefore, requested to review the position obtaining in their departments/offices and to take immediate steps to discontinue forthwith all periodicals and magazines which do not serve any public interest. It should suffice if head of the department contributes to only one newspaper of all India circulation if considered necessary, and only such periodicals which are directly related to the functioning of his department. This is necessary to observe almost economy in every field of administration.

Sd/- M.P.Prndhnn
Secretary Finance

Government of Sikkim
Finance Department

No. 2/Fin

Dated: 21.4.84

With reference to Finance Department Circular No. 18/Fin 29.9.83 regarding purchase of stationery, it has now been that all stationery and sundry items, other than those mentioned in the above circular for use in Government Officers will purchase from Sikkim Consumers Co-operative, Gangtok who have been authorised to supply the same to present Government Departments, as per approved quality and items have been standardised and supply will be made as approved list. All departments should therefore purchase items of stationery and sundry items from the S.C.C.S.

An approval of items mentioned in Circular No.18/Fin dated 29.9.83 and Sikkim Consumers Co-operative Society is directed to scrutinize all bills carefully to ensure that these instructions are followed strictly by all departments. Bills pertaining to purchase from any other source should not be passed for payment without specific approval of the Secretary, Finance.

By order.

Sd/-
(K.C.PRADHAN)
SECRETARY
FINANCE DEPARTMENT.

Government of Sikkim
Finance Department

No. 18/Fin

Dated: 21.4.84

Subject: **Supply of Printing and Stationery articles – Procedure regarding.**

With a view to bringing about uniformity in the use stationery articles and printing materials in the departments ***** in expenditure, the following instructions are issued direct observance by all concerned.

1. Printing: As per Home Department Notification

GOVERNMENT OF SIKKIM
FINANCE DEPARTMENT

CIRCULAR

No.24/Fin

Dated:06.09.86

Subject: **Printing & Stationery Articles.**

It has been brought to the notice of the Government that a number of Departments are indenting stationery items such as Cash books, Salary Audit Registers, Contingent Bill Registers etc from private presses without being aware that these articles are available with the Printing Department. This has not only resulted in non-utilisation of readily available stock with the Printing Department but has also led to non-uniformity of the forms and registers in terms of size, volume and design.

In order to bring about standardisation of the forms and registers commonly used by the departments it has been decided in consultation with the Printing Department to lay down specifications of various stationery articles shown in the enclosed annexure. User departments are requested to henceforth comply with specifications and also ensure that procurement of these articles is made from the Printing Department only.

It has also been brought to the notice of the Government that printing bills are being entertained by some departments without prior verification by the Printing Department. This is in contravention of the procedure laid down vide Circular No.18/Fin dated 29.9.83. Departments are requested to strictly adhere to the procedures laid down by the Government from time to time.

Sd/-
(K.C.PRADHAN)
SECRETARY
FINANCE DEPARTMENT

GOVERNMENT OF SIKKIM
DEPARTMENT OF FINANCE

No. 3/Fin

Dated: 3.5.1995.

CIRCULAR

The rules regulating purchase of stock materials and other items required by all Departments of the Government of Sikkim are contained in Chapter X of the Sikkim Financial Rules.

Rule 126 (iii) states that purchases exceeding Rs.10,000/- should normally be made through State Trading Corporation of Sikkim. Procurement of goods and materials by all Departments through STCS was emphasised vide Finance Department Circular No. 18/ Fin. dated 29.9.83, 8/Fin dated 21.7.84 and 2/Fin dated 21.4.94.

It is, however, noticed that the procedure laid down is often violated in purchases being made by the Government Departments.

In compliance with the above rules read with Finance Department Circulars, it is reiterated that all purchases should be made through State Trading Corporation of Sikkim.

Sd/-
(Tashi Tobden)
Secretary – Finance.

GOVERNMENT OF SIKKIM
INCOME & SALES TAX DEPARTMENT

No.8(176)IT & ST/85/3302.

Dated: 23/1/1987.

CIRCULAR

Attention is invited to this department's Circular No.1525/IT&ST dated 17/6/1985 in which all the departments were requested for deduction of income tax at source @ 3% of the value of goods supplied by a supplier to a Government department at the time of payment to be made for such supplies.

It is however, brought to the notice of this department that various departments have not been adhering to the aforesaid circular.

Secretaries/Head of the departments are, therefore, requested to ensure that the instructions contained in the Circular are followed by their subordinate officers strictly.

Sd/- K. C. Pradhan
Secretary,
Finance, Income & Sales Tax Department,,
Government of Sikkim.
Gangtok.



GOVERNMENT OF SIKKIM
FINANCE, REVENUE & EXPENDITURE DEPARTMENT
GANGTOK

No ...11...../Fin / Accts

Dated.29/09/2005

CIRCULAR

In partial modification of Circular No.20/Fin(Acts.), dated 01/09/2004, the Governor of Sikkim hereby enhances the monetary limit for realization of Security Deposit to Rs, 50,000/- with immediate effect.

By order and in the name of the Governor.

Sd/-
(T.T. Dorji),IAS,
PRINCIPAL SECRETARY
FINANCE, REVENUE & EXPDT. DEPTT.

GOVERNMENT OF SIKKIM.
FINANCE DEPARTMENT

NO.35/FIN/ACCTS/93

Date: Dec. 7, 1993.

CIRCULAR

Sub: **Recording correct and complete Accounts Classification on bills.**

Attention is invited once again to Rule 32(V) of the Sikkim Financial Rules, 1979 under which it is required that full accounts classification should be recorded on each bill by the Drawing Officer. The classification in the budget book (Demand for Grants) should be taken as guide and should also show whether the Expenditure is voted or changed and plan or non-plan. During the course of compilation of monthly accounts, it has been observed that wrong, incomplete and incorrect classification have been given by the departments at the time of preparation of bills and no check seems to have been exercised by the Drawing Officers before signing the bills in spite of our repeated instructions.

Due to this type of persistent irregularities, the office of the Chief Pay & accounts Officer (Compilation Section) as well as office of the Accountant General are bound to book the expenditure figures not only to the incorrect head of accounts but some time in the heads as wrongly given in vouchers with nil budget provisions. Such expenditure is at times kept under suspension or O.B. for want of correct classification, which causes major differences in departmental figures and compilation figures leading to adverse comments in appropriation accounts.

As such all the Drawing & Disbursing Officers are directed to exercise strict check for coding the proper classification at the time of preparation of bills and at the same time the Chief Pay & Accounts Officer is also advised to ensure strict compliance of the above instructions before passing any bills.

Sd/- Tashi Tobden, IAS
Secretary Finance.

**FINANCE DEPARTMENT
GANGTOK.**

CIRCULAR

Dated : 16.12.96.

No. 38/Fin

Subject : **Simplification of adjustment on account of pay and T.A. advance on transfer -
Avoidance of Inter Govt. settlement.**

Under the provisions of Article - 36(b) (ii) of Accounts Code Volume I, in cases of transfer of Government servants from one Government to another, travelling allowances (both ways) are borne by the borrowing Government and the advance of pay, if drawn, is accounted for in the books of the Government to which the official proceeds on transfer.

2. The existing procedure involves settlement of inter-State transactions with its attendant complication of operation of suspense heads, issuance of cheques, bank reconciliation etc. In order to avoid such inter-governmental settlements, the Government of India, in consultation with State Governments, has now decided that in case of transfer of a Government Servant from one Government to another, any advance towards pay / T.A. paid by lending Government would be finally booked as revenue expenditure in its own books. Recovery / adjustment of these advances from the Government servant's pay/T.A. bills will be watched through last pay certificate and credit / net debit would be accounted for in the books of the borrowing Government. Government Servant reverts to the parent Government.

3. In all cases of transfer of Government Servants between two Governments, whether for proceeding on deputation or on reversion taking place or on after 1.1.1987, settlement of advances of pay and T.A. will be in accordance with these orders, (Based on Ministry of Finance, Department of Expenditure, Controller General of Accounts, O.M. No. 14(6)/86/TA dated 17.11.86).

Sd/-
(K.C. Pradhan)
Secretary Finance.

GOVERNMENT OF SIKKIM
BUILDINGS & HOUSING DEPARTMENT

No. 1773/Bldgs.

Dated, Gangtok the 13.03.1997

Shri Tashi Tpbden. IAS,
Finance Secretary,
Finance Department,
Government of Sikkim, Gangtok.

Sir,

Government. of Sikkim has approved a standard lease agreement applicable in the case of hiring private accommodation by Government Departments.

A copy of the standard agreement is forwarded to all the Departments who may require as and when they need to hire premises for use by Government Department. The agreement has been vetted by the law Department and approved by the Government.

Yours faithfully,

Secretary – Public Works
Building & Housing Department.

GOVERNMENT OF SIKKIM
FINANCE (INCOME & SALES TAX) DEPARTMENT

No.4011 /IT&ST

Dated: 1.5.85

CIRCULAR

In partial modification of this department Circular No.1525 of 17th June, 1985, Government have decided to exempt with immediate effect, the following suppliers from the requirement of deduction income tax at 3 percent at source from the bills paid to them.

1. The suppliers/firms based outside the state.
2. The local industrial units registered with the Department of Industry , Govt. of Sikkim for a period of 5 years from the date they start or started production.
3. The local firms/ individuals making supplies in local product viz., flower plants, seeds seedlings, cowdung, bamboo, works of bamboo, handicrafts and other similar goods.
4. The suppliers of fertilizers and agricultural implements to the Agricultura Departments.
5. The suppliers of agriculture and forest produces excluding timber and furniture made of timber.
6. The Suppliers of text books and all types of other books.
7. House rent paid to private parties on account of house hired by the Government.

Other conditions contained in the Circular No.1525/IT&ST 17/6/85 remain effective and the concerned authorities are required to comply with the instructions strictly.

These orders in no exempt the aforesaid suppliers from liability to income tax under the law in force.

Sd/- K.C. Pradhan,
Secretary,
Finance (Income & Sales Tax) Department.

GOVERNMENT OF SIKKIM
FINANCE (INCOME & SALES TAX) DEPARTMENT

No. 2383/IT&ST

Dated:14.8.85

CIRCULAR

In partial modification of Circular No.1525/IT&ST dated 17.8.85 of this Department it has been decided by the Government of Sikkim that no Income Tax should be deducted by way of 3% deduction at source from the bills of suppliers viz, GICI, STCS, Sikkim Khadi & Gram Udyog Board and Sikkim Consumers' Co-operative Society Ltd., and other similar agencies. Further, the private buildings taken by the Govt. on rents shall not be treated on the category of suppliers in grade for the purposed of 3% Income Tax deduction at source.

Sd/- Elligible,
Under Secretary
Income & Sales Tax Department,
Government of Sikkim,
Gangtok.