

GOVERNMENT OF KERALA

Abstract

INTER – DEPARTMENTAL ADJUSTMENTS – SERVICE RENDERED AND SUPPLIES MADE BY SERVICE DEPARTMENTS – CORRECT ACCOUNTING OF PLAN EXPENDITURE – ORDERS ISSUED.

FINANCE DEPARTMENT

G.O. (P) 92/66/Fin.

Dated, Trivandrum, 8th March, 1966.

Read:- Correspondence resting with letter No. T.M.III/12-41/65-66/495 dated 24-2-1966

From the Accountant General, Kerala.

ORDER

Article 60 of the Kerala Account Code, Volume I provides that, but for certain exceptions mentioned therein, a Service Department shall not make charges against another Department for services of supplies which fall within the class of duties for which the former Department is constituted.

2. But in certain circumstances, a Service Department will have to render services or make supplies to another Department, say, landing of a vehicle, even if such service or supply does not fall within the class of duties for which the former Department is constituted. The rule, when strictly interpreted, would mean that a Service Department can charge another Department for such services and supplies. The Accountant General has observed that if the view that it is unnecessary to make inter-departmental adjustments even in cases where a Service Department renders services or makes supplies to another Department which do not fall within the class of duties for which the former Department is constituted, is accepted as a general principle, there would arise difficulty in correct accounting Plan expenditure particularly that for which Central assistance is obtainable. He has substantiated this by pointing out that, for instance, when a vehicle intended for a Plan scheme is utilized for purposes entirely unconnected with that scheme or for rendering services to other departments not connected with that scheme, the expenditure on the scheme would get inflated to that extent unless adjustments are made and accounted as reduction of charges under Plan expenditure, and that, in cases where release of Central assistance is based on specific percentages of the expenditure on a scheme, the non-adjustment of such expenditure may affect the actual expenditure incurred on the scheme.

3. In the circumstances explained by the Accountant General and in order to enable correct accounting of Plan expenditure. Government are pleased to order that, in the case of Plan schemes, adjustment of cost should be made in respect of supplies made or services rendered by one service department to other service departments and between the branches of the department.

4. Necessary local ruling under Article 67, Kerala Account Code, Volume I will be issued separately.

By order of the Governor

R. PARAMESWARAN NAIR, ASSISTANT SECRETARY

To

The Accountant General, Kerala.
All Heads of Departments and Offices.

Endt. on D1-21761/66. dated 16/27-7-1966.

Copy to the Conservator of Forests, Chalakudy for information as requested. (C.F's No. TR-22925/64 dated 30-6-1966).

Chief Conservator's Office,
Trivandrum.

Sd/-

For Chief Conservator of Forests.

Endt. on TR-22925/64. Dated 6-8-1966.

Copy to all Sections and Stock file.

For Conservator of Forests.

KKV/10/8/-