

**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.