

GOVERNMENT OF KERALA

Circular

Government Promissory notes accepted as security against contracts etc. by Government Officers- examination of endorsement.

Copy of letter No. F5(59) W&M/59 dated 23-12-'61 from the under secretary to the Government of India, Ministry of India, Ministry of finance(Department of Economic Affairs) appended below is communicated to all Heads of Departments for guidance.

Sd/- Asst. Secretary.

No. 7611/Ec4/65/Fin. Finance Department, dated, Trivandrum, 6-2-'62

Forwarded to all heads of Departments.

Sd/- Superintendent.

Copy of letter No.F5(59) W&M/59 dated 23rd December 1961 from the Under Secretary to the Government of India, Ministry of Finance

(Department of Economic Affairs).

Sub:- Government promissory note accepted as security against contracts etc. By Government Officers- Examination of endorsement.

I am directed to invite a reference to paragraph 100 of the Government Securities manual (3rd Edition) which stipulate that if a Government Officer who is required deposit against Government contracts etc.has any reason to think that any of the endorsements on a Government promissory note is irregular or if, for any other reason , he is not satisfied as to the title of the person presenting a note he should refuse to accept the note and should instruct the presenter first to get the note renewed by the Public Debt. Office.

2. The Reserve Bank of India has brought it to the notice of this Ministry that the public Debt Offices are often requested by the Government Officers to examine the chain of endorsement on Government promissory note endorsed in their favour or by contractors or other officials by way of security deposit. Although the Examination of such securities at the request of Government Officers is not incumbent on a Public Department Office , the Public Debt. Offices have been according to such requests provided the Government promissory notes are lodged at the Public Debt Office counters. At the request of the Government, the Reserve Bank has also agreed to instruct its Public Debt Offices to examine Government officers even if the notes are received by post. As however, there is a risk in transit in case of transmission of notes by post, Government officers should , as far as possible, arrange for notes to be lodged at the counter of the public Debt Office for examination instead of sending them by post.

3. In cases where this is not possible, the holder should be required to have the note renewed by the Public Debt Office as contemplated in the above quoted paragraph of the Government securities Manual. Where, however, the holder expressly authorizes the office concerned to send the notes for examination to the Public Debt office at his risk and cost, the officer may accede to such request. The parties should clearly be informed that if the securities are lost in postal transit, they will have to follow the usual post not procedure which would not be waived. In such cases, the notes should invariably

3. In cases where this is not possible, the holder should be requested to have the note renewed by the Public Debt Office as contemplated in the above quoted paragraph of the Government securities Manual. Where, however, the holder expressly authorizes the office concerned to send the notes for examination to the public Debt office at his risk and cost, the officer may accede to such request. The parties should clearly be informed that if the securities are lost in postal transit, they will have to follow the usual post not procedure which would not be waived. In such cases, the notes should invariably be sent to the Public Debt Office by registered post insured for a nominal sum of Rs. 100/-

4. The State Government are requested to bring these instructions to the notice of all officers working under them for strict compliance.

Endt. On C1-6403/62 dated 21/26-2-'62.

Copy to all sub-Officer for information and guidance.

Copy for distribution in office.

Sd/- superintendent.

Endt on H.A 4101/62 dated 31-3-'62.

Copy to Manager, H.A., Circular file book and Section T., M.L., C.H., AND T.R.

Sd/Conservator of Forests.

Forwarded By Order

Manager