

Refunds of revenue

35. The powers of officers to sanction refunds of revenue are contained in the Book of Financial Powers and are subject further to the administrative orders of Government issued from time to time and embodied in the Departmental Manuals and Standing Orders. In respect of cases not provided for in the Book of Financial Powers, the sanction of Government is necessary.
36. On receipt of an application for refund in respect of any item of revenue, the officer who has brought to account that particular item of revenue should:
- (1) Trace out the original records relating to the receipt of the amount in question.
 - (2) Verify the claim with reference to the original records.
 - (3) See whether the application is received within the maximum time limits allowed under the rules.
 - (4) Obtain sanction for the refund from competent authority in case he is not himself competent to sanction the refund in question.
 - (5) After satisfying himself that the refund in question is admissible under the rules, prepare the refund order and if he is himself competent to sanction the refund, he may either record his sanction on the voucher itself or record it separately, giving a reference to it on the voucher and attaching a certified copy. If sanction is obtained from a higher authority, the latter procedure should be followed.
 - (6) See that the particulars of the refund are recorded against the original entry of the receipt in the departmental accounts, in such a way as to make it impossible to entertain by mistake any further claim for a refund of the same amount.
 - (7) Record the particulars of the refund on the counterfoil of the receipt previously granted to the payer and that receipt (and any other acknowledgment granted to the payer) should if possible be taken back and destroyed.
 - (8) Pay the amount to the person entitled to receive it, in accordance with the rules governing each particular class of refund, or prepare a proper voucher payable to that person for presentation at the Treasury for payment.

Time limits for claim for refunds of revenue

37. Refunds of revenue may be classified as follows:—
- (a) refunds of revenue which are made *ex gratia* although the Government are under no legal obligation to make them; and
 - (b) refunds of revenue to which the claimants are legally entitled.

An application for a refund of revenue to be sanctioned *ex gratia* should be rejected if it is received after one year from the date of credit of the revenue to the Government.

In cases where a notice has been issued to the party, the application for such refund of revenue may be rejected, if it is received after 3 months from the date of receipt of the notice by the party.

Note 1:— These limits are merely maximum time limits and no application for an *ex gratia* refund should be entertained unless it is received within the maximum time allowed. This does not mean that all applications for such refunds received within the maximum time limits applicable should necessarily be granted. If the authority competent to sanction *ex gratia* refunds of a particular kind considers that for special reasons, a shorter time limit should be enforced in practice in regard to them, this should be done.

A statement showing all the amounts due to the Government by the local body and remaining unpaid shall be presented at the treasury along with every bill on which a local body claims payment of a non statutory grant-in-aid. Out of the grant payable to the local body, the Treasury Officer shall credit to Government the amount shown in the statement of amounts due by it or the whole of the grant, whichever is less, and he shall credit the local body's account only with the balance of the grant, if any. The treasury shall send the statements of amounts due by local bodies prescribed above to the Accountant-General along with the bills.

199. Compensation awarded by courts out of fines to injured parties.—When a court orders the payment to an injured party of an amount kept in deposit in the treasury which was awarded to him as compensation out of a fine imposed in a criminal case, it shall certify on the order either—

- (1) that the sentence and award have been confirmed by the appellate court and no order has been received from the court of revision reversing or modifying the order of compensation, or
- (2) when the order as to compensation has been modified in appeal or revision, that the payment ordered is in conformity with such modification, or
- (3) that the appeal time has expired and no appeal has been preferred, and that no order has been received from the court of revision reversing or modifying the order of compensation.

200. Refunds of revenue.—Bills for drawing moneys from the treasury on account of refunds of revenue shall be prepared in Form T.R. 65 unless some other form has been prescribed in regard to any particular class of such refunds. Every refund shall be noted against the original receipt entry in the departmental accounts. The government servant who is responsible for the maintenance of the departmental accounts containing the original receipt entry shall certify on the bill that the refund has been so noted and shall fill in columns (1) to (5) of the Form. The Treasury or Sub Treasury Officer shall not pay any such bill unless particulars of the order of sanction of a competent authority are furnished on the voucher and a certified copy of the order is attached to it if no copy is separately communicated to the Accountant-General.

