



सत्यमेव जयते

CIVIL ACCOUNTS MANUAL

Revised Fourth Edition | 2024

Government of India
Ministry of Finance
Department of Expenditure
Office of Controller General of Accounts



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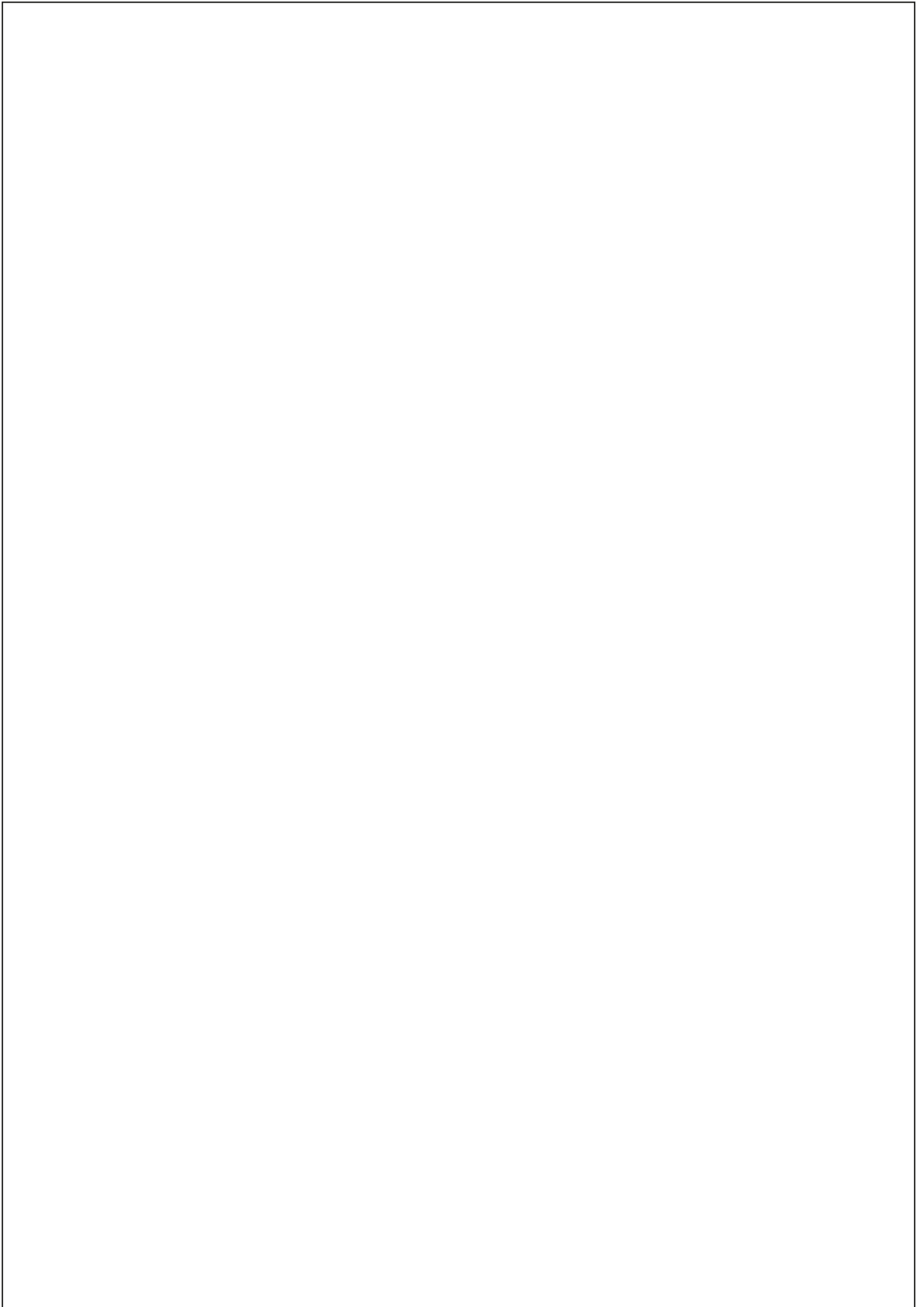
FEBRUARY 2024

PREFACE

The Civil Accounts Manual (CAM) contains instructions and detailed procedures relating to receipts, payments and accounting by Pay and Accounts Offices and Cheque Drawing DDOs of Civil Ministries/Departments of the Central Government. The Manual also contains the procedures for preparation of annual accounts and inter-departmental, inter-governmental adjustments and ancillary matters which are required to be followed by the Pay and Accounts offices. The first edition of the CAM was issued in the year 1981 followed by second and third Editions in the year 2002 and 2007 respectively. The CAM has subsumed & incorporated the provisions contained in the “Handbook of Accounting Instructions under the departmentalised accounting system” (second edition) issued by the Ministry of Finance, Department of Expenditure (Special cell).

2. Now, the Office of Controller General of Accounts, Department of Expenditure, Ministry of Finance, is bringing out the Fourth Edition of the CAM. The revised CAM 2024 is being brought out after a span of 17 years since the third edition was published in the year 2007. Several path-breaking reforms have been undertaken over the past few years, particularly through digitization process with the increased use of information technology in collection of government receipts, payments and accounting using web based IT system i.e. Public Financial Management System(PFMS). The focus of the CAM revision was on incorporating the systemic changes and IT based processes in payment and accounting using PFMS which have been rolled out across Ministries/Departments working under the CGA.

3. There are 19 chapters in this Manual including two new chapters relating to Revenue Accounting: Non-tax Revenue Receipts and Budgeting: its formulation and its execution [in line with the new additional functions and responsibilities of Pr.CCAs/CCAs/CAs(i/c) prescribed in FAs Charter (2023)]. Significant insertions in the revised CAM include instructions for processing bills through e-Bill modules, two level pre-check of bills for comparatively smaller amounts, strengthening the regular monitoring of payments of bills in PAOs, role of Principal Accounts Offices for maintenance of Guarantee Register, Accounting and Reconciliation Process in Indirect Taxes portal (ARPIT) in CBIC and integration arrangements of TIN 2.0 with Pratyaksh Kar Lekhankan Pranali (PRAKALP) in CBDT, procedure of accounting and reconciliation of e-receipts



through NTRP, final payment of Provident Fund to All India Services officers retiring while on deputation to Central Government, Constitution of an Internal Audit Committee on internal audit compliances, Notification of IGAS-1 to IGAS-4 Accounting Standards by Ministry of Finance, Processing of pension cases through BHAVISHYA portal etc. A concordance table has been inserted to highlight the changes made as compared to the previous CAM for easy reference.

4. The Chapters in this manual have been organized to reflect various processes and activities involved in the receipts, payments and accounting cycles. The formats contained in CAM have been reviewed and rationalised to make them compatible with relevant PFMS reports. CAM form numbers have however been kept unchanged for maintaining continuity and linkage with previous records. The revisions and amendments to the Receipts & Payments Rules, 2022 and the General Financial Rules, 2017 since the issue of last edition of CAM have also been incorporated to update the CAM.

5. Departmentalised Accounting Organisations headed by Indian Civil Accounts Service personnel in Civil Ministries/Departments have played a key role in Public Finance Management in India. This Manual acts as an authoritative reference for the officials engaged in receipts, payments and accounts in Central Civil Accounts Offices, in addition to serving as a guide to other accounting formations in the country. The manual is also expected to contribute to enhanced governance and improved public financial management with clear assignment of duties and responsibilities and provisions for regular reviews and reporting by the PAOs to Head of Accounting Organisation.

6. I wish to place on record the outstanding work done by the Committee constituted by this Office headed by Shri N.M. Jha, retired ICAS officer and other Members of the Committee in preparing this Manual. I would like to record my appreciation for the efforts put in by Dr. Shankari Murali, Additional CGA and her vertical. I would also like to thank Pr.CCAs/CCAs/CA(i/c) of Ministries/Departments who reviewed the drafts of the Civil Accounts Manual and provided their valuable suggestions.

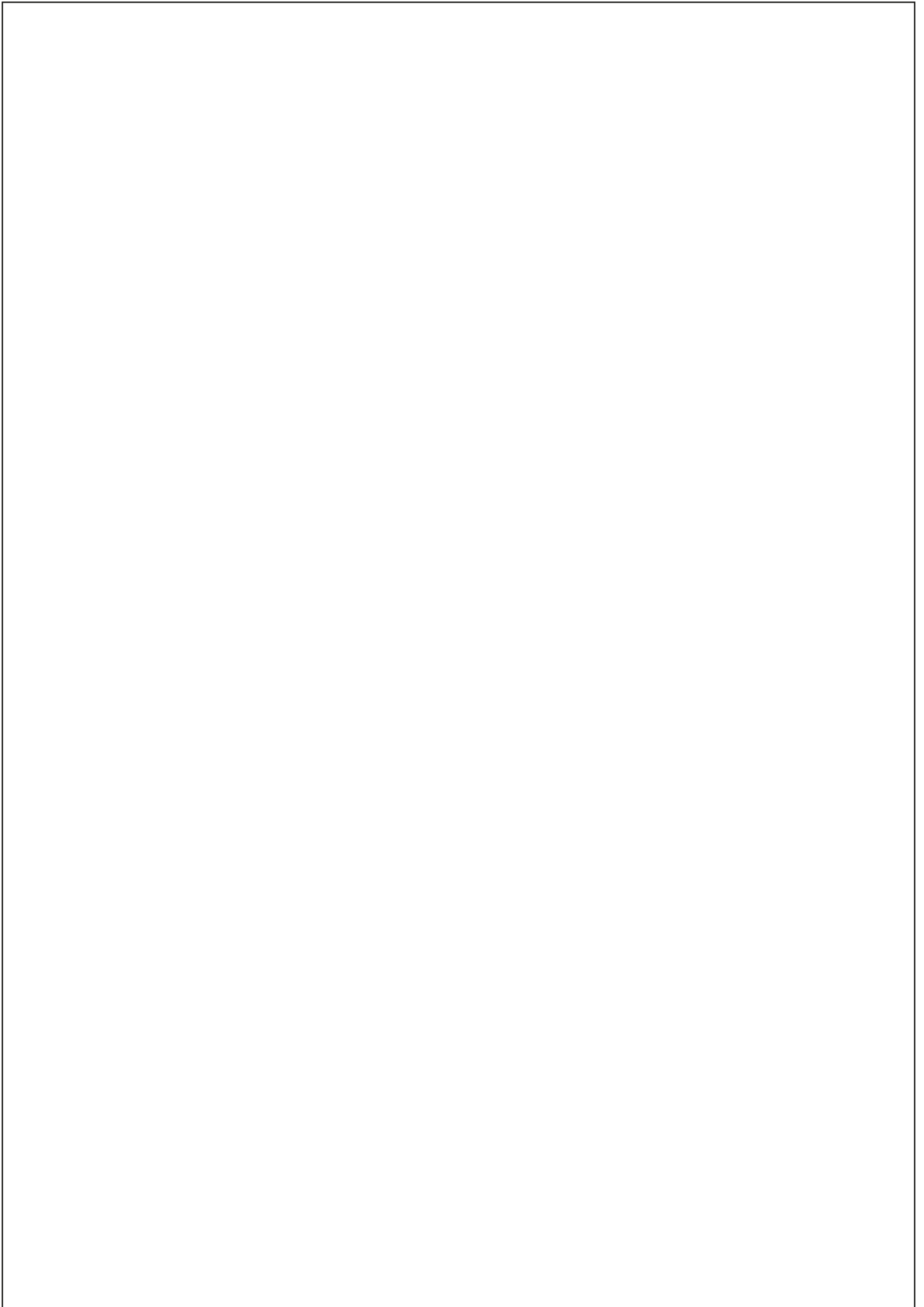
Suggestions for further improvements are welcome.



(Shyam S. Dubey)

Controller General of Accounts

Dated: 29th February, 2024
New Delhi.



THE ABBREVIATIONS USED IN THE MANUAL MAY BE READ AS FOLLOWS

AA	Appropriation Accounts
AAO	Assistant Accounts Officer
AG	Accountants General
API	Application Programming Interface
ASNO	Assistant State Nodal Officer
CAA	Chief Accounting Authority
CA	Controller of Accounts
CAM	Civil Accounts Manual
CAS	Central Accounts Section
C&AG	Comptroller and Auditor General
CBDT	Central Board of Direct Taxes
CBIC	Central Board of Indirect Taxes and Customs
CCAs	Chief Controller of Accounts
CCS	Central Civil Services
CDA	Controller of Defence Accounts
CDDO	Cheque Drawing and Disbursing Office/Officer
CEA	Children Education Allowance
CGA	Controller General of Accounts
CIN	Challan Identification Number
CNA	Central Nodal Agency
CPAO	Central Pension Accounts Office
CPWA	Central Public Works Accounts
CPWD	Central Public Works Department
CRN	Claim Reference Number
DBT	Direct Benefit Transfer
DCRG	Death cum Retirement Gratuity
DDO	Drawing and Disbursing Office/Officer
DDGs	Detailed Demands for Grants
DDS&R	Debt, Deposit, Suspense and Remittances
DG	Demands for Grants
DH	Dealing Hand
DEA	Department of Economic Affairs
DFPR	Delegation of Financial Power Rules
DMS	Document Management System
DSC	Digital Signatory Certificates
EAT	Expenditure Awaiting Transfer
E-bill	Electronic Bill
ECL	Electronic Cash Ledger
e-Kuber	'Core Banking Solution' system of RBI
FA	Financial Adviser
FIFO	First in First Out
FPB	Focal Point Branch
FRBM	Fiscal Responsibility and Budget Management
GeM	Government e-Marketplace
GFR	General Financial Rules
GIFMIS	Government Integrated Financial Management Information System
GST	Goods and Service Tax

HoO	Head of Office
HoD	Head of Department
IAAA	Inter Accountal Adjustment Advice
ICAS	Indian Civil Accounts Service'
ICEGATE	Indian Customs Electronic Gateway
IGAA	Inter-Governmental Adjustment Advice
JE	Journal Entry
LMMHA	List of Major and Minor Heads of Account
LoA	Letter of Authorisation
LoPs	List of Payments
MEP	Monthly Expenditure Plan
MOE	Memorandum of Errors
NTRP	Non-Tax Receipts Portal
OB	Objection Book
PAC	Public Accounts Committee
PAO	Pay and Accounts Office
PFMS	Public Financial Management System
Pr.AO	Principal Accounts Office
Pr. CCA	Principal Chief Controller of Accounts
PRAKALP	Pratyaksh Kar Lekhankan Pranali
PSBs	Public Sector Banks
QEP	Quarterly Expenditure Plan
RAT	Receipt Awaiting Transfer
REAT	Receipt, Expenditure, Advance and Transfer
RBI	Reserve Bank of India
R&P Rules	Receipts and Payments Rules
SBE	Statement of Budget Estimates
SCT	Statement of Central Transactions
SNA	Single Nodal Agency
SnC	Sanction Checker
SnM	Sanction Maker
TDS	Tax Deducted at Source
TE	Transfer Entry
TSA	Treasury Single Accounts
UBIS	Union Budget Information System
UCs	Utilization Certificates
UTR	Unique Transaction Reference

STRUCTURAL CHANGES IN THE REVISED CAM

Some of the significant provisions which have come up in this period and incorporated now are process relating to payments and accounting using PFMS, process in collection of government receipts through Bharatkosh portal, detailed operating procedure for processing claim and bill in e-bill module, two level precheck of bills in PAO for smaller amounts, strengthen regular monitoring of bills in PAOs, role of Pr.Accounts Office for maintenance of guarantee Register, constitution of an Internal Audit Committee on internal audit compliances, Notification of IGAS-1 to IGAS-4 Accounting Standards by Ministry of Finance, process of pension cases through Bhavishya portal, final payment of PF to All India Services officers retiring while on deputation to Central Government etc.

The chapters 14 and 15 dealing with CBIC and CBDT have been totally overhauled in view of the substantive change in the procedure of receipts in both these Departments. Two new chapters viz. Chapter 16 on revenue accounting: Non-tax revenue (NTR) receipts and Chapter 18 on Budget were inserted. The Chapters in this manual have been organized as indicated below to reflect various activities involved in the receipts, payments and accounting cycle.

CAM (2007)	CAM (2024)
Chapter 1(Banking arrangements portion)	Chapter 4: Banking arrangements
Chapter 2: Pre-check payment procedure	Chapter 2: Pre-check payment procedure
Chapter 4: Principles and procedures of Pre-check	
Chapter 16: Finance Accounts	Chapter 12: Finance Accounts
...	Chapter 16: Revenue Accounting-Non-tax revenue (NTR) receipts etc. (new chapter)
Chapter 12: Internal Audit	Chapter 17: Internal Audit
...	Chapter 18: Budgeting: its formulation and its execution (new chapter)
Chapter 17: Misc.	Chapter 19: Misc.

CONCORDANCE TABLE I

The Concordance table below indicates the substantial changes in the provisions that have been made in this revised edition of the Civil Accounts Manual.

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
Chapter 1: Broad features of the Departmentalised Accounting System		
Para No.	Para No.	
1.1	1.1	Provision contained in Rule 79 of GFR 2017 for opening of a new Head of Account has been inserted as Note below para 1.1.6. Rule 2 (q) of CGA(R&P) Rules, 2022 about the role of CGA has been specified in para 1.1.3.
1.2	1.2	Provision contained in Rule 79 of GFR 2017 for opening of new Sub-Heads and Detailed Heads by Ministries/ Departments has been inserted as Note below para 1.2.4.
1.3	1.3	Extract of para 43 and 44 of Charter for FA is included as a sub-para 1.3.2
1.4 (new)	...	Inserted role of Public Financial Management System (PFMS)

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
Chapter 2: Pre-check payment procedure in the Central Civil Accounts Offices		
2.2	2.2	Processing of claims for payment through PFMS has been specified. It includes user/role management in PFMS in respect of users in Principal Accounts Office, PAO, DDO, Programme Division and Head of Office in PFMS, Head wise budget entry in accordance with DDG of the Ministry in PFMS.
2.3 (new)	...	Inserted the detailed instructions for processing bills through e-bill module of PFMS.
2.4	2.3	Updated the provisions in the light of e-payment advice are being processed through PFMS.
Note 1 below	...	Note 1: Head of Accounting Organization may delegate powers of bills passing and applying DSC at AAO level for comparatively smaller amounts. This would entail a 2 level pre-check in place of existing 3 level checks, for the bills involving gross amount up to ₹ 25000. Pay and Accounts Officer would conduct post audit of 10% of bills passed by AAO before submission of monthly accounts. PAO shall record a certificate to this effect in a Register in Form CAM-32 to be opened for this purpose. Head of Accounting Organization would obtain a certificate from Pay and Accounts Officer in compliance of the new arrangements.
Note 2 below 2.4.1	...	Note 2: Head of Accounting Organization would monitor the disposal of bills in PAO specifically over and above delay of timelines of 2 days for GeM bills and 5 working days for other category of bills as stated above and to take prompt remedial action.
2.5	2.6	Inserted the provision that second time bill return may as far possible be by PAO with the approval of supervisory officers. In the absence of intervening level officers, PAO, after return of bill to DDO on second or subsequent occasions, should report to supervisory officers by next working day.
2.10	4.5	It is to be checked in accounts that the detailed classifications below the Minor Heads will be as shown in the DDG and entered in Union Budget Information System (UBIS).
2.15	4.10	The following are included as additional general checks to be exercised for pre-check: (i) Classification of object heads should be in line with the revised object heads contained in Rule 8 of DFPR notified by Ministry of Finance in Delegation of Financial Power (Amendment) Rules, 2022 on 16.12.2022. (ii) Bank account details match with the bank mandate form submitted along with the bills. (iii) Clear copy of original invoice/bill and other relevant supporting documents are uploaded along with e-claim in the case of e-bill for payment. Advisory issued by DoPT vide their OM No.18/3/2015-Estt.(Pa-I) dated 2.3.2016 to Ministries/Departments to deal

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
		with the issue of wrongful/excess payments made to Government servants has been specified in para 2.15.2.
2.16	4.11-4.35	<p>The following provisions have been inserted.</p> <p>Provisions contained in Para 2.1.2(CAM 2007) has been rephrased and inserted in para 2.16.1 (xii) where it is specified that during the last three working days, bills other than salary would be considered if they are unavoidable and urgent.</p> <p>The provision to check the variation statement (gross pay and allowances as compared to previous month) in PAY bill generated through EIS Module has been inserted in para 2.16.1 (xiii).</p> <p>It should be checked whether bills for drawing Government's Contributions under NPS are drawn/submitted along with the pay bills.</p> <p>In accordance with DoPT OM, in cases where the employee is due to retire within next 4 years, audit of previous pay fixation orders shall be done on priority.</p> <p>Necessary entries in Service Book, terminal benefit register, Final payment register in the case of GPF should be carried out invariably in the case of payment of retirement or final payment cases. The checks in the case of GeM have been inserted (2.16.23).</p> <p>Copies of all contracts and agreements for purchase of the value of ₹25 lakh (earlier ₹50,000 as in para 4.31.5) should be obtained by PAO in terms of Rule 225 of GFR, 2017. (para 2.16.21)</p>
...	4.36	Post check of bills paid after pre-check by PAO has been deleted as it is obsolete.
...	4.38	Reference of Computerisation through COMPACT software is deleted as it is obsolete.
2.18	4.39	The para relating to Merged DDO scheme has been rephrased.
2.19	2.7	Updated the provisions in the light of e-payment advice being processed through PFMS. Provisions for online submission of DDO-PAO Expenditure Reconciliation Certificate (CAM 90) has been inserted.
APPENDIX 2.2	APPENDIX A(Chapter 4)	MoF, DEA (Budget Division) OM dated 25 th May, 2006 is substituted with their OM No.F.1(22)-B(AC)/2022 dated 23.2.2024.
APPENDIX 2.4 (new)	...	key applicable checks for payment of goods and services has been inserted.
...	APPENDIX D (chapter 4)	Deleted.
Chapter 3 : Cheque Drawing DDOs		
3.1	3.1	It is specified that Head of Accounting Organisation, i.e. Pr.CCA/CCA/CA(i/c) as the case may be, may undertake a review of cheque drawing status of existing Cheque drawing DDOs.
3.3	3.3	Updated the provisions in the light of e-payment advice being processed through PFMS.

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
3.4	3.4	Para 3.4.4 specifies that in case of CDDOs functioning in PFMS, the vouchers are posted in the account of PAO (CAM 33) upon its digitally signing by the CDDOs. CDDO shall send a copy of LoP to PAO for the purpose of Post audit.
3.7	3.7	List of Payments with paid vouchers will be used for incorporation in the Accounts in PAO, in the case of CDDOs not functioning in PFMS.
Chapter 4: Banking Arrangements		
4.1	1.4	Updated as per implementation of Cheque Truncation System (CTS) 2010 Standard for clearance of cheques.
4.2	...	Standard Operating Procedure for use of prepaid Debit Card for Permanent Imprest has been issued by Office of CGA vide OM No.R/20001/1/2020-GBA-CGA/548-658 dated 14 th July, 2021 has been referred.
...	1.7	Deleted as it is obsolete.
4.3	1.8	Updated as per RPR, 2022
4.4	1.12	Updated the provisions in the light of e-IGA being processed through PFMS.
APPENDIX 4.1	APPENDIX 2 to chapter 1	RBI Circular No.DGBA.GAD.NO.2036/42.01.035/ 2015-16 dated 31 st December, 2015 relating to dispensation with requirement of forwarding the paid cheques in physical form to the Government Departments for implementation of CTS has been inserted in Annexure 15 to the APPENDIX 4.1.
Chapter 5: Compilation, Consolidation of accounts, preparation of Ledger and Summary of balances		
5.1	...	A para on preparation of monthly accounts through PFMS, compilation of annual accounts, accounts at a glance has been inserted.
5.2	5.1	Posting of payment vouchers in the account of PAO (CAM-33) upon its digitally signing by the final authorized signatory in case of e-payment or at the time of cheque issue in the system has been specified in para 5.2.1. Provisions have been updated in the IT environment.
5.3	...	Compilation of vouchers in the case of CDDOs who are not making payments through PFMS have been inserted.
5.5	5.2	Updated provision relating to challan entry in PFMS is made.
5.6	5.3	Provision relating to preparation of Transfer Entries in PFMS are inserted. Provisions for conduct monthly review of key/high value accounting transactions (e.g. Transfer Entries) at senior management level have been inserted in para 5.6.8.
5.7	5.4, 5.6	Departmental Classified Abstract generation from the PFMS in the form of report CMP 03 has been specified.
5.8	5.5	Checks to be exercised by PAOs have been updated.
5.9	5.7	Checks to be exercised by Pr.AOs have been inserted.
5.15	5.15	Updated as per IGAS-4.
...	APPENDIX A	Deleted as the provisions relating to consolidation of accounts on Computer in the earlier CONTACT software is outdated.

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
Chapter 6: Maintenance of Provident Fund Accounts		
6.4	6.4	AIS officers who are on Central Deputation at the time of retirement also have the option of obtaining final payment of GPF, to be made by the Pay and Accounts Officers (PAO) of the Ministry / Department concerned, through the respective DDO has been mentioned as per DoPT OM No.11026/01/2023-AIS-III dated 17.10.2023.
6.6	6.6	The accounting treatment takes place in the system generated TE for transfer of GPF balances in the GPF module has been specified in para 6.6.3 to 6.6.5.
6.7	6.7	Procedure in posting of GPF ledgers in case of preparation of salary bills through EIS module has been specified in para 6.7.6
6.8	6.7.5	It has been specified in para 6.8.1 that in the electronic system, the index register would be electronically maintained in the Form CAM 44 and employee data would be entered with relevant details when the employee record is brought in the system. It has been mentioned in para 6.8.6 that posting is done in the electronic system after voucher creation, however, PAO should verify the same.
6.9	6.8	It is specified in para 6.9.1 that wherever electronic system has been implemented, broadsheet would be maintained in the system but the broadsheet report should be taken out and regularly reviewed and tallied by PAO.
6.10	6.9	PAOs should calculate manually or through the electronic system as the case may be and allow interest on GPF balances in respect of each subscriber. Annual Statement should be issued latest by 31 st May every year (instead of 31 st July earlier).
6.11	6.10	The Register of Missing Credits/Debits is to be closed every month and to be submitted to the PAO, by 7th of the next month.
...	6.12	Para is deleted since the provision relating to maintenance of Broadsheet by Head of Offices in respect of Group D are outdated.
APPENDIX 6.1 (new)	...	A checklist of activities for proper maintenance of PF accounts is inserted.
Chapter 7: Pension		
7.2	7.2	Para 7.2.1 has been updated.
7.3	...	Processing of all pension cases and related benefits of Central Civil Pensioners through BHAVISHYA portal including the role of Head of Office have been specified in para 7.3.1
7.4	7.3, 7.4	Rephrased the sub-paras containing the role of PAO, CPAO and Pension disbursing banks in the light of issue of e-PPO. Para 7.4.5 containing the time schedule of various authorities has been updated as per CCS(Pension) Rules, 2021.

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
7.5	7.5	Para has been updated with references of payment of pension through CPPC of authorized banks has been made.
7.7	7.7	Procedure for transfer of pension payment from one Disbursing authority/bank to another Disbursing authority has been inserted in para 7.7.4.
7.10	7.10	Updated as per DoPT OM dated 11.4.2007
7.11	7.11	Updated as per receipt of e-scrolls from CPPCs.
7.17	7.17	Audit of pension payments disbursed by authorized banks has been inserted.
7.18	...	Procedure for payment of arrears of pension has been inserted.
7.19	...	Procedure for payment of pension to NRI pensioners has been inserted.
7.20	7.18	Para has been updated as per CCS (Implementation of NPS) Rules, 2021.
...	Annexure B,C	Deleted as the payment of pension through Money Orders is outdated.
APPENDIX 7.8	...	OM containing the procedure for payment and accounting of pension in respect of AIS has been inserted.
Chapter 8 : Procedure for Inter-Governmental and Inter-Departmental Adjustments		
8.2	8.2	Notes have been inserted under para 8.2.1 as follows:- 1. While preparing the net claim for settlement under MH-8658 Suspense Accounts, the credits of government servants like GPF deductions, insurance, loan repayment etc. should not be adjusted against other debit claims of the department. 2. All PAOs would accept the License fee schedules in respect of allottees of General Pool Accommodation generated through Government Accommodation Management System (GAMS) of Directorate of Estates. 3. PAOs would be required to electronically file a monthly statement of TDS credit as per Department of Revenue Notification.
...	8.8	The para relates to Supply is outdated and hence it is deleted.
8.14	8.15, 8.16, 8.17	Paras 8.16.1 and 8.17.1 of CAM 2007 were renumbered as 8.14.6 and 8.14.7 respectively in CAM 2023.
8.17	8.20	Procedure for settlement of transactions relating to National Highways has been revised as per the proposal received from O/o Pr.CCA, MoRTHS.
8.19	8.22	Para has been updated as per the instructions issued by office of CGA for issue of LOA through PFMS in respect of UT - Administration Chandigarh which is already on boarded in PFMS.
Chapter 9 : Recoveries, Payments and Accounting functions arising in respect of Central Government employees sent on Foreign Service/Deputation		
9.2	9.2	The rate of monthly contribution of pension during the period of foreign service as per DoPT OM No. dated 9 th October, 2020 has been inserted in para 9.2.3. Provision contained in Rule 29 of CCS(Pension) Rules, 2021 relating to option available to

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
		Government servants for payment of pension contribution who is on deputation to UN and other organisation has been referred.
...	Annexure A	The table containing the rates of monthly contribution for pensionary benefits payable during foreign service is no more relevant as per DoPT OM dated 9 th Oct., 2020 and hence it is deleted.
Chapter 10 : Loans, Advances, Grants-In-Aid, Guarantees and Investments		
10.1	10.1	Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, should closely monitor the default in repayment of loan and interest due.
10.4	10.4	Updated as per the facility available for remittance through bhartkosh.
10.6	10.6	Updated as per GFR, 2017.
10.9	10.9	Para 10.9.8 is inserted with reference to Correction Slip No.931 to LMHHA regarding remittance of interests and other earnings against GIA into CFI.
10.10	10.10	The sub-paras were updated with reference to the provisions contained in Rule 281 and 283 of GFR, 2017 and Government Guarantee policy issued by Budget Division on 17.5.2022.
10.12	10.12	The conditions to be observed by departmental officers for operating IMPREST have been inserted.
10.13 (new)	...	The instructions of DoE vide their OM dated 24.2.2022 on brining Autonomous Bodies (ABs)/ Implementing Agencies (IAs) including Statutory Bodies and Central Public Sector Enterprises (CPSEs) under the Treasury Single Account (TSA) system has been inserted.
10.14(new)	...	The revised procedure issued by DoE vide their OM dated 9 th March, 2022 and subsequent orders issued from time to time for flow of funds under Central Sector schemes under CNA implementation has been briefly specified.
10.15(new)	...	The procedure issued by DoE vide their OM dated 23.3.2021 and subsequent orders issued from time to time for release of funds under the Central Sponsored Scheme (CSS) and monitoring utilisation of the funds released under SNA implementation has been briefly specified.
APPENDIX 10.1	Annexure A	Budget Division OM dated 28.6.1980 has been substituted with OM dated 6 th January, 2017.
Chapter 11: Appropriation Accounts		
11.1	11.1	Office Memorandum dated 23.2.2024 issued by Budget Division on NS/NIS has been referred in note 2 below para 11.1.2
11.2	11.2	Updated the list of signing authorities contained in the table in para 11.2.2
11.3	11.3	Provision contained in DoE OM dated regarding approval of Ministry of Finance on re-appropriation proposals above ₹5 crore etc. has been inserted in para 11.3.3 (vii).

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
11.7	11.7	List of authority/organization along with number of copies
APPENDIX 11.1 to 11.6	Annexure I-VI	Updated the examples as per the existing norms for recording reasons for variations
Chapter 12: Finance Accounts		
12.3	16.3	Para 12.3.6(vi) has been modified with reference to IGAS-4
12.4	16.4	Para has been updated with reference to IGAS-1.
12.5	16.5	Para 12.5.4 has been updated with reference to IGAS-2.
12.6	16.6	Para has been updated with reference to IGAS-3.
Chapter 13: Bank Reconciliation -Expenditure Transactions		
13.1	13.1, 13.2	The para is rephrased with reference of Payment and Settlement Act, 2007, introduction of IAAA. Para 13.1.6 has been made corresponding to para 1.9.6
13.2	13.3, 13.4, 1.9.1	The role of e-FPB for transactions in respect of electronic instruments have been made in para 13.2.2-13.2.4. Role of FPB for transactions in respect of physical instruments have been made in para 13.2.5 to 13.2.8. Provisions contained in para 1.9.1 and 1.9.2 are included in para 13.2.6 to 13.2.8
13.6	13.6, 1.9.2 to 1.9.5, 1.10	Para 13.6.4 specifies that in case e-payments are made through PFMS, the day-wise e-Scroll report would be generated based on the data received from Bank concerned through system integration with PFMS. PAO should verify the details of e-scroll report of PFMS with reference to the details available in e-DMS received from accredited banks. In case of electronic payment/receipt, the main scroll is received in electronic format on the PFMS platform. There is no need to enter scrolls in PFMS. This has been clearly specified in para 13.6.8. Entry of Scrolls/Challans received from Bank (in respect of physical instruments) in PFMS have been inserted in para 13.6.8. Entry of DMS received from Bank (in respect of physical instruments) in PFMS are specified in para 13.6.13.
13.8	...	Final adjustment for transferring the amount from MH-8675 to MH-8999 has been inserted.
13.9	13.8	The date of 15 th April has been changed to 10 th April.
...	Annexures	Since the format of DMS, scroll etc. in CAM 2007 as Annexure are available in Memorandum of Instructions issued by RBI as made available as APPENDIX 4.1 to Chapter 4, the same is deleted.
Chapter 14: Revenue Accounting: Banking arrangements and reconciliation Revenue Accounts of CBIC		
14.1	14.1 to 14.11	Updated the para with deletion of obsolete sub-paras and annexures.
14.2	...	GST payment, accounting and reconciliation process in Accounting and Reconciliation Process in Indirect taxes portal

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
		(ARPIT) have been inserted. The procedure relating to accounting of GST refunds has been made in sub-para 14.2.13
14.3	...	Procedure relating to payment and accounting of Central Excise and Service Tax have been inserted. The procedure relating to accounting of refunds of Central Excise and Service Tax have been made in sub-para 14.3.10.
14.4	...	Procedure relating to Customs duty collections and its accounting has been inserted. The detailed accounting procedure about Electronic Cash Ledger (ECL) in Customs duty collections has been inserted in APPENDIX 14.1.
14.5	...	Procedure for Accounting of Issue and Utilisation of Scripts towards payment of Customs Duty has been inserted.
14.6	...	Procedure relating to payment of customs duty etc. in SEZ areas.
APPENDIX 14.1.	...	Accounting procedure relating to Electronic Cash Ledger of customs duty
Chapter 15: Revenue Accounting: Central Board of Direct Taxes (CBDT)		
15.2	15.3 to 15.23	Updated the para with deletion of obsolete sub-paras and annexures.
15.3	...	Procedure of tax collection, refund system referred to as TIN 2.0 as implemented by CBDT under IEC 2.0 project (Integrated e-filing & CPC 2.0) replacing the erstwhile OLTAS (Online Tax Accounting System) and Refund Banker Scheme have been briefly explained. Integration arrangements of TIN 2.0 with PRAKALP (Pratyaksh Kar Lekhankan Pranali) developed by O/o Pr.CCA, CBDT which is hosted on the PFMS have been included in sub-paras.
15.4	...	Collection of taxes through PSB/Private Sector Banks
15.5	...	Reference of Challan Identification Number (CIN) reported by the banks to TIN-2.0 against Challan Reference Number (CRN) are specified.
15.6	...	Procedure to be followed for direct tax payment through Internet Banking of authorized Banks are specified.
15.7	...	Procedure to be followed for Direct Tax Payment through OTC at the branches of Authorized Banks excluding RBI are specified.
15.8	...	Procedure to be followed for Direct Tax Payment through NEFT/RTGS at any bank are specified.
15.9	...	Procedure to be followed for Direct Tax Payment through any bank using the Payment Gateways (PGs) of the Authorized Banks are specified.
15.10	...	Furnishing of credit notification by RBI are specified.
15.11	...	Mapping of Banks with ZAO in PRAKALP are mentioned.
15.12	...	Role of e-FPBs of authorized banks have been inserted.
15.13	...	Procedure for Income Tax refund in TIN-2.0 has been mentioned.
15.14	...	Accounting entries in PRAKALP on receiving of scrolls along with CINs are specified.

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
15.15	...	Reconciliation procedures in O/o Pr.CCA, CBDT are mentioned.
15.16	...	Accounting based on ITR data has been specified.
15.17	...	Payment of interest on delayed remittance by banks has been mentioned.
15.18	...	Action to be taken by Principal Accounts Office on receipt of put through statements has been specified.
15.19	...	Procedure for opening of PD Accounts in CBDT has been specified.
15.20	...	Accounting of March transactions has been mentioned.
APPENDIX 15.1, 15.2	...	Sample copy of Challan is inserted.
APPENDIX 15.3	...	Timelines for settling of MoEs under TIN 2.0 has been inserted.
APPENDIX 15.4	...	A copy of Department of Revenue OM dated 21 st March, 2023 regarding accounting of surcharge amount as per Income Tax returns has been inserted.
APPENDIX 15.5	...	Bankwise Taxwise monthly figures as reported by Agency Banks under TIN 2.0 has been inserted.
Chapter 16: Revenue Accounting: Non-tax revenue (NTR) receipts etc.		
16.1	...	Reference of Rule 49 of GFR, 2017 in the light of Non-tax Receipt Portal introduced for online collection of various non-tax receipts has been made.
16.2	...	Procedure of accounting and reconciliation processes of e-receipts has been detailed.
16.3	1.11,1.10	Procedure of accounting and reconciliation of receipts including NTR received through physical mode have been inserted.
Chapter 17: Internal Audit		
17.1	12.1	Para 17.1.2 has been inserted with reference to the orders issued for constitution of an Internal Audit Committee in Ministries/Departments to have an oversight on internal audit compliance issues. Committee shall be headed by Secretary of the department and Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(independent charge) shall be the Member Secretary of the committee. Role of Audit Committee has been specified in para 17.1.4. Para 17.1.5 specifies that each Ministry/Department should have an Internal Audit Management Team for closer supervision of the IA function and to ensure quality assurance in audit engagements.
17.4	12.4	The use of IA online system has been inserted.
17.11	12.11	Reporting upon the audit engagement (5-C Framework) has been inserted in para 17.11.4
APPENDIX 17.1	...	A model charter has been inserted.

Reference in CAM 2024	Reference in CAM 2007	Remarks with reference to CAM 2024
New Chapter 18: Budgeting: its formulation and its execution		
18.1	...	This chapter gives broad overview of various aspects relating to budget. Department of Expenditure, Ministry of Finance issued Revised Charter for FAs vide OM no. 23(3)/E.Coord/2018, dated June 13, 2023, defining their roles, responsibilities, accountability, and authority. CCAs shall be actively associated with the process of Budget formulation. Budget related files shall be submitted to the FA through the Head of Accounting Organisation i.e. Pr.CCA/CCA/CA as the case may be. The Budget section should ordinarily function under the control of the Pr.CCA/CCA/CA.
18.2	...	Overview of the budget process in Government of India has been inserted.
18.3	...	Role of Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, in budgeting has been specified. The subparas are relating to preparation of BE/RE, estimates of Non-tax receipts, Expenditure profile statements, Output-Outcome Monitoring Framework, FRBM disclosures, Medium-Term Expenditure Framework, DDG and Supplementary Demands for Grants. The subject of re-appropriation of funds, Expenditure and Cash Management, Advance from Contingency Fund of India, excess expenditure under APPENDIX 10 of GFR, 2017 were also specified in subparas.
Chapter 19: Miscellaneous		
19.4	17.4	It has been specified in para 19.4.1 that transfer of PF balances would be through system generated TE in case both PAOs are working in GPF module of PFMS.
19.6	17.6	Reference of Department of Supply in para 17.6.1 has been deleted.

IMPORTANT CONSTITUTIONAL PROVISIONS RELATED TO UNION GOVERNMENT BUDGET AND ACCOUNTS

Article 112. Annual Financial Statement

(1) The President shall in respect of every financial year cause to be laid before both the Houses of Parliament a statement of the estimated receipts and expenditure of the Government of India for that year, in this Part referred to as the "annual financial statement".

(2) The estimates of expenditure embodied in the annual financial statement shall show separately—

(a) the sums required to meet expenditure described by this Constitution as expenditure charged upon the Consolidated Fund of India; and

(b) the sums required to meet other expenditure proposed to be made from the Consolidated Fund of India, and shall distinguish expenditure on revenue account from other expenditure.

(3) The following expenditure shall be expenditure charged on the Consolidated Fund of India—

(a) the emoluments and allowances of the President and other expenditure relating to his office;

(b) the salaries and allowances of the Chairman and the Deputy Chairman of the Council of States and the Speaker and the Deputy Speaker of the House of the People;

(c) debt charges for which the Government of India is liable including interest, sinking fund charges and redemption charges, and other expenditure relating to the raising of loans and the service and redemption of debt;

(d) (i) the salaries, allowances and pensions payable to or in respect of Judges of the Supreme Court,

(ii) the pensions payable to or in respect of Judges of the Federal Court,

(iii) the pensions payable to or in respect of Judges of any High Court which exercises jurisdiction in relation to any area included in the territory of India or which at any time before the commencement of this Constitution exercises jurisdiction in relation to any area included in a Governor's Province of the Dominion of India;

(e) the salary, allowances and pension payable to or in respect of the Comptroller and Auditor-General of India;

(f) any sums required to satisfy any judgment, decree or award of any court or arbitral tribunal;

(g) any other expenditure declared by this Constitution or by Parliament by law to be so charged.

Article 113- Procedure in Parliament with respect to estimates.

(1) So much of the estimates as relates to expenditure charged upon the Consolidated Fund of India shall not be submitted to the vote of Parliament, but nothing in this clause shall be construed as preventing the discussion in either House of Parliament of any of those estimates.

(2) So much of the said estimates as relates to other expenditure shall be submitted in the form of demands for grants to the House of the People, and the House of the People shall have power to assent, or to refuse to assent, to any demand, or to assent to any demand subject to a reduction of the amount specified therein.

(3) No demand for a grant shall be made except on the recommendation of the President.

Article 114- Appropriation Bills.

(1) As soon as may be after the grants under article 113 have been made by the House of the People, there shall be introduced a Bill to provide for the appropriation out of the Consolidated Fund of India of all moneys required to meet—

(a) the grants so made by the House of the People; and

(b) the expenditure charged on the Consolidated Fund of India but not exceeding in any case the amount shown in the statement previously laid before Parliament.

(2) No amendment shall be proposed to any such Bill in either House of Parliament which will have the effect of varying the amount or altering the destination of any grant so made or of varying the amount of any expenditure charged on the Consolidated Fund of India, and the decision of the person presiding as to whether an amendment is inadmissible under this clause shall be final.

(3) Subject to the provisions of articles 115 and 116, no money shall be withdrawn from the Consolidated Fund of India except under appropriation made by law passed in accordance with the provisions of this article.

Article 115- Supplementary, Additional or Excess Grants.

(1) The President shall—

(a) If the amount authorised by any law made in accordance with the provisions of article 114 to be expended for a particular service for the current financial year is found to be insufficient for the purposes of that year or when a need has arisen during the current financial year for supplementary or additional expenditure upon some new service not contemplated in the annual financial statement for that year, or

(b) if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year,

cause to be laid before both the Houses of Parliament another statement showing the estimated amount of that expenditure or cause to be presented to the House of the People a demand for such excess, as the case may be.

(2) The provisions of articles 112, 113 and 114 shall have effect in relation to any such statement and expenditure or demand and also to any law to be made authorising the appropriation of moneys out of the Consolidated Fund of India to meet such expenditure or the grant in respect of such demand as they have effect in relation to the annual financial statement and the expenditure mentioned therein or to a demand for a grant and the law to be made for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet such expenditure or grant.

*** Article 150- Form of accounts of the Union and of the States.**

The accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller and Auditor-General of India, prescribe.

***Note:** In exercise of the powers conferred by Article 150 of the Constitution, the President on the advice of the Comptroller and Auditor General, made the Government Accounting Rules, 1990 which contains basic rules relating to the form of accounts of the Union and States.

Article 151- Audit reports.

(1) The reports of the Comptroller and Auditor-General of India relating to the accounts of the Union shall be submitted to the President, who shall cause them to be laid before each House of Parliament.

(2) The reports of the Comptroller and Auditor-General of India relating to the accounts of a State shall be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State.

Article 266- Consolidated Funds and Public Accounts of India and of the States.

(1) Subject to the provisions of article 267 and to the provisions of this Chapter with respect to the assignment of the whole or part of the net proceeds of certain taxes and duties to States, all revenues received by the Government of India, all loans raised by that Government by the issue

of treasury bills, loans or ways and money advances and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled "the Consolidated Fund of India", and all revenues received by the Government of a State, all loans raised by that Government by the issue of treasury bills, loans or ways and money advances and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled "the Consolidated Fund of the State".

(2) All other public moneys received by or on behalf of the Government of India or the Government of a State shall be credited to the public account of India or the public account of the State, as the case may be.

Article 267(1)- Contingency Fund.

Parliament may by law establish a Contingency Fund in the nature of an imprest to be entitled "the Contingency Fund of India" into which shall be paid from time to time such sums as may be determined by such law, and the said Fund shall be placed at the disposal of the President to enable advances to be made by him out of such Fund for the purposes of meeting unforeseen expenditure pending authorisation of such expenditure by Parliament by law under article 115 or article 116..

****283(1). Custody, etc. of Consolidated Funds, Contingency Funds and moneys credited to the public accounts**

The custody of the Consolidated Fund of India and the Contingency Fund of India, the payment of moneys into such Funds, the withdrawal of moneys there from, the custody of public moneys other than those credited to such Funds received by or on behalf of the Government of India, their payment into the public account of India and the withdrawal of moneys from such account and all other matters connected with or ancillary to matters aforesaid shall be regulated by law made by Parliament, and, until provision in that behalf is so made, shall be regulated by rules made by the President.

****Note:** In exercise of the powers conferred by clause (1) of article 283 of the Constitution, the President made the Central Government Account (Receipts and Payments) Rules, 2022 regulating the custody of the Consolidated Fund of India, the Contingency Fund of India, the payment of moneys into such Funds, the withdrawal of moneys there from, the custody of public moneys other than those credited to such Funds received by or on behalf of the Government of India, their payment into the Public Account of India and the withdrawal of moneys from such Account and other matters related thereto.

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CHAPTER 1

BROAD FEATURES OF THE DEPARTMENTALISED ACCOUNTING SYSTEM

1.1 ORGANISATION OF CONTROLLER GENERAL OF ACCOUNTS:

1.1.1 Article 150 of the Constitution of India provides for the maintenance of Government Accounts in such form as the President may, on the advice of the Comptroller and Auditor-General of India, prescribe. In exercise of these powers, basic rules relating to the Form of Accounts were framed in the form of 'Government Accounting Rules' (GAR). The Civil Accounts Manual is intended to guide the Civil Ministries/ Departments of Central Government in carrying out government transactions, compilation and consolidation of accounting data and their preparation and presentation in the prescribed form.

1.1.2 With the first amendment to the C&AG's (Duties, Powers and Conditions of Service) Act, (1971) coming into effect on the 1st March, 1976 and subsequent notifications issued from time to time, the Comptroller and Auditor General (C&AG) of India was relieved from the responsibility of compiling the accounts of Central Ministries/Departments and Union Territories, except the accounts pertaining to

- (i) Indian Audit and Accounts Department; and
- (ii) Union Territory Administration of Chandigarh¹.

1.1.3 In pursuance of the Departmentalization of Accounts, a separate accounting organisation functioning under the Controller General of Accounts (CGA) has been created in the Department of Expenditure, Ministry of Finance. The responsibility for compiling the accounts of the Union Government (Civil) including those relating to taxes, duties and other receipts and deposits realised or refunded under any Act, Laws and Rules has been entrusted to the CGA, Department of Expenditure, Ministry of Finance. In terms of Rule 2(q) of Central Government Account (Receipts & Payments) Rules, 2022, CGA is responsible for establishing and maintaining a technically sound payment-cum-accounting system in the departmentalised accounts offices and for specifying the rules for regulating the custody, payment into and withdrawal of money from the Government Account and also the Principal Adviser on the accounting matters to the Government and responsible for exchequer control, internal audit and for technically sound management accounting system.

1.1.4 CGA through Department of Expenditure, Ministry of Finance has been mandated to carry out the following functions as per the Government of India (Allocation of Business) Rules, 1961 as amended from time to time:

Matters relating to the Controller General of Accounts -

- (a) General principles of Government accounting relating to Union or State Governments and form of accounts, and framing or revision of rules and manuals relating thereto;
- (b) reconciliation of cash balance of Union Government with Reserve Bank in general and, in particular, of Reserve Deposits pertaining to Civil Ministries or Departments;
- (c) overseeing the maintenance of adequate standards of accounting by Central Civil

¹ The accounts of the Union Territory of Chandigarh is in process of being departmentalized.

Accounts Offices;

(d) consolidation of monthly accounts, preparation of review of trends of revenue realisation and significant features of expenditure etc. and preparation of annual accounts (including Summary, Civil Appropriation Accounts) showing under the respective heads, the annual receipts and disbursements for the purpose of the Union Government;

(e) administration of Central Treasury Rules and Central Government Account (Receipts and Payments Rules);

(f) coordination and assistance in the Introduction of management accounting system in Civil Ministries or Departments;

(g) cadre management of Group 'A' (Indian Civil Accounts Service) and Group 'B' Officers of the Central Civil Accounts Offices;

(h) matters relating to the Central Civil Accounts staff belonging to Group 'C';

(i) disbursement of Pension through Public Sector Banks (PSBs) in respect of Central Civil Pensioners, Freedom Fighters, High Court Judges, Ex-M.P.s and Ex-Presidents.

1.1.5 A separate Group 'A' Central Civil Service namely 'Indian Civil Accounts Service' (ICAS) and 'Central Civil Accounts Service' with its own service rules and under the cadre control of the CGA were formed to discharge these functions. The ICAS is primarily responsible for budgeting, expenditure control and accounting in the Civil Ministries of Union Government. ICAS officers have the dual responsibility of reporting to the Chief Accounting Authority (CAA) of the Ministry (Secretary of the Ministry/Department) through the Financial Adviser (FA), as well as to the CGA, on whose behalf they discharge the allocated functions in the line Ministries.

1.1.6 Office of CGA on behalf of the Ministries and Departments liaises with the Budget Division and the CAG of India in accounting matters. The responsibilities include providing of necessary directions in accounting matters to the Ministries/Departments and issuing general instructions about the system and form of accounts and procedures for accounting of receipts and payments. In order to maintain the requisite technical standard of accounting in the Departmentalized Accounts Offices, he will have powers to inspect the offices, and will be expected with his staff, to ensure that accounts are maintained accurately, comprehensively, and in a correct manner. CGA has the special responsibility for revising the provisions of General Financial Rules and Delegation of Financial Power Rules in so far as they relate to the form and system of accounts etc., and the use of the services of the Banks for collecting receipts and making payments.

Note 1: Rule 79 of GFR, 2017 provides for authority to open a new Head of Account. The List of Major and Minor Heads of Accounts (LMMHA) of Union and States is maintained by CGA which is authorised to open a new head of account on the advice of the C&AG of India under the powers flowing from Article 150 of the Constitution. It contains General Directions for opening Heads of Accounts and a complete list of the Sectors, Major, Sub-Major and Minor Heads of Accounts and also some Sub/detailed heads, authorised to be so opened.

1.1.7 The accounting functions and systems have evolved over the years, both through the Information and Communication Technology (ICT) and process enhancements. There has been a focus, in particular, on digitizing the accounting systems and processes. As a consequence, end- to-end coverage of processing and capturing of government transactions, reconciliations, compilation of accounting data and the consolidation and preparation of accounting and financial statements is now carried out in an electronic environment. This revised manual aims to appropriately reflect all these changes.

1.1.8 The Government Accounts is maintained on cash basis representing the actual cash receipts and disbursements during a financial year as distinguished from an accrual system of accounting. Some accrual/modified accrual-based statements as decided by the Government from time to time, are also prepared. This includes statements on, Total Liability of the Government, Contingent Liability, Financial Assets etc., and are appended as disclosures to the accounts. As a general rule, the classification of transactions in Government accounts, or the chart of accounts are designed to reflect the functions, programmes, activities and the objects or the economic classifications of the revenue and expenditure transactions.

1.2 MAIN FEATURES OF DEPARTMENTALIZED ACCOUNTING ORGANIZATION

1.2.1 Secretary of each Ministry/Department is the CAA in terms of Rule 70 of GFR, 2017. The CAAs discharge these functions through and with the assistance of the FA and Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(independent charge) as the case may be, of the Ministry/Department concerned. The FA has the responsibility of advising the Secretary of the Department as well as representing the Ministry of Finance in the assigned line Ministry.

FA is responsible for the overall management of government transactions and their internal audits with the assistance of the Head of Accounting Organization i.e. Pr.CCA/CCA/CA(i/c) as the case may be. FA shall ensure timely completion of Finance Accounts and Appropriation Accounts by the Head of Accounting Organisation. FA is also responsible to prepare budget estimates, revised estimates etc. and their subsequent transmission to the Budget Division in the Ministry of Finance. The detailed responsibilities and functions of the FAs are outlined in the Charter for FAs issued by the Department of Expenditure, Ministry of Finance.

1.2.2 The Pr. CCA/CCA/CA, as the case may be, function as the Head of Accounting Organisation in the civil Ministries/Departments. In practice, most of the above-mentioned functions under the system of departmentalization are discharged through the Heads of the accounting organizations viz. the Pr. CCAs/CCAs/CAs(i/c) as the case may be.

1.2.3 Pr.CCA/CCA/CA on behalf of the Chief Accounting Authority is responsible for the following main functions:

(a) Arranging payments through the PAOs/ Principal Accounts Offices, and the Drawing and Disbursing Officers (DDOs) wherever authorized to make certain types of payments. Any addition to the list of CDDOs of a Ministry/Department is however required to have the specific approval of the CGA.

(b) Compilation and consolidation of accounts of the department and their submission to the CGA in prescribed form.

(c) Preparation of Annual Appropriation Accounts relating to the Detailed Demands for Grants (DDGs) of the Ministry/Department, getting them audited and submitting to the CGA, duly signed by the CAA/Secretary of the Ministry.

(d) Arranging internal inspection of payment and accounting records maintained by the various subordinate formations and PAOs of the Department, and inspection of records pertaining to government transactions maintained in the Public Sector Banks (PSBs) and other nominated banks.

1.2.4 A Principal Accounts Office (Pr.AO) functions under Head of Accounting Organization i.e. Pr.CCA/CCA/CA(i/c) as the case may be, of the Ministry/Department concerned who shall be responsible for:

- (a) Consolidation of the accounts of the Ministry/Department in the manner prescribed by CGA;
- (b) Preparation of Annual Appropriation Accounts, Statement of Central Transactions (SCT) and other materials and statements as required for the Finance Account of the Union Government (Civil), for submission to the CGA ;
- (c) Payment of loans and grants to State Governments through Reserve Bank of India (RBI), and wherever it has a drawing account, payment from it to Union Territory Governments/ Administrations;
- (d) Preparation of manuals keeping in view the objective of management accounting system if any, and rendition of technical advice to PAOs. It also maintains necessary liaison with CGA's Office for overall coordination and control in accounting matters;
- (e) Maintaining Appropriation Audit Registers for the Ministry/Department as a whole, in order to watch the progress of expenditure of various Grants of the Ministry/Department.

Note 1: In accordance with Rule 79 of GFR, 2017, Ministries/Departments may open Sub-Heads and Detailed Heads as required by them in consultation with the Budget Division of the Ministry of Finance. Their Principal Accounts Offices may open Sub/Detailed Heads required under the Minor Heads falling within the Public Account of India subject to the above stipulations.

1.2.5 PAOs and the departmental DDOs so authorised to draw funds, will make payments pertaining to respective Ministries/Departments by means of issue of e-payment advices or cheques drawn on the offices/branches of the accredited bank for handling the receipts and payments of the Ministry/Department. Each PAO or DDO shall draw cheques/issue e-payment advices only on the particular/authorised branch/branches of the Bank and with which it has an account.

1.2.5.1 All receipts of the Ministry/Department shall also be finally accounted for in the books of the concerned PAO.

1.2.5.2 Specific approval of the CGA is mandatory for creation or re-organisation of a new PAO.

1.2.6 The CGA/Addl.CGA/Jt. CGA(s)/Dy. CGA(s) have also been authorised to authenticate all orders and other instruments concerning the CGA's organisation vide Ministry of Home Affairs notification No. F.23/5/78-public dated the 22nd September, 1978, as amended from time to time.

1.3 ROLES AND RESPONSIBILITIES OF Pr.CCAs/CCAs/CAs(i/c) AS HEADS OF ACCOUNTING ORGANISATION IN MINISTRIES/ DEPARTMENTS

1.3.1 Departmental Accounting Organisations headed by Pr.CCAs/CCAs/CAs (Independent Charge) are overall Head of the Accounting organization of their Ministry/Department. They supervise and administer the entire function of the accounting set up including the PAOs of Civil Ministries/ Departments. They are primarily responsible to establish an efficient and effective payment and revenue collection and the accounting systems. They also monitor the performance of the accounting personnel in conformity with prescribed rules and regulations, discharge the financial reporting responsibilities and implement Internal Audit in units of their Ministries/ Departments. They discharge these functions with the assistance of the CAs/Dy.CAs/ACAs and PAOs of the Ministry/Department concerned. In accordance with the revised outcome driven financial and accounting regime, a charter containing the roles and responsibilities of Pr.CCAs/CCAs/CAs (i/c) as Head of Accounting Organisation and of CCAs/CAs not working as

Head of Accounting Organisation and of Dy. CAs/ACAs are given in **APPENDIX '1.1'** to this Chapter.

1.3.2 The roles and responsibilities of Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, has also been referred to in the charter for Financial Advisers (FAs). The revised Charter for FAs issued by Department of Expenditure on 13.6.2023 also entrusts the responsibility of budget work and PFMS nodal officer to Head of Accounting Organisation as per its para 43 & 44 reproduced below:-

43. CCAs shall be actively associated with the process of Budget formulation. Budget related files shall be submitted to the FA through the Pr.CCAs/CCAs/CAs(i/c). The Budget section should ordinarily function under the control of the CCAs; exceptions require concurrence of Department of Expenditure based on valid justification (e.g. volume of work involved or special circumstances).

44. CCAs are expected to act as nodal officers for PFMS, inter-alia in resolving issues relating to its smooth and efficient running.

(DoE's OM No. 23(3)/E-Coord/2018 dated 13th June 2023)

1.4 PUBLIC FINANCIAL MANAGEMENT SYSTEM (PFMS)

1.4.1 Rule 86 of GFR, 2017 dealt with PFMS and it stipulates

- (1) Public Financial Management System (PFMS), an integrated Financial Management System of CGA, Government of India, shall be used for sanction preparation, bill processing, payment, receipt management, Direct Benefit Transfer, fund flow management and financial reporting.
- (2) All the ministries sanctioning grants-in-aid shall register all implementing agencies till last level of implementation on PFMS to track fund flow and unspent balances.
- (3) All the payment, to the extent possible, shall be released 'just-in-time' by the Ministries through PFMS.
- (4) Detailed Demand for Grants (DDG), as approved, must be uploaded on PFMS at the start of each Financial Year.
- (5) All the re-appropriation orders, surrender order shall be generated through PFMS system
- (6) All grantee institutions shall submit Utilisation Certificates on PFMS.

1.4.2 Public Financial Management System (PFMS) is a web-based IT platform on which various functions related to Government Financial Management is being carried out. It is an electronic system for processing sanction, bill preparation and processing, making payment, receipt management, carrying out Direct Benefit Transfer (DBT), conducting fund flow management and for undertaking financial accounting and reporting. With shift of these functions in the electronic environment, the basic accounting and financial controls have been in-built in the PFMS system, besides adding the features that are needed to enable accurate and automated accounting and financial reporting.

1.4.3 Role of Head of Accounting Organisation i.e. Pr.CCA/CCA/CA(i/c), as the case may be, in PFMS and implementation of Department of Expenditure instructions regarding flow of funds under Centrally Sponsored Schemes(CSS) and Central Sector Schemes has been stipulated in Ministry of Finance, Department of Expenditure OM No.8(01)/PFMS/2023 dated 17th April, 2023 which is reproduced as below:-

- (i) Pr.CCAs/CCAs/CAs(i/c), being the nodal officer of PFMS will be the first port of call for the Programme Divisions (PDs) and Internal Finance Divisions (IFDs) for any PFMS related issues and they will strive to give a suitable solution to the PDs/IFDs in a time bound manner on such issues with the help of local NIC unit and in consultation with the PFMS Headquarter(HQ).
- (ii) If the Pr.CCA/CCA/CA(i/c) is unable to resolve any PFMS related issue, he/she may refer the matter to PFMS HQ with complete details of the issue and suggested measures. However, they should avoid simply forwarding the issues to HQ without any remarks/recommendations/suggestions.
- (iii) Pr.CCAs/CCAs/CAs(i/c) shall regularly interact with IFD/PDs on implementation of fund flow/expenditure management guidelines issued by the Department of Expenditure (DoE), CGA and PFMS HQ informed regarding violations, if any, in implementation of these guidelines.
- (iv) Pr.CCAs/CCAs/CAs(i/c) shall ensure wide dissemination of the instructions issued by DoE and PFMS HQ regarding flow and management of funds among offices of their Ministry/Department and among scheme implementing agencies of the Ministry.
- (v) Pr.CCAs/CCAs/CAs(i/c) shall continuously assess the requirement of PFMS related training in their Ministry/Department and coordinate with the PDs and the concerned vertical of PFMS HQ to organize the same. They shall strive to develop trainers in their accounting formations who could be used for refresher trainings.

1.4.4 In brief, PFMS platform serves to carry out and captures all transactions, facilitates the compilation and consolidation of the Government accounts, amalgamating all the transactions related functions of the O/o CGA. The existing standalone systems have also been merged with the PFMS. PFMS integration has been done with Non-Civil Ministries as well for smooth flow and compilation of the whole of Central Government accounting data and reports.

1.4.5 The coverage of PFMS platform is to all central government schemes. It is therefore, also serving as a database of all recipient agencies, and has been integrated with the core banking systems of the banks, and the State Treasuries. This enables an efficient and effective tracking of fund flows to the lowest tier/beneficiary of the Government schemes. PFMS has also developed useful reports to provide information across all schemes/ implementing agencies on fund utilization, leading to better monitoring, review, decision support system and enhanced public accountability. PFMS has substantially enhanced the efficiency in Public Finance Management, including in robust cash management and real-time information on resource availability and utilization across schemes.

1.4.6 PFMS works on a defined protocol for various types of Direct Benefit Transfer (DBT) Scheme. The Scheme administering Ministries/ Departments are primarily responsible for implementation of DBT for their notified schemes. They provide inputs for configuration of their schemes for DBT on PFMS and for issuance of necessary instructions to their field formations and implementing agencies. PFMS has also developed a web service for exchange of data and reconciliation between PFMS and stand-alone scheme systems such as NREGA Soft. An API (Application Programming Interface) has been developed to interface DBT data of schemes for all States & UTs directly with the Bharat DBT portal of DBT Mission.

I. CHARTER OF Pr.CCAs/CCAs/CAs (i/c) AS HEADS OF ACCOUNTING ORGANISATION IN MINISTRIES/ DEPARTMENTS

Pr.CCAs/CCAs/CAs (i/c) of the Ministries/Departments concerned are the Heads of the Accounting Organisation in the respective Ministries/Departments. Their broad functions are prescribed as below-

1. Receipts, Payments and Accounts:

- i. Ensure establishment of effective and efficient systems with necessary internal controls for accounting of all receipts and payments of the Ministry/Department.
- ii. Supervise payments and receipts transactions conducted through PAOs and Cheque Drawing DDOs and ensuring that they are done in conformity with prescribed Rules and Regulations;
- iii. Supervise timely payment to all eligible claimants (government servants, vendors/suppliers, grantee and loanee institutions etc.) and ensure that the procurements through GeM are carried out as per codal provisions.
- iv. Ensure efficiency, accuracy and timely submission of monthly and annual accounts to O/o CGA;
- v. Ensure timely, accurate, comprehensive, relevant and useful Financial Reporting.
- vi. Ensure accuracy and timely submission of monthly reports to O/o CGA.
- vii. Monitor efficient service delivery to the Ministry/Department through the accredited/ authorized banks and monitor their performance for timely realization of receipts into Government Accounts;
- viii. Monitor adherence to the prescribed accounting standards, rules and principles;
- ix. Ensure timely submission of Audited Annual Appropriation Accounts duly signed by Chief Accounting Authority of the Ministry/Department to O/o CGA.
- x. Ensure preparation of annual 'Accounts at a Glance' for their Ministry/Department.
- xi. Examine the proposal of Ministries/Departments for opening of a Personal Deposit Account or framing accounting procedure in respect of a newly created Fund in the Public Account of India and monitor their smooth operations.
- xii. Review the payment sanctions (including GST refunds sanction) as per the monetary limits prescribed by O/o CGA from time to time.
- xiii. Monitor the clearance of balances under Debt, Deposit, Suspense and Remittance (DDSR) heads and take timely corrective measures to clear adverse balances under these heads.

- xiv. Monitor opening of appropriate heads of account for new schemes/ expenditures as per prescribed chart of accounts of the Object heads by the Department of Expenditure and the List of Major and Minor Heads of Accounts (LMMHA).
- xv. Monitor timely and accurate authorization of pension and other retirement benefits to retiring government servants.
- xvi. Coordinate with GeM Standing Committee on matters relating to procurement and the related payments.
- xvii. Provide financial and technical advice specific to CBDT and CBIC on matters relating to accounting of direct/indirect taxes.
- xviii. Pr.CCA, CBDT/Pr.CCA, CBIC shall oversee and monitor the overall banking operations in regard to collection and refund of direct/indirect taxes and their reconciliation and remittance to the Government Account.
- xix. CCA, Finance being the Head of Accounting Organisation shall be responsible for overseeing preparation of Internal Debt Accounting and compile Security/Bond-wise balances based on inputs from various stakeholders.
- xx. Chief Controller (Pensions), CPAO, O/o CGA shall oversee the disbursement and accounting of pension and family pension through authorised Banks in respect of Central (Civil) Pensioners, National Capital Territory of Delhi, UTs without Legislature, Formers Members of Parliament, retired Judges of High Courts and Supreme Courts, All India Service Officers, Pension and other amenities to the former Presidents/Vice Presidents of India, Pension to Freedom Fighters and Family Pension to the families of the Central Government employees who are covered by NPS. CPAO is entrusted with the overall responsibility of administering the "Scheme of payment of pension to Central Government (Civil) Pensioners through the Authorized Banks".
- xxi. Pr.CCAs/CCAs/CAs(i/c) shall function as nodal officer of the Ministry for PFMS matters.
- xxii. Follow up with Loanee on repayment of loan and interest.

In respect of the above responsibilities, the Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) shall function under the direction, superintendence and control of the CGA.

2. Budget formulation including the preparation of Outcome Budget:

- i. Pr.CCAs/CCAs/CAs(i/c) shall be actively associated with the process of Budget formulation. Budget related files shall be submitted to the FA through the Pr.CCAs/CCAs/CAs (i/c). The Budget section should ordinarily function under the control of them.
- ii. Pr. CCAs/CCAs/CAs (i/c) shall monitor and assist in preparation of budgetary proposals and assist the administrative Ministries /Departments in inter-se programme prioritization/allocation within the budgetary ceilings, based on the analysis of expenditure and profile of each programme /sub-programme.
- iii. Provide support to the administrative Ministries/Departments in the preparation of Outcome Budgets/Output-Outcome Monitoring Framework (OOMF) in accordance with the

time schedule/ guidelines laid down from time to time by the Ministry of Finance/NITI Aayog.

- iv. Furnish the budget estimates in r/o Public Account transactions to Budget Division and for the Composite Demands controlled by Budget Division for their inclusion in the Budget.
- v. Furnish budget estimates for interest on Provident Fund balances of employees and on various deposits in the Public Account including the Reserve Funds.
- vi. Monitor all reports and statements related to Budget documents.

3. Estimation of Non- Tax Revenues (NTR):

- i. Pr.CCAs/CCAs/CAs(i/c) to
 - (a) prepare of the estimates of NTRs in consultation with administrative divisions,
 - (b) regularly monitor NTR receipts during the financial year
 - (c) Periodically review user charges
 - (d) Monitor repayment to the Government of outstanding loans, due interest and guarantee fees
 - (e) Monitor the accounts through which funds are routed [i.e. Central Nodal Agency (CNA)/Single Nodal Agency (SNA) accounts] and the remittance of interest thereon to the Consolidated Fund of India.
- ii. CCA, Finance shall specifically be responsible to furnish the non-tax revenue receipts estimates relating to Group Insurance Scheme (GIS) for Central Government employees to the Budget Division for its inclusion in the Budget.

4. Internal Audit/Risk Based Audit: Pr.CCAs/CCAs/CAs(i/c) to

- i. discharge the duties of Member Secretary of the Internal Audit Committee headed by the administrative Secretary to review audit paras of Internal Audit and advise on concomitant compliance/course correction.
- ii. conduct regular and special audits in Ministries/Departments as per the direction of Chief Accounting Authority or the CGA. The Internal Audit Wings working under the control and supervision of the Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, would move beyond the existing system of compliance /regulatory audit and would focus on risk based audit through:
 - a. Assessment of adequacy and effectiveness of internal controls in general, and soundness of financial systems and reliability of financial and accounting reports in particular;
 - b. Identification and monitoring of risk factors (including those contained in the Outcome Budget/OOMF Framework);
 - c. Critical assessment of economy, efficiency and effectiveness of service delivery mechanism to ensure value for money; and
 - d. Providing an effective monitoring system to facilitate mid-course corrections.
- iii. conduct periodic appraisal of schemes and monitor performance of projects and schemes through regular Internal Audit.
- iv. conduct audit of accredited banks, authorised/other banks/CPPCs and FPB branches including e-FPBs in respect of Government transactions in organisations where it has been required.

- v. conduct Internal Audit of collections of the National Small Savings Scheme. (Specific to M/o Finance)
- vi. ensure preparation of the Annual Audit plan and the Annual Internal Audit review report.

The above functions shall be carried out as per the guidelines issued by the CGA from time to time.

5. Public Financial Management System & IT projects:

- i. Act as nodal officers for PFMS and assists FA to ensure that guidelines/ instructions issued on PFMS are followed /implemented and resolve issues relating to efficient running of PFMS.
- ii. Monitor the use of PFMS and its different modules and coordinate with Ministry and PFMS Division of O/o CGA for: timely, accurate and useful financial reporting; tracking flow of funds to the last level implementing agency/beneficiary; and monitoring fund utilisation under Central Sector/Centrally Sponsored/Direct Benefit Transfer schemes of Government of India.
- iii. Coordinate integration of data bases and processes with the PFMS, for establishing a Government Integrated Financial Management Information System (GIFMIS).
- iv. Render professional expertise on accounting and financial management to assist in establishing efficient PFM systems.
- v. Monitor the implementation of security guidelines relating to access control protocols and other security aspects of the PFMS, for adequate data security.
- vi. Ensure correct mapping of the Central Sector and Centrally Sponsored Schemes for accurate expenditure reporting.
- vii. Carry out regular review of reports and information in PFMS and present it to the Senior Management, for assistance in decision making.
- viii. Monitor relevant PFMS reports and dashboard on regular basis to ensure accuracy of reports and monitoring and reporting on the performance of the schemes in their Ministries.
- ix. Monitor timely weeding out of dormant registration of Agencies etc.

6. Expenditure and Cash Management:

Coordinate with Ministries/Departments for compliance to the Cash Management guidelines issued by Budget Division, M/o Finance (Monthly Expenditure Plan [MEP]/Quarterly Expenditure Plan (QEP) limits, setting up of SNA/CNA and implementation of TSA system for release of funds to Autonomous bodies). Review the expenditure beyond the amount stipulated by CGA from time to time.

7. Disclosure and reporting requirements under FRBM Act.

Assist in preparation of the disclosure statements required under the FRBM Act for incorporation in the consolidated statement compiled by the Ministry of Finance.

8. Monitoring of Assets and Liabilities:

Assist Ministries/Departments in maintaining comprehensive record of Assets and Liabilities and monitor and maintain records of Government Guarantees through the Principal Accounts Office.

9. General Administration and Coordination:

- (i) Exercise the powers of the Head of the Department for the Accounting Organisation in the discharge of the Administration and Establishment related functions.
- (ii) Discharge responsibilities in terms of the authorised Statutory powers as the appointing authority/disciplinary authority.
- (iii) Exercise appropriate oversight on the overall quality and maintenance of departmental accounts by their Pay and Accounts Offices/Principal Accounts Offices.

Note:

- a. In Ministries/ Departments which are headed by Pr. CCAs, it shall be the prerogative of the Pr. CCA to delegate any item of the above listed responsibilities to the CCAs/CAs as per their administrative convenience and exigency, and subject to the established codal provisions.
- b. In addition to the above, Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, shall also be responsible for any other responsibility assigned by the Chief Accounting Authority/ CGA.

II. CHARTER OF CHIEF CONTROLLER OF ACCOUNTS (CCA)/CONTROLLER OF ACCOUNTS (CA) (NOT WORKING AS HEAD OF ACCOUNTING ORGANISATION)

Pr.CCAs/CCAs/CAs(i/c) discharges their functions as Head of Accounting Organisation through and with the assistance of the CCAs/CAs/Dy.CAs/ACAs and PAOs of the Ministry/Department concerned. CCAs/CAs with independent charge shall have the same roles as listed above for the Pr.CCAs/CCAs, as the Head of Accounting Organization. However, other CCAs/CAs working under a Pr.CCAs/CCAs shall be assigned the charge of specific functions indicated below (besides any other as decided by the Pr. CCAs/CCAs):

A. Receipts, Payments and Accounts

- i. Supervision of the functioning of the Pr.Accounting Office and Pay and Accounts Offices for ensuring timely payments/receipts and accounting. They shall monitor outstanding payment to suppliers/vendors in GeM.
- ii. Monitoring timely issue of Inter-Governmental Adjustment Advice (IGAA) and IAAA to RBI by PAOs.
- iii. Monitoring monthly cash flows and ensuring effective cash management. The work includes monitoring of expenditure against MEP/QEP ceiling given in DDG and assisting in the CNA/SNA and the TSA operations
- iv. Review payment sanctions through PFMS (including GST refunds) as per the monetary limit prescribed by O/o CGA. In Ministries/Departments where there is no sanctioned post of Dy.CA, the payment sanctions above ₹50 lakhs would also be reviewed by the respective CAs or CCAs as the case may be.

