

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.