A Government servant who draws a bill for a refund of revenue shall certify on the bill that the restrictions prescribed by the Government in regard to time limits for claims for refunds (See Article 44 of

the Kerala Financial Code) have not been contravened. The certificate shall be in that one of the alternative forms provided for the purpose in the form of refund bill (Form T.R. 65) that is appropriate in each case. When he is himself the sanctioning authority, he shall also certify on the bill that the refund claimed satisfies the conditions, if any, prescribed in the departmental rules and administrative orders; in other cases, this certificate shall be furnished by the competent authority in the order of sanction.

Unlike sub-vouchers for contingent charges, sub-vouchers relating refunds of revenue shall not be cancelled. The Treasury or other Officer, who disburses the amounts by money order or otherwise, shall forward to the Accountant-General for audit all sub-vouchers, however small the amount involved. The Secretary, Kerala Public Service Commission, however, shall, in respect of the amounts drawn by him from the District Treasury, Trivandrum for remittance by money order to the parties, send only a certificate of disbursement to the Accountant-General retaining the money order receipts with him.

NOTE.—1 *Refunds of land revenue.*—Revenue Inspectors are required to make refunds of land revenue, when necessary, during their tours. Each Revenue Inspector should estimate the amount that he is likely to require for the purpose each month and apply to the Tahsildar for the necessary funds. The Tahsildar should check the amount with the published list of excess collections that the Divisional Officer has authorised him to refund, draw the required amount on a bill containing details of the items included and send it to the Revenue Inspector. The Revenue Inspector should submit the receipts obtained from the payees to the Tahsildar, who should attach them to the bill submitted to the Treasury Officer in support of the charge in the sub treasury account. The Revenue Inspector should refund to the sub treasury by the date for closing its monthly account any part of the amount drawn and sent to him that he has not disbursed and any amount that he so refunds should be deducted at the foot of the refund voucher on which the amount was originally drawn.

Jamabandi Officers are also required to make such refunds, when necessary, and should obtain the amount required from the Tahsildar concerned. The Tahsildar should draw a sum equal to the excess collections to be refunded in respect of the villages to be dealt with at each Jamabandi camp and hand it over to the Jamabandi

Officer before he starts work at that camp. The Jama-bandī Officer should make the refunds to claimants who are present at the camp and return any undischursed balance to the Tahsildar together with the payees' receipts before leaving that camp.

NOTE.—2 *Refunds on account of stamp.*—When a refund has to be made on account of spoilt or damaged stamps (other than stamps received back from a vendor), the Tahsildar should draw a bill in Form T.R. 66 and obtain the payee's receipt on it.

If the order of sanction of the competent authority is not recorded on the bill itself, a certified copy of the order should be attached to the bill.

NOTE.—3 *Refunds of process and poundage fees by courts of law.*—Refunds of process and poundage fees should be treated as refunds of stamp revenue. The court should make such refunds, when necessary, from its permanent advance and recoup its permanent advance by drawing a contingent bill headed "Refund of process and poundage fees" on the treasury at the end of each month. It should attach to every such bill all the relevant refund vouchers in the form prescribed by the High Court containing the signatures of the payees in token of having received the amounts refunded.

When a refund has to be made after a process has been transmitted for service from one court to another, the refund order should be forwarded for payment to the Judge of the court in which the process fees have been deposited.

NOTE.—4 *Refunds of registration fees.*—A registering officer should make refunds of registration fees, when necessary, from his permanent advance and recoup his permanent advance by drawing a contingent bill headed "Refund of registration fees" on the treasury. He should attach to every such bill all the relevant refund vouchers in Form T.R. 65 containing the signatures of the payees in token of having received the amounts refunded.