- v. Handle the work related to the Debt, Deposit, Suspense and Remittance (DDSR) heads and take corrective actions in respect of the adverse balances under these heads.
- vi. Assist in consulting with administrative divisions for the periodic reviews of non-tax revenue receipts and the user charges.
- vii. Assists Head of Accounting Organisation for monitoring repayment of outstanding loans, due interest and guarantee fees.
- viii. PFMS related work and to assist Head of Accounting Organisation to ensure that guidelines/ instructions issued on PFMS are followed /implemented and resolve issues relating to efficient running of PFMS.

B. General Administration and Coordination

- i. Administration and Establishment related functions including procurement of stores and outsourcing of services of the accounting formation.
- ii. Exercise the delegated powers of Head of the Department.
- iii. Look after the legal and RTI matters, Parliament Questions, Official languages and augmentation of manpower in the office.
- iv. Assist Head of Accounting Organisation for appropriate oversight on the overall quality and maintenance of departmental accounts by the Pay and Accounts Offices/Principal Accounts Offices.

C. Banking Arrangements

- i. Banking arrangements of the Ministry and reconciliation issues with the banks.

D. Internal audit

- i. Appraise, monitor and evaluate the individual schemes.
- ii. Assessment of adequacy and effectiveness of internal controls in general, soundness of financial systems and ensuring accuracy and reliability of accounting reports
- iii. Identify and monitor risk factors and conducting risk-based audit of the schemes in consultation with Programme Division/Implementing Agency of the Ministry/Department.
- iv. Prepare Internal Audit Annual Review Report.
- v. Conduct critical assessment of economy, efficiency and effectiveness of service delivery mechanism to ensure value of money.
- vi. Provide an effective monitoring system to facilitate mid-course corrections.
- vii. Perform the duties of Member Secretary of Internal Audit Committee.

III. CHARTER OF DEPUTY CONTROLLER OF ACCOUNTS (Dy.CA)

Pr.CCAs/CCAs/CAs(i/c) discharges their functions as Head of Accounting Organisation through and with the assistance of the CCAs/CAs/Dy.CAs/ACAs and PAOs of the Ministry/Department

concerned. However, Dy.CA level officers working under Head of Accounting Organization i.e.Pr.CCA/CCA/CA (i/c) as the case may be, shall assist them in the specific functions indicated below:

A. Receipts, Payments and Accounts

- i. Ensure correctness of classification of accounts and figures in the monthly accounts of Ministry.
- ii. Ensure timely settlement of Letter of Authorisation (LoA) issued through PFMS.
- iii. Ensure timely and accurate compilation & consolidation of monthly accounts and all monthly accounts certificates for submission to CAs/CCAs for signature.
- iv. Ensure timely realization of receipts and their correct accounting.
- v. Coordinate with the entire field PAOs, CDDOs for various reports, accounts etc.
- vi. Prepare weekly and monthly expenditure and receipt reports as required by Secretary/FA/CGA.
- vii. Prepare Accounts at a Glance, Quarterly and Annual Analysis of accounts and financial information.
- viii. Ensure proper maintenance of records in digital format for timely retrieval and reporting.
- ix. Review payment sanctions through PFMS (including GST refunds) as per the monetary limit prescribed by O/o CGA from time to time. In Ministries/Departments where there is no sanctioned post of Dy.CA, the payment sanctions through PFMS (including GST refunds) shall be reviewed by the respective CAs(independent) or CCAs (Independent) or Pr.CCAs as the case may be.
- x. Supervise the implementation of Bharatkosh Portal.
- xi. Monitor National Pension System (NPS) with reference to NSDL monthly report, uploading of quarterly report of NPS on NSDL portal for and on behalf of FA.

B. Budget

- i. Assist Pr.CCA/CCA/CA(i/c) in allocation of budget to PAOs.
- ii. Conduct periodic reviews of receipts and expenditures, including through preparation of monthly and quarterly trends, and review prompt and accurate collection of user charges, rent, licence fees, royalties, profit share and dividends.
- iii. Assist Pr.CCA/CCA/CA(i/c) in preparation of, budget related reports for its inclusion in the Budget documents, including Receipts budget, report on dividend, FRBM statements etc. as per Budget Circular issued by the MoF from time to time.

C. Financial Management Systems & IT projects:

- i. PFMS related work, EAT module monitoring and training of agencies.

- ii. Coordinate with Program Divisions to see registration of IAs and use of EAT module of PFMS for Central Sector Schemes.
- iii. Reconcile the reports available in PFMS with the release data available with PAOs, on monthly basis.
- iv. Coordinate with Project Offices and SPMUs for rollout of CSS schemes in States.
- v. Ensure and follow up with concerned SPMUs for mapping of their ministries' CSS schemes with state schemes under PFMS-Treasury integration.
- vi. Assist in new IT projects development and implementation in the Ministry/Department.
- vii. Manage website of respective Pr. CCA/CCA/CA office with the help of the NIC team or through any external agency. If there is no separate website, coordinate with the main ministry website for posting information.
- viii. Assist in development of Dashboard for Pr. CCA/CCA/CA and Dy. CA in the respective ministry.
- ix. Monitor bank performance on KPIs pertaining to their Ministry with the launch of PFMS Dashboard and Bank monitoring app.
- x. Act as Assistant State Nodal Officer (ASNO) or ACGA, SPMU, PFMS if posted in the state.

D. Expenditure and Cash Management

- i. Provide support to improve cash management through implementation of SNA/CNA/TSA systems and monitoring of monthly cash flows effectively in the context of cash expenditure/commitments, tighten the system of receipt and payment monitoring and assist in securing greater convergence of revenue inflows and expenditure outflows.
- ii. Monitor the monthly and quarterly expenditure plans and report variations in timely manner.
- iii. Scroll and put through reconciliation and suspense balance related work.

E. Administration and Establishment

- i. Assist Pr.CCA/CCA/CA (i/c) in Administration, legal matter, disciplinary proceedings, vigilance related work and Establishment related functions of the accounting formation.
- ii. Assist Pr.CCA/CCA/CA (i/c) in conducting & supervision of the Internal Audit
- iii. Assist in the records and inventory management, weeding out of files and records, SAP related activities.
- iv. Discharge functions of the Appellate Authority under RTI Act.
- v. Assist in matters related to Annual Training.

- vi. Discharge functions of assignments in the encadred posts wherever assigned in the Finance/Accounts Divisions of the Central Government/Autonomous/Public Sector Bodies/institutions etc.

F. PR, Communication and event management:

- i. Responsibility to manage events, prepare the communication strategy and implement it in the respective Pr.CCA/CCA/CA(i/c) offices.

In addition to the above, Dy. CAs shall also be responsible for any other works assigned by Head of Accounting Organisation and CGA.

IV. CHARTER OF ASSISTANT CONTROLLERS OF ACCOUNTS (ACAs)

ACAs shall work as Pay and Accounts Officer for first few months of posting in the accounting formation. Thereafter, ACAs shall function as Principal Accounts Office of Ministry/Department. This exposure to Principal Accounts Office should also include general administration of the office, including Head of Office charge (in the absence of next higher-level officer i.e. DCA). During this time, they should also lead independent audits and should be made functional in-charge of the Internal Audit Wing. ACAs shall assist Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, in discharging the following specific functions:

- i. PFMS related work, Receipt, Expenditure, Advance and Transfer (REAT) module monitoring and training of agencies.
- ii. Implementing IT and other initiatives in emerging fields viz. implementation of PFMS modules, risk-based internal audit, data analytics for generating MIS reports, process re-engineering, etc.
- iii. Specific involvement in budget work, or any other projects of the Ministry in consultation with Secretary/FA to broaden their skill set, and to leverage the fact that ICAS officers comprise the majority of (and at times are the only) DRs at JTS/STS level in Ministries, capable of handling budget work.
- iv. Independent charge assignments in the encadred posts in the Finance/Accounts Divisions of the Central Government/ Autonomous/Public Sector bodies/Institutes etc. should be assumed by ACAs (and DCAs).
- v. Organize Hindi Pakhwara and Vigilance Awareness Week in Principal Accounts Office.

In addition to the above, ACAs shall also be responsible for any other works assigned by Head of Accounting Organisation and competent authority in the office of CGA.

(Authority: - CGA's O.M. No. TA-2-01001/2/2020-TA-II/(Comp 2001)/596 dated 23-07-2021 and Charter for FAs issued by Department of Expenditure vide their OM No.23(3)/E-Coord/2018 dated 13th June 2023)

CHAPTER 2

PRE-CHECK PAYMENT PROCEDURE IN THE CENTRAL CIVIL ACCOUNTS OFFICES

2.1 EXPENDITURE CONTROL

2.1.1 One of the important duties of each PAO is to see that no payment is made in excess of budget allotment unless duly authorized in terms of the GFR, 2017 provisions and expenditure should be booked under correct Object Head of Accounts as per MoF, DoE communication F.No. 1(17)/2013-E-II(A) dated 01.01.2014. Similarly, since all payments are related to appropriations PAOs must check for correctness of classifications at the very points of authorizing such payments.

2.1.2 Copies of all sanctions and orders signed in manuscript to be acted upon by the Pay and Accounts Officer shall be either addressed to him or endorsed to him by the authority competent to accord sanction, indicating, inter-alia, the head of account under which the payment is to be classified including amount and beneficiary details and also wherever necessary, quoting reference to the Inter Departmental Note No. under which sanction of the IFD was taken. The financial sanctions and orders issued by the Competent Authority shall be communicated to Pay and Accounts Officers as per provisions contained in Rule 29 of GFR-2017 and Rule 25 of DFPR-1978 as amended from time to time.

2.1.3 Bills alongwith Sanction order and other supporting documents preferred to PAO or CDDO are required to be passed for payment after pre- check. Pre-check function is a pre-audit wherein individual transactions are examined for propriety and accuracy before payment is authorized. That is, a payment may not be made until the Pay and Accounts Officer has approved the related voucher after examining all the supporting documents.

2.1.4 Pre-check function in the PAO is the final stage of processing of a bill for payment after which the funds move out of the Government Account, and therefore need to be done with adequate due diligence, and independent of the proposal of sanctioning authority.

2.1.5 It is the duty of the Pay and Accounts Officer to see that the expenditure from the CFI is governed by the following essential conditions: -

- (i) that there is provision of funds authorised by the competent authority fixing the limits within which expenditure can be incurred;
- (ii) that the expenditure incurred conforms to the relevant provisions of the Act/Law/Rule made there under and is in accordance with the financial rules and regulations framed by the competent authority; and
- (iii) that there exists sanction, either special or general, accorded by the competent authority authorising expenditure.

2.1.6 The payment procedures will be subject to provisions contained in the Central Government Account (Receipts & Payments) Rules, 2022 (RPR 2022), particularly para 2.2(1) to 2.2(8) of Subsidiary Instructions to RPR, 2022 that lay down the general procedures relating to presentation of claims for withdrawal from Government account. The claim may be submitted by

the claimants either in person or by post or in electronic form (e-claim and e-bill) through the designated payment IT portal/system of the PAO/CDDO. The claims/bills should be submitted in the formats prescribed in CGA (RPR), 2022.

2.2 PROCESSING OF CLAIMS IN PAOs THROUGH PFMS

Introduction

2.2.1 The payment process in PFMS starts at Program Division level with the generation of sanction in the system. DDO receives sanction and processes it to generate a bill in the system and sends it to PAO. The financial sanction and bill are checked by PAO and after performing required checks sends it to bank with a payment advice in favour of beneficiaries. The payment is affected through the accredited bank to the beneficiaries and then a scroll is sent to PAO who takes it into the system to complete the accounting process. In case of successful transactions in e-payments, e-payment scroll from accredited bank gets incorporated in the system.

User/Role management in PFMS:

2.2.2 Principal Accounts Office is the nodal point under departmentalized accounting set up in the Ministry. All payment and accounting data of the Ministry is compiled at the level of Principal Accounts Office. In PFMS the role & responsibility of Principal Accounts Offices is to co-ordinate with their PAOs and facilitate payments/receipts and compilation of accounts. Principal Accounts Office shall register on PFMS portal for approval by PFMS Headquarters. Principal Accounts Office is also responsible to process the registration of PAO, Assistant Accounts Officer (AAO) and Dealing Hand (DH) users. The user creation and approval in respect of DDO and PD users in PFMS would also be done by next 2-level hierarchy in PFMS as prescribed by PFMS Division from time to time.

2.2.3 Continuous review of active users in PFMS: The list of Government of India(Gol) sanction module users in PFMS i.e. Programme Division (PD), DDO, Dealing Hand(DH), AAO, Pay and Accounts Officer, Pr.Accounts Office, and CCA may be verified and updated on regular basis. If any user is found to be no longer in position the same should be deactivated immediately. It is reiterated that Report MST-01 "User Details" under menu "CAM REPORTS" should be reviewed on regular basis to get the status of active users in PFMS.

Note 1: Deactivation of user ID: At the time of relieving of any Group 'A' & Group 'B' officer who is a user in PFMS viz. CCA level user, Pay and Accounts Officer type user, his/her digital signature & user Id should be deactivated. This should be one condition to be enforced while giving No objection certificate/LPC. Fresh user Id and digital signature should be provided to the new incumbent. Fresh user Id and digital signature should be provided to the new incumbent.

(Authority: Observance of Security Protocols by users of PFMS vide PFMS Division OM No.I-17016/1/2022-ITD-CGA/10985/229 dated 30.9.2022).

Budget entry and mapping of accounting heads in PFMS:

2.2.4 Pincipal Accounts Office will ensure the account head mapping of Schemes and manage master module for approval of Digital Signatory Certificates (DSC) enrolled by the concerned Pay and Accounts Officer. DH user in Principal Accounts Office is responsible to enter head wise budget in accordance with the DDG of the Ministry, in the PFMS. Pr.Accounts Office shall complete the account head mapping in PFMS and tallies the budget entry with figures of Demands for Grants in PFMS at the time of commencement of a Financial Year. Principal Accounts Office shall approve the budget entry made by DH and shall also get all the re-

appropriation orders and supplementary budgets entered into the system. PAO shall however be responsible to complete the functional head mapping (all 15 digits) of the budgets of their DDOs. The process being, DDO wise budget allocation will be entered by DH and then it will be checked and approved by the Pay and Accounts Officer.

2.2.5 For Treasury Single Accounts (TSA) System, mapping of the Minor Heads under 'Major Head-8454-Funds under TSA System' corresponding to programme Minor Heads of expenditure functional heads will be done by the Principal Accounts Office.

Generation of Token Number against Bill in PFMS

2.2.6 The bills will be sent by DDO to PAO in PFMS after performing the requisite due diligence. The bills will be received at the level of DH in the PFMS and a token will be generated in the system on receiving the bill.

2.2.7 'Counter Clerk' in PAO after receiving the ink-signed bills will distribute it to the concerned Dealing Hand after ensuring necessary entries in the Bill Diary (CAM 4). Dealing Hand has to note the token number on the ink-signed bill as well as in Bill Diary (CAM 4). It should be verified that the ink-signed bills received in PAO in a day have been duly receipted in the system and a token number has been generated in PFMS on the same day. Token Issue Register (CAM 5) of PFMS provides date wise details of token generation in PFMS. A certificate of such verification should be recorded and put up to the AAO in the Bill Diary, on a daily basis. On the 20th of each month, the AAO should undertake a detailed verification of bills and report the results to the Pay and Accounts Officer.

Note: In case of e-bill, the token number will be auto-generated by the system upon digital signing of e-bill by the DDO. All such e-bills will be available in the system at the bill distributor login id for distributing the same to the concerned Dealing Hand in the PAO. All e-bills must to be distributed without any delay and the AAO/Pay and Accounts Officer shall be responsible to monitor the same through Token Issue Register (CAM-5) available in PFMS.

Pre-Check of Bills in PAOs for Payment

2.2.8 The bill would be initially checked at the level of DH who shall process and pass it to AAO either for further processing for payment or for return to DDO, with an observation after obtaining the approval of PAO. When the bill is passed to AAO, it would appear in the inbox list of AAO on the PFMS. AAO will open the bill and scrutinize the same and can either pass or recommend to return the bill to DDO with his comments/observation. The bill passed by AAO would come to Pay and Accounts Officer for scrutiny and if passed, it would be ready for processing payment or return to DDO as the case may be. The final return of a bill to the DDO can only be done by the Pay and Accounts Officer and the same shall be accompanied with the observation/s. DDO in all the cases of returned bill shall resubmit the same after addressing the observations made by the Pay and Accounts Officer.

2.2.9 Once the bill is cleared at all the three levels in the system in a Pay and Accounts Officer, and is ready for payment, a batch file will be prepared for digital signature of Pay and Accounts Officer. Pay and Accounts Officer will affix the digital signature on batch file and send it to bank for effecting payment to the beneficiaries. In cases where double signatories are required, the authorized AAO will also put in his digital signature and then send the batch file for payment to the bank.

Note: Irrespective of the category of cheques drawn or electronic payments made for ₹10 lakhs and above shall bear two signatures or digital signatures in Pay and Accounts Office. For this purpose, the Head of the accounting organisation shall nominate another gazetted officer /senior most non-gazetted officer, as second signatory.

2.2.10 In cases where the payment is to be made by cheques, the bills would be scrutinized in the manner prescribed above at the DH, AAO and Pay and Accounts Officer levels, but the payment would be effected through cheques and the same shall be posted in the Cheque Issue Register maintained by the system.

Processing of Nil Bill in PFMS

2.2.11 A facility/functionality has been provided in PFMS for processing NIL bills (debit and minus debit in the same head and in same bill or both debit and credit under different heads in the same bill). In such cases the net payable amount is NIL. Voucher number in case of NIL bill will be generated after passing of the bill by Pay and Accounts Officer. No further action is required in NIL bill after its passing at all the three levels (DH, AAO and Pay and Accounts Officer) in PFMS. In case of "Nil" bill i.e., bill amount is zero, the system will allow to enter multiple account heads with different Grants and/or different functional heads. In such cases, no vendor will be available for selection with creation of sanction. Three types of nil bill can be processed in PFMS:

- (i) Nil Bill for adjustment of advance
- (ii) Nil Bill of New Pension Scheme
- (iii) Nil bill for one Debit Head and one/multiple credit head.

2.3 ELECTRONIC BILL SYSTEM (e-bill)

2.3.1 The 'e-bill system' module in PFMS will enable to process e-claim, e-sanction and e-bill for payment and accounting by PAOs in Central Ministries/Department. The claims, sanctions and bills shall be preferred electronically in the prescribed format attaching the supporting documents, if any, for payment. In short, the System function on work flow based without any physical movement of documents. There is no change in the payment, accounting and reconciliation procedures except that these would be done on the basis of electronic records as will be made available with e-claim and e-bill, with attached supporting documents and the reports of PFMS.

2.3.2 The e-bill claims along with sanctions and bill documents will be fully digitized, i.e. they will be digitally signed/e-signed and would electronically flow across various levels for payment processing. These electronic documents (e-bill, invoice, sanction order, supporting vouchers etc.) will be retained in PFMS with an access to the PAO in digital form, for the purpose of post check and audit.

2.3.3 The stakeholders involved in the process are:

- i. Claimant (government servants or suppliers of goods and services)
- ii. HoD authorised user.
 - a. Sanction Maker user (authorised user in the Head of Office for establishment related claims or in Head of Division in case of a scheme).

b. Sanction Checker user (Authorised user in PFMS for approval of sanction prepared by Sanction Maker. He/She shall be the authorised user in the Head of Office or in Head of Division to convey the sanction of the competent authority).

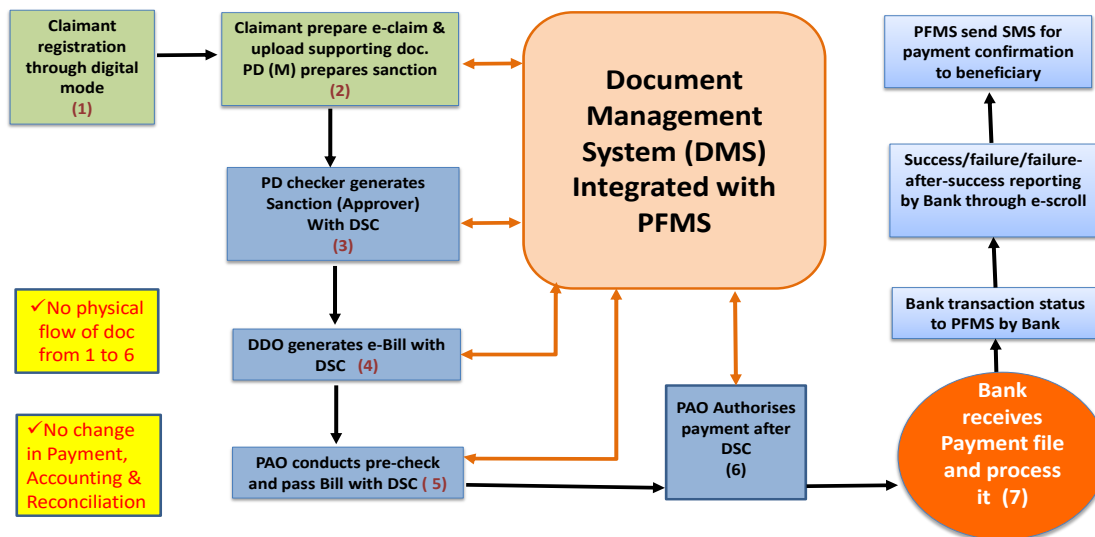
iii. DDO who prefers bill to PAO or CDDO.

iv. Pay and Accounts Office users

a. Bill Distributor (authorised official in PAO), a new role for assignment/reassignment of bills with pull back feature for enforcement of FIFO logic in PAO.

b. Dealing Hand (Pre-check), AAO and Pay and Accounts Officer(Pre-check/Signatory)

Process flow of e-bill project on PFMS



Procedure for submission of e-claims by Claimant (Govt. employees or Suppliers)

i. For submission of e-claims, the claimants (government employees and suppliers) shall be provided secure login credentials on PFMS. Claimants shall be able to prepare e-claim in the prescribed format through the e-claim module in PFMS and upload the related supporting documents.

ii. Key elements of an invoice or supporting documents from the claimant such as invoice number, date, purchase order number, etc. in the case of supply of goods or services and travel ticket number, PNR number, number available in sub-vouchers, date etc. in the case of personal claims shall be captured in e-claim.

iii. Claimant shall scan the original invoice and related supporting documents and upload these documents in PFMS and submit e-claim to the designated authority electronically for further processing.

iv. If the claimant is not registered in PFMS, the authorised Sanction Maker user in PFMS shall prepare e-claim. He/ She shall prepare the e-claim on receipt of physical claim from the claimant along with supporting documents. If the claim is prepared by Sanction Maker user, then he/she shall scan and upload the original documents (receipts, vouchers, original ink signed claims etc). Sanction Maker user shall then digitally sign the uploaded documents and generate the e-claim.

v. The supporting Invoices/payment sub-vouchers shall not be scanned and uploaded into the System without bearing relevant Serial Number, Date and Signature of the Issuing Authority.

vi. No cutting on the invoices/payment sub-vouchers shall be accepted with the e- claim without the same being duly attested before scanning and uploading into the System.

vii. At the time of initiation for preparation of e-claim through PFMS, the system will provide a unique e-claim reference number (CRN). During creation of claim, claimant shall select the CRN, fill the relevant details of form and shall upload the scanned copy of the original documents. During this process the selected CRN shall get imprinted on each and every page of the uploaded documents. Claimant shall save the e-claim.

viii. The claimant shall e-sign/digitally sign the system generated e-claim.pdf. The e-sign will be an additional option for government servants for submission of e-claim irrespective of the amount of the claim. Vendors/suppliers can submit e-claims with electronic signature, with the provision that all e-claims exceeding ₹100000/- shall be digitally signed (The amount of ₹10000 was enhanced to ₹1 lakh vide Correction Slip No.1 dated 2.1.2024 to Subsidiary Instructions to CGA(R&P) Rules, 2022).

ix. For high value transactions (say ₹50,000 and above), vendors/suppliers are encouraged to use system generated invoices with the e-claim.

x. An undertaking from the claimant is also to be given through the system that the claimant will not use original documents more than once.

xi. As per the system being developed, presently claimant can upload PDF of max up to 10 MB size (5 PDF, 2MB size each).

xii. CRN which is generated by the user is unique number which travels across the complete cycle of e-bill. User can track his claim through this CRN.

xiii. PFMS shall send a system generated e-mail to claimants about full and final settlement of the claim on receipt of e-scroll from banks informing the status of transaction viz. Success/Failed/Failed after success. This shall be treated as an evidence of the status of payment.

xiv. In case the e-claim pertains to continuous measurement relating to Works, then the claimant will be permitted to retain the related original supporting documents of materials purchased, labour contracted, etc. as prescribed under the Departmental regulations on Works/CPWD Works Manual.

2.3.5 Procedure for generation of e-sanction by Sanctioning authority

i. Authorized Sanction Maker (SnM) users in PFMS will be able to receive e-claim and shall scrutinise the claims thoroughly. SnM users will ensure that the unique e-Claim Reference Number as shown by PFMS in the e-claim tallies with the Claim Reference Number in the

uploaded supporting documents. On receipt of e-claim from the claimant, it should be ensured that the said e-claim have not been earlier processed for payment.

ii. In case of cutting or overwriting of figures in the supporting documents or inconsistency of details in supporting documents with the details mentioned in the e-claim, the e-claim should be returned to the claimant.

iii. The SnM in PFMS will generate e-Sanction in PFMS after obtaining necessary financial sanction of the competent authority. At the time of creation of e-Sanction, SnM can upload two documents viz. Budget Overriding Assurance (size 2 MB) if any, and a scanned copy of approval note of the financial sanction (Size 4 MB). PFMS will also provide SnM an option to attach a copy of the terms and conditions (size 2 MB) in case of sanction of grants-in-aid/loans etc. e-Sanction will be generated as per the uniform format with editing facility for the user. The Sanction Checker (SnC) user in PFMS who must be the gazetted officer authorized to convey the sanction of the Head of Department (HoD) or Head of Office (HoO) in terms of Delegation of Financial Power Rules (DFPR). e-Sanction will be issued with the Sanction Checker (SnC)'s digital signature.

iv. Multiple e-claims of same nature/sub category can be attached to a sanction to generate e-Sanction.

2.3.6 Procedure for generation of e-bill by DDO:

i. After approval of e-sanction with DSC by SnC user, the e-claim and supporting attachments and digitally signed e-Sanction will be on auto receive mode at DDO user concerned for generation of e-Bill. After verifying correctness of the e-bill with respect to the fields mentioned in the e-claim and e-sanction the DDO shall make statutory deductions including TDS as applicable and digitally sign the system generated e-Bill pdf for submission to Pay and Accounts Officer/CDDO for payment.

ii. DDO shall verify the total admissible amount against every original supporting sub-voucher attached to the e-claim before submitting to Pay and Accounts Officer/CDDO. A settlement form in the case of TA and Medical reimbursement have been provided at SnM level to enter the item-wise admissible amount against the claimed amount. SnM will forward this settlement form to SnC user. The settlement form will be approved/returned with DSC and a pdf of settlement form will be sent back to SnM user for receiving. This settlement pdf will be available to all users for view through hyperlink. Further SnM/SnC will create/approve e-sanction which will be available to DDO. Information about passed amount may be made available in e-Sanction format.

iii. In order to prevent submission of duplicate or reuse of sub-vouchers for payments linked to the e-claims, DDO should ensure that the unique CRN as shown by PFMS in the e-claim tallies with the reference number in the uploaded supporting documents.

iv. Once DDO submits the e-bill to Pay and Accounts Officer in PFMS, it shall be treated that DDO has authorized the Pass Order in the system.

v. System will imprint a water mark with the image of "paid and cancelled".

vi. Contingent sub-vouchers only for ₹2000 and above shall be submitted by the DDO along with e-claim, to recoup the Imprest.

vii. DDO shall certify that (A tick box option will be provided)

- a. e-claims included in the bill have not been already paid.
- b. e-Claim and e-Sanction have been verified by him.
- c. Necessary entries are made on Service Book or other prescribed registers before making DSC.

viii. If the supporting documents linked to the e-claim pertain to a date prior to the date of enrolment of the claimant into the Pay Roll of a DDO, then the DDO shall verify the claim from the LPC issued by the DDO of the Claimant's previous office.

ix. The entry in the E-Bill Register in RPR-9 format shall be made as and when an e-bill is generated. DDOs shall continue to maintain a Bill Register in terms of Rule 57(5) of GFR, 2017 and record all bills including e-bills presented for payment to the PAO in the Bill register. DDOs shall reconcile the Bill register and other registers being maintained by them relating to budget and expenditure control, with the transaction details contained in the PFMS reports available under 'CAM Reports'.

x. DDO will continue to be responsible for maintenance of various registers relating to LTC, TA, Medical reimbursement claims and watch the settlement of any advances taken by the Government servant.

xi. Bills that require prior counter-signature shall be taken by the DDO outside this e-bill process flow and provide necessary certificate on the e-bill, that the counter- signature has been obtained separately.

xii. All e-claims presented in the form of e-bill must have supporting documents electronically attached to e-claims and e-bill. These documents must be referred to in the e-bills along with details of invoice, sanction, claimed amount, advance (if any) and beneficiary verification. All the supporting documents uploaded by user in pdf format and the system generated digitally signed pdf are available in e-document hyperlink, and is accessible to every user in the cycle on a click for viewing.

2.3.7 Procedure for conduct of pre-check and payment by PAO:

i. Token generation in PAO in respect of bill received from DDO will be auto generated in e-bill system. Further, First in First Out (FIFO) logic will be enforced for processing payments at every level in PAO in the e-bill system. e-Bill linked with e-Claim and e-Sanction shall be visible under the e-document hyperlink to users at all levels in PAO for conducting pre-check and payments.

ii. In order to prevent submission of duplicate or reuse of sub-vouchers for payments linked to the e-claims, it should be verified while conducting pre-check by users in PAO, that the unique e-claim reference number as shown by PFMS in the e-claim, tallies with the reference number mentioned by the claimant in the uploaded supporting documents.

iii. There is three level bill passing or return of bill after applying Digital Signature on pass order or return order pdfs at each and every level viz. DH/AAO/Pay and Accounts Officer level. After passing/returning of a bill by Dealing Hand (DH) and AAO, pass/return order will be generated and digitally signed for approval of Pay and Accounts Officer. If Pay and Accounts Officer passes the e-Bill, pay order will be generated in PDF format which would be digitally signed by the Pay and Accounts Officer. If Pay and Accounts Officer returns the e-Bill, the return memo will also be digitally signed by the Pay and Accounts Officer and returned to DDO.

iv. Pay and Accounts Officer (Precheck) will forward digitally signed Pay Order along with e-bill, e-claim, e-sanction to Pay and Accounts Officer Signatory 1 (and Signatory 2 in case of requirement of double signature as per the procedure), for issue of payment advice to bank for direct credit of the amount into the bank account of the claimant or issue cheque in favour of the claimant. After digital signing of Batch order pdf by the signatories, payment file will be sent to bank for payment to the claimant through Bank integration channel.

v. Provision shall be there for Signatory 2 to return the bill to signatory 1, if any mistake is found.

vi. The procedure for monthly reconciliation as specified in Rule 57(5) of GFR, 2017 should strictly be complied with and PAO shall ensure that the DDOs furnish a reconciliation certificate by the last day of the month following the month of accounts, that the amounts/ transactions as per his books tally with those indicated by the PAOs.

vii. PAOs shall also continue to maintain various manual ledgers and registers as prescribed in CAM. Existing PFMS reports made available under menu 'CAM Reports' may facilitate the same, but in such cases the reports must be downloaded, signed/stamped and kept in the prescribed registers.

2.3.8 Miscellaneous procedure relating to payments in PFMS:

i. All the e-claims attached with e-bill for which voucher has been generated shall carry the image 'Paid and cancelled'.

ii. The online e-bill register for recording the details of bills in electronic form will be maintained by the system for tracking status of e-claim and e-bill at various stages by DDO/PAO. System will provide window to the Claimants to track their payments. The following reports have been made available in PFMS:

a. Claim Tracking Report: For checking the status of e-claim:

CAM Reports-MIS-MIS-08 Claim Tracking Report

b. Bill Register:

CAM Reports-Precheck-PC-05 Bill Register

iii. The PFMS shall update the payment status against the e-claim in the system and SMS alerts shall be sent to the claimant to inform about the payment against his/her e-claim on receipt of e-scroll from bank, informing the status of transaction viz. Success/Failed/Failed after success.

iv. As soon as the payment is credited in claimant's account, a Unique Transaction Reference (UTR) will be generated and recorded against the concerned e-Bill number that appears in the e-Bill Register, for the purpose of monitoring at DDO level.

v. Check box shall be provided for the necessary certification by DDO/PAO.

vi. At the time of preparation of e-sanction against the claim, the system shall show the details of last 10 transactions of the same Bill type in r/o the claimant on the screen for verification that the claim has not been processed earlier. However, for viewing more than 10 transactions (say

Twelve months prior to the date of submission), the same is available through the PFMS report PAY-07 as indicated below: -

Sanction Vendor Payment details: For checking details of last payment to claimants:

CAM Reports-Payment-PAY-07-Sanction Vendor Payment details

All the payments drawn by the claimant through e-bill and normal bill mode under the selected PAO and DDO codes are available in PAY-07 report. This report may also be used to verify payments drawn earlier by the selected vendor/beneficiary.

vii. In the case of preparation of e-sanction against e-claim submitted by supplier, the invoice number, invoice date, period of claim should be mentioned for easy reference. The 'e-Sanction' can be generated only against the CRN of e-Claim. The requisite details of e-Claim will appear as per the respective RPR bill formats.

viii. The system developed for processing e-payments shall have repository of digital signature of authorized SnM and SnC or DDO or PAO users. If the bill or sanction is digitally signed, the system will verify the digital signature with the public key/ private key concept of Digital Signature.

ix. Apart from FIFO logic in PAO, FIFO logic has also been implemented at Sanction Checker (SnC) and DDO level.

2.3.9 Miscellaneous procedure to be adopted by stakeholders:

i. In case of transfer of an official to other offices, DDO while issuing LPC shall attach employee payment details as available in PFMS. The formats of Pay Bill Register (PBR: Part II) and Last Pay Certificate have been revised.

ii. Claimant shall check the bank account details as appearing in PFMS while submitting the e-claim.

iii. In case of any discrepancy in e-sanction or e-claim, provision shall be made for return of e-sanction and e-claim by DDO or HoO user as the case may be.

iv. In the case of e-bill, DDO shall complete the registration of HoO user as authorised officer for conveying the sanction to Pay and Accounts Officer in terms of DFPR or as per orders issued from time to time in consultation with PAO/CDDO concerned.

v. Sanctioning Authority Code details: For viewing the details of sanctioning authority code generated by the system, the following report may be used;

CAM Reports-Master-MST-04-Sanctioning Authority Code details.

vi. HoD authorised users (Sanction Maker and Sanction Checker) and DDOs shall keep a close watch on the entire process of the e-bill module and it should be ensured that the same claim is not duplicated e.g. by processing both through 'normal bill' and 'e-bill' module'. Two radio buttons naming "normal bill" & "e-bill" are being provided in the existing two reports available in PFMS under 'CAM Reports' viz. "PAY-02: Sanction E-payment Status details" and "MIS-01: Bill status details." This is to facilitate the users to filter and verify the details of bills separately. PAY-01-Sanction Status Details report has also been provided through which payments drawn earlier can be verified.

vii. Any discrepancies noticed, in the PFMS-CAM reports must be taken up promptly with GIFMIS (PFMS) for its rectification.

2.3.10 Retention of electronic documents

2.3.10.1 Document Management System (DMS) has been made a part of the e- bill system in which all electronic documents (bill, invoice, sanction order, supporting documents, vouchers, pass orders/return orders etc.) will be stored and will be visible to respective authorities as a separate link/file and could be retrieved at any stage for post facto scrutiny, audit etc.

2.3.10.2 The e-Claim, supporting documents, e- Sanction, e-Bill, Pay Order, Pass Orders etc. along with digital signature/e-Sign of concerned authorities will be visible to sanctioning authority, DDO and PAO, even after payment. This will help in tracking the status of the claim by these users.

(Authority: CGA Office TA-2-17002(01)/2020/154 (e-4426) OM dated 12th April, 2023)

2.4 Scrutiny of Bills and Payment Procedures:

2.4.1 Bills should be passed for payment through issue of Payment Advice or cheque or in such other form as may be prescribed by Government from time to time, within a maximum of five working days of their receipt. Processing of bills for payment for purchases made on GeM should be made within two working days of their receipt from DDO through PFMS, in line with the current timelines prescribed by DoE, or as amended from time to time. The date of token generation shall be the starting point for reckoning of time for processing of payments. However, token generation shall be done on a daily basis and must not be deferred/delayed once due. Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, should personally monitor their compliance. Effort should however be towards passing the bills and making payments within a shorter period, if feasible. In addition, the bills indicated as 'Immediate' by a DDO should be attended to urgently, so that the e-payment advice/cheques are issued on either the same or the next day.

Note 1: Keeping in view the increasing number of bills in PAOs and the time taken in completing the transactions, the Head of Accounting Organization may delegate powers of bills passing and thereafter applying DSC at AAO level for payment for comparatively smaller amounts. This would entail a 2 level pre-check for e-payment in place of existing 3 level checks, for the bills involving gross amount up to ₹ 25000. However, instances for issue of cheque will continue to be at PAO level. While issue of cheque by Pay and Accounts Officer, his/her role will be limited to check the amount that appears in cheque with reference to the pay order amount approved by AAO after pre-check. In case of any observations during pre-check, the bills can be returned at the level of Pay and Accounts Officer. Pay and Accounts Officer would conduct post audit/check of 10% of bills passed by AAO before submission of monthly accounts. PAO shall record a certificate to this effect in a Register in Form CAM-32 to be opened for this purpose. Pre-check of all adjustment bills against advances drawn would however be conducted by Pay and Accounts Officer irrespective of any amount. Head of Accounting Organization would obtain a certificate from PAO in compliance of the new arrangements.

Note 2: Head of Accounting Organization would monitor the disposal of bills in PAO specifically over and above delay of timelines of 2 days for GeM bills and 5 working days for other category bills as stated above and to take prompt remedial action.

2.4.2 The Pay and Accounts Officer should obtain the specimen signatures of the drawing

officers. The Senior Accountant/Accountant shall verify the signature on each bill, with the specimen signature of the concerned DDO.

2.4.3 After duly examining the bills on all aspects and recording pay order for payment both in words and figures on each bill, the Senior Accountant/Accountant should submit them to the Pay and Accounts Officer through his AAO for further scrutiny. This should be done along with the concerned 'DDO wise Bill Passing-cum-Expenditure Control Register' in Form CAM 9 in the case of PAO who do not process bill in PFMS. The Pay and Accounts Officer will examine the bills, compare the signature of the drawing officer with his specimen signature and satisfy himself of the correctness of the charges. Thereafter, he will tick off the relevant entry, affix his initials in the ECR and approve the pay orders over his full dated signature. After this, Digital Signature would be made by Pay and Accounts Officer in PFMS in respect of the bills so passed for effecting e-payments or issue cheque in PFMS as the case may be. In the case of issue of cheque, the passed bill will be handed over immediately to the section for preparation of cheque. Maintenance of CAM-9 would be required in PAOs who do not process bill in PFMS so as to ensure at the time of passing each bill that the amount of the bill under check is covered by budget allotment. In the case of processing bill in PFMS, available budget under the relevant object head/s would be shown during pre-check by PAO in PFMS. Object head wise expenditure details would also be available under PFMS CAM Report No.BUD-04-Expenditure Control Register.

2.4.4 Payments in respect of outstation establishments will be done predominantly through direct credit to the account of the payee through banking channels by following the approved e-payment procedure. In exceptional cases, bank drafts or cheques may be issued. The required bank drafts should be obtained from the relevant branch of the bank with which the PAO is in account, by sending a requisition available with the bank. Requisition for cancellation of the bank drafts obtained earlier or issue of fresh draft in lieu of the cancelled one should be sent separately to the bank and should not be included in the requisition. Every requisition sent to the bank shall be entered in the Register of Bank Drafts (Form CAM 12) and the Pay and Accounts Officer/Cheque drawing DDO, should watch their receipt from the bank and dispatch to the payees concerned through this Register. The bank will return one copy of the requisition Statement to the PAO while issuing bank drafts. The bank draft should be dispatched with a forwarding letter in Form CAM 13 to the party concerned by Registered Post. The details of cancellation or corrections in Demand Draft will be noted against the original entry in CAM 12.

2.4.5 The payment advice or cheque should be prepared for the net amount. When two or more bills are payable to the same person, a single payment advice or cheque can be issued for the total amount. The DH will note the cheque number or PFMS transaction ID in the case of e-payments as the case may be, prominently on the bill. In case of cheque, details should be entered by DH in the Register of the Cheques Delivered and e-payment advice (Form CAM 11,11A) and submit the cheque along with the bill to the Pay and Accounts Officer (and also to the second officer authorised to sign the cheque for payments of ₹ ten lakhs and above), through the AAO. The Pay and Accounts Officer signing the cheque will tick the cheque number or details of payment advice, verify that the amount of cheque or payment advice agrees with the amount passed for payment, and then sign the cheque or apply his/her DSC after cancelling the pay order given earlier in the manual bill passed or verifying the digitally signed pay order against the e-bill passed in the system as the case may be. The passed bill together with the cheque will be returned to the Cheque Section for its delivery/dispatch. The Cheque Section will write the Daily Voucher(DV) Number on the upper right-hand corner of the manual bill. The details of payments for each day should be entered in the Register of Cheques Delivered and e-payment advice (Form CAM 11,11A), on a separate page for each day and should be reconciled daily with the PFMS Report of Register of Cheques (PC-03) in FORMAT CAM-10.

2.5 PROCEDURE FOR RETURNING THE BILLS UNPASSED

2.5.1 If for any reason it becomes necessary to return a bill without passing, it should be returned with Bill Return Memo (Form CAM 14) clearly stating the reasons for return of the bill citing rule positions and government orders including provision of contract/agreement/job order/supply order/MoU as the case may be in contractual bills. The drawer of the bill will be separately informed about the return. It must be ensured by the PAO that all observations/objections are made together in the first instance and not in piecemeal.

2.5.2 The bill will be passed for the admissible amount with the amounts considered inadmissible being disallowed, in case minor omissions/inaccuracies are noticed. Simultaneously the drawer of the bill should be intimated regarding the amount disallowed and the reasons for the disallowance.

2.5.3 The bills can be returned at the level of PAO once. After a clarification or reply to observations made by PAO has been submitted by the executive wing through DDO to PAO and PAO is still not satisfied with the reply submitted or has additional queries then the bills may as far as possible be returned on subsequent occasions with the approval of supervisory officers such as Dy.CA/CA/CCA/Pr.CCA as the case may be. In the absence of intervening level officers, PAO, after return of bill to DDO on second or subsequent occasions, should report to supervisory officers by next working day.

2.5.4 The supervisory officers may review a sample of first-time return cases by PAO every month to ascertain that bills are not returned on flimsy ground and that the returns are made with clear observations, adequately backed by rules.

2.6 BUDGET PROVISIONS AND CHECK AGAINST BUDGET PROVISION

2.6.1 Articles 112 to 116 of the Constitution contain the important financial provisions that describe the control, which Parliament exercises over expenditure from the CFI. Some important aspects of the budgetary system are indicated in below.

2.6.2 The Finance Ministry places before the Parliament under Article 112(1) of the Constitution an Annual Financial Statement giving the estimated receipts and expenditure of the Central Government for the ensuing financial year. This statement, also called the 'Budget', is presented on the first of February. The statement not only includes the estimated receipts and expenditure for the ensuing financial year but also contains revised provisions for the current year besides actuals for the previous three years.

2.6.3 The Budget presented before Parliament is based on the Revised Estimates/Budget Estimates prepared by various individual offices duly vetted and consolidated by the Heads of Departments/Ministries, and the final allocations approved by the Ministry of Finance.

2.6.4 **Vote on Account** If the Appropriation Bill seeking authorization of the Parliament to make expenditure in consonance with the Budget proposal is likely to be passed after the start of the financial year to which it corresponds then pending the completion of the procedure prescribed in Article 113 of the Constitution for the passing of the Budget, the Finance Ministry may need to obtain a 'Vote on Account' to cover expenditure for a brief period in accordance with the provisions of Article 116 of the Constitution. Funds made available under Vote on Account are

not to be utilized for expenditure on a 'New Service'. (Rule 55-GFR,2017).

2.6.5 No expenditure incurred from the Consolidated and Contingency Funds of India on or after 1st April of a financial year, under the provisions of Articles 114 to 116 and 267(1) of the Constitution, will be protected by law unless authorised by an Appropriation Act passed in accordance with the provisions of Article 114. All disbursements from the Consolidated Fund during a financial year, which are not authorised by the Annual Appropriation Act passed by the Parliament before the close of the year, will, therefore, be challenged by Audit as unauthorised expenditure, until regularized by an Appropriation Act. The Pay and Accounts Officers should note this.

2.6.6 The check against provision of funds should be directed primarily to ascertaining that the money sought to be spent is to be applied to the purpose or purposes for which the Grants and Appropriations specified in the Schedule to an Appropriation Act passed under Article 114 of the Constitution were intended to provide and that the amount of expenditure against each Grant or Appropriation does not exceed the amount included in that Schedule. A gist of the classification so far issued on the types of transactions that could be treated as 'charged' expenditure under the provisions of the Constitution is included as APPENDIX 2.1 to this chapter.

2.6.7 The pre-check to be applied to all payments by the departmentalized Accounts Offices includes a check against provision of funds also. It is an important part of the functions of the PAO to see that no payment is made in excess of the budget allotment. At the time of conducting pre-check by Pay and Accounts Officer in PFMS, available budget under each object head would be shown in PFMS for the purpose of bill passing and expenditure control. In order to exercise an effective check in this regard, a separate register DDO-wise Bill Passing cum Expenditure Control Register in Form CAM-9, should be maintained in the Accounts Office which do not process bill in PFMS for each drawing officer and by sub-heads and units of appropriation so as to ensure at the time of passing each bill that the amount of the bill under check is covered by budget allotment.

2.7 EXCESS OVER BUDGET PROVISION:

2.7.1 If the amount of any bill leads to excess over the budget allotment, the Pay and Accounts Officer should decline payment under advice to the authority controlling the grant so that the latter could arrange for additional funds. An Appropriation Audit Register Form CAM-62 shall be maintained for this purpose. In case of an urgent requirement of expenditure attracting the provisions of New Service/New Instruments of Service and thereby supplementary demands through the approval of Parliament, the same should be referred to Ministry of Finance. The excess expenditure in such cases can be allowed by the concerned FAs only on the specific approval of Secretary (Expenditure) that the necessary funds will be made available through the next batch of supplementary demands for grant. Rule 61 of GFR, 2017 may be referred in this regard.

2.7.2 In cases where payment of a bill/claim would lead to excess over the provision under any unit of appropriation, the payment may be made by the PAO only on receipt of Contingency Fund Advance; approval of Secretary (Expenditure) (where NS/NIS is attracted) or an assurance in writing from the Ministry/Head of Department controlling the grant (where NS/NIS is not attracted) in terms of APPENDIX 10 of GFR, 2017.

2.7.3 If such a contingency for inevitable payment of a bill arises towards the close of financial year the orders of the Financial Advisor on behalf of the Chief Accounting Authority will have to be sought in terms of APPENDIX – 10 of GFR 2017, and the expenditure under the grant as a whole is likely to be exceeded. In case the additional funds required and being made available

merely by re-allocation (and not by re-appropriation) of savings, if any under the same sub-head of appropriation - the related claim will be passed for payment only after additional funds are allocated in writing by the controlling officer.

2.8 SCRUTINY OF DISTRIBUTION OF GRANT APPROPRIATIONS CHECK OF RE-APPROPRIATION ORDERS AND SCRUTINY WITH REFERENCE TO GUIDELINES ON NEW SERVICE/ NEW INSTRUMENT OF SERVICE

2.8.1 While scrutinizing orders relating to allotment and re-appropriation of funds, provisions of Rules contained in Rule No. 55 and 56 of the GFR, 2017 and Rules 7 to 10 of the compilation of DFPR, 1978, as amended from time to time, may be kept in view. It may also be checked whether relevant orders are issued by the competent authority and that the total of the allotments among various controlling and disbursing officers does not exceed the funds duly provided under the relevant head and further that re-appropriation orders are free from arithmetical inaccuracies etc. and contain full reasons for the re-appropriations.

2.8.2 Ministry of Finance (Department of Economic Affairs) O.M. No.F.1(22)-B(AC)/2022 dated 23rd February, 2024 (**APPENDIX 2.2**) and subsequent OMs from time to time containing guidelines on NS/NIS may be kept in view while exercising check on budget availability during pre-check of bills.

2.9 CHECK OF SANCTIONS FOR EXPENDITURE

2.9.1 Under Article 53 of the Constitution, the executive power of the Union vests in the President and is exercised by him either directly or through officers subordinate to him in accordance with the Constitution. Article 77 of the Constitution requires that all executive action of the Government of India should be expressed to be taken in the name of the President and that orders and other instruments made and executed in the name of President should be authenticated in such manner as may be specified in rules made by the President. The rules made by the President for the authentication of orders in the name of the President are contained in the Authentication (orders & other instruments) Rules, 1958. The extent and conditions of delegation of financial powers to different authorities are contained in the Delegation of Financial Powers Rules, as amended from time to time.

2.9.2 The responsibilities of the PAO in regard to check of sanctions are as detailed in subsequent sections.

2.9.3 The sanction should conform to the relevant provisions of the Act and of the Laws and Rules made there under and should be in accordance with the financial rules, regulations and orders issued by a competent authority or by virtue of powers formally delegated to it by a higher authority. The rules, regulations and orders against which check is conducted, mainly fall under the following categories -

- (i) rules and orders regulating the powers to incur and sanction expenditure from the CFI and the Contingency Fund of India;
- (ii) rules and orders dealing with the mode of presentation of claims against Government, withdrawing moneys from the CFI, Contingency Fund and Public Account of India, and in general the financial rules prescribing the detailed procedure to be followed by Government servants in dealing with Government transaction and
- (iii) rules and orders regulating the conditions of service and pay and allowances and pensions of Government servants.

2.9.4 The authority sanctioning the expenditure is competent to do so by virtue of the powers vested in it by the provisions of the Act, laws, rules or orders there under or by rules of

Delegation of Financial Powers made by a competent authority; and the sanction is definite and needs no reference either to the sanctioning authority or to any higher authority.

2.9.5 Check of sanctions would be done to serve as a control measure for ensuring the financial propriety in the system. The PAO is expected to exercise adequate due diligence while processing the expenditure proposal.

2.9.6 PAO would be authorized to scrutinize the relevant details of the expenditure proposals wherein prima-facie apprehensions are there on the financial propriety of the expenditure proposal.

2.9.7 In cases where the PAO is not satisfied about the observance of financial propriety he can call for additional details from the departmental officer, citing specific reasons as per provisions contained in Rule 13 (12) of R& P Rules,2022.

2.9.8 On scrutiny of relevant records, Pay and Accounts Officer may either pass the claim or send it back to the departmental officer within the prescribed time period. In case Pay and Accounts Officer is not satisfied with the expenditure proposal on grounds of financial propriety, he would submit the case to supervisory CA/CCA/Pr.CCA for consideration. In cases where CA/CCA/Pr.CCA agrees with the observations of Pay and Accounts Officer they would record their views and submit them to Financial Advisor/Chief Accounting Authority for necessary guidance.

2.9.9 All sanctions issued by Ministries/ Departments for the amounts above ₹ 50 lakhs and upto ₹ 5 crore should be reviewed by Dy. CAs and above ₹ 5 crore by CAs with the following exceptions:

- (i) Inter-Governmental transactions of Ministry of Finance including tax devolution, compensation of revenue loss to States/UT Governments etc.;
- (ii) Inter-Governmental transactions of Ministry of Home Affairs relating to Demands for Grants pertaining to Transfers to Delhi, Puducherry and J&K;
- (iii) Inter-Departmental transactions.

Note: In case of non-availability of post of Dy.CAs, the review shall be done by the immediate next level i.e. CA. In case of non-availability of post of CA, the review shall be done by the immediate next level i.e. CCA or Pr.CCA, as the case may be.

2.9.10 Sanctions issued by Ministries/Departments for TSA assignment to Autonomous Bodies (ABs) are also required to be reviewed as per the prescribed monetary limit. Pay and Accounts Officer must submit sanction for review to higher authorities on the same day he/she receives it in the system. Review time duration of high value sanctions by Dy.CA or CA or CCA or Pr.CCA, where required, should not be in addition to the processing time of bills, and should be done in parallel as much as possible. Sanction review should be done by the said authority within a maximum of two working days and returned to Pay and Accounts Officer.

2.10 CHECK OF CLASSIFICATION IN ACCOUNTS

2.10.1 The transactions dealt with in the departmental accounts organizations should be classified in accounts strictly under the Major and Minor Heads shown in the List of Major and Minor Heads of Account as amended/updated from time to time. The detailed classifications

below the Minor Heads will be as shown in the Detailed Demands for Grants and entered in Union Budget Information System (UBIS).

2.11 ALLOCATION OF EXPENDITURE BETWEEN CAPITAL AND REVENUE

2.11.1 The classification of expenditure as Capital or Revenue will broadly depend on the following conditions:

- (i) Capital expenditure may be generally defined as expenditure incurred with the object of either increasing assets of a material and permanent character or of reducing liabilities.
- (ii) It is inherent in the definition of capital expenditure that the assets produced should belong to the authority incurring the expenditure.
- (iii) Expenditure by Government on grants-in-aid to local bodies or institutions for the purpose of assets creation which will belong to these local bodies or institutions are not classified as capital expenditure in the books of the grantor.
- (iv) Expenditure on a temporary asset cannot ordinarily be considered as expenditure of capital nature.

Note: Rule 8 of Delegation of Financial Power (Amendment) Rules, 2022 provides that purchase of office equipment, furniture and fixtures, Digital equipments exceeding the threshold limit ₹ one lakh or three years of useful life, either of the two, as decided by the Government from time to time should be classified as 'capital' expenditure under the relevant Object Head 'Machinery and Equipment', Furniture and Fixtures' and Information, Computer, Telecommunications (ICT) equipment respectively. However, the distinction between Revenue and Capital Expenditure shall be as defined in the Government Accounting Rules, 1990.

2.11.2 When it has been decided that the expenditure on a scheme for creation of a new or additional asset shall be classed as 'Capital' the following main principles shall be applied for the treatment of expenditure in accounts:

2.11.2.1 Capital bears all charges for the first construction of a project as well as charges for intermediate maintenance of the work while not yet opened for service including charges for such further additions and improvements, as may be sanctioned under rules made by competent authority.

2.11.2.2 Subject to 2.11.2.3 below, revenue bears all subsequent charges for maintenance and all working expenses. This includes all expenditure on the working and upkeep of the project and also on such renewals and replacements and such additions, improvements or extensions as under rules made by competent authority, and are booked to the Revenue Account.

2.11.2.3 In the case of works of renewal and improvements which are both of capital and revenue nature, it is impracticable to draw a hard and fast line between what is properly to be debited to capital or revenue. Allocation in such cases is made by detailed rules and formulae devised by the executive authorities, which are applied in estimates and accounts to determine the allocation of expenditure between capital and revenue. These rules and formulae must necessarily be based upon some general principle of sound finance, which should aim at an

equitable distribution of burdens between present and future generations.

2.11.2.4 Capital receipts in so far as they relate to expenditure previously debited to capital accruing during the process of construction of a project should be utilized in reduction of expenditure. Thereafter, their treatment in the accounts may depend on circumstances, but except in the case of recovered stores in Railways and the Posts and Telecommunications Departments, or as otherwise provided in the rules of allocation applicable to a particular Department, they should not be credited to the ordinary revenue account of the undertaking.

2.12 ACCOUNTING OF TRANSACTIONS UNDER RESERVES AND RESERVE FUNDS

2.12.1 Any device to render the grants non-lapsing by withdrawing such amounts to a Fund is contrary to the strict principles of sound budgetary and financial controls. However, such a course is adopted in certain cases with the cognizance and approval of the competent authority (Cabinet/Parliament etc.) to constitute a specific Reserve or Reserve Fund. These Reserves or Reserve Funds may be classified under the following three categories according to the sources from which they are funded:

(i) Funds accumulated from grants made by another Government and at times aided by public contribution, e.g., Fund formed from subvention from the Central Road and Infrastructure Fund; Fund for Economic Development and Improvement of Rural Areas;

(ii) Funds accumulated from sums set aside by the Union or State Governments from the CFI or the Consolidated Fund of the State, as the case may be, to provide reserves for expenditure to be incurred by themselves on particular purposes, e.g., the various Depreciation or Renewals Reserve Funds created in respect of commercial departments and undertakings;

(iii) Funds accumulated from contributions made by outside agencies to the Union or State Governments, e.g. Deposit Account of grants made by the Indian Council of Agricultural Research; deposit account of grants made by the Indian Central Cotton Committee.

2.12.2 The main principles which would govern the procedure for accounting of expenditure met from Reserves or Reserve Funds and its exhibition in estimates and accounts are set out below: -

(i) A grant to the Union or State Government by another Government should be treated as ordinary revenue of the recipient Government irrespective of whether the grantor Government retains control over the expenditure from the grant or not.

(ii) A grant from an outside agency to the Union or a State Government made without reserving control over the expenditure there from should also be treated as ordinary revenue of Government.

(iii) Where reserves are created out of the grants mentioned in sub-paras (i) and (ii) above or out of moneys set aside by the Union or State Government from the CFI or the State, as the case may be, the transfers to and the expenditure from the reserves are required to be through appropriation by the Parliament/Legislature.

2.12.3 The method of accounting applied to the Reserve Funds mentioned in para 2.12.1 should be as follows, and in keeping with the aforementioned principles: -

The grants from outside agencies that do not retain control over the expenditure met there from and the grants from other Government will, in the first instance, be taken to the relevant receipt head of account of the Government. Simultaneously, an amount equivalent to the grant received and credited to the receipt head will be transferred to the relevant head in the Reserve Fund/Deposit section of accounts by debit to the service major head concerned. In the case of Fund referred to in (ii) of para 2.12.1 above, the amounts set aside by the Union/State Government from the CFI/State to provide reserves for expenditure to be incurred by themselves on particular purposes should likewise be taken to the Reserve Fund head opened for the purpose. In both cases, in order to bring the expenditure from the Fund into the Appropriation Accounts, the expenditure should be accounted for under the relevant service head of expenditure under which provision of Funds has been made and an equivalent amount will be credited to the service head concerned by transfer from the Reserve Fund/Deposit Head concerned and shown as a deduct entry there under. Provisions contained in para 3.4 of General Directions to the LMMHA may be referred for the accounting procedure relating to Reserve Funds.

2.12.4 The principles and procedure prescribed in this paragraph do not apply to certain transactions for example those pertaining to Famine Relief Funds and Sinking Funds for loans, which are governed by special arrangements. In the case of Regulatory Bodies, different procedure has been adopted, whereby the receipts of the regulatory bodies are being credited directly to the Fund, without routing it through CFI. However, for the expenditure the procedure remains unchanged and is required to be budgeted, unless specifically exempted.

2.12.5 Contributions towards share capital in non-departmental commercial and Industrial undertakings will be recorded under the concerned Programme Minor Heads below relevant functional Major Head of Account. Loans paid to these undertakings will be classified similarly under the concerned Programme Minor Heads below the relevant functional Loan Major Head of Account.

2.13 CLASSIFICATION OF AID MATERIALS & EQUIPMENTS RECEIVED FROM ABROAD

2.13.1 The value of materials, equipment and other commodities received from foreign countries etc., as aid, without involving any cash inflow or outflow should be taken as a receipt under Major Head "1606- Aid Materials and Equipments" by a corresponding debit to the Major Head '3606- Aid Materials and Equipments". When the material or equipment are allocated for use by Government departments or given as grants-in-aid to private bodies etc. the value thereof should be debited to the relevant Major Head concerned relieving the initial debit under the Major Head '3606' by a deduct entry. The same procedure should be followed in the case of transfer of such material by Central Government to State and Union Territories as grants or loans and the debits in Central Government accounts should be to the Major Heads for grants-in-aid/loans and advances to State Governments and Union Territory Governments. When, however, the aid material is sold, the sale proceeds should be credited as a receipt under the relevant Major Head of function for which the material etc. is received. The value of technical services or cost of experts deputed by foreign agencies directly from their own resources does not have to be incorporated in Government Accounts.

2.13.2 Cash grants, as distinct from commodity or other assistance in kind received from external sources (like foreign governments, international bodies, agencies etc.) are to be accounted for only by the Controller of Aid Accounts and Audit, Department of Economic Affairs, Ministry of Finance in his books under the relevant minor heads below the major head "1605-External Grant Assistance". In case Ministries/Departments receive such cash grants, the details of the same should be passed on to the Controller of Aid Accounts and Audit for final accounting in his books. Copies of letter of agreements exchanged between Ministries/Departments and donor countries in regard to cash grants, technical assistance/aid in the form of aid materials and equipment etc. should also be endorsed to him simultaneously, for issue of suitable accounting procedures for the same.

2.13.3 Some agreements like those under Colombo Plan require the value of the aid material received (i.e. counter-part funds generated) to be exhibited in a Fund Account, so as to be released in due course for utilization on agreed projects. In such cases, it would be sufficient, if a Proforma Account of the Aid received and expenditure therefrom on the agreed projects is kept by the Department concerned, avoiding reflection of the transactions under such Funds in Government Accounts.

2.14 GENERAL INSTRUCTIONS ON CLASSIFICATION OF EXPENDITURE

2.14.1 Apart from the general principles, the main duty of the PAO in check of classifications would be to see that the expenditure is classified and recorded under the grant and the sub head under which the provision for expenditure was made in the Budget Estimates. Note below 2.11.1 shall also be referred classification of expenditure based on object heads defined in Rule 8 of DFPR.

2.14.2 The following principles should be adopted for classifying the expenditure on departmental accounts organisation:

(a) The expenditure on a PAO, which is exclusively dealing with a separate identifiable organisation will be treated as regular expenditure of the organisation without operating separate minor heads for this purpose. For example, expenditure on PAO (Tourism) will be debited to the head '3452-Tourism-Direction and Administration'.

(b) The expenditure on all other PAOs as well as Principal Accounts Offices of all Ministries/Departments including Internal Audit Wings set up under the scheme of Departmentalisation will be classified under the minor head 'Secretariat' below the appropriate Major head viz., '2052- Secretariat-Services' or '2251-Secretariat-Social and Community Services' or '3451-Secretariat-Economic Services', as the case may be.

2.14.3 Budget provision will also be made according to the principles set forth above. In the case of (a) above, the provision will be included in the total provision for the organisation. In respect of (b), budget provision will be included in the Secretariat Demands for Grants of the concerned Ministries or Departments.

2.15 GENERAL CHECKS TO BE EXERCISED IN RESPECT OF BILLS SUBMITTED FOR PRE-CHECK.

2.15.1 The following checks will be exercised on all classes of bills:

(i) that bills are prepared in the prescribed form, signatures are genuine and that the bills are in original; that a brief abstract is given in the official language authorised for the purpose under the signature of the drawing officer on all vouchers prepared in any other language; that signatures, if not in the authorised script, are transliterated and that sub-vouchers contain notes of dates of payment;

(ii) that the details work up to the totals and that the totals are in words as well as in figures,

(iii) that they bear a 'pass order' signed by the DDO;

(iv) that there are no erasures, and that any alterations in the total are attested by the officer concerned as many times as they are made;

(v) that no payment is made on a bill or order signed by a subordinate instead of Head of Office himself, or on a voucher or order signed with a stamp, and that copies of sanctions are certified by the sanctioning officer or by an authorised gazetted Government servant;

(vi) in all cases in which it is prescribed, tallying should be carried out between the different documents, that the fact of the matching should be noted on both the documents and the note initialled by Accountant who does the tallying;

(vii) see that, GST/TDS on GST as per GST Rule, 2017, Fund and Income-tax deductions as per IT Act etc have been correctly made;

Note: In respect of the pay bills of his/her own establishment and pension bills paid by him/her after pre-check, the Pay and Accounts Officer acts as the officer responsible for recovering income-tax on the income chargeable under the head 'salaries' and is, therefore, under a statutory obligation to deduct, at the time of payment, income-tax on the amount payable at the rate applicable to the estimated income of the assessee under the head "Salaries". In respect of other bills, the PAO is not responsible for checking the correctness of the Income-tax deductions but whenever such bills come under his scrutiny in the course of audit, he should always see that deductions of income-tax are not omitted in cases where such deductions should clearly be made;

(viii) that no bill for pay or allowances not claimed within two years (vide Rule 295 of GFR, 2017) of its becoming due are admitted without the sanction of the competent authority;

(ix) see that the stores are purchased through the agency of the purchase organisation of the Central Government, viz. GeM, when this is required by the orders of the Government.

(x) that in the case of contingent bills, sub-vouchers as required under the rules are attached as per R&P Rules, 2022;

(xi) that the classification noted in the bill is correct with reference to the nature of the transactions and that an item which should be charged on the CFI is not classified as Voted and vice versa. Classification of object heads should be in line with the revised object heads contained in Rule 8 of DFPR notified by Ministry of Finance in Delegation of Financial Power (Amendment) Rules, 2022 on 16.12.2022.

(xii) that Bank account details match with the bank mandate form submitted along with the bills.

(xiii) that clear copy of original invoice/bill and other relevant supporting documents are uploaded along with e-claim in the case of e-bill for payment.

2.15.2 DoPT vide their OM No.18/3/2015-Estt.(Pa-I) dated 2.3.2016 had issued advisory to Ministries/Departments to deal with the issue of wrongful/excess payments made to Government servants in accordance with decision of the Hon'ble Supreme Court in their Order dated 18.12.2014. As per the said DoPT OM dated 2.3.2016, wherever the waiver of recovery in the situations of hardship as summarised in the aforesaid Supreme Court Order is considered by Ministries/Departments, the same may be allowed with the express approval of Department of Expenditure. The instructions before referring the proposals involving waiver of recovery of excess payment to DoE are contained in their OM No.09(20)/2023-E.II(A) dated 1.6.2023.

2.16 ESSENTIAL CHECK

The following essential checks will be exercised in respect of the various categories of bills. These checks are only illustrative and not exhaustive.

2.16.1 CHECK OF ESTABLISHMENT PAY BILLS

- (i) that the bills have been signed by DDO and his signature tallies with specimen signatures earlier furnished;
- (ii) that the bills have been prepared with due regard to Para 2.2 5 (a) to (o) of Subsidiary Instructions to R&P Rules, 2022;
- (iii) that the arithmetical calculations of the bills are correct;
- (iv) that the absentee statement, where required is duly filled-in or a 'no leave' certificate is furnished;
- (v) that the enhanced pay of officiating Government servants is in accordance with the rules;
- (vi) that in case of any names appearing for the first time in the pay bills Last Pay Certificate (LPC) along with joining order is furnished for a Government servant transferred from another establishment. In case of a person newly appointed, posting order/appointment order should be enclosed with pay bill. [Para 2.4(8) of Subsidiary instructions to CGA(R&P)Rules, 2022.].
- (vii) that the increment drawn is supported by an increment certificate duly signed by Head of Office./competent authority ;
- (viii) that the number of persons for whom pay or leave salary has been drawn does not exceed sanctioned strength of the establishment. For this purpose, the numerical check of drawls against sanctioned number of posts should be done;
- (ix) where arrears are drawn, a certificate is recorded by DDO stating that necessary note has been made in original bills from which the claim is omitted.
- (x) that the remarks showing how the claims have been affected by death, retirement, permanent transfers, first appointment etc. are entered in detail;
- (xi) that in the case of establishments under which names of Government servants are not required to be indicated the certificate prescribed in para 2.4 (3)(e) of Subsidiary Instructions to R&P Rules, 2022 is furnished, and;

(xii) that the admissibility of all allowances i.e. DA, HRA, Transport Allowance, special pay, personal pay, miscellaneous dues, and various allowances claimed in an establishment bill should be scrutinised with reference to the rules or orders in force. In case of Pay Bill, PAO concerned shall also maintain, a " Non-computational Allowance Payment Register' (Form CAM 23) wherein details like the name of the incumbent, his pay, special pay, personal pay, special allowances etc. shall be noted. In case the changes in pay are not properly explained in the 'Remarks' column of the pay bill, the amount may be kept in objection and the details called for separately. The pay bill need not be returned un-passed on this account. Para 2.4 (1) (e) of Subsidiary Instructions to R&P Rules, 2022, provides that monthly salary bills should reach PAOs by the 20th of the month to which they relate. During the last three working days of the month, PAO would give preference to monthly salary bills. Bills other than monthly salary bills would be considered if they are unavoidable and urgent;

(xiii) that the changes as indicated in variation statement is not substantial in respect of any government servant, and if so, variation in pay should be investigated. In case of bills prepared through EIS module, the system should take care of totals etc. However, DDOs who prepare salary bills through EIS module should check the details thoroughly and ensure that variation statement is invariably checked and is attached with Pay bill. The variation statement should indicate the change in gross pay and allowances as compared to the previous month with details of change of basic pay and allowances in respect of each government servant in the current bill.

Note: The system should flag each new entry in pay bill generated through EIS module of PFMS. CAM -23 report generated in EIS would help PAO to cross check the date being maintained by PAO in manual register. PAO and Head of Office would also conduct periodic review of the CAM-23.

(xiv) that Increment certificates should be examined to see that the increment claimed is according to rules and supported by facts stated and has actually accrued. It should also be seen: -

- (i) that the increment granted is admissible under F.Rs. 22-27 and 29.
- (ii) that the period of suspension is not treated as duty except in the circumstances explained in F.R.54.

(xv) that deduction on account of PF, CGHS, CGEGIS and License fee etc. from Pay bill are correctly made by DDO as per entitlement of the employees with reference to the rules concerned.

(xvi) that orders relating to promotion/non-functional upgradation, pay fixation order etc. are essentially made available with arrear bills. Pay fixation order and arrear of Due and Drawn statement must be verified by DDO along with following certificates in arrear bill:

- (a) that no part of amount claimed has been drawn previously
- (b) that a note of arrear claim has been made in Pay Bill Register for the period to which the claim pertains. (para 2.6 of Subsidiary Instructions to CGA (R&P) Rules, 2022).

(xvii) that all relevant supporting documents duly signed and verified are made available with the bill in case of payment of miscellaneous dues i.e. HRA, CEA, Hostel Subsidy etc.

(xviii) that recovery of NPS subscriptions are made from the 1st salary of newly recruited employees covered under NPS. Timelines for receipt of NPS bill from DDO and remittance of both contributions to trustee bank are reiterated in para 7.20.2 of this manual. It should be checked whether the contributions towards NPS are correctly recovered from the Government

servants covered under NPS and bills for drawing Government's Contributions are drawn/submitted along with the pay bills.

2.16.2 CHECK OF LAST PAY CERTIFICATES

- (i) The last pay certificates (in form RPR 2) are issued by DDOs in the event of transfer of a Government servant to another post or office under the jurisdiction of another drawing officer.
- (ii) In checking these certificates, it should be seen:
 - (a) that the certificate is in the prescribed form and has been properly drawn up;
 - (b) that the joining time availed of and the joining time pay are in conformity with Central Civil Services (Joining Time) Rules 1979 as amended from time to time.
 - (c) that no compensatory allowance is drawn during joining time except as provided in S.R. 7-C; and
 - (d) that pay or leave salary, if due for a period prior to joining time is drawn according to rates noted in the last pay certificate.

Note:

- (1) The term 'undisbursed pay and allowance' includes only the pay and allowances due to an employee, but for some reasons not paid.
 - (2) Undisbursed pay and allowances if in cash, the same may be retained by the Drawing Officer for a period not exceeding 3 months, provided suitable arrangements exist in his office for the safe custody of the money. The undisbursed pay and allowances should be refunded by short drawals from the bills and may be taken in reduction of expenditure under various detailed heads, if these are refunded in the same accounting year. Such recoveries pertaining to previous year shall be recorded under distinct minor head 'Deduct Recoveries of Overpayments' below the concerned major/sub-major head in the Accounts.
 - (3) The refunds against the undisbursed pay and allowances should be noted against the short drawals in the original bills.
- (iii) The check to be exercised by the PAO may be limited to watch against the total number of posts sanctioned, the total number of persons in each section of establishment who are (a) drawing duty pay and (b) are on leave including extra-ordinary leave or under suspension. The PAO shall maintain an Establishment Check Register (Form CAM 24) separately for each DDO under his payment and accounting control. All sanctions for creation of posts will be noted in this register in the relevant columns. The posting in the register will include the number for whom claims have been shown as paid in the monthly bill. This is necessary to ascertain the total number of persons paid salary against the sanctioned posts during a month. However, it would be the responsibility of the DDO to ensure that no claims are presented to the PAO in excess of the sanctioned strength of staff. This will be put to test-check during Internal Audit.
 - (iv) Though it is the primary duty of the DDO to obtain the sanction for extension/continuance of the temporary posts well in time, it is equally the responsibility of the PAO to ensure that salary

claims are not entertained and paid as a matter of course even beyond the date of expiry of the sanctioned post.

(v) In cases where the sanction for the continuance of a temporary post otherwise a part of regular establishment is continued from year to year is not forthcoming even after three months from the date when it expired, payments should be made only after obtaining prior approval of the FA. In cases where posts are sanctioned for a specific period, payment beyond the sanctioned period should be made only with the approval of the FA, if sanction for continuation of post is not available. This would apply mutatis- mutandis to Cheque Drawing DDOs.

(vi) All cases of death, retirement, resignation and permanent transfer out of the establishment as also important events like suspension, withholding of increment etc. shall be noted in the CAM-23 register under the attestation of the AAO.

