



GOVERNMENT OF KERALA

Abstract

TEMPORARY ADVANCE-DRAWAL OF TEMPORARY ADVANCE AND
DELAYED REFUND OF EXCESS ADVANCE - LEVY OF INTEREST
REVISED-ORDERS ISSUED-

FINANCE (EXPENDITURE.B) DEPARTMENT

G.O(P)No. 419/11/Fin. Dated, Thiruvananthapuram. 04/10/2011.

Read:- G.O(P)No.1035/2000/Fin. dated, 19/07/2000.

ORDER

1. As per Government Order read above, the work advances/temporary advances sanctioned for meeting contingent expenditure of specified kind or on a specific occasion allowed as per Art.99 of KFC Vol.I, should be adjusted by detailed bills and vouchers as soon as possible and in case of default, interest at the bank rate per annum in force will be charged.

2. It has come to the notice of Government that officers of various departments who have drawn temporary advance/work advance are not settling the same even though the advance drawn is not fully utilised. Drawing advance more than actually required and keeping the same in hand without remitting back the unutilised portion to the treasury and delayed presentation of final bills are serious irregularities.

3. Imposing interest of bank rate ie, 6% per annum as penalty is not a punishment rate. Hence Government feel that a higher rate of interest has to be fixed as penalty in cases where there is violation of Government Instructions.

4. In order to avoid the chance of misusing the Government money, the following orders are issued:-

- I. A time limit of 3 months is fixed for the presentation of final bill.
- II. In cases where temporary advance is not utilised fully but the adjustment bill is submitted in time, interest at the rate of 18% per annum will be charged on the unutilised portion of the advance from the date of drawal to the date of refund of advance.
- III. In cases where the adjustment bill is not submitted within the prescribed time, the entire amount of advance may be recovered in one lump immediately on the expiry of such time limit. Interest at the rate prescribed at (ii) above will be charged in the entire amount of advance from the date of drawal to the date of recovery of the amount.
- IV. This shall take effect from the date of issue of this order.

The amendment to Article 99 Kerala Financial code volume. I will be issued separately.

By Order of the Governor
V.P. JOY
Secretary (Finance)

To

The Principal Accountant General (Audit) Kerala, Thiruvananthapuram
The Accountant General (A & E) Kerala, Thiruvananthapuram
All Heads of the Departments and Offices.
All Departments (All sections) of the Secretariat.
The Secretary, Kerala Public Service Commission (With Covering Letter)
The Registrar, University of Kerala/Kochi/Kozhikode (With CL)
The Registrar, Mahatma Gandhi University, Kottayam (With CL)