NOTE.—5 *Refunds of excess receipts on account of advertisements in the Gazette and other official publication.*—The Superintendent, Government Presses, should meet in the first instance from his permanent advance refunds of excess receipts on

account of advertisements in the Kerala Gazette and other official publications, and subsequently recoup the permanent advance by presenting bills at the District Treasury, Trivandrum. These bills should be supported by money order acknowledgments of the parties concerned.

NOTE.—6 *Refunds of college and examination fees.*—When any college fees have to be refunded under the rules and orders in force, the Principal of the College should draw a bill for the amount to be refunded, attach to it the order of a competent authority sanctioning the refund and present it at the treasury for payment.

If an examination fee or a part of such fee has to be refunded, the government servant who received the fee (the Secretary, Kerala Public Service Commission, or the Commissioner for Government Examinations or the Text Book Officer) should endorse a certificate on the original receipt for the fee, specifying the amount to be refunded. The person who paid the fee should present the receipt so endorsed for payment at the treasury which issued the receipt.

When the fees payable by more than one candidate in a school have been remitted into the treasury in a lump sum and a single collective receipt issued and a part of the amount has to be refunded, the procedure laid down in Rule 200 above should be followed.

NOTE.—7 *Refunds of fines.*—When a appellate court or court of revision, other than the High Court, reverses or reduces a sentence of fine on appeal, it should issue a refund order in the form prescribed by the High Court.

When the High Court reverses or reduces a sentence of fine the court which passed the original sentence should issue a refund order on receiving the High Court's certificate under section 425 and 442 of the Code of Criminal Procedure in regard to its order on appeal or in revision.

NOTE.—8 *Refunds of salestax and agricultural income-tax.*—Refund of sales tax and agricultural income-tax shall be claimed in Form 49 of Kerala General Salestax Rules and the form prescribed in rule 32 A of the Agricultural Income Tax Rules, respectively. When a refund is sanctioned, the assessing

authority concerned, shall forward a refund order in the relevant form mentioned above, to the party concerned, simultaneously giving due intimation to the Treasury Officer regarding the issue of refund order. The refund order shall be made payable only at the treasury in which the original credits have been made. The Treasury Officer shall verify the original credits noted in the refund order and put his initials in the column provided for the purpose in the refund order, as token of having checked them. The refund order shall be passed for payment, only after verification of the credits, as mentioned above.

201. Loans and advances.—Particulars of the order sanctioning the loan or advance shall be furnished in every bill or other document on which a loan or advance is drawn.

In the case of a loan sanctioned to fully owned Government Company/Corporation, a written undertaking in the form prescribed by the Government in that behalf should be got executed before the loan is actually disbursed. A certificate that the written undertaking has been obtained from the loanee should be recorded by the countersigning authority on the bill for the drawal of the amount of the loan. In cases where the bills for drawal of loan amounts are not required to be countersigned by the sanctioning authority, the following procedure shall be followed in regard to furnishing/execution of the undertaking by the loanee institutions.

The sanction should specifically state that the undertakings/agreement would be furnished executed by the loanee before the drawal of the amount of loan. It should also include a clause that the Accountant-General/Disbursing Officer would authorise payment only on the receipt of a certificate from the sanctioning authority that the undertaking/agreement has been obtained from the loanee. The sanctioning authority should ensure that the requisite certificate is furnished to the Accountant-General/Disbursing Officer as soon as the undertaking/agreement is received from the loanee, so that payment of money is not unduly delayed.

The sanction of a competent authority to a personal advance may, if preferred, be obtained in the form of countersignature on the bill itself before it is presented at the treasury, instead of in a separate order.