2.16.3 CHECK OF PAY FIXATION CASES

2.16.3.1 From 1st April,1976 the distinction between gazetted and non -gazetted staff in regard to maintenance of service records, determination of entitlements (including pay fixation) and drawal of entitlements has been dispensed with and Heads of Offices have been made responsible for these- vide O.M. No. F.10(9)-B(TR)/76 dated 28-2-76 and O.M. No. F-3(1)E.IV-(A)/76 dated 17-3-76. It would not, therefore, be necessary for the authorities responsible for pay fixation to consult the PAOs in respect of cases of pay fixation with reference to normal rules. However, in specific difficulty or complicated cases, Ministry may consult the Pr. CCA/CCA/CA concerned. Cases requiring fixation of pay in relaxation of the normal rules should be referred to the authority competent to relax the rules through the Internal Finance Section of the Ministry and not to the Head of Accounting Organisation. The scrutiny of pay fixation cases done by the departmental offices with reference to the initial records should be audited by the Internal Audit Wing of the Ministry/Department.

2.16.3.2. Pay fixation orders issued due to grant of MACP/ACP/Financial upgradation/increment/Promotion etc. may necessarily be audited by the internal audit and /or the PAO concerned, within 3 months of issuing such orders.

2.16.3.3. In cases where the employee is due to retire within next 4 years, audit of previous pay fixation orders shall be done on priority. (Authority: DoPT's OM No. 18/03/2015-Est.(Pay-I) dated 3rd October 2022)

2.16.4 CHECK OF OVERTIME ALLOWANCE CLAIMS

- (i) The grant of overtime allowance will be regulated in accordance with the orders contained in the Min. of Finance, Deptt. of Expenditure O.M. No.15011/2/EII(B)/76 dated 11/8/76 as amended from time to time. The following checks should be exercised in respect of bills in which overtime allowance is claimed.
- (ii) that the drawing officer has furnished the requisite certificates as prescribed in this O.M. along with the bills duly signed by him.
- (iii) that the categories of staff for whom overtime allowance is claimed, are eligible for the same.
- (iv) that the claims are made at the prescribed rates.

Note: Objection should not be taken to the grant of overtime allowance for a particular item of work which has been ordered by competent authority in public interest.

2.16.5 CHECK OF CHILDREN EDUCATION ALLOWANCE CLAIMS

- (i) The grant of Children Education Allowance (CEA) and Hostel Subsidy to Central Government servants shall be regulated in accordance with the instructions issued by DoPT, as amended from time to time. It is admissible in respect of children studying from class nursery to twelfth including classes eleventh and twelfth held by Junior Colleges or Schools affiliated to Universities or Boards of Education.
- (ii) In order to claim reimbursement of CEA, the government servant should produce a certificate issued by the Head of the Institution for the period/year for which claim has been preferred. The certificate should confirm that the child studied in the school during the previous academic year. The period/year means academic year i.e. twelve months or complete academic session.
- (iii) In order to claim reimbursement of Hostel subsidy for an academic year, a similar certificate from the Head of Institution confirming that the child studied in the school will suffice. If applicable, the certificate should mention the amount of expenditure incurred by the Government servant towards lodging and boarding in the residential complex.

In case such certificate cannot be obtained, self-attested copy of the report card or self-attested fee receipts (including e-receipts) confirming/indicating that the fee was deposited for the entire academic year, can be produced as a supporting document to claim CEA/Hostel Subsidy.

2.16.6 CHECK OF TRAVELLING ALLOWANCE BILLS

The grant of Travelling Allowance to Central Govt. servants shall be regulated in accordance with the C.C.S. (Travelling Allowance) Rules, as amended from time to time. The following main checks are to be exercised by PAOs in respect of TA Bills-

- (i) that copies of approved tour programme, air/train/bus ticket, boarding pass, hotel/guest house invoices/bills are attached with the claim.
- (ii) that mode of travel is as per entitlement of the government servant.
- (iii) that dates and hour of the commencement as well as end of the journeys and purpose of journey are mentioned in the TA bills.
- (iv) that tickets were booked through Authorized Travel Agents approved by government.
- (v) that road mileage & DA claimed are in accordance with the rules and government orders.
- (vi) that bills are signed/countersigned by DDO/Controlling Officer/ self Controlling Officer.
- (vii) whether journey performed by own vehicle where places are well connected by rail/road is approved by competent authority in terms of TA Rules.
- (viii) that adjustment bill is submitted within 60 days from the date of completion of journey.
- (ix) that a Government Servant is not entitled for any travelling allowance for journey made during leave (SR 134).
- (x) that TA/DA is not claimed on local training.
- (xi) that in case of TA on transfer, transfer order is annexed along with the bill.
- (xii) that TA claims in respect of Transportation of personal effects and personal conveyance is submitted within 60 days from the dates on which these are actually delivered to Government Servant.

2.16.7 LEAVE TRAVEL CONCESSION(LTC) TO CENTRAL GOVERNMENT SERVANTS

The grant of Leave Travel Concession (LTC) to Central Govt. servants for journeys to and from their declared home city as also to a place anywhere in India once in a block of four years shall

be regulated in accordance with the CCS (Leave Travel Concession) Rules, 1988, as amended from time to time. The following main checks are to be exercised by PAOs in respect of LTC Bills-

- (i) that copies of air/train/bus ticket, boarding pass, are attached with the claim.
- (ii) that the certificate that necessary entries of LTC have been made in the Service Book of the employee (Rule 7 of LTC Rules).
- (iii) that sanction order is available with the bill in respect of 10 days Earned Leave encashment with a certificate that necessary entries to this effect has been made in Service Book of the employee concerned.
- (iv) that tickets were booked through Authorized Travel Agents approved by government
- (v) that bills are signed/countersigned by DDO/Controlling Officer/ Self Controlling Officer.
- (vi) that claim is restricted with the shortest route for circular journey performed (Rule 13 of LTC rules).
- (vii) that mode of travel is as per entitlement of the government servant.
- (viii) that adjustment bill is submitted within one month of the outward journey if advance has been drawn and three months of the outward journey if no advance has been drawn.
- (ix) that journey is not performed in vehicle owned by the government servant.

2.16.8 MEDICAL REIMBURSEMENT CLAIMS

The medical reimbursement claims should be checked and regulated as per the provisions under the Medical Attendance Rules, as amended from time to time. The following main checks are to be exercised by PAOs in respect of Medical Reimbursement Bills-

1. The bill for medical reimbursement should be prepared in Form RPR – 23.
2. The amount drawn in the bills must be supported by proper paid receipts and vouchers in all cases, and should be submitted by the Government servant along with essentiality certificates in Form 'A' or 'B'.
3. PAO is to examine as to whether the fees charged by the Authorised Medical Attendant is in accordance with the prescribed rates.
4. Examine that all the sub-vouchers including for tests etc. prescribed by private hospitals are duly countersigned by the Medical Officer in CGHS Centre and by the competent authority accepting the claim of medical reimbursement. Cases where officials undergo treatment in emergency, requisite emergency certificate issued with the approval of HoD are enclosed along with bill.
5. Special care is to be taken in regard to the diet charges (because these are normally included in the hospital bills submitted by the Government servants).
6. Medicine purchased from open market/chemist is not admissible i.e. in case of CGHS beneficiaries as per OM issued by CGHS dated 24.07.1995 & 18.02.2000. Inadmissible items should not be allowed as per CGHS OM F.No.2-1/2012/CGHS/VC/CGHS(P) dated 01.08.2013.
7. Restricted/approved amount should be attested by DDO through Passed for Payment.
8. Check that if part settlement has been made by medical claim insurance policy, certificate to the effect that total reimbursement amount claimed from both (insurance & CGHS) are not exceeded from actual expenditure is provided with the bill in terms of M/o Health & Family Welfare orders.

9. Check that medical advance, if any, is to be paid in favour of hospital only and not in individual account of employee.
10. Check that copies of CGHS card of the patient, CGHS card of the primary card holder and of CGHS referral slip are available with other supporting medical documents. In case of AMA, referral to be done in empanelled Hospital by an authorized AMA. Check that discharge summary duly signed by treating specialist/CMO etc. is attached with the bill in case of indoor patient. Check that CGHS rate codes are mentioned in bills as per CGHS OM No.Z-15025/117/2017/Dir/CGHS/EHS dated 10.12.2018 as amended and revised from time to time.

2.16.9 CLASSES OF CONTINGENCIES

2.16.9.1 The actual classification of contingent charges is determined by the orders of the Government. However, all contingencies will fall into one or the other of the following five classes-

- (a) Contingent charges met from a lump sum grant placed at the disposal of a disbursing officer for expenditure at his discretion, on certain specified objects. Such charges are known as Contract Contingencies and generally consist of charges, the annual incidence of which can be averaged with reasonable accuracy.
- (b) Contingent charges in respect of which scales have been laid down by competent authority. Such charges may be designated Scale Regulated Contingencies.
- (c) Contingent charges whether recurring or non-recurring which cannot be incurred without special sanction (in each case) of superior authority. These may be termed as Special Contingencies.
- (d) Contingent charges, which may be incurred without special sanction, but require the approval and countersignature of superior authority before they can be admitted. Countersignature is ordinarily obtained after the bills are paid, but in some cases it is necessary before payment. Such charges are known as Countersigned Contingencies.
- (e) Contingent charges which require neither special sanction nor countersignature and may be incurred by the disbursing officer on his own authority, subject to the necessity of accounting for them. Such contingencies may be termed Fully Vouched Contingencies.

2.16.9.2 In checking contingent bills, it will be seen that

- (a) each class of expenditure:
 - i. is a proper charge against the grant or appropriation concerned and is covered by provision of funds
 - ii. has received such sanction as is necessary.
 - iii. has been incurred by a Government servant competent to incur it.
- (b) such vouchers as are required to be enclosed have been submitted keeping in view provisions of para 2.20 (3) of Subsidiary Instructions to R&P Rules, 2022;
- (c) the certificates required under the GFR,2017 have been recorded;
- (d) the rates are apparently not extravagant and the expenditure is not prima facie more than the occasion demands.
- (e) that the bills are in proper form and that the classification is correctly recorded therein.

2.16.9.3 CHECK OF SPECIAL CONTINGENCIES

Following procedure will be adopted for checking the contingent bills:

- (i) In respect of special contingencies, the principal duty of the Pay and Accounts Officer is to watch the expenditure against the necessary sanction of superior authority.
- (ii) When an order of sanction contains no indication of the amount or limit of expenditure sanctioned, enquiry should be made from the authority which issued it, and charges should not be admitted until complete sanction is received.

2.16.10 CHECK OF COUNTERSIGNED CONTINGENCIES.

A-Bills countersigned after payment-

- (i) In the case of bills countersigned after payment, the money is actually drawn on an abstract bill, and the Pay and Accounts Officer as indicated by its counter signature, subsequently receives the approval of the superior authority on the monthly detailed countersigned bill. Both the abstract bill and the detailed monthly bill require scrutiny in the PAO.
- (ii) While checking abstract contingent bills, it should be seen whether the officers drawing abstract bills are, in all cases, authorised to do so. Where needed, AAO should ensure that the amount drawn on an abstract contingent bill is placed under objection and the objections e.g. relating to missing detailed bills, vouchers, sub-vouchers etc should be pursued vigorously. There may be cases in which detailed bills are not furnished within the normal period prescribed in para 2.21 (6) of Subsidiary Instructions to R&P Rules, 2022. In such cases, they should be reported to the Controlling Officer by name and thereafter, if necessary, the matter should be reported first to the Head of the Department by name and even if that fails to produce the desired result, the matter should be reported to the Principal Accounts Office.
- (iii) Adequate caution should be exercised in passing detailed bills which are supported by invoices that are very old compared to the date of drawal of the abstract bill.
- (iv) On receipt of detailed adjustment bills, they should be carefully checked especially with reference to the following points:
 - (a) that the bill is duly countersigned wherever so required;
 - (b) that the charges included in it cover the amounts drawn in lump sum and are classified as in the abstract bills;
 - (c) differences or disallowances should be noted for recovery and adjustment should be made, if necessary on account of misclassification.
- (v) Except on points covered above the Pay and Accounts Officer should not disallow any items included in a countersigned bill which are within the sanctioning powers of the countersigning officer. He should however, draw the attention of the latter to any expenditure which seems questionable or in comparison with like charges elsewhere, excessive in respect of rate, price or amount and may, if he deems it advisable, suggest the Department to address the issue.
- (vi) When the Accountant has completed his check and has ticked off each item supported by a voucher in token of his having seen and passed the bill, he should record his enforcement for

passing the bill or objecting to it, upon the bill itself. He should then make the corresponding entry in the Objection Book (Form CAM-26), taking steps to remove any objection still outstanding.

B. Bills countersigned before payment

Where countersignature is required before payment, there will be no abstract bill but payment will instead be made on a detailed bill. Accountant will make no entry in the 'Objection Book' unless some item in the detailed bill itself is objectionable.

2.16.11 CHECK OF FULLY-VOUCHED CONTINGENCIES

Payment of fully-vouched contingencies will be made on detailed bills. No registers need to be maintained for the record of these bills except in cases where the Pay and Accounts Officer is requested by the Government to check the charges of individual disbursing officers against a lump sum appropriation placed for the purpose at the disposal of a single higher authority. The checks in such cases should be conducted as in the case of bills countersigned before payment.

2.16.12 CALL CHARGES

Payment in respect of telephone installed in office as well as reimbursement of telephone installed at the residence of the officers including reimbursement on account of mobile charges etc. may be made by PAO in accordance with the instructions issued by DoE from time to time.

2.16.13 FEE FOR ENGAGEMENT OF LAWYERS

The following points may be borne in mind while passing such bills: -

(i) Ministry of Law should invariably be consulted by the Department concerned in regard to the fees of lawyers proposed to be engaged except in cases in respect of which standing arrangements have been made (e.g. cases handled by the Central Government Solicitors at Mumbai and Kolkata or by Standing Counsels of the Income Tax Department) and in cases where lawyers are engaged on scales of fees fixed by the High Court concerned.

(ii) Serial No.9 of the Annexure to Schedule V of the DFPR, 1978 indicates the extent to which various authorities have been delegated powers to incur expenditure on payment of legal charges either on account of fees to barristers, pleaders etc, or the institutions of law suits or prosecution cases etc, as well as in connection with arbitration cases. It should be seen that the sanctions to the expenditure on legal charges etc, conform to the limits prescribed therein.

2.16.14 CANCELLATION OF SUB-VOUCHERS

The general instructions regarding the cancellation of sub-vouchers attached to contingent bills are laid down in Para 2.18 of Subsidiary Instructions to the R&P Rules, 2022. The provisions are to safeguard against their misuse. Sub-vouchers required to be sent to the Pay and Accounts Officer are not to be cancelled either by the drawing officer or the Controlling Officer, as the duty of cancelling these sub-vouchers and keeping them in proper custody to prevent their fraudulent use devolves on the Pay and Accounts Officer. All sub-vouchers received in the PAO should be cancelled by means of a rubber stamp or in hand under the dated initials of the Accountant concerned. In the case of vouchers selected for post audit after review/ cancellation should be attested by the A.A.O. also.

2.16.15 GRANTS-IN-AID BILLS

- (i) In checking the sanctions for grants-in-aid it should be ensured that;-
 - (a) sanctions have been accorded by a competent authority in terms of the relevant Delegation of Financial Powers Rules, 1978;
 - (b) sanctions are so worded that there is a specific direction for the payment of the specified amount, instead of merely conveying an approval for the sanction of the grants-in-aid;
 - (c) they indicate invariably, whether the grants-in-aid are recurring or non-recurring.
- (ii) A 'Register of Payment of Grants-in-aid' shall be maintained in Form CAM-28. The form would be maintained in the PFMS.
- (iii) In the case of grants-in-aid bill, it should be seen that the prescribed certificates have been recorded thereon where the power of sanctioning the grants -in-aid is delegated to the subordinate authority subject to the previous fulfilment by the grantees of certain conditions. For example, grants may be made to educational institutions which satisfy specified standards in respect of number of scholars, methods of instruction and the like. In such cases, if the orders sanctioning the grant quote the relevant rules, such bill should ordinarily be accepted on the expressed or implied certificate of the sanctioning authority that the prescribed conditions have been fulfilled.
- (iv) It should be watched that grants are not, except in special circumstances, paid in excess of actual requirements of the grantee for the financial year, for the period of one year from the date of issue of the letter sanctioning the grant and that any general or special orders for releasing a particular grant in instalments are complied with. The extent of the check of the expenditure from a grant-in-aid by the grantee depends on whether the grant is conditional or unconditional. Where no condition is attached to a grant, no enquiry should be made as to the manner in which the grant is utilised by the grantee. Wherever conditions are attached to the utilisation of a grant (in the shape of specification of the particular objects on or the time within which the money must be spent) the receipt of formal utilisation certificate from the sanctioning authority should be watched through the said register.

2.16.16 SCHOLARSHIP BILLS

In the case of those stipends and scholarships which are considered to be important in view of their value or governing conditions or other similar considerations, the check should be conducted by numbers only.

- (i) Check by numbers will consist in seeing that:
 - (a) the sanctioned scale is not exceeded,
 - (b) there is no excess over the total amount sanctioned for the scholarship, and
 - (c) the scholarships are drawn only for the period for which they are sanctioned.
- (ii) The bills for educational scholarships, stipends etc., should be checked with a view to see that they have been drawn in accordance with the procedure laid down in the relevant Rules etc., and that necessary certificates showing that the prescribed conditions have been fulfilled, are furnished along with the bill or separately, as may be necessary.

(iii) Scholarship bills should be posted in the register in Form CAM-28 in the same manner as Register of Grants-in-aid except for the column meant for watching receipt of Utilisation Certificates.

2.16.17 LOANS AND ADVANCES BILLS

(i) In respect of loans and advances to public sector undertakings, autonomous bodies etc., the sanctions should be examined and the reasons for any unusual conditions included therein, if any e.g., remission of interest in an individual case, should be enquired. It has to be seen that the conditions of repayment of loans and advances are complied with by the debtor and the PAO should exercise a close watch over repayment of principal and realisation of interest. In reviewing the outstanding loans and advances, special attention should be directed to irregularities in payments, acknowledgement of balances and unrealizable and doubtful assets. During the pre-check of a loan or advance bill, it should be seen that:-

(a) the amount claimed is in accordance with the sanction order, and

(b) the conditions to be fulfilled before payment, if any, are actually fulfilled and a certificate to that effect is recorded on the bill.

(ii) For watching the recovery of loans, Loan Register(s) are to be maintained in Form CAM – 29 in PFMS.

(iii) The responsibility for calculation of interest on interest bearing advances, recoverable from the loanee Government servant will be that of the head of office/drawing and disbursing officer both for gazetted and non-gazetted Government servants. The heads of offices would, however, be responsible for obtaining mortgage bonds and agreements and ensuring that necessary insurance, as required under the rules, is obtained. When advance is getting closed as per CAM 29, PAO seek Head of Office and DDO about the applicable interest on advance to be recovered from Pay Bill i.e. enhanced interest or normal interest, based on the repayment of principal component.

(iv) Pay and Accounts Officers will be responsible for (a) checking the correctness of the interest recovered by the drawing and disbursing officer, and (b) confirmation of the correctness of the balances as shown in the recovery schedules and pointing out discrepancy, if any, to the concerned drawing and disbursing officer.

(Authority: Ministry of Finance (DEA) O.M. No. F. 10(9)-B(TR)/76 dt. 1.11.1976)

2.16.18 LONG TERM ADVANCES TO GOVERNMENT SERVANTS (ADVANCES RECOVERABLE IN NOT LESS THAN 60 MONTHLY INSTALMENTS)

(i) Advances drawn must be checked in full. It should be seen:

(a) that every advance has been sanctioned by competent authority in accordance with the rules governing it;

(b) that the amount drawn does not exceed the amount sanctioned and permissible under the rules;

(c) that it is properly recorded;

- (d) that repayments are regularly made as required by rules and are duly accounted for in the books of the PAO;
 - (e) that the balance outstanding at the close of each financial year is communicated to and accepted by the Government servant. For this purpose, a statement of outstanding balances should be furnished to the DDO concerned with the observation that non-receipt of any comments within two months would be treated as acceptance of balance by the DDO/Govt. servant concerned;
 - (f) that in case the repayment of the advance is neglected and/or irregular the matter is reported to the sanctioning authority; and
 - (g) that the certificates regarding availability of funds have been issued by the competent authority before issue of sanction and incorporated therein.
- (ii) The recovery of the advances should commence with the first issue of pay, leave salary or subsistence allowance as the case may be after the advance is drawn (Rule 24 of Compendium of Rules on Advances).
- (iii) It should be ensured that a certificate has been signed by the sanctioning authority to the effect that agreement in Form II or Form III of Compendium of Rules on Advances, as the case may be, has been signed by the Government servant drawing the advance and that it has been examined and found to be in order, is attached to the bill for drawal of Motor Car Advance.
- (iv) The H.B.A. Rules shall govern the grant of HBA.
- (v) For watching the recoveries of these advances, a Register and Broadsheet of Advances for HB/MC/and Interest thereon, should be maintained by the PAO in Form CAM-30. Separate pages should be allotted to record advances sanctioned to Government servants in various offices. All the recoveries effected from establishment bills should be noted based on the schedule of recoveries in the respective pages of the broadsheet which should be totalled every month and agreed with the ledger figures in the Compilation Section. Any discrepancy between these two sets of figures should be noted and analysed on separate pages set apart at the end of the register, to watch that they are eventually resolved and reconciled. This monthly verification indicating progressive differences and their reconciliation shall be submitted to the Pay and Accounts Officer every month by 20th of the second succeeding month. An example illustrating the manner, in which recoveries of HBA/MCA are to be posted in the respective Broadsheet and calculation of interest thereon, is given in APPENDIX 2.3.

2.16.19 CHECK OF BILLS FOR PROCUREMENT OF GOODS AND SERVICES

2.16.19.1 The procurement of Goods & Services by Ministry/Department are mandatory for Goods & Services available on GeM as per provisions contained in GFR-2017 and instructions issued by Ministry of Finance/Cabinet Secretariat from time to time. If the Goods & Services are not available on GeM, then non-availability certificate from the GeM as per OM issued by Procurement Policy Division, Department of Expenditure may be enclosed along with bill. Further, if procuring entity/authority wants to procure Goods & Services available on GeM from open market without following Rule 149 of GFR-2017 as amended from time to time, then approval of Secretary in consultation with FA is required based on recommendation of Standing Committee on GeM. The following checks are prescribed in respect of bills for purchase of stores:-

- (i) that there is provision of funds under correct object of account as per amendment to Rule 8 of DFPR authorised by the competent authority;
- (ii) that there exists financial sanction either special or general accorded by the competent authority authorising expenditure for procurement of goods and services communicated to PAO in terms of Rule 29 of GFR, 2017;
- (iii) that the purchases are made economically and in accordance with the rules and orders made by competent authority;
- (iv) that the rates mentioned in the bill agree with those shown in the contract/purchase/job orders;
- (v) that certificates of quality and quantity are furnished;
- (vi) that the purchases have not been split up so as to avoid the necessity of obtaining the sanction of higher authority;
- (vii) that the amount of advance payment made to Supplier/Service provider should not exceed as stipulated in Rule 172 (1) of GFR,2017 and if it exceeds concurrence/ approval of FA of Ministry/Department is required. Further, adequate safeguards in the form of Bank Guarantee, etc. are obtained as required in Rule 172 (I) of GFR,2017.
- (viii) that manpower and other service provider claims are supported with relevant papers with reference to the contract with the service provider, for example, copy of ESIC & EPFO challan as per the contract, invoice/bills,
- (ix) that vendor name is matched with account holder in GeM bills,
- (x) that TDS under section 194J of IT is deducted on account of professional/Technical Services.
- (xi) that stock entry of items is mentioned as per Rule 208 (iii) of GFR-2017.
- (xii) that Liquidated Damages (LD) for delay in delivery of Goods is deducted from the bill in GeM.
- (xiii) that for all contracts placed through GeM, the payment through PFMS to all sellers/service providers must be released online only against e-bill generated on GeM. No offline payment should be made in such cases to avoid double payment [para 7 A (XX) of Procurement Policy Division, Department of Expenditure OM dated 23.01. 2020.
- (xiv) that a Certificate of Competent Authority should be recorded in the bill as per rule 154 of GFR, 2017 for goods purchased/Service procured without quotation. Similarly, certificate of Local Purchase Committee (LPC) should be recorded in the bill as Rule 155 of GFR-2017.

Note:

(a) The scrutiny mentioned at (i), (ii), (iv) & (v) above is to be exercised at the time of pre-check or post-check with reference to sanctions and supply orders required to be communicated to the PAOs.

(b) The checks at (iii) and (vi) above are to be exercised at the time of internal audit of records of the departmental authorities.

2.16.19.2 According to Chapter 7 of GFR,2017, the responsibility of maintaining numerical and value accounts of stores and undertaking the physical verification of stores is that of the departmental officers. The rules prohibit physical verification of stores by persons not conversant with the classification, nomenclature and technique of verification of the particular classes of stores. Accordingly, the departmental accounting organisation (including internal Audit) is not required to maintain the numerical and value accounts of stores or to conduct physical verification of stores and stock. During internal check it should, however, be ensured that a certificate of physical verification is recorded periodically by the responsible authority, that the system of verification adopted is adequate and proper, that the staff employed for physical verification are independent of those responsible for the physical custody of the stores or for keeping accounts thereof and that excesses and shortages found on physical verification are properly investigated and adjusted or written off under orders of competent authority.

2.16.19.3 Where a 'period' or 'value' account is maintained it will be the duty of the Pay and Accounts Officer to see, during internal check that-

- (i) the stores are priced with reasonable accuracy and the rates are reviewed from time to time, are correlated with market price and revised, wherever necessary.
- (ii) the value accounts tally with the accounts of works and of departments connected with the stores transactions, that the total of the value account tallies with the outstanding amount in the general accounts and that the numerical balance of stock materials is reconcilable with the total of 'value' balances in the accounts at the rates applicable to various classes of stores and
- (iii) steps are taken for the adjustment of profits or losses due to revaluation, stock taking or other causes.

2.16.19.4 Procurement through GeM and processing of bills in GeM:

(i) Ministry/Department would issue a sanction order for placing a supply order on the GeM portal. Once the supply order is placed on GeM, the required amount in the relevant Budget heads gets blocked in PFMS. This would be contingent on sufficient budget being available for the DDO.

(ii) After the receipt of order, the bill is generated in GeM portal. DDO who acts as a human bridge login on GeM portal would make necessary deductions related to Liquidated Damages, delay in services etc. and would push the bill in the PFMS. The bill would be examined in the Pay and Accounts Office at three levels (DH, AAO and Pay and Accounts Officer) as is done for other bills and in case the Pay and Accounts Officer is satisfied with the bill would pass it for payment.

(iii) In case Pay and Accounts Officer has any observation, he would return the bill to DDO for clarification/amendment. The revised bill submitted to the Pay and Accounts Officer would be examined again and if it is order it would be passed by the Pay and Accounts Officer and would put in his digital signature for payment.

(iv) The manual bill would also accompany to the PAO as is being done for other types of payments along with the bill generated and sent in the system, if DDO does not apply DSC.

Note: The key applicable checks for payment of Goods and Services are indicated in APPENDIX 2.4.

2.16.20 GENERAL PROVIDENT FUND, NPS & RETIREMENT BENEFITS BILLS

All bills relating to advances and withdrawals from GPF and bills relating to payment of retirement benefits should be checked with reference to rules relating to the Fund and Pensionary benefits. It is emphasised that necessary entries should be invariably made in Service Book, terminal benefit register, and Final payment register in the case of GPF, in all cases of payment of retirement benefits or final payment cases. The following points are to be kept in mind:

2.16.20.1 Pension and other retirement bills

- (i) Head of Office should send pension papers along with service book complete in all respect to PAO four (04) months before date of retirement on superannuation as per CCS (Pension) Rules, 2021 and service verification entries should be made in the service book.
- (ii) Qualifying service certificate must be issued by Head of Office to government servant in consultation with PAO on time prescribed in Rule 32 of CCS (Pension) Rules, 2021 to avoid any recovery of excess payment on account of wrong pay fixation at the time of retirement.
- (iii) Leave account should be properly entered in the service book.
- (iv) Error in calculation of Gratuity and Commuted Pension and mismatch in details like DOB, Identification Mark, Spouse Name, PAN No., Aadhaar No. etc. should be avoided. There should be no mismatch between data uploaded in Bhavishya and manual papers including PFMS data.

2.16.20.2 GPF/NPS Bills:

- (i) The GPF advance bills are supported by GPF ledger statement on PFMS.
- (ii) Sanction for GPF advances or withdrawal should be in conformity with GPF rules and the same must be issued with the approval of Competent Authority.
- (iii) NPS bills are supported by subscriber statement.
- (iv) NPS subscriber contribution deducted from salary without allotment of PRAN number which should be discouraged.
- (v) Bill towards payment of Government Contribution in respect of NPS must be preferred to PAO along with Pay Bill on time.

2.16.21 CHECK OF CONTRACTS

- (i) It is an important function of the Pay and Accounts Officer to examine contracts or agreements for works or supplies entered into by departmental authorities on behalf of Government.
- (ii) Concerned executive authorities who enter into contracts for works or supplies will also be entirely responsible to watch the fulfilment of contract conditions.
- (iii) The following fundamental principles are laid down by Government for the guidance of authorities authorised to enter into contracts or agreements involving expenditure from CFI. The PAO would normally not get into the issue of contractual terms and their genuineness unless prima facie it appears to be detrimental to Government's interest. While processing the payments, PAO will look into the signed contracts and fulfilment of terms and conditions of the contract before releasing payment. The general principles of contract stipulated below are primarily for executive authorities to keep in mind while entering into contracts.
 - (a) The terms of a contract must be precise and definite, and there must be no room for ambiguity or misconception therein;

- (b) As far as possible, legal and financial advice should be taken in the drafting of contracts before they are finally entered into;
 - (c) Standard forms of contracts should be adopted wherever possible, the terms being subjected to adequate prior scrutiny;
 - (d) The terms of a contract once entered into should not be materially varied without the previous consent of the competent financial authority;
 - (e) No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the previous consent of the competent financial authority;
 - (f) Whenever practicable and advantageous, contracts should be placed only after tenders have been openly invited, and in cases where the lowest tender is not accepted, reasons should be recorded;
 - (g) In selecting the tender to be accepted, the financial status of the individuals and firms tendering must be taken into consideration, in addition to all other relevant factors;
 - (h) Even in cases where a formal written contract is not made, no order for supplies, etc., should be placed without at least a written agreement as to price;
 - (i) Provision must be made in contracts for safeguarding Government property entrusted to a contractor;
 - (j) When a contract is likely to endure for a period of more than five years, it should, wherever feasible include a provision for an unconditional power of revocation or cancellation by Government at any time after the expiry of six months notice to that effect; and
 - (k) The Pay and Accounts Officers have power to examine contracts and to bring to the notice of the proper authority any cases where competitive tenders have not been sought, or where high tenders have been accepted, or where other irregularities in procedure have come to light.
- (iv) Deviation from contracts requires approval of authority not subordinate to that required for the original contract. The Pay and Accounts Officer should also see that any payments outside the terms of the contract or in excess of contract rates are not made without the consent of the competent financial authority.
- (v) Copies of all contracts and agreements for purchases of the value of ₹ 25,00,000 and above entered into by civil departments should invariably be obtained and examined, and the payments regulated in accordance with them (see Rule 225(xiii) of GFR, 2017).
- (vi) When payments included in contingent bills are made at certain contract rates which are not required to be communicated to the Pay and Accounts Officer, a certificate should be obtained from the competent authority to the effect that the claim is correct with reference to such contract rates.

2.16.22 PROCEDURAL INSTRUCTIONS FOR THE CHECK OF CONTRACTS AND AGREEMENTS AND CONTRACTOR'S BILLS

(i) Check of Contracts and Agreements, Tenders etc:

The general checks to be exercised are indicated in the earlier paragraphs. Other checks are detailed below:

- (a) that the particulars regarding quantity and rates are furnished and the prices stipulated are firm. Particulars of the contracts providing the price variation clause or provisional rates, should be carefully examined;
- (b) that there is no omission of any important clause e.g. date and place of delivery, dispatch instructions, name of consignee, etc;
- (c) that it is signed by an authority which is competent to enter into the contract. In case the signature on the order is that of an authority who is not competent to enter into the contract, a certificate to the effect that the purchase has been approved by the competent authority, is recorded thereon mentioning also the designation of the authority whose approval has been obtained.

Note- In the copies of Acceptances of Tender, Supply Orders etc; all the sheets containing rates, prices and other important conditions should be signed in ink by the purchasing officer concerned.

- (d) the provision for the payment of tax, wherever applicable, should be checked with reference to the instructions issued by the Government from time to time. Vague provisions, such as, " tax will be paid, if legally leviable" should be objected to and the contracting officers asked to state in definite terms whether tax, etc. are payable and if so at what rate and on what amount; and

- (e) that the contract has been signed for and on behalf of the President of India.

(ii) All contracts and agreements required to be checked should be reviewed by the AAO and submitted to the Pay and Accounts Officer for further review. Before checking purchase bills, the Pay and Accounts Officer should satisfy himself that the sanctions and agreements were properly checked and bear suitable endorsement of check and review.

(iii) Cases of the type mentioned below may be scrutinised carefully, wherever needed:

- (a) inclusion of any new item of expenditure not originally contemplated in a contract;
- (b) extension in the date of delivery in contract where higher prices have been allowed on account of early delivery of stores;
- (c) Compensation allowed to firms in respect of contracts;
- (d) any extraordinary stipulation in a contract even if it is sanctioned by Government etc;
- (e) any special and apparently objectionable procedure of purchase, inspection and payment sanctioned by Government etc;

- (f) all contracts on cost plus profit basis;
- (g) all contracts with private firms to act as Government stockists; and
- (h) all sanctions to ex-gratia payments.

2.16.23 Execution of major/minor/repair/original works through Letter of Authorisation/GeM/Tender etc.

The following points should be kept in mind:

- i. The execution of major/minor/ repair/ original works should be executed as per provision contained in Chapter 5 of GFR-2017 and in accordance with financial powers delegated to Head of Department/Head of Office etc. concurrence of IFD and approval of Secretary is required beyond the power delegated to Head of Department for execution of Major/Minor/Repair works etc.
- ii. The expenditure for major/minor/repair/original works etc. should be booked in accordance with amendment to Rule 8 of DFPR issued by MoF, DoE vide their notification dated 16.12.2022.
- iii. Name of PAO & DDO should be clearly mentioned in the sanction order proposed to be issued for Letter of Authorization (LoA) in favour of CPWD along with correct object head of account to avoid any adverse comments of audit on misclassification of expenditure at later stage.
- iv. In case the work is executed other than CPWD. the work order/contract indicating payment terms and other terms and conditions of contract issued to the agency should be provided with bill. Final payment should be made on the basis of the certificate that the work has been executed as per specifications laid down in Contract/Agreement/work order. (Rule 139(vii) GFR,2017).

2.16.24 Refund of Revenue

The procedure for payments of refund of revenue will continue to be governed by the provision of Rule 22 (1) to (4) of R&P Rules, 2022 read with para 2.35 to 2.38 of Subsidiary Instructions to R&P Rules, 2022. The bills for refund of revenue should be presented to the concerned PAOs to whom the departmental officers are linked. The PAO will, before making payments, verify the original credit from his records and also keep a note of the refund against the original credit.

2.17 POST CHECK OF BILLS PAID BY CHEQUE DRAWING DDOs.

(i) In the case of bills paid without PAO pre-check by the DDOs having cheque drawing powers, the PAO will exercise post checks to ensure that the payments have been made adhering to financial propriety and applicable rules and regulations.

(ii) The checks of various categories of bills shall also be kept in mind at the time of conducting post-check of vouchers to be received from the cheque drawing DDOs.

2.18 MERGED DDO SCHEME

The Merged DDO Scheme came into being in terms of the instructions contained in Ministry of Finance, Department of Expenditure O.M. No.F.1 (4)-E (Coord.)/86 dated 12th February, 1986. Under this scheme, the functional and day-to-day administrative control of the Cash Branch/DDO at the secretariat level in each Ministry/Department except the Ministry of External Affairs, would vest in the respective Head of Accounting Organization. They will ensure proper discharge of all items of work entrusted to the Cash Branch or the Merged DDO and exercise all financial powers vested in them as Head of the Department/Head of the Office in relation to the Merged DDOs, in the same way that they are exercised in relation to the Pay and Accounting Organisation. With these revised arrangements, the records maintained by the merged DDOs will become full-fledged accounts records, eliminating the need for maintenance of duplicate accounts records in Pay & Accounts Office. The Merged DDO will function as normal DDO and maintain GPF accounts and issue GPF statements. For GPF they will otherwise discharge all functions of a PAO, except for payment of GPF which will be invariably submitted to the PAO.

2.19 CLOSING OF THE DAY'S /MONTH'S TRANSACTIONS

2.19.1 The Pay and Accounts Officer, at the end of the day should take up the register of cheques and verify that the number of the cheques is serially entered in the register. Before signing the cheque for its issue, Pay and Accounts Officer should ensure that process for issue of cheque has been completed in PFMS. This would help in reconciliation of register of cheques delivered and e-payment advice (CAM 11) with PFMS Report available under CAM reports-Cheque Issue register (PC-03). He should also initial in the register to ascertain the number of cheques that have been actually used during the day. He should ensure that entries in the register are tallied with PFMS cheque issue report on daily basis. The entries in the register of cheques should be added up at the end of each day.

2.19.2 Daily voucher number should be affixed on the paid vouchers in the case of ink signed bills processed in PFMS.

2.19.3 On receipt of payment scrolls from the Bank regarding the cheques encashed, the corresponding cheque numbers should be entered in PFMS. It should also be ticked off in the Register of Cheques. A list of outstanding cheques should also be prepared in the PAO every month from the un-ticked entries in the register of cheques. The total amount of such outstanding cheques at the end of the month should be reconciled with the balance outstanding as per respective outstanding cheque report (BR-01) in PFMS. Also, it should be reconciled with balance in the accounts under the Major Head 8670-Cheques & Bills-Minor Head 'PAO Cheques'.

2.19.4 If any cheque appears to be outstanding for an unduly long period, necessary enquiries should be made regarding its non-encashment. If the same cannot be traced, the payment should be stopped and the charge representing it cancelled and revise suitably the entries in the

accounts against it.

2.19.5 The particulars of the cheques outstanding/remaining un-encashed for more than three months as per the PFMS report should be pursued at once for tracing it. The cheques pending shall be referred to the concerned authority/ person etc. for finding out whether the cheque has been got encashed and if so, they shall be asked to furnish the date of encashment along with other requisite particulars.

2.19.6. In cases, where the party / person concerned intimates non-receipt / loss of cheque the PAO shall issue duplicate cheque after following the procedure laid down in para 5.4.

2.19.7. In case efforts of the PAO to trace the cheque after one year has failed, it shall be reported to Pr.CCA/CCA /CA with full facts and the amount shall be written back in the accounts.

2.19.8 In case, where the cheque was issued to another Pay and Accounts Officer in inter-departmental settlement for clearance of the balance under 'PAO Suspense' etc. the matter shall be investigated to ascertain whether it would lead to missing credit/ debits of GPF, HBA etc. In such cases, the matter shall be pursued with the concerned Pay and Accounts Officer at a higher level to find out the whereabouts of the cheque. In case, the efforts taken in this regard do not work out, the amount shall be written off to the MH-8680-Misc. Govt. Accounts after following the procedure laid down in Rule 38 of Govt. Accounting Rules, 1990, with the approval of the competent authority. (Authority- No.1(2)/94/TA/110 dated 10-4-95.)

2.19.9 The "Pay and Accounts Officer's Check Register" (Form CAM 15,15A) will be maintained personally by the Pay and Accounts Officer, showing the total daily issue and encashment of cheques and the balance of unpaid cheques at the end of each month. This should be compared with the total of the cheques outstanding as per the list of outstanding cheques, and the balance at the end of each month independently tallied with the amount outstanding under the suspense head "PAO-Cheques. Similar information about day-wise e-payment advice issued through PFMS and total payment as per PFMS success/failure etc. should also be recorded and gets reconciled with outstanding amount under 8670-Minor Head-Electronic advises.

2.19.10 The figures of e-payment advices/cheques issued during a month need to be reconciled with the figures booked under MH-8670 in the accounts. The reconciliation process of outstanding cheques has already been explained in para 2.19.3 above. A monthly summary of amount of total e-payment advice issued through PFMS should also be recorded separately in the Register of Cheques delivered. Total amount reflected under Major Head 8670-Electronic Advices in the monthly account should be analysed and reconciled with this summary.

2.19.11 PFMS report: PC-04 indicates the details of e-payment advice issued through PFMS. This PFMS report should be checked and action should be initiated in respect of failure or failure after success cases for its further processing in consultation with DDO without any delay. The amount appearing under MH-8658-uncredited items (credit) should be reconciled with the amount of failure after success. CMP-07 PFMS Report: Cancellation/re-issue register indicates the status of action taken in respect of failure after success cases. AAO/Pay and Accounts Officer should regularly monitor this report and any discrepancy if any, noticed should be taken up with Helpdesk of PFMS.

2.19.12 DDO would furnish a reconciliation certificate in the format prescribed in CAM-90 to PAO every month. DDO would submit certificate after verification of PAO-01 and CMP-03 classified

abstract reports of PFMS with the figures appearing in the ECR and other records and Bill Register being maintained by DDO.

TYPES OF TRANSACTIONS TREATED AS CHARGED EXPENDITURE:

1. A question was raised whether, in a case in which an appeal has been filed against the decree of a lower court, a deposit of the decretal amount made in the court, should be treated as a Deposit in the Public Account or as a payment charged on the CFI under article 112(3)(f) of the Constitution of India.

It has been decided that, in the absence of a stay of execution of the decree, the Deposit should be deemed to be in satisfaction of the decree. If, however, deposit of the decretal amount has been made by way of security for staying the execution of the decree, or as a condition precedent to the grant of a stay order under orders of the Appellate Court, the payment made in pursuance of the said order is only a deposit and cannot be said to have been made in satisfaction of the decree passed by the lower court. The fact that the Court may allow the decree-holder to withdraw the amount so deposited by the Government does not alter this position. Consequently, the provisions of article 112(3)(f) of the Constitution would not be attracted in such cases. The amount, being in the nature of a deposit in the court, would not constitute 'expenditure' of the Government and should be classified under the head "8674-Security Deposit made by Government" in Section "L-Suspense and Miscellaneous" in the Public Account of India - the debit under this head being cleared after the amount is recovered if and when the appeal is decided in favour of Government. Where, however, the appeal is dismissed and the decree becomes final, the amount deposited in the Court would thereupon constitute payment made to satisfy the decree and, consequently, the debit under this head should then be cleared by transfer to the final head, as 'Charged' expenditure, and covered by appropriate provision of funds or, in anticipation thereof, by an Advance from the Contingency Fund of India, as may be necessary.

[Ministry of Finance No. F1(44)-B/56 dated 16.5.56, F.1(66)-B/57 dated 21.11.57 and F.1(52)-B/68 dated 31.1.69]

2. In cases of arbitral awards/decrees against State Governments in disputes arising out of the acquisition of land, buildings and property for Union purposes, since the award/decreed is against the State Government and the liability for the initial payment in satisfaction of the award/decreed devolves on the State Government, the expenditure should be charged on the Consolidated Fund of the State under article 202(3) (e) of Constitution. The subsequent reimbursement by the Central Government would be merely an inter-governmental adjustment which does not attract the provisions of article 112(3)(f) of the Constitution, since such an award/decreed is not enforceable against the Central Government.

[Ministry of Finance No. F.2(43)-B/59 dated 12.9.59]

3. There are cases in which security deposits of contractors are appropriated by Government towards liquidated damages. In such cases, if recovery made from the contractor on this account has to be refunded as a result of the levy of compensation in terms of the agreement having been held by the arbitrator as not justified, the refund should be treated as expenditure charged on the Consolidated Fund under article 112(3)(f) of the Constitution.

[C & AG letter No. 1267-AC/178-63 dated 24.9.63]

4. Where a Court award is for a composite amount which is not capable of being split up as "Refunds of Revenue" and "Other Expenditure", the entire amount of award should be treated as "Charged" expenditure.

Where an award is exclusively for the refund of security deposit or other revenue, the refund should not be treated as "charged" expenditure but accounted for a refund of deposit or revenue, as the case may be, under "Deduct-Refunds".

Where an award is specific about the components of the award (e.g. refund of security deposit plus cost) or is for a composite amount which is capable of being split up as "Refunds" and "Other expenditure", the components are to be accounted for individually as "Refund" of deposit or revenue and as "Charged" expenditure respectively.

[C & A G's letter no. 437-AC/131-65 dated 18.5.66]

5. The Ministry of Law have advised that, for the purposes of article 112(3)(f) of the Constitution, a tribunal must be constituted by the State (and not merely by an agreement of parties) and must be invested with the States' inherent judicial (as distinguished from purely administrative or executive) powers and the trappings of a court. Accordingly, an arbitrator appointed under Section 10A of the Industrial Disputes Act, 1947 or a private arbitrator to whom a dispute is referred under an arbitration agreement under the Arbitration Act, 1940 is not a tribunal within the meaning of article 136 of the constitution. Consequently, payment in satisfaction of the award of such an arbitrator cannot be treated as expenditure "Charged" on the Consolidated Fund. However, in cases where such an award by a private arbitrator is filed in a court and a decree is obtained in terms of the award, the expenditure required to satisfy the court decree will be expenditure charged on the Consolidated Fund.

[Ministry of Finance No. F. 1(124)-B/64 dated 13th November, 1964].

6. The award of a collector under the Land Acquisition Act is not an award of court nor can it be considered as an award of arbitral tribunal. While making an award under Section 11 of the Act, the collector merely acts as an office of the Government making enquiries in order to determine the compensation payable. Payment of such awards should, therefore, be treated as voted item of expenditure.

[Ministry of Finance No. F.1(4)-B/66 dated 19th April, 1966]

7. A case arose in which an award was decreed against the Government for payment of rent in respect of certain requisitioned property. It has been held that where an award imposes an obligation to make a recurring payment, every recurring payment including those beyond the date of the award would be expenditure "Charged" on the Consolidated Fund under article 112(3)(f) of the constitution.

[Ministry of Finance No. F.1(124)-B/64 dated 20th April, 1965]

Article of the constitution	
(a) Judges of the Supreme Court/ Federal Court/High Courts	112(3)(d)
(b) Comptroller & Auditor General of India	112(3)(e)
(c) Officers and servants of the Supreme Court	146(3)
(d) Persons serving in the Comptroller and Auditor General's Office	148(6)
(e) Officers and servants of High Courts	229(3)
(f) Members and staff of U.P.S.C. and State PSCs	322

8. Pension payments in the under-mentioned cases are required to be treated as "Charged" expenditure in terms of the various provisions of the Constitution shown against each;

The pensions payable to or in respect of the Judges of Supreme Court, Federal Court and High Court, the Comptroller and Auditor General of India and members of the Public Service Commissions (both Union and States) do not present any problem and they are required to be "Charged" on the CFI or the States, as the case may be. In the case of officers and staff of the Courts, Public Service Commissions and comptroller and Auditor General of India, however, it is not possible to follow a uniform procedure in all cases in view of the difference in the wording of the relevant articles of the Constitution. Having regard to the Constitutional provisions, the entire pension of the officers and staff of the High Court, Supreme Court, UPSC and State Public Service Commissions should be treated as "Charged" expenditure only in cases in which the employees hold a lien on a post in these organisations, or in the case of temporary employees, if they do not hold a lien on a post in any other organisation.

In the case of the office of the C.&A.G., however, in view of the working of article 148(6) of the Constitution, pension of all officers and staff serving in that office immediately before retirement or proceeding on leave preparatory to retirement from that office should be treated as "Charged" expenditure irrespective of the office or service to which they belong. A Pension will either be wholly charged or wholly voted and the fact the same is allocable between different Governments or Departments, service under one or more of which does not by itself qualify for a "Charged" pension, should not make any difference.

[Ministry of Finance No. F. 1(79)-B/64 dated 1-10-1965]

9. Under article 112(3)(a) of the Constitution of India, the emoluments and allowances of the President of India and "other expenditure relating to his Office" shall be expenditure charged on the CFI. It has been held by the Ministry of Law that it would not be proper to exclude pension, gratuity etc. payable to retired employees or their families from being a charged expenditure on the CFI, only because those particular items were not specifically referred to in the above clause of the Constitution. It has, therefore, been held that the expression "other expenditure relating to his office" referred to in this clause includes also pension, gratuity etc. It has been further held that pensions, gratuity etc. in respect of persons who have served the President's Secretariat before retirement, or who retire while serving the President's Secretariat, should be treated as 'Charged' expenditure, only if the employees hold a lien on a post in the President's Secretariat or, in the case of temporary, employees, if they do not hold a lien on a post in any other organisation.

[Ministry of Finance U.O. No.F.7(14)-B(D)/77-KW dated 10.5.78 and F.3(102)-B(AC)/78 dated 27.8.79; the Ministry of Law, Justice & Company Affairs U.O. No. 23037/78 dated 19.5.78; and the CAG's U.O. Note No.1514-AC/142-78 dated 13.8.79]

APPENDIX 2.2 (Para 2.8.2)

No.F.1 (22)-B (AC)/2022
Government of India
Ministry of Finance
Department of Economic Affairs
(Budget Division)

OFFICE MEMORANDUM

New Delhi, the 23rd February, 2024

Subject: Revised Guidelines on Financial Limits to be observed in determining cases relating to 'New Service'/ 'New instrument of Service'.

In pursuance to the approval by the Public Accounts Committee, vide its One hundred third Report (Seventeenth Lok Sabha) (2023-24), on the proposal for revision of financial limits for determining the cases relating to 'New Service' (NS)/'New Instrument of Service' (NIS) for re-appropriation of funds, the revised limits and guidelines are hereby conveyed in supersession of this Ministry's Office Memorandum No. F.1(23)-B(AC)/2005 dated 25th May 2006. The extant guidelines are being revised to ensure systemic uniformity, consistency, administrative efficiency and financial discipline by the Ministries/Departments.

2. **Definition** of 'New Service'(NS)/'New Instrument of Service' (NIS):

- (i) **'New Service'**: As in Article 115(1)(a) of the Constitution of India, it refers to expenditure arising out of a new policy decision, not brought to the notice of Parliament earlier, including a new activity or a new form of investment.
- (ii) **'New Instrument of Service'**: It refers to relatively large expenditure arising out of important expansion of an existing activity.

3. **Applicability of 'New service'/ 'New Instrument of Service'**:

- (i) The revised financial limits are attached **as Annexure 'A'**.
- (ii) The limits shall be applicable to all ministries including Ministry of Railways, Ministry of Defence and Department of Post.
- (iii) The nature of transactions under consideration for applicability of the financial limits have been aligned strictly with the 'object head of account'. It is treated as Primary Unit of Appropriation.
- (iv) This means that the guidelines shall correspond to the original appropriation as available at the level of 15-digit numeric code in respect of civil ministries and/or final unit of appropriation as available in the Detailed Demand for Grants in respect of non-civil ministries, as the case may be.
- (v) Definitions as indicated in Paragraph 2 above will be the guiding factor while making decision on the applicability of limits of New Service/New Instrument of Service.

4. While using these terms and applying the financial limits as indicated in the Annex, it needs to be noted that no expenditure can be incurred from the Consolidated Fund of India on a 'New Service'/'New Instrument of Service' without prior approval of Parliament through supplementary demands for grants.

5. Where in an emergent case of 'New Service'/ 'New Instrument of Service' it is not possible to wait for prior approval of Parliament, the Contingency Fund of India can be drawn upon for meeting the expenditure pending its authorization by Parliament. Recourse to this arrangement should normally be taken only when Parliament is not in session. Such advances are required to be recouped to the Fund by obtaining a Supplementary Grant. However, when Parliament is in session, a Supplementary Grant should preferably be obtained before incurring any expenditure on a 'New Service'/ 'New Instrument of Service'. That is to say, recourse to Contingency Fund of India should be taken only in cases of extreme urgency. In such cases the following procedure recommended by the Sixth Lok Sabha Committee on Papers Laid on the Table in their 4th Report should be observed:

"As far as possible, before such withdrawal is made, the concerned Minister may make a statement on the floor of the Lok Sabha for information giving details of the amount and the scheme for which the money is needed. In emergent cases, however, where it is not possible to inform the Members in advance, the withdrawal may be made from the Contingency Fund and soon thereafter a statement may be laid on the Table of the Lok Sabha for the information of the Members".

It has been suggested by the Rajya Sabha Secretariat that the above procedure may also be observed in Rajya Sabha.

6. **Checks to be observed by the Ministries/Departments to ensure compliance of the provisions of this Office Memorandum are as under:**

- (i) **By Integrated Finance Division/Budget Unit:** A specific certificate should be recorded in each case involving augmentation of sanctioned provision on receipt of related proposals, to the effect that the proposed augmentation attracts/does not attract financial limits of 'New Service'/ 'New Instrument of Service';
- (ii) **By PAOs:** Each expenditure sanction to be examined by PAOs from the 'New Service'/ 'New Instrument of Service' angle keeping in view the financial limits indicated in the Annex;
- (iii) Where any doubt arises about the application of financial limits of 'New Service'/ 'New Instrument of Service', the PAO would seek decision from Financial Advisor of appropriate jurisdiction.

7. **Circumstances for obtaining Supplementary grants for expenditure qualifying as 'New Service'/ 'New Instrument of Service' and the reporting procedure thereof are as follows:**

- (i) If sufficient savings are available within the same section of the relevant grants for meeting additional expenditure to the extent mentioned in column 2 of the Annex A, re-appropriation can be made, subject to report to Parliament;
- (ii) Report to Parliament should ordinarily be made through the ensuing batch of Supplementary Demands for Grants, failing which by adding an Annex in the Detailed Demands of the Ministry/ Department for the ensuing year;
- (iii) A suitable write-up of such cases where possible, may also be made in the Notes on Demands for Grants of the Ministry/Department;

- (iv) Mere depiction of augmented provisions in the Revised Estimates included in the Demands for Grants will not be adequate to meet the requirement to incur expenditure. In cases where the financial limits of 'New Service'/ 'New Instrument of Service' are attracted, approval of Parliament may be obtained for incurring such expenditure through Supplementary Demands for Grants;
- (v) The provisions in the Vote on Account' are not intended to be used for expenditure on any 'New Service'. In cases of urgency, expenditure on a 'New Service' during Vote on Account period can, therefore, be incurred only by obtaining an advance from the Contingency Fund. Such advances will be resumed to the Contingency Fund on enactment of Appropriation Act in respect of expenditure for the whole year.

8. Exceptions:

- (i) Having regard to the volume and nature of Government transactions, it is not possible to list out all such cases which are not attracted by 'New Service'/ 'New Instrument of Service' limits. Broadly, expenditure on normal activities of Government (such as normal administrative expenditure including those resulting from re-organization of Ministries/ Departments, holding of conferences, seminars, exhibitions, surveys, feasibility studies, etc., assistance to foreign Governments, contributions to international bodies, and fulfilment of Government guarantee on its invocation) may not attract limits of 'New Service'/'New Instrument of Service';
- (ii) Transfers to State and Union Territory Governments are also exempt from these limits provided the scheme is not new;
- (iii) Further, these limits are applicable only to expenditure which is subject to Vote of Parliament.

9. For ease of understanding and guidance, 'Object Head-wise Matrix' of the financial limits is enclosed at **Annexure 'B'**. However, the definitions of NS/NIS and the limits prescribed by PAC shall be borne in mind while applying these limits.

10. Doubtful cases:

In case of disagreement between the Integrated Finance Wing and Pay and Accounts Office, the Ministry/ Department may send a self-contained communication to the Budget Division, Ministry of Finance, bringing out specific point(s) of doubt incorporating their Financial Adviser's views thereon. The decision taken by the Budget Division in the matter will be final.

11. Conclusion:

While agreeing to the revision of norms for re-appropriation of funds as annexed, the Public Accounts Committee in its One hundred and third Report (Seventeenth Lok Sabha) has concluded by stating as under:

'The Committee also expect the Financial Advisors of all the Ministries/Departments to ensure that no violation occur in implementation of the revised limits for 'New Service'/'New Instrument of Service'. It goes without saying that any slackness in complying with the same may be strictly dealt with.'

12. Department of Expenditure, Ministry of Finance, will issue further orders related to the amendments in provisions of Annexure I to Appendix 3 of the General Financial Rules 2017 consequent to the extant revision in the financial limits of 'New Service'/ 'New Instrument of Service'.

13. This issues with the approval of the Finance Secretary and Secretary Expenditure.

14. Hindi version will follow.

Sd/-
(Vishnukanth P.B.)
Director (Budget)

To

1. All Ministries/Departments of the Government of India.
2. Financial Commissioner (Railways), Financial Advisor (DS), Member Finance (Telecom) and all other Financial Advisors
3. Finance Secretaries of Union Territory Administration (Chandigarh, Andaman and Nicobar Islands, Dadra and Nagar Haveli and Lakshadweep)
4. Controller General of Accounts, Controller General of Defence Accounts and Chief Controller of Accounts of Ministries

**Annexure 'A' to the Ministry of Finance OM No. 1(22)-B(AC)/2022 dated 23.02.2024
Financial limits to be observed in determining the cases relating to
'NEW SERVICE'/'NEW INSTRUMENT OF SERVICE'**

New Service (NS)

- All new services [except for the new 'Works' under Capital section] shall be considered as '**New Service**' as defined in Article 115 of the Constitution and shall accordingly need prior approval of the Parliament;
- In case of services falling under the category of new works under Capital section (currently classified as Land/Building/Machine in line with Rule 8 of the Delegation of Financial Powers as amended through Ministry of Finance Gazette Notification dated 16.12.2022), the financial limits for the '**New Service**' shall be as under:

Object Heads	Reporting Limit	Prior Approval of Parliament
1	2	3
1. Machinery & Equipment; 2. ICT Equipment; 3. Building and Structure; 4. Infrastructural Assets; 5. Arms and Ammunitions; and 6. Land	Above ₹ 50 crore but not exceeding ₹ 100 crore, subject to savings within same section of the Grant	Above ₹ 100 crore, subject to savings within same section of the Grant

New Instrument of Service (NIS)

- The financial limits for the '**New Instrument of Service**' shall be as under:

Object Heads	Reporting Limit	Prior Approval of Parliament
1.	2.	3.
1. Investment; 2. Loans and advances; 3. Subsidies; 4. Machinery and equipment; 5. ICT Equipment; 6. Building and Structures; 7. Infrastructure assets; 8. Arms and ammunitions 9. Land; 10. GIA Capex; 11. GIA General; 12. GIA Salary	upto 20% of the original appropriation* OR upto ₹ 100 crore whichever is higher [subject to savings within same section of the Grant]	Above 20% of the original appropriation (15-digit line item) OR Above ₹ 100 crore, whichever is higher [subject to savings within same section of the Grant]
All other Object Heads	Each case to be decided on merits (see para 2 & 3 of the OM No. 1(22)-B(AC)/2022 dated 23.02.2024)	

* refers to the 15-digit numeric code in respect of civil Ministries or final unit of appropriation available in the Detailed Demand for Grants in respect of non-Civil Ministries

Note: Annexure B to the MoF OM No.1(22)-B(AC)/2022 dated 23.02.2024 containing 'Object Head-wise Matrix' of the financial limits is not reproduced here. Refer the said OM and Annexure 1 to Appendix 3 of GFR, 2017 as amended from time to time.

**APPENDIX 2.3
(Para 2.16.18)**

ILLUSTRATIVE EXAMPLE

Register and broadsheet of advances for H.B./Motor Car etc. and interest thereon for the year
.....

Year	Sl. No.	Name of the Government servant	No. & Date of Substanc of the order & the amount sanctioned	Rate of Interest	Amount drawn	Amount received in Rupees														Total recoveries during the year	Balance of Principle at the end of the year carried forward
						April	May	June	July	August	Sept. '02	Oct. '02	Nov. '02	Dec. '02	Jan. '03	Feb. '03	Mar. '03	March (Final) '03	Pro gressi ve total of reduce d balances			Cumulative total of reduced bal ances up to end of the year
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	
2002-03			20 Installments of ₹ 1,000/-each	Interest 5%	₹20,000 during 9/02						1,000*	1,000	1,000	1,000	1,000	1,000	14,000		6,000/1,19,000	14,000/1,19,000	
2003-04						April '03	May	June	July	Aug	Sept	Oct.	Nov.	Dec.	Jan. '04	Feb. '04	Mar ch '04	Mar ch (Final)	12,000/90,000	2,000/2,09,000	

					100 0	1,00 0/	1,00 0/	1,00 0/	1,00 0/	1,00 0/	1,00 0/	1,00 0/	1,00 0/	1,00 0/	1,000 /	2,00 0			
					100 0/	12,0 00	11,0 00	10,0 00	9,00 0	8,00 0	7,00 0	6,00 0	5,00 0	4,00 0	3,000				
					130 00 Mar														
					Rec over y on 1st April														
200 4- 05					April ,04	May													
					100 0	# #													
					100 0														
					100 0														

* Instalment in repayment of advance recovered through the pay bill will be taken as having been recovered on the first of the following month in terms of Govt. of India's decision No. 1 and 2 below Rule 20 below Compendium of Rules on Advances.

* # #NIL/NIL from principal but interest instalment payable +Total of progressive reduced balances for the 3 years = 1,19,000+90,000+1,000 = ₹ 2,10,000

* Interest Due :

* Formula (1) based on total of reduced progressive balance : 2,10,000 x 5/1,200 = ₹ 875 OR

* Formula (2) i.e. of arithmetical progression when recoveries are regular : 20,000 x [(20+1)/2] x [5/(100x12)] = Rs/ 875

APPENDIX 2.4

(Para 2.16.19):

KEY APPLICABLE CHECKS FOR PROCUREMENT OF GOODS AND SERVICES –

1. Standards of financial propriety shall be as per Rule 21 of GFR, 2017.
2. Sanctions should be as per Rule 25, 27 and 29 of GFR, 2017.
3. Control of expenditure against budget should be as per Rule 27, 62(3) and 63 of GFR, 2017.
4. The procedure for execution of works shall be as per Rule 136, 137, 138 and 139 of GFR,2017.
5. Procurement of goods and services should be adhered to as per Rule 144 of GFR, 2017 which stipulates fundamental principles of public-buying.
6. Procurement through GeM is mandatory for Goods or Services available on GeM as per Rule 149 of GFR, 2017.
7. As per Rule 157 of GFR, 2017 demand for goods should not be divided into smaller quantities.
8. Goods can only be procured by obtaining bids as per Rule 158 of GFR, 2017 except purchases under Rule 149, 154 and 155.
9. For all purchases beyond ₹2,50,000/- Rule 159 (E-publishing) and Rule 160(E-procurement) are mandatory.
10. Late bids should not be considered as per Rule 165 of GFR, 2017. A certificate may be obtained from the Department that Late bids have not been considered/accepted as required vide Rule 165 of GFR, 2017.
11. Bid Security (Rule 170), Performance Security (Rule 171) of GFR, 2017 must be obtained. A certificate that Bid Security/Performance Security has been obtained by Programme Division (managing the contract as required vide Rule 170 and 171 of GFR, 2017).
12. Advance payment to suppliers should be as per Rule 172 of GFR, 2017.
13. Under Rule 173 of GFR, 2017 (transparency, competition fairness and elimination of arbitrariness in the procurement process) and as per rule 174 of GFR, 2017 (efficiency, economy and accountability in public procurement system) must be ensured. A certificate may be obtained from the Department managing the contract that transparency, completion, fairness and elimination of arbitrariness in the procurement process and the efficiency, economy and accountability in public procurement system has been observed as per Rule 173 and 174 of GFR, 2017.
14. Procurement/engagement of consulting services should be in accordance with Rule 177 to 196 of GFR, 2017 and procurement of non-consulting services should be in accordance with Rule 197 to 206 of GFR,2017. PAO may obtain a certificate to the effect that Procurement/engagement of the consulting services has been made in accordance with

Rule 177 to Rule 196 of the GFR, 2017 and procurement of non-consulting services has been made in accordance with Rule 197 to 206 of the GFR, 2017.

15. The verification of assets shall be as per Rule 213 of GFR, 2017.
16. Disposal of goods shall be as per Rule 217(disposal goods), Rule 218(modes of disposal), Rule 219(disposal through advertised tender) and Rule 220(disposal through auction) and Rules 221(disposal at scrap value by other modes).
17. As per Rule 225 General Principles for Contract should be adhered to.
18. The management of contracts should be as per Rule 226 of GFR, 2017.

CHAPTER 3

PROCEDURE TO BE FOLLOWED BY CHEQUE DRAWING DDOs

3.1 DELEGATION OF CHEQUE DRAWING POWERS TO DDOs.

3.1.1 In accordance with Rule 13(1) of CGA(R&P) Rules, 2022, all payments in the departmentalized system of accounting are to be made only by the PAOs of the Ministry/Department after proper pre-check. However, as an exception to this rule, the CGA may delegate cheque drawing powers to the DDOs which are not located at the same station as that of their PAO or due to any practical/ specific/special reason(s).

3.1.2 The funds for arranging payments in such cases may be drawn directly from the branches of the Bank accredited to the Ministry/ Department through cheques/electronic payments for the categories of bills specified in para 3.1.5. The proposals for delegation of cheque drawing powers [or payment advices including electronically signed payment advices] to DDOs should be submitted to the CGA by Ministry/Department through Head of Accounting Organisation i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, in terms of Rule 13(2) of Receipts and Payments Rules. Such proposals should be submitted only after due scrutiny with the required details and justifications against the laid down parameters as indicated below or due to any specific reason/practical reasons. The need to restrict the number of cheque drawing DDOs should be kept in view before forwarding the proposal with the recommendation of concerned Pr.CCAs/CCAs/CAs. While submitting the proposal to CGA for delegating cheque drawing powers to the DDOs, the following information which includes information against the laid down parameters should invariably be furnished:

- (i) The complete designation and address of the proposed cheque drawing DDO;
- (ii) The name of the PAO under whose payment control the DDO is placed with;
- (iii) Total number of staff under the payment control of the DDO;
- (iv) The Budget Grant/ Authorization/ Deposit for the relevant year other than salary;
- (v) The distance from the nearest cheque drawing DDO;
- (vi) Distance from the PAO;
- (vii) The average number of bills submitted to the PAO for pre-check during the preceding one year; and
- (viii) Whether the payment/accounting function is proposed to be handled by an AO/ AAO from Central Civil Accounts Services (CCAS).

3.1.3 On obtaining the approval of the CGA for delegation of cheque drawing powers to a DDO or payment advices including electronically signed payment advices, the Head of the Accounting Organisation may directly approach the RBI, Department of Government Account, Central Office, Mumbai for opening the bank account in respect of the new cheque drawing DDO. For opening assignment accounts in respect of cheque drawing powers given to the divisional officers in terms of the Central Public Works Accounts (C.P.W.A.) Code in the Public Works Department, such approval is not necessary. In such cases, a copy of the request made to the R.B.I. should, however, be endorsed to the CGA. However, prior approval of the CGA will be required for the delegation of cheque drawing powers to the said division or divisional office, if an officer other than the Executive Engineer is declared as a drawing and disbursing officer, for drawing bills for works and ancillary payments in addition to pay and allowances etc. In all cases necessary

procedures in PFMS must be completed in consultation with concerned CCA/ Pr. CCA and all instructions in this regard shall be followed by the DDOs.

3.1.4 Every DDO shall obtain user id and digital signature for operating on PFMS portal. The detailed manual for operations of CDDOs is available in CDDO module on website of CGA. Every Government Officer who is authorised to draw cheques or electronic payment on a bank shall send his specimen signature to the Bank/branch concerned, as per the instructions prescribed in this regard for the Pay and Accounts Officers vide para 4.1.2.

3.1.5 Cheque Drawing DDOs are permitted to make payments for the following categories of bills:

- a. Pay and allowances including wages and advances and final bills relating to medical claims. The Government contribution for employees under the New Pension Scheme (NPS) will also be paid by the CDDO;
- b. Travel expenses including TA & LTC advances;
- c. Office contingencies where description of the expenditure falls under the object heads (Revenue Section) of Rule 8 of Delegation of Financial Power (Amendment) Rules, 2022, issued vide MoF, DoE, Notification dated 16.12.2022;
- d. Advances (but not withdrawals) from the provident funds;
- e. All short-term loans and advances to government servants that are recoverable in less than 60 instalments.

3.1.6 Payments of advances can be made by CDDOs only after obtaining the sanction of the competent authority. A copy of the sanction should also be endorsed to the Pay and Accounts Officer.

3.1.7 Bills for all other kinds of payments to Government servants will be presented to the PAO concerned for pre-check and paid electronically. This includes payments like long-term loans and advances and withdrawals from provident fund under the relevant rules of GPF (Central Services) Rules, 1960 or corresponding provisions of other Provident Fund Rules. Issue of cheques against their assignment by the DDOs to make such payments is not permitted.

3.1.8 The purposes detailed in the CPWA Code may be deemed to be those approved by the CGA, for the Executive Engineers functioning as Cheque Drawing DDOs under Central Public Works Department (CPWD) and other departments for which the provisions of CPWA Code are authorised to be followed. However, prior approval of the CGA will be required for the delegation of cheque drawing powers to the said division or divisional office, if an officer other than the Executive Engineer is declared as a drawing and disbursing officer, for drawing bills for works and ancillary payments in addition to pay and allowances etc. (Authority: *Para 2.1 (3) of Subsidiary Instructions to R&P Rules, 2022*).

Note:1 For certain departments, with the prior approval of the CGA, the DDO may be delegated powers for drawal of cheque [or payment advices including electronically signed payment advices] for the limited purposes of making payments of certain specified nature. (for example: The Welfare Commissioners in the Ministry of Labour and Employment, functioning as CDDO, have been authorized to make payment of Scholarship/Stipend to the children of Beedi Workers. Authority: CGA's letter No. 10(5)/DBT/TA/Pt.2/2013/29 dated 15.1.2015

Note:2 The term 'office contingencies' referred to above shall be interpreted in a restricted manner to cover only those items that would fall within the sanctioning powers of the

HODs/HOOs linked to the DDO and certain periodical payments like rent, rates and taxes, electricity, water and telephone charges and other day-to-day office expenses.

Note:3 Cheque drawing DDOs are not authorised to make payment for advances sanctioned after the details of final payment has been moved to PAO, in terms of Rule 34(3) (v) of G.P.F. (CS) Rules, 1960. Bills for such purpose, duly supported by formal sanction of the competent authority, shall be forwarded to the PAO for payment after pre-check. Bills for payments like Rewards (under any scheme), Rewards to informers, Secret Service are to be submitted to PAO for payment after pre-check.

Note:4 The details of the provident fund advances paid by the CDDOs have to be forwarded to the PAO every month, through a statement of the amounts paid and including the particulars of the sanction, names of the subscribers, their account numbers, etc. This is to enable the PAOs to ensure that the debit vouchers are received and posted by them in the accounts of the subscribers and that the debits adjustable by PAOs of other Departments/Governments are passed on to them without fail.

3.1.9 In some cases the CDDOs can be permitted by the Head of Department in consultation with the Head of Accounting Organisation i.e. Pr. CCA/CCA/CA (wherever independent) as the case may be, to make payments on account of pay and allowances and office contingencies etc. of one or more offices situated at the same or nearby stations, in addition to that of his own office. The Heads of these offices will present such bills to the designated CDDO for payment. Any such arrangement made to attach any DDO with a CDDO for payment functions should be intimated to the CGA and appropriate code under the given category obtained for the concerned DDOs.

3.1.10 Head of Accounting Organisation, i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, may undertake a review of cheque drawing status of existing Cheque drawing DDOs, for any specified reasons (viz. Non-availability of regular trained staff to perform the CDDO functions etc.) and may bring them under PAO for payment after pre-check in consultation with office of CGA. Head of Department may also send proposal on their own to Head of Accounting Organisation Pr.CCA/CCA/CA(i/c) as the case may be, for withdrawal of cheque drawing power given to their CDDO for specific/practical reason and may be brought under PAO concerned.

3.2 QUARTERLY ASSIGNMENT.

3.2.1 Expenditure cannot be incurred out of the CFI in anticipation of the passing of Appropriation (Vote on Account) or the Appropriation Act relating to the budget of a financial year. The Letter of Credit in favour of a cheque drawing DDO at the beginning of the financial year will therefore cover only the amount for which Vote on Account has been obtained.

3.2.2 After the Appropriation Act has been passed by the Parliament and assented to by the President, the Budget section/Finance Wing communicates the budget allotment. On the basis of the budget allotment communicated by the Finance Division, the Head of the Department will make distribution of the allotment among the DDOs under his control, through the concerned PAO. On the basis of the allotments and cash requirements for disbursement of pay and allowances, travelling allowances, contingencies etc. intimated by the CDDOs, the PAO will determine the amount of assignment for every quarter of the financial year. For determining the assignment of each quarter, the PAO will take into account the anticipated drawals on account of advances from GPF for which DDOs are authorised to issue electronic payment. The Pay and Accounts Officer will authorise the paying branch of the bank by means of a Letter of Credit(LoC), to make payment of cheques drawn from time to time or electronic payments by the concerned DDO during the said quarter, not exceeding the limit specified in the LoC. While issuing the LoC for the

first quarter of the financial year after the Appropriation Act is passed, the PAO will take into account the LoC issued earlier on the basis of the "Vote on Account".

3.2.3 The paying branch is responsible to ensure that at no time the amount assigned in the LoC is exceeded on account of the payment of any electronic payment or cheque issued by the CDDO. Except in respect of the first quarter where allocation on the basis of Vote on Account is involved, the fresh LoC issued after expiry of the period prescribed in the earlier letter of credit shall be treated as an addition to the unspent balance of the earlier letter of credit. The Pay and Accounts Officers while communicating the assignment for the second and subsequent quarters should indicate not only the amount assigned for that quarter, but also the progressive total of assignments upto the end of the quarter. This will enable the bank to ensure that the total cumulative draws from the beginning of the year do not exceed the total progressive assignments. The unspent assignment of the last quarter of the financial year is not to be carried forward to the next year.

3.2.4 The cheques and electronic payments actually issued during the last quarter but presented for payment during the next quarter in the subsequent financial year, will be taken by the banks against the assignment of the year in which they were drawn, and not the year in which they are paid.

3.2.5 PAO shall reconcile the progressive expenditure of CDDOs from the payment scrolls, on a weekly basis. In case of payment made through PFMS also, weekly reconciliation must be conducted to ensure that limits as specified in LoC are not exceeded. If LoC are found to be exceeded, then PAO shall immediately inform his DCA/CA/CCA for taking up the matter with the concerned bank.

