Subject: Manipur Public Servants' Personal Liability Act, 2006.

The Manipur Public Servants' Personal Liability Act, 2006 has been passed by the Manipur State Legislature in its session held in March, 2006 to fix responsibility on the Public Servants and make them personally liable for irregular actions that cause unauthorized financial liability for the Government. The Act has been assented to by the Governor and has been enforced in the State from 17/04/2006. A copy of the Act has been placed on the website of the Manipur Government.

Personal liability under the Act will arise if the Public servant takes actions that are against the existing Government rules, instructions, or orders and result in financial loss or burden to the Government. The actions will include giving appointments, engagements, supply orders, work orders, creating or up-grading posts and pay-scales, signing contracts or agreements and granting such other financial benefits. If the actions have been taken without obtaining the necessary approvals and/or following the proper procedures and rules, the financial liabilities resulting from such actions will be recovered from their personal pay and other entitlements.

Personal liability will include such cases where the grant of benefits was unauthorized in the first place and the benefits have become payable on account of a ruling of the Court directing the Government to pay for such liabilities. Notwithstanding the fact that the Government has contested or considers contesting the grant of such benefits in the Court, the financial liabilities will be deemed to be the liability of those public servants who initially grant such benefits and cause unauthorized liabilities.

The definition of the Public servants includes all functionaries, officers and employees of the State of Manipur appointed by the Governor and includes Ministers, Officers and employees of the State Government and the Government agencies including autonomous bodies -such as the Statutory bodies, Public Sector Undertakings, Companies, Aided Institutions, Societies and bodies receiving grant-in-aid from the Government.

The recovery of the liabilities created by the Government officials will be effected on the basis of the findings of a High Powered Committee that will be constituted by the State Government under the Chairmanship of the Chief Secretary. In cases where the irregular actions are taken by the public servants other than the Government Officials, the Committee will be headed by the Chief Minister himself who will nominate two other Ministers to enquire into the matter and give its findings.

All Officers are, therefore, requested to issue strict advice/instructions to all public servants/officials in their Department to carefully observe the provisions of the Act and avoid creating unauthorized liabilities for the Government forthwith. They may also like to carry out a review of the cases of unauthorized liabilities created by the officials and public servants in their Department in the past and furnish a report in this fortnight along with recommendations for appropriate actions.

(Jarnail Singh)
Chief Secretary, 17/4/2006
Government of Manipur.

<u>U.O. No.16/1/2006-FD(PIC)</u> Imphal, the 17th April, 2006.

Additional Chief Secretary/Principal Secretaries/ Commissioners/Secretaries/Heads of Departments.

Copy to :-

- 1. The Secretary to Governor, Raj Bhavan, Imphal.
- The Secretary to Chief Minister, Manipur.
- Private Secretaries to all Ministers/Ministers of State, Manipur.
- 4. Chairmen of all PSUs & Grant-in-Bodies.