The treasury shall not pay a bill for an advance under the head "Advances to cultivators" (See Article 246 of the Kerala Financial Code) unless it is signed by an officer who has power to sanction the

advance. If it is presented at the treasury duly signed together with the borrower's receipt for the amount of the advance, duly stamped when necessary, the treasury shall pay the amount direct to the borrower or his duly authorised agent. As an alternative, an officer who has to disburse advances may draw on his own receipt on an abstract bill such portion of the amount of the sanctioned advances awaiting disbursement as he is likely to require for payment to the borrowers during his tours. When this latter alternative is adopted, the Collector shall prescribe for each officer concerned, with due regard to the circumstances, a maximum amount which he may draw on such an abstract bill, and the following rules shall be observed:—

(1) No disbursing officer shall cash another abstract bill, before furnishing a detailed bill to account for the disbursements from the amount drawn on the last abstract bill and refunding into the treasury any balance remaining undisbursed. A disbursing officer who cashes an abstract bill shall under no circumstances delay the submission of the corresponding detailed bill beyond the end of the second month following that in which he cashed the abstract bill.

(2) The disbursing officer shall take the receipts of the borrowers or their duly authorised agents on the spot when he disburses the advances and shall certify at the foot of the detailed bill that all the advances included in it were paid in his presence.

(3) The Collector shall retain the borrowers' receipts and after checking the detailed bill with them, shall forward it to the Accountant-General through the Treasury Officer in support of the debits appearing in the treasury account.

NOTE.—In the case of advances granted to cultivators by officers of departments other than Revenue, the Government may, by special order, entrust the duties of the Collector under the above rule, to the district heads of the departments concerned. In the absence of any such special order, such duties shall be done by the Collector of the District in respect of 'advances to cultivators' granted by officers of other departments also.

202. Survey Department Bills.—Bills for temporary advances sanctioned for survey parties for demarcation purposes shall show the state of the advance for which a statement showing the amount drawn up-to-date, the amount covered by recovery lists advised to the Collector and the balance available should be attached to each bill. Bills for amounts due to contractors for survey stones and other charges recoverable from ryots shall be in the forms prescribed in the departmental

manuals or orders. No bill for an amount due to a contractor for survey stones shall be paid, unless both the contractor and the survey officer-in-charge of the survey party have signed it and the survey officer has certified on it that the stones bought for use as survey marks have been brought into the stock registers and the necessary notes regarding payment made in order to prevent payment of any second claim on the same account.

203. Bills for survey charges in the Revenue Department.—The Tahsildar shall, when necessary, draw bills for advances for replacing missing boundary marks in the form prescribed in the Standing Orders of the Board of Revenue and shall attach to each bill for the cost of survey stones both the contractor's receipt for the amount and the acknowledgment of the village officer who took charge of the stones. They shall prepare the necessary bills in due course for adjusting these charges in the manner laid down by the Government and shall certify on each such bill that the amount charged to the Government under any of the survey marks has been checked and found to be correct.

204. Repayment of deposits.—Every order issued by a court or other authority for the repayment of a deposit from a treasury shall be in English. The order of a court or other authority for the repayment of a deposit and the voucher for such repayment shall be in Form T.R. 67 except when some other form has been specially prescribed for the purpose for any class of deposits. When only a part of a rupee is to be repaid, the space against the word "rupees" shall be scored through or the word "nil" shall be written in it, in order to prevent interpolation. As a safeguard against fraud, the authority which orders the repayment shall enter the name of the payee after the words "Passed for payment" thus; "Passed for payment to....." the authority revalidating an order of repayment which lapsed under the provisions of Rules 207 and 237 (3) shall verify that a note of repayment over the initials of the authority ordering the repayment has been made against the original entry in the check register.

Deposits, the detailed accounts of which are not kept at the treasury and which are credited to the Government under Article 296 of the Kerala Financial Code, Volume I, cannot be repaid without the sanction of the Accountant-General who will authorise payment on ascertaining that the item was really received and was carried to the credit of Government as lapsed and that the claimant's identity and title to the money are certified by the Officer signing the application for refund.

*Deposit the detailed accounts of which are kept at the treasuries and which are credited to the Government under Article 296 of Kerala Financial Code, Volume I, may be refunded without the sanction of the

* Substitution

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