3.2.6 The CDDOs are required to keep a close watch over the drawals made by them and should take prompt action for assignment of additional funds by PAO, through the renewal of the LoC. The system of quarterly allotment will apply to disbursing officers functioning on Public Works Division pattern also.

3.2.7 The CDDO in whose favour an assignment account has been opened in the accredited bank, shall in no case draw any amount for placing in a separate account in the bank or in a private account. It is also not permissible to draw cheques and deposit the amount in the department's cash chest at the end of the year for the purpose of showing the full amount of the assignment as utilized. (Below *Para 3.5 (2) of Subsidiary Instructions to R&P Rules,2022*).

3.2.8 The procedure prescribed in paragraphs 4.1 and 4.2 of Chapter 4 regarding the sending of specimen signature, provision for different categories of cheques and the procedure for obtaining bank drafts will apply to CDDOs also.

3.3 PROCEDURE FOR PAYMENT

3.3.1 The bills relating to the classes of payments referred to in para 3.1.5 above will be prepared in accordance with the rules and procedures prescribed in R&P Rules, 2022/GFR, 2017 etc. and presented to the officer authorised to issue cheques for payment. For the bills of his own office, the CDDO will ensure that to the extent possible, a person other than the one responsible for the preparation of the bills has checked them independently. Payment more than Rs.5000/- to vendor/supplier/contractor will be made through e-payment only and not by cheque. Booking of expenditure under correct object heads of accounts to be followed as per the instructions of MoF, DOE, F. No: 1(17)/2013-E.IIA dated 1.1.2014.

3.3.2 The bills received for payment from non- cheque drawing DDOs (NCDDOs) will be verified to ensure that they relate only to the classes of payments for which the DDOs are authorised to make payments. The bills which do not fall under these categories if received, will be returned to the NCDDO concerned for sending them to the PAO for pre-check and payment. After this preliminary verification, the bills will be entered in the "Register of Bills Received" (Form CAM 18 and subjected to relevant checks enumerated in R&P Rules, 2022 and Para 2.2 to 2.55 of *Subsidiary Instructions to R&P Rules, 2022*, read with Chapter 2 of this manual. It will also be ensured through the "Register of Cheques Issued" (Form CAM 19) that the quarterly assignments in respect of each office as intimated by PAO, are not exceeded. The PAO shall also maintain a suitable register in respect of each CDDO to ensure that the drawal is not in excess of the assignments. This register should be posted from the weekly accounts of the CDDOs as well as reconciled with the bank scrolls.

3.3.3 In the office of the CDDOs, the bills shall be arithmetically checked, ensured that the claim is admissible, authority is competent, the signature and countersignature where necessary are genuine and in order, and corrections, if any, have been duly attested. After satisfying in all respects, the CDDO will sign the pay order on the bill showing the amount for which the bill is passed (in words and figures) and cancel the Pay Order. The e-payment/cheque will then be prepared for the net amount of the bill. The provisions contained in *Para 3.2(10) to 3.2 (12) of Subsidiary Instructions to R&P Rules, 2022* should be observed while writing the cheques.

3.3.4 The CDDO will get the number and date of all cheques issued noted in the 'Register of Cheques Issued' (Form CAM 19), and attest the entry at the time of signing of each cheque. Another officer, preferably in the Gazetted rank, will then subject the entries in this register to check with reference to the 'pass order' in the paid voucher. The register should be closed on the same day by striking the totals of Col. 7, and the instructions under para 2.19.1 of this manual will also be complied with.

3.3.5 At the end of the financial year CDDOs should intimate details of total number of cheques issued/ electronic payments made on the last day, amount thereof and the number and amount of last cheque issued under each category, by e-mail/fax to the Pay and Accounts Officer. It should reach not later than the 1st day of the next financial year so as to enable the PAO to send a consolidated statement to the Principal Accounts Office.

3.4 LIST OF PAYMENTS AND BANK RECONCILIATION

3.4.1 As per the procedure laid down for reporting and accounting of transactions, the dealing branch of the bank will send a copy of the daily scroll to the CDDO.

3.4.2 The scrolls received from the bank shall be checked with reference to the entries in the 'Register of Cheques Issued' and electronic payment advices made by CDDOs, to verify the cheque number/ transaction number and the amount of cheques paid/ electronic payment made. On verification, the date of encashment should be noted in the relevant column of the Register of Cheques Issued. A Bank Reconciliation Statement (Form CAM 20) should be drawn up every month explaining the difference between total payments made as per the bank scroll and the total payments during the month as per the Register of Cheques Issued and electronic payment made. The statement will indicate the details of the cheques issued during the month but not reported through scrolls as cleared. Similarly, it will show the details of cheques cleared/ successful electronic payments during the month that was issued in the previous month/s. Discrepancies noticed in the scrolls should be taken up with the bank immediately for rectification.

The CDDOs shall prepare a bank reconciliation statement every month and send it to the PAO along with a reconciliation statement in respect of receipts in Form CAM- 22). PAO shall verify the Bank Reconciliation Statement of each DDO under his control on monthly basis.

3.4.3 In case of CDDOs not functioning in PFMS, they shall prepare a 'List of Payments' (LoP) in triplicate, in Form CAM-21 as indicated below. Two copies of the LoP accompanied by the paid vouchers should be sent to the PAO, as indicated below-

1st to 7 th	:	by the 9th of the month
8th to 14 th	:	by the 16th of the month
15th to 21 st	:	by the 23rd of the month
22nd to the end of the Month	:	DAILY
Last day's scroll	:	by the 3rd of the following month.

Note: - Sub-vouchers upto ₹ 2000/- in value shall be retained by CDDOs in their offices in terms of Para 2.20 (3) & (4) of *Subsidiary Instructions to Central Government Account, (R&P) Rules, 2022* for the audit of their initial records. A certificate would however be recorded by them on each contingency bill to the effect that sub-vouchers of value upto ₹ 2000/- numbering from Sub-Voucher....to Sub-voucher.... have been retained in his office.

3.4.4 In case of CDDOs functioning in PFMS, the vouchers are posted in the account of PAO (CAM 33) upon its digitally signing by the CDDOs in case of e-payment or at the time of cheque issue in the system. The accounting of vouchers will be done as per the classification provided to the system at the time of creations of sanction and at the time of entering deduction at the bill generation level. CDDO shall send a copy of LoP to PAO for the purpose of Post audit.

3.4.5 The due dates for submission of compiled accounts to the PAO, for the officers rendering accounts on the Public Works/Forest Accounting System shall be the 5th of the succeeding month.

3.5 CUSTODY OF CHEQUE BOOKS - PRECAUTIONS.

3.5.1 The PAOs concerned will supply the cheque books to their CDDOs. The following instructions contained in Central Government Accounts (R&P) Rules, 2022 should be carefully observed by the cheque drawing officers in this regard:

(i) The CDDOs will maintain an account of cheque books and cheque forms in the same form as detailed in paras 7 and 9 of APPENDIX 4.2 of chapter 4.

(ii) The CDDOs on receiving cheque books, will carefully examine them, count the number of forms contained in each cheque book and record a certificate of count on the fly leaf.

(iii) Cheque books must be kept under lock and key and in the personal custody of the drawing officer. When relieved, he shall take receipt for the exact number of cheques made over to the relieving officer.

(iv) The CDDOs will notify the number of cheque book and the serial numbers of cheque forms it contains that he brings into use from time to time, to the dealing bank on which he draws cheques, as well as the Pay and Accounts Officer. The bank will keep a record of the particulars for verifying the genuineness of the cheques presented for payment under *Para 3.2(4) of Subsidiary Instructions to R&P Rules, 2022*.

(v) The loss of cheque books or a blank cheque form shall be immediately/same day notified to bank branch with whom the disbursing officer is in account with.

(vi) All Cheques drawn by CDDOs shall be crossed. {Para 3.2(1) to (14) of Subsidiary Instructions to Rules, 2022}.

(vii) All cheques should be signed in indelible ink only and in case of cheques of category 'A', the account number and the details of bank/branch should be written after the name of the payee.

(viii) Irrespective of the category, all cheques drawn or electronic payments made for ₹10 lakhs and above shall bear two signatures/ digital signatures. For this purpose the Head of the accounting organisation shall nominate another gazetted officer /senior most non-gazetted officer, as second signatory (O.M. No. 1(3) /95/TA/Pt.file/578 dated 27.7.98).

(ix) No correction or alteration in a cheque is permissible. Any cheque requiring any kind of correction or alteration should be cancelled and a fresh cheque should be issued in lieu thereof. (Para 3.9 (1) of Subsidiary Instructions to R&P Rules, 2022).

(x) A cheque issued in India for making payment or a refund order issued for refund of revenue under these rules shall be valid for three months from the date of issue.

(xi) In case of expiry of the currency of a cheque the same may be inquired into and retrieved by the CDDO. However, revalidation of a time barred cheque is not permissible regardless of the date of its drawal. The provisions of Para 5.2.5 may be strictly followed for the cancellation of the time barred cheques and issue of fresh cheque in lieu thereof. In the event of non-return of the time-barred cheque to the drawer, the drawer should require the payee either to return the cheque for cancellation or issue of fresh cheque in lieu thereof. (*Rule 16 of R&P Rules, 2022*).

(xii) When it is necessary to issue a fresh cheque in place of the time barred cheque, cancellation of time barred cheque must be recorded in the cheque issue register and then the cheque must be cancelled. In case fresh cheque is not required to be issued, the cheque should be defaced/cancelled as above and forwarded to the PAO. The entries in the accounts should simultaneously be suitably reversed *Para 3.9 (2) to (4) of Subsidiary Instructions to R&P Rules, 2022*).

(xiii) The CDDO may receive request for issue of fresh cheque/ electronic payments in place of a cheque/ electronic payments issued by him earlier on the grounds that it has been lost/failed. If request for issue of fresh cheque is made within a period of three months from the date of issue of original cheque, he should send intimation to the bank on which it has been drawn, regarding the reported loss of the cheque and advise it to stop payment if the cheque is presented for payment thereafter. If the currency of the cheque has not expired at the time of sending the intimation, the bank shall acknowledge in writing in the form given in para 5.4.1 of chapter 5 of this manual. If the currency of the cheque alleged to have been lost has expired at the time of intimation to the bank, the acknowledgement of the 'stop payment order' may not be insisted upon from the bank. In such cases the intimation to the bank is sufficient for the record of the CDDO. The CDDO on receipt of intimation from the bank or record of intimation sent to bank in case of expired cheques will send a copy of the same to the PAO, for issue of a non-payment certificate.

3.5.2 The PAO concerned on receiving a copy of this intimation from the said CDDO, will issue a non-payment certificate after verification of his relevant records i.e. Register of Cheques

delivered, etc. and after keeping a suitable note against the relevant entry in that register. The non-payment certificate will be in the following form:

" Certified that cheque No.....dated.....for ₹...reported by.....(the drawing officer) to have been drawn by him on.....branch of.....bank in favour of.....has not been paid".

3.5.3 The CDDO will then note the particulars of the non-payment certificate against the relevant entry in the office copy of the list of payments, to indicate that the original cheque has not been paid and it has been 'stopped' from payment. He will also make a similar note on the cheque issue register and office copy of the relevant paid voucher before issuing a fresh cheque in lieu thereof. Provisions of para 4.3 and 5.4 of this manual will be followed for the purpose of issue of fresh cheque and the number and date of the fresh cheque will also be noted on the list of payments, paid voucher and cheque register. Even though paying banks may not be required to issue 'non-payment certificate', there will be no change in their responsibilities towards lost cheques. To ensure that a cheque for which such advice has been received is not subsequently paid, they will exercise all usual precautions. If it is found afterwards that the original cheque has been paid, the CDDO will report the matter immediately to the paying branch under telegraphic intimation/official e-mail, to the PAO (*Para 3.9 (6) to (10) of Subsidiary Instructions to R&P Rules, 2022*)

3.6 RECEIPT SCROLLS.

In case of e-receipts reported through PFMS, there is no need to enter e-scrolls in PFMS. Entry of Scrolls/Challans received from Bank (in respect of physical instruments) are only to be made in PFMS. Procedure laid down in para 13.6 of this manual should be followed.

3.7 ACTION IN PAO ON PAYMENT SCROLLS

3.7.1 In case of e-payments are made by CDDOs through PFMS, the e-scroll is received in electronic format on the PFMS platform. There is no need to enter scrolls in PFMS. Two copies of list of payments received from the CDDOs, who are not functioning in PFMS, should be kept in a guard file in the PAO. One of these will be used as 'Register of Cheques Delivered' in the PAO, while the second copy with paid vouchers will be used for incorporation in the Accounts, in the case of CDDOs not functioning in PFMS. After the receipt of the Payment scroll and images of paid cheques from the bank, the procedure laid down in para 13.6 will be followed for reconciliation.

CHAPTER 4

BANKING ARRANGEMENTS

4.1 INTRODUCTION

4.1.1 Under the departmentalized accounting system, the receipts and payments of each Ministry/Department of the Government of India are handled by the RBI or the Public/Private Sector Bank/s nominated for the particular Ministry/Department by the RBI on the advice of the CGA, in accordance with the memorandum of instructions issued by RBI to Banks (**APPENDIX 4.1**), and subsequent orders in this regard. If a Ministry/Department requires to change their accredited bank branch or accredit additional branches of the same agency bank, the Head of the concerned Accounting Organisation of the Ministry/Department may directly approach the accredited bank under intimation to RBI, DGBA, Central Office and RBI, CAS, Nagpur as also Office of the CGA. Immediately on commencement of Government business at such branches, the concerned bank will intimate RBI, Central Office, DGBA and RBI, CAS, Nagpur. The revised procedure will be applicable only in cases where change of FPB is not involved. In case, where a new branch is being identified as Focal Point Branch/Nodal branch or any change of existing FPB is involved, the Ministry/Department will have to seek prior permission of RBI, DGBA, Central Office. Prior permission will also be required in cases where the new accredited branch is to report transaction to RBI, CAS, Nagpur directly without intervention of an FPB. Accordingly, a new bank for a particular Ministry/Department requires prior approval of CGA and RBI. These instructions are applicable to all Civil and non-Civil Ministries/Departments of Government of India.

(Authority: O/o the CGA's OM No. S-11012/1(31)/AC/2005/RBD/Vol. III/602 dated 9th May 2006)

Note: Implementation of CTS 2010 Standard: With a view to enhancing in cheque clearing, RBI introduced Cheque Truncation System (CTS) for clearance of cheques, facilitating the presentation and payment of cheques without their physical movement. RBI in consultation with the office of CGA, decided to dispense with the requirement of forwarding the paid Central Government cheques in physical form to the Government departments. Accordingly, RBI vide their Circular DGBA GAD NO.2036/42.01.035/2015-16 dated 31st December, 2015 amended "Memorandum of Instructions issued to agency banks for conducting government business" to discontinue the 'Paper to Flow (P2F)' system with effect from 1st February, 2016 in line with implementation of full-fledged CTS 2010. This circular has been made as an addendum to the instructions and inserted as Annexure 15 of the Memorandum of Instructions (**APPENDIX 4.1**).

4.1.2 The Pay and Accounts Officer will send to the branch with which he is placed in account, the specimen signature of the Pay and Accounts Officer/ Officers who are authorised to sign as second signatory in terms of OM NO.1 (3)/95/TA/Pt. file/575 dated 27-7-98. An independent officer, preferably higher in rank and whose signature is available with the bank, should duly countersign the specimen signature of the Pay and Accounts Officer authorized to sign cheques. When there is a change in the incumbency of any of the officers authorised to sign the cheques, the branch concerned should be duly informed in writing and the specimen signature of the incumbent officer should be attested and forwarded to the bank in the same manner.

4.1.3 The Principal Accounts Office will obtain supply of cheque books required for use by the PAOs from the Central Stamp Store, ISP, Nasik Road or the accredited bank concerned wherever so authorized by the CGA, and make arrangements for their distribution to the PAOs. The detailed procedure in this regard as prescribed in Government of India, Ministry of

Finance (Department of Expenditure) OM No. F.2 (12)/76-sc/1490-1503 dated the 16th August, 1976 wherever applicable, will apply even in cases where cheque books have been authorized to be obtained from the accredited banks directly (**APPENDIX 4.2**).

4.1.4 The name of the Min./Deptt. of the Govt. of India, the name of the station, name of the office/ name and branch of the bank may be got printed on cheques and the designation of the officer/officers signing cheques, DDO and bank code number etc. may be affixed by means of rubber stamps on the cheque foils.

4.1.5 The officer authorised to sign cheques will intimate to the paying branch of the bank the number of the cheque book and the number of the cheque forms included therein whenever a new cheque book is brought into use. The bank will keep a record of these particulars for verifying the genuineness of the cheques presented.

4.1.6 In case of a Pay and Accounts Officer going on leave, a substitute/link officer is to be normally arranged by the Head of Accounting Organization. If, however, it is not administratively convenient to post a substitute for short spells of leave and another Pay and Accounts Officer is available in that office, that Pay and Accounts Officer can be authorised to sign the cheques or e-payment advices. If another Pay and Accounts Officer is not available on the strength of that office, the Pay and Accounts Officer going on leave has to ensure that no payments of important nature are pending. If stationed locally, cheques of urgent nature can be signed by the Pay and Accounts Officer even at his residence, but in those cases where the Pay and Accounts Officer goes out of station and no substitute can be arranged in his place and there is need for making arrangements for drawal of cheques, the Principal Accounts Office may authorise the senior most AAO to sign cheques or e-payment advices for the specified period of the absence of the Pay and Accounts Officer. The bills passed and cheques issued during the period of absence of Pay and Accounts Officer should be reviewed by the regular incumbent after his return or by the fulltime substitute posted in his place. A certificate in this regard should be sent by the Pay and Accounts Officer to the Principal Accounts Office that the bills passed/cheques/e-payment advices issued during the period of his leave/leave of his predecessor have been checked.

4.1.7 In addition to the bank accounts in the accredited bank of the Ministries/Departments, PAOs of civil Ministries/Departments are also required to open two e-FPB accounts in RBI i.e. one for receipts under BHARATKOSH Portal and one for e-payments through Inter Accountal Adjustment Advice (IAAA). PAOs operate IAAA where RBI makes e-payments for amounts exceeding ₹100 crore, directly to PSUs/Other Parties etc. and RBI will send e-scrolls for such payments to PAOs. PAOs need to send the request for account opening requests to the Regional Director, RBI, Mumbai. (Authority: S-11012/1(12)/HLM/2012/RBD/1414-1460 dated 22.8.2016).

4.2 MODE OF PAYMENT FROM GOVERNMENT ACCOUNT:

4.2.1. PAYMENT ADVICES: *The term 'Payment advice' is defined in the R&P Rules, 2022 that it would refer to the instructions issued to the RBI or to the accredited bank for direct credit through authorised mode, either electronically or otherwise of a specified amount to the specified bank account of the payee. The payment advice other than electronically signed advices shall be accompanied by a cheque for an equal amount drawn in favour of the relevant accredited bank.*

4.2.2 The use of Payment Advices is detailed in para 3.3 of Subsidiary Instructions to RPR, 2022. While passing bills for payment, the following points relating to payment advice will be observed:

(i) *Payments to the suppliers or vendors for work done or service rendered or articles supplied, grantee, loanee institutions, autonomous bodies, State and UT Government shall be*

made by any authorised mode for payment from Government Account at the request and expense of the payee concerned: Provided that all payments exceeding ₹ 5000/- shall be through Payment advices only. (Authority para 2.2(2)(c) of Subsidiary Instructions to R&P Rules, 2022).

(ii) All payments towards settlement of retirement/terminal benefits such as gratuity, commuted value of pension, encashment of leave salary, CGEGIS, withdrawals from GPF etc. shall be paid by direct credit to the bank accounts of the beneficiaries.

(iii) *All payments to Government servant including salary shall be made by Payment advices for direct credit to their bank accounts or Post Office Savings Bank Accounts, subject to availability of banking facilities or at Post Offices: Provided that relaxation may be granted by the competent authority for payment by cash in cases of, -*

(a) hardship, where the reasons are duly approved by Head of Department in consultation with Head of Accounting Organisation; and

(b) for operationalization of a policy decision for implementing specific nature of operation or programmes or schemes where details of payments are not to be disclosed. (Authority: Rule 14 (5) of R&P Rules, 2022).

(iv) Payment of immediate relief in terms of Rule 79 and 80 of Compendium of Rules on Advances to Government Servants, 2005 to the family member of the government servant who dies in service, is not covered under (i) above. In this case, DDO shall draw and disburse eligible amount of immediate relief in cash either from Imprest or by drawing money from the Bank. DDO should ensure adjustment of this advance against the arrears of pay and allowances, leave salary, Death Gratuity, balance of GPF/CPF or any other payment due in respect of the deceased government servant.

(v) When payment is desired by different modes of payments i.e. Payment advice/Cheque/Demand draft/Postal Order/Money Order/Cash etc., separate bills shall be prepared by the DDOs and the following shall be clearly indicated on the top of the bills:

“Payments by (*)“ (* payment advice or cheque or DD or Postal Order or Money Order or cash)’.

4.2.3 Categories of cheques and their use

4.2.3.1 Category ‘A’ Cheque (NEGOTIABLE) - *These are to be used for payments, if so needed, on account of personal claims to gazetted officers, to contractors and suppliers and to public sector companies, corporations etc. Negotiable cheques will be drawn as payable to or order of the ‘Payee’. However, use of Category A cheques may arise only occasionally as all these payments are now required to be made electronically. While writing cheques of this category name of the payee should be followed by his bank account number and name of bank/branch. As a safeguard against fraudulent payment all non-salary cheques in excess of ₹ 500 and salary cheques in excess of ₹ 1000 should be crossed and marked ‘Account Payee’.*

4.2.3.2 Acquittance for the payments made in cash to the Government servants shall be obtained as specified in the Rule 14(6) and Para 2.9(1) of Subsidiary Instructions to R&P Rules, 2022. In case of payment credited directly to the bank account of the officers or staff, no formal acquittance is to be obtained from the officers or staff.

4.2.3.3 Category 'B' Cheque (NON-TRANSFERABLE)- These are meant for payment to the payee who is a Government officer for disbursement of salaries etc. and payments pertaining to office establishment and office contingencies. These cheques will be drawn in favour of the payee by his official designation and will contain the superscription 'Not Transferable' on the top and will be drawn as payable to the payee only and not 'to order'. These cheques are not negotiable and payments will be made only to the payee or to his messenger holding a letter of authority on proper identification. In such cases of cheques drawn in favour of government officials, the specimen signatures of these officers will be supplied to the bank in advance, and care will be taken by the bank to see that the signature given as discharge on the cheque agrees with the specimen signature on record. Standard Operating Procedure for use of prepaid Debit Card for Permanent Imprest has been issued by Office of CGA vide OM No.R/20001/1/2020-GBA-CGA/548-658 dated 14th July, 2021. The use of prepaid cards help reduction of cash payments for incurring expenditure through permanent imprest held by Head of Offices/DDOs and payments through contingent advances sanctioned to designated officers.

4.2.3.4 Category 'C' Cheque (NOT NEGOTIABLE AND NOT PAYABLE IN CASH - CREDITABLE TO GOVERNMENT ACCOUNT ONLY)

These cheques contain the superscription 'Government Account'. These are meant for payment of inter-departmental or inter-governmental claims other than payment of loans and grants-in-aid to State Governments and to UT Governments/Administrations. This will be irrespective of location of the payer and payee offices, and will be arranged only by issue of cheques of this category and not by demand drafts. RBI, Central Office, Mumbai vide their letter No. 2669/GA 64(12)/79-80 dated the 12th May, 1980 addressed to all the Public Sector Banks transacting Government business, have issued directions for encashment of outstation cheques of this category pertaining to 'Government Account' at par.

Note: Detailed instructions contained in para 3.2 of Subsidiary Instructions to R&P Rules, 2022 regarding use of cheques may also be referred to.

4.2.4 BANK DRAFTS

4.2.4.1 Payment by bank drafts to outstation payees by PAOs is permissible in the following types of cases:

- (a) All cases where payment has to be made by bank drafts either under the provisions of any law, or other legal or contractual obligations;
- (b) Payment towards pay and allowances and other personal entitlements of outstation establishments including contingencies etc where e-payment facility for direct payment to bank account is not possible. In such cases the bank drafts will be issued in favour of DDO of the concerned outstation office to enable disbursement of pay and allowances and other personal entitlements of staff, office contingencies etc. in cash. The bank draft will be drawn in favour of the DDO by designation (and the word 'ONLY' added after the designation of the 'Payee) and bear the superscription 'not transferable'. Bank drafts for the regular monthly pay and allowances of establishment will also bear the superscription 'Not to be Presented Before.....' (The earliest date on which the payment can be made under *Para 2.4 (1) (a) to (f) of Subsidiary Instructions to R&P Rules, 2022.*
- (c) In case e-payment facility for direct payment to bank account is not available, the Public Sector Undertakings and Corporations (Other than local bodies) set up by Government should open bank accounts at the station where the PAO concerned is located, in order to

facilitate payment to them. Wherever payments cannot be arranged through this mode, the same may be arranged by crossed demand draft(s).

4.2.4.2 For obtaining the bank drafts required for outstation payments, the Pay and Accounts Officer will present a requisition duly supported by a statement in duplicate showing the particulars of the bank drafts required along with a Cheque of category 'A' for the total amount drawn in favour of the bank as payee. If any special superscription is required to be made in the draft such as 'Account Payee', 'Not Transferable' or 'Not to be Presented Before.....', a specific request to this effect should be sent along with the requisition. A Register of requisition of Bank Drafts should be maintained as indicated in para 2.4.4 of chapter 2 of this manual.

4.3 ISSUE OF FRESH CHEQUES IN LIEU OF LOST CHEQUES

The procedure prescribed in *Para 3.9 (6) to (09) of Subsidiary Instructions to R&P Rules, 2022* and inserted as para 5.4 of this Manual, shall be followed for the issue of a fresh cheque in lieu of a cheque issued earlier but reported to have been lost.

4.4 ISSUE OF INTER-GOVERNMENTAL ADJUSTMENT (IGA) ADVICES TO RBI (CAS) NAGPUR AND OPERATION & CLEARANCE OF THE MINOR HEAD, RESERVE BANK SUSPENSE (C.A.O.) ETC:

4.4.1 Payments of loans and grants to State Governments except Sikkim and repayments of loans/payment of interest by State Governments are effected by the issue of advices to the Central Accounts Section of R.B.I., Nagpur by various Principal Accounts Offices etc. Advices issued by a Principal Accounts Office to R.B.I.(CAS), Nagpur in this connection for effecting monetary settlement through its books will be given the same treatment in accounts as is given to cheques issued, except that the head '8658-Supense Accounts-R.B. Suspense (C.A.O.)' will be operated upon instead of the head '8670-Cheques and Bills' for affording contra credit. This suspense head will be cleared with a minus credit as soon as relevant intimation (clearance memo) is received from R.B.I., C.A.S., Nagpur about the settlement having been effected. All advices to RBI,CAS,Nagpur for payments should be entered in a register in form CAM 65 and should be submitted for signatures along with the register.

4.4.2 Principal Accounts Office/Pay and Accounts Offices would issue digitally signed eIGA Advice through PFMS on receipt of digitally signed IGA e-Sanction through sanction module of PFMS. The payment sanctions are posted in the account of PAO (CAM 33) upon its digital signing by the final authorised signatory in the system.

4.4.3 Intimations received by a Principal Accounts Office from the RBI (CAS), Nagpur about credit having been afforded to the Ministry's/Department's account based on advices from AG etc. will be dealt with in the same manner as receipt scrolls from banks (without supporting details as these would be awaited from the AG concerned) and the head "Reserve Bank Suspense (C.A.O)" minus debit will be operated upon. On receipt of details from the A.G., the suspense head should be cleared through a transfer entry, affording debit to it and contra credit to the final head (s). This procedure for operating Reserve Bank Suspense (C.A.O.) may be adopted in respect of all such clearance memos received irrespective of whether or not the particulars are received and complied.

4.4.4 Form of Register of Reserve Bank Deposits-Part II (CAM 17A) has been devised. However, Principal Accounts Office which are not concerned with the operation of remittance heads need not open columns meant for indicating contra effect against Major Heads 8786 to 8789 (viz. columns 7 to 10). Monthly total under column 3 of the register should be checked with credit

figures in the accounts against the head '8658 Suspense Accounts-Reserve Bank Suspense (Central Accounts Office). As soon as clearance memos are received from the RBI, their particulars should be entered in form CAM 17A. Total amount under column 12 should be checked with figures in the accounts against the concerned suspense head in the accounts, as responding minus credit. Clearance memos received in the type of cases referred to in para 4.4.3 are to be entered in form CAM 17 A. The total receipts and disbursements under columns 5 and 11 of the said register will be verified with the appropriate side in the accounts against the head of account "8675-Deposits with Reserve Bank-Central Civil-Reserve Bank, (Central Accounts Office)". Ordinarily, no balance should remain outstanding under the head 'Reserve Bank Suspense' at the close of the accounts of a financial year.

4.4.5 In the case of operation of remittance heads by External Affairs Offices etc. referred to in para 8.8.1 of this Manual, the original adjustment of debit against these heads arising at the time of compilation of the payment vouchers will be done in a manner similar to adjustment under 'PAO Suspense', dealt with in para 8.2.1, with the difference that the settlement will be done by issuing advices on RBI, CAS, Nagpur instead of issue of cheques. The responding stage in these cases will commence with the issue of an advice to RBI(CAS) Nagpur. The advices may be entered in a separate register in form CAM 65. When the clearance memo is received from RBI, Nagpur, it should be entered in C.A.M.17A, in order to effect responding minus debit to the relevant remittance head from the monthly total there under. The corresponding debit will be given against the head '8675-Deposits with Reserve Bank - Central - Civil - Reserve Bank (CAO). Ordinarily, no balance should remain outstanding under these remittance heads at the close of the accounts of a financial year.

4.4.6 Monthly totals under column Nos. 5 & 11 should be tallied and reconciled with monthly report /adjustments submitted by R.B.I.(CAS), Nagpur.

4.5 AGENCY COMMISSION PAYABLE BY RBI TO BANKS ON GOVERNMENT TRANSACTIONS

4.5.1 RBI pays agency commission to banks for handling government business transactions. The agency commission rates on eligible government transactions are currently as under :-

S. No.	Type of Transaction	Unit	Rates applicable w.e.f. 1/7/2019
1	Receipts - Physical	per transaction	₹40/-
2	Receipts – e-mode	per transaction	₹9/-
3	Pension Payments	per transaction	₹75/-
4	Payments other than Pension	per ₹100 turnover	₹ 6.50 paise

(Authority: Circular No. DGBA. GBD. 3144/31.02.007/2018-19 dated June 20, 2019 issued by Department of Government and Bank Accounts and circulated vide CGA'S OM No. S-11012/3(35)/TOC/2016/RBI /GBA /1151-1199 dated 12-7-2019).

4.6: PROCEDURE FOR LEVYING PENAL INTEREST ON ACCREDITED BANKS IN RELATION TO GOVERNMENT AGENCY BUSINESS:

4.6.1 Payment of interest on excess put through/double claim by the accredited bank: PAOs need to initiate action with FPB for recovery of penal interest on excess put through/double

claim by the accredited bank and send the requisite reports to Principal Accounts Office for consolidation and onward transmission to O/o CGA in accordance with the procedure laid down in para 13.6 (21) of CAM.

4.6.2 Payment of interest on delayed remittances: All challans pertaining to receipts should be scrutinized to detect cases of delays in remittance beyond the maximum period allowed for remittance. These delays should be investigated to ascertain whether they occurred at the receiving branch or the nodal /FPB branch of the bank. A record of all such cases of delayed remittance should be kept in the PAO, for calculation, levy and recovery of penal interest.

4.6.3 Calculation of Delay: 'T' is the date of Transaction which will be counted from the date of receipt in case of cash payment, and date of realization in case of cheques/ drafts at the receiving branch. Delayed period interest shall be imposed on the banks for the actual delayed period and not from the date of transaction (T). In other words, the delay period' calculation will start from the day following the prescribed put through date (actual "Put through date will be included for calculation of delay). Concerned Account Offices will identify cases of delay and inform their headquarters. All cases of recovery will be processed by the PAO and quarterly report will be submitted to their HQ for taking up the matter with the Head Office of the Banks.

4.6.4 Timelines for credit of government revenues:

(A) For manual receipts:

(i) Since all the branches of the agency banks are on CBS platform, all the agency banks (Public/Private Sector Banks), shall remit the physical government receipts collected by the branches of the banks to Government Account in RBI on the next working day i.e. T+1 (including put through) where T stands for the day when amount is received by the dealing branch.

(ii) For the branches falling under North Eastern States, the specified time for remittance would be T+2 days (including put through).

(B) For e-receipts:

- i. The remittance period in respect of all govt transactions made through e-payments (including tax receipts of CBDT and CBIC) in respect of Public/Private Sector Banks will be T+1 working day (including Put through date).
- ii. The following additional instructions for e-receipt collection by the accredited bank through Debit/Credit Cards/Net Banking are :
 - a. Remittance norms of T+1 working day including the Put Through day should be strictly followed. T is the day money is available with the receiving bank branch of the agency/accredited bank.
 - b. Penal interest should be levied on the delayed remittance of e-receipt into Government Account. i.e. on delay beyond T+1 working day, if any.
 - c. In respect of transactions occurring through UPI/Debit/Credit Cards and Net Banking, the settlement should conform to the provisions contained in the Payment and Settlement Act, 2007 of the RBI and rules and regulations made therein.

4.6.5 For Small Savings Schemes of M/o Finance (PPF & SCSS etc):

In respect of Small Savings Schemes of M/o Finance (PPF & SCSS etc), the directions given in the M/o Finance, Dept of Economic Affairs, Budget Division OM No. F.17/1/2008-NS-II dated 15th May, 2008 (as amended from time to time) would be applicable.

4.6.6 Rate of Penal Interest:

- i. The rate of interest to be charged is Bank Rate as prevailing (which is generally notified biannually on May 1 and November 1) plus 2% or as decided by RBI in consultation with CGA from time to time.
- ii. The period of delay in a transaction of ₹ 1 lakh and above shall attract delayed period Interest at Bank Rate + 2%.
- iii. For the transaction below Rs 1 lakh in each case, the delayed period interest shall be levied only at the Bank Rate for delays up to 5 calendar days and above 5 calendar days at the Bank Rate 2 % for the full period of delay.
- iv. For petty claims of delayed penal interest involving an amount of ₹500/- or below will be ignored and excluded from the purview of penal interest (CGA'S OM no S-11012/3/P Intt(RP) /CGA/2007/R80/ 499 dated 06/04/2009). This limit of penal interest of Rs 500/- is for per transaction.
- v. In respect of Non-Tax and all other Government receipts also, for permissible time limit, calculation of delay period and delayed period interest, the above instructions shall be applicable.
- vi. The rate of penal interest in case of PPF/SCSS schemes of Mo Finance is mentioned in Budget Division OM No. F.17/1/2008-NS-II dated 15th May, 2008 (as amended from time to time).
- vii. All banks may build up their own internal control mechanism so that the preventive and corrective actions are taken by the bank for its branches well in time.

4.6.7 Reporting of Penal Interest:

- i. Total delayed amount, which has not been remitted in time as per the above timelines and the penalty due along with details of individual cases will be intimated by the concerned Pr. CCAS/CCAS/CAs (for the Non- Civil Ministries by the concerned Head of the Department) to the Head Office of the bank concerned on a quarterly basis, by 15th of the following month (i.e. for the quarter ending June, the cases should be sent by 15th July) along with all necessary documents.
- ii. Where penal interest payable is based on audit, all delays in remittance of receipts of Government along with Penal interest payable should be reported to the concerned banks within 3 months of completion of audit.
- iii. In exceptional cases where Ministry Department is not able to lodge the penal interest claim within the stipulated time frame prescribed above, a case for seeking relaxation with full justification would be sent to CGA for consideration.

4.6.8 Payment of Penal Interest by Banks:

Banks will pay penal interest for claims lodged by concerned Ministries/Departments within a period 3 months from the date of issue of claims by Ministries/Departments. All agency banks may build up their own internal control mechanisms for preventive and corrective actions for their bank and branches.

4.6.9 Resolution of any dispute:

- i. In case of any dispute in penal interest between the banks and the Ministries/Departments, such cases may be forwarded by the Banks to the GBA section of CGA for necessary action.
- ii. All cases of dispute forwarded by banks will be put up to a committee formed for this purpose. The committee would be chaired by Additional CGA (A&FR), O/o CGA with the following members.
 - a. Pr. CCAs/CCAs/CAs (Independent charge) of the concerned Ministry for cases relating to Civil Ministries/Departments.
 - b. JS Level officer (in case of Non-Civil Ministries)
 - c. CGM, DGBA, RBI
 - d. Representative from the concerned bank at CGM/GM level
 - e. Jt. CGA (GBA)-Member Secretary
- iii. In case the banks do not pay penal interest or do not lodge any dispute/appeal within the prescribed timelines given above, direct debit of the bank's account will be done for the amount of Penal interest in consultation with RBI.

4.6.10 Terms of Waiver

(i) The penal interest levied on accredited banks cannot be waived. Only the period of delay counted for calculation of penal interest can be relaxed/condoned by the Committee/CGA on case to case basis. Following are some of the cases in which period of delay can be relaxed/condoned for calculation of penal interest:

- (a) Force majeure such as war or by an act of God -The effective period of the Force majeure clause for relaxation of time period of delay will be decided by the O/o CGA in consultation with RBI.
- (b) Continuous holidays as per RBI calendar
- (c) Annual/Half yearly closing of accounts of banks (1st of April & 1st of October)

(ii) The period of strike by the Bank's staff will not be excluded from the permissible period for remittance of Government revenues (O/o CGA OM no S-11012/3(35)/CBDT/DE/2003-04/RBD/790 dated 14/05/2008)

(iii) The committee will take into account all factors responsible for delay and wherever justified, will condone only the period of delay.

4.6.11 Grounds for Appeal:

In cases where the decision of the Committee is not found acceptable by either the Ministry/Department or the bank, an appeal can be filed with the CGA within 30 days of the

decision of the committee. The decision of the CGA will be final and binding.

(Authority : CGA's OM No. S-11012/1(31)/AC(22)/2015/RBD/332-424 dated 9th March 2016
and OM No. S 11012/2/3/RBI/2018/GBA/158-1606 dated 19th September 2019)

MEMORANDUM OF INSTRUCTIONS ON BANKING AND ACCOUNTING ARRANGEMENTS IN CONNECTION WITH RECEIPTS AND PAYMENTS ON GOVERNMENT ACCOUNT BY PUBLIC SECTOR BANKS UNDER THE SCHEME OF DEPARTMENTALISATION OF ACCOUNTS.

A scheme for the decentralization of accounts of the individual Ministries/ Departments of the Government of India was introduced in three phases with effect from 1st April, 1976. Under the scheme of departmentalisation of accounts, the responsibility for maintenance of accounts at all levels was transferred from AG to Integrated FAs of the Ministries/Departments. The arrangements in connection with payments and receipts of Government by public sector banks under the scheme of departmentalisation of accounts are indicated in this Memorandum for guidance of all concerned.

Note: Detailed Memorandum of Instructions outlining the banking and accounting arrangements in connection with the receipt of income tax and other direct taxes, central excise duties, and payment of civil pensions under the scheme for collection of taxes, dues etc. of scheme for payment of pension through public sector banks have been issued separately.

2. The Integrated FA of the Ministry/Department will make budget allocations to various wings, departments or formations under his jurisdiction, on the strength of which the PAOs in charge of PAO issue letters of credit, assigning the amounts allotted to Drawing and Disbursing Officers, quarterly or at other intervals as may be convenient, sending the necessary intimation directly to the concerned branches of public sector banks with whom the Department or Ministry is banking. Payments on behalf of a drawing and disbursing officer served by a branch during a specified period will not exceed the amount of assignment or letter of credit. Accounts opened by the branches on the strength of letters of credit assigning limits for drawing are known as "assignment accounts" or "letter of credit accounts". Some of the Government officers may be allowed, as far as the paying bank is concerned, to operate on Government Account without limit of account. Such accounts are known as "drawing accounts". There is a third type of Government account known as "Personal Ledger Account". These are of the nature of regular current accounts opened in the name of Government Officers for the purpose of booking receipt and drawings, the essential condition being that drawings are restricted to the balance in the account.

3. The concerned branch will maintain a ledger in form as per Annexure-1 for assignment or letter of credit account of each drawing and disbursing officer for whom the branch will be acting as banker. For personal ledger accounts, form as per Annexure-2 will be used. Full particulars such as the name of the account, the date of opening the account, name and designation of the officials authorised to operate on the account, a reference to the letter from which the authority is derived, the amount of the assignment or letter of credit and the number of the cheque book and the number of cheque leaves which will be used for operation on the account will be recorded at the top of the first page of the account under the authentication of an authorised official of the bank. The essential particulars relating to the account will be carried over to subsequent folios under the initials of the checking official.

4. The specimen signature of officials authorised to operate on the assignment or letter of credit accounts or drawing accounts will be obtained on sheets prescribed by the bank for the purpose. If specimen signatures are furnished on letters, they will be cut out and pasted on cards. The specimen signature should invariably be attested by another Government Official, by one

whose specimen signature is already recorded with the bank. If this is not possible, the specimen signature should be got attested by the Reserve Bank. Where a fresh specimen signature is furnished due to a change in the incumbency of the drawing official, incoming official's specimen signature should be duly attested by the relieved official. Government Department maintaining accounts with the bank will make use of their own cheque forms for drawing on the accounts. For this purpose, the Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, will make an annual or half- yearly assessment of the total number of cheque books required for his Ministry and either place a consolidated indent or authorise a senior officer in each department of the Ministry to place an indent for his department with the Deputy Controller of Stamps, Central Stamp Stores, Nasik, giving detailed instructions in regard to the distribution of the cheque books to various Pay and Accounts Officers or DDO as the case may be. The Drawing Officer will intimate to the branch concerned the number of the cheque book and the number of the cheque forms contained therein, whenever a new cheque book is brought into use. The signature on such advices will be verified by the authorised official of the branch and the particulars of the cheque book will be noted in the relative ledger under his initials, suitable remarks being made on the advices at the same time.

5. While passing Government cheques, apart from the checks and precautions usually exercised by banks, the following points will be observed:-

- (i) Signature appearing on the cheques should be carefully scrutinized and compared with the specimen signature of the authorised official record with the bank.
- (ii) Different periods of currency are prescribed for different classes of cheques in the Treasury Rules and these are usually printed on the cheques themselves. It should be ensured that a cheque presented is current in accordance with the period applicable to it.
- (iii) In order to ensure that fraudulent and unauthorised cheques are not presented, each drawing officer will draw cheques only on one branch of a bank specified in this behalf by the integrated FA or by any other person nominated by him.
- (iv) As a further safeguard against fraudulent payments and with a view to protecting the interests of Government, any cheque in respect of the salary or pension of any person for an amount of ₹ 1000/- or more and any other cheque in respect of any expenditure other than the salary of an office employee or contingent expenditure for the office if it is in excess of ₹500/- will be marked "Account Payee".
- (v) If a cheque is for an amount which is smaller than the amounts mentioned above and is not crossed in this form, it will be paid only to the payee on identification, or to his banker on a certificate from the banker that the amount has been placed to the payee's credit, or to a person holding a letter of authority from the payee, after the payee's signature on the letter has been certified and the messenger has been duly identified.
- (vi) Inter-departmental and inter-governmental adjustment will be made by means of cheques. In all such cases, the cheques will be superscribed with the words "Account Government". Where a cheque is superscribed with the words "Account Government", the amount of the cheque should not be paid in cash and the drawee bank should ensure that the proceeds are paid to the credit of the Ministry, department or office of the Government concerned, either with itself or with another bank in the public sector conducting business on behalf of that Ministry, department or office as the case may be.
- (vii) When amounts are required by officers of the Government to enable them to make disbursements of pay and allowances of non-gazetted staff and contingent or other expenditure in cash on behalf of Government, the cheque will be superscribed with the words "not transferable". Where a cheque is superscribed with the words "not transferable", the proceeds may be paid in cash, care being taken to ensure that payment is made either to the payee himself on identification or to his authorised agent being a person holding a letter of authority from him or to the payee's banker. It should be borne in mind that payment can be made to a person holding a letter of authority from the payee

only if the latter's signature is known to the bank or he can be identified to the paying bank and also that payment can be made to the payee's banker, only on his furnishing a certificate that the amount has been placed to the payee's credit. A transfer of the cheque by endorsement in such cases should not be allowed under any circumstances.

- (viii) The amount assigned or the amount mentioned in the letter of credit should not be exceeded at any time by reason of the payment of any cheque. As Government cheques are issued in favour of individuals, private firms, joint stock companies and quasi-public bodies, it is essential that the staff attending to the payments should be fully conversant with the nature of endorsements to be made on the cheques by each class of payees. Unless it is proved that payment is made in due course i.e. in good faith and without negligence, the bank cannot secure the protection afforded by Sections 85 and 85A of the Negotiable Instruments Act.

6. In the case of cheques drawn in favour of Government Officials, the specimen signatures of the latter should be supplied to the bank in advance and care should be taken by the bank to ensure that the signature given as discharge on cheques agrees with the specimen on record. The specimen signatures of the payee officials will not be recorded along with those of the drawing officials. They will be kept in separate files, alphabetically arranged according to departments to facilitate the verification of endorsements on cheques or signatures on other documents, if any, as and when this may be required.

7. One or more counter clerks conversant with endorsement and the signatures of the Government officials concerned, depending upon the volume of work involved, will be posted to receive cheques drawn on Government account and tendered over the counter for payment in cash. The counter clerk will examine the cheque and, if he finds it prima facie in order and properly endorsed, add his initials on the left hand bottom corner of the cheque and issue a token to the tenderer after recording its number on the cheque. He will then pass on the cheque to the ledger clerk. The ledger clerk will examine the cheque with reference to the various points detailed in paragraph 6 above and if it is found to be in order, will post the cheque in the relative account in the ledger as also in the payment scroll. After entry in the scroll, the cheque will be branded with the pay cash stamp and the serial number of the entry in the scroll recorded on it above the stamp. The ledger and scroll with the relative cheques will be put up to the authorised passing official and the passed cheque will be sent to the cash payment counter for the payment of cash against the surrender of the tokens issued.

8. (i) Cheques on Government account may be tendered with pay-in-slips or challans, for credit of some other account maintained at the branch, in which case the transactions will be only a transfer transaction. Cheques on Government account may also be received through clearing. In all these cases, the cheques will be examined with reference to the various points detailed in paragraph-6 above, posted in the ledger accounts and payment scroll and duly passed by the passing official.

(ii) Payment scrolls will be prepared in quadruplicate in the form set in Annexure 3.

9. RECEIPTS ON BEHALF OF GOVERNMENT.

Receipts on behalf of Government departments will be dealt with as under:-

(a). The depositor will deposit the amount of dues payable to any department or formation of the Ministry with the branch of the public sector bank, with which the department or formation of the concerned Ministry is banking. The deposit will be accepted in cash or by means of a cheque or draft, along with the appropriate challans in duplicate or triplicate or quadruplicate as required.

(b). Before a deposit on Government account is accepted, the accompanying challans will be carefully scrutinised to see that they are properly filled in. The scrutiny of the challans will be attended to by the counter clerk in the case of those accompanied by cheques or drafts and by the receiving teller in the case of those tendered with cash. The scrutiny will be conducted with special reference to the following points:-

i. that the proper challan form in duplicate, triplicate or quadruplicate as required has been used.

ii. that all the columns which are required to be completed by the tenderer have been filled in and that the remitter's signature with his full address and the date of the remittance are furnished thereon. (The amount to be deposited is recorded in both words and figures by the tenderer in the challans).

iii. that the correct head of account to which the amount should be credited in Government account is clearly written on the challan, either by the remitter or the departmental officer on whose account the amount is deposited.

iv. that where the challans are accompanied by cheques or drafts, the latter are drawn or are endorsed in favour of the concerned branch.

v. that the particulars of the cash or cheques or drafts are entered on the reverse of the challans in the space provided thereon and

vi. that the amounts creditable to different heads of accounts are not entered in the same challan.

(c). After scrutinising the challan and satisfying himself that the amount of cash, cheque or draft as tendered agrees with the amount shown on the challan, the receiving counter clerk or teller will issue a paper token to the depositor to facilitate delivery of the receipted challan to him. In the case of challans accompanied by cheques or drafts, the counter clerk will indicate on the token the date on which the receipted challan will be available for delivery to the depositors. Paper tokens of different colours, serially numbered, may be used for tenderers of cheques or drafts or cash as the case may be. The token number will be recorded at the time of its issue on the receipt portion/copy of the challan to facilitate delivery of receipted challans to depositor.

(d). All receipts on account of Government will be entered in a receipt scroll in quadruplicate in the form set out in Annexure 4, with separate column for cash, transfer and clearing. Challans with cheques or drafts will be entered in the clearing column of the scroll as on the date on which the proceeds of the cheques or drafts are expected to be realised. A separate scroll will be prepared for each department or formation of the Ministry, and for each major head of account, if required by the department or formation of that Ministry. The serial number of each entry in the scroll will be recorded on the corresponding cheque for the purpose of identification. Each day's scroll will also be given a running serial number for the accounting year from 1st April to 31st March, separate serial numbers being given to scrolls of each account to facilitate detection of any omission in submitting the daily scrolls. All copies of the challans will be branded with a suitable receipt stamp containing the name of the bank, branch and centre and in the copy/copies of challans meant for the tenderer the amount should be written in words and figures and that challan(s) should be signed in full. However, the bank official may only initial against the amount already indicated in the body of other copies of challan(s). As regards Government Departments, the initials and Cash Received stamp of the bank affixed on the challan should be adequate in

view of the additional check available in the receipted scrolls. The receipted challans will thereafter be handed over to the counter clerk for delivery to the depositors against surrender of the paper tokens issued earlier. The scroll will be totalled after the close of business every day by the receiving branch concerned and the books of the branch balanced for the day with reference to the totals of the day's scrolls and the other transactions of branch. Every depositor will be submitting in the normal course a copy of the challan to the concerned departmental officer. On the basis of these challans, the departmental officer will prepare a weekly statement of receipts giving the number and date of the challan, name of the depositor and the amount deposited and forward the same to the designated Pay and Accounts Officer. The departmental officer will also check the entries in the copy of the scroll received by him with the entries in the statement of receipts and reconcile any discrepancy detected with the bank under advice to the Pay and Accounts Officer. (Please see Annexure 15 for additional precautions to be exercised while passing instruments).

10. Under the revised procedure introduced with effect from 1st May, 1989, all the existing branches of the accredited banks nominated under the erstwhile procedure continue to handle the transactions of the concerned Ministry/departments in the usual way. The Pay and Accounts Officer/Drawing and Disbursing Officers continue to be in account with same dealing branch as hitherto fore. The dealing branches are however, now linked to the newly designated 'Focal Point' branch of the accredited bank for the purpose of reporting. The FPB would invariably be a branch designated as such by the accredited bank at a centre where the PAO is situated. The FPB should preferably be situated nearer to the place of office of the PAO so that unnecessary correspondence may be avoided and better rapport established. The revised procedure is outlined in the following paragraphs:-

(I) DEALING BRANCHES.

The dealing branch will continue to maintain the accounts of the DDOs/PAOs and prepare daily payment and receipt scrolls (Annexure-3 and 4) in quadruplicate separately for each account holder. Each day's scroll will be given a running serial number for the accounting year from 1st April to 31st March, separate serial numbers being given to scrolls of each account. These serial numbers on the scrolls shall bear prefix DMA (E) for payments and DMA (R) for receipts. The serial numbers of the entry in the scroll will be recorded on the corresponding cheques/challans for the purpose of identification. After the books of the branch are balanced with reference to the total of day's scrolls, two copies of scrolls along with relative challans/paid cheques will be sent by them to the FPB with a forwarding memorandum (Annexure -5) on a day-to-day basis. One copy of the scroll will be sent direct by the dealing branch to the concerned DDO. The fourth copy of the scroll will be retained by the branch for its own record. The dealing branch will not report/furnish any documents direct to the PAO. No Date wise Monthly Statement will be prepared by the dealing branch.

(II) FOCAL POINT BRANCH.

(a) The FPB, in addition to acting as a dealing branch, will also be responsible for prompt and accurate accounting of the transactions reported to it daily by all the dealing branches linked to it.

(b) The FPB will receive from dealing branches linked to it, two copies of scrolls along with challans/paid cheques attached to the original scroll. It will separate the original and duplicate copies of scrolls and subject them to careful scrutiny for accuracy. It will consolidate the transactions of the various dealing branches including its own and prepare a Main Scroll in triplicate (Annexure-6) separately for each Ministry/Department giving the totals of all accounts

separately for which scrolls have been received from each branch. Two copies of the Main scroll along with the original copy of the scroll with relative instruments received from various dealing branches will be forwarded to the concerned PAO on day-to-day basis. The duplicate copy of the scrolls without instruments, received from the dealing branches will be stitched and retained by the Focal Point branch for its record. Simultaneously, the aggregate of the receipts and payments arrived at in the main scroll will be incorporated in a daily memorandum (Annexure-7) and same will be reported to its link cell at Nagpur on a day-to-day basis. The daily memorandum by the FPBs of SBI are however sent to SBI, Governments Accounts Department, Bombay on a day-to-day basis. While furnishing the daily memorandum in Annexure-7 to the link cell/SBI, GAD Mumbai as the case may be, the FPB is also to furnish a certificate to the effect that necessary scrolls/paid cheques/challans, etc. have already been submitted to the concerned Government officials. The report in Annexure-7 is to be sent through telex/telegram, if the net amount is ₹1 lakh and above. A 'nil' advice is to be sent where there are no transactions to report. The Main scroll submitted to PAO as well as the Memo/Nil advice to link cell should bear a serial number in consecutive order for the year from 1st April, to 31st March.

(c) Since the challans/paid cheques are important documents evidencing payments into/withdrawal from Government account, utmost care has to be exercised by the dealing branch/focal point branch to ensure that no challans/paid cheques are lost/misplaced while handling the documents. However, in the event of loss/misplacement of documents during transit, a certificate should be prepared by the Focal Point branch in lieu of lost challans/paid cheques in consultation with the dealing branch and attach it to the copies of relevant scrolls. The certificates should be serially numbered, separately for challans and paid cheques and number indicated against the entry in the relevant scrolls. A record thereof should be maintained by the Focal Point branch. If the lost/misplaced challan/paid cheque is recovered subsequently, it should also be forwarded to the concerned departmental officer separately citing a reference to the relative certificate. (It should be ensured that reimbursement is claimed by focal point branches only after the relative documents are submitted to the government accounting authorities.)

(d) The PAO, on receipt of copies of Main Scroll and supporting documents, will certify and return the duplicate copy of the scroll within 24 hours to the FPB after verification. The FPB should keep a watch on the prompt receipt of the certified copy of the scroll from the PAO.

(e) The Focal Point branch should ensure that:-

- i. the mistakes/discrepancies pointed out by PAO are rectified after proper verification through error scroll, where necessary, as per the procedure,
- ii. the missing challans/paid cheques are submitted to PAO directly,
- iii. the copies of Main Scrolls duly verified by PAO are kept on its record,
- iv. the mistakes/discrepancies in scroll, resulting from erroneous entry of credit or debit, will be rectified by withdrawal of erroneous credit or debit by minus credit or minus debit as the case may be, and not by passing contra debit/credit adjustment by the banks.

(f) Methodology to be followed for adjustments of wrong debits/credits.

- i. the original transaction, which was booked wrongly may be shown as minus figure under the relevant column in the Error scroll and then the correct transaction may be entered. The total figures as appearing in the Error scroll under Receipt and Payment Columns, i.e. minus or plus, may be incorporated in the relevant scroll of the department for the day. Suitable remarks may also be made in the office copy of the original scroll against the relevant entry for which adjustment has been carried out. The aggregate Receipts and Payments figures of the scroll,

minus or plus as the case may be, after adjustment of the error, may be reported to the Focal Point branch. The FPB will incorporate the receipt and payment figures of the dealing branch, as they appear on the branch scroll viz. Either minus or plus in the Main Scroll and the aggregate Receipt and payment figures, either minus or plus, arrived at in the Main Scroll should be reported to Reserve Bank for settlement through link cell at Nagpur or SBI, GAD, Mumbai as the case may be.

ii. For the purpose of interbank settlement, the minus receipts may be treated as 'Payment' and the minus payment as 'Receipt' and the branch account may be credited and debited accordingly.

iii. When the totals of receipt and payment transactions arrived at in the Main Scroll reveal a minus figure, it/they should be reported as such. However, for purpose of inter branch adjustments/settlement the minus receipt and minus payments may be taken as payment and receipts respectively. An illustration of the minus adjustments is furnished below:-

ILLUSTRATION:

A branch of the bank had effected receipt transactions of ₹ 1,54,000 and payment transactions of ₹ 2,60,000 on 5th March in respect of PAO 'B'. These transactions had been wrongly reported as ₹5,14,000 (R) and ₹ 6,20,000 (P). Corrections were carried out by bank on 9th March. The receipt & payments transactions of PAO 'B' at that branch on that date were ₹ 48,00,000 (R) and ₹ 78,00,000(P). Adjustment entries would appear in the scroll as under:-

Particulars in Error Scroll.

	Receipts	Payments
Correct transaction of 5th March	1,54,000	2,60,000
Withdrawal of wrong figures reported on 5th March	(-)5,14,000	(-)6,20,000
Total	(-)3,60,000	(-)3,60,000

These minus figures will be adjusted in the Day's Scrolls (Receipt or Payment as the case may be) on 9th March as under:-

	Receipts	Payments
Total transactions of the day (as shown in the respective Scrolls)	48,00,000	78,00,000
Adjustment of error as shown in Error Scroll.	(-) 3,60,000	(-) 3,60,000
Total	(+)44,40,000	(+)74,40,000

(g) The Focal Point branch will also prepare in quintuplicate, the DMS (Annexure -8) of the respective Ministry/Department and submit four copies thereof to concerned PAO for verification latest by the 3rd of the following month, retaining the fifth copy as office copy. Two copies of the monthly statement will be returned by the PAO duly verified to the Focal Point branch within 3 days of receipt thereof. Out of the two certified copies so received by the Focal Point branch, one copy will be retained by the Focal Point branch and the other will be forwarded to its link cell at Nagpur so as to reach the later by 10th of the following month. In case of Ministries/Departments banking with SBI, however, the Focal Point branch will send the certified copy of DMS to SBI, Government Accounts Department, Mumbai by 10th of every succeeding month.

(h) The Focal Point branch will be responsible for reconciliation of accounts with the respective PAO and settle any discrepancy pointed out by him. The adjustments on account of discrepancies/errors pointed out by the PAO will be incorporated in a separate error scroll and reported to PAO/link cell (or SBI, GAD, Mumbai as the case may be) for accounting.

Note: Out of the two copies, original copy of DMS will be retained by the PAO for his record and the duplicate duly verified sent to his Principal Accounts Office/Controller of Accounts latest by 8th of the following month.

(III) LINK CELL AT NAGPUR (IN CASE OF MINISTRIES/DEPARTMENTS BANKING WITH AUTHORISED BANKS OTHER THAN SBI).

(a) The link cell of the bank at Nagpur on receipt of daily advices/telegrams/telex from various Focal Point branches will decode them and report them through Daily Memo (Annexure-7) to RBI, Central Accounts Section, Nagpur which will generate daily statements and simultaneously carry out necessary adjustments both in Government and bank accounts. The link cell while furnishing the daily memo in Annexure -7 to CAS, Nagpur will also furnish a certificate to the effect that relevant documents have been submitted by its Focal Point branches to the respective Government officials. Two copies of the relative daily statements will be sent by CAS, Nagpur to link cell of the bank which will retain one copy and return the other to CAS duly verified. Link Cell will maintain PAO-wise records of transactions/adjustments made. Link Cell will verify the data in the statement as furnished by CAS, with reference to branch memo/advices. Discrepancy, if any will be pointed out to CAS, Nagpur for rectification in the subsequent statement. RBI, CAS, Nagpur will also generate on behalf of the link cell of banks, monthly statements showing transactions (1) PAO wise date-wise (Annexure -11) and (2) Ministry/Department-wise PAO-wise (Annexure-12). Two copies of PAO-wise statement will be forwarded to the link cell by RBI, CAS, Nagpur. One copy of the statement will be furnished to the PAO by the Link Cell by 5th of the following month retaining the other copy as its record. As regards Ministry-wise statements, one copy of the statements will also be furnished to the link cell by RBI, CAS. The RBI, CAS, Nagpur will send one copy each of monthly statement, PAO-wise and date-wise, i.e. (Annexure-11) and (ii) Ministry wise PAO-wise i.e. (Annexure-12) along with consolidated monthly statement to the CCA/CA of the Ministry/Department by 15th of the following month.

Note: - The arrangement of generating monthly statement by CAS, Nagpur on behalf of Link cell is a purely temporary measure. Link Cells will be required to take over their work when they are computerized.

(b) Link Cell will also prepare separate statements (Annexure - 10) for adjustment of discrepancies reported by Focal Point branch and furnish them to RBI, CAS, Nagpur for adjustment in Ministry's Accounts. RBI, CAS will process them, PAO-wise on the computer and furnish two copies to Link Cell. One copy will be retained by it and the other will be returned to RBI, CAS, Nagpur.

(IV) S.B.I., GAD, Mumbai (IN CASE OF MINISTRIES/DEPARTMENTS BANKING WITH SBI).

(a) On receipt of daily memorandums/telegrams in respect of transactions from various Focal Point branches, the Government Accounts Department, Mumbai will consolidate the position and report the consolidated figures (receipt/payments separately) to RBI, Central Accounts Section, Nagpur for eventual settlement. SBI, GAD, Mumbai while reporting the consolidated figure to RBI, CAS, Nagpur will also furnish a certificate to the effect that relevant documents have been submitted by its focal point branches to the respective Government officials.

(b) SBI, GAD, Mumbai will prepare four copies of monthly settlement statement as per Annexure-11 and forward three copies thereof to RBI, CAS, Nagpur for verification before 5th of the succeeding month. RBI after verification will forward one copy (along with the monthly closing balance statement) to each Principal Accounts Office of the Ministry/Department, one copy to SBI, GAD, Mumbai and retain one copy for their record.

(c) SBI, GAD, Mumbai will also prepare four copies of monthly settlement statement PAO-wise showing transactions date-wise (Annexure- 11) and forward original copy to respective Principal Accounts Office, duplicate/triplicate copy each to the respective PAO and Focal Point Branch(s) and retain the fourth copy for their record.

(d) SBI, GAD, Mumbai will also prepare monthly settlement statement in duplicate as per Annexure -12 and forward one copy thereof to respective Principal Accounts Office of the concerned Ministry/Department.

(e) SBI, GAD, Mumbai will furnish to CAS, Nagpur daily the Ministry/Department-wise transactions statement. At the end of the month SBI will furnish to CAS, Nagpur (PAO-wise monthly statement of transactions and Ministry-wise/Department-wise monthly statement of transactions to enable CAS, Nagpur to submit consolidated monthly statement to Controller of Accounts.

(V) SELF MONITORING

Link Cell at Nagpur will also receive a copy of certified DMS from its Focal Point branch latest by the 10th of the following month. On receipt, thereof, the link cell should compare entries of receipts and payments in respect of each PAO date-wise with reference to amounts put through as shown in Annexure-8. In case if it finds that the amount as shown in the DMS and as appearing in Annexure-8 differs it should adjust the difference in the daily advice for the next day showing corrections distinctly giving a reference to the date of each transaction. This will ensure settlement of accounts on self-reconciliation basis. In doing so, it should keep a note of corrections in the DMS so that, if later, the same discrepancy is pointed out by the Focal Point branch at the instance of PAO, double adjustments are avoided. A similar procedure should be adopted by SBI, GAD, Mumbai.

(VI) MARCH RESIDUAL TRANSACTIONS:-

(a) The transactions relating to Ministries/Departments, reported by the Focal Point branch to RBI, Central Accounts Section, Nagpur during the month of April may include transactions affected by the dealing branches pertaining to the month of March (or, in exceptional cases, earlier).

(b) The transactions pertaining to a financial year are required to be adjusted to the extent possible, in the account of that year itself. As such, the transactions effected during the month of March should be expeditiously advised by the dealing branches to the Focal Point branch to enable the later to report the same to RBI, CAS, Nagpur through the link cell. In particular, the transactions taking place from 15th March till the end of the month should be reported by telex/telegram. As regards residual March transactions which could not be reported to RBI during the concerned financial year, the Focal Point branch should segregate from 1st April, all the transactions pertaining to the previous financial year and prepare separate Main scroll for (a) the residual transactions pertaining to March or earlier (i.e., during the earlier financial year) (b)

current transactions i.e., those effected from the 1st April onwards. The main scroll for March transactions prepared from 1st April to 45th(*) April should be distinctly marked as March Residual-1, March Residual-2 and so on up to March Residual 10(*). Focal Point branch should report these transactions to the Link Cell in separate Daily Memo. i.e., one for March and the other for April transactions. This procedure of reporting should continue up to and including of 10th April, and all transactions thereafter advised by the dealing branches will be reported in the usual manner and adjusted in the accounts of month of report at CAS, Nagpur. The same procedure should also be followed by the link cell in reporting these transactions to RBI, CAS Nagpur. The Focal Point branch should also furnish two separate monthly statements, one pertaining to "March Account" clearly marked as such, covering transaction relating to the period up to 31st March but reported during 1st to 10th April and the other covering the April transactions (which may include transactions of the previous month/s reported after 10th April) as usual. The monthly statement pertaining to the "March Account" should be sent to the concerned Pay and Accounts Officer latest by the 30th April. The statement relating to the month of April should be sent latest by the 3rd of the following month in the normal course.

*Date shall be 10th April or as the date notified by RBI in consultation with CGA Office from time to time.

(VII) RBI OFFICES.

With the introduction of revised procedure from 1st May, 1989, RBI offices ceased to be the designated offices for settlement of DMA transactions handled by accredited banks. RBI offices, will however, continue to handle the transactions of Ministries/Departments accredited to them either exclusively or concurrently with SBI in the usual way. The RBI offices will follow the procedure applicable to the dealing branches and Focal Point branches as the office function both as dealing branch and Focal Point branch in respect of those Ministries/Departments for which they are acting as bankers. Each office of the Bank will act independently and render accounts to Pay and Accounts Officer. The transactions effected by them in respect of the accredited Ministries/Departments will be accounted for by them in their books and the balances, in Departmentalised Ministries' Accounts reported to CAS, Nagpur through telegram/telex daily. The offices render scrolls, etc. to the Pay and Accounts Officer/Drawing and Disbursing Officer on daily basis, submit Date-wise Monthly statements to Pay and Accounts Officer for verification/certification and also attend to reconciliation work thereof. RBI offices should telex the PAO-wise monthly receipts and payments of each Ministry/Department to CAS, Nagpur immediately after the month-end transfer of balances followed by detailed monthly statement.

(VIII) RECONCILIATION.

(a) Efforts should be made to verify the scrolls promptly, if any discrepancy is detected, the same should be got settled by personal contact. If the scrolls are verified correctly, the DMS would become only a copy of verified figures and would not pose any problem subsequently.

(b) the reconciliation work will be done in two parts:-

First part will be reconciliation between the accounts rendered by the dealing branches to focal Point branch. This will be the responsibility of the concerned Focal Point Branch. Second part will be reconciliation from the level of Focal Point Branch onwards right up to the stage of transactions put through. This will be the responsibility of PAO and Focal Point branch concerned.

11. TURN OVER COMMISSION.

The Link Cell of the bank will arrange to submit claims, Ministry-wise/Department-wise, for turnover commission on Government transactions settled with RBI, CAS Nagpur to that office on quarterly basis for settlement. They have to ensure that adjustments on account of discrepancies of transactions originally reported are furnished in separate statements. It should also ensure that adjustments of discrepancies are correctly taken into account for arriving at total Government turnover and there is no double claim of turnover commission on account of such adjustments.

12. RECOVERY OF INTEREST ON DELAYED REMITTANCES:

Government of India levy interest on remittance delayed for credit to Government account and on excess/double reimbursement obtained by banks. In view of this, dealing branches/Focal Point branches and Link Cell should ensure that the transactions are reported promptly and correctly to avoid payment of interest (please see Annexure-14 for detailed procedure for recovery of interest from public sector banks).

13. Job cards No.1,2 and 3 have been given at the end for the guidance of banks for branch level receipts, branch level payments and focal Point branch level procedures.

14. It will be desirable for every bank transacting any business under the arrangements referred to in this memorandum to open currency chests at centres where receipt and payment transactions on Government account under this scheme are likely to be handled.

15. It may be necessary for the Comptroller and Auditor General of India to undertake a percentage audit of the transactions under this scheme. It is, therefore, suggested that as far as possible the books and ledgers connected with Government transactions may be segregated.

ANNEXURE I (Vide paragraph 3 to APPENDIX 4.1)

ASSIGNMENT/LETTER OF CREDIT ACCOUNT LEDGER

- (1) Name of the account (in full)
- (2) Address
- (3) Account opened on
- (4) Reference
- (5) Cheques will be signed by
- (6) Special instructions, if any
- (7) Amount assigned
- (8) Particulars of cheque books in use

Date of entry No. of book No. of cheque forms

Date	Particulars of withdrawals	Particulars of cheque		Disbursements	Progressive total	Initials PAO	Remarks
		No.	Date				

ANNEXURE – 2

(Vide paragraph 3 of APPENDIX 4.1)

PERSON

AL LEDGER ACCOUNT

- (1) Name of the account (in full)
- (2) Address
- (3) Account opened on
- (4) Reference
- (5) Cheques will be signed by
- (6) Special instructions, if any
- (7) Amount assigned
- (8) Particulars of cheque books in use

Date of entry No. of book No. of cheque forms

Date	Particulars Deposits/ withdrawals	of Particulars cheque		of Debits	Credits	BalanceCr. Amount	Initials	Remarks
		No.	Date	₹	₹	₹		

ANNEXURE - 3

Payment Scroll

Name of Bank

Code No	Dealing Branch	Code No.

Sr. No.

Date :

Head of A/c. (PAO) Code No. -

Name of Drawer :

(i.e. PAO/DDO)

Sr. No.	Cheque		Amount			Progressive Total		Initials
	No.	Date	Cash ₹	Clearing ₹	Transfer ₹	₹	P.	

**ANNEXURE - 4
Statement - 2**

Receipt Scroll

Sr. No.
Date:

Name of Bank

Code No.

Dealing Br.

Code No

Head of A/c. (Min./Deptt./PAO)

Code No

Sr. No.	Name of Depositor	Challanno.	Amount			Progressive Total		Initials
			Cash ₹	Clearing ₹	Transfer ₹	₹	P.	

ANNEXURE - 5
Statement - 3

Daily Advice of Transaction (To be submitted by dealing branches to Focal Point Branch) in respect of Union Ministries' Transactions -- (Expenditure Accounts)

Name of the PAO:Code No.

To

The Branch Manager

.....

.....
Date:

Name of Ministry/Deptt. :Code No.

Sr.No.

Name of Dealing Branch:

Code No.

Receipts (₹)

Disbursements (₹)

Branch Manager

The Receipt/Payment Scrolls along with receipted challans, paid cheques etc. must be attached to this Advice.

ANNEXURE - 6
Statement - 4

MAIN SCROLL -- UNION MINISTRIES' EXPENDITURE ACCOUNTS

Name of Focal Point Branch: Code No.....

Name of PAO :Code No.....Running Sr. No.....

Name of Ministry/Deptt.....Code No..... Date:

Sr. No.	Name of Dealing Branch	Date of Transaction at dealing branch	Receipts ₹	Payments ₹	Remarks
	Sub-Total				
Transactions of Focal Point Branch					
Grand Total					

1. To be prepared in triplicate
2. Two copies -- original with scrolls and paid cheques/receipted challans and duplicate without documents to be submitted to PAO on a day-to-day basis.
3. Duplicate copy duly verified by PAO, to be obtained by the Focal point branch on a day-to-day basis.
4. Third copy to be retained as office copy.
5. Scrolls of dealing Branches with documents to be attached to original Main Scrolls should be in the same order in which entries are listed in this Main Scroll.
6. The Grand Total of receipts and payments should be reported to Link Cell, Nagpur on a day-to-day basis.

Branch Manager
Branch Seal

ANNEXURE - 7

**Daily Memo TRANSACTIONS ON BEHALF OF RBI
(Government transactions)**

Sr. No.....
Date:

Name of Bank: Code No.....
Name of Focal Point Branch: Code
No.....

Receipts	Code No.	On a/c. of	Code No.	Disbursements
		Central Govt. Railways* Postal Accts.* Defence* Telecomm* DMA*		
Total Receipts		Total	Total Disbursements	
		Net Receipts/ Disbursements		
		Check Total		

Telegraphed

Not Telegraphed

Branch Manager

*Name of Ministry/Dept. (Minor) Accounts and
Code No.

Receipts

Disbursements

(In Quintuplicate)

**ANNEXURE - 8
Statement - 6**

**Union Ministries' Expenditure Accounts -- Monthly Statement
Of Receipts and Disbursements for the Month of20.....**

Name of BankCode No.

Name of Focal Point Branch Code No.

Name of PAOCode No.

Name of Ministry/Deptt..... Code No.....

Date	Receipts ₹	Disbursements ₹	Initials of Supv. Official
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			

21.			
22.			
23.			
24.			
25.			
26.			
27.			
28.			
29.			
30.			
31.			
Total			

.....20.....

Branch Manager

Instructions for compilation of the form:

- (i) To be prepared in Quintuplicate.
- (ii) Four copies to be sent to Pay and Accounts Officer concerned and fifth copy to be retained at the Branch.
- (iii) Two copies will be received back from Pay and Accounts Officer duly certified. One certified copy should be forwarded by the Branch to Link Cell, Nagpur so as to reach them on or before 10th of the following month. The other verified copy be filed.

Note: To be compiled and handed over to PAO for verification latest by the 3rd of the following month.

ANNEXURE - 9
Statement - 7

Transactions on account of Departmentalised Ministries' Accounts

(Union Ministries' Expenditure Accounts)

Sr. No.....

Date

Name of Bank:.....Code No. :

Name of Focal Point Branch: Code No.:

Month of Account:

(Applicable for residual March Account only)

Receipts	Code No. of		Disbursements
	Ministry	PAO	
Total			

Net Receipts/

Disbursements:

Net amount may be credited/debited to DMA by contra debit/credit to our Current Account No. I maintained with you.

Officer-in-Charge of Link Cell

ANNEXURE - 10
Statement - 8

**Transactions of Union Ministries' Expenditure Accounts Amendment Statement --
Receipts/Disbursements***

Serial No. :

Date:

Name of Bank:

Code No. :

Please amend the entries against the following heads of accounts as indicated below:

Name of Focal Point Branch	Code No.	Mini/Deptt.	Code No.	Name of PAO	Code No.	Date of transactions	Original amount ₹	Amended amount ₹

Officer-in-Charge of Link Cell

* Amendment to Receipts & Disbursements should be reported in separate statements.

ANNEXURE - 11

Settlements made by on account of
(Name of Bank)

Union Ministries' expenditure Account transactions PAO-wise, date-wise for the month of
.....

Name of Ministry/Deptt..... Code No:

Name of Focal Point Branch: Code No.

Name of PAO:Code No.....

Date of Transactions	Date of settlement with RBI, CAS, Nagpur	Amount settled	
		Receipts ₹	Payments ₹

ANNEXURE - 12

Statement showing monthly settlements made by

.....(Name of Bank)

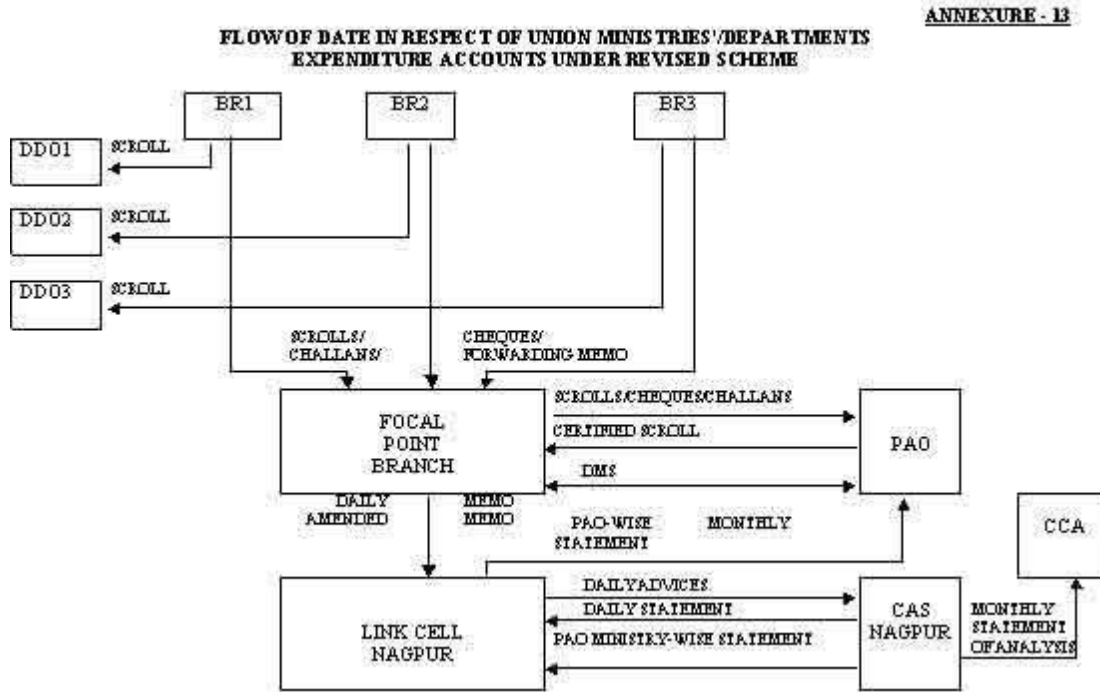
PAO-wise, of the Ministry ofDeptt. Of.....

For the month of

PAO	Code No.	Name of Focal Point Branch	Code No.	Amount settled	
				Receipts ₹	Payments ₹

ANNEXURE - 13

FLOW OF DATA IN RESPECT OF UNION MINISTRIES'/DEPARTMENTS EXPENDITURE ACCOUNTS UNDER REVISED SCHEME



ANNEXURE – 14**DEPARTMENTALISED MINISTRIES' ACCOUNTS JOB CARD NO. 1****BRANCH LEVEL PAYMENTS**

PROCEDURE	SPECIAL INSTRUCTIONS
1. Cheques on Government account are presented for payment in cash on counter. The cheques are also received through clearing/transfer.	Cheques in respect of salary, pension etc. for ₹1000/- and above and cheques in respect of expenditure, if in excess of ₹500/-, are marked "account payee".
2. Examine the cheque properly with reference to its currency, amount and verify the signatures of the issuing authority in addition to the usual precaution taken while passing a cheque. It should also be ensured that the amount mentioned in the letter of credit should not be exceeded at any time by reason of payment of any cheque and that the cheque is 'free from stoppage'.	Cheques for lesser amount are paid to payee only on identification or to his banker on a certificate from the banker that the amount has been placed to the payee's credit or to a person holding a letter of authority from the payee, after proper verification of identification.
3. The clerk should add his initials on the left-hand bottom corner of the cheque and issue a token after recording the token number on the cheque.	Cheques meant for payment to the payee who is a Govt. Officer for disbursement of salaries etc. of office establishment and for office contingencies and marked 'Not Transferable' and payable to 'payee only' are paid to himself or his authorised agent holding a letter of authority on verification of payee's signature.
4. The Ledger Clerk will examine the cheque as stated in (2) and post the amount in the ledger as also the payment scrolls.	All inter-departmental and inter-Governmental adjustments are made by means of cheques superscribed with the words "Account Government" not to be paid in cash but only credited to their account.
5. Brand the cheque with 'Pay Cash' stamp and record the Serial number of the entry in the scroll on it.	
6. The ledger and scroll along with the relative cheques to be put up to the authorised passing official and the passed cheques to be sent to cash payment counter for payment of cash against the surrender of the token issued. The cheques received through clearing/transfer are similarly scrutinised and passed by the authorised passing office.	
7. Payment scrolls to be prepared in triplicate or quadruplicate as the case may be in form Annexure -	

8. Serial number of each entry in the scroll to be recorded on the cheque.	
9. Each day's scroll to be given a running serial number from accounting year 1st April.	Give the prefix 'DMA (E)' for serial numbers on the scroll.
10. Total the scroll at the end of each day and balance the books with reference to the totals of the scrolls.	
11. All paid cheques are noted individually in the payment Register, where following details are recorded. (1) Date of payment (2) No. of cheques (3) Amount of cheques.	
12. On the next day, the original and duplicate copies of scrolls with the cheques attached to the original copy of the scroll along with a forwarding Memo in Annexure 5 to be sent to the designated Focal point branch. If a DDO is in account then the triplicate copy will be forwarded to him, the quadruplicate being retained for record.	If the dealing branch and the focal point branch are not at the same Centre, send the scrolls/cheques, etc. by Registered Post.

JOB CARD NO. 2**BRANCH LEVEL RECEIPTS**

PROCEDURE	SPECIAL INSTRUCTIONS
<p>1. Counter Clerk will accept the receipts in the form of cash/cheque/ draft along with the challans in duplicate/ triplicate/ quadruplicate as the case may be.</p> <p>(a)Following things are to be checked in the challan.</p> <p>(1) Amount (2) Name and address of the depositor (3) Head of account (4) that the proper authority has authorised the bank to accept money (5) the amounts to be credited to more than one head of account are not included in the same challan.</p> <p>(b)In the case of cheque/draft, it should be checked that</p> <ol style="list-style-type: none"> 1. The cheques/drafts are in favour of the PAO maintaining account with the bank. If not, they should be properly endorsed. 2. In the case of account payee cheques, special endorsement is required authorising the bank to collect and credit the amount to the account of the concerned PAO. 	<p>The banks will not have to receive amounts from members of public unless the relative supplementary memorandum of instructions on banking and accounting arrangements of the concerned ministry provides for this.</p>
<p>2. In the case of challans accompanied by cheques/drafts, acknowledgement is given on the triplicate/quadruplicate copy of challans as a token of receipt.</p>	
<p>3. Enter in a Receipt scroll in triplicate or quadruplicate inform Annexure - 4.</p>	
<p>4. Record the serial number of the entry in the scroll on the right-hand top corner of the challan.</p>	
<p>5. Give running serial number for the accounting year from 1st April to each day's scroll</p>	<p>Give the prefix 'DMA(R)' for serial number on the scroll.</p>
<p>6. Brand all copies of the challans with a suitable receipt stamp containing name of the bank, branch and centre and only one copy of challan to be returned to the depositor will be signed in full by an authorised official.</p>	
<p>7. Receipted challan may be handed over to counter clerk for delivery to depositor.</p>	
<p>8. Total the scroll at the end of each day and balance the books with reference to the totals of the scrolls.</p>	
<p>9 All receipted challans are noted individually in the</p>	

receipt Register wherein the name of the depositor, his address, amount and date of receipts are written.	
10. On the next day, the original and duplicate copies of scrolls with the challans attached to the original copy of the scroll to be sent to the designated Focal Point branch. If a DDO is in account, then the triplicate copy will be forwarded to him, the quadruplicate being retained for record	

JOB CARD NO. 3 FOCAL POINT BRANCH

PROCEDURE	SPECIAL INSTRUCTIONS
1. On receipt of two copies of scrolls along with challans/cheques attached to the original scroll, separate original and duplicate copies of the scrolls and subject them to careful scrutiny for accuracy.	
2. Consolidate the transactions of the various dealing branches including your own and prepare a Main Scroll in triplicate in Annexure - 6 separately for each Ministry/ Department giving total transactions of each branch.	Give a serial number in consecutive order to the Main Scroll.
3. Forward 2 copies of the Main Scroll along with original copy of the scroll with the relative instruments received from various dealing branches to the Pay and Accounts Officer on a day-to-day basis.	
4. Stitch and retain the duplicate copy of the scroll without any instruments received from the branches for your record.	
5. Incorporate the aggregate of the receipts and payments arrived at the Main Scroll in the Daily Memo (Annexure -7) and report to your Link Cell at Nagpur on a day-to-day basis.	a. Give a serial number in consecutive order to the Memo/Nil advice. b. Send the report to your Link Cell through Fax/telex/telegram, if the net amount is ₹1 lakh and above. c. Send a 'Nil' advice if there are no transactions to report.
6. Keep a watch on the prompt receipt of the certified copy of the scroll from the PAO.	Ensure that - (a) the mistakes/discrepancies pointed out by PAO are verified after proper verification through error scroll. (b) missing challans/paid cheques are submitted to PAO directly. (c) the copies of the Main Scrolls duly verified by the PAO are kept on the record of the branch.
7. Prepare in quintuplicate the date-wise monthly statements (DMS) in Annexure 8 and submit four copies thereof to the concerned PAO for verification by 3rd of the following month. Retain the fifth copy as office copy.	
8. On receipt of 2 copies of verified DMS from the PAO, forward one copy to your Link Cell at Nagpur before 10th of the following month and retain the other copy on your record.	Prepare separate set of scrolls for March Residual transactions upto 15 th of April. Report these transactions in a separate Daily Memo to Link Cell during the above period.

ADDITIONAL PRECAUTIONS TO BE EXERCISED WHILE PASSING VARIOUS INSTRUMENTS FOR PAYMENT.

- (1) It should be ensured that the instrument presented for payment is genuine, valid and outstanding.
- (2) Stoppage, if any, should be verified with reference to the stop list.
- (3) The signature of the drawing officials on the instruments should be verified by the passing officials before passing the instruments for payments with reference to the specimen signatures of the authorised officials on record.
- (4) The specimen signature cards of the DDOs should be maintained with the care. These cards should be indexed, classified account-wise, periodically updated and invariably held in the custody of passing officials. To ensure quick access to specimen signatures it would be advisable to allot serial numbers to the various specimen signature cards and arrange the cards in serial order. The said numbers whenever allotted to the DDOs may be intimated to the concerned Government Department and they may be requested to clearly indicate the names and designations of the signing officials and to quote the number allotted to them below their signatures on the instruments (and advices) to facilitate identification of the signatures.

DISCONTINUATION OF THE REQUIREMENT OF PAPER TO FOLLOW (P2F) FOR CENTRAL GOVERNMENT CHEQUES UNDER CHEQUE TRUNCATION SYSTEM

- (a) The following instructions were issued by RBI as addendum to the instructions and inserted as Annexure 15 of the Memorandum of Instructions vide their circular NO.DGBA.GAD.No.2036/42.01.035/2015-16 dated 31st December, 2015.
- (b) In Cheque Truncation System, the 'drawee bank' means the dealing branch of a bank accredited to a Ministry/Department on which the cheques are drawn. The 'presenting bank' means a branch of any bank where the cheques are presented for payment by the clients. Both the presenting banks and drawee banks would continue to discharge their duties prescribed under various Acts/Regulations/Rules such as the Negotiable Instruments Act, 1881, Banker's Books Evidence Act 1891, Uniform Regulations and Rules for Bankers' Clearing Houses, Procedural Guidelines for Cheque Truncation System etc. with respect to payment of cheques. The government cheques would henceforth be paid in CTS clearing solely based on their electronic images. The paid cheques in physical form would be retained by the presenting bank.
- (c) In case any draw bank desires to verify the government cheque in physical form before passing it for payment, the image would be returned unpaid under the reason "present with document". The presenting bank on such instances shall ensure that the instrument is presented again in the next applicable clearing session without any reference to the account holder (payee).
- (d) The presenting banks are required to preserve the physical instruments in their custody securely for a period of 10 years as required under Procedural Guidelines for CTS. In case some specific cheques are required for the purpose of any investigation, enquiry, etc. under the law, they may be preserved beyond 10 years. Drawee banks shall make necessary arrangements to preserve

the images of all government cheques for a period of 10 years with themselves or through the National Archival System put in place by the National Payments Corporation of India (NPCI).

- (e) The government cheques paid by a drawee bank across its counter by way of cash withdrawal or transfer also need to be truncated and preserved for 10 years. Adequate safeguards shall be built to ensure that these images are captured separately by the drawee banks and not mixed up with the images of the instruments received for payment in clearing. A common electronic file containing the images of all the paid cheques shall be created on a daily basis for onward transmission to government departments.
- (f) As prescribed in para 7 of the Memorandum of Instructions, the drawee bank (dealing branch) shall continue to send the payment scrolls, monthly DMS, etc., to the designated Focal Point Branch as hitherto. The Focal Point Branch, in turn, will forward the same to the concerned PAO. As the paid cheques would no longer be available with the dealing branch, the same will not be attached with the payment scroll. However, the electronic images of paid cheques (by way of cash, clearing and transfer), preserved by the presenting branch, shall be provided to the PAOs (through Focal Point Branch) by way of secured electronic communication/e-mail, etc., as per their requirement.
- (g) At any time during the preservation period of cheques, for the purpose of reconciliation, enquiry, investigation, etc., the PAO may require any paid cheque in physical form for which the PAO would approach the Focal Point Branch. Whenever so demanded by the PAO, the Focal Point Branch shall arrange to furnish the cheques paid by the dealing branch by way of cash and transfer immediately. In case of cheques paid by way of clearing, the same shall be supplied to the PAO within a reasonable period after obtaining it from the presenting bank. It is the responsibility of the presenting bank in such instances to comply with the request of the PAO/drawee bank for any physical cheque and provide the same to the respective PAO /drawee bank within a reasonable period.
- (h) At present, the CTS is operated on grid basis. Hence, the government cheques drawn on RBI/agency banks shall be presented in the grid within whose jurisdiction the accredited/authorised branch of paying bank is located.
- (i) As hitherto, the Focal Point Branch shall ensure through the dealing branch that the mistakes /discrepancies pointed out in payment scrolls, monthly DMS etc., are rectified as per procedure, missing images of paid cheques are submitted immediately, the copies of the scrolls duly verified by the PAO are kept on its record, etc.

The above guidelines became effective in respect of cheques issued from 1st February, 2016.

INSTRUCTIONS REGARDING THE PROCEDURE FOR INDENTING SAFE-CUSTODY, ISSUE AND ACCOUNTAL OF CHEQUE BOOKS IN THE DEPARTMENTALISED ACCOUNTING SYSTEM.

It has been decided after consultation with the Comptroller & Auditor General of India that the following procedure will be followed in regard to indenting, safe-custody, issue and accounting of cheques/cheque books in the Ministries/Departments in which the Departmentalised accounting system has been introduced.

2. ANNUAL INDENT

The supply of cheque-books of different varieties required for making payments by the Pay and Accounts Officers and cheque drawing departmental officers will be made by the Controller of Stamps, Nasik Road. For this purpose, all the PAOs should intimate their requirements of cheque books including the requirements of cheque-drawing officers in their jurisdiction, for the next financial year to the Head of Accounting Organization of the concerned Ministry/Department before the 15th January every year.

3. ASSESSING THE REQUIREMENTS

The annual requirements should be based on the average of the actual consumption of cheque forms during the preceding calendar year i.e. from January to December of the previous year. Additional provision may be made while preparing the indent for extra requirements which can be anticipated during the next financial year. The stock in hand as well as the requirement of cheque books for the remaining three months of the current financial year should also be taken into account. To the requirements so worked out, a reserve stock of cheque books equal to approximately three months' requirement, should be added, to meet unforeseen requirements and to safeguard against delay in printing, transmission etc.

4. PREPARATION AND SENDING OF CONSOLIDATED INDENT BY HEAD OF ACCOUNTING ORGANIZATION.

Based on requirements intimated by all the Pay and Accounts Officers, a consolidated annual indent will be prepared by the FA through the Principal Accounts Office indicating the requirements of different varieties of cheque books and sent to the Controller of Stamps, Nasik Road by the end of January every year. Specimen signatures of an Officer in the Principal Accounts Office will be sent to the Controller of Stamps, Nasik Road by the CCA.

The total requirements of cheques of each Ministry/Department will be sent by the Press to the indenting officers of the Ministry/Department concerned who will in turn have to dispatch the requisite number of cheques to different PAOs/Cheque drawing DDOs (including those at outstations under their control). The name of the Ministry/Department/ Organisation/PAO and also the name of the branch of the bank will have to be stamped by means of a rubber stamp, on the cheques before issue.

5. ACCOUNTING VERIFICATION OF SERIAL NUMBER ETC.

The cheque books received from the Controller of Stamps, Nasik Road will contain machine-numbered cheque forms. On receipt of the bulk supply of cheque books, they should be carefully scrutinised under the supervision of the officer-in-charge to see that each book contains the number of cheque forms specified therein, and that serial numbers printed thereon are in consecutive order. The actual counting of the cheques and the checking of their serial numbers may be done by the Junior Accountants of the Sections who will sign each book in full in token of having conducted the check. The cheque-cashier and the officer-in-charge, will test check 10 per cent and 5 per cent respectively, of the cheque books checked by the Junior Accountants and should sign in the books so test checked by them.

There is no objection if the Principal Accounts Office, immediately on receipt of the cheque books, supplies these cheque books in the same sealed packets as received from the Security Press, to the different PAOs under its control as per their indents processed and consolidated by the Principal Accounts Office. It shall then be the responsibility of the receiving PAO to open the packets and verify the correctness of cheque-leaves/cheque books as per instant orders and take the cheque books on stock. In case any discrepancy is noticed by the PAO on receipt of the packets the PAO should bring it to the notice of the Principal Accounts Office immediately, who shall take up the matter with the India Security Press from whom the cheque books are received.

The cheque books received in excess of the annual requirements of the PAOs would, however, continue to be retained in the Principal Accounts Office who shall verify the correctness of the cheque books/cheque leaves and take them on stock.

6. CUSTODY AND STORAGE.

The cheque books will remain in joint custody of the cheque-cashier and the officer in charge. The stock of blank cheque books should be stored in a steel almirah with double lock of which one key should be kept by the Officer in Charge and other by the Cheque-Cashier. The duplicate set of keys will be kept in an envelope duly sealed by the Officer in Charge and the Cheque Cashier, in the custody of the Head of the Office/Principal Accounts Office. In the case of an outstation PAO comprising only one Pay and Accounts Officer, the duplicate set of keys duly sealed in a cover, may be kept in the relevant branch of the bank with which the Pay and Accounts Officer is in account.

Note: - If the double lock system for custody of cheque books is not feasible in any office owing to the smallness of the establishment or lack of facilities, the cheque books should be in the custody of the Head of the Office under lock and key. The Head of the Office will be responsible for their safe custody and issue, to the Cashier as and when required, of the required number of cheque books.

7. STOCK REGISTER OF CHEQUE-BOOKS

A Stock Register of Cheque Books/Forms should be maintained to keep an account of the receipts, issues and balance of cheque books/forms (Form CAM 1). Each morning, the Cheque-Cashier should take such cheque books from the Officer in Charge, as are likely to be used during the course of the day and should remain responsible for their use and return of the balance at the close of the day. Another register should be maintained by the cashier for showing the cheque forms received by him each day and those returned by him. The entry should be made by the Cashier with his dated initials in this register.

8. ISSUE OF CHEQUE BOOKS TO DRAWING AND DISBURSING OFFICERS

The Drawing and Disbursing Officers vested with cheque drawing powers, will requisition their requirement of cheque books from the concerned PAO. The latter will supply to the DDO the minimum number of cheque books, sufficient for his requirement for three months. Issue of such books will also be entered in the stock Register of Cheque books.

In cases where the power of drawing funds by cheque(s) is withdrawn from any cheque drawing DDO, all the unused forms from the partly used/**wholly unused** cheque books with that officer shall be defaced by writing the word 'cancelled' promptly across each cheque form and its counter-foil (but without the signature of the Drawing Officer) and returned to the Pay and Accounts Officer concerned who shall destroy them after keeping a note in the relevant records.

If and when a PAO is wound up, all partly used/wholly unused cheque books in the custody of that office shall be returned along with a complete account of cheque books so remaining as per the Stock Register, to the Principal Accounts Office, which shall in turn take action on the same lines as indicated in the above sub-para.

9. DAILY ACCOUNT OF CHEQUE FORMS USED

An account of cheque forms used daily should be maintained by the Cashier in (Form CAM 2) and submitted to the Officer in Charge at the time of closing of the accounts daily. In this register the cheque numbers used during the day should also be noted.

10. ACCOUNT OF CHEQUES BY DDOs

The Drawing and Disbursing Officers enjoying cheque drawing powers will also maintain the account of cheque books and the cheques used daily in the same form as detailed in para 7 and 9.

11. STOCK TAKING AT THE CHANGE OF THE OFFICER IN CHARGE

Every six months, in April and October, stock taking of the cheque books should be done by an officer other than the officer-in-charge (cheques) and a certificate of physical count recorded by him in the stock register. This stock taking should also be done whenever there is a change of the officer in charge (cheques) and the relieving officer should initial the entry in respect of each of the cheque book noted in the Form CAM 2 and sign a certificate in the Stock Register in the following form :-

"Received the current cheque books as indicated by my initials in the register of account of cheque forms and the unused cheque books from to as entered in the Stock Register"

Note:- In the case of a PAO comprising only one Pay and Accounts Officer, half-yearly physical verification of stock of cheque-books may be arranged as indicated below:-

- (a) if at any station, there is more than one such PAO functioning under a Principal Accounts Office, mutual physical verification may be entrusted among those PAOs;
- (b) if at any station, there is only one such PAO under a Principal Accounts Officer but there are PAOs functioning under other/another Principal Accounts Officer, the Principal Accounts Offices by mutual consultation could arrange for the physical verification between their PAOs;
- (c) if a single such PAO is located at any station, then the physical verification may be

conducted by the Inspecting Officer of the internal inspection party entrusted with the inspection of that office or by any other gazetted officer (including Dy. Controller of Accounts, Controller of Accounts, or CCA) who visits the office on any official work. In the case of a cheque drawing DDO the physical verification can be entrusted either to the Inspecting Officer of the internal inspection party conducting the normal inspection of his office or be any gazetted officer of his Department who visits that office on any other official work.

12. INTIMATION TO BANK REGARDING USE OF CHEQUE BOOKS

Before the cheque books are actually brought into use, during a particular period, the officer in charge (cheques) shall send intimation in Form CAM 3 to the bank upon which he draws the cheque, notifying the serial numbers of the cheque books and the number of cheques contained therein. The DDOs authorised to issue cheques will intimate the chequenumbers etc. to the bank as well to the PAO.

13. xxxxxx not printed

14. Whenever facilities are available, cheques will be written by means of cheque perforating machines which will use indelible chemical ribbon, to give adequate safeguards against fraudulent alteration in the cheques. The cheque forms for this purpose will have to be obtained, not in the form of bound books but in the form of rolls. The indent for such rolls should be made separately from that of the bound cheque books and separate account of such cheques should be maintained.

15. Whenever cheques in book form are used, the details of the payee, the amount and date should be filled in the counterfoil.

(Vide Ministry of Finance, Department of Expenditure, Special Cell OM NO.F.2(27)/76-SC dated 14.5.1976, D.O. letter No.F.2(12)/76-Spl.Cell 1490-1503 dated 16.8.1976 and CGA's OM No.S.11019/App.4/78/TA/4652 dated 28.7.1979).

CHAPTER 5

COMPILATION, CONSOLIDATION OF ACCOUNTS, AND THE PREPARATION OF 'LEDGER' AND SUMMARY OF BALANCES

5.1 PREPARATION OF ACCOUNTS

5.1.1 Office of CGA prepares a consolidated monthly account at the end of every month along with a statement of Revenue and Expenditure for the Union Government. For this purpose, Monthly Accounts will be compiled by each PAO and they will submit it to respective Principal Accounts Office, which will then compile and submit to Office of CGA. Pay and Accounts Office of respective Ministry/Department is the basic unit of accounts. PAO compiles the accounts at object head level which is the primary unit of appropriation. All the PAOs should regularly review the compilation reports available in the PFMS system to verify the figures and other reports, keeping the size of reports within reasonable limits. Head of Accounting Organization of Ministries/Departments i.e. Pr.CCA/CCA/CA(i/c), as the case may be, should also take regular review of monthly accounts of their Ministry/Department.

5.1.2 After closing of every Financial year (i.e. April to March(Supplementary) Accounts, CGA compiles the Government Accounts viz. Union Finance Accounts and Appropriation Accounts(Civil), based on the accounts compiled by the authorities responsible for maintaining the accounts of Central Government and UT-Without Legislature. The accounts show the annual receipts and disbursements of the Union Government and each UT-Without Legislature under their respective heads. Both Finance Accounts and the Appropriation Accounts need to be certified by the Comptroller and Auditor General (C&AG) of India. The reports of the C&AG relating to these accounts shall be submitted to the President who shall cause them to be laid before the Parliament.

5.1.3 Office of CGA also brings out Accounts at a Glance depicting financial data for the Union Government. The Appropriation Accounts is prepared at Sub-Head level while the Finance Accounts is prepared at the Minor Head level. Appropriation Accounts brings out detailed expenditure performance for each Grant against the budgetary allocation authorized by Parliament. Finance Accounts contains seventeen statements bringing out different aspects of the financial position of the Union Government as a whole. Finance Accounts includes data from Railways, Defence and Posts besides the Civil Ministries, and presents the consolidated position of the Union Government Finances.

5.1.4 The Accounts at a Glance is a simplified and more user-friendly summary of the Union Government Finances. It primarily derives data from compiled accounts and includes some additional statements to assist stakeholders in getting a better understanding of the Union Government Finances.

5.1.5 The process of compilation means flow of consolidated accounting data through the IT system from PAOs to Principal Accounts Office and then from Principal Accounts Office to the O/o CGA.

5.2 COMPILATION OF VOUCHERS IN PAY AND ACCOUNTS OFFICE

5.2.1. The vouchers are posted in the account of PAO (CAM 33) after digital signature of the final authorized signatory in case of e-payment, or at the time of cheque issue in the system. The

accounting of vouchers is done as per the classification fed in the system at the time of creation of sanction and at the time of entering deduction at the bill generation level. Correctness of accounting classification of each bill in PFMS should be checked by PAO during pre-check. The PAOs should also tally the total of the debits under all heads of accounts with the total of the credits which represents the deductions/recoveries, plus the net amount of the voucher. Accounting of all vouchers can be viewed through CMP-01-Instrument Wise Report; and CMP-02-Compilation Sheet Report.

Note: The recoveries of overpayments effected in the same accounting year whether in cash or by deduction from a bill shall be accounted for as reduction of expenditure under the concerned head of account. If such recoveries pertain to previous year(s), they shall be recorded under a distinct minor head, "911- Deduct Recoveries of Overpayments" below the concerned Major/Sub-Major Head without affecting the gross expenditure under the functional Major/Sub-Major Head in the Appropriation Accounts. Similarly, refund of unspent balance of grants-in-aid by State/U.T. Government in subsequent year(s) shall be adjusted under a separate minor head 'Deduct - Recovery of unspent balance of grant-in-aid from State/U.T, Governments' (Code '913') below the major head '3601- Grants-in-aid to State Governments' or '3602-Grants-in-aid to Union Territory Governments' as the case may be. *[Please refer para 3.10 of the General Directions to the List of Major Minor Heads of Accounts (LMMHA)].*

5.2.2. In case of e-payment being made by the PAO/CDDO, the bill will become voucher upon digital signing of payment (XML file) by the final signatory. After digital signature by the final signatory, PAO/CDDO wise unique running serial number (for financial year) will be allotted to the voucher. Voucher date will reflect the date of payment file digitally signed by the final signatory. The digitally signed payment file will then be pushed to the bank for further processing. Vouchers of each month will be accounted for in the PAOs account according to the voucher date. The following accounting entries will be posted by the system in the PAOs account, at the time of digital signing of the payment file by the final signatory:

Debit or Minus Credit: Accounting head provided at the time of creation of sanction.

Credit: 8670 – E-Payment by PAO/CDDO/Telecom PAO/Treasury/E-payment etc

The PAO/CDDO could refer to the following reports in respect of e-payments:

PC-04:	E-payment status/ issue details.
Pay-02:	Sanction e-payment status details
CMP-01:	Instrument Wise Report
CMP-02:	Compilation Sheet.

5.2.3 After the receipt of payment file by the bank or the RBI (in case of Inter Accountal Adjustment Advice, IAAA), they will provide acknowledgement of receiving the file. Thereafter bank will provide the status of transaction, followed by e-payment scroll. There could be following scenarios:

- (A) Bank could provide negative acknowledgement (in case of discrepancies) to the payment file.
- (B) Status of e-payment transaction could be 'success', 'failure' or 'failure-after-success' in the first e-payment scroll or subsequent e-payment scroll, respectively.

All the transactions falling under category (A) and (B) (except for 'success' transactions/technical errors) will appear at 'dealing hand' level. In case of failed transactions, the system will prompt

'dealing hand' level user in PAO for either 'permanent cancellation' or 're-issue' of transaction. The following needs to be done in this regard:

(i) For the Re-issue of transaction: Upon selecting the transaction ID the details viz. Name of beneficiary, Bank Account number, IFSC Code and amount will be shown to the dealing hand user. Dealing Hand User can change only IFSC code of the bank. However, name of beneficiary, amount and DDO code can't be edited. Once processed by the 'dealing hand' it will be passed at both the 'AAO' and 'Pay and Accounts Officer' level users. Both 'AAO' and 'Pay and Accounts Officer' level user can pass or return the transaction. Upon rejection, the transaction will be returned to 'dealing hand' level user for either modifying the details or for cancelling the initiation of 're-issue initiation' in terms of Pay and Accounts Officer's remarks. In case of 're-issue' request by Pay and Accounts Officer, the payment file (XML file) of the same will be available for applying digital signature by the authorised signatory or signatories. After final digital signature by the authorised signatory, it will be issued to bank/RBI for further processing. Accounting entries in the PAOs account will remain unchanged.

(ii) For Permanent cancellation: Upon selecting the transaction ID the original as well as reverse accounting details of the said transaction which is going to be posted in the PAOs account, will appear on the screen of the 'dealing hand' level user in the system. In case a transaction of expenditure/budgetary head pertains to previous financial year then it will be accounted for in the Minor Head '911 – Deduct Recoveries of Overpayments' of the respective major/sub-major head, if the same is opened and available in the accounting head master of the system. Otherwise, the user is prompted to open the said accounting head before proceeding further. The said transaction will then need to be processed at all the three levels viz. 'DH', 'AAO', and 'Pay and Accounts Officer' and thereafter, it will be accounted for in the PAOs account in the form of transfer entry.

In case of failed after success transactions: In cases of transactions which are reported failed after success, on the basis of scrolls received from banks, the amount will be booked (credited) under suspense head 8658-00-102-Uncredited Items under e-payment. The corresponding debit would be made under 8658-PSB/8675-RBD, as the case may be. The same will then need to be cleared through (-) Credit under this head either by Permanent Cancellation or by Re-issue of transactions.

5.2.4 In the case of issue of a cheque, the Dealing Hand needs to print the cheque. After its successful printing, it is to be sent directly to the Pay and Accounts Officer/CDDO for its printing acceptance and cheque signing. If Pay and Accounts Officer/CDDO at the time of its acceptance/signing is not satisfied with the printing or cheque gets torn/mutilated, then the same can be returned to dealing hand. The DH will then need to again print the cheque with new number and submit it to the Pay and Accounts Officer/CDDO for printing acceptance and signature. Once the cheque printing is accepted by the Pay and Accounts Officer/CDDO in the system, then the Pay and Accounts Officer/CDDO will issue the said cheque in the PFMS system. Once the cheque is issued, it will become voucher. According to the voucher date it will be accounted for in the concerned month's account and all issued cheques will appear in Cheque issue register. The following accounting entries will be posted in PAOs account:

Debit or minus credit: Accounting head selected at the time of creation of sanction.

Credit: 8670 – PAO Cheques or Departmental Cheques or Divisional Cheques or Telecom Cheques, Treasury Cheques etc. depending on the PAO or type of DDO.

5.2.5 The time barred cheque received back by the PAO should be cancelled under his signature and not to be destroyed. If any cheque is re-issued in place of a time barred cheque,

the same will be reflected in the report CMP-07-Cancellation and Re-issue register. The cancelled cheque should be treated as a voucher/ sub-voucher for issuing fresh cheque in lieu thereof, and the fact of issuing fresh cheque should be noted on it. Entries regarding cancellation of old cheque with voucher number of the fresh cheque etc. should also be noted on the cheque issue register. The amount of the time barred cheque (i.e. voucher) should be classified as **(-) credit** below the head "8670-Cheques & Bills-PAO Cheques" for issue of a fresh cheque. In case the time barred cheque is cancelled permanently, then the initial accounting would be reversed if it is in the same financial year. In case of transaction pertains to expenditure budget head of previous financial year, the minor head '911 – Deduct Recoveries of Overpayments' of the respective Major/Sub-Major Head should be used at the time of reversal in the accounts without affecting the gross expenditure under the functional Major/Sub-Major Head in the Appropriation Accounts.

5.2.6 It should be verified that (a) all the manual vouchers (except e-bills) corresponding to vouchers appearing in PFMS are available, (b) Daily Voucher (DV) number as per PFMS are prominently written on the manual vouchers and (c) that the amount and totals are correct. For any cheque issued in place of a time-barred cheque, it should be checked that the time barred cheque has been duly cancelled and treated as voucher, and classified as minus credit to the head 8670-Cheques and Bills.

5.2.7 The Pay and Accounts Officer should ensure on each day that the total amount of e-payment/cheques issued in the system during the day tally with that appearing under the head 'Electronic Advices' or 'PAO Cheques' under Major Head '8670-Cheques and Bills' as the case may be. Similarly, Pay and Accounts Officer should ensure that the total amount of e-payment or cheques issued by CDDOs in the system in each week, tallies with the amount appearing under the head 'Departmental (CDDOs) Electronic Advices' or 'Departmental Cheques' under 'Major Head 8670-Cheques and Bills' as the case may be for that week. If any voucher is found missing, the fact should be entered in the list of payments and efforts should be made to trace or obtain it. If it is not traced or obtained before completing of the month's posting, the amount of the voucher should be posted against the Minor Head 502- Expenditure Awaiting Transfer to Other Heads under the relevant functional Major Head.

5.2.8 System will validate that the total of debits matches with contra credits in respect of every accounting voucher. The same is again checked at the time of monthly consolidation. If there is any mismatch, the system won't allow user to proceed further.

5.2.9 (i) Where payment of salary for the month of March is made by bank drafts (e.g. outstation salary bills), the bank accounts for the payment in its daily scroll on the day of issue of the bank drafts in the month of March itself. In these cases, Pay and Accounts Officer will debit the net amount of such bank drafts issued to the suspense head 'Outstation Pay Bills for March' under the minor head 'Suspense Accounts (Civil) below the Major Head '8658 Suspense Accounts' and afford credit against it to the Minor Head 'PAO Cheques' below the Major Head '8670 Cheques and Bills'.

(ii) In March itself, on receiving the payment scroll from the bank, the Minor Head 'PAO - Cheques' would be cleared by **minus credit** and against it, credit will be afforded to the Minor Head 'Public Sector Bank Suspense'/ 'Other Nominated Banks (Private Sector Bank) Suspense' below the Major Head '8658- Suspense Accounts' or to the Major Head '8675 - Deposits with Reserve Bank Central (Civil)', as the case may be. The debit under the suspense head would be cleared by the Pay and Accounts Officer in April by debiting the salary head for the gross amount and minus debiting the head 'Outstation pay bills for March' and crediting the relevant receipt/recovery heads of accounts, by proposing transfer entries in the first week of April, to ensure prompt clearance of the suspense head.

5.3 COMPILATION OF VOUCHERS OF CDDO:

5.3.1 The List of Payments (LOPs) received from CDDOs who are not making payments through PFMS system will be entered in the system either by the CDDOs themselves or by the PAO. It will be entered in the system by the DDO maker in case of CDDOs or by the dealing hand in case of PAO. Both voucher details (viz. voucher number, accounting classification, DDO code etc.) and cheque details (viz. cheque category, cheque number and cheque date) will be entered in the system. Upon passing, it will be accepted by the AAO in the PAO. Once accepted, its accounting entries will be posted in PAOs account. The same will be as under:

Debit or Minus Credit: Accounting head provided at the time of entry of LOPs.
Credit: 8670 – Deptt. /Divisional DDOs cheque etc. depending on the type of CDDO.

The following reports can be referred to by the CDDOs for various purposes:

CDDO-02 : CDDO cheque issue register.
CDDO-07 : LOC report.
CMP-01 : Instrument Wise Report.
CMP-02 : Compilation Sheet.

5.3.2 The posting of all vouchers/LOPs/T.E./Challans/Scrolls/e-Scrolls etc. will be done by system upon their passing by the final authority. Their accounting/transactional data can be viewed in the following reports:

CMP-01 : Instrument Wise Report.
CMP-02 : Compilation Sheet.
CMP-03 : Classified Abstract Report.
CMP-04 : Major Head Wise Report.

The Pay and Accounts Officer/CDDOs will monitor these reports on a regular basis and follow up with Banks/RBI in case of any missing scroll, DMS, or the put through statement.

5.4 PROCEDURE FOR ISSUE OF A FRESH CHEQUE IN LIEU OF A LOST ONE:

5.4.1 If the Pay and Accounts Officer of a departmentalized accounts office is approached with the request for a fresh cheque in lieu of the one issued by him earlier on the grounds that it has been lost, the Pay and Accounts Officer shall proceed with such request in the manner stated below:

(i) The PAO should send an intimation regarding the reported loss of cheque to the bank/branch on which the cheque was drawn by registered post (Acknowledgement Due), and advise it to 'stop payment' if it is presented thereafter. If the currency of such a cheque has not expired in terms of Rule 16 of the R&P Rules, 2022, at the time of sending intimation, the bank shall acknowledge in writing that it has kept a note of the 'Stop Payment Order', in the following form -

"We acknowledge receipt of your letter No.....dated.....and advise having noted to stop payment of cheque No..... dated..... for ₹..... favouring. In this connection, it is certified that cheque No..... dated.....for ₹ reported by the drawing officer to have been drawn by him on this bank in favour of will not be paid, if presented thereafter".

In case the currency of the cheque reported to have been lost has expired at the time of intimation to the bank, the acknowledgement of the 'Stop Payment Order' from the bank may not be insisted upon. The postal acknowledgement in such cases may be treated as sufficient for the record of the PAO.

(ii) The Pay and Accounts Officer should satisfy himself that the payment of the cheque in question has not been made from the records maintained in his office viz. the payment / error scrolls received from the paying bank, Register of Cheques Delivered, etc. If the currency of the lost cheque expires on Saturday, the Pay and Accounts Officer shall also verify the payment scroll for the subsequent working day of the bank.

(iii) The party requesting for the issue of fresh cheque in place of the lost one should execute an indemnity bond in the Form 'RPR 12'. The execution of such an indemnity bond is not necessary in the case of a Government Department/Public Undertaking wholly owned by Government or the bank. In these cases, a fresh cheque can be issued on receipt of a certificate that the cheque alleged to have been lost was not received by them or it was lost after receiving and that it will be returned to the PAO, if found afterwards.

(iv) The Pay and Accounts Officer may issue a fresh cheque in lieu of the lost one under intimation to the DDO and /or payee on completion of the requirements in clauses (i) to (iii) above. He should also keep a suitable note regarding the issue of a fresh cheque in lieu of the lost one on the spare leaf provided in M.I.C.R. cheque book, and on the counterfoil where MICR cheques have not so far been introduced. Note shall also be kept on the paid vouchers and against the relevant entries in the register of cheques delivered.

5.4.2 If it is found afterwards that the original cheque has been paid, the Pay and Accounts Officer. will by fax/e-mail take up the matter with the paying branch and place the paid amount under the head "8658-Suspense Accounts-102-Suspense Account (Civil)- Cheques cancelled but paid", till the matter is investigated and the amount is either recovered or written off. The paid cheque till that time will be removed from the payment scroll and kept in the personal custody of the Pay and Accounts Officer. In case a DDO notices such fact of payment, he will immediately report the matter by fax/e-mail to the paying branch and inform the Pay and Accounts Officer for further action. For the detailed procedure to be followed by cheque drawing DDOs Para 3.5.1(xii) of Chapter 3 may be referred to.

5.5 COMPILATION OF RECEIPTS

5.5.1 There are two types of receipt which are being processed in the PFMS system:

(i) **Manual receipt challan:** The receipt which comes by means of cheque or Demand Draft is manual receipt. This will be deposited in PAO's account through manual challans which need to be entered in PFMS system either by DDO or PAO. At DDO level it will be entered by DDO (in case of NCDDO) or DDO Maker in case of CDDO. At PAO level it can be entered by the 'dealing hand'. At the time of entry of challan in the system- DDO Code, Accounting Classification, Challan Number, Amount, Bank Details, type of payment etc will be captured. No accounting entry will be posted in accounts at the time of entry of challan, except for the Divisional DDOs and Telecom DDOs where it will be accounted for at the time of its entry. When scrolls are received from the bank(s) along with the challans, the entries in the scroll should be tallied with the individual challans and the totals checked. If any challan is missing, the same should be specifically noted in the register in Form CAM 17 (i) for obtaining from the bank and (ii) for exhibiting against 'Receipts Awaiting Transfer' (RAT) in the accounts, if they are still awaited at the end of the month. On receipt of the challan, the entry under RAT would be cleared by accounting the same under the relevant receipt head of account. Receipt scrolls received from

banks are being entered in the system through main scroll and detailed scrolls. In the main scrolls, summary of scrolls is being captured whereas in detailed scrolls, the details of instrument are to be entered viz. challans number, challan date, challan amount, DDO code etc. Scrolls are to be processed at the 'dealing hand' and 'AAO' levels. Once passed at the AAO level, it will be accounted for in the account of PAO. The accounting of scrolls will be done in the month as per the date of scrolls, provided the said month's consolidation has not been done in the system. Otherwise, it will be accounted for in the next month's account. They are treated as 'only in scrolls. However, entry of such challans will be identified in the system with colour codification, to enable user to identify and modify them.

(ii) **NTRP e-receipt:** In NTRP, two types of payment modes are available to depositor viz. Online i.e. Debit Card/Internet Banking/UPI/Credit Card and offline i.e. NEFT/RTGS. The depositor can deposit the receipt in PAO account at Bharatkosh portal wherein PAO/DDO details are reflecting with accounting classification and purpose of the deposit. The accounting classification is being captured at the time of e-receipt collection and the same is being accounted for only at the time of e-scroll consumption which is automated. Challans details are shown to user in the reports- (a) NTRP receipt scroll report and (b) NTRP reconciliation report. The accounting of scrolls for online mode only will be done by the PAO as per the date of scrolls provided if the said month's consolidation has not been done in the system otherwise it will be accounted for in the next month's account. The detailed reconciliation procedure has been mentioned in the NTRP section of chapter on Revenue Accounting.

5.5.2 All the challans and its receipt scrolls entered in the system are available in the following reports:

- BR-01 : Cheque e-payment/Challan encashed/outstanding/only in scrolls register.
- BR-04 : PSB Register.
- CMP-02 : Compilation Sheet.

Similar to payment vouchers, the System will validate that the total of debits matches with contra credits in respect of each accounting transaction. The same is again checked at the time of monthly consolidation. If there is any mismatch, system won't allow user to proceed further.

5.5.3 At the end of each month, it should be checked that the grand total of the credits tallies with the grand total of the amount of all the receipt scrolls posted in the register in Form CAM 17.

5.5.4 If any separate procedure has been prescribed by CBDT/CBIC for compilation of accounts for revenues collected under the provisions of their schemes, they would be followed notwithstanding the above instructions.

5.6 TRANSFER ENTRIES

5.6.1 Transfer Entries are the entries relating to the transfer of an item from one head of account to another, wherever necessary and are prepared in Form CAM 34. While making transfer entry, there shall be only one major head on one side while debit or credit against it may be given to various heads, and vice-versa. All the particulars explaining the nature of the adjustment and the grounds for the correction must be clearly stated in a transfer entry. The Transfer Entries may be required for the following illustrative case -

- (a) Correct an error of accounting classification within a PAO in the original accounts;
- (b) To adjust any item outstanding under a Debt, Deposit or Remittance head by debit/credit to the proper head;
- (c) To effect periodical adjustments such as -
 - (i) Annual adjustment of interest payable on the accumulations/accretions of

G.P.Fund/C.P.Fund, which is done by debiting the Major Head '2049 - Interest payments' and crediting the heads '8009- State Provident Fund-G.P.Fund/C.P.Fund etc.

(ii) Adjustment by Principal Accounts Office to transfer/clear the amount from the minor head Public/Private Sector Bank Suspense below the Major Head '8658- Suspense Accounts' to major/minor heads '8675-Deposits with Reserve Bank-Central Civil' etc.

(d) For arranging payments of grants in aid or loans to State Governments and Union Territory Governments.

5.6.2 TEs are to be prepared in the system as under:

- (i) Transfer Entry is to be made to rectify accounting misclassification of any instrument entered in the system viz. Voucher, LOP, Challan, Scrolls, T.E. or for others.
- (ii) Transfer Entry number will be generated by the system through PAO wise running serial number, unique for financial year. Transfer entry date however, has to be entered manually in the system.
- (iii) Transfer entry will be processed at all the three levels in PAO viz. 'dealing hand', 'AAO', and 'Pay and Accounts Officer'. Once passed by Pay and Accounts Officer, it will be accounted for in the PAO's account.
- (iv) The month of accounting will be decided on the basis of the date of Transfer Entry, provided the said month's account is not consolidated in the system. Otherwise it will be accounted for in the next month.
- (v) There are auto/system generated transfer entries viz. permanent cancellation of cheque/e-payment, e-scrolls consumption etc. that need to be taken note of.
- (vi) Transfer Entry entered in the system (i.e. PFMS) can be viewed from the following reports:

CMP-01 : Instrument wise details.
CMP-02 : Compilation sheet.

5.6.3. The error relating to an item of revenue or expenditure head wrongly classified, may be corrected by proposing a transfer entry at any time before the accounts of the year are closed. However, if the accounts have been closed, such corrections are not admissible and it will be sufficient to make a suitable note of error against the original entry. However, if the error affects the receipt and disbursement of another Government or the transaction of any commercial Department, it should be corrected/adjusted in every case as soon as it is discovered. Corrections or transfers in Capital Major Heads that do not affect the accounts of other governments should be effected by simply altering the progressive figures on 'proforma' basis, for the purposes of Statement No.12 of Finance Accounts. That is, debit and credit entries will not be passed in the accounts of the year, to avoid unnecessary inflation of the expenditure in the accounts of the year in which the misclassification etc. was detected.

5.6.4 The errors affecting a debt, deposit, suspense or remittance head, however old or small, must be corrected by transfer entry. If the accounts of the year in which the error takes place are not closed, the correction should be made by removal of the item from the head it was wrongly taken through minus entry, and taking it to the proper head of account.

For example, a debit of ₹ one lakh representing House Building Advance may have wrongly been booked under 'Motor Car Advance' below the Major Head '7610-Loans to Government Servants'. If the accounts of the year are still open, the correction may be made by debiting the head 'House Building Advance' and withdrawing the same by minus debit to the head 'Motor Car Advance' below the Major Head '7610-Loans to Government Servants', in the accounts of the same year in which the error has occurred. If the accounts of the year in which the error takes place are closed, the following procedure may be adopted-

(i) If an item is wrongly taken to a debt, deposit, suspense or remittance head instead of another, the correction should be made by transfer from one to the other head of account;

(ii) If an item is wrongly credited/debited to a debt, deposit, suspense or remittance head instead of revenue/expenditure head, the correction should be made by transfer to the head under which it should originally have appeared;

(iii) If an item is wrongly credited to a revenue head instead of to a Debt, Deposit, Suspense or Remittance(DDSR) Head, the correction should be carried by debiting refunds and crediting the proper head of account. For example, if transactions relating to 'Central Government Employees Group Insurance Scheme' below the Major Head '8011-Insurance and Pension Funds' have wrongly been credited to the Minor Head 'Government Employees Insurance Schemes below the Major Head '0235-Social Security and Welfare', the corrections after the close of the year would be as under –

(-) Cr

Major Head 0235 - Social Security and Welfare

Sub-major Head 60 - Other Social Security and Welfare Programmes

Minor Head 105- Government Employees Insurance Schemes

Minor Head 900-Deduct - Refunds

To

Major Head 8011 - Insurance and Pension Funds

Minor Head 103 - Central Government Employees Group Insurance Scheme

Cr.

5.6.5 If an item is wrongly debited to expenditure head instead of debt, deposit, suspense or remittance head, correction should be made by debiting the appropriate head and crediting the relevant receipt head. If the concerned Department does not have a corresponding receipt head, it will be accounted under Minor Head '911- Deduct Recoveries for Overpayment'. However, for corrections in the heads having budgetary provisions, the correction/transfer will be done by affording plus or minus credit under the head concerned, without affecting the actual expenditure (debit side of the head) for the year.

(The provisions of CPWA Code govern rectification of 'Errors' in the accounts of works in the CPWD).

5.6.6 Summary details of TEs should be maintained in CAM-35 and CAM -36 formats. Details of Transfer entry and its accounting effect can be viewed from the following reports available in the system:

CMP-01	: Instrument wise Report.
CMP-02	: Compilation Sheet.
CMP-03	: Classified Abstract
CMP-04	: Major Head wise Total report.

5.6.7 System will validate that the total of debits matches with contra credits in respect of each accounting instrument. The same is again checked at the time of monthly consolidation. If there is any mismatch, the system won't allow user to proceed further.

5.6.8 Head of Accounting Organization would conduct monthly review of key/high value accounting transactions (e.g. Transfer Entries) at senior management level in the accounting set up of Ministries/Departments.

5.7 PREPARATION OF DEPARTMENTAL CLASSIFIED ABSTRACT

5.7.1 (i) Classified Abstract is generated based on compilation of all the instruments such as vouchers, challans, transfer entries, scrolls etc. Classified Abstract shows summary of expenditure and receipts against various heads. Departmental Classified Abstract can be generated from the PFMS in the form of report CMP-03 and should be reviewed by PAO on regular basis, for verification of the receipt (credit) and expenditure (debit) entries. This can be generated on daily basis/need basis from PFMS, and can be used by PAOs. The report would bring out the entries pertaining to revenue, capital accounts, debt, deposit, suspense and remittance transactions.

(ii) In the classified abstract, various Major Heads along with their Minor and Sub/Detailed Heads will be shown, one below the other, and separately for the transactions pertaining to the Consolidated Fund, Contingency Fund and Public Account.

(iii) DDO wise report including that for PWD division and Forest division would be generated wherever required, from the system.

5.7.2 The supporting schedules etc. should be checked before incorporating the Divisional accounts. In the Divisional Accounts, the item of 'Cash Balance diminished/increased' appearing on the receipt/payment side of the account respectively, will be posted on the corresponding side against the head "8671-Departmental Balances (Civil) Public Works Cash Balance", in the classified abstract.

5.7.3 The posting in the accounts of PAO are made in the system against the Minor head 'Public Sector Banks Suspense' or 'Other Nominated Banks (Private Sector Banks) Suspense' under the Major Head 8658-Suspense Accounts as the case may be, and under Major Head 8675-Deposits with Reserve Bank-'101-Central-Civil'-Sub Head-'Reserve Bank (PSB)' or 'Reserve Bank(Other Nominated Bank-Private Sector Banks)' as the case may be, for the gross amount, and on the appropriate side. Any effect of transfer entry should also get posted in the accounts.

5.7.4 PAO would monitor the bookings under Minor Heads Departmental Cheques, PAO Cheques, Electronic Advices under the Major Head '8670-Cheques and Bills', and the clearances made under these heads. The clearances would be monitored through payment scroll (minus entries) against these bookings.

5.7.5 The totals in the Receipt and Payment heads in the Classified Abstract should tally and reviewed by PAO/Principal Accounts Office.

5.7.6 The postings made in the compilation should be checked by AAOs/Pay and Accounts Officers periodically.

5.7.7 The Abstract would be generated from the system for monthly as well as progressive figures, and would record both the receipt (credit) and expenditure (debit) transactions of each year. Separate columns for each month's transactions and progressive total up to the end of each month would be generated from the system. The report from the system is in conformity with CAM Form 37 to 39.

5.8 CHECKS TO BE EXERCISED BY THE PAOs

5.8.1 During compilation, each Pay and Accounts Officer shall satisfy himself that no voucher/challan has been omitted from posting. This should be done by reviewing the compilation report in the system. The Pay and Accounts Officer review should cover the following points:

(i) The total number of vouchers/challans posted each month in compilation is equal to the number of vouchers/challans accompanying the daily memos/lists of payments and receipt scrolls for that month.

(ii) For the figures posted in accounts under the following heads, it has to be seen that -

(a) posting of figures under the Major Head '8670-Cheques and Bills' for are correct, by counter-checking them with the monthly totals of columns 2 and 3 of the PAO's check register. This has to be maintained by the PAO personally in Form CAM-15.

(b) posting of figures against the Minor Heads '108-Public Sector Bank Suspense' and '138-Other Nominated Banks (Private Sector Banks) Suspense' under Major Head 8658-Suspense Accounts and against the Minor Head 'Central-Civil' under the Major Head 8675- 'Deposits with Reserve Bank' are correct, and drawn from the total in the register in Form CAM- 17.

(iii) Posting against the Minor Head Expenditure Awaiting Transfer (EAT) and Receipt Awaiting Transfer (RAT) under the functional Major Head of the Department/Ministry is correct, and supported by necessary details. In case of NPS, clearance under RAT should be done on monthly basis. However, no balance under these minor heads should remain outstanding at the end of the year.

(iv) It is to be ensured that progressive expenditure under any budgetary expenditure heads may not be negative. Negative booking under Expenditure heads enhances the provision without any authority. As per para 3.10 of List of Major & Minor Heads (LM&MH) recoveries of overpayment pertaining to previous year(s) shall be recorded under distinct Minor Head- '911-Deduct Recoveries of Overpayment' without affecting the gross expenditure under the functional Major/Minor Head in the Appropriation Accounts.

5.9 RENDITION OF MONTHLY ACCOUNTS:

5.9.1 Each PAO shall compile their accounts by incorporating the accounts rendered by the CDDOs functioning under them as well as their own accounts. The accounts should be compiled on PFMS or uploaded in PFMS using any other software of their office and the same should be submitted to the Principal Accounts Office on PFMS software, latest by the 5th of the following month. The expenditure has to be exhibited grant-wise, and separately against each primary unit of appropriation, showing- Revenue and Capital, Voted and Charged expenditure. Before submitting the accounts to the Principal Accounts Office, the PAO should ensure that the accounts are balanced, no unauthorized accounting heads are operated and expenditures are in terms of the Budget Appropriation.

5.9.2 On receiving the monthly accounts of PAO, the Principal Accounts Office will check the same, mainly to detect discrepancies and errors in classification. If any error is detected in any of the PAOs accounts, the same should be redirected to the concerned PAO for rectification. Principal Accounts Office will also prepare and incorporate a Transfer Entry in the respective PAO's accounts to clear Major Head 8658-Suspense Accounts-'108-Public Sector Bank Suspense' /'138-Other Nominated Banks (Private Sector Banks) Suspense' on the basis of DMA-2/CAS 122 provided by RBI by minus(-) debit/credit these heads under Major Head 8658-Suspense Accounts and contra debit/credit to Major Head 8675-Deposits with Reserve Bank-101-Central-Civil under the respective sub-heads Reserve Bank(PSB) or Reserve Bank(Other Nominated Bank-Private Sector Banks) as the case may be. Once accounts from all the PAOs are received and verified for correctness, Principal Accounts Office will submit the same to the Office of CGA on e-lekha/PFMS. Thereafter Principal Accounts Office will watch for the acceptance of their accounts by Office of CGA.

5.9.3 The Chief Accounting Authority of the Ministry/ Department may also require the Principal Accounts Offices/Pay and Accounts Offices functioning under him, to periodically render the accounts showing expenditure against grants/units of appropriations, in such form as may be required.

5.9.4 The Consolidated Monthly accounts from each Principal Accounts Office of Civil/Non-civil Ministries and UT Administration should be furnished to the office of CGA by 8th of the following month.

5.9.5 Checks to be exercised by Principal Accounts Office:

a. Transfer entry to clear PSB Suspense on the basis of information received from RBI (better known as Put Through Entry) is part of accounts and mandatory to incorporate. It has to be entered PAO wise under appropriate head of MH 8658/8675 with correct sign (+/-).

b. It may ensure no booking under incorrect/discontinued head in account viz.

- Major Head 2552/4552/6552 (except in the Grant of M/o DoNER)
- Major Head 0006-SGST (for use of State Governments only)
- Debit entry under Major Head 8014 (except Department of Posts)
- Credit entry under Head 8014.00.101 (except Department of Posts)
- Major Head 8015 (except Department of Posts)
- Major Head 8659 (except Office of CGDA, Ministry of Defence)

c. When monthly accounts are reverted by Data Analytics and Monthly Accounts (DAMA) Section of Office of CGA, it may be redirected to concerned PAO(s) for incorporating necessary corrections. Principal Accounts Office must ensure that all correction made by PAO(s) are carried out in accounts before resubmission of accounts to O/o CGA.

5.9.6 E-Monthly DO functionality has been developed in PFMS to submit e-monthly DO by Pr.Accounts Office by 12th of every month. (Authority: M-58011/2/2020-CDN-CGA/1715 dated 9th March, 2022).

5.10 STATEMENT OF CENTRAL TRANSACTIONS (SCT) AND JOURNAL ENTRIES

5.10.1 Each Principal Accounts Office will prepare SCT after submission of March(Supplementary-I) Accounts to Office of CGA, representing the progressive effect of all the transactions during the year including that of March supplementary transactions. The SCT will be prepared in thousands of rupees giving details up to minor heads under different major heads concerned, distinctly showing the charged and voted expenditures as well as Receipt and Public

Account heads. Alterations are not permitted in the classified or consolidated abstract of any month after they have been closed. However, cases of errors may be discovered after the SCT submission to office of CGA. If an error is discovered in the same year and involves a correction by transfer of amount from one minor head to another under the same major head, or from one major head to another, necessary corrections in the form of Journal Entries (in short JEs) should be proposed by the PAO. JE is to be prepared in thousands of rupees and will show classification up to minor head level. For making JEs, the same form will be used that is used for transfer entry. The corrections within the same minor head not involving change of classification i.e. charged/voted at sub heads/detailed heads level will not require JEs, and will be carried out by the PAO in the Supplementary-II Accounts submitted to Data Analytics and Monthly Accounts (DAMA) Section of CGA Office.

5.10.2 All JEs shall be signed by the Head of Accounting Organization viz. Pr.CCAs/CCAs/CAs (i/c) as the case may be, and serially numbered for easy identification. Approval of the CGA has to be obtained for incorporating it in the accounts. When the JEs are accepted by the CGA for incorporation in the accounts, the Principal Accounts Office should submit supplementary account to the DAMA Section in the office of CGA. The Principal Accounts Office should also appraise the details of it to the concerned PAO, in so far as they affect the figures held in the books of that PAO. This is required to enable the PAO to prepare ledger etc. on the basis of updated accounts.

5.11 LEDGER OF BALANCES UNDER DEBT, DEPOSIT, SUSPENSE & REMITTANCE HEADS.

5.11.1(a) The monthly figures posted in the various broadsheets pertaining to debt, deposit, suspense and remittance heads shall be compared with the figures of that month's transactions under relevant heads in the monthly account, to verify that the two sets of figures tally. Discrepancy if any between the two sets of figures should be analyzed forthwith to rectify the errors, like any un-posted item or a misclassification.

(b) The two heads of account viz. '7810-Inter-State Settlement' (Sector G) and '7999-Appropriation to the Contingency Fund' (Sector H) are not in the nature of debt, deposit, suspense or remittance heads and will be closed to 'Government Account', annually. On the other hand, the balances under debt, deposit, suspense and remittance heads are to be individually closed to 'Balance'. However, the balances under the head '8680-Miscellaneous Govt. Accounts' will be closed annually to Govt. Account. Similarly, balances under '8675-Deposits with Reserve Bank' held in the books of Principal Accounts Office will be closed annually to Government account, but those held in the books of the CGA will be transferred to the head '8999-Cash Balance', every month.

5.11.2 The Ledger for Debt Deposit Suspense and Remittance heads closing to balance viz. those under Sectors E, F, I, J, K, and L, may be prepared half-yearly for the first six months of April to September, after the accounts of September are closed. Thereafter, it will be prepared quarterly for October to December and for January to March including March Supplementary, by using the Form CAM-40. (This will however exclude Major Heads `8675 -Deposits with Reserve Bank and '8680-Miscellaneous Government Accounts' and Sector "M" of the List of Major and Minor Heads of Account). The ledger will be prepared by the PAO up to sub/detailed/object heads, as may be necessary, based on the figures of first six months and subsequently for the two quarters as mentioned above, and sent to the Principal Accounts Office by the 15th October, 15th January and 15th May of each year, respectively. The amounts of balances adopted or transferred on "Proforma" basis in terms of provisions of para 19.4 of Chapter 19, will be clearly indicated in the relevant columns of Forms CAM-40 and 41. The amounts adopted by transfer

consequent to the Departmentalization of Accounts from AG, will similarly be exhibited in the Ledger of the year in which the 'Proforma' transfer was carried out.

5.11.3 The Principal Accounts Office will put together and prepare a Ledger incorporating the transactions of all PAOs under his jurisdiction. This will be done with minor head-wise details based entirely on the figures furnished periodically by the PAOs. The Ledger will then be submitted to the respective Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, for review by the 20th October, 20th January and 20th May of each year. For the purposes of regular monitoring, a copy of the Periodical Statement along with the comments of the respective Head of Accounting Organization should be sent to the Finance Accounts Section of the CGA by 25th October, 25th January and 25th May every year. The comments of Head of Accounting Organization will specifically be regarding the action initiated for liquidating the outstanding balances and settling adverse balances under various Debt, Deposit Suspense and Remittance Heads. It may be checked to ensure that the progressive figures for the year tally with those appearing in the SCT, including the effect of all JEs incorporated therein. Balances under Public Sector Bank Suspense head maintained by PAOs is not required to be included in the 'Ledger', since clearance against this head (for adjustment against Reserve Bank Deposits head) of account is carried out at the level of Principal Accounts Office itself. After this, the Principal Accounts Office will prepare a sector wise abstract of balances as per the 'Ledger', in form CAM-40.

5.12 COMPUTATION OF GOVERNMENT ACCOUNT

5.12.1 After the closure of accounts of every financial year, the progressive figures of the heads of account falling in the following categories will be closed to Government account and not carried over to the following year. This includes: (i) the heads of account under sectors A, B, C, D, G & H in the Consolidated Fund, (ii) those under the Major Heads 8675-Deposits with Reserve Bank and (iii) 8680-Miscellaneous Government Account falling under Sector 'L' in the Public Account. The total of the progressive figures under them will be worked out at the end of each year, to arrive at the balance under "Government Account", in the manner shown in Annexure "C". The closing balance under "Government Account" (CAM-42 format) will be carried over to the "Summary of Balances" statement, as described and shown through illustrative example in the subsequent paras.

5.13 SUMMARY OF BALANCES

5.13.1 The statement of "Summary of Balances" (CAM 43 format) is to be prepared by Pr.Accounts Office comprising of sector-wise balances, in the format indicated in APPENDIX 5.1. The statement will be used to enter the closing balance under "Government Account" and the closing balances under various debt, deposit, suspense and remittance heads which close to balance. The totals under the Debit and Credit sides of the statement should be equal.

5.13.2 The statement for the consolidated transactions of Government of India as a whole, is shown through sector wise balances by the office of CGA, through Statement Number- 5 of the Finance Accounts.

5.13.3 An illustration for preparing Sector-wise 'Ledger', "Government Account" and "Summary of Balances" is appended at APPENDIX 5.1.

5.14 SUBMISSION OF MATERIAL FOR STATEMENT No.5 OF FINANCE ACCOUNTS TO CGA

5.14.1 The PAOs should submit a copy of the 'Ledger' with details upto minor heads to the Principal Accounts Office and by the prescribed date, every year. The Principal Accounts Office will tally the figures in the 'Ledger', (after excluding those under P.S.B. Suspense) with that prepared by it from the SCT. After this verification, it will consolidate/total the figures for all its PAOs, and prepare a statement of " Summary of Balances". Each Principal Accounts Office will finally send one copy each of the Sector-wise 'Ledger', 'Government Account' and 'Summary of Balances' to the CGA office every year, by the prescribed date.

5.15 PROFORMA CORRECTIONS

5.15.1 "Proforma Corrections" to balances of earlier years in cases where provisions of Rule 38 of Government Accounting Rules, 1990 are not attracted, are to be carried out by affording relevant contra effect to "Government Account" referred to above. Approval of the CGA is required to be obtained in each case for the incorporation of any such 'Proforma Correction', by providing full background and justification. This includes cases wherein either-

- (a) a head closing to balance vis-a-vis a head closing to Government Account are involved; or
- (b) correction of a balance under a head closing to balance purely as an accounting device is involved.

5.15.2 Expenditure incurred under the CFI and booked under concerned heads is accounted for in the Appropriation and Finance Accounts. However, the balances under the heads of loan, debt etc will also be included in the Finance Accounts.

Certain Government decisions occasionally affect such balances representing progressive effect of bookings made in earlier years, and necessitate alteration in the figures of balances exhibited in the "Ledger of Balances", Finance Accounts, etc. In such cases, the provision of "Proforma Correction" will be used and not by passing (the old transactions of expenditure etc) through the monthly accounts/S.C.T. of the year in which the relevant Government decision is taken.

The following are some of the main types of situations in which "Proforma Corrections" are required to be made:

(i) **Change of Classification:** Decision may be taken by Government in consultation with the Budget Division,DEA,Ministry of Finance and CGA on the advice of the C. & A.G. for change in classification of any specific type of transaction of a head closing to "Government Account" or for transfer of balance from one to another head under Loan or Debt etc. which closes to balance. The decision would imply that the aggregate effect of transactions booked during earlier years under a relevant head will have to be transferred to a new head selected for the purpose. An example of this type is the consolidation of loans given to State Governments that involves transfer of aggregate balances from one Minor Head/Sub-Major head to another Minor Head/Sub-Major Head. Specific example for this is the "Loans consolidated on the recommendations of the various Finance Commissions" under the Major Head "7601-Loans and Advances to State Governments."

(ii) **Increase or Decrease in the Opening Balances:** Based on decisions of Government, the Controller of Aid Accounts and Audit as well as Railway Board effect certain increases or decreases in the opening balances of heads of accounts exclusively operated by them. This is

done without routing the adjustments through the monthly accounts or the SCT of the year for which the Finance Accounts are under preparation.

(iii) **Aided Institutions and Departmental Commercial Undertakings:** In case of any special orders of the Government or where a Government aided institution is taken over without any cash outgo to be run as a Departmental Undertaking, the balances pertaining to its liabilities like loans and advances and assets and investments owned by it, are taken under the relevant head of account with a contra entry against "Government Account". This will include the head under which loans were granted earlier. Similarly, where a Departmental Undertaking is converted into a Company or Corporation, the balance pertaining to progressive capital expenditure under various heads for the Undertaking, is required to be re-classified under appropriate heads, on account of the change in the status of the Undertaking.

(iv) **Conversion of Grants in aid to Loans and vice-versa:** It includes cases where any decision is taken by Central Government for conversion of a Grant-in-aid given during any earlier financial year to a State Govt. / U.T. Govt. /Entity into a loan or conversion of a loan given earlier into Grant-in-aid with retrospective effect. This is done after issue of necessary sanction and necessary appropriation as applicable. In the cases whereby the earlier grants are converted to loan, the progressive figure under the respective loan head (see Para 10.9.7 also) will be increased through "Proforma Correction" after affording contra credit for a corresponding amount under "Government Account". This will also be reflected in the ledger of balances in "Form CAM-41", "Government Account" in Form CAM-42, and indicated in the material for Finance Accounts submitted to CGA. A note will also be kept in the loan register, indicating briefly the terms and conditions of the repayment of loan. In the case of retrospective conversion of a loan given earlier into Grant-in-aid, the relevant sanction order should indicate the treatment to be given to the portion of loan and interest paid to the Govt. by the recipient of the loan. "Proforma Correction" would similarly be required to decrease the progressive figure under the relevant Minor Head under the relevant Minor Head of respective loan head by affording contra debit to "Government Account" in the documents referred to above.

(v) **Raising or Lowering of Balances:** Paras 10.8.5 and 10.8.6 envisage the raising or lowering of balances under the two Minor Heads "Advances for purchase of other conveyances" and "Other advances", by the Principal Accounts Offices, wherever necessary, with the approval of the CGA. To give effect to this, they will have to make 'Proforma Correction' in the closing balances against the affected head in their ledger of balances in form CAM-41, and reflect contra effect in their "Government Account" in form CAM-42, along with the material for Finance Accounts submitted to CGA.

5.15.3 Prior Period Adjustments: Adjustments relating to "Proforma Correction" in respect of the type of transactions referred to in para 5.15.2 will not be passed through the regular monthly accounts, and they will not be shown in the SCT. Even the opening balances in such cases will not be corrected with a foot note. However, a full account of such adjustments in an account named "Prior Period Adjustment Account" will be submitted with the material for the Union Government Finance Accounts, in terms of IGAS 4.

Note: APPENDIX 5.2 to this Chapter provides illustration of such types of transactions. Part I contains three different examples falling under this category while Part II indicates the manner in which it is to be reflected in the material for the affected statements of Finance Accounts. The part III indicates the entries generated in the computation of closing balance of "Government Account" and entering of material for the Summary of Balances, in Statement No. 5 of the Finance Accounts.

The effects of these adjustments shall be incorporated in the material for relevant statements of Finance Accounts. It will be shown distinctly in a separate line, under the opening balance of the concerned minor head below the relevant major head, with the nomenclature "Prior Period Adjustment Account". The net effect of these adjustments on "Government Account" will also be worked out for arriving at the balance as on 31st March of the year, for the purpose of inserting against the concerned head in the material for Statement No. 5 of Finance Accounts.

ILLUSTRATIVE EXAMPLE LEADING TO PREPARATION OF "SUMMARY OF BALANCES"

1. DATA FOR THE ILLUSTRATION

Supposing transactions arising during 2004-05 are as at (a) to (f) below, receipt of balances on 'proforma' basis as per Para 19.3 of Chapter 19 of this Manual as at (g), and opening balances as on 1.4.2004 as at (h) below:

(figures in)

(a) Receipts (Revenue) received during the year:	
April, 2004	3460
May, 2004	3461
February, 2005	3459
March, 2005 (including supplementary)	3463
Progressive Total (including JEs)	13843

Total of Sectors A+B in the S.C.T. to be carried to Government Account [Form CAM-42]

(b) Expenditure (Revenue) incurred during the year	
April, 2004	3353
May, 2004	3352
February, 2005	3354
March, 2005 (including Supplementary & JEs)	3355
(Progressive Total (including JEs))	13414

Total of sectors A+B+C+D in the S.C.T. carried to a Government Account [Form CAM-42]

(c) Expenditure (Capital) incurred during the year	
April, 2004	560
May, 2004	561
February, 2005	559

March, 2005 (including Supplementary)	563
Progressive Total (including JEs)	2243

Total of Sectors A+B+C+D in the S.C.T. carried to Government Account [Form CAM-42]

(d) DDR Transactions (Receipts) during the year:

Sector	April,04	May,04	February, 05	March,05 (Including JEs etc.)	Progressive total (including JEs) as per SCT under respective sector carried to Sector-wise Ledger Form CAM -41
E	4602	4601	4603	4602	18408
F	572	573	571	572	2288
I	1816	817	816	818	3267
J	151	151	153	151	606
K	583	584	585	583	2335
L	105	106	105	107	423
M	16	16	16	16	64
TOTAL	6845	6848	6849	6849	27391

(e) DDR Transactions (Payments) during the year:

Sector	April,04	May,04	February, 05	March, 05 (including JEs etc.)	Progressive total (including JEs) as per SCT under respective sector carried to Sector-wise Ledger Form CAM -41
E	3374	3373	3375	3374	13496
F	1038	1040	1038	1039	4155
I	459	458	459	461	1837

J	126	127	126	126	505
K	555	556	555	556	2222
L	173	172	175	174	694
M	40	40	41	41	162
TOTAL	5765	5766	5769	5771	23071

(f) DDR heads closed to Government (RBD in this case) appearing on debt side:

April,04	May,04	February,05	March,05	Progressive total (including JEs) figure appearing in SCT against the head 8675-RBD carried to Government Account [Form CAM-42]
627	630	626	623	2503

(g) During the year balances were received by the Pr. A.O. on `proforma' basis from another such office as follows:-

Debit balance of ₹80 crores under Sector F (Loans & Advances), and of ₹5 crores under Sector L (Suspense & Misc., other than Major Heads 8675 and 8680) and Credit balance of ₹21 crores under Sector I (Small Savings, P.F. etc.) and of ₹7 crores under Sector K (Deposits & Advances).

(h) Closing balances under various DDR heads of the preceding year (i.e. as on 31.3.2004) which would be opening balances as on 1.4.2004 are as follows:-

In Pr. A.O. books	In CGA's books			In CGA's books	
	Dr.	Cr.		Dr.	Cr.
Govt. Account	15184	--			
E. Public Debt	--	23068	E. Public Debt	--	23068
F. Loans & Advances	17920	--	F. Loans & Advances	17920	--
			Contingency Fund	--	50
I. Small Savings & P.F. etc.	--	7699	I. Small Savings & P.F. etc.	--	7699

J. Reserve Funds	--	1027	J. Reserve Funds	--	1027
K. Deposits & Advances	--	1743	K. Deposits & Advances	--	1743
L. Suspense & Misc. (except 8675 & 8680)	405	--	L. Suspense & Misc. (except 8675 & 8680)	405	--
M. Remittances	28	--	M. Remittances	28	--
			N. Cash Balance	15234	--
	33537	33537		33587	33587

Notes : (1) For purposes of simplicity of the illustration, break up of figures has not been indicated under the sectors F,J,K & L into categories as follows as normally required in the summary of balances (Statement No.5 of Finance Accounts).

Sector	Categories
F. Loans & Advances	(i) Loans & Advances to State & U.T. Governments
	(ii) Other Loans
J. Reserve Funds	(a) Reserve Funds bearing interest Gross balance Investment
	(b) Reserve Funds not bearing Interest
K. Deposits & Advances	(a) Deposits bearing interest Gross balance Investment
	(b) Deposits not bearing interest
	(c) Advances
L. Suspense & Miscellaneous	(a) Coinage Accounts
	(b) Suspense Gross balance Investment
	(c) Other Accounts Gross balance Investment Accounts with Govts. of foreign countries

Note : (2) In the illustration, for the sake of simplicity, all figures are shown in crores of rupees only, though these documents are to be prepared up to unit of rupee and transactions under (a) to (f) of the data are shown as though they occurred during 4 months only.

Note :(3) For the sake of simplicity in the illustration, the transactions/balances in one Principal Accounts Office and its effect reflected in the books of accounts of CGA's office are indicated though the portion of the data showing receipt of balances on `proforma' basis during the year from a different Principal Accounts Office pre-supposes the existence of another Principal Accounts Office whose balances should have also formed part of the balances held in the books of the CGA but not specifically indicated in the illustration.

Note :(4) For the sake of simplicity, it has been assumed that the entire balance under `108-Public Sector Bank Suspense' and `138-Other Nominated Banks (Private Sector Banks) Suspense' has been cleared and transferred to the head `8675-Deposits with Reserve Bank' by the Pr. A.O., before close of the accounts.

II. SECTORWISE ABSTRACT (LEDGER) OF DDR HEADS CLOSING TO BALANCE COMPUTATION OF "GOVERNMENT ACCOUNT" AND STATEMENT OF "SUMMARY OF BALANCES".

The above documents as in the books of Pr. A.O. and the last one as in the books of CGA adopting the assumed data are as shown in CAM -41, 42 & 43 and Summary of Balances. The figures adopted by the Pr. A.O. on `proforma' basis are shown distinctly in italics in these forms for early tracing.

APPENDIX 5.2
(Referred to in para 5.15.3)

Illustrative Example

PART I. Prior Period Adjustment Account

Sl.No.			
1.	Dr. 0.10 crore	7601-Loans and Advances to State Governments -Loans for Central Plan Schemes -Fisheries-Inland Fisheries To Government Account Reasons for the `P.P.A.A.`:- Decision of Govt. vide sanction No. ....dated to treat a GIA of ₹0.10 Crore (booked to head `3601' which is closed to Govt. Account) given to State `A' during 1981-82, as a loan with retrospective effect. (This will affect material for Statements No.13, 15 &5).	Cr. 0.10 crore
2.	Dr. 33 Crores	7053-Loans for Civil Aviation To 5053-Capital Outlay on Civil Aviation Reason for the `P.P.A.A.' :- Decision of Government to book expenditure on debentures to a loan head instead of to the investment head (viz. Major Head 5053 which is closed to Govt. account) as was the earlier practice. (This will affect material for Statements No.10, 13 & 5).	Cr. 33 crores
3.	Dr. 12 Crores	4858-Capital Outlay on Engineering Industries 04-Ship Building Industries To 4858-Capital Outlay on Engineering Industries 05-Aircraft Industries Reasons for `P.P.A.A.' :- Decision of Govt. to book outlay on investment in Garden Reach Ship builders and Engineers Ltd. to the former head instead of to the latter head as was the earlier practice. Both the heads affected close to Govt. Account. (This will affect material for Statement No.10 only but will not affect `Government Account').	Cr. 12 Crores (minus debit)

4.	Dr.	Government Account	
		To	(-)Dr.
	10000	.....(Any Capital Head)	10000
		Reason: Disinvestment of .....(No. of Shares) of face value of	
		.....each amounting to Rs.....in respect of	
	thousan	.....(Name of the Company whose shares have been	thousan
	ds	disinvested)	ds
		(This will affect the statement no. 10 and 11)	
		(This same PPA can be proposed in case of write down of equity/ shares)	

Part II - Entries relating to Serial No.1 of Part I

	Amount On 1-4-04	Receipts	Disbursements	Amount as on 31-3-05
(a) Entries under material for Statement No.15 of Finance Accounts, 2004-05				
7601-Loans and Advances to State Governments Prior Period Adjustment Account				
	Dr. O ₁	R ₁	D ₁	O ₁ +P ₁ +D ₁ -R ₁
	Dr. P ₁			=0.10 crore
	0.10 crore			

(b) Entries under material for Statement No.15 of the Finance Accounts

7601-Loans and Advances to State Governments -State of 'A'

(C) Loans for Central Plan Schemes

-Fisheries-Inland Fisheries	O ₂ P ₂	R ₂	D ₂	O ₂ +P ₂ +D ₂ +R ₂ +Rs .0.10 crores
Prior Period Adjustment Account	0.10 crore			

Part III - Entries for Computation of closing balance of GOVERNMENT ACCOUNT as on 31.3.05 on account of Serial No.1 of Part I.

FORM CAM 42

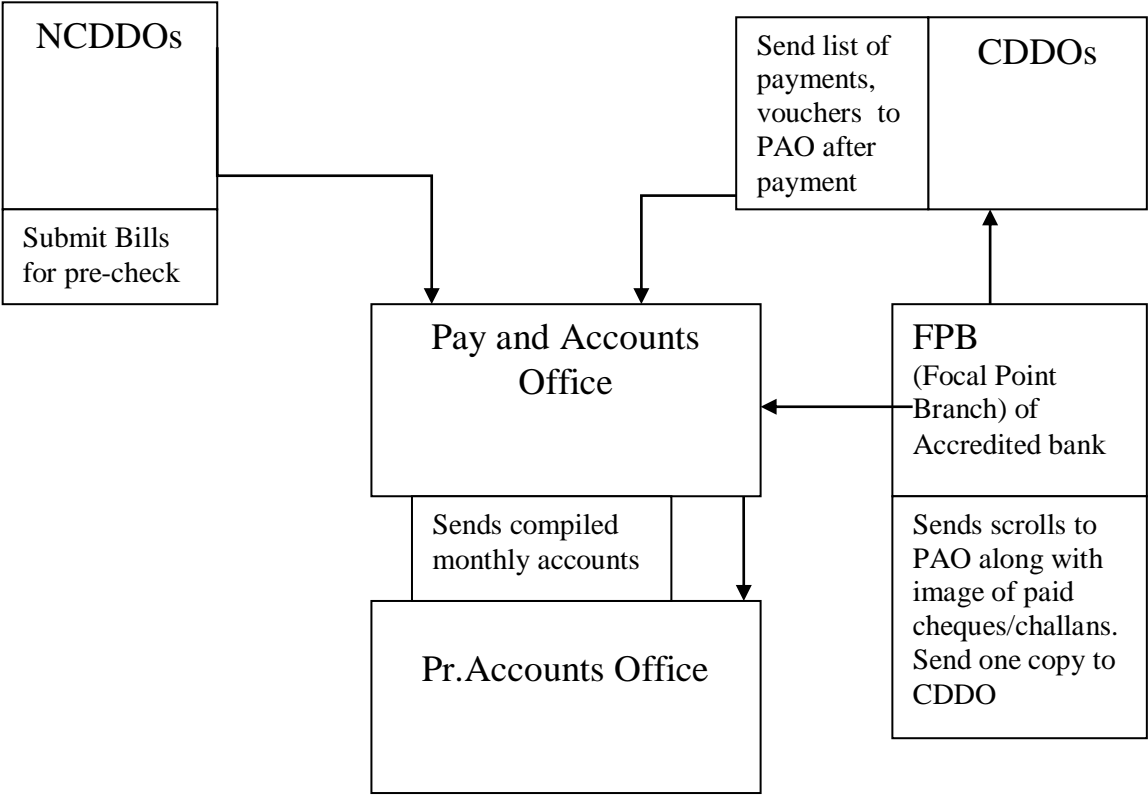
Sector		Dr.	Cr.
	Opening balance as on 1.4.04 (excluding the Prior Period Adjustment Account)	0	
	Net effect of Prior Period Adjustment Account		33.10
	Adjusted Opening balance as on 1.4.04	0-33.10	
A + B	Receipts(Revenue)		
A+B+C+D	Expenditure(Revenue)		
A+B+C	Expenditure(Capital)		
	G(M.H.7999) L(M.H.8675 & D.D.R. Heads (closed to Govt. Account). 8680)		
	Net effect of balances adopted/ transferred proforma reversing its side		
	Total	O+T ₁	T ₂ +33.10
	Closing balance transferred to Summary of Balances	O+P+T ₁ +T ₂ -33.10	

O = Opening Balance

P = Prior Period Adjustment Account
T1 = Total under Col. Dr. excluding (a) Opening balance
and (b) Prior Period Adjustment Account.
T2 = Total under Col. Cr. excluding figures relating to net effect
of balances adopted/transferred proforma and also excluding
Prior Period Adjustment Account.

[Authority: 1(14)/83/TA and 1(14)/86/TA

Flow of Accounts

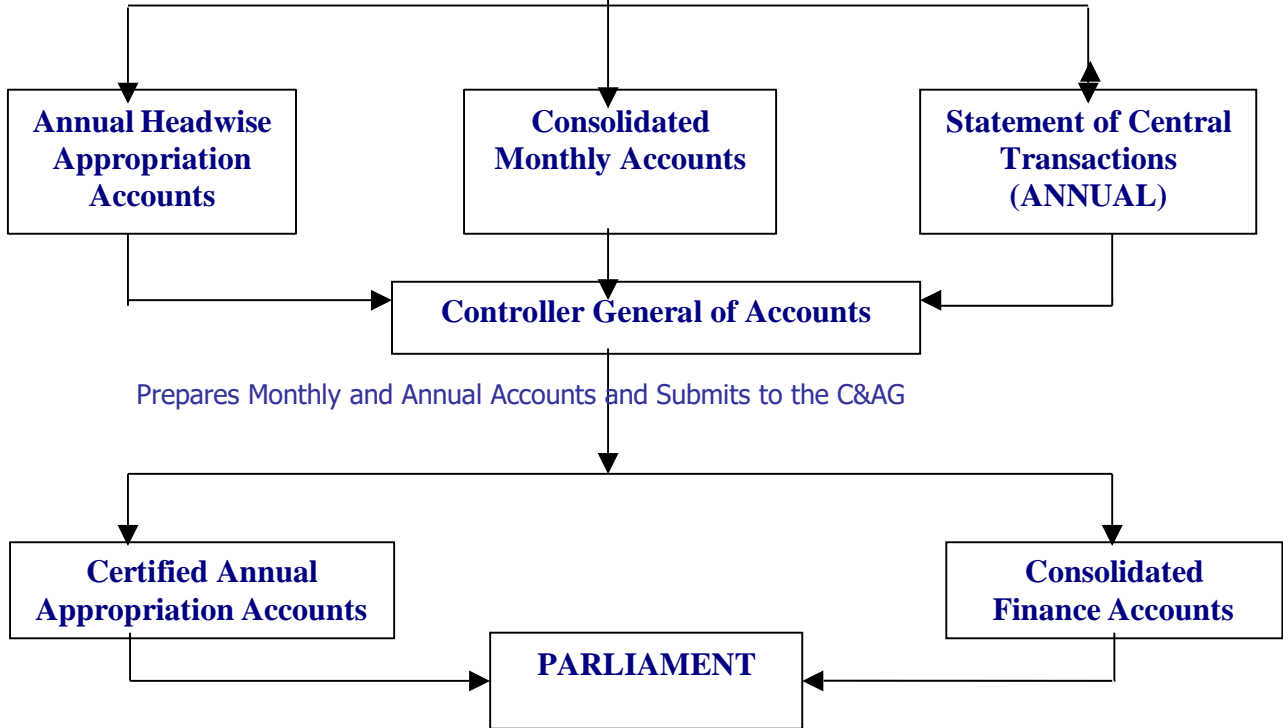


NCDDO: Non-cheque Drawing and Disbursing Officer

CDDO:- Cheque Drawing and Disbursing Officer

Pr. AccountsOffice

Prepares and Submits



CHAPTER 6

MAINTENANCE OF PROVIDENT FUND ACCOUNTS

6.1 GENERAL

6.1.1 The responsibility for maintenance of Provident Fund (General Provident Fund and Contributory Provident Fund) accounts of the following categories of employees (who are borne on the old pension scheme), lies with the Accounting organization of the Ministry/Department concerned.

- (i) All regular employees of Ministries/Departments including those on deputation from other Central (Civil) Ministries/Departments;
- (ii) All regular employees on Foreign Service with Public Sector Undertakings, Corporations etc; and
- (iii) All regular employees on deputation with Railways, Defence, Posts, Telecommunication Department and other State and UT Governments.

6.1.2 The PAO in 'Accountant General's (AGs) Office and of the respective Government Departments shall maintain the G.P.F. accounts of All India Service Officers borne on State cadres and Officers of State Governments, Railways, Defence, Posts and Telecommunication Departments. The PAO, Delhi Administration, No.VI, Tis Hazari, shall maintain the G.P.F. accounts of All India Service Officers borne on Union Territory cadre centrally, and the credit and debit shall be passed on to PAO VI, Delhi Administration through cheque, duly supported with schedules and vouchers.

6.1.3 GPF Accounts of employees covered by the Merged DDO scheme will continue to be maintained by the concerned Head of Offices. The PAOs shall however, maintain/monitor their DDO wise broadsheet and effect reconciliation between the broadsheet and accounts figures.

Note: GPF module on PFMS portal maintains the complete GPF data and enables prompt settlement of employee's request related to advances, withdrawals, settlement etc. However, in case of any discrepancy between GPF ledgers maintained on PFMS and the manual records, the latter will prevail.

6.2 NOMINATIONS

6.2.1 As soon as a Government servant starts subscribing to the Fund, the PAO should ensure that the subscriber furnishes a nomination in the prescribed form as required under the rules of the Fund. A nomination filed with the Accounts Office is one of the most important documents and serves the same purpose as a will of the subscriber, and should therefore be most carefully preserved by the Pay and Accounts Officer. Whenever the subscriber's account is transferred from one circle to another, the nomination in original will be transferred to the other Pay and Accounts Officer.

6.2.2 On receipt of the nomination, it should be scrutinized to see that it is complete and has been furnished in accordance with the provision of the rules regulating the Fund. On acceptance of the nomination by the Head of Office, the subscriber's record would be updated in the manual and electronic systems as the case may be, with the suitable update of the General Index Register. A written acknowledgement of nomination should then be sent to subscriber through his office.

6.2.3 The nomination shall be filed in a General File of Nominations and kept in the personal custody of the officer-in-charge of the Fund. At least once in 3 years, a physical verification of the nominations shall be conducted and a record of conduct of the verification under attestation of the officer in charge, will be kept in the General Index Register. Whenever a revised nomination is received from a subscriber, the previous nomination shall be cancelled.

6.2.4 Immediately after the final payment of fund in each case, a record to that effect should be made on the nomination form with the initials of the Pay and Accounts Officer. All such nominations related to final payment shall be removed from the General File of Nominations and placed in a separate guard file, in the chronological order of payment.

6.3 SUBSCRIPTIONS

6.3.1 If a subscription is made for the first time or whenever a revised rate of subscription is adopted, it should be seen that the amount of subscription is within the minimum and maximum limits prescribed under the relevant rules of the Fund, including the annual threshold limit prescribed by Govt. of India from time to time. The emoluments as on 31st March of the preceding year shall be taken for the calculation of subscription under the rules of the Fund.

6.4 ADVANCE FROM THE FUND [RULE 12 OF GPF (CS) RULES] AND CORRESPONDING PROVISION IN CPF (INDIA) RULES

6.4.1 Before admitting claims for advance from the Fund the following checks are required to be conducted-

- (i) That the advance has been sanctioned by the competent authority;
- (ii) That the amount sanctioned is covered by the balance at the credit of the subscriber;
- (iii) That the conditions under which the advance can be granted under the relevant rules of the Fund are fulfilled; and
- (iv) That past recovery on account of principal is being made regularly.

6.4.2 The CDDOs of Ministries/ Departments are also authorised to make payment of advances out of Provident Fund after sanction of the competent authority. A copy of the sanction is required to be endorsed to the PAO. On receipt of sanction in such cases, full particulars of the sanction shall be noted by PAO in the concerned ledger folio. The CDDO is required to forward the receipt of the statement of the amounts paid along with the particulars of the sanction, names of the subscribers, the account numbers etc. to the PAO every month. In case of electronic system, data will flow electronically to the PAO and get posted to the ledger card. The PAO shall keep a watch on this to ensure that the debit vouchers are received and posted in the accounts of the subscribers and would also review the relevant report in the system. The debits that are to be adjusted by PAOs of other Departments/Governments shall be passed on to them immediately.

Note:

(A) For the AIS officers on deputation to the Central Government, the concerned Pay and Accounts Officer will make payment of the GPF advance or part final withdrawal based upon sanction issued by the competent authority in the Central Government. He will classify the payment under the Major Head 8658-PAO Suspense and promptly raise debit against the AG concerned for getting the reimbursement. AIS officers who are on Central Deputation at

the time of retirement also have the option of obtaining final payment of GPF, to be made by the Pay and Accounts Officers (PAO) of the Ministry / Department concerned, through the respective DDO (Authority: DoPT OM No.11026/01/2023-AIS – III dated 17.10.2023).

(B) However, the PAO will not be involved in case of AIS Officers on deputation to autonomous bodies or public sector undertakings under the Central Government. The autonomous bodies/Public Sector Undertakings will make payment of the GPF advance/withdrawals sanctioned by the respective Ministries controlling the autonomous body/P.S.U. to the subscribers and then claim the reimbursement directly from the State AG concerned.

(C) For the other officials of State Governments or autonomous bodies who are on deputation to the Central Government, only the concerned State Government or autonomous body can grant advances or withdrawals. In cases where the concerned State Government or autonomous body has delegated powers to the Central Government Departments for grant of advances/withdrawals from provident fund to such officials, the concerned Pay and Accounts Officer will make the payment and claim reimbursement. The concerned Central Government Department should ascertain in writing from the State Government/autonomous body concerned whether such delegation has been made. However, even if such powers have been delegated by a State Government or autonomous body to Central Government Departments, the provident fund rules of the concerned State Government/ autonomous body should be followed for granting advances/withdrawals from their provident fund accounts.

6.4.3 The recovery of instalment towards an advance shall be started from the pay of the month following the month in which the advance was drawn.

6.4.4 The Pay and Accounts Officers are not empowered to disallow an advance sanctioned by the competent authority. In cases where the sanction does not conform to the rules, objections should be pursued with the sanctioning authority for removal of the defects and issue of a revised sanction. In case the subscriber has drawn an advance granted to him, and it is subsequently disallowed before the repayment is completed, the subscriber shall immediately repay the remaining balance to the Fund. In case the subscriber defaults, the Pay and Accounts Officer shall order recovery through deduction from the emoluments of the subscriber as per the provisions in Rule 13(5) of the GPF (CS) Rules.

6.5 WITHDRAWAL FROM THE FUND [RULE 15 OF GPF(CS) RULES] & CORRESPONDING PROVISION IN CPF (INDIA) RULES

6.5.1 For withdrawal from the Fund for the purposes specified in Rule 15 of GPF Rules and corresponding provisions in the CPF Rules, the following checks shall be exercised by the PAO-

- (i) Withdrawal has been sanctioned by the competent authority;
- (ii) The amount is covered by the balance at the credit of the subscriber; and
- (iii) The sanction is in conformity with the rules of the Fund.

6.5.2 After scrutiny of the sanction as above, necessary entry shall be made in the "Remarks" column of the ledger folio. Payments against all such sanctions will be made only after pre-check of the bill by the PAO.

6.5.3 Final withdrawal of the entire fund balance in the account shall also be authorized and paid only after pre- check by the PAO. This shall be done in accordance with the procedure laid down in G.I. M/Per. & Trg. O.M. No. 13(3)/84-Per dated 12.6.1985,

incorporated as G.I. Decision No. 2 below Rule 34 of G.P.F. (CS) Rules, 1960. The progress of settlement of final payment cases will be watched through a Register of Final Payment Cases in Form CAM-51 which is generated in the online system. PAOs shall take all due care to verify the fund balances before authorising final payment.

6.5.4 There may be cases where advances are sanctioned by the competent authority in terms of Rule 34(3) of the G.P.F. (CS) Rules, after forwarding of the application for final payment to the PAO. In all such cases, the payment shall be made only after pre-check of the bills by the PAO, and due adjustment of the advance amount from the final payment bill.

6.6 TRANSFER OF BALANCES FROM PF ACCOUNT

6.6.1 In respect of transfer of a subscriber from one PAO to another within same or to a different Ministry, the transfers done manually will be settled by issue of Category 'C' cheque "Government Account-Not payable in cash". The cheque will be drawn in favour of the Pay and Accounts Officer in whose payment control the Government servant has been transferred by (-) crediting major head "8009- State Provident Funds".

6.6.2 The transfer of PF balances of a subscriber's account from one PAO to another due to transfer of the subscriber, would not be accompanied by the original ledger folio/ card maintained by the PAO. All the copies of ledger folios/cards shall be appended, duly attested by the Pay and Accounts Officer which will, inter alia, include following details-

- (i) Closing balance as on 31st March of the preceding financial year including interest on that date and any other amounts creditable to PF but not payable in cash;
- (ii) Month wise subscriptions and repayment of temporary advance etc. credited to the GPF/CPF account, during the relevant months of the current year;
- (iii) Balance at the end of the relevant month, that should be equal to the cheque amount;
- (iv) Details of temporary advance and withdrawals during the preceding years and the current year, or a certificate for 'nil' drawing, as the case may be; and
- (v) Closing balance of the account as on 31st of March, in the preceding financial years.

6.6.3 Online GPF module: After introduction of on-line GPF module on PFMS transfer of GPF balances where both the PAOs are enrolled for working in GPF module will be transferred by System generated Transfer Entries instead of issue of cheque Intermediary Head 8797 – Exchange Account” will be used for this purpose. In such cases, system will propose two transfer entries in old PAO and new PAO as per following:

Old PAO	8009 - State Provident Funds (-)	Credit
	8797 - Exchange Account	Credit
New PAO	8797 - Exchange Account (-)	Credit
	8009 -State Provident Funds	Credit

6.6.4 The process of transfer by old PAO will not be completed until accepted by the new PAO.

6.6.5 If there are any missing debits/credits, such details should also be furnished. The Pay and Accounts Officer transferring the balances will however be responsible for taking necessary action to trace out missing credits / debits, and to pass on the same to the new Pay and Accounts Officer.

6.7 MAINTENANCE OF GPF ACCOUNT

6.7.1 The accounts of subscribers shall be maintained in a Ledger Folio in Form CAM -47 manually and electronically as the case may be. Till instructions in this regard are issued, the manual ledger folio will not be discontinued even where electronic ledgers are available. To reiterate, whenever a new ledger folio is opened, the AAO should attest all the opening entries namely: subscription, opening balance, advances outstanding, and acceptance of nominations. Similarly, at the time of closing of the subscriber's account, the date and the reason for the closure shall be noted in the ledger folio as well as in the General Index Register under the dated initials of the AAO. In the electronic system, cross verification will be done through electronic records also.

6.7.2 The reasons for the closure of account like retirement, resignation, quitting, transfer out of the accounting circle etc. shall be noted in the ledger card. In each case, the amount of final payment made to the subscriber or the balance transferred to another Pay and Accounts Officer will also be indicated.

6.7.3 The ledgers should be treated as confidential documents and being important original records, they shall be kept in safe custody.

6.7.4 The ledger accounts should be posted from the following sources-

- a. Provident Fund schedules attached to pay bills paid by PAOs and CDDOs;
- b. Challans for cheque deposits made at the banks by the subscriber;
- c. Schedules supported by vouchers of withdrawals from Provident Fund; and
- d. Other details of debits and credits to Fund appearing in accounts, for example, transfer adjustments, inward accounts, etc.

6.7.5 The concerned PAO shall, based on the schedules and debit vouchers (i) verify that the subscriptions/refunds shown in the schedules agree with those shown in the bills (ii) verify that the total credits and debits match with the figures in the classified abstract. A checklist of activities for proper maintenance of PF accounts is available in APPENDIX 6.1 to this chapter. (Authority: No.TA-3-104/1/2020-TA-III/cs-4261/403 dated 12.5.2021)

6.7.6 In case of Preparation of salary bills through EIS module, the schedules will be verified electronically by concerned AAO, and the system will post the credits in respective ledgers.

6.7.7 In case of Preparation of salary bills through sanction module / other bills of EIS module, the schedules will be posted electronically by concerned DH and verified by the AAO.

6.7.8 GPF accounts in respect of the AIS Officers borne on State/ UT cadre and officers of State Governments, Railways, Defence, Posts and Telecommunications shall be maintained by the AG/ Pay and Accounts Office of the respective Government/Department. For this purpose, the credits relating to the contribution and recovery of advances shall be remitted by the concerned departmentalized Pay and Accounts Officer on monthly basis to the respective AG of the State/ Accounting authority. This shall be done by issue of cheque in his favour and sent by Registered Post along with the original GPF schedules. The acknowledgement is required to be watched by the PAO. The Pay and Accounts Officer shall also prepare and send annual statement indicating the details of credits along with the

particulars of cheque through which credits were passed on, and the details of debits of advances and withdrawals.

6.8 GENERAL INDEX REGISTER (FORM CAM-44)

6.8.1. In the manual system, an entry regarding allotment of Account Number should be made in the General Index Register in Form CAM-44 and the alphabetical Index Register that is maintained. The complete entries in the General Index Register will be made serially in the order of receipt and acceptance of application for enrolment to the Fund. The AAO, who will be responsible to keep the register up-to-date, shall attest the entries in this register. In the electronic system, the index register would be electronically maintained in the Form CAM 44 and employee data would be entered with relevant details when the employee record is brought in the system.

6.8.2 The disbursing officers are required to attach a schedule in Form RPR-41 to the Pay Bill. This schedule indicates the account number, name and pay of the subscriber, the rate of subscription and the amount realised towards refund, if any.

6.8.3 In the electronic system, the GPF subscription data gets posted from salary module of EIS after verification by AAO/DDO maker (in case of Merged DDO) with respect to concerned voucher. When schedules and vouchers are received manually in the PAO/Merged DDO, the DH/ DDO maker shall respectively, proceed to post the figures in the ledger folio of the subscriber. He should take out the schedules and post the amounts shown as subscription/refund of advance against the relevant monthly column of the account, in the ledger folio of the concerned subscriber. After posting the credits in the ledger, the letter 'P' shall be marked against the amount in the schedule, indicating that the item has been posted in the ledger folio. This process shall be continued until the entire posting work is completed.

6.8.4 The month to which the credit pertains shall also be noted in the ledger folio. This is done in the electronic system post verification.

Note:1 The name, designation and account number shown in the schedule should be tallied with those shown in the ledger folio, and in case of any discrepancy/omission, it shall be pointed out to the concerned DDO.

Note:2 Every year, the deduction for April should be checked with reference to the rate of pay drawn by each subscriber on the preceding 31st March, and similar check should be made on deductions made for the first time during the course of the year.

Note:3 If the subscription is paid in subsequent months, it should be verified that the amount of subscription is same as the rate adopted in the first month of the year, unless the rate of subscription has been altered during the course of the year under the Fund rules.

Note:4 The date of receipt must invariably be noted in the ledger folio for every case of deposit of subscription or refund of advance in cash.

6.8.5 In the non-electronic system, if any credit or debit cannot be posted in the ledger folio for want of correct account number, name, etc. it should be encircled and the word 'M' recorded against it. This will indicate that it has not been posted. Such items should then be posted in the 'Explanation Sheet of Differences of the Broadsheet' with sufficient details of particulars, in the broadsheet itself, so as to enable action for their subsequent clearance without reference to the original records.

6.8.6. The items that are cleared from the Explanation Sheet of Differences of previous months should also be posted. In such cases, the month to which the credit pertains should invariably be noted in red ink against the concerned month. In the cases where the account number and the name do not tally with each other, the Alphabetical Index Register shall be referred to for ascertaining the correct account number to post the items in the ledger folio. The payment vouchers relating to temporary advance from GPF by the cheque drawing DDOs, shall also be posted in the proper column of ledger folio. Posting is done in the electronic system after voucher creation. However, PAO should verify the same.

6.8.7. After the postings in the ledger are completed, the figures entered in the ledger account of the subscriber shall be carried over to the relevant broadsheet. Posting is done in the electronic system, yet, PAO should verify the same.

6.9 BROADSHEETS (FORM CAM-48)

6.9.1 A GPF broadsheet in Form CAM-48 shall be maintained through convenient volumes of ledger accounts. For the purpose of verification of the postings made in the ledger with the monthly account, the figures entered in each ledger folio shall be posted against the respective account number in the broadsheet. After this, page wise totals of credits and debits should be calculated in the broadsheet, and carried over to the consolidated sheet to arrive at the final totals. This will represent the total of the amount posted in the ledger folio which should also match with the total of the schedules, excluding the amount kept as un-posted in the Explanation Sheet of Differences. If they do not match, the broadsheet entries should be checked with the entries in the original schedules, by ticking the amount shown in each schedule against individual account numbers and the corresponding figures posted in the broadsheet. Wherever electronic system has been implemented, broadsheet would be maintained in the system but the broadsheet report should be taken out and regularly reviewed and tallied by PAO.

6.9.2 The transactions in the broadsheet relating to a month, should be closed on or before 2nd day of the second succeeding month following the month of transaction, and submitted to the officer in charge for review. For example, the broadsheet for the month of April is required to be closed and submitted to the PAO by the 2nd June of that year. Wherever online GPF module is implemented the manual broadsheet must be in sync with data in the system.

6.10 ANNUAL CLOSING OF ACCOUNT

6.10.1 Pay and Accounts Officers should calculate manually or through the electronic system as the case may be and allow interest on GPF balances in respect of each subscriber in terms of Rule 11 of GPF (CS) Rules and the corresponding provisions of CPF (India) Rules. He will verify the interest calculation done manually or by system on a sample basis to ascertain the correctness of calculations. He will also make necessary accounting adjustments to transfer the total interest amount to Fund Account in the March (Supplementary) accounts. After the accounts for March (Supplementary) are closed, the balance at the credit of each subscriber as on 31st of March, including interest for the year should be worked out in the ledger and the broadsheet. The total of closed balances shown in the broadsheets should then be reconciled with total figures under concerned head of account in the annual account. The individual closing balances in the broadsheets should also be verified with those in the ledger folio before they are carried over to the next year's ledger folio and broadsheets as opening balances. This should be done both under the manual as well as electronic system. The AAO in charge should attest the balances so carried forward.

6.10.2 The subscriber's Annual Statement of Accounts should be prepared in Form CAM 49 and issued to the subscribers latest by the 31st of May every year. The accounts statements should be sent to the respective Heads of Offices who will be called upon to send a certificate to the effect that all the account statements sent to them have been received and delivered to the subscribers. If no discrepancies are pointed out within a period of 3 months of closing date of issue of Annual Statement, it will be presumed that the balance has been accepted by the subscriber.

6.10.3 In the case of any representation received from the subscribers (along with certificates of deductions) pointing at mistake in the annual statement of account, immediate action should be taken to rectify the same including by locating of the missing credit/debit for adjusting the subscriber's account.

6.10.4 After the issue of annual statements, an annual review of all Provident Fund accounts should also be conducted. This is mainly to check that opening of ledger accounts are not omitted in any case or to see that duplicate account is not maintained for the same subscriber. This is also done, in general, to examine that the credits are appearing in all months and reasons for non-recovery or irregular recovery of advances and subscriptions are properly recorded in the ledger folio, and the balances are correctly carried forward from year to year. A detailed re-check of the postings especially those relating to debits should be conducted. It should be done in such a manner that at least one month's credit postings and all the 12 months debit postings are checked fully. This review should be done by the PAO through the staff who are not related to the maintenance of broadsheets and may even be entrusted to the Internal Audit Unit.

6.11 REGISTER OF MISSING CREDIT/DEBIT (FORM CAM-50)

6.11.1 In order to readily locate the missing credits /debts in the Provident Fund Account of subscribers, all the ledger folios shall be reviewed twice a year in the months of September and March, by the AAO. He should enter cases of credits and debits that have not appeared in the respective ledger folios, in the Register of Missing Credits/Debits (CAM 50), and immediately institute an enquiry to trace them. The un-posted items lying in the relevant broadsheets should also be scrutinised for this purpose. To locate the missing credits/debits of the subscribers whose credits are normally received from other Accounts Offices, reference should be made to that office to obtain the particulars of the outward account in which the credits/debits were passed on. In other cases, the DDOs should be requested to provide the particulars of the bills through which the subscriptions were recovered, or the amount was drawn towards temporary withdrawals from Provident Fund account. The Register of Missing Credits/Debits has to be closed every month and submitted to the Pay and Accounts Officer, indicating the details of action taken in respect of each item, by 7th of the next month.

6.12 TRANSFER OF GPF BALANCES IN RESPECT OF STAFF UNDER THE JURISDICTION OF MERGED DDOs AND RECONCILIATION OF GPF BALANCES MAINTAINED BY MERGED DDOs.

6.12.1 Under the scheme of Merged DDOs, the responsibility for the maintenance of GPF accounts of the staff at the Secretariat lies with merged DDOs, who will however function under the control of CCAs/CAs. For the merged DDOs, reconciliation between GPF balances with merged DDOs and the monthly accounts maintained by PAOs shall be carried out.

6.12.2 Final settlement or removal of missing credits will be the responsibility of the PAO. For this purpose, a control register is opened in respect of all the accounts transferred to the merged DDOs showing: the original GPF Account Number, the Account Number allotted by

the merged DDO and the months for which credits were missing. Missing credits will be cleared by the PAO with reference to this Control Register.

6.12.3 The missing credits will be cleared either by operating the head of account "Provident Fund Suspense" after accepting the collateral evidence/affidavit where ever applicable, or rectification of misclassification or actual recovery of amount. Since missing credits are adjusted in the accounts, full details of the adjustment including transfer entry number, month, name of the subscriber, account number, month to which the credit relates etc. should be reported to the merged DDO, to enable him to note it in his PBR and allow interest correctly, including for the arrears. Similarly, if any un-posted items are found outstanding in the PAO's books for any account transferred to the DDO, they will continue to remain in his books until clearance. As soon as the identity of the amount is established along with the name of subscriber, account number etc, the particulars should be reported by the PAO to the DDO along with the details of month of recovery to which the un-posted item relates. The merged DDO will note that amount in the PBR, quoting the advice of PAO as authority.

6.12.4 For transfer of GPF balances from the PAO to the merged DDO, an accounting adjustment shall be made. This serves the PAOs to separately have the balances of subscribers relating to the merged DDO and the subscribers pertaining to non-merged DDOs, under him. If there are five DDOs under a PAO and out of them two are merged DDOs, the balances relating to the two merged DDOs should be available separately from the balances relating to the non-merged DDOs. For this purpose, the DDOs may be identified as merged DDO-X, merged DDO-Y and non-merged DDOs. Say, the present total of GPF balance under a PAO is ₹1 lakh as per ledger in CAM- 40. After implementing the merged DDO scheme, the GPF balance pertaining to the subscribers may be, say, ₹10,000/- for merged DDO-X, ₹20,000/- for merged DDO-Y and ₹70,000/- for non-merged DDOs. The adjustment in accounts will be done as indicated below.

(-) Credit	Credit
₹100,000 8009 State Provident Fund	
- General Provident Fund (Others)	
To	
8009- State Provident Fund	
- General Provident Fund (Others)	
Merged DDO-X	₹ 10,000
Merged DDO-Y	₹ 20,000
Non-Merged DDOs	₹ 70,000

6.12.5 Maintenance of detailed accounts in the form of Provident Fund Ledgers and/or broad sheets shall be discontinued in PAO for the Secretariat staff whose GPF balances stand transferred to merged DDOs. Monthly and annual reconciliation sheets as per Annexure I & II to this chapter will be used for reconciliation between the balances in the books of the PAO and the Merged DDO. Wherever online GPF module is implemented in merged DDO, the reports like broadsheet and ledger cards will be made available in the system. It is also the responsibility of the Merged DDOs to ensure that the reports are tallying with data available in PBR.

6.12.6 The other aspects would be regulated as per the provisions of Merged DDO scheme.

Check list for maintaining GPF Accounts

1. Maintain all records pertaining to GPF viz. Broad Sheet, ledger, classified, consolidated Abstract & PBR as per laid down procedure in prescribed form. Merged DDOs may be asked to ensure that GPF details are maintained in manual PBR.
2. Review of Individual ledgers and investigation of missing credit/debits and adjustment thereof.
3. Proper checking of accounting for the subscriptions received through challan, the head of account; check for any duplicity of the credits to avoid any overpayments.
4. Verification of interest calculation
5. Figures of debit and credit in GPF Broadsheet should tally with the accounts. Any mismatch to be tracked out with reasons and necessary adjustments effected in case of misclassification as per procedure.
6. Timely settlement of final payment cases on retirement. It may be ensured that GPF Accounts are properly settled and closed.
7. Dormant Account to be investigated and closed after proper scrutiny within a reasonable period to avoid the chances of any ambiguity in the subscriber's GPF account.
8. Verification of all the particulars mentioned in Annual statement with the GPF ledger before issue.
9. To ensure the overall total booking made under GPF Head should tally with credit side inclusive of credit received through salary or challan, transfer in amount and interest accrued on the same. Debit should tally with total details of advance/withdrawal from GPF, amount of transfer out and amount of final payment made to this account.
10. Month-wise total credits of subscribers needs to be tallied with schedules attached to salary bills/challans and posted in the Broadsheet subscriber wise.
11. In case of any mismatch in the figures posting in the accounts to be checked to track the discrepancies for rectification.
12. No entry is to be posted in account without the supporting instrument (Challan/Debit voucher/Cr schedules/salary bill).
13. Any Transfer Entry needs to be prepared with reasons and correct corresponding contra entry effected after verification of the related instruments.
14. Review of Transfer-in & Transfer-out cases. Every account should be thoroughly checked before making transfer out and in of GPF balance.
15. Details of GPF accounts without having nominations to be track out and the matter may take up with Head of Office to obtain the nomination by GP subscribers as per Para 6.2 of the CAM.

16. Reconciliation of closing balance of GPF ledger for the previous financial year with the opening balance of current financial year.

17. The work relating to GPF should be processed through the GPF module of PFMS by PAO, where PFMS is implemented, and check each entry properly.

18. The year-end total booking under head of GPF account should be tallied in credit side with total GPF credit received through salary or Challan, transfer in amount and amount credited as interest and debit should tally with total advance/withdrawal of GPF, amount of final GPF payment and amount of transfer out of GPF cases.

CHAPTER 7

PENSION

7.1 SETTING UP OF CENTRAL PENSION ACCOUNTS OFFICE (CPAO)

7.1.1 This chapter deals with all aspects of pension authorization, disbursement and their accounting relating to pension payments to the Central Civil Pensioners. The chapter also deals with the system of budgeting the expenditure for pension grant and accounting system for pension disbursements and internal audit of Central Pension Processing Centres (CPPCs) of Authorised Banks. The procedural details relating to pension authorization, transfer of pension and banking arrangements for pension payment have also been prescribed.

7.1.2 The Central Pension Accounts Office (CPAO) was established with effect from 1st January, 1990 for payment and accounting of Central (Civil) Pensions and Pension to Freedom Fighters, etc. With the establishment of the CPAO, the CAG of India was relieved of the responsibility of compiling and accounting of Central (Civil) Pensions and Pensions to Freedom Fighters under Swatantrata Sainik Samman Yojana* from the financial year 1990-91. (Ministry of Finance Notification dated 31.12.1990 is at **APPENDIX 7.1**). The CPAO is an attached office under the organization of CGA. It has been entrusted with the responsibility of administering the “*Scheme for Payment of Pensions to Central Government Civil Pensioners by Authorized Banks*”. Its core functions are mainly preparation of budget under the pension Grant, issue of special seal authorities to the authorized banks for payment of pension, accounting of pensions, reconciliation with banks and RBI and audit of CPPCs of Authorised Banks.

*(OM No. 55/32/2015-FF(P) dated 20th February, 2017 issued by Ministry of Home Affairs, Government of India)

7.2 APPLICABILITY OF PENSION RULES

7.2.1 The pension rules applicable to the various categories of pensioners will be as under:

Category of pension		Pension Rules Applicable
1.	Former Presidents and Vice Presidents of India	President's (Emoluments and Pension) Act, 1951 as amended from time to time
2	Supreme Court Judges	The Supreme Court Judges (Conditions of Service) Act 1958 as amended from time to time
3	High Court Judges.	The High Court Judges (Conditions of Service) Act, 1954 as amended from time to time
4	Chairman/ Vice- Chairman/ Members of Central Administrative Tribunal	Central Administrative Tribunal (Salaries and Allowances and Conditions of Service of Chairman /Vice- Chairman/ Members) Rules, 1985 as amended from time to time
5	Members of Parliament.	Salary, Allowances and Pension of Members of Parliament, Act, 1954 as amended from time to time
6	All India Service Pensioners *	All India Service (Death-Cum-Retirement Benefits) Rules, 1958 as amended from time to time
7	Central (Civil) Pensioners (other than Railways, Post, Telecommunications and Defence)	Central Civil Services (Pension) Rules, 2021 as amended from time to time
8	Union Territory Administration	Central Civil Services (Pension) Rules, 2021 as

	Chandigarh	amended from time to time w.e.f.01.04.2022 as per Notification No.G.S.R.230(E) Dated: 29.03 .2022
9	Central Freedom Fighters under Swatantrata Sainik Samman Yojana (SSSY)	Swatantrata Sainik Samman Yojana**. as amended from time to time

* (inserted DOPT OM No. 25014/2/2002/AIS (II) dated 11.04.2007)

** (OM No. 55/32/2015-FF(P) dated 20th February, 2017 issued by Ministry of Home Affairs, Government of India)

7.3 PROCESSING OF CENTRAL (CIVIL) PENSION CASES IN BHAVISHYA PORTAL:

7.3.1 In accordance with Department of Pensions & Pensioner's Welfare (DP&PW) OM dated 29.11.2016, all Heads of Offices will have to mandatorily process all pension cases and related benefits of Central Civil Pensioners through BHAVISHYA portal application of the DoP&PW only with effect from 01.01.2017. All the stakeholders i.e. Head of Office (HOO), Pay and Accounts Officer, CPAO and Pension Disbursing Authorities (PDA) will perform their respective work of processing of pension cases and related benefits of Central Civil Pensioners online through BHAVISHYA portal. The main objective is to put in place a seamless transmission of pension papers electronically from HOO to Pension Disbursing Authorities for disbursement of pensions.

7.3.2 Head of Office can view the list of employees who are going to retire in the next 15 months under Retiree Details after Log in to BHAVISHYA. He can also track the pension process of every case. The retiring official will submit online application in Form 5, upload his/her joint photograph and signature through BHAVISHYA. He/She shall also submit an undertaking through BHAVISHYA that he/she shall refund any amount credited by the disbursing bank to which he/she is not entitled. The retiree should also update mobile number and e-mail ID in the system so that SMS and Email alert can be sent for online filing of forms. The concerned Heads of Office will verify these forms along with other documents and will forward to the PAO through BHAVISHYA after its verification and due process. HOO can fill the retiree pension forms from the retiree's login itself in case the individual is unable to do so.

7.3.3 The BHAVISHYA portal has been integrated with the pension module of PFMS. Therefore, pension papers forwarded by the Head of Office through BHAVISHYA will be shown in the Pension Module of PFMS. PFMS- Pension module comprises a provision of obtaining a retiree's/ pensioner's data electronically from BHAVISHYA after data verification from the HOO. Pay and Accounts Officers who are competent to issue PPOs to various categories of pensioners of Ministries/Departments shall issue PPO in electronic form (e-PPO) using their digitally signature through PFMS. Till such time as the seamless integration settles down, the Pay and Accounts Officers will continue to issue both the e-PPO and the manual PPO. With a view to streamlining the process to expedite the payment of first credit of Pension, all the CPPCs of the authorized banks should ensure that the credit of the first pension is carried out on the basis of e-PPO and e-SSA as and when received from CPAO and diligently follow CPAOs instructions given in this regard. The physical PPO booklet and related documents will continue to be sent to CPPCs until further orders for verification of the Pensioner's details and if any differences are found between the e-PPO and manual PPO, the same should be intimated to CPAO within a month for necessary corrective actions. (Authority: - CGA's U.O. No. TA-3-6/4/2020-TA-III/CS-4750/33 dated 28-01-2021 & CPAO/IT& TECH/Bank Performance/37 Vol-III A/2023-24/130 DATED 20.10.2023).

7.4 PROCEDURE FOR DETERMINATION AND AUTHORIZATION OF THE AMOUNTS OF CENTRAL (CIVIL) PENSION AND GRATUITY.

7.4.1 Role of Head of Department and Head of Office

7.4.1.1. Preparation of list of Government Servant due for Retirement

1. Every Head of Department shall have a list prepared by 15th day of every month, of all Government servants who are due to retire within the next fifteen months of that date.
2. A copy of every such list shall be supplied to the PAO concerned before the last day of every month. In the case of a Government servant retiring for reasons other than by way of superannuation, the Head of Office shall inform the PAO concerned not later than ten days from the date of issue of order regarding retirement of Government servant. A copy of intimation sent by the Head of Office to the PAO under sub-rule (3) of Rule 54 of CCS Pension (Rules), 2021 shall also be endorsed to the Directorate of Estates if the Govt. servant concerned is an allottee of Government accommodation. The Head of Office shall write to the Directorate of Estates at least one year before the anticipated date of retirement of the Government Servant who was or is in occupation of Government accommodation for issuing "No-Demand Certificate" in respect of the period preceding eight months of the retirement of the allottee.

7.4.1.2 In order to ensure expeditious pension payment, the Head of Office of the Ministry/ Department has been given responsibilities as indicated below:-

(i) The Head of Office (HOO) undertakes the work of preparation of pension papers in Form 7 as specified in CCS(Pension) Rules, 2021 one year before the date of superannuation.

(ii) The HOO will go through the service book of the employee and ensure that the service is verified and complete in all aspects.

(iii) The HOO will furnish a certificate to the Government servant regarding the length of qualifying service, emoluments and average emoluments proposed to be reckoned for pension and retirement gratuity payments, **eight months** (Rule 57 (c)(i) of CCS Pension Rules, 2021) before the date of retirement. The Head of Office has to upload the scanned PDF copy of this certificate in BHAVISHYA portal. The employee should make representations if any, within **two months** of receiving the certificate. (Rule 57 (c)(ii) of CCS Pension Rules, 2021.)

(iv) The HOO is required to forward pension papers to the PAO with Form 6 and Form 7 along with Form 4 (Details of Family), Form 9(Undertaking to the Bank) and Form-A (Common nomination of arrear of Pension and Commutation value) duly completed with a covering letter in Format 10 along with service book of the Govt. Servant duly completed, up to date and any other document relied upon for verification of service. The papers referred should be forwarded to the Account Officer not later than four months before the date of superannuation of a Govt. Servant and in cases other than retirements on superannuation not later than two months after the date of submission of Form 6 by the Government Servant. He should also retain a copy of all these papers for their record.

(v) The Head of Office will make available a copy of the pension calculation sheet to the pensioner in the BHAVISHYA portal, which will include the details of period of service rendered, emoluments for pension, scale of pay, etc.

(vi) Even after forwarding of the pension documents, if the Head of Office comes across any event that may have a bearing on the admissible pension, he should immediately intimate the same to the Pay and Accounts Officer.

(vii) The HOO shall, after ascertaining and assessing the Government dues referred to in Rule 67 of CCS (Pension) Rules 2021 furnish the particulars thereof to the PAO in Format 10 (Rule 60 of CCS (Pension) Rules, 2021). Any amount of licence fee or damages, remaining unpaid after adjustment from the withheld amount of gratuity, may be ordered to be recovered by the Head of Office through the PAO concerned from the dearness relief without the consent of the pensioner and in such cases no dearness relief shall be disbursed until full recovery of such dues has been made in terms of Rule 68(8) of CCS(Pension) Rules, 2021.

(viii) The HOO can sanction provisional pension, if he is convinced that it will not be possible to finalize the pension papers to be sent to the PAO within the prescribed period. The sanction letter in such cases will be addressed to the employee with a copy endorsed to the PAO.

(ix) The HOO shall forward to the retiring Government Servant Form 6 along with an undertaking to refund or make good any amount to which he is not entitled. Head of Office would advise the Government servant to submit the Form duly completed in all respect so as to reach the Head of Office not later than six months prior to his date of retirement. (Rule 57 (c) (iii) of CCS (Pension) Rules,2021 read with OM No. 1/27/2011-P&PW(E.) dated 1st August, 2017).

(x) The HOO is responsible for correctness of all pension documents being forwarded to PAO.

7.4.2. Role of Pay and Accounts Office:

7.4.2.1 The Pay and Accounts Officer on receiving the pension papers, will:

1. verify the service records and apply prescribed checks with reference to the applicable Pension rules, and assess the amount of pensionary benefits. The PAO concerned, keeping in mind that the intention is not a total overhaul or audit of the entire Service Book or records, but only a scrutiny limited to the immediate purpose on hand, that is the preparation of the pension papers Any deficiency or imperfection or omission which still remains in the service records will be ignored at this stage and the determination of the qualifying service will be proceeded with on the basis of entries in the service records whatever the degree of perfection to bring them by that time. If the periodic verification of qualification service has been done under Rule 30 of CCS (Pension) 2021 that should be treated as final and shall not be reopened except one necessitated by a subsequent change in the rules and orders governing the conditions under the service qualifies for pension. However, for any such check of the correctness of past emoluments, the check should be the minimum that is absolutely necessary, and it should in any case not go back to a period earlier than a maximum of 24 months preceding the date of retirement.

2. determine the pensionary benefits admissible in respect of the incumbent with reference to the relevant rules and make necessary entries in the Terminal Benefits Register (CAM 52B) with regard to the entitlements.

3. record necessary entries with regard to the authorized entitlements in the Service Book under the signature of Pay and Accounts Officer to avoid double payment.

4. apply the requisite checks, complete Part II of Form 7, assess the amount of pension, family pension and gratuity, assess dues and issue the Pension Payment Order (PPO) not later than two months before the date of retirement in superannuation cases & within 45 days of the date of receipt of pension papers from the Head of Office in the cases of retirement otherwise than on attaining the age of superannuation.

5. indicate in the PPO the name of the spouse of the Government Servant, if alive as family member.

Note: In case the pensioner has claimant for family pension from a divorced/expired wife or from a void or voidable marriage, the name of wife who is alive with her share in the family pension should be indicated.

6. indicate also in part 4 (co-authorization) of the PPO, the names of permanently disabled child or children and dependent parents and disabled siblings as family pensioners if there is no other member of family to whom family pension may become payable before such disabled child or children or dependent parents or disabled siblings. On receipt of a written communication from the Head of Office of an applicant from an existing pensioner or family pensioners, the Pay and Accounts Officer shall also indicate in the PPO, the names of the permanently disabled child or children and dependent parents and disabled siblings as family pensioners if there is no other member of family to whom family pension may become payable before such disabled child or children or dependent parents or disabled siblings.

Note: Such an authorisation shall become invalid in case a person becomes member of family after issue/amendment of such PPO and is entitled to family pension prior to the disabled child/sibling/ dependent parents at the time of the death of the pensioner/spouse. The pensioner's portion as well as disburser's portion should be in a printed book form. The amount of gratuity determined by the Pay and Accounts Officer should also be intimated to the head of office along with the details of other retirement benefits, for the preparation of bills to be submitted to the PAO for payment.

7. Prepares/generates the PPO in the Proforma given in CAM-52 after applying the necessary checks and forward the same to the CPAO under the Special Seal Authority.

7.4.2.2 PAO along with Head of office, also has the responsibility to check the correctness of calculations and authorization of admissible pension.

7.4.2.3 In special circumstances if pension cases cannot be sent to PAO through designated digital system by Head of Office, such pension cases may be allowed to enter manually in Pension module of PFMS in order to generate e-PPO through PFMS.

7.4.3 Role of CPAO:

7.4.3.1 The CPAO will provide the facility for generation of PPO Numbers to all the PAOs wherever Pension module of PFMS is not operational. In PAOs where Pension Module of PFMS is operational, the PPO numbers will be generated electronically.

7.4.3.2 On receipt of the e-PPO in both formats xml and PDF will appear in the Pension Authorization Retrieval Accounting System (PARAS) as per the integration with pension module of PFMS. Directory of the authorized signatory of e-PPO will be shared by the PFMS, along with public key with CPAO.

7.4.3.3 The Pay & Accounts Officer of CPAO will check the pension and other pensionary benefits with reference to the Last Pay drawn mentioned in the e-PPO.

7.4.3.4 Thereafter, the CPAO shall forward the e-PPO along with the Undertaking from the retiring government servant and other documents to the concerned CPPC of Authorized Banks. As soon as the data of the e-PPO is verified by the PAO of CPAO, the same will be saved in the CPAO data base (PARAS).

7.4.3.5 The information regarding issue of e-PPO by CPAO to Bank will be shared with PFMS by CPAO. If there is some discrepancy in the e-PPO, the pension case will be returned to PAO for making necessary changes in PFMS.

7.4.3.6 Furthermore, in certain type of cases (which are not processed through PFMS), CPAO will generate the manual PPO number on specific request from the concerned PAO for such cases, a few are mentioned as under:

- a) Minor children
- b) Unmarried/Divorced/ widow daughters
- c) Permanently Disabled children/Siblings
- d) Family pension to more than one claimant
- e) Where arrears of pension/ provisional pension have been paid by PAO
- f) Dual family pension
- g) EOP cases
- h) Dependant parents

7.4.3.7 Each PPO comprises of 12 digits *and in the case of former Member of Parliament (Lok Sabha & Rajya Sabha) and Freedom Fighters covered under SSSY, a combination of alphanumeric* with the first five digits/alphabets indicating the code number of PPO issuing authority, next two digits indicate the year of issue, and after this the four digits indicate the sequential number of the PPO while the last digit is a check digit for the purpose of computer. For example:

- (i) PPO bearing number 709650601302 implies that PPO has been issued by AG Madhya Pradesh, in the year 2006 and is the 130th PPO issued by that PPO issuing authority, and is allotted computer code-2.
- (ii) PPO bearing number MPRAJ8400024 implies that PPO has been issued by PAO Rajya Sabha in the year 1984 and is the 2nd PPO issued by that PPO issuing authority and is allotted computer code-4.

7.4.3.8 Audit of the Central Pension Processing Centres (CPPCs) of the Authorised Banks is conducted periodically by Internal Audit Units of CPAO. The “e-Scrolls” of the CPPC of the Authorised Banks are to be audited on test check basis with reference to the database of CPAO.

7.4.4 Role of Pension Disbursing Banks

- a. The Pension disbursing Banks will consume the e-PPO (both pdf and xml) sent by CPAO to their Secured File Transfer Protocol (SFTP) servers and provide an acknowledgement to CPAO. The Bank will consume the details provided in e-PPO in their pension software without the need for any manual intervention and will process the pension payments based on extant instructions.
- b. The Bank will verify the KYC details of the pensioner as per the details available in the e-PPO and credit the pension to the bank account of the pensioner.
- c. The Bank will provide the e-scroll to CPAO with the list of pension payments made (PPO number-wise). All cases of arrears paid will be so indicated in the e-scroll and the Paid and Payable Statement based on which the arrears were drawn by bank shall be shared digitally with CPAO.

- d. The Bank will provide e-Pension slip, a copy of e-PPO, the Paid and Payable Statement for each payment of arrears and relevant documents relating to pension to the pensioner.
- e. The Bank will also deduct TDS as applicable as per Income Tax Act from the pension payment due and provides Form-16 to the pensioners.
- f. The Bank will take the life certificate through 'Jeevan Pramaan' from the pensioners in electronic mode.

7.4.5 In order that pension is disbursed to the pensioner on due date, the various authorities involved will observe the following time schedule as specified in CCS(Pension) Rules, 2021 and as amended from time to time.

Name of the Authority		Time Schedule
1	Head of Office	The Head of Office is required to forward prescribed Pension Papers to the AOs not later than four months before the date of superannuation of a Govt. Servant. (Rule 60(4) of CCS(Pension) Rules, 2021.
2	PPO Issuing Authority	Dispatch/Delivery of PPO by the AO to the CPAO in case of payment through authorised Bank or to the pensioners opting to draw pension from Departmentalized PAO not later than two months in advance of the date of the retirement of a Government servant on attaining the age of superannuation. In other than superannuation cases, within 45 days of the date of receipt of pension papers from the Head of Office. (Rule 63(1) of CCS (Pension) Rules, 2021.
3	CPAO	Dispatch of PPO by CPAO to the CPPC of the Authorised Bank not later than 21 days from the date of receipt of PPO or revised pension payment authority from PAO, in accordance with the orders issued by the CGA. (Rule 63 (4) b of CCS(P) Rules, 2021.
4	CPPC of the Authorised Bank	CPPC will ensure that all formalities are completed in time and first credit of Pension is made in the Pensioners' Account on due date.

7.4.6 The PPO Issuing Authority, CPAO and CPPC/Pension Account Holding Branch will keep the pensioner informed of the issue of PPO and about its subsequent movement at all stages.

7.4.7 The authorities who are competent to issue PPOs to various categories of pensioners

Sl. No.	Categories of Pensioners	Authorities who are competent to issue PPOs
1.	Former Presidents of India Former Vice-Presidents of India	PAO, President Secretariat PAO, Rajya Sabha Secretariat
2.	Central Govt. (civil) employees retiring/death cases from Ministries/Departments and their family members	Respective Pay and Accounts Officer of the Ministries/Departments

3 (a)	Pensioners (including AIS Officers borne on U.T. cadre) belonging to U.T. Administration.	Respective Pay and Accounts Officer of the Union Territory. Respective AG of the Union Territory.
(i)	Whose accounts have been separated from Audit.	
(ii)	Whose accounts have not been separated from Audit.	
3(b)	Pensioners belonging to All India Service	Respective Pay and Accounts Officer Respective AG
(i)	Whose accounts have been separated from Audit.	
(ii)	Whose accounts have not been separated from Audit.	
4	Supreme Court Judges and Chairman/Vice Chairman/ Members of C.A.T.	Respective Pay and Accounts Officer of the Supreme Court /Tribunal.
5	High Court Judges	Respective State AG.
6	Central Freedom Fighters under SSSY	Pay and Accounts Officer (Pensions and Misc.) Ministry of Home Affairs.
7	Ex- Members of Parliament	Respective Pay and Accounts Officer of Lok Sabha /Rajya Sabha Secretariat, as the case may be.

7.5 MODE OF DISBURSAL OF PENSION

The disbursement of pension will be authorised through the following channels viz:

- (i) Central Pension Processing Centres (CPPCs) of Authorised Banks
- (ii) PAOs
- (iii) Treasuries

7.5.1 Payment of Pension through Central Pension Processing Centres (CPPCs) of Authorised Bank

- (i) *The retiring employees/pensioners are to open a pension account with CBS enabled branches of the Authorised Bank.
- (ii)*The branch in which the pensioners hold his pension account will be referred to as his Home Branch hereafter.
- (iii) Pensioners are given option for getting their pension credited to their saving bank accounts (either single account in their names or joint account with their spouses (only if they are co-authorised as family pensioners) operated either by '*Former or Survivor*' or '*Either or Survivor*' basis). **The Pensioner must be the primary holder of the account in case of the joint accounts**.**
- (iv) All Pr. Chief Controller of Accounts/Chief Controller of Accounts/Controller of Accounts (with independent charge) in charge of the Accounting Organisation, AG and Director of Accounts, as the case may be, will forward the 'Facsimile of Special Seal' and specimen signatures of the Pay and Accounts Officer entrusted with the issuing of PPOs to the CPAO. In case of a change in the incumbency of the nominated PAO, the specimen signature of the new officer will be sent to the CPAO duly attested by the relieved officer.

*(Para 4.1.1, 4.1.3 and 4.1.4 of Accounting and Operating Procedure for Central Pension Processing Centre of Authorised Banks for Pension Disbursement to Central Government (Civil) Pensioners)

** (OM No. CPAO/IT&Tech/Bank Performance/37(Vol-II)/2016-17/14 dated 19.04.2017)

7.5.2 All PPOs and subsequent amendments to PPOs issued by PPO issuing authorities will be sent to the CPAO under Special Seal Authority for arranging payment through authorized Banks. PPOs will be sent to CPAO under the forwarding letter in APPENDIX 7.2 & 7.3 to this Chapter.

7.5.3 The CPAO will enter the following particulars in the CPAO Data Bank.

- (i) PPO number and date
- (ii) Class of pension
- (iii)** Name of pensioner and family pensioner
- (iv) Department/Ministry in which the pensioner was last serving
- (v) PAO issuing the PPO with Code Number
- (vi) Date of Birth of Pensioner and Spouse
- (vii) Date of Joining Govt. Service
- (viii) Date of retirement of pensioner/Date of Death of Pensioner in case of family pension case
- (ix) Gratuity amount paid
- (x) Commutation amount paid by PAO or payable by Bank
- (xi) Date of commencement of pension
- (xii) Gross amount of monthly pension
- (xiii) Commutation of pension
- (xiv) Reduced amount of monthly pension on account of commutation
- (xv) Family pension
- (xvi) Monetary allowance attached with Gallantry Award (if applicable)
- (xvii) Fixed Medical Allowance
- (xviii) Constant Attendant Allowance
- (xix) IFSC Code of the bank branch opted by the pensioner

After verifying the signature of the Pay and Accounts Officer who has issued the PPO and the Special Seal of his/her office the authorised officers in CPAO will transmit the PPO under the Special Seal Authority in **APPENDIX 7.4** to this Chapter to the CPPC of the Authorised Bank for arranging payment through the Pension Account Holding Branch (PAHB) of the Pensioner.

7.5.4 The detailed instructions to be followed by the authorised Banks in crediting pension into the pensioner's account have been incorporated in the book, titled 'Scheme for Payment of Pensions to Central Govt. Civil Pensioners by Authorized Banks'. It includes instructions on keeping record of PPOs received, keeping the pensioners informed of the movement of pension documents, duties and functions of PAHB before starting payment, functions of CPPC of the Authorised Banks for obtaining reimbursement of payment made, procedure for reimbursement to Banks, certificates to be furnished by the pensioners, procedure for transfer of pension payments from one branch / Bank to another, and payment of dearness relief and family pension, etc.

7.5.5 It must be ensured that arrears of pension due to the pensioners on account of delayed finalization or for any other reason have been correctly worked out. They must be paid to the pensioners in accordance with the provisions of various rules and orders applicable, by the PAOs (for cases which have been delayed for over one year) the format for schedule of such pension payments to be maintained by the concerned PAO has been indicated in **APPENDIX 7.5**. In all other cases the arrears as well as the future monthly

pensions payable will be authorized to the Banks by transmitting the PPOs to CPAO, in accordance with the procedure outlined in para 7.5.2.

7.5.6 There may be an occasion when the pensioner opting to draw pension through a bank dies before the PPO is sent to CPAO. In such cases PAO will make the payment of arrears of pension to the heirs of deceased pensioner, and PPO will be sent to CPAO for authorizing family pension only.

7.5.7 PAYMENT OF PENSION AT PAOs: The Pay and Accounts Officer of the Department/ Ministry will arrange to issue the necessary PPO to the pensioner opting to draw pension directly from the concerned PAO. The disbursement of pension in such cases will normally be made electronically by the PAO, and the expenditure will be booked to the final head of account.

7.6 DISBURSEMENT OF PENSION TO PENSIONERS THROUGH TREASURIES

7.6.1 Where the PPOs were issued before 1st January, 1990, the existing arrangement for drawing of pension from the treasury counters by the Central Civil pensioners will continue to be followed. The settlement of payments made on this account will be in the manner indicated in para 7.11.2.

7.6.2 All amendments to PPOs prior to 1st January, 1990 in respect of existing pensioners drawing pension through treasury counters, will be transmitted to the Treasury Officers by the PPO issuing authority. For this purpose, an impression of the special seal together with specimen signatures of Pay and Accounts Officers authorised to forward the papers to Treasury Officer by the PPO issuing authority. The first time it will be sent to the CAG for onward transmission to the AG for counter signature and forwarding the same to the Treasury Officers. Subsequently, in the event of a change in the incumbency of the Pay and Accounts Officer of the PPO issuing authority, the specimen signature of the new officer will be sent to the Treasury Officer directly, duly attested by the relieved officer. The Treasury Officer will keep the specimen signatures of Pay and Accounts Officers and the impression of the Special Seal so received on their records.

7.6.3 The system of payment of pension through the Treasuries in respect of the PPOs issued on and after 1st January 1990 has been totally closed, pursuant to the instructions of the CAG of India.

7.7 PROCEDURE REGARDING SWITCHOVER OF PAYMENT CHANNEL

7.7.1 A switch over of payment channel is permissible in the following cases:

- i. Treasury Office to authorized Bank; and
- ii. PAO to authorized Bank.

7.7.2 The applications for switch over of pension disbursing source will be made in duplicate as given in **APPENDIX 7.6**, to the existing Pension Disbursing Authority in all the cases, as mentioned in para 7.7.1. He will forward the same to CPAO through the nominated Pay and Accounts Officer /Treasury Officer/Concerned AG. In the case of PAOs it will be sent after embossing the same with the Special Seal. Before sending the PPOs and other supporting documents to CPAO, it will be seen that-

- (i) PPOs are correct and up to date, with all amendments to the PPOs attached with the disburser's portion of the PPO

- (ii) Basic pension before commutation, reduced pension after commutation and the commuted value of pension paid along with date of payment of commuted value have been distinctly shown
- (iii) Revised family pension has been shown in the PPO
- (iv) Name of the department from which the pensioner retired has been distinctly indicated in the disburser's portion of the PPO
- (v) Details of the payments made are enclosed with the PPO in addition with duly filed Part –V of PPO Booklet.
- (vi) A certificate to the effect that payment of pension has been made up to the month and that PPO consists of continuation sheets have been recorded; and
- (vii) In the event of replacement of the original Disburser's portion of PPO, a certificate is recorded to indicate the manner in which the original disburser's portion of the PPO has been disposed of. This is with a view to eliminate the chances of misuse of the original disburser's portion.

7.7.3 A switch over of payment of pension from Bank to Treasury/PAO or from PAO to Treasury or from one treasury to another is prohibited in view of the provisions contained in para 7.6.3. However, any of these restrictions may be done away with, under the orders of Department of Pensions & Pensioners Welfare.

7.7.4 Procedure for Transfer of Pension Payment from one Disbursing Authority/Bank to another Disbursing Authority

7.7.4.1 Application for transfer of pension may fall under the following categories:

- A. Transfer from one PAHB to another PAHB of the same CPPC within the same station or at a different station
- B. Transfer of Pension from one CPPC to another CPPC
- C. Transfer of Pension from Treasury/PAO to Authorised Bank

7.7.4.2 Transfer from one PAHB to another PAHB of the same CPPC within the same station or at a different station

- a) The pensioner/family pensioner has the option of putting in his/her request at either of two branches. The transfer application will require mentioning both account numbers (in the old and new branch) with both branches contact details, if account portability is not available in the bank. If the accounts portability is available then the pensioner may simply seek a transfer of his/her pension account to the new branch.
- b) The branch receiving the application will scan and register the same to CPPC.
- c) CPPC will transfer the pension account to the new Home Branch by changing the branch code in the system.
- d) CPPC will ensure continuity of disbursement of monthly pension/family pension without any break and the changed information will be intimated to CPAO.

7.7.4.3 Transfer of Pension from one CPPC to another CPPC

- Pensioner /Family Pensioner will submit the application indicating the new PAHB accounts No. etc. to the PAHB and the same will be forwarded by the branch to the present CPPC.
- On receipt of the application, scanned application and scanned PPO along with the last payment paid will be sent to the new CPPC by the present CPPC.
- Arrear of pension if any yet to be paid and amount of recovery if any yet to be made along with attested due and drawn statement may also be forwarded to the new CPPC.

- The new CPPC will acknowledge the receipt of scanned copy of the PPO, application and the last payment reported by revert mail.
- The new CPPC will incorporate this into the system and start the pension payment to the new account on ad-hoc basis for a period of 3 months or till the original document received whichever is earlier.
- Old CPPC will stop pension disbursement and ensure that the disburser's portion of PPO is transmitted to the new CPPC through Speed post and intimate the post No. to New CPPC.
- The changed information will be intimated to the CPAO.

Note: To avoid the risk of overpayment at the time of transfer, the following certificate may be recorded on the Disburser's portion of the PPO by the old CPPC of the Authorized Bank: "Certified that payment of pension has been made up to the month of and that this PPO consists of continuation sheets for recording disbursement".

7.7.4.4 Transfer of Pension from CPPC of Authorised Banks to Embassy of India (Eol)

Kathmandu: The Pensioner will submit transfer of Pension Account request on simple sheet of paper to the old PAHB after drawing the pension which has already fallen due. The PAHB on receipt of the request from Pensioner will forward it to the CPPC for taking further action. On receipt of request of transfer of Pension Account from PAHB, CPPC will forward the disburser portion of PPO along with the request of transfer application of the pensioner to CPAO. CPPC will also send Certificate of last pension paid, arrears of pension, if any, yet to be paid & the amount of recoveries, if any, yet to be made along with attested Drawn Statement along with PPO. On receipt of the documents from the CPPC of authorized Banks, CPAO will authorize Eol Kathmandu for making payment of future pension and forward all the documents to Eol Kathmandu. CPAO will inform concerned PAO in such cases.

7.7.4.5 Transfer of Pension from Embassy of India Kathmandu to CPPC of Authorised Banks in India:

The Pensioner will submit transfer of Pension Accounts request on simple sheet of paper to the Embassy of India, Kathmandu indicating the detail of the Bank after drawing the pension which has already fallen due. On receipt of the request from Pensioner, the Embassy of India, Kathmandu will forward Disburser portion of PPO along with request letter of the pensioner to CPAO. EI Kathmandu will also send Certificate of last pension paid, arrears of pension, if any, yet to be paid and amount of recoveries, if any, yet to be made along with attested Drawn Statement and the PPO. On receipt of the documents from the EI Kathmandu, CPAO will forward all the documents to the concerned CPPC of Authorised Bank for making payment of future pension. CPAO will inform concerned PAO in such cases.

7.8 COMMUTATION OF PENSION

7.8.1 Commutation of pension is governed by the Central Civil Services (Commutation of Pension) Rules, 1981. These Rules are applicable to all Government Servants who are entitled to Pension under Central Civil Services (Pension) Rules 1972 as amended from time to time. Commutation of pension is allowed either on medical examination or without medical examination as specified in the Rules. However, a Government servant against whom departmental or judicial proceedings have been instituted cannot avail of commutation benefit during pendency of such proceedings. The Government servant may commute up to forty percent of pension. If pension to be commuted results in fraction of a rupee, such fraction of rupee shall be ignored for the purpose of commutation. The commuted value to be paid in lump sum will be rounded off to next higher rupee. The commuted value of the pension will be worked out with reference to the 'Commutation Table' at rates applicable to the pensioner on the date on which the commutation becomes absolute.

7.8.2 Government servants retiring on superannuation may desire authorisation for payment of the commuted value of the pension at the time of the issue of the pension payment order. He will in such cases apply for commutation along with the pension papers in Form-6 before the date of retirement. The Pay and Accounts Officer in such cases will calculate and authorise the Head of the office to draw the amount of the commuted value of pension by submission of a bill to him. When the bill is received, the Pay and Accounts Officer will authorize the payment through electronic mode mentioning "not payable before-date" indicating the date following the date of retirement of the pensioner. The Pay and Accounts Officer shall also indicate in the PPO that the commuted value of pension has been authorized separately for payment through the Drawing and Disbursing Officer and that the monthly pension has correspondingly been reduced from pension. However, the gross pension and the amount commuted shall also continue to be exhibited in the PPO. The commuted amount of the pension shall be restored on completion of fifteen years from the date the reduction of pension/completion of recovery for 15 years on account of commutation becomes operative in accordance with Rule 6 of CCS (Commutation of Pension) Rules, 1981:

Provided that when the commutation amount was paid on more than one occasion on account of upward revision of pension, the respective commuted amount of the pension shall be restored on completion of fifteen years from the respective date(s).

7.8.3 Where the pensioner has been drawing pension through the Bank and has not been paid commuted value of the pension by the Head of the Office on the authorisation issued by the Pay and Accounts Officer, the payment in such case will be made by the bank. This will be done on receipt of authorization from the Pay and Accounts Officer of the Ministry/Department or the Pay and Accounts Officer of the Union Territory Government/Administration, through a separate authority letter, as shown in APPENDIX 7.7. The payment Authority will be communicated to the concerned CPPC of Authorised Bank through CPAO, in accordance with the procedure indicated in the Scheme for Payment of Pensions to Central Government Civil Pensioners by Authorized Banks.

7.9 ALLOCATION OF THE LIABILITY ON ACCOUNT OF PENSIONARY CHARGES OF GOVERNMENT SERVANTS

7.9.1 The liability for pension including gratuity will be borne in full by the Department to which the Government Servant permanently belongs at the time of retirement. The system of allocation of liability for pension charges of Government Servant who has rendered service under more than one department in the Government of India, including Railways, Posts, Telecommunications and Defence Department as well as Union Territory Governments with or without legislature has been dispensed with.

7.9.2 With effect from 1st April 1987, the liability for pension including gratuity will be borne in full by the Central/ State Government to which the Government servant permanently belongs at the time of retirement. Accordingly, the recovery of proportionate pension will not be made any more from the Central /State Govt. under whom he had served earlier.

7.9.3 Allocation of pension will, however, continue to be made in those cases, where pension had been sanctioned prior to 1.4.87. Further, in respect of State Governments, the pension cases where the provisions of the State Act, 1953 and the States Re-organisation Act, 1956, govern allocation of pension, the allocation of pension between the State Governments concerned will continue.

7.10 PAYMENT OF PENSIONS TO NATIONAL CAPITAL TERRITORY OF DELHI EMPLOYEES AND AIS OFFICERS SETTLED IN THE NATIONAL CAPITAL TERRITORY OF DELHI

7.10.1 PAYMENT OF PENSIONS TO NATIONAL CAPITAL TERRITORY OF DELHI EMPLOYEES: The pensioners belonging to the National Capital Territory of Delhi have been permitted to avail of the facility of drawing pension through Authorized Banks. In such cases, the Controller of Accounts, Government of National Capital Territory of Delhi will issue necessary Authorization /instructions to the concerned Banks, through CPAO, for payment of pension to individual pensioners. Government of National Capital Territory of Delhi will make the reimbursement to CPAO.

7.10.2 PAYMENT OF PENSION TO AIS OFFICERS: The Govt. of India vide DOPT OM No. 25014/2/2002/AIS (II) dated 11-04-2007 has decided that the entire pensionary liabilities of All India Service Officers who had already retired or would be retiring either from the State Government or Central Government are borne by the Government of India. All retiring All India Service Officers have the option to draw the pension through the Government of India or through State Government on whose cadre they are borne. The Pay and Accounts Officer s/designated authorities are to prepare the both halves of PPO in White Colour only in respect of AIS officers. The Cadre/State/Batch to which the AIS officers belong should be clearly mentioned in SSA as well as both halves of the PPOs. The detailed procedure of payment and accounting of pension etc. in respect of AIS officers retiring from Govt. of India/State Govt. is given in CPAO letter no. CPAO/AIS/M.F/2008-09/P-28 to P-92 dated 18-08-2008 (**APPENDIX 7.8**).

7.11 ACCOUNTING OF PENSION PAYMENTS TO CENTRAL CIVIL PENSIONERS AND CENTRAL FREEDOM FIGHTERS UNDER SSSY

7.11.1 Payments authorised through Banks:

- (i) When pension payment is authorized through Banks as per the Scheme for Payment of Pensions through authorized Banks, the concerned bank will arrange to make payment of pension by credit to the bank account of the pensioner, including joint account with spouse.
- (ii) On receipt of e-scrolls followed by DMS from the CPPCs of Authorised Banks, the CPAO will check the e-scrolls with the reference to Central Data Bank created for the purpose. The check will be for the authenticity of the amounts paid. After the necessary check of scrolls, the amount paid by banks to Central (Civil) Pensioners/Central Freedom Fighter under SSSY will be debited to the major head '2071 - Pension and other Retirement Benefits; 01 Civil' and major head '2235 – Social Security and Welfare- 60 - other Social Security and Welfare Programmes -107- Swatantrata Sainik Samman Pension Scheme respectively. Contra credit will be afforded to the major head 8658 Public/Private sector bank suspense head. When the Put Through is received from RBI, the suspense head will be cleared by minus credit to 8658 Suspense Account and credit afforded to "8675-Deposits with Reserve Bank: 101 - Central Civil".

7.11.2 PAYMENTS AT TREASURY COUNTERS: The amount of pension paid at Treasury counters will initially be debited in the 'State Section' of Treasury Accounts under the head '8658 Suspense Accounts; 101- PAO Suspense-Transactions adjustable by Pay and Accounts Officer - CPAO. On receipt of Treasury accounts in respect of such transactions the State AG will book the expenditure in State Section of his accounts under the above suspense head. He will raise a debit claim on monthly basis, for the pension paid through treasuries against the CPAO, duly supported by schedules of payment in **APPENDIX 7.9**, for settlement by cheque/demand draft. The Treasury Offices will send the paid vouchers through concerned AG to the CPAO. On receipt of the claim from the State AG, the CPAO will conduct prima facie checks to ensure that all pension vouchers relate to it. Thereafter,

the CPAO will incorporate the details in the 'Register of Inward Claims' in **APPENDIX 7.10**. Columns 1 to 7 of the Annexure shall be filled up through the Computer System. After this, voucher shall be prepared for making payment to the State AG concerned, by debiting the amount to the final heads of account as indicated in para 7.11.1, and contra credit afforded to the major head '8670 cheques and Bills 102- PAO cheques". The cheque along with a forwarding letter in Form CAM-54 shall be forwarded to the AGs concerned. The balance under the head 'PAO cheques' will be cleared by the CPAO subsequently on receipt of payment scroll from the bank.

Note: For Central Govt. Civil pensioners availing the facility of drawing pension at Treasury Counters of A.G. (A. & E.), West Bengal, the accounting procedure will be the same as mentioned in Para 7.11.2 above.

7.12 ACCOUNTING OF PENSIONS TO HIGH COURT JUDGES

7.12.1 The channels through which pension are drawn by the retired High Court Judges are as under.

1. Authorized Banks; and
2. Treasuries.

The procedure for accounting of the pensions paid to the retired High Court judges through the authorized banks shall be as the provisions laid down in para 7.11.1 above.

As regards pensions paid through the counters of treasuries, the procedure as laid down in para 7.11.2 above will be followed. The schedules of payment sent in support of the debit claims would be prominently marked 'Pension to High Court Judges'. The claim for reimbursement of pension paid to retired High court Judges shall be raised separate from other claims in respect of pensions paid to Central (Civil) pensioners.

7.12.2 RECOVERY OF AMOUNT OF PENSION PAID TO HIGH COURT JUDGES IN TERMS OF ARTICLE 290 OF THE CONSTITUTION OF INDIA:

In terms of Article 290 of the Constitution of India, the charges for the payment of pension to the retired High Court Judges are to be borne by the respective State Governments. After reimbursement to authorized Banks on account of pension paid to the retired High Court Judges and reimbursement of the claims received from the State AG for payment through State Treasuries, the scrolls/schedules of payment/vouchers shall be segregated State-wise. The CPAO in this regard shall generate the monthly and quarterly statements on computer. The figures appearing therein shall be reconciled on monthly basis with the figures booked by Computer System from the sources indicated in para 7.12.1.

The CPAO will then take action to claim reimbursement of the reconciled amount as generated through Computer system by debiting the same to the head '8658 Suspense Accounts' – PAO Suspense - Transactions adjustable by A.G.'. Contra credit will be afforded to the minor head '106 – Pensionary Charge' in respect of the High Court Judges recovered from State Governments' under major head '0071 Contributions and Recoveries towards Pension and other Retirement Benefits'. The CPAO will then send an Outward Claim to the AG concerned on quarterly basis for the quarters ending June, September and December in **APPENDIX 7.11**. The claim for January and February will however, be sent on monthly basis. In respect of transactions relating to the month of March, the debit shall be raised on weekly intervals against the A.G. concerned. In case of transactions arising on or after 25th March, telegraphic advices shall be sent to the A.G. concerned.

On receipt of cheque/demand draft from the A.G., a note shall be kept in column 6 of the statement in **APPENDIX 7.11**. The cheque/demand draft will be remitted to bank along with the challan. On receipt of Receipt Scroll from the bank, the CPAO will clear the debit under to '8658 Suspense Account - PAO Suspense- transactions adjustable by A.G.'.

7.13 PAYMENT OF PENSION IN NEPAL

7.13.1 The following procedure will be adopted for payment of pension in Nepal:

(A) Payment of Defence pensions will be made by the Military Attaché of the Indian Embassy in Kathmandu on the basis of authority from the Pr. Controller of Defence Accounts, Prayagraj and the expenditure will be booked under the head '8658 - Suspense Accounts- PAO Suspense- Transactions adjustable by Pr. Chief Controller of Defence Accounts (Pensions) Prayagraj and included in the monthly cash account of the Embassy to be rendered to the Pr.CCA, MEA. The Schedule with supporting vouchers will, however, be sent directly to the PCDA (Pensions) Prayagraj, by the Military Attaché in Kathmandu, for necessary adjustment to the final head. A copy of the Schedule will be attached by the Embassy to the cash account, to enable the Pr.CCA, MEA to effect monetary settlement with the PCDA (Pensions), Prayagraj.

Note: The PCDA (Pension) Prayagraj will also accept debits for payments other than pensions based on authorities issued by various Controllers of Defence Accounts.

(B) (i) In respect of pension/gratuity payments to the personnel of Assam Rifles, the PAO Assam Rifles, Ministry of Home Affairs, will forward the PPOs under Special Seal Authority to the CPAO. CPAO, after creating master data in the computer will forward the same under Special Seal Authority direct to the Mission in Kathmandu. The specimen signature of the PAO in the CPAO and impression of his Special Seal for the first time will be forwarded to the Mission through the Pr.CCA, MEA. Subsequently, in the event of the change in the incumbency, the specimen signature of the new officer will be sent duly attested by the relieving officer.

Note: The payment of pension to ex-servicemen of Assam Rifles may be made through sub-post office at Vijaynagar in Arunachal Pradesh, as a special case. The debit on this account will be passed on by the Director of Postal Accounts to PAO, Assam Rifles, Shillong, who after reimbursing the same will debit it to the final head of account in his books.

(ii) In respect of other Central Government Departments the PPOs under Special Seal will be sent to CPAO which after creating Central Data Bank in the computer, will send the same to the Mission in Kathmandu.

(iii) These pension and gratuity payments will be adjusted to the final head of account under the major head "2071 -Pension and other retirement benefits" in the books of Pr. CCA, Ministry of External Affairs.

(iv) The Pr. CCA, MEA, will send the vouchers relating to payment of pension and gratuity both in respect of Assam Rifles Personnel as well as other Central Govt. Department pensioners, along with certified lists of payments, to the CPAO. This is required for post check and record in CPAO and for producing them to Statutory Audit Parties, whenever required.

(v) The procedure prescribed in (iii) & (iv) above will be applicable to payments that are continuing on pension payment orders issued under Special Seal by erstwhile AG, Central Revenues prior to Departmentalization of Union Govt. (Civil) Accounts.

(C) PPOs issued by the State AG in respect of State Govt. pensioners residing in Nepal, will be routed through the Pr. CCA, MEA to the Mission in Kathmandu for arranging payment. Vouchers relating to such payments received along with the monthly cash account from the Mission by the Pr. CCA, MEA will be accounted for under '8658 - Suspense Accounts - PAO Suspense- Transactions adjustable by State A.G. and forwarded to the State AG concerned for obtaining reimbursement.

7.14 PAYMENT OF PENSION TO CENTRAL CIVIL PENSIONERS IN SIKKIM

7.14.1 Pension to Central Civil Pensioners in Sikkim will be disbursed only through State Bank of India, Sikkim. The detailed procedure to be followed, in such cases, will be the same as outlined in para 7.5 above.

7.14.2 Finance Department of the Govt. of Sikkim will continue to make payment of pension to the existing Central Civil Pensioners. After making payment they will claim reimbursement from the CPAO, duly supported by relevant vouchers and other documents. On receipt of the claim and after necessary scrutiny, the CPAO will reimburse the amount by Demand draft/ cheque drawn in favour of Secretary, Finance Department, Govt. of Sikkim, Gangtok, and account for the debit under the final head of account.

7.15 ACCOUNTING OF PAYMENT OF PENSIONS TO FOREIGN PENSIONERS IN INDIA

7.15.1 Payment of pensions is also made to Indian nationals on behalf of some foreign Governments. They can be broadly classified as:

- a. Burma (Myanmar) Civilian Pensioners and Family Pensioners;
- b. Singapore Pensioners;
- c. Sri Lanka Pensioners; and
- d. Pakistan Civil Pensioners and Family Pensioners.

7.15.2 Burma (Myanmar) Civilian Pensioners/Family Pensioners: In the case of Burma (Myanmar) Government pensioners who are Indian nationals, necessary sanction and PPO will be issued by the AG, Burma, and sent to the AG of the state where the pensioner intends to receive his pension. The pensioners will draw their pension from the Treasury offices concerned. The expenditure on this account will be debited by the State AG against the major head '8679 - Accounts with Governments of Other Countries -Government of Burma'. The State AG will send a debit claim to the AG, Burma, duly supported by paid vouchers. Simultaneously he will also send necessary advice to the RBI, Central Accounts Section, Nagpur, for obtaining necessary reimbursement from the foreign Government. On receipt of necessary reimbursement advice from the RBI, CAS, Nagpur, the transitory head of account 8679 - Accounts with Governments of Other Countries will be cleared, and paired off by the State AG.

The State AG will also be responsible for issuing necessary amendment to the Pension Payment Orders in the cases where the Burma Civilian Pensioners/Family Pensioners are drawing their pensions from treasuries located under their jurisdiction. In the case of pensioners drawing their pension from treasuries located in Union Territories, the Pay and Accounts Officer, DEA, New Delhi will undertake the work of issue of amendments, etc.

In the case of Burma Government pensioners who are drawing their pensions from Treasury offices in Union Territories (with or without legislature), the AG or Pay and Accounts Officer (where the accounts have been departmentalized) will raise necessary debit against the Pay and Accounts Officer (Foreign claims), DEA, New Delhi. After making reimbursement to the

AG or PAO of the Union Territory, as the case may be, by debit to the transitory head of Account '8679 - Accounts with Governments of Other Countries', the Pay and Accounts Officer, DEA, New Delhi will send an advice to the RBI, Central Accounts Section, Nagpur, for obtaining necessary reimbursement from the foreign Government. The Pay and Accounts Officer, DEA will clear the debit lying under the head '8679 - Accounts with Governments of Other Countries', on receipt of advice of reimbursement from the RBI, CAS, Nagpur.

In order to mitigate the hardship of the Burma Civilian pensioners/ family pensioners, the Government of India have sanctioned ad-hoc ex-gratia allowance and relief on pension as admissible to Central Govt. pensioners with effect from 1.6.87. The A.G. under whose jurisdiction the pensioner was receiving pension will sanction the ex-gratia allowance. The extra liability on this account will be debited by the State AG in State Section of his account under the head '8658 Suspense Accounts' and settled with the Pay and Accounts Officer, CPAO, in terms of Article 5.17 of Account Code for AG.

7.15.3 Singapore/Sri Lanka Pensioners: In case of the Singapore and Sri Lanka Pensioners, sanctions and Pension Payment Orders with name of the pensioner, his full postal address, PPO number, amount of basic pension and any other relief on pension, etc. (both in foreign currency as well as in Indian currency with rate of exchange applicable) will be communicated by the foreign Governments to the Pay and Accounts Officer, DEA. A copy will be sent to the AG or Pay and Accounts Officer (where the accounts have been departmentalized), as the case may be, of the State/Union Territory in whose jurisdiction the pensioner is residing and intends to draw pension.

On receipt of sanction/PPO as above, the Pay and Accounts Officer, DEA will issue necessary Special Seal Authority to the AG or the Pay and Accounts Officer concerned, as the case may be, with a copy to the Foreign Government as well as to the pensioners. After making payment, the Treasury Officer will send the pension vouchers to the AG with his monthly cash account. The AG will debit the expenditure in State Section of his accounts under the head '8658 Suspense Accounts - PAO Suspense' and claim reimbursement from the Pay and Accounts Officer, DEA. Similarly, the Pay and Accounts Officer of the Union Territory (where the accounts have been departmentalized) will claim reimbursement after debiting the expenditure to the above suspense head by sending a reimbursement claim to the Pay and Accounts Officer, Department of Economic Affairs. On receipt of such claims from the AG or the Pay and Accounts Officer, as the case may be the Pay and Accounts Officer, DEA will reimburse the claim as above by debiting a transitory head '8679 Accounts with Governments of Other Countries' and prefer a claim duly supported by the paid vouchers, against the foreign Government concerned. The foreign Government on receipt of such claims will make reimbursement by demand draft in favour of the Pay and Accounts Officer, Economic Affairs after exercising necessary checks. The head '8679 Accounts with Governments of other Countries' is cleared when the credit on account of the demand draft appears in the bank scroll.

In fresh cases arising in future, the Pay and Accounts Officer, Department of Economic Affairs will arrange to make payment of such pensions directly by crossed cheque or bank draft on receipt of a pre-receipted bill.

7.15.4 Pakistan Civil Pensioners/Family Pensioners: In the case of Pakistan (including Bangladesh) Civil Pensioners/Family Pensioners, the following two types of payments are made on behalf of Pakistan/Bangladesh:

(i) Provisional pension under Indo-Pak Provisional Payment Scheme:

Pensions under Indo-Pakistan Provisional Pension Payment Scheme are sanctioned by the officer in charge 'Central Claims Organisation under the Rehabilitation Division of Ministry of Home Affairs (previously Ministry/Department of Rehabilitation). Based on such sanctions,

the Pay and Accounts Officer (Pension & Misc.) will authorize the State AG concerned to make payment after due verification of the identity of the person. After making payment by debiting the Suspense head 8658 Suspense Accounts - PAO Suspense, etc, the AG will prefer an outward claim duly supported by the paid vouchers to the Pay and Accounts Officer (Pension & Misc.). Pay and Accounts Officer (Pension & Misc.) will reimburse the claim by debit to the Suspense head '8679- Accounts with Governments of other Countries - payment on behalf of Pakistan/transactions on behalf of Bangladesh and eventually raise a debit against the foreign government. The above suspense head would be cleared on receipt of reimbursement from the foreign government concerned.

(ii) Provisional pension under the Ad-hoc payment scheme of Department of Rehabilitation: This provision is for Government pensioners and the pensioners of former princely states and local bodies who migrated to India from West Pakistan after 31st Nov. 1960 but before 1st April 1967. In such cases, the Government of India has sanctioned provisional payment of pension till an agreement is reached with Government of Pakistan for acceptance of the liability/ transfer of their pension to India.

The pension in these cases will be authorised by the Ad-hoc Committee in the Central Claims Organisation, to the Pay and Accounts Officer (Pension & Misc.). He will arrange payment through the AG of the State where the applicant desires payment. After making payment, the State AG will obtain reimbursement from PAO (Pension & Misc.). The Pay and Accounts Officer (Pension & Misc.) debits the payments to the head " 8679- Accounts with Governments of Other Countries- Pakistan. At present there is no agreement with the Government of Pakistan for reimbursement of claims under the Ad-hoc payment scheme. Payment made in such cases will be centralised in the books of Pay and Accounts Officer (Pension & Misc.) till an agreement is reached.

There was no scheme of Family Pension at the time of the partition of the Country. The families of retired employees who migrated to India after partition were not sanctioned any Family Pension in the event of death of the pensioners. Subsequently Government decided to divide such cases into two categories:

- i. Cases where name of the authority which had issued the PPO was known;
- and
- ii. Others, where no such details were available.

The procedure for finalizing the cases of above categories will be as follows:

(i) If the AG's office had issued the Pension Payment Order, the AG concerned may issue authority to sanction ex-gratia family pension on the basis of the following documents:-

- a. Succession certificate from a Court, or
- b. Affidavit shown before a Magistrate, or
- c. Affidavit of the claimant on a plain paper supported by any two documents which may be acceptable to the Head of the Department/Pension Sanctioning Authority.

(ii) In other cases where no details are available, it will be the responsibility of the Settlement Commissioner, Rehabilitation Division, to process the cases for payment of ex-gratia family pension. On the basis of the sanctions received from the Settlement Commissioner, the PPO will be issued by the PAO (Pension and Misc.), Ministry of Home Affairs, New Delhi.

The extra liability on this account will be debited by the AG to major head 8658 Suspense Accounts - PAO Suspense, and settled with the Pay and Accounts Officer, CPAO.

For fresh cases arising in future, the Pay and Accounts Officer (Pension & Misc.) will arrange payment of such pensions by crossed cheque/bank draft on receipt of pre-receipted bill from the beneficiary. The first payment in such cases will be made after proper verification on the basis of descriptive roll received from the Officer in charge (Claims) along with the sanction letter.

7.15.5 ICS Family Pension Fund (Transferred): Government of United Kingdom communicates the basic pension and graded relief admissible to such Family Pensioners. Based on such communications, the payment of family pension will be arranged by the Pay and Accounts Officer, Department of Economic Affairs, New Delhi. The total expenditure involved is initially booked under 8679-Accounts with Governments of other Countries. After close of the financial year, reimbursement of the expenditure so incurred against ICS Family Pension Fund (Transferred) will be claimed from Govt. of U.K. through a Proforma Account. The Proforma Account has in it the details of name of pensioner and payments made. No vouchers are required to be sent in support of the claim. On receipt of the Proforma Account from the Pay and Accounts Officer, Department of Economic Affairs, the Govt. of U.K. will reimburse the claim by means of a demand draft. The above Suspense head is cleared by minus debit when the credit on account of the said demand draft appears in bank scrolls.

7.15.6 ICS Family Pension Fund (Un-transferred): In this case the Ministry of Home Affairs issues the sanctions. Based on such sanctions, payment will be made by the Pay and Accounts Officer, Dept. of Economic Affairs. In respect of this category of Family Pension, the Govt. of U.K. pays only basic pension. The relief/graded relief on pension in these cases are still lying under the Suspense head awaiting a decision in this regard.

7.15.7 ICS Family Pension (Non-European Members): In these cases the Ministry of Home Affairs issues necessary sanction. The payment of Family Pension will be made by the Pay and Accounts Officer, Dept. of Economic Affairs by debiting the major head '2071-Pensions and other Retirement Benefits, 01 – Civil- 200 -Other Pensions - Pensions under the ICS (NEM) Family Pension Fund'. In all these categories of ICS Family Pension Funds, payments will be made quarterly in advance i.e. for the quarters ending March, June, September and December. Necessary sanction giving therein the amount of pension admissible for the quarter in question will be sent to the widow of the pensioner, and on receipt of duly pre-receipted bill from the family pensioner, payment will be made by means of demand draft.

7.16 PAYMENT FROM COMPASSIONATE FUND OF GOVT. OF INDIA

7.16.1 Awards for payment from the Compassionate Fund fall under two categories namely:

- a. Lump sum payments; and
- b. Recurring payments to be made at quarterly intervals, in arrears.

7.16.2 In cases where the award is for a lump sum amount, payment shall be made by crossed cheque/bank draft to the beneficiary. The Pay and Accounts Officer will do this after proper identification on the basis of the sanction issued by the Ministry/Department with the concurrence of the Establishment Division of the Ministry of Finance. Bill in this regard will be submitted by the DDO in Form CAM-67, enclosing a descriptive roll of the beneficiary with the sanction. The expenditure on this account will be classified under major head '2235 – Social Security and Welfare - Other Social Security and Welfare Programmes - Other Programmes - Payment from the Compassionate Fund'.

7.16.3 In cases where the award is of recurring nature and the payments are to be made at quarterly intervals, in arrears, the Administrative Ministry/Department will issue sanction as

above. The Pay and Accounts Officer will note the sanction in a separate Register to be maintained in Form CAM-25. At the time of first payment, a descriptive roll of the beneficiary will be sent along with the sanction. The Pay and Accounts Officer after proper identification will make payment by crossed cheque/bank draft to the beneficiary on the expiry of each quarter to which the payment relates, through submission of a pre-receipted bill in Form CAM-67. The payment will be debited to the head indicated in para 7.16.2 above. The payment through Public Sector Bank is not permitted in these cases.

7.17 AUDIT OF PENSION PAYMENTS DISBURSED BY AUTHORISED BANKS

(A) The pensionary payments, Accounts, Records and Registers maintained in the CPPC of Authorized Banks making pension payments shall be open to audit by the CAG of India or any person appointed by Government in this regard.

(B) In addition to audit by C&AG, the CPAO will also undertake the Internal Audit of the CPPCs. The Internal Audit Wing, CPAO will conduct audit of pensionary payments by Authorised Banks to check:

- i. The Internal Controls Mechanisms of the Banks;
- ii. The accuracy and correctness of pension disbursements by the Banks and its reporting and accounting;
- iii. Existence of the grievance redressal mechanism for pensioners and its functioning;
- iv. Whether various instructions issued by the Government from time to time are being followed or not;

Note: - Please also refer scheme booklet PARA No. 28 (Post payments checks)

7.18 PROCEDURE FOR PAYMENT OF ARREARS OF PENSION

a. Payment of Pension Arrear due to delayed finalization of Pension cases: It must be ensured that arrears of pension due to the pensioners on account of delayed finalization or for any other reason may be correctly worked out. They must be paid to the pensioners in accordance with the provisions of various rules and orders applicable, by the PAOs. Only the future monthly pensions payable will be authorized to the Banks by transmitting the PPOs to CPAO. The details of the arrear of Pension paid by the PAO and Month of commencement may invariably be mentioned in the PPO while forwarding the PPO to CPAO by the PAO for arranging payment of pension.

b. Payment of Arrear of Pension due to death of Pensioner before forwarding of PPO to CPAO: There may be an occasion when the pensioner opting to draw pension through a bank dies before the PPO is sent to CPAO. In such cases, Pay and Accounts Office will make the payment of arrears of pension to the heirs of deceased pensioner and PPO will be sent to CPAO for authorizing family pension only. However, the details of the arrear of pension may be mentioned in the PPO while forwarding it to the CPAO.

c. Payment of arrear due to non-submission of the life certificate relate to period less than three years: If the arrears relate to a period less than three years and if they have not been credited due to late submission of prescribed certificate(s) by the pensioner or for routine matters which do not require detailed examination with reference to the files of PAOs, they may be paid by the CPPC of authorized Banks after obtaining specific orders of the Manager/Officer in charge of the bank who would release the payment subject to verification of the bonafide of the claim of the pensioner. It must be ensured that no double payment/over payment is made by the paying branch. Such payments will also be mentioned prominently in the payment scrolls, quoting particulars of the latest relevant half yearly returns through which non-drawl had been reported. Authority CGA's UO No. 1(7) (1)2000/TA/377 dated 19-8-2002.

d. Payment of arrear due to non-submission of the life certificate relate to period three years and above: If pension has not been credited to the account of the pensioner for a period of 3 years and above, the disburser's portion of the PPO should be returned to the CPAO by the CPPC, with suitable endorsement thereon, specifying the date up to which the pension was credited in the pensioner's account; CPAO will forward the same to PPO issuing authority for updating of their record. Payment of arrears in such cases as also payment of current pension will be made by the CPPC on receipt of PPO with a sanction of the competent authority through the CPAO. Such payments will also be mentioned prominently in the e-payment scrolls.

e. Pension Arrear when pensioner expires: Pension shall be drawn for the day of pensioner's death irrespective of the time of the death. On receipt of a death certificate in respect of pensioner, the CPPC will work out the amount of arrears due to the deceased or over-payments, if any, made to him. It will take action immediately to recover the overpayment from the deceased's account in terms of the undertaking obtained from the pensioner before his/her retirement i.e. at the time of submission of pension papers to the Head of the Office. Payment of arrears of pensioners will be regulated as under:

(i) **Cases where valid nomination exists:** The CPPC will enter the date of death of the pensioner in the disburser's portion of the PPO and will retain this information on its database with suitable audit trail and in the register maintained in their software in the form. An entry for date of death of the pensioner will be made in pensioner's half by PAHB. The pensioner's half of PPO will then be returned to the nominee if family pension stands authorised through the same PPO; otherwise, it will be returned by CPPC to CPAO along with the disburser's half. The CPAO will up-date its record and transmit both halves of the PPO after keeping necessary note in their records to the PAO/AG who had issued the PPO for similar action and record. For payment of arrears to the nominee, he/she will be asked to apply for the same to the PAHB along with the pensioner's half of the PPO showing the period of arrears. The PAHB, after verifying the fact that the payment is actually due to the deceased pensioner, and also the particulars of the nominee as given in the nomination, will intimate the CPPC along with pensioners' portion of PPO for making payment by crediting the account of the claimant. The provision of this rule will apply mutatis mutandis to cases where the family pension ceases to be payable either due to death of the family pensioner, his/her remarriage/marriage or on the pensioner attaining the maximum age prescribed in the rules.

(ii) **Cases where valid nomination does not exist:** In the absence of any nomination made by the pensioner, the arrear of his/her pension are paid as per procedure prescribed in the Government of India, Ministry of PPG & Pensions, Department of Pension & Pensioners Welfare New Delhi OM No. 1/22/2012-P&PW (E) dated 10.07.2013.

(iii) **Cases where pensioner expires without receiving first payment:** Bank should start paying family pension on receipt of death certificate and undertaking of recovery of excess payment in case of Joint Account. Otherwise, the surviving spouse has to open a fresh account for continuation of his/her family pension.

(iv) **Cases where pensioner expires without receiving commuted value of pension/ Additional commuted value of pension:** The commuted value of pension/Additional commuted value of pension may be paid as per nomination. If there is no nomination, the commuted value of pension/additional commuted value of pension arrear will be paid in the manner given in Rule 7(2) of CCS (commutation of Pension) rules 1981 read with Rule 47(1) (b) of CCS pension Rules 2021. Unless otherwise specified, payment of Death/Retirement gratuity is not covered under the Scheme. (Refer para 2.95 of Subsidiary Instructions to CGA (R&P) Rules, 2022 and para 21 of Scheme Booklet (2021), CPAO)

7.19 PAYMENT OF PENSION TO N.R.I. PENSIONERS

- (i) The Authorized Bank may credit the pension amount of non-resident to a non-resident (ordinary) account opened/maintained as per provision of the Exchange Control. The amount of pension of a pensioner who has become non-resident may be credited to the said account after ensuring the personal identification and other requirements as stipulated under the Pension Scheme Booklet. In case of NRI pensioner/family pensioners who are unable to come to India for personal identification may be allowed pension/family pension on the basis of a certificate to be issued by an authorized official of the Indian Embassy/High Commission of India or Consul of India Consulate in the country where the pensioner is residing. This certificate is to be issued on verification of Pensioner/Family Pensioner on the basis of photograph pasted in the PPO or on the basis of photograph pasted on the Passport or any other such document.
- (ii) In case of the existing accounts, the pensioner should intimate the fact that he has become Non-Resident Indian to the Home Branch in India and on receipt of the same the Home Branch in India should convert the account of the pensioner to Non-Resident Ordinary (NRO) Account.
- (iii) The pensioner has to furnish the life certificate issued by an authorized official of the Embassy High Commission of India or Consul of Indian Consulates or a Notary Public or an Officer of an Indian Authorized Bank attached to its branch in the country where the pensioner is residing, once in a year, in November *and in October in case the pensioner is above than 80 years of age.*
- (iv) The pensioner has to furnish other certificates viz. non-employment/re-employment certificate, Remarriage /Marriage certificate.
- (v) The CPPCs will credit the amount of pension due every month to the Non-resident Ordinary Account of the pensioner.
- (vi) Withdrawals from the Non-Resident Ordinary Accounts will be governed by the instructions contained in the Exchange Control Manual and the Home Branch should allow the withdrawal accordingly.
- (vii) Pension credited to the Pensioner's Non-Resident (Ordinary) Account may be remitted by the bank to the Pensioners outside India, in case the Non-Resident Pensioner so desires, by debit to his NR (O) Accounts either by direct remittance or by credit in his NR (E) Accounts.
- (viii) *In cases where Non-Resident Indian pensioners are unable to furnish the prescribed life certificate, the CPPC should return PPOs of such pensioners to pension sanctioning authority through CPAO for arranging future payments to them.*
- (ix) The changes in the citizenship by any Non-Resident Indian pensioner will not affect his entitlement to the pension.

(Para 2.94 of Subsidiary Instructions to CGA (R&P) Rules, 2022 and Para 17 of Scheme Booklet issued by CPAO (2021).

7.20 NATIONAL PENSION SYSTEM (NPS)

7.20.1 The details of the Defined Contribution Pension Scheme introduced for Central Government Employees now called National Pension System (NPS) are briefly explained below:

(i) A New Pension Scheme (Contribution based Pension Scheme) now called National Pension System (NPS), was introduced for Central Government employees vide Ministry of Finance (Department of Economic Affairs) Notification No.5/7/2003- ECB & PR dated 22nd December, 2003. Government of India vide this Notification introduced a new pension scheme viz. Defined Pension Contribution Scheme for all those government servants joining service under the Government of India on or after 1-1-2004 (except the armed forces, in the first stage). The scheme has two tiers-Tier-I and Tier-II. Under Tier-I, the Government servants have to make a mandatory contribution at the rate of 10% of salary and DA while the Government will make equal matching contribution (Government contribution raised to 14% w.e.f.1.4.2019). The contributions and investment returns will be kept in a non-withdrawable Tier-I Pension account.

(ii) In addition to the above pension account, each individual may also have a voluntary Tier-II withdrawable account at this option. The Government will not make any contribution to this. This amount will be kept in a separate account that will be withdrawable at the option of the Government Servant. GPF will not be available to those who are covered under the Defined Pension Contributory Pension Scheme. Employees would be free to withdraw part or all of the accumulations under Tier-II.

(iii) Individuals can normally exit at the age of 60 or after 60 years of age for Tier-I of the pension system. At exit the individual would be mandatorily required to invest 40 percent of pension wealth to purchase an annuity (from an IRDA-regulated life insurance company). In case of government employees, the annuity should provide for pension for the lifetime of the employee and his dependent parents and spouse. The individual would receive a lump sum of the remaining pension wealth, which he would be free to utilise in any manner. Individuals would have the flexibility to leave the pension system prior to the age of 60, but in such case the mandatory annuitisation would be 80% of the pension wealth.

(iv) CPAO initially acted as the interim Record Keeping agency till NSDL was appointed by PFDR as the Central Record Keeping Agency (CRA) and maintained the individual accounts DCPS in respect of the Central Government servants. Several Fund Managers were appointed to offer three categories of Schemes to Government servants viz. options A, B and C, the categories based upon the ratio of investments in fixed income instruments and equities.

(v) M/o Finance D/o Economic Affairs vide their resolution No. F.5.(1)-PD/2003 dated 21/04/2005 have decided that during the interim period the accumulation under the Tier-I of the Pension Fund in respect of the subscribers to the NPS (Defined Contribution Pension Scheme) would carry interest at the rate of 8% per annum for the period of interim arrangement. It has also been decided by the Government that in case of death of a government servant covered under the New Pension Scheme, the deceased government employee's own contribution and government's matching contribution plus 8% interest thereon may be payable to the legal heirs immediately- vide M/o Finance D/o Economic Affairs UO No. 5(27/A)/2006-ECB &PR dated 14/03/2006.

7.20.2 The procedure for registration of DDOs in NSDL, remittance of contribution to Trustee bank etc. which are applicable w.e.f. 1.7.2008 are contained in CGA Office OM

No.1(7)/2003/TA/Pt file/279 dated 2.9.2008. The salient points are reproduced below:-

(i) Registration of Principal Accounts Offices/Pay and Accounts Offices/DDOs with NSDL: NPS registration forms N1 (Principal Accounts Office Registration), N2(PAO/CDDO Registration), N3 (DDO registration) and N4 (PAO covering letter for DDO registration) can be downloaded from www.npscra.nsdco.in and www.nsdco.in. On receipt of the duly filled DDO registration forms from its NCDDOs, PAOs will authenticate/attest in the relevant column of the form and forward it to NSDL along with Annexure N4. On successful registration of the NCDDO, NSDL will confirm DDO Registration Number allotted to each NCDDO and intimate the same to the respective PAOs. PAOs shall on receipt of the DDO Registration Numbers intimate the same to its NCDDO.

(ii) Subscriber Registration: The procedure of registration of the new entrants will be specified by NSDL. NSDL would allot and communicate to the PAOs the individual Permanent Retirement Account Number (PRAN) in respect of each subscriber mapped to the PAO. PAOs should communicate to the DDOs who in turn shall intimate the subscribers under their payment control of the new PRAN allotted to the individual subscribers.

(iii) Uploading of Subscribers Contribution File (SCF) and PAOs/CDDOs shall download the File Preparation Utility (FPU) and the File Validation Utility (FVU) for the purpose of regular upload of the subscriber contribution details on NPSCAN. These utilities and other instructions on uploading and remitting are available and can be downloaded from NSDL website-www.npscra.nsdco.in and www.nsdco.in. PAOs shall use the User ID and I-Pin to access the NPSCAN and upload the subscriber contribution details on a monthly basis. PAOs/CDDOs will first upload the subscriber contribution details on NPSCAN following the instructions of NSDL. NPSCAN will generate a unique Transaction ID for the upload done. PAO should note down this unique Transaction ID. PAO/CDDO after uploading the subscriber contribution details will remit the NPS contribution to the Trustee Bank through PFMS.

(iv) Remittance of contribution to the Trustee Bank: The amounts of employees' contributions recovered from the bill will be initially classified under the Head "0071-Contributions and Recoveries towards Pension and Other Retirement Benefits-500-Receipts Awaiting Transfer to other Minor Heads" (RAT). Government's contribution bills duly supported by schedules will also be prepared by DDOs. The amount will be debited to the head "2071- Pension & Other Retirement Benefits-117 DCPS". After passing the bills by the PAO/CDDO, these amounts will also be booked under the Head "0071-Contributions and Recoveries towards Pension and Other Retirement Benefits-500-Receipts Awaiting Transfer to other Minor Heads" (RAT). After the bills are passed, the PAO/CDDO will upload the data relating to contributions (both of Employees' and Government's Contributions) into NPSCAN and also tally the figures uploaded with that booked under the Head 'RAT'. After uploading is completed, PAO/CDDO will get Transaction ID and draw the total amount by minus crediting the Head "RAT" mentioned above through e-payment through PFMS in favour of the Trustee Bank. There should be no balance under the Head "0071-Contributions and Recoveries towards Pension and Other Retirement Benefits-500-Receipts Awaiting Transfer to other Minor Heads" at the end of each month.

(v) Timelines for PAOs/CDDOs and NCDDOs: The responsibility of the correct and timely deduction of the contribution for each subscriber as mandated under the scheme will rest with the respective NCDDOs. NPS Bills should be preferred so as to reach the PAO by 20th of every month. The responsibility for timely remittance to the Trustee Bank is that of the PAO in respect of all the subscribers under his domain. Once the upload of subscriber contribution details to NPSCAN is enabled, the PAO should upload the subscriber contribution details on NPSCAN and obtain the Transaction ID by the 25th of each month.

NPS contributions (Government's and employees) should be credited to the account of the Trustee Bank by the PAO on the last working day of each month for that month.

7.20.3 Central Civil Services (Implementation of National Pension System) Rules, 2021 were notified on 30.03.2021 for regulating service-related matters for Central Government employees covered under NPS.

7.20.4 Additional Relief on Death and Disability of Government Servant under NPS will be covered under CCS (Implementation of NPS) Rules, 2021.

7.20.5 In case of amount remitted by PFDRA for crediting into Government account so as to make payment of invalid pension or disability pension or family pension on death of a Government Servant under National Pension System, the head of account to be used are as follows:

(a) Adjustment of employee's contribution and return (appreciation accrued) thereon: Amount remitted by PFDRA may be credited initially under Major Head 8443-Civil Deposits-Minor Head 800-Other Deposits-Sub-head-59- Money remitted by PFDRA (employee contribution and return thereon). This head of account will be (-) credited while making the payment to the employee/family of the employee as the case may be.

(b) Adjustment of Government Contribution remitted by PFDRA: The amount should be accounted for as (-) Debit under Major Head 2071-Pension and other Retirement Benefits-Sub-major head-01-Civil-Minor Head-911-Deduct recoveries of over payment-sub head-02-Money remitted by PFDRA-Object head-70-Deduct recoveries.

(c) Adjustment of return (appreciation accrued) on Government contribution: Amount remitted by PFDRA may be accounted for by crediting the amount to Government account under Major Head 0071-Contributions and Recoveries towards Pension and other Retirement benefits-sub major head-01-civil- Minor Head-800-Other Receipts-subhead- 01-Money remitted by PFDRA (return on Government Contribution).

(Authority: TA-3-6/3/2020-TA-III/4308/640 dated 27.8.2021 read with P-35004/13/2020-DAMA-CGA/282 dated 9th Sept., 2021.)

(published in the Gazette of India part II Section-3, Sub-section ii)

**Ministry of Finance
Department of Economic Affairs
Budget Division
New Delhi the 31st December,1990.**

NOTIFICATION

No.F.1(19)-B(R)/90 : In exercise of the powers conferred by the first proviso to sub-section(1) of Section 10 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (56 of 1971) and in partial modification of the order of the Government of India in the Ministry of Finance (Department of Economic Affairs) No. F.1(15)-B(AC)/76 dated 8.9.1976, the President, after consultation with the Comptroller and Auditor General of India, hereby relieves the Comptroller and Auditor General from the responsibility for compiling the accounts of:

- a. The Ministry of Finance relating to pensions: and
- b. The Ministry of Home Affairs relating to pensions to freedom fighters.

2. This order shall come into force with effect from the financial year 1990-91. By order and in the name of the President.

Sd/-
(Smt. Janaki Kathpalia)
Officer on Special Duty (Budget)

To
The Manager
Government of India Press

APPENDIX 7.2
(PARA 7.5.2)
Registered A/D (if sent by post)

Office of the Pay and Accounts Officer
Department of
Ministry of.....

To

The Pay and Accounts Officer,
CPAO,
Ministry of Finance
Govt. of India
Trikoote-II, Bhikaji Cama Place
R.K. Puram, New Delhi - 110066.

Sir/Madam,

A Pension Payment Order in favour of Shri/Smtdesignation
_____ last pay drawn _____ at the time of retirement in the
level_____, index_____, details of which are given below is forwarded for
arranging payment:-.

Details

1. PPO No. & date
2. Category of pension.....
3. a) Amount before commutation (Basic Pension).....
b) Amount after Commutation pension).....
c) Date of Commencement of Pension.....
d) Family pension in the event of death of pensioner.....
Enhanced Rate up to
- Normal Rate ₹
- with effect from.....
4. Monetary allowances attached with Gallantry award to be paid by Pension
Disbursing Authority
5. Medical Allowance.....
6. Name of Bank
7. Branch and Code No.
8. Location
9. Bank Account No.....
10. District
11. State
12. Pin Code
13. BSR Code

The Pensioner's Portion of the PPO is being handed over to the Pensioner by

Commutation already paid or being authorized through DDO/Commutation authorized
through a separate letter/commutation not applied for.

Conditions attached to pension: - Payment may be made subject to the conditions specified in the PPO as well as in the CCS (Pension) Rules and CGA(R&P) Rules.

- Strike out whichever is not applicable.

Yours faithfully,

Authorised Signatory with Stamp and Special Seal

Enclosures:

1. PPO (Disburser & Pensioner portion).
2. Photo and specimen signature slip
3. Identification marks
4. Undertaking by pensioners
5. Nomination form (Form A)
6. Details of family (Form 4)
7. Option of the pensioner indicating Name and full address of the Authorised Bank.

Deptt./Ministry

To

The Pay and Accounts Officer
CPAO
Ministry of Finance
Department of Expenditure
Trikoort-II, Bhikaji Cama Place
R.K. Puram, New Delhi- 110066.

Subject: Revision of pension/family pension of
Shri/Smt..... holder of PPO
No..... Last Pay Drawn of the retired government servant:.....
Level.... Index.....

Sir,

I request you to make arrangement for carrying out the modification in both the halves of the said PPO as detailed below:

- (a). Revised pension ₹
(₹.....) under class /category.....of Rules.....
effective from
 - (b). Revised pension commuted ₹
(₹)
 - (c). Revised Reduced Pension after commutation ₹.....
(₹)
effective from
 - (d) Monetary allowances attached with Gallantry award to be paid by Pension Disbursing Authority:.....
2. (a). Differential commuted value paid or being arranged through Pay and Accounts Office ₹.....
(₹.....)
- (b). Differential commuted value of pension payable by the bank ₹.....
(₹.....)
- (a) or (b) whichever is applicable should be filled up. The other column should be prominently marked as 'Not applicable'.
3. a. Differential Amount of Gratuity paid by PAO.....
b. Differential Amount of Gratuity payable by Bank.....
- * 4. Revised Family Pension under class/categoryof Rules.....
a. At enhanced Rate ₹
(₹.....) up to
- b. At normal Rate w.e.f. ₹
- c. EOP (F) Original /Revised ₹.....(₹.....)
- d. effective from.....
5. Fixed Medical Allowance.....

6. Details of Disbursing Bank.

- (i) Name of Bank
- (ii) Branch and BSR Code No. (if any).
- (iii) Account No.
- (iv) Department
- (v) State.
- (vi) BSR Code.....

Yours faithfully,

Pay and Accounts Officer

* In case the family pension does not undergo any change as a result of revision of pension, the words "No change" should be inserted in column No. 4. In case family pension is not admissible, the words 'Not applicable' should be inserted in this column.

SSA of CPAO

CENTRAL CIVIL PENSIONS
SPECIAL SEAL AUTHORITY:

Date:

To
The PDA

The authority given for under mentioned PPO has been verified as per records given by respective PAO. You are requested to make payment as per this authorisation below (Details are given in enclosed P.P.O) to Name

Holder of P.P.O No.
Category of Pension
Aadhaar No: #####
Pan No:
Mobile No:
Email ID.
Date of Birth (Pensioner):
Pay Level: Last Pay Drawn:
Net Qualifying Service (Years-Month-Days):
Name of Spouse:
Date of Birth (Spouse):
Paying Branch:
A/C No.

P.P.O. issuing authority:

1. Basic Pension per month:- Date of Commencement:
2. Residual Pension per month.: Commencement Date (Residual Pension):
3. Additional Pension P.M. (80 Years & above):
4. Constant Attendant Allowance P.M.:
5. Family Pension at Enhanced Rate: From: To:
6. Family Pension Normal Rate: From: To:
7. Medical Allowance Payable (as per rate admissible from time to time):
8. Commuted Value Payable by Bank:
9. Provisional pension/family pension has been/shall be paid for the period from ----- to ----- @ ₹ ----- plus Dearness Relief. (Strike off whichever is not applicable). The payment of final family pension may be commenced by the bank w.e.f. -----
10. Monetary allowances attached with Gallantry award to be paid by Pension Disbursing Authority:.....

Pay and Accounts Officer

Notes

1. The pensioner portion of the PPO is to be handed over to the pensioner by the bank.
2. If pension papers do not pertain to your bank, please redirect them to the concerned bank, under intimation to this office to avoid delay
3. DR is admissible on basic pension + additional pension if any.
4. Reduced pension payable w.e.f. date of crediting the amount of commuted value into pensioner's a/c.
5. Undertaking for recovery of over payment made by bank attached
6. Please see reverse for other guidelines for bank & pensioners

Copy Forwarded To:

1. Pensioner:
2. PAO:

APPENDIX 7.5
(PARA 7.5.5)

SCHEDULE OF PENSION PAYMENTS FOR THE MONTH OF.....

NAME OF PAO/TREASURY COUNTERS.....

CODE NO. OF PAO/TREASURY COUNTERS

Name of the pensioner	PPO.	Period for Which the Pension is paid	Amount of pension			Recovery of over payment, if any	Income Tax deducted	Net amount paid	Allocation of pension	Remarks
			Basic Pension	Personal Pension	D.Relief					
(1)	(2)	(3)	(4)			(5)	(6)	(7)	(8)	(9)

APPLICATION FOR DRAWAL OF PENSION THROUGH
AUTHORISED BANK
(TO BE SUBMITTED IN DUPLICATE)

To
The Pension Disbursing Officer (Exact designation
Of the Officer to be indicated)
(Place).

Sir,
I opt to draw my pension through Authorised Bank and give below the necessary particulars
to enable you to make arrangements in this regard:

1. PARTICULARS OF PENSIONER:

- a. Name
- b. PPO No.....
- c. Present Address.....

2. PARTICULARS OF THE AUTHORISED BANK

- a. Name
- b. Branch where payment desired

3. *Pensioner's S.B Account No. at the Branch to which pension is to be credited.

Yours faithfully,

Place:

Date:

(Pensioner)

*(Joint Account of the Pensioner with the spouse could be operated either by 'Former or Survivor' or 'either or survivor')

Pensioner's Specimen Signature.....

FOR USE IN THE OFFICE OF THE PENSION DISBURSING AUTHORITY

Forwarded to the CPAO for transmission to Link Branch of PSB
..... (Name of Branch). The Disburser's half of PPO
of Shri/Smt./Km..... bearing No. is (are)
sent herewith.

The pensioner has been paid pension @ ₹ p.m. and dearness relief thereon @
Rs..... p.m. for the period up to the month of Pension due from the month of
..... is to be arranged by the Bank.

**(Pension Disbursing Authority)
(with Name & Seal)**

Station :

Date:

Office of the Pay and Accounts Officer
Department/Ministry.

Regd. AD (if sent by post).

To

The Pay and Accounts Officer,
CPAO
Govt. of India, Ministry of Finance
Trikoort -II, Bhikaji Cama Place
R.K. Puram, New Delhi -110066.

(Authority for Commutation)

Subject: Commutation of pension of Shri/Smt./Kum..... holder of PPO
No.

Sir,

I request you to make arrangement for payment of commuted value of pension amounting to Rs..... (₹.....) in respect of PPO mentioned above by carrying out the modifications in both halves of PPOs as detailed below:-

1. (A) Basic Pensions ₹.....
(₹..... only)
- (B) Pension Commuted Rs.....
(₹.....only)

Reduced pension payable after Commutation ₹.....
(₹.....only)

2. Details of Disbursing Bank:

- (i) Name of Bank.....
- (ii) Branch, location and Code No. (if known)
- (iii) Account No.
- (iv) Distt..... (v) State

3. * Already drawing pension from the Bank indicated at 2 above/pension being authorized simultaneously.

Note:

- I. Reduced monthly pension after commutation will take effect from the date commuted value credited into the pensioner's Account by the Bank.
- II. Pension/provisional pension, if paid, may be adjusted suitably.
- III. Dearness Relief to be allowed as admissible from time to time.

* Strike out whichever is not applicable.

Yours faithfully,

Pay and Accounts Officer (Signature with Special Seal Authority)

APPENDIX 7.8
(Para 7.10.2 of CAM)

PAO/AIS/M.F./01/2008-09/P-28 to P-92

18-08-2008

To,
All CCAs/Chief Secretaries
(As per list)

Sub: -Procedure for Payment & Accounting of Pension etc in respect of All India Services officers retiring from Government of India/State Government.

Sir/Madam,

A reference is invited to DOPT OM No.25014/2/2002-AIS (II) dated-11th April, 2007 wherein it was decided that:

Government of India would take over the entire pension liability of AIS Officers, who had already retired or would be retiring, either from the State Government or from the central Government.

All retiring, All India Service Officers and the exiting pensioners would uniformly have the option of drawing pension through the Government of India or through the State Government on whose cadre they are borne.

The detailed procedure to be followed by various agencies for preparation of pension papers as approved by C&AG and the CGA is enclosed.

The PAOs/DAs are required to prepare the both halves of PPO in White Colour only respect of AIS Officers. The Cadre/State/Batch to which the AIS officers belong should be clearly mentioned in SSA as well as both halves of the PPOs.

State Governments are requested to send the name of the Designated Authority at the earliest. Further the budget may send to this office by all Designated Authorities latest by 15th Sep. 2008, enclosing prescribed forms duly filled.

Please ensure that the guideline / procedure are followed strictly by PAOs / D.A.s for smooth disbursement of pension to AIS officers and its proper budgeting and accounting.

Yours faithfully

Encl: - As above

Sd/-
(Tripti P. Ghosh)
Controller of Accounts

PROCEDURE FOR PAYMENT AND ACCOUNTING OF PENSION TO ALL INDIA SERVICE OFFICERS

Earlier the payment of pension to All India Service Officers was being made by the respective State Governments on whose cadre those officers were borne. After considering the difficulties experienced by these officers in receiving payment of pension and with a view to simplifying the procedure it was decided by the Government of India that the AIS officers who were on deputation with the Central Government could opt for payment of pension and other retirement benefits through the Central Government. As a measure of further simplification of the pension payments, Department of Personnel & Training vide their OM No. 25014/2/2002- AIS (II) dated 11th April, 2007 took the following the decisions:-

- 1) Government of India would take over the entire pension liability of AIS Officers, who had already retired or would be retiring, either from the State Governments or from the Central Government.
- 2) All retiring AIS Officers and the existing pensioners would uniformly have the option of drawing pension through the Government of India or through the State Government on whose cadre they are borne.

Payment of pension to All India Service Officers

With a view to implementing the above decisions of the Government and ensuring smooth disbursement of pensions and its prompt accounting, the following new system is prescribed which comes into effect from 1st April, 2008.

A. Procedure to be followed in cases where payment is sought from the Central Government.

1. ACTION IN STATE AG /STATE GOVERNMENTS

(a) Nomination of Designated Authority:

At present, AG authorizes pension in 18 out of 28 states and in the rest, this function is discharged by the Director of Pensions or other similar authorities (Mentioned in Annexure 1). However, under the new scheme, all the States/AsG, will have to nominate/ appoint a Designated Authority (**D.A.**) in their respective state who will be authorized to issue PPOs in respect of AIS retiring from their states. DAs will forward the same to CPAO (**CPAO**), Department of Expenditure, Ministry of Finance, who is responsible for arranging payment of pension etc. in respect of AIS officers through Banks.

(b) Each State Government will have to intimate the Designated Authority (DA) to CPAO.

(c) New Directory code No. has been allotted by the Office of the CGA to each Designated Authority and intimated to respective State Government.

(d) An impression of the Special Seal of the D.A. and the Specimen signature(s) of the officer(s) authorized to issue PPOs, duly attested will be forwarded to the CPAO by the authority who nominate the Designate Authority (DA). In the event of change in the incumbency of DA, the specimen signature of the relieving officer will be sent to the CPAO by the relieved officer.

2. Allotment of PPO slots by CPAO

On the basis of allotment of Directory Code of the Designated Authorities, CPAO will allot a slot of 13 digit PPO numbers to each Designated Authority on the basis of their requirement to enable DA to depict the same in the PPOs.

The breakup of the 13 digit PPO number will be as follows:

D.A.'s code number year Serial number Check digit
(Six digit) (Two digit) (Four digit) (One digit)

3. PREPARATION AND SUBMISSION OF BUDGET ESTIMATES TO CPAO

- a) State Government have already been requested to send a statement in proforma (Annexure-II) in respect of All India Service Pensioners as on 31.03.2008 containing information on (1) Number of Pensioners including Family Pensioners (cadre wise) drawing pension/family pension from treasuries and Banks & (2) Number of pensioners (cadre-wise) opting to draw pension through State Government or Central Government.
- b) Each D.A. will furnish in the prescribed proforma (Annexure-III) the details of the AIS officers retiring during the next financial year, to CPAO for creating a data bank, budgeting and further processing.
- c) Each D.A. will also submit the expenditure estimates in respect of the AIS Pensioners towards Pension, Family Pension, Commuted Value of Pension, Gratuity & Leave Encashment to be incurred during the next financial year. Then CPAO will prepare Budget estimates for onward transmission to Budget Division, Min. of Finance for allotment of funds under the relevant heads.
- d) The information mentioned b) & c) above should reach CPAO by 30th September of every year.

4. PROCESSING OF PENSION CASES

- a) Designated Authority (DA) will process the pension cases as per the provisions of the relevant rules and assess the retirement benefits admissible to retiring officers.
- b) PPOs must reach this office before one month of the date of retirement of the official concerned.
- c) He will forward the signed Special Seal Authorities along with both the copies of the PPOs depicting therein the PPO Nos., to CPAO for necessary action, as laid down in Scheme for Payment of Pensions to Central Government Civil Pensioners by Authorised Banks. In case of e-PPOs the digitally signed Special Seal Authority may be sent to CPAO. Pensioner's copy (hard copy) will be handed over to the individual direct by the DA.
- d) Commuted Value of Pension (CVP), in case opted for, will be authorized by CPAO and paid through banks in case of Voluntary Retirement cases only. The date of reduced pension starts from the date the Commuted Value has been credited to the pensioner's account. However, once the payment of pension is commenced, all further payments as per extant rules such as revised pension, commutation, differential DCRG will be payable by the paying branch on issue of revised authority by CPAO.

5. ROLE OF CPAO

(a) Opening of new heads of accounts:

Separate heads of accounts for booking the various benefits payable to AIS Officers have been opened by CPAO in consultation with Budget Division, Min. of Finance (DEA) and Office of CGA. Vide Annexure-IV.

(b) Preparation of Budget estimates and allocation of funds:

- (i) On receipt of relevant information from each DA, entire budget requirement for the next financial year will be assessed by CPAO and submitted to Budget Division, Department of Economic Affairs, Ministry of Finance for necessary allocation of funds under each relevant head of account.
- (ii) However, during the remaining period of the financial year 2008-2009 the same

procedure will be followed and necessary Supplementary demand will be proposed for allocation of funds from Budget Division received on request by State Governments.

(c) Processing of Pension Payment Authorities/Special Seal Authorities by CPAO:

(i) On receipt of PPOs/e-PPO and Special Seal Authorities from the DAs a unique computerized diary number will be allotted to each case.

(ii) After capturing the data in computer record, the PPOs will be sent to the concerned authorization section who will apply all the necessary checks to ensure that the case is in order in all respects.

(iii) After this scrutiny, a Special Seal Authority/e-SSA will be issued by the Authorization section for making arrangement for payment of pension through Bank from where the pensioner has desires to draw pension.

(iv) SSA along with both the halves of the PPOs and other relevant papers will be forwarded to the Central Pension Processing Centre of the concerned bank for making arrangement for payment of pension from Paying Branch from where the pensioner desires to draw his pension. Once the system of e-PPO and e-SSA is introduced CPAO will transmit the same to CPPC. After the introduction of Extension Counter Bank (EC Bank) at CPAO e-PPO/e-SSA will be transmitted to them.

6. New system of directly crediting the pension in respect of AIS-officers

With a view to making the process faster a new system of direct crediting of pension is to be done by a single bank into the pension accounts of the AIS pensioners in the Paying branches as proposed under:

(a) On receipt of SSAs and e-PPOs from DAs, CPAO will capture the data on its system through special software and generate the requisite e-SSAs drawn on Extension Counter of a Bank (EC Bank) to be situated at CPAO office itself.

(b) This EC Bank will undertake the following action:-

(i) EC Bank will receive from CPAO all the e-SSAs along with both portions of e-PPOs of the AIS pensioner.

(ii) On receipt of e-PPOs, the EC-bank will capture the data and send the pensioner's portion of the PPO's directly to the concerned paying branches.

(iii) The EC-Bank will make available the image of the disburser's portion of PPO on their website. They will transmit the pensioner's portion of the PPO to the Pension Paying Branch who will take a print out and hand over the same to the pensioner after proper identification with reference to the information on the pensioner's copy of the PPO. The disburser's portion of PPO will be available in the read only format so as to avoid tampering of data by any authority.

(iv) The EC-bank will work out the amounts payable in respect of each pensioner and pass on credits on due dates directly to the paying branches through ECS (or any other mode i.e. RTGS, EFT) for crediting the same to the account of respective pensioners. The paying branches will credit the amounts to the accounts of the pensioners and intimate the EC bank.

(v) On receipt of information regarding crediting of the amount, the EC-bank will prepare bank-wise daily bank scrolls both physical as well as electronic and submit the same duly reconciled to CPAO for verification. The position relating to disbursement of the pension to

the pensioners would also be updated by the EC Bank on the basis of the feedback received from the paying branches.

(vi) CPAO would verify the scrolls on the same day and issue clearance on-line to enable the EC bank to claim reimbursement from RBI CAS-Nagpur.

(vii) Simultaneously CPAO will book the expenditure on the basis of the details in the scrolls against the budget allocation available under the relevant heads of accounts. Scrolls will invariably indicate the PPO numbers in respect of the AIS pensioners.

(viii) The pensioners will have to deal with the paying branches alone in relation to their pension related matters. The pension paying branches will also be responsible for obtaining the required certificates. " Life certification" of pensioners at paying branches every year in the month of November will be communicated by paying branches to EC-bank at CPAO preferably electronically, or by fax or post. Any change relating to payment of pension namely death of pensioner, change in marital status, remarriage, reemployment, change in address etc should be also be intimated to EC-Bank.

(ix) Pension for the month of November will be credited by EC-bank only on receipt of Life certificate as in the present system.

7. Role of Banks

(a) (In the existing system)

Till the system stated in' para no.6 is put in place, the existing system detailed below will continue:-

i) CPAO will send the PPOs/SSAs to link Branches for onward transmission to paying branches.

ii) The banks will follow a procedure similar to that followed in respect of Central Civil Pensioners for payment of pensions at paying branch level vide Scheme For Payment Of Pension To Central Civil Pensioners Through Authorised Banks.

iii) The banks will prepare separate scrolls depicting therein the disbursement of pensions to AIS Pensioners (it is chargeable to Central Government irrespective of the fact that whether the officer has retired from State Government or Central Government) to the CPAO.

iv) AIS pensioners will have to opt for any of the banks authorized for Central Civil Pensioners. (Annexure V).

v) Those banks which have already switched over to Centralized Pension Processing System (CPPC) may send e-scrolls in addition to physical scrolls.

vi) In the cases where PPOs have been routed through CPAO procedure for transfer of payment of pension from one bank to another will remain the same as laid down in Scheme for Payment of Pension to Central Government Civil Pensioners by Authorized Banks.

vii) Dearness relief is payable by the bank directly in addition to pension /family pension as per rates notified from time to time subject to the production of non-employment certificate by the pensioner.

(b) Procedure to be followed in cases where AIS officers retire from Central Government

In cases, where AIS officers who retire while on deputation to Central Government, the PAO of the Ministry/Department concerned will process the pension papers and issue PPO. The existing procedure for routing of PPOs and payment (as mentioned in CGA's letter no. I(7)/AIS/2004/TA/463 dated 13.8.2004- Annexure-V) will continue. However, since the Government of India have taken a decision to accept the liability on account of these pensions etc., payment scrolls will be sent by banks to CPAO, instead of State AsG.

(c) Procedure to be followed in cases where AIS officers retire from State Government and seek payment through State Governments:

Prior to 1-4-2008, the pension liability in respect of All India Service Officers was borne by the State Government concerned. With effect from 1-4-2008 these payments will be initially paid by State Governments and booked under the suspense heads. Reimbursement will be obtained by the State AsG by raising claims against CPAO, New Delhi.

(d) Procedure for transfer of pension payments

(i) AIS officers drawing pension from Treasury

In case of those AIS officers who are now drawing pension from State Treasury and opt for switchover to draw pension from the Banks, the Designated Authority of the State will arrange to get PPOs from the treasuries. They will then prepare a new PPO (assigning new PPO numbers allotted by the CPAO) after cancelling the old one and forward the same to CPAO for further transmission to the Banks for payment of pension. A certificate indicating the period up to which pension was paid will be recorded therein and the future date of payment indicated. These instructions are also applicable to the Family Pension cases in respect of deceased All India Service Officers.

(ii) AIS Officers drawing Pension from Banks

Many of the All India Service Officers are drawing their pension from the banks arranged by the respective State Government and these payments are now charged to the account of the respective State Governments. Since the Government of India has decided to take over the entire liability of AIS officers the Designated Authorities (DA) will call for the PPOs and prepare fresh PPOs after cancelling the old one and forward the same to CPAO for onward transmission to the Banks for making arrangement for payment of pension/ family pension to the pensioner/family pensioner. A certificate indicating the period up to which pension/family pension was paid will be recorded therein and the future date of payment indicated.

**APPENDIX 7.9
(PARA 7.11.2)**

ABSTRACT OF SCHEDULE OF PAYMENT OF PENSIONS

Sl. No.	Name of Treasury	Month to which pension relates	Superannuation & Retirement Allowance	Family Pension
1	2	3	4	5

High Court Judges	Pensions to legislators (Member of Parliament)	Central Freedom Fighters Pension	Commuted value of pension	Gratuity
6	7	8	9	10

Allocation of pension (if any)		Others (specify Category)	Gross Total	Income Tax Recovered	Net Amount paid.
Nomenclature of Government	Amount of Pension				
11	12	13	14	15	

**APPENDIX 7.10
(PARA: 7.11.2)**

REGISTER OF INWARD CLAIMS

Sl.No.	No.& Date of letter with which account was received	Name of AG from which received	Period of Accounts	Debits ₹	Credits ₹	Net Debit ₹
1	2	3	4	5	6	7

Particulars of Cheque sent to AG	Amount ₹	No. & Date of letter forwarding Cheque/ Draft to AG	Date on which Cheque appeared in Scroll	No. & Date of Register sending DISO	Remarks
8	9	10	11	12	13

**APPENDIX 7.11
(PARA 7.12.2)**

STATEMENT OF OUTWARD ACCOUNTS IN RESPECT OF HIGH COURT JUDGES

Sl. No.	Name of A.G. against which pension is adjustable	Period to which pension relate	Amount ₹	No. & date of letter forwarding claim	No. & date of cheque received	Date of Scroll for credit of cheque	Initials of the PAO
1	2	3	4	5	6	7	8

CHAPTER 8

PROCEDURES FOR INTER-GOVERNMENTAL AND INTER-DEPARTMENTAL ADJUSTMENTS

8.1 GENERAL

8.1.1 The inter-departmental or inter-governmental transactions will be settled by different procedures as indicated below:

- (i) Cash Settlement through operation of suspense account
- (ii) Direct booking of expenditure by agent Ministry/Department based on Letter of Authorisation (LoA) issued by functional Ministry
- (iii) Issue of Inter-Governmental Adjustment (IGA) Advices to RBI, CAS, Nagpur

8.2 PROCEDURE FOR RAISING OUTWARD CLAIMS OF INTER-DEPARTMENTAL TRANSACTIONSTHROUGH CASH SETTLEMNT

8.2.1 (i) The PAO in whose books the transactions originate should initially classify such transactions under the suspense head "8658-Suspense Accounts - PAO Suspense-Transactions adjustable by....." (Name of Pay and Accounts Officer/Authority concerned in whose books the transactions are finally adjustable). Different Pay and Accounts Officers/Authorities may open such sub- heads as required to record the adjustable transactions distinctly.

(ii) After daily compilation is completed, these transactions shall be posted by the Pay and Accounts Officer in the Outward Claims Register in Form CAM- 53, on daily basis, using separate folio for each PAO or Authority. The closing will be done at the end of each month for the purpose of cash settlement, except for transactions arising in March (Para 8.4.1 may be referred for settlement of transactions arising in the month of March). The net Outward Claim settlement transactions in the books of a PAO with the other AOs of another Government/Department shall be either "amount payable to the AOs" or "amount receivable from the other AOs".

(a) If the account closes with some amount due to the other party, a bill should be prepared for the net amount due and sent to the cheque section for obtaining a cheque in favour of the Pay and Accounts Officer of the Government/Department concerned. The bill will be classified as **minus credit [(-)Cr]** under PAO Suspense for the gross amount of receipts, while the amount already paid earlier should be classified as **minus debit [(-)Dr]**. The original credit/debit balance under the suspense head will be cleared automatically at the time of compiling of this voucher in the accounts section. The cheque will be sent to the concerned party along with necessary schedules and vouchers in support of the transactions in Form CAM -54. The receipt of acknowledgement of the cheque by the other part should be watched and when the acknowledgement is received, it should be noted in the register.

Note: While preparing the net claim, the credits of government servants like GPF deductions, insurance, loan repayment etc. should not be adjusted against other debit claims of the department. i.e. the deductions from the salary of government servants should be passed on to other departments directly without netting with other claims of the department

(b) In the opposite case, when payments on behalf of the other Government/Department are more than the receipts during the month, the schedules with supporting vouchers etc. should be sent to the other Pay and Accounts Officer, demanding payment through cheque. On receipt of the cheque from the other party it will be sent to the bank for clearance, and on receiving the credit through bank scroll, the outstanding debit/credit (original) under the suspense head will be cleared by affording corresponding **minus debit** for the gross payments and **minus credit** for the balance receipts.

Note 1: Direct Booking of Recoveries:

The recoveries from salary bills on account of Income Tax, Surcharge, CGHS contributions, Licence fees for government quarters, Health and Education cess, contributions towards National Pension System, CGEGIS and PLI premia etc will not be passed on to the Pay and Accounts Officers of the concerned Ministry/Department. These recoveries will be credited in the books of Pay and Accounts Officer to appropriate final head of account, and included in the final compiled account rendered to the Principal Accounts Office. The accounts rendered by the Principal Accounts Office of the Ministry/Department to the CGA, will include the credits adjusted under these heads. PAO will send a statement in the prescribed form every month to the concerned departmental officers wherever required by the prescribed due dates.

Note 1A: Licence Fee Schedules in respect of allottees of General Pool Accommodation:

Directorate of Estates has computerized transmission of Licence Fee recovery details of allottees of General Pool Residential Accommodation online. DDOs post/upload the licence fee deductions online in the Government Accommodation Management System (GAMS) system developed by Directorate of Estates. DDOs are required to attach the Licence Fee schedules generated in GAMS only with the salary bills. All PAOs shall accept only the 'Licence Fee Schedules', in respect of allottees of General Pool Accommodation, generated through GAMS of Directorate of Estates' and marked as 'Sent'. (CGA Office O.M. No.10(1)/Misc./TA/2009/327 dated 2.8.2011.).

Note 1B: Electronic filing of Monthly statement (Form No.24G) containing details of credit of Tax Deducted at Source (TDS):

As per the Income Tax (6th Amendment) Rules, 2010 applicable from 1.4.2010, PAOs responsible for crediting tax deducted at source to the credit of the Central Government by book-entry are now required to electronically file a monthly statement in a Form No.24G containing details of credit of TDS to the agency authorized by the Director General of Income-Tax (Systems) within ten days from the end of the month in respect of tax deducted by the deductors and reported to him for that month and intimate the number generated by the agency to each of the deductors in respect of whom the sum deducted has been credited. (Authority: Ministry of Finance, Department of Revenue (CBDT) Notification No.41/2010 dated 31.5.2010). CGA Office O.M. NO.1 (1)/2003/ Pt.1(3)/TA/202 dated 23.5.2011.)

Note2: Recoveries arising in the Salary Bills etc. of Non-Civil Ministries/Departments:

The following recoveries arising in salary bills etc in the books of Non-Civil Ministries/Departments viz. Defence, Railways, Posts, Telecommunications and UT Governments/Administrations will also be adjusted to the final head of account by their PAOs to reduce inter-departmental adjustments.

- (a) Central Government Employees' Insurance Scheme, 1977;
- (b) Central Government Employees' Group Insurance Scheme, 1980;
- (c) UT Government Employees' Group Insurance Scheme, 1984;
- (d) AIS Officers borne on UT cadre and subscribing to the AIS Officers (Group Insurance Rules, 1981); and
- (e) Postal Life Insurance Premia Recoveries.

The transactions arising in the books of Railways including for their own employees, would be settled with the PAO (Exp.) for the Central Government Employees' Insurance Scheme, 1977 and Central Government Employees' Group Insurance Scheme, 1980. Similarly, it will be settled with the PAO, UT Government/Administration from which the employee had come, for the scheme for UT Government Employees' Group Insurance Scheme, 1984, and with the PAO (Delhi Administration) for the scheme of AIS Officers borne on UT cadre and subscribing to the AIS Officers (Group Insurance Rules), 1981. The schedules of recovery of Postal Life Insurance Premia in the format supplied by the Director, PLI, Kolkata indicating therein the transfer-in and transfer-out cases along with a monthly statement of booked figures may be sent to him.

The PAOs of Central Civil, Railways, Defence, Posts, Telecommunications, UT Government/Administration will include the relevant transactions relating to officers on deputation, in the statistics to be furnished under the schemes at Sl. No. (b) and (d) above.

Subscriptions under the All India Service Officers (Group Insurance) Rules, 1981, recovered from All India Service Officers borne on a State cadre but serving on deputation with Government of India or UT Government / administration will not be included in the statistics of borrowing Ministry/Department, and shall be passed on to the PAO of the parent State Government.

Note 3: Recoveries of Provident Fund, Loans and Advances

Recoveries on account of Provident Fund or Loans and Advances in respect of other than Central (Civil) Ministries/Departments, for example, of officers belonging to All India Services that are adjustable in the books of PAO of other Government/Department, will be initially booked under PAO Suspense head, and then cleared by remittance of cheque/draft as per the prescribed procedure.

Note 4: Recoveries in respect of Officials on Foreign Service from the Public Sector Undertakings, Autonomous Bodies, Institutions etc.:

(i) This procedure applies in respect of employees taken on foreign service from the Public Sector Undertakings, Autonomous Bodies, Institutions etc. Recoveries on account of their contributions to the Contributory Provident Fund maintained by such bodies and other recoveries like instalments of repayment of Computer Advance, House Building Advance etc. drawn by them from their parent organisation, are adjustable finally in the books of these bodies. These recoveries shall not enter into the accounts of Government and will therefore not be entered in the body of the bills.

(ii) The concerned DDO shall prepare and attach a separate schedule relating to such amounts for remittance to the parent body. Such recoveries will be indicated only on the outer cover of the bill as 'Payable toOrganisation' for obtaining e-payment/ crossed cheque/bank draft in favour of the concerned organization, The Pay and Accounts Officer will pass the bill and make the net salary payment directly to employee's bank account and deductions to the parent organisation

through authorised mode indicating the name of the employee and details of the recovery against which deductions are made.

8.3 PROCEDURE FOR ADJUSTMENT OF OUTWARD CLAIMS RECEIVED FROM OTHER PAOs THROUGH CASH SETTLEMENT

8.3.1 Such transactions may represent either recoveries or receipts initially accounted for by the Pay and Accounts Officer of the other Department or Government or payments made by other Government/Department, which are finally adjustable in the books of the PAO which receives the claim. In the former case, the other Pay and Accounts Officer will settle receipts/ recovery through C category cheque or any other instrument authorised by CGA, along with supporting schedules etc. (Form CAM 54). On receipt of the C category cheque, the Pay and Accounts Officer will send it to the bank for credit to Government account along with a challan showing the classification of the receipt or recovery and credit the final head of account at the time of compiling the account on receipt of the bank scrolls.

8.3.2 In the latter case i.e. when another Department or Government has made payment, an account with supporting vouchers will be sent by the other party along with a claim for reimbursement. On receipt of the claim, the Pay and Accounts Officer will examine it to see whether prima facie, it pertains to the Department under their payment control and if necessary, consult the Departmental officer. If it pertains to their Department, the Pay and Accounts Officer will have a bill prepared for the amounts duly classified under final head, pass and send the bill to the cheque section, just as in the case of a bill presented at the bill counter of the PAO. The cheque section will issue the cheque and send the paid voucher to the accounting section along with other vouchers paid during the day. The debit will be classified under the final heads at the time of compiling vouchers received from the Cheque Section as in the case of other payments. The cheque will be dispatched to the PAOs of the Government or Department concerned along with a forwarding letter in Form CAM-56, giving reference to the number and date of the letter through which the claim was received.

8.3.3 Specimen entries of the accounting adjustments to be made in the books of the PAO on account of Inter-Departmental and Inter-Governmental transactions are given below-

(a) Recovery (say of ₹ 500) made from pay bill towards Provident Fund subscription adjustable in the books of another PAO:

First Stage: When the recovery is effected it will be classified under "8658-Suspense Accounts-PAO Suspense-Transactions" adjustable by PAO 'X' - ₹ 500/-Credit-Original.

Second Stage: When the cheque is issued in favour of the other PAO, schedule of Debit or Credit received in Form CAM -54 will serve the purpose of bill. The accounting entry will be as follows-

"8658- Suspense Account -PAO Suspense-Transactions" adjustable by PAO 'X'-₹ 500/-minus credit, and credit shall be afforded to "8670-Cheques and Bills-PAO Cheques" ₹500/-. The credit under PAO cheques will be cleared on receipt of the bank scroll, indicating payment of the cheque.

(b) Payment made by the PAO on behalf of another Government/Department:

In such cases, payment will be initially debited to "8658-Suspense Accounts-PAO Suspense" head and the account of the payment will be sent to the other PAO concerned for reimbursement. On getting cheque from the other PAO, it will be sent to bank for credit to Government account. When the bank scroll is received with this credit, the item will be classified as minus debit under the suspense head referred to above.

(c) Recovery made by other Pay and Accounts Officer which is adjustable in the books of the PAO:

When the cheque is received in the PAO from the other PAO along with supporting schedule, it will be sent to bank for clearing, along with the challan indicating final classification of the receipt. On receipt of the bank scroll, the credit will be taken to the final head of account.

(d) Payment or services rendered by another Government / Department adjustable in the books of Pay and Accounts Officer:

- i. On the basis of preliminary checks, if the PAO prima facie finds the accounts received (from the other PAO) adjustable in his books, he should reimburse the full amount claimed by the PAO within a period of 7 days of the receipt of the account. He should not wait for the detailed audit of vouchers. Wherever the PAO finds it necessary to consult the Departmental Officer, the payment so made will be classified under the Minor Head Expenditure Awaiting Transfer (EAT) to other heads below the concerned functional head of the Department. Otherwise, he/she will adjust the payment to the final head of account and intimate the Departmental Officer.
- ii. In the cases where Departmental Officers are to be consulted, the PAO will communicate the details of the debit claims received by him for acceptance by the departmental officer. When the acceptance is received, the PAO will clear the booking under EAT by contra debit to the final head of account.
- iii. On receipt of the remarks of the Department, if it is found that the transactions are not adjustable in the books of the PAO, he will raise claim for the payment already made to the originating PAO, in the accounts for the month in hand. All the supporting vouchers etc. received from the other PAO should also be returned.
- iv. The PAO must keep a close watch over clearance of the transactions recorded under the suspense head. The reasons for delays over a month will be thoroughly investigated and appropriate action taken.

8.3.4 A Register of Inward Claims in Form CAM-55 will be maintained to watch the settlement of accounts and claims from other accounts offices, with separate folios used for claims received from different Governments/Departments. As regards the form of register and procedure relating to Outward claims, para 8.2.1 may be referred. For watching the clearance and settlement of Inward and Outward Claims, PAO Suspense Broadsheet has to be maintained in Form CAM- 64.

8.3.5 The PAOs may directly raise the Outward claims that require to be settled with State AG. But the outward claims of State AG which as a special arrangement are required to be settled with PAOs, may be routed through the concerned Principal Accounts Office, except those relating to expenditure on National Highways.

8.3.6 Outward claims of GPF pertaining to State Government or UT employees on deputation with Central Government will be settled directly with the AG/authority nominated by the State/UT Government for the maintenance of GPF accounts of its employees by the PAO. Wherever a State or UT Government has taken over the work relating to maintenance of GPF accounts from the Indian Audit & Accounts Department, it will be done without routing through the AG office.

8.4 PROCEDURE FOR SETTLEMENT OF TRANSACTIONS ARISING IN THE MONTH OF MARCH.

8.4.1 (i) Normally, reimbursement of transactions arising during a month, is claimed by the first week of the following month.

(ii) However, all the transactions arising in the month of March are required to be accounted for during the same financial year in the books of the concerned PAOs.

(iii) To do so, all the PAOs in Civil Ministries, State AG, Railways, Defence, Posts and Telecommunications Departments should endeavour to settle transactions arising during the first 3 weeks of March, by raising debits duly supported with vouchers and schedules etc. at weekly intervals, against the PAOs concerned. The PAOs receiving the debits should ensure immediate settlement of such claims through authorised mode.

(iv) For the debits or payments arising on or after 25th of March of the year, fax intimation indicating the net amount of claim to be reimbursed, briefly indicating the nature of the transaction should be sent to the concerned PAO. In the case of departmentalized offices, the PAOs receiving the claim shall immediately arrange to send the cheque for such claims by placing the amount under the Minor Head EAT under the relevant functional Major Head of account, pending receipt of vouchers and documents in support of this debit. He should invariably ensure the dispatch of supporting vouchers/schedules etc. by speed post on or before the 10th of April of the succeeding financial year. On receipt of vouchers etc. the responding PAO should adjust the debit to the final head of account before the close of March (Supplementary) account and clear the Suspense Head EAT.

8.4.2 Despite adhering to the procedure indicated in para 8.4.1 there might be cases where debits do not reach the concerned PAO in time to enable him to issue cheque/demand draft on or before 31st March of the same year. In such cases, where the debits supported by the vouchers are received in the succeeding financial year, but before March (Supplementary) accounts are closed, the PAO to whom the debits pertain shall accept and respond to the inward debit claim by issuing a cheque. He should in such cases, debit the suspense head PAO suspense, in the accounts of the year in which the debit is received. A Transfer Entry shall simultaneously be inserted in the March (supplementary) accounts of the preceding year, by debiting the final head of expenditure and minus debiting the head 'PAO Suspense'. This will serve to incorporate the expenditure in the accounts (including Appropriation Accounts) of the year, in which the payment was made by the outward claim originating PAO, and avoid lapse of funds in the Demand for Grants of the consignee concerned.

8.4.3 The above procedure will also be applicable for adjustment of miscellaneous receipts appearing in the books of an PAO that require final accounting in the books of another PAO.

8.5 PROCEDURE FOR DIRECT BOOKING OF EXPENDITURE BY AGENT MINISTRY/DEPARTMENT BASED ON LETTER OF AUTHORISATION (LOA) ISSUED BY THE FUNCTIONAL MINISTRY

8.5.1 This relates to the programmes or activities for which one Ministry /Department utilizes the services of another Central Ministry /Department as its agent for executing the activity. In such cases, the FA /Pr. CCA/CCA/CA of the functional Ministry / Department will issue annual budget allocation letter, indicating the amount approved in the Budget for the year for the programme or activity assigned to the agent or executing Department, after obtaining necessary financial sanctions. The executing Ministry/Department are authorized to incur expenditure up to the limits specified in the authorization letter. The allocated amount in such cases will not be available for re-appropriation by the concerned functional Ministry/Department, without the concurrence of agent Ministry/ Department. A copy of such sanction has to be endorsed to the Pay and Accounts Officer of the functional department so as to keep a note of this in the Expenditure Control Register. The functional Ministry/Department would also communicate the 15-digit code relating to the heads, to the PAO of the agent Ministry in the authorization letter.

8.5.2 The executing/agent Ministry or Department, on the condition of observance of normal procedures of sanction will incur the expenditure. The PAO of the executing Ministry will book the expenditure under the relevant expenditure head against the Demands for Grants of the functional Ministry/Department and furnish the monthly and progressive figures of expenditure to the Principal Accounts Office of the functional Ministry/Department. This is to enable the latter to monitor the flow of expenditure on the programme/activity and prepare Appropriation Accounts related to the Grant. The Pay and Accounts Officer of the executing/agent Ministry will not honour any claim that would result in excess over the amount authorised by functional Department, in any case. The Principal Accounts Office of both agent and functional Ministries/Departments will conduct annual reconciliation of expenditure, before preparing their SCT and Appropriation Accounts respectively.

8.6 PROCEDURE FOR RECOVERY OF COST OF WORK DONE IN THE C.PWD./OTHER DEPARTMENTS FUNCTIONING ON THE PUBLIC WORKS PATTERN ON BEHALF OF OTHER GOVERNMENTS/ DEPARTMENTS

8.6.1. The expenditure incurred by the Divisional Officers on behalf of other Civil Ministries/Departments for which provision has not been made under the Grants of CPWD will be booked directly under the final head, in the Grant of the Ministry/Department concerned, in terms of the procedure mentioned in para 8.5. The expenditure incurred on behalf of non-civil Ministries/other Governments will be booked under the Suspense head "8658-Suspense Accounts-107-Cash Settlement Suspense Account.

8.6.2. The Divisional Officer will send the vouchers supporting the concerned charge of work to his Pay and Accounts Officer, in the normal manner as in respect of other works expenditure. The vouchers will be subject to post check in the prescribed manner, in the concerned PAO.

8.6.3. The claim for reimbursement of monthly expenditure will be made simultaneously by the Division against the concerned Pay and Accounts Officer of the non-civil Ministry/Department or AG of the State, as the case may be. The Claim will be duly supported with an attested copy of the Schedule of Works Expenditure (without any supporting vouchers) in Form CPWA- 64. On its basis, the Pay and Accounts Officer/AG concerned will settle the claim within one week of receipt of the claim in accordance with the instructions contained in Para 8.3.3 (d)(i) above.

8.6.4. Since the claims for March will be received by Pay and Accounts Officers of the non-civil Ministries only after the end of the financial year, the procedure of operating Suspense head as detailed in para 8.4.2 shall be followed, for accounting the expenditure in the concerned year itself.

8.6.5. In the month of March, the Divisional Officer will send an extra copy of the 'Schedule of Works Expenditure' to his Pay and Accounts Officer who will certify that the total expenditure for the year shown in column 7 against the work concerned is correct, and forward this certified Schedule to the concerned Pay and Accounts Officer/AG.

8.6.6 Any excess/short payment noticed through post check of the Divisional Accounts, will be communicated by the PAO to the division originating the debit, for rectification of the resultant charge in the subsequent month's account.

8.6.7 The Division originating the debits will be responsible to watch the realisation of the payments from the concerned PAO/State AG to clear the suspense head in his books.

8.6.8 The Division would also be responsible to ensure that the expenditure incurred on the work does not exceed the administrative approval, technical sanctions and appropriation of funds, either originally sanctioned or subsequently revised.

8.7 The procedure explained above shall be followed for settlement of transactions arising on account of execution of civil works by the other Departments of the Government also that function on the lines of CPWD, and where the Divisional Officers have no cheque drawing powers. The claims in such cases will be subject to pre-check and payment by the PAOs on behalf of other Governments/ Departments. The modification in such cases will be that instead of operating the minor head "Cash Settlement Suspense Account", the Minor Head "PAO Suspense" will be operated in their books.

8.8 SETTLEMENT OF TRANSACTIONS ARISING IN MISSIONS/POSTS ABROAD

8.8.1 In respect of payments made abroad by the Indian Missions, which require cash settlement with other accounts authorities, the Disbursing Officers should send to the Pay and Accounts Officer, MEA, schedules and vouchers on a weekly basis. This is required to promptly claim reimbursement from the concerned accounting authorities.

8.8.2 Transactions of the State Governments taking place abroad shall be settled either in cash or any other mode authorised by government from time to time by the Pr.CCA, MEA with the AG of the concerned States. This will be done by operating the head "8658-Suspense Accounts-PAO Suspense-transactions adjustable by.....(name of the AG concerned)".

8.9 SETTLEMENT OF DEBITS RELATING TO CUSTOMS DUTY ETC.

8.9.1 The procedure for the realisation of customs duty on goods imported by the various Governments/Departments has been laid down by the Department of Revenue.

8.9.2 Under this procedure, there will be no book transfers and the Department importing goods shall pay the customs duty by cheque, drawn in favour of the Chief Accounts Officer of the Customs House concerned or through e-payment.

8.9.3 Customs duty on foreign post, parcels and mail will continue to be collected by the Postal Department through authorised mode. The Customs Officers in Foreign Post Offices will do this after assessment of duty payable. A monthly statement of such assessed and collected duty will be prepared by the Foreign Post Office concerned, and send in duplicate to the Customs Officer in charge of the Foreign Post Office. The Customs Officer shall return one copy to the Post Office after checking/verification, and send the duplicate copy to the PAO concerned. The Pay and Accounts Officer will watch receipt of the amount from the Director of Accounts (Postal), Nagpur. (Authority: Para 22.1 and 22.2 of Scheme for Collection of Revenue and Payment of Refunds etc. in the Central Board of Indirect Taxes and Customs.)

8.10 SUPPLIES MADE BY THE MEDICAL STORES DEPOTS OF MINISTRY OF HEALTH & FAMILY WELFARE TO STATE AND UT GOVERNMENTS.

8.10.1 The Ministry of Health & Family Welfare has separately prescribed the procedure for settlement of claims relating to supplies made by the Medical Stores Depots under that Ministry to various Governments, vide Principal Accounts Office Min. of Health & F. W. OM No. 25021/1/78-79/CDN/M.S.Depot/1582 dated 25-2-81.

8.11 SETTLEMENT OF TRANSACTIONS BY RAILWAYS/DEFENCE/POSTS/TELECOMMUNICATIONS AMONG THEMSELVES.

8.11.1 Transactions between Defence, Railways, and Posts will be settled among themselves by sending advices to the CAS, RBI, Nagpur.

8.12. SETTLEMENT OF TRANSACTIONS BY RAILWAYS WITH MINISTRY OF FINANCE.

8.12.1 The following transactions appearing in the books of Railways that require to be credited to Central Revenues under Ministry of Finance, DEA, will be settled by Railway Board through necessary advice to the CAS, RBI, Nagpur.

(a) Payment of loans to Railways from General Revenues, repayment of loans by Railways including recovery of interest on loans and advances to employees of Railways adjustable by Department of Economic Affairs.

8.13 PROFORMA ADJUSTMENT WITHOUT EFFECTING MONETARY SETTLEMENT THROUGH RBI

8.13.1 The CGA may authorise Proforma Adjustment through Finance Accounts, i.e. without effecting monetary settlement through the Reserve Bank (Central Accounts Section), on the merits of each case, in the following cases or circumstances:

- (a) Cases in which normal mode of settlement is through RBI, CAS, Nagpur i.e.
 - (i) Settlement between Railways, Posts, Telecommunications and Defence departments inter se; and
 - (ii) Settlement between Railways and CCA of Ministry of Finance DEA as envisaged in para 8.12.1, in cases where the settlement could not be effected before 10thApril or as per date specified by RBI.

(b) Aggregate amount of the transactions to be adjusted between the accounting units is ₹ 5 lakhs and above (gross credit or gross debit).

(c) The proposal reaches the CGA before the prescribed date, in terms of the schedule for closing of annual accounts laid down by the CGA.

8.13.2 The payment of interest on State Railway Provident Fund balances by the Ministry of Railways to Central Revenues shall therefore be settled on 'proforma' basis outside the books of the RBI. This is because in these cases it is not practically possible to calculate the amount and effect monetary settlement of these transactions before 10th of April each year.

8.14 SETTLEMENT OF TRANSACTIONS BETWEEN CENTRAL GOVERNMENT AND STATE GOVERNMENTS

8.14.1 Monetary settlement will not be resorted to for claims up to ₹ 1000 in each case, for transactions on account of supplies made or services rendered by one Government to another. However, for the claims relating to commercial departments/undertakings of a Government, monetary settlement will be carried out, irrespective of the amount involved. The settlement in both the cases will be made through cheque payment or any other mode authorised by the Government from time to time.

8.14.2 The procedure for monetary settlement in these cases, for supplies/services to a Central Government Department including Defence, Railways, Posts and Telecommunications besides Civil Ministries will be as given below:

8.14.3 For the settlement of claims, the Central Government Department that received the supplies or services will present a bill along with the accepted invoice to its own Pay and Accounts Officer. The Pay and Accounts Officer will make the payment by cheque or any other mode authorised by the Government from time to time to the concerned officer of the Government that made the supply or provided the services.

8.14.4 In the reverse case, where a Central Government Department rendered the supplies or services, the payment received from the State Government through authorised mode will be credited to the proper head of account.

Note: Ministry of Finance, DEA O.M. No. F.1(57)-B/74 dated 12.10.1976 also lays down the procedure to be followed for settlement of inter-governmental transactions. This is for inter-governmental transactions (i) between State Governments inter-se, (ii) between State Government on the one hand and Central Government-Railways, Defence, P&T, Civil Ministries/Departments on the other and (iii) between Central Civil Departments/Ministries on the one hand and Railways/Defence/Posts and Telecom Departments on the other. It provides for an additional permissible method of settlement, in cases where the debit does not originate in the books of the concerned Pay and Accounts Officers. However, in all cases where the debit for the supply and services (ii and iii above), originate in the books of a Pay and Accounts Officer, he shall raise the debit against the PAO of the department that received the supplies. The Pay and Accounts Officer of the department receiving the supplies shall effect necessary settlement by issue of cheque. The prescribed procedure of cash settlement between the executive authorities concerned shall not be applicable in such cases.

8.14.5 The UT Governments will also follow the procedure indicated before for settlement of their inter-governmental transactions arising out of services rendered or supplies made by/to them.

8.14.6 Some miscellaneous receipt and payment transactions viz. payment of interest and repayment of principal on discharge of Central Government securities and pensions including pensions to freedom fighters etc. take place at State treasuries, even at present. These transactions have to be accounted for by the treasuries in the State section of accounts under the head "8658-Suspense Accounts-PAO Suspense-Transactions adjustable by the Pay and Accounts Officer, Department of....." (name of concerned department). The AG of the State is required to pass on the debits for these payments supported by schedules, vouchers etc. to the PAO of the concerned Ministry/Department, for cash settlement by issue of cheque in the usual manner.

8.14.7 Payments of Central Civil pension at the treasury counters of the Principal Director of Audit (Central), Kolkata are booked under the final head of account in the Central section in their books, and the accounts submitted to the CGA.

8.15 PAYMENT OF LOANS, GRANTS-IN-AID etc. TO STATES BY CENTRAL GOVERNMENT AND REPAYMENT OF LOAN, PAYMENT OF INTEREST TO CENTRAL GOVERNMENT BY THE STATES

8.15.1 Ministries/Departments of Central Government will arrange payment of loans and grants-in-aid as well as payment of States' share of Income Tax, Integrated Goods and Service Tax (IGST), etc. through their Principal Accounts Offices.

(i) On receipt of sanction orders from the Ministry/Department, the Principal Accounts Offices will arrange to credit the balance of State Government, (except in the case of Sikkim), by debit to their Ministries/Departments accounts through RBI (C.A.S), Nagpur.

Note: On receipt of sanction for effecting payment of loans/grants etc. to State/UT Governments by the Central Government, the Inter-Governmental Adjustment Advice (IGAA) should be issued to RBI, CAS, Nagpur immediately (in any case within two days at the most) or on the date prescribed for its release in the sanction itself. Principal Accounts Office/Pay and Accounts Offices would issue digitally signed eIGA Advice through PFMS on receipt of digitally signed IGA e-Sanction through sanction module of PFMS.

(ii) The Principal Accounts Office will pass an entry in his books debiting the appropriate final head of account, (e.g. Major Heads 3601, 3602, 7601 etc.) and crediting "8658 -Suspense Accounts Reserve Bank Suspense-Central Accounts Office". A copy of the advice will be sent to the concerned AG or the Chief Accounting Authority of the State also, in cases where the accounts have been separated from audit, to enable necessary adjustment in the accounts of the State Government.

(iii) On receipt of the Clearance Memo from the Central Accounts Section of the RBI, the suspense head mentioned above will be cleared by minus credit and contra credit afforded to "8675-Deposits with Reserve Bank-Central-Civil- Reserve Bank (CAO)".

(iv) The Principal Accounts Office should ensure that the amount shown and debited in the monthly account sent by the RBI tallies with the amount of advice sent by it. For detailed procedure in this connection, refer to APPENDIX 8.1 to this Chapter.

8.15.2 Repayment of loans and payment of interest on it by the State Governments (except Sikkim) for loans received from the Government of India will be arranged by the State AG or the

Chief Accounting Authority of the State. Issue of suitable advice to the RBI (CAS), Nagpur, to credit the account of the Ministry/Department of the Central Government by debiting the State balance, will be resorted to for this purpose.

8.15.3 When State Governments (except Sikkim) have to refund unspent amounts of old loans, the payment for it will be arranged by the State AG by issue of advice to RBI (CAS, Nagpur) to credit the balances of the Central Ministry/Department by debiting the State balances.

8.15.4 State AGs are not authorised to debit the Central Government by sending advices to the RBI. However, as an exception, they have been permitted to withdraw erroneously credited amounts to Central Government towards repayment of loans or interest by advice, through sending of another advice to debit the Central Government account, provided such an advice contains the following certificate-

"Certified that this advice represents the withdrawal of an earlier erroneous credit to the Central Government, by debit to State Government and does not represent withdrawal of payments already made which were due to the Central Government by State Government. Necessary details of earlier erroneous advice(s) now being withdrawn are being furnished to the CCA/CA concerned separately".

8.15.5 The Principal Accounts Offices/PAO Secretariat of the Ministry/Department are responsible for maintenance of detailed accounts of the loans sanctioned by the Central Government to the State Governments and watching the recovery of instalments of principal and interest.

8.15.6 As the banking business of the Government of Sikkim is not conducted by the RBI, the payment of loans/grants to the Government of Sikkim will be regulated by the procedure prescribed hereunder:

- (a) The Ministries/Departments of the Government of India will send necessary sanctions for payments of grants and loans to the Government of Sikkim to their Principal Accounts Office, and endorse copy of these to the Finance Department of Government of Sikkim and the AG, (Central), Kolkata.
- (b) The Principal Accounts Office will make payment to the Government of Sikkim based on the sanction issued by the competent authority. The payment will be made through electronic mode to the Secretary, Finance Department, Government of Sikkim, Gangtok. He will send intimation to AG (Central) Kolkata regarding the remittance. A copy of every sanction order for payment of loan/grant issued by the Ministry/Department may be sent to the AG, Kolkata by name. This will be sent with full particulars of payment, letter number and date of remittance of the payment. A check list of all the sanctions issued and acted upon during each quarter ending June, September, December and March of every financial year will also be sent by name to the AG, by the 15th of the following month.
- (c) The Principal Accounts Office will account for the transactions under the final head of account.
- (d) While making payment to the Government of Sikkim, the Principal Accounts Office should furnish the full particulars relating to the payment to the Sikkim Government and send a copy to the AG (Central), Kolkata.

8.15.7 As RBI does not operate their account, the system of direct payment will be followed by Sikkim Government for repayment of loans and payment of interest. This will be done through authorised mode to the concerned Principal Accounts Office, or where the former does not operate a drawing account, it will be done through the specified Pay and Accounts Officer.

8.16 ARRANGEMENTS FOR CREDIT TO CENTRAL GOVERNMENT OF INCOME TAX DEDUCTED AT SOURCE (TDS) FROM THE SALARY AND OTHER BILLS OF STATE GOVERNMENTS.

8.16.1 The income tax recoveries will be effected from the bills paid by treasuries/State Government Pay and Accounts Officers/other State Government departmental offices rendering compiled accounts to the AG. They shall be classified under the Minor head "TDS Suspense" below the Major head "8658 Suspense Accounts" in the State Section of accounts. The credit to this head has to be afforded by transfer credit at the time of recording pay order, as per the provisions of Article 19 of Accounting Rules for Treasuries, 1992. These offices should also maintain details of credit to the suspense head as above under the various major, minor and detailed heads of account relating to deductions of income tax at source like "0020","0021", etc.

8.16.2 The AG, will consolidate the amounts thus shown under TDS Suspense by these authorities for the State Circle as a whole, on monthly basis. A cheque for the total amount booked under TDS Suspense shall be sent by him along with the treasury wise break up of TDS on closing the monthly accounts, to the concerned Zonal Pay and Accounts Officer. The AG will provide DDO wise quarterly information regarding TDS to the ZAO in the format prescribed in "TDS Book Adjustment Form" in soft copy for uploading to the Tax Information Network. The DDOs of the State Governments will also furnish quarterly returns in Form 24-Q and 26-Q to the Income Tax Department. On receipt of the cheque and its realization through the accredited bank, the Zonal Pay and Accounts Officer of the CBDT will straightaway classify the credits to the relevant major, minor and sub-heads of accounts on monthly basis. He will upload credits in TDS Book Adjustment Form in Tax Information Network on quarterly basis. This will be done on the basis of O.M. No. 1(1)/2003/TA/Part-I (3)/706-08 dated 29th October, 2005.

8.16.3 Accounting of income tax deducted at source out of interest on Central Government securities paid at State treasuries.

Payment of interest on Central Government securities can take place at State treasuries even after departmentalization of Union Government Accounts (Civil). The claim for reimbursement on account of this payment shall be prepared by the AG on net basis, i.e. after deduction of income tax deducted at source. The Principal Accounts Office, DEA,MoF shall effect the settlement of such claims. The AG is required to furnish the following information to the Principal Accounts Office, DEA,MoF:

- a. Gross amount of the interest paid;
- b. Amount of income tax etc. deducted from such payment; and
- c. Net amount for which claim is preferred.

8.16.4 On receipt of the above claim, Principal Accounts Office, DEA,MoF shall reimburse the net amount to the AG. He will credit the income tax deducted at source to the concerned final head of account in his books, after booking the gross amount of interest payment on Central Government securities against the relevant interest head of account.

8.16.5 The income tax deducted at source(TDS) from State Government securities either at the treasuries or at Public Debt Offices of the RBI, is classified under the suspense head 'TDS Suspense' in the State Section of accounts. The procedure prescribed in para 8.16.1 and 8.16.2 above will be applicable for the passing on the credit to the Zonal Pay and Accounts Officer of CBDT and its final accounting in his books.

8.17 SPECIAL PROCEDURE FOR SETTLEMENT OF TRANSACTIONS RELATING TO NATIONAL HIGHWAYS.

8.17.1 The following revised procedure has been laid down in connection with the reimbursement of claims to State Govts. /UT Govts. for maintenance of National Highways by them on agency basis:

(i) State Public Works Divisions will plan and carry out maintenance and repairs work of National Highways in public interest (as per the procedure of PWD manual) in consultation with the Regional Office (RO) of Ministry of Road Transport & Highways (MoRTH).

(ii) The expenditure incurred in this process will be deducted from the State balances, and subsequently, expenditure is included in the monthly compiled accounts which are sent to the State AG.

(iii) On receipt of monthly compiled account from the Divisions, the AG will initially adjust the expenditure in the State Section of his books. The applicable head of account being "8658-Suspense Accounts-PAO Suspense-items adjustable by Pay and Accounts Officer (NH), MoRTH.

(iv) Post consolidation, the AG will generate a monthly statement detailing expenditures and any associated receipts on National Highways. This statement, along with all related schedules, vouchers, and supporting documents, will be forwarded to the RO of the MoRTH, who holds the concurrent role of DDO for review of claims, facilitating the claim for reimbursement.

(v) Upon receiving the monthly statement of receipts and expenditures on National Highways from the AG, the RO of MoRTH acting in its capacity as the DDO, will carry out necessary checks. Once approved, the RO will issue a sanction, which is then sent to the Pay and Accounts Officer (NH) of MoRTH. Following this, the Pay and Accounts Officer (NH) will conduct pre-check and proceed with payment through PFMS.

(vi) The amounts outstanding in the Suspense Head 8658 in the books of AG will be cleared on receipt of online payment from the Pay and Accounts Officer (NH) of MoRTH.

(Office of Pr.CCA, MoRTH letter No Pr.AO/RTHS/AG Claims/2023-24/1906 dated 19.6.2023)

8.17.2 DIRECT PAYMENT PROCEDURE FOR EXECUTION OF NATIONAL HIGHWAY WORKS

I. DIRECT PAYMENT PROCEDURE

(a). The C&AG has accorded approval for the implementation of Direct Payment Procedure (DPP) in all the States vide letter No. 422-AC-I/SP-I/23-2001 dated 9.10.2003. The DPP has accordingly been implemented in all the states w.e.f. 1.4.2004. The State PWD will continue to execute various schemes of Central Government on National Highways as entrusted to them and

passing through their respective states will continue to be treated as agent to Central Government and will also continue to be responsible for contractual liability.

(b). Under this procedure, the Regional Officer (National Highways), M/o Road Transport & Highways will be the Drawing and Disbursing Officer for all payments and receipts relating to National Highways. The Supervising Engineer (Executing Engineer or Asstt. Engineer) will seek payment from the RPAO (NH) through the Regional Officer (NH). The Supervising Engineer will submit claims of contractors or of their own department, if some work has been undertaken departmentally, duly verified and certified to the Regional Officer (NH) for payment instead of going through State Treasury and State AG. The Regional Officer (NH) in turn, after applying necessary checks as prescribed in the preceding paras, pass on the bills to the Regional Pay and Accounts Officer (National Highways) for processing and making payment through authorised mode. If some claims are deficient in any respect, the same will be returned to the Supervising Engineer through the RO for doing the needful. On compliance of the observations raised by RPAO (NH) the Supervising Engineer will re-submit the claim for payments through RO (NH). The RPAO(NH) will provide the payment details to Regional Officer (NH). Supervisor will ensure proper acknowledgement of payment released to the contractors/parties/individuals. The division will maintain deposit Register, while Executive Engineer will make the entries while making payment of refund of Security Deposit. It will be certified by Executive Engineer that necessary entries in this regard have been made in the register. The above arrangement will be continued till the Security Records are incorporated into PFMS Portal. The RPAO(NH) will account for the Deposits on account of EMD/Securities etc. as prescribed in the Note (3) below MH-'8443-Civil Deposits' of LMMHA.

(c) In the New Direct Payment system, all receipts pertaining to National Highways will also be deposited with the RPAO (NH) through authorised mode and RPAO (NH) will issue a receipt for this purpose.

The following items will form part of National Highways Receipts:

1. Sale proceeds of Tender Documents;
2. Sale proceeds of empty bitumen drums and cement bags;
3. Road cutting charges;
4. Sale proceeds of forest products;
5. Receipts from Telecommunication Department; and
6. Misc. receipts.

(d). The State PW Divisions will continue to maintain the same records for submission of bills to RPAO (NH) as is being done in the reimbursement procedure. (As prescribed in CPWD Manual Vol. II, CPWD Code, and CPWA Code etc.). They will also continue to submit the claims of the contractors in the prescribed format.

(e). Under this procedure the Regional Officer (National Highways) has been declared as the Drawing & Disbursing Officer to arrange payments to State PWDs for incurring expenditure on National Highways. All Supervising officers/Executive Engineers/Project Directors of State PWD will submit the claims of contractors/department to the Regional Officer (NH), M/o Road Transport & Highways in the applicable bill forms for seeking payment from RPAO. The powers to amend the procedure for payment, accounting and change or addition in formats, modifications if any, in the responsibilities of the Regional Officers, RPAO (NH) and State PW Divisions will rest with Ministry of Road Transport & Highways and the same will be done with the approval of CGA and

C&AG. The clarification on any point in the said procedure will be given by the Principal Accounts Office (NH) (coordination section), Pr.CCA Ministry of RTH, New Delhi. This will be binding on all ROs and RPAOs (NH) and State PW Divisions.

II. RESPONSIBILITIES OF REGIONAL OFFICERS (NH) MINISTRY OF ROAD TRANSPORT & HIGHWAYS

(a) In the procedure of Direct Payment, the Regional Officers will execute and perform the duties of DDO as prescribed in CPWA Code/Receipts & Payment Rules/GFR/CAM and relevant rules prescribed by GOI as is applicable. He will receive the bills in duplicate from the Divisions for arranging Payments to contractors/divisions. After applying the prescribed checks as detailed below, he will sign the bill in the capacity of DDO and send it to the RPAO (NH) for processing and releasing payment through authorised mode. RO will maintain a Bill Register in the prescribed proforma. RO should enter the bill details in the Bill Register and enter the bill No. & date on right hand corner on the first page of the Bill. He will also record the classification on the Bill. Before sending the bill to RPAO, RO should make the entry of the bill in Job Register/ Expenditure Control Register.

(b) RO will also be responsible to countersign the certificates received with the bill from PWD Divisions, and on receipt of the cheques/ DD from the RPAO office, RO should enter the number of cheque/DD in the Bill Register. He will also enter these cheques/DD details in the cheque Delivered Register to be maintained in the prescribed format. RO should watch for proper acknowledgement from the party and ensure to get the stamped receipt from the payee, and it will be his responsibility to issue proper TDS Certificates to the concerned parties as well as to concerned Govt. agencies.

(c) R.O. will ensure that all bills are in prescribed formats and the supervising Engineer has exercised all checks as required under rules and recorded relevant certificates required of him. He will also be responsible to ensure compliance on the observations made on bills returned by the RPAO (NH), and ensure that Division conducts the reconciliation of expenditure with the figures/records being maintained in RPAO (NH). RO will also depute an official and reconcile the figures with RPAO on a monthly basis. In case of discrepancy if any, they will be settled on month-to-month basis.

The following checks are to be applied by the R.O. while examining the bills received from PWD (NH) Division-

1. That the Expenditure relates to National Highway Work;
2. That the bill is in prescribed printed form & supported with all necessary documents;
3. That the expenditure is for a sanctioned job;
4. That the expenditure is covered with proper financial sanction and has technical & Administrative approval of the M/o Road Transport & Highways, New Delhi;
5. That all the recoveries have been made as per rule;
6. That the necessary entries have been made in the Measurement Book;
7. The rates are as per agreement;
8. That the necessary certificates prescribed by the DG Road, M/o Road Transport & Highways, New Delhi are attached with the bill; and
9. That the expenditure is within the budget allotment.

III. RESPONSIBILITIES OF RPAO'S IN THE DIRECT PAYMENT PROCEDURE

(a) On receipt of bills from Divisions duly verified and certified by the Regional Officer, the RPAO will process all the bills with reference to the sanctioned Budget allocations and other financial and administrative sanctions, duly reviewed by the competent authority. He/she will see that vouchers, invoices, schedules etc in prescribed formats duly support bills, and that it is complete in all respects. He/she will also see that all statements wherever necessary are attached with the bill and duly signed and as prescribed in departmental codes (CPWD-Manual, CPWA Code). After completing all checks as required under GFRs, Receipts and Payment Rules CTRs, CPWD Manual Vol. II, CPW Account Code, Delegation of Financial Powers and Civil Accounts Manual etc, he/she will pass the bill and make necessary entries of expenditure in relevant registers. He/she will then make the payment through authorised mode and share the payment details with ROs (NH). Till the State AGs come on the E-Receipt mode cheques relating to Agency Charges will contain all necessary details of the bill. Various recoveries to be remitted to the State will be paid through cheque by Pay and Accounts Officer and cheque will be sent to Supervising Engineer of PWD through RO.

(b) Thereafter, RPAO (NH) will compile the accounts of these payments and book the expenditure against the relevant head of Account and send consolidated Accounts to Headquarters. He/she will also ensure that the expenditure does not exceed budget grant, approved estimates and that the expenditure pertains to National Highways. RPAO (NH) will also account for all receipts received from Divisions on account of sale of tender forms, forest produce, empty drums and bags, road cutting charges and Telecom department charges etc and account them against relevant receipt heads.

(c) RPAO (NH) will return all such claims that are deficient of supporting documents, copy of sanction, sanctioned estimates, or not submitted in prescribed format to the RO, for getting the deficiencies rectified through the State PW Division. He will also assist the Supervising Engineer in reconciliation of expenditure figures with that being maintained in his office. RPAO will maintain the following registers for payment and accounts:

1. Job-wise/Expenditure Control Register;
2. Payment Register – Form CAM 9;
3. Compilation Register – Form CAM 33; and
4. E-payment/Cheque Delivered Register.

RPAO (NH) will also maintain all other registers as being maintained now in the reimbursement procedure, namely:

- A. Sanctions of Contracts; and
- B. Register of Order of Special Recoveries.

Income Tax including Surcharge, if any, deducted at source will be booked to the final head of account by RPAO in his books. Separate advice stating amount, category of payment and UTR will be prepared by RPAO for Sales Tax, (Surcharge, if any), Royalty or any other tax/duty/levy due to State Government and it will be sent through Supervising Engineer of State PWD through R.O. These e-advice will be issued on daily basis by Pay and Accounts Officer along with a schedule showing details of amounts deducted from the bills.

IV Accounting of Agency Charges

(a). The payment for agency charges for executing the work of National Highways will be sent by RPAO directly to the State AG for credit to the accounts of the State Government on daily basis along with schedule showing the details of the bills. The Supervising Engineer will also send a monthly statement of Bills and Payments received from RPAO (NH) to the State AG so as to enable him to calculate the amount of the agency charges due to the State, and endorse a copy of the statement to the concerned PAO. The Supervising Engineer will be required to reconcile the details of expenditure being booked in his office with that in the RO on month-to-month basis. This reconciliation work should not be postponed. If there is any discrepancy between the two sets of figures, Division will depute an official to reconcile the same with the RPAO (NH).

(b). The Supervising Engineer will ensure that all claims are duly supported by proper sanction of Ministry of Road Transport & Highways, and that there exists an approved and sanctioned estimate of the project for which bills are being submitted to RPAO (NH) for payment. He/she will also ensure that budget allocation for the financial year is available and the charge is rightly debited to the National Highways. He will exercise all checks as prescribed in this system and as required of him under CPWD Manual II, CPWD Account Code, other Departmental Regulations, Delegation of financial power, etc. He will also append all Certificates with the bill as prescribed in this system. He will be responsible for factually correct and timely submission of bills to RPAO (NH) through the Regional Officer. He will be accountable to the Drawing & Disbursing Officer for all payments and receipts.

8.18 TRANSACTIONS RELATING TO PAYMENT OF LOANS/GRANTS BY CENTRAL GOVERNMENT TO UNION TERRITORY GOVERNMENTS (WITH LEGISLATURE)

8.18.1 Ministries/Departments of Central Government will arrange payment of loans and grants-in-aid through their Principal Accounts Offices by issue of Inter-Governmental Advice to RBI,CAS,Nagpur similar the procedure laid down for State Governments in para 8.15. The Ministries/Departments of the Government of India will address the sanctions relating to payment of grants/loans to the UT Governments with Legislature, to their Principal Accounts Office. They will also endorse its copy to the concerned Finance Secretary and Pay and Accounts Officer/Director of Accounts of the UT Government. The Principal Accounts Office of the Ministry/Department will make the payment to the UT Governments on the basis of the sanction through IGA to RBI,CAS,Nagpur. The Principal Accounts Office should furnish full particulars relating to the payment and endorse a copy of the forwarding letter to the Finance Secretary of the concerned UT Government. The Principal Accounts Office will account for the payments under the concerned grants-in-aid/loan head of account. On receipt of the payment, the Pay and Accounts Officer of the UT Government will take immediate action to account for the receipt under the concerned head in their books.

8.18.2 The Pay and Accounts Officers of the UT Governments will be responsible for initiating action for repayment of loans and advances and payment of interest. These payments will be made to the Principal Accounts Office of the Ministry/Department that sanctioned the loan.

8.18.3 The Principal Accounts Offices of the Ministry/Department are responsible for maintaining detailed accounts of the loans sanctioned by the Central Government to UT Governments, and watching the recovery of instalments of principal and interest.

8.18.4 Procedure stated in paras 8.16.3 to 8.16.5 above will also be applicable to the Union Territory Governments and Union Territory Administrations, whose accounts have not been separated except that Minor Head "TDS Suspense" below the Major Head "8658-Suspense Accounts" shall be operated in the Central Section of the books of the AG.

8.18.5 Even though the Government of NCT of Delhi(GNCTD) has separate Consolidated Fund of their own, it does not have separate balances with the RBI. As there is no Public Account separately for NCT of Delhi, transactions related to their Public Account (Deposits, Advances, Remittances and Suspense) are merged in the Public Account of the Union Government. The closing balance of the GNCTD is merged with and forms part of the general cash balance of the Union Government and is treated as lying in deposit with the Government.

8.19 PROCEDURE FOR DRAWING BY UT ADMINISTRATIONS AGAINST DG OF CENTRAL MINISTRIES/DEPARTMENTS (OTHER THAN THE AREA DEMAND) FOR WHICH PROVISION DOES NOT EXIST IN THE UT BUDGET AND CASH SETTLEMENT FOR IT.

8.19.1 Government of India does not give Loans or grants to the UT Administration under the head 3602. For them, budget provision is made by the Ministries/Departments under the relevant functional Major Heads in the Revenue and Capital Sections of the DG. The relevant Departmental officers have been authorized by issue of LOA by the Central Ministries/Departments through PFMS to incur expenditure against these heads in the DG. In such cases, each withdrawal by the departmental officer of the UT Administration shall be on the basis of the administrative approval and expenditure sanction accorded by the main Ministry/ Department concerned.

8.20 PROCEDURE FOR ADJUSTMENT OF ITEMS OF CENTRAL CIVIL RECEIPTS/EXPENDITURE ARISING IN THE BOOKS OF POSTS, TELECOMMUNICATIONS, RAILWAYS AND DEFENCE.

8.20.1 In respect of transactions for which the relevant Civil Ministry/Department do not have to maintain detailed individual wise accounts of the receipts and payments, they will be finally accounted for under the concerned Major etc. (Civil) heads of account in the books of Posts, Telecommunications, Railways and Defence Departments. Such transactions may arise in connection with any scheme/subject etc. applicable to all the employees of the Government of India, including civilians paid out of Defence Estimates, Posts or Telecommunications. The following heads are a few examples of this type of transaction-'0020-Corporation Tax'; '0021-Taxes on Income other than Corporation Tax'; '2047-Other Fiscal Services'; '2049-Interest Payments' and '7610-Loans to Government Servants', etc.

Note- However, even though individual account is maintained in the cases of licence fee for Government quarters that are a part of the General Pool accommodation managed by the Director of Estates, no monetary settlement is to be effected. Such recoveries are required to be booked directly against the final head in the books of Posts/Telecommunications/Railways Departments.

[Authority: Principal Accounts Office, Min. of Urban Development, New Delhi's OM No. G-25011/1/91-92/ Principal Accounts Office/ T&C/293 -98 dated 9th April, 92.]

8.20.2 The receipts and payments relating to civil estimates under the Major Heads '0059-Public Works', '0075-Misc.General Services', '0210-Medical and Public Health'; '0216-Housing', '2052-Sectt. General Services', '2059-Public Works', '2216-Housing', '4059-Capital Outlay on Public Works' and '4216-Capital Outlay on Housing' shall be adjusted to the final head in the books of

the Defence Department, without any monetary settlement with the concerned Civil accounting authority. The authority consolidating the accounts of these departments shall render a monthly statement of receipts and payments including progressive figures for the financial year to the Accounting Authority of the concerned Ministry. The same shall be sent to the Pr.Accounts Office of the Ministry/Department concerned along with the details of scheme/subject. While submitting the monthly accounts, the figures under the relevant minor/ sub-head will also be furnished to the CGA organization. Following are a few examples- the statements in respect of Corporation Tax and Income Tax recoveries are to be rendered to the Pr.CCA, CBDT, and receipts/payments under Government Employees' Insurance Scheme under Major Heads 0235 and 2235 or Loans to Government servants under Major Head 7610 will be rendered to CCA Ministry of Finance. The budget forecast for the receipt and expenditure based on actual figures will be furnished by Postal Board, Telecom Board and FA Defence, to the respective Civil Ministry/Department in connection with the preparation of Budget Estimates and Revised Estimates as well as for the administration/control of the relevant composite DG. The accounting authority in the Central Civil Ministry/Department is required to watch the receipt of such monthly/annual statements. He shall consider these reported figures for calculating the expenditure figures, and preparation and finalization of Appropriation Accounts for the relevant DG under his accounting control.

APPENDIX 8.1
(Refer para 8.15.1)

DETAILED INSTRUCTIONS IN REGARD TO THE PROCEDURAL ASPECTS OF ACTION IN THE MINISTRY/DEPARTMENT AND THEIR PRINCIPAL ACCOUNTS OFFICES AND AG OFFICES

A.- Payment of loans/grants to State Governments by the Central Government

(i) The Ministries/Departments of the Government of India should endorse copies of the sanctions for payment of loans and grants to the state Governments, to the Principal Accounts Office of the Ministry/Department. Finance Department of the State and the AG of the State Government concerned.

(ii) On receipt of the sanction, the Principal Accounts Office of the Ministry/Department concerned would directly advise the Central Accounts Section of the RBI, Nagpur immediately (in any case within two days at the most) for crediting the balance of the State Government by debit to the balance of the Central Government. Simultaneously the Principal Accounts Office will pass an entry in his books debiting the appropriate final head of Account e.g. Major Heads '3601', '7601' etc. and crediting "8658-Suspense Accounts-Central Accounts Office R.B. Suspense". Such advices may be sent by Fax followed by post copies through Speed Post on the same or next day of advice.

(iii) A copy of the advice at (ii) above along with a copy of the sanction should be sent by the Principal Accounts Office of the Ministry/Department to the Deputy AG by name and the Finance Departments of the State Government concerned. Full particulars, i.e. the no. and date of the sanction, the scheme for which loan/grant etc. has been sanctioned, amount etc. should be indicated clearly in the advice.

(iv) On receipt of the advice from the Principal Accounts Office of the Ministry/Department in Central Accounts Section, Nagpur, the RBI will credit the balance of the concerned State Government and pass on the debit through the RBI Central Account to the office of the RBI maintaining the accounts of the Ministry/Department, giving reference to the no. and date of the advice. Copies of the clearance memorandum after making the adjustments should be sent by the CAS, RBI, Nagpur to the concerned State AG and to the Principal Accounts Office of the Ministry/Department concerned, giving particulars of the advice on the basis of which the adjustments have been carried out.

(v) On receipt of the clearance memorandum from the CAS,RBI, Nagpur the Suspense Head mentioned at (ii) above will be cleared by the Principal Accounts Office of the Ministry/Department by **minus credit** by per contra credit to the head '8675 Deposits with Reserve Bank-Central-Civil-Reserve Bank-Central Accounts Office'.

(vi) The office of the RBI maintaining the accounts of the Ministry/Department, will include the debit advised by the Central Accounts Section of the RBI, Nagpur as a distinct item in the monthly statement sent to the Principal Accounts Office. The Principal Accounts Office should ensure that the amount debited in the monthly account sent by the RBI tallies with the amount of the advice sent by them to the CAS,RBI at Nagpur. CCA/CA should also review the Register of Advices maintained by Principal Accounts Office on 10th of each month.

(Authority: -Ministry of Finance (Deptt. of Exp.) O.M. NO. F2(45)/76-SC dated 22-2-1977 on file No. T-14013/1/78/MFCGA/Codes).

Note: - "The procedure for release of ways and means advance by the Plan Finance Division of the Ministry of finance to the State Governments has been discontinued and from the financial year 1977-78 onwards the Ministries themselves will release funds to the State Governments directly for the centrally sponsored schemes and others administered by them and maintain all the necessary accounts. As the Ministries, themselves will be directly releasing the funds to the State Governments, their Principal Accounts Office would arrange to make the payment of loans and grants on this account also in accordance with the procedure prescribed in the Ministry of Finance, Deptt. of expenditure Special cell O.M. No. F.2(45)/76-Special Cell dated 22-2-77 reproduced as Para A above).

(Authority: - MOF (DE) O.M. No. 10 (1)-PFI/76 dated 22.1.1977 and G-26035/1/77-MF-CGA dated 17.5.1977 on file No. T-14013/6/78/MF-CGA/Codes).

B.- Repayment of Loans and payment of interest thereon by State Governments in respect of Loans from Central Government

(i) The AG of the concerned State Governments will as before arrange for such payments on the due dates by issuing advice to the Central Accounts Section of the RBI at Nagpur for crediting the balance of the Central Government by debit to the balance of the State Governments concerned.

(ii) The advices sent by the State AG to the RBI should clearly indicate the name of the Ministry and Department and the Principal Accounts Office, in whose books the amounts are creditable. Copies of the advices sent by the AG to the Central Accounts Section of the RBI should invariably be endorsed to the Principal Accounts Office of the Central Ministry/Department in whose accounts the amounts are adjustable, as indicated in the form given below together with a statement, giving the following information.

i. No. and date of the sanction for the original Loan

ii. Amount of the Loan.

iii. Rate of interest applicable.

iv. Repayment of Principal.

a. Date on which due;

b. Amount of repayment;

c. Reasons for delay, if any.

v. Payment of interest.

(a) Date on which due;

(b) Amount paid and rate at which calculated;

(c) Reasons for delay, if any.

(iii) On receipt of the advice from the AG, the CAS of the RBI will debit the balance of the concerned State Government and pass on the credit to Central Government through the RBI Central Account to the Office of the RBI maintaining the account of the Ministry/Department concerned, supported by full particulars relating to the advice. A copy of the clearance memo after making the adjustment should also be sent to the Principal Accounts Office of the Ministry/Department concerned supported by full particulars relating to the advice.

(iv) On receipt of the copy of the advice from the AG referred to in para (ii) above, the Principal Accounts Office will take credit under the appropriate loan/interest head by contra debit to Reserve Bank Suspense. On receipt of the clearance memo from the RBI the Principal Accounts Office should link it with the copy of the advice received from the AG and clear the suspense head by per contra debit to the head '8675-Deposits with Reserve Bank-Central-Civil-(CAS)'."

(v) The office of the RBI maintaining the accounts of the Ministries/Departments will include the credit passed on by the Central Accounts Section in the periodical statements of accounts rendered to the Principal Accounts Office. It should be ensured by the Principal Accounts Office that the relevant credits appear in these statements as early as possible after receipt of clearance memo from the Central Accounts Section.

(vi) Though the State AG will be initiating action as above for repayment of loans and advances and payment of interest, the Principal Accounts Office of respective lending Ministries/Departments, will be responsible for maintaining necessary loan ledgers and ensuring that the central loans and advances to the states are repaid in the manner prescribed on due dates and payment of instalments of interest are also made correctly and on due dates. The detailed accounts of the loans will be kept by the Principal Accounts Offices as required in para 8.15.5 of this chapter. Cases of default or delay in repayment of loans or payment of interest should be promptly taken up with the Governments concerned. The position should also be reported to the CGA, Ministry of Finance in such form and at such intervals as may be prescribed by him.

[Authority: - MOF (Department of Expenditure) O.M. No. F. 2(45)/76-Special Cell dated 11-1-1979 on File No. T-14013/1/78-MF-CGA/Codes]

TABLE

(See Part 'B' above)

Nature of loan	Central Ministry/Department in whose accounts Repayments of Principal and interest are to be adjusted.
A. In respect of loans as were outstanding at the end of 1978-79	
(a) Consolidated Rehabilitation Scholarship loans	(i) Department of Rehabilitation in respect of loans for relief and rehabilitation of displaced persons, repatriates etc. (ii) Ministry of Education and Social Welfare in respect of loans under National Loan Scholarship Scheme. (iii) Department of Revenue and Banking (Revenue Wing) in respect of loans for relief of displaced gold smiths.
(b) Other Consolidated loans	Ministry of Finance, Department of Economic Affairs.
(c) Loans against net collection of Small Savings collections	Ministry of Finance, Department of Economic Affairs.
(d) Other Loans (i) Bhakra Nangal Project (ii) Hira Kund Stage-I (Orissa)	Ministry of Energy (Department of Power)
B. In respect of loans sanctioned in 1979-80 or thereafter	
(e) Various categories of loans and Ways and Means Advance	Ministry/Department which sanctioned the loans and advances

CHAPTER 9

RECOVERIES, PAYMENTS AND ACCOUNTING FUNCTIONS ARISING IN RESPECT OF CENTRAL GOVERNMENT EMPLOYEES SENT ON FOREIGN SERVICE/DEPUTATION

9.1 INTRODUCTORY

9.1.1 Foreign service means a service in which a government servant receives his pay with the sanction of Government, from any source other than the CFI or Consolidated Fund of a State or Consolidated Fund of a Union Territory. [F.R.9(7)]

9.1.2 Foreign Service is mainly distinguished between 'Foreign Service in India' and 'Foreign Service out of India' depending on whether the employer is in or out of India. The country of employment however does not alter the character of foreign service.

9.1.3 Deputation of Government servants on foreign service terms and conditions to Public Sector Undertakings/ autonomous bodies based on circulars, requests or public advertisements etc. is ordinarily not permissible. However, provisions for certain exceptions exist on the needs of the borrowing organizations concerned. As such, cases of deputation on foreign service to Public Sector Undertakings / autonomous bodies must be ensured to be in accordance with the Government orders on the subject, issued from time to time.

9.2 PENSION/LEAVE SALARY CONTRIBUTIONS

9.2.1 While a government servant is in foreign service the contribution towards his cost of pension must be paid to the General Revenues of the Government on his behalf. If the foreign service is in India the contributions on account of the cost of leave salary must also be paid. Pension and Leave Salary contributions are payable in whole rupees and fractions of a rupee equal to 50 paise or more shall be rounded off to the next rupee. The Government servant shall himself shall pay the contributions as above, unless his foreign employer gives consent to pay them. They shall not be payable during leave while on foreign service. [FR.115(c)]. The contributions for leave salary and pension in respect of a government servant on foreign service may be paid annually within fifteen days from the end of each financial year or at the end of the foreign service, if the deputation on foreign service expires before the end of financial year. If the payment is not made within this period, interest on the unpaid contribution must be paid to government, unless specifically remitted by the President. The interest will be paid at the rate of two paise per day per ₹100/- from the date of expiry of the above period up to the date on which the contribution is finally paid. The government servant or the foreign employer will pay for the interest in the same way as they make payment for the contributions.

Note: In accordance with Rule 29 of CCS(Pension) Rules, 2021, a Government servant who is deputed on foreign service to the United Nations' Secretariat or other United Nations' Bodies or the International Monetary Fund or the International Bank of Reconstruction and Development, or the Asian Development Bank or the Commonwealth Secretariat or any other International organisation may opt,-

- (a) to pay the pension contribution in respect of his foreign service and count such service as qualifying for pension under these rules; or
- (b) not to pay the pension contribution in respect of his foreign service and not count such service as qualifying for pension under these rules:

provided that where a Government servant opts for clause (b), pension contribution, if any, paid by the Government Servant, shall be refunded to him.

9.2.2 Pension contributions should be based on the basic pay in the level (in Pay Matrix) of the post held by him/her at the time of proceeding on foreign service and the Proforma promotion/financial upgradation that he may get while on foreign service plus DA admissible on such basic pay during foreign service.

9.2.3 The rates of monthly contribution of pension during the active period of Foreign Service are as follows:

- (i) Employees covered under the Old Defined Benefit Pension Scheme
 - a) For the period from 1.1.2016 to 31.3.2019: @14%
 - b) For the period from 1.4.2019 onwards: @18%

- (ii) Employees covered under the NPS
 - a) For the period from 1.1.2016 to 31.3.2019: @ 24% (i.e. employee's contribution @ 10%, employer's contribution @ 10% and contribution by employer for gratuity @ 4%).
 - b) For the period from 1.4,2019 onwards: @ 28% (i.e. employee's contribution @ 10%, employer's contribution @ 14%, and contribution by employer for gratuity @ 4%.)

Note: For the earlier period, the pension contributions will be as per extant orders i.e. the order in force during period prior to 01.01.2016 from time to time.

Authority: - DoPT OM No. 2/9/2017- Estt. (Pay-II) dated 9th Oct., 2020.

9.3 MAINTENANCE OF LEAVE ACCOUNT, GRANT OF LEAVE AND LEAVE SALARY PAYMENTS ETC. WHILE ON FOREIGN SERVICE

9.3.1 The proforma leave account of the concerned Government servant has to be maintained by the foreign employer. For this purpose, the head of office of the parent department shall supply an extract of the leave account to him. The foreign employer will determine the leave admissible to the Government servant and sanction it under intimation to the head of office and the Pay and Accounts Officer, apart from arranging payment for the leave salary to the official. The foreign employer shall claim reimbursement of the leave salary so paid at half-yearly intervals by sending necessary claims to the head of office, indicating details of the official on foreign service, nature and period of the leave sanctioned, rate of leave salary and amount of leave salary paid. This statement shall be sent for the period ending 30th September and 31st March of each year. The Head of Office shall verify the claims preferred by the foreign employer and arrange to reimburse the amount by means of a cheque or bank draft within a month of receipt of the claim, by submitting a bill to the Pay and Accounts Officer concerned.

9.3.2 The monthly rate of leave salary contribution in respect of all class of Government servants is governed by the Central Civil Service (Leave) Rules, and is applicable at 11% of pay drawn in foreign service.

Note: If the foreign employer pays these contributions, the leave salary contribution shall be at 11% percent of the pay actually drawn in foreign service. If the government servant himself pays the contributions, the leave salary contribution will be calculated on the net pay drawn during foreign service. The 'Net pay' in this case implies the balance pay after meeting the pension and leave salary contributions. In such cases, an element of compensation is taken into account for both the contributions before calculating the percentage for leave salary contribution, and is not applicable directly on the actual pay drawn during Foreign Service.

The following formulae will be applied in each of the three possible situations:

(A) Where the pension contribution alone is paid by the government servant:

Leave Salary Contribution = (Pay actually drawn – Pension contribution payable) X Rate of leave salary contribution payable/100;

(B) Where the leave salary contribution alone is payable by the government servant:

Leave Salary Contribution = Pay actually drawn X Rate of leave salary contribution payable / (100 + Rate of leave salary contribution payable);

(C) Where both pension and leave salary contributions are payable by the government servant:

Leave Salary Contribution = (Pay actually drawn - Pension contribution payable) X Rate of leave salary contribution payable / (100 + Rate of leave salary contribution payable).

9.3.3 Incidence of compensatory allowance payable for leave taken while on foreign service: The entire expenditure for any compensatory allowance(s) for the period of leave taken by a government servant during or at the end of foreign service shall be borne by the Foreign Employer. The conditions of compensatory allowance shall be specifically incorporated in the terms of foreign service mutually settled by the government department and the autonomous body etc. However, dearness allowance on leave salary payable to a government servant who retires or dies in harness during foreign service shall be paid to him or his legal heirs by the parent department. It will be part of cash equivalent of leave salary of un-utilized leave admissible to him/her at the time of his/her retirement/demise.

[Authority (i) Ministry of Finance (Deptt. of Expenditure) O.M.No.F8 (4)-E.III/79 Dated 25.1.1980 & of even No. /82 Dated 10.1.1983.

(ii) Ministry of Finance (Deptt. of Expr.) O.M. No. 21011/21/81- E.II (B) Dated 10.8.1981.]

9.4 PAO SPECIFIED FOR THE PURPOSE

9.4.1 There will be a "specified" PAO with assigned responsibilities relating to various payments and/or accounting functions relating to Central Government employees, during foreign service or deputation to State Governments, Defence, Railways, Department of Posts, Department of Telecommunications, and UT Governments/ Administrations. The specified PAOs have been indicated in the following sub-paras.

(I) The PAO of the concerned parent Ministry/Department in respect of employees belonging to any particular Ministry/Department, but not borne on a Centrally administered cadre. The corresponding DDO will be assigned the matters relating to DDO's responsibilities.

Note 1: An employee may proceed directly on foreign service or another deputation while already on deputation to another Central (Civil) Ministry/Department, without actually reverting to the parent Ministry/Department. In such cases, he shall be deemed to have notionally reverted to the parent Ministry/Department before proceeding on the foreign Service/deputation, for the purposes of these provisions.

(II) PAO of the Ministry/Department in which the Officer served before proceeding on foreign service deputation, for an officer belonging to a Centrally administered cadre, such as Indian Civil Accounts Service and Indian Economic Service etc. The corresponding DDO may be assigned the matters relating to DDOs responsibilities).

(III) The specified PAO will perform the functions indicated below :

a. Watching recovery of foreign service contributions from the foreign body and their credit to Government account;

- b. Arranging payments arising in terms of provisions under para Nos. 9.3., 9.5 and 9.7 etc. of this Chapter;
- c. Watching receipt of contributions under the Central Government Employees' Insurance Schemes of 1977 or 1980, as the case may be, payments arising under them and reporting statistics pertaining to it;
- d. All other residuary payment and accounting work, such as payment and recovery of instalments and interest of long-term advances, and cash payment for un-utilized earned leave that are to be handled by Central Government Accounts authorities; and
- e. Maintaining GP Fund accounts, in accordance with para 6.1.1 of this Manual.

(IV) Recoveries towards subscription to General Provident Fund for AIS Officers borne on the UT Cadre, effected during foreign service or deputation with the Government of India, will be passed on to PAO NO.VI, Tis Hazari, under Controller of Accounts, Delhi Administration, who maintains their GP Fund accounts. This will also be applicable while AIS officers are on deputation with Railways, Defence, Department of Posts, and Department of Telecommunications. This PAO will also act *** as the 'specified' PAO in respect of functions mentioned at (a) & (c) above, arising in connection with UT Cadre AIS Officers. However, the recoveries under the AIS (Group Insurance) Rules, 1981, effected during deputation will be finally accounted for and adjusted, in the books of the Pay and Accounts Officer of the Central Government Department concerned.

***D.O. No.S. 11034/1/79/TA/536 dated 5-2-1980 to C.A. Delhi Administration.

9.4.2 Copies of the orders transferring the Government servant to other Governments on deputation or foreign service or reversion from there, shall be endorsed to the concerned Pay and Accounts Officer by the Ministry/Department.

9.4.3 PROCEDURE FOLLOWED IN THE PAO: On receipt of orders regarding deputation of Government servants to foreign service, the PAO will take the following steps:

- (i) Check that the competent authority has accorded sanction, and that the terms of foreign service are in conformity with the provisions of APPENDIX 2 to FR Part I.
- (ii) Call for the following particulars in Form CAM- 57 relating to the Government servant concerned-
 - a. Date on which he made over charge of his duties under Government;
 - b. Date on which he assumed charge of his duties in the foreign service;
 - c. The post and the time scale of pay of the post held by him at the time of proceeding on foreign service, or to which he received proforma promotion while on foreign service;
 - d. Head of account to which his pay was debited prior to his transfer; and
 - e. Date of commencement of service qualifying for pension.
- (iii) He shall also maintain a Register of Foreign Service Contributions wherein-
 - a. Every entry in the Register shall be attested by the Pay and Accounts Officer; and
 - b. The register should be reviewed by the Pay and Accounts Officer once every year in the last week of April, to ensure that Foreign Service contributions are received in respect of Government servants, duly noted in the register, and that the foreign employer/Government servant was reminded to send the contributions and penal interest levied as per rules, in cases of default.

9.5 MAINTENANCE OF REGISTER OF RECOVERIES OF FOREIGN SERVICE CONTRIBUTIONS

9.5.1 Each PAO will maintain a Register in Form CAM-58 for watching recoveries of leave salary and pension contributions. The ancillary data in respect of Government servants on foreign service shall be entered in it. This will include the date of relieving from the Government Department, date of assumption of office in foreign service, and other particulars for effecting recovery of foreign service contributions. All orders received in respect of the Government servant relating to the period of service with foreign employer, including the details regarding the sanction and type of leave as well as date of his return from foreign service, shall also be entered in this register.

9.5.2 (i). The PAO will work out the monthly contributions payable by the foreign employer or the official concerned. He will intimate the amount worked out to the foreign employer or the Government servant concerned as the case may be, for payment under intimation to the Head of office of the Government servant. The amount thus calculated along with particulars of foreign service shall also be noted in the Register, under attestation of Pay and Accounts Officer.

(ii) The rate of pension contribution is dependent on basic pay in the level of the post at the time of proceeding on foreign service, while the rate of leave salary contribution depends upon the pay drawn by the Government servant while on foreign service. Therefore, a suitable note regarding the date of increment and the length of service of the officer shall be noted prominently in the register. When the officer reverts from foreign service, his account must be verified to ensure that contribution at the prescribed rates along with interest up to the date of reversal wherever applicable, have been recovered in full. In case of any dues or pending balances, it will be claimed immediately from the concerned foreign employer.

(iii) If foreign service contributions are payable by the government servant himself, it will be necessary for the PAO to secure a letter addressed to the concerned foreign employer, authorizing him to pay monthly specific sums towards his foreign service contributions from his salary, to the Government of India. The foreign employer will thus be responsible for making such deductions and remits its part to the PAO of the parent department of the transferee, by demand draft/cheque or to the NPS Account of the employee as the case may be, in accordance with DoPT OM No.2/9/2017-Estt.(Pay-II) dated 9.10.2020 and 1.1.2024.

9.5.3 RECOVERIES OF FOREIGN SERVICE CONTRIBUTION UNDER MERGED DDO SCHEME:

(i) If Government servants are going on deputation/foreign service from Union Ministries/Departments under Merged DDO Scheme and the recoveries for GPF subscriptions, long-term advances, leave salary and pension contributions etc. are received by the PAO, the existing procedure of accounting of these valuables will continue. However, the PAO should duly intimate full details of the recoveries made and brought in to account by them to the DDO. The ultimate responsibility for watching the recoveries/contributions will be that of the concerned DDO. Recoveries that were in arrears as on 1.4.1986 will continue to be watched by the PAO until their final settlement.

(ii) For the Government servants on deputation, individual folios will continue to be maintained in the Pay Bill Register in the section 'deductions/recoveries'. Entries will be made against the relevant month but the column headings can be changed suitably, as necessary. Claims submitted by the DDO towards payment/reimbursement of leave salary of the government servants on foreign service will be noted by the Pay and Accounts Officer in the section 'Amount Due', in the pay bill registers. The DDO of the lending department will be responsible for intimating the amount of 'leave salary and pension contribution' payable by the borrowing organization, at the time of drawing up terms and conditions of foreign service. He will, in

addition, be responsible for recording the certificate of annual recovery of contribution in the service book.

[Government of India, Ministry of Finance OM No. F.1 (5)-E.III (B)/69 dt. 19-5-1969 and 2nd February, 1970].

9.5.4 ENTRIES IN SERVICE BOOKS TO BE MADE BY PAY AND ACCOUNTS OFFICER: On the transfer of a Government servant to foreign service, the Head of Office/Department must send his service book to the PAO. If it is not received in the PAO, he will initiate needful action for obtaining it. The details of transfer on foreign service will be noted in the service book over the Pay and Accounts Officer's signature, indicating the sanction orders for transfer, effect of transfer on admissible leave during foreign service and other particulars considered necessary. The service book will be returned to the Head of Office of the parent department or office from which it was received, after making these entries. On return of the Government servant from foreign service, the service book will be sent again to the Pay and Accounts Officer or it will be called for by him if not received, for making necessary entries. The entries on reversal will include necessary certificate regarding recovery of leave salary and pension contributions and it will be duly signed by the Pay and Accounts Officer. [Authority: Supplementary Rule 203]

9.6 HEADS OF ACCOUNTS FOR CREDIT OF LEAVE SALARY/PENSION CONTRIBUTIONS

9.6.1 (i) If the contributions towards leave salary and pension are recovered together, it shall be credited to Government account under the head "0071-Contributions and Recoveries towards Pension and other Retirement Benefits-101-Subscriptions and Contributions".

(ii) When leave and pension contributions are recovered separately, the pension contribution will be credited to the head "0071-Contributions and Recoveries towards Pension and Other Retirement Benefits -101-Subscriptions and Contributions. The leave salary contributions in such cases will be credited to the receipt head corresponding to the functional head of the establishment. Alternatively, if there is no corresponding receipt head, it will be credited to the minor head 'Other Receipts' under the residuary receipt major head in the respective sectors.

(iii) Leave salary contributions received in respect of AIS Officers shall be credited to the minor head "800-Other Receipts" below the sub-major head '60-Other Services' under the major head '0070-Other Administrative Services'.

9.6.2 Penal interest on arrears of contributions towards leave salary and pension of Government servants on foreign service shall be credited to the same head of account to which the contributions are credited.

9.7 PAYMENT OF PENSION OR CPF CONTRIBUTIONS, GPF AND/OR CGEGIS SUBSCRIPTIONS OR REPAYMENT OF LOANS AND ADVANCES DURING THE PERIOD OF FOREIGN SERVICE OUT OF INDIA.

9.7.1 The PAO will be responsible to regularly watch the receipt of dues from the Government servants proceeding on foreign service out of India. The dues will include the recoveries and contributions on account of Pension, CPF, GPF subscriptions and repayment of loans and advances, that the employees are required to remit during the period of their foreign service out of India. Such recoveries and contributions are regulated by the procedure laid down in the Ministry of Finance, DoE, O.M. No. F. 8(8)-E.III/81 dated 22nd September, 1981, as amended from time to time.

Authority: Ministry of Finance (Department of Expenditure) O.M. No F 8(8)-E. III/81 dated 22-9-1981 read with O.M. No. E.III/82 dated 11.5.82).

9.8 DISCHARGE OF LIABILITY TOWARDS EARNED LEAVE DUE TO A GOVERNMENT SERVANT DEPUTED TO A PUBLIC SECTOR UNDERTAKING ON FINAL ABSORPTION.

9.8.1. This is governed under the provisions of O.M., No. 28016/5/85-Estt(C) dated 31st January 1986 issued by Government of India, Deptt. of Personnel and Training, as amended from time to time. Under these provisions, the Government shall pay a lump-sum amount to the Government servant on the date of absorption to the PSU, which shall be equal to the leave salary due against the earned leave at credit. The half pay leave at his credit will however, stand forfeited. The concerned Department will discharge the pension liability in such cases, as per the instructions and procedure in the Ministry of Finance OM No. 26(18) -EV (B)/75 dated 8-4-76, and subsequent orders issued on the subject from time to time by the Dept. of Personnel & Training and Department of Pension & Pensioners Welfare.

9.8.2. The procedure to be followed in this regard is outlined below -

(i). With the departmentalization of accounts and issue of Ministry of Finance, DEA, Budget Division's O.M. dated 28.2.76, the Heads of Offices are to determine the entitlement of pay and allowances of all staff members, including the gazetted officers. The Pay and Accounts Officers will only maintain the records relating to watching of recoveries of leave salary and pension contribution from the autonomous body/organization.

(ii). When a Government servant deputed on foreign service to a Public Undertaking opts for permanent absorption therein, the Head of Office of the employee's parent department shall work out the leave at the credit of the Government servant, on the date on which he is permitted absorption in the Public Sector Undertaking. He shall also work out the amount of corresponding leave salary under relevant rules. Simultaneously, he should ascertain from the Pay and Accounts Officer whether up to date foreign service contributions have been recovered from the concerned Public Sector Undertaking. After receiving this information, the Head of Office will prepare a bill towards lump-sum leave salary, deducting the amount of foreign service contribution not realized if any, and present it to the concerned Pay and Accounts Officer for payment.

(iii). The cheque for the amount drawn in favour of the Government servant received by the DDO shall be sent to the concerned Undertaking under intimation to the employee. The Pay and Accounts Officer will keep a note of the payment in the service book of the employee as well as in the relevant register of foreign service contributions.

9.8.3 The expenditure on payment of the lump-sum leave salary will be debited to the head of account to which the leave salary of the Government servant would have been debited in the normal course.

9.9 DISPENSING WITH THE SYSTEM OF ADJUSTMENT ON ACCOUNT OF ALLOCATION OF LEAVE SALARY AND PENSIONS BETWEEN DEPARTMENTS OF CENTRAL GOVERNMENT/UT GOVERNMENTS AND ADMINISTRATIONS

9.9.1 The system of allocation of leave salary and pension contribution among the departments of Government of India, including Railways, Defence, Posts, Telecommunications and UT Government/ Administration has been dispensed with from 1st January, 1978, for all cases of leave salaries paid and pensions sanctioned on or after that date.

[Authority:(I) Ministry of Finance, Deptt. of Expdr.) Special Cell O.M. No. F.2 (117) /76-SC Dated 26.12.1977 & (II) CGA's O.M.No. S- 11031/1/78/TA/725 Dated 23.2.1979]

9.10 DEPUTATION OF CENTRAL GOVERNMENT OFFICIALS TO STATE GOVERNMENTS AND VICE-VERSA

9.10.1 The Government employees whether temporary or permanent, who are deputed from Central Government to State Government and vice-versa, the system of allocation of pension/leave salary etc. has been dispensed with. This has been done in terms of Govt. of India, Department of Personnel & Administrative Reforms letter No.3 (20)/Pen (a)/79 dated 31.3.1982, read with the provisions contained in APPENDIX V-B, II and III to the Government Accounting Rules, 1990. The liability for pension and gratuity at the time of retirement in such cases will be fully borne by the Central or State Government to which the government employee permanently belongs.

9.10.2 Similarly, full liability for leave salary will be borne by the Department from which the government servant proceeds on leave.

9.10.3 The liability for government contribution to CPF will be borne entirely by the parent department of the concerned Central or State Government, and no contribution will be recovered from the borrowing department.

9.10.4 In case of Government servants of State Government on deputation to the Centre, which mainly consists of AIS Officers, the Central Government will pay an ad-hoc grant in lieu of the recovery of pension contributions to the State Government.

9.10.5 In respect of AIS Officers borne on State Cadres but serving on deputation with a department of the Central Government, the recoveries on account of applicable G.P. Fund and Group Insurance Scheme shall be passed on by the PAO of Ministry/Department to the State AG concerned. This will be applicable even for AIS officers on deputation with Railways, Defence, Posts and Telecommunications Departments.

9.10.6 In respect of the State Governments that have taken over the work of maintenance of GPF accounts of its employees from the Indian Audit & Accounts Department, the procedure will be slightly modified. In these cases, the GPF recoveries for AIS officers borne on State cadres will be remitted directly to the authority nominated by State Government for maintenance of GPF accounts.

9.10.7 In the case of officers on deputation to the Central Civil Ministries/Departments from State Governments, UT Governments and Administrations, Posts, Telecommunications, Railways and Defence: In these cases, the PAO shall furnish the annual statement of subscription to GPF account, recovery of temporary advances from the GPF account, recoