

CHAPTER VIII.

LOANS AND ADVANCES.

Subsidiary Rules under T.Rs. 10 and 16.

Section I—General.

Introductory.

S.R. 364. The rules in this Chapter shall apply to loans and advances of different classes, which are granted out of funds provided by the Government except in so far as they are governed by any special rules contained in other Chapters of these rules or in any departmental regulations.

Mode of Drawing and Repaying.

S.R. 365. A bill on which a loan or advance is drawn must quote the authority sanctioning such a loan or advance. Subject to the provisions of Section II of this Chapter, an Accounts Officer may make payment of any loan or advance only if the bill has been signed or countersigned by the authority competent to sanction such loan or advance, or if the sanction has been specially communicated to him. In the case of loans and advances requiring sanction of the Government, no part of such a loan or advance can be disbursed except under the orders of the Controller General of Accounts or the concerned Chief Accounts officer.

S.R. 366. Except as otherwise provided in Section II of this Chapter, loans and advances may be drawn on simple receipt in T.R. Form No. 32.

S.R. 367. In repaying a loan or advance, the memorandum or chalan presented at the Bank or if the repayment is made by deduction from the amount of a claim against the Government, the bill for such a claim must state the original date and amount of the loan or advance, or otherwise give sufficient particulars for its identification. If the amount repaid includes interest as well as principal, the interest must be separately specified. If the repayment is a fixed periodical amount, including both interest and principal, the orders fixing the amounts shall be quoted.

Section II—Special Rules applicable to different classes of Loans and Advances.

Loans to Paura Shabhas, Zilla Parishads , etc.

S.R. 368. Unless in any case the Government direct otherwise, the issue of loan money shall be governed by the following rules:

(i) Every loan granted to a City Corporation, Paura Sabha, Zilla Parishad or any other *quasi* public body or person will be recorded in the books of the concerned Chief Accounts Officer and it can only be issued under his authority.

(ii) No department or Government officer may incur any expenditure or any liabilities against a sanctioned loan, unless a statement in writing is first obtained from the concerned Chief Accounts Officer that the amount is available out of such a loan and has been placed by him in a separate account so as to be available for the proposed expenditure.

(iii) Chief Accounts Officer, before furnishing the statement mentioned in the preceding clause, will ascertain that the Poura Sabha or other body responsible for the loan has assented to the arrangement, or that it is distinctly stated by the Government among the terms of the loan.

(iv) Funds spent under clause (ii) shall reckon for interest as if they were drawn on the last day of the month in the accounts of which they are included by the spending department officer.

Advances under Special Laws.

S.R. 369. Advances under this category will be regulated in accordance with the provisions of the relevant Acts and rules framed thereunder, or by such orders, general or special, as may be issued by the Government in this behalf.

Advances for Departmental Purposes.

S.R. 370. Advances granted under special orders of competent authority to Government officers for departmental or allied purposes may be drawn on the responsibility and receipt of the officers for whom they are sanctioned, subject to adjustment by submission of detailed accounts supported by vouchers or by refund as may be necessary.

In the case of advance for survey and other departmental expenditure, which are ultimately recoverable from private owners or other parties, the duty of maintaining detailed accounts of the advances, of watching their recoveries and of supervision, etc., shall rest with the departmental authorities concerned, the Accounts Officer being responsible only for maintaining a *plus* and *minus* memorandum, where necessary, in accordance with the directions contained in the Account Code, Volume II.

No Officer authorised to make advances may question the accuracy of *plus* and *minus* memorandum of Accounts Office as the record of his responsibility, otherwise than by satisfying the Accounts Officer of its erroneous nature and causing him to correct it. Every officer should see that the debits and credits made to his account accurately correspond with those which enter his own registers and returns for each month. He must obtain from the Accounts Office a copy of the *plus* and *minus* memorandum with which he is concerned and take necessary steps for the removal of differences between the two sets of accounts. Special care should be taken in paying recoveries into the Government Account, that the amounts of interest and principal recovered are separately and distinctly credited, as the former must not, and the latter must, be credited in the *plus* and *minus* memorandum.

Advances to Government Servants on Personal Account.

S.R. 371. These advances may be drawn on ordinary pay or travel/transfer expenses bill form. The names of the Government servants with their designations and amount of advances sanctioned for each should be clearly indicated in the form to be used for this purpose.

Treasury Rules

A personal advance to a Government servant may be repaid either in cash or by deduction from his pay or travel/transfer expenses bill, as may be required under the rule or order applicable to each case. In cases in which repayment is made in cash, remittance of the amount to the particular Accounts office or any other office from which the advance was drawn is not necessary.

Other Loans and Advances.

S.R. 372. Subject to the general provisions contained in Section I of this Chapter, loans or advances not falling under any of the separate classes specified in this Section, may be drawn and repaid in accordance with such general or special order as the Government may issue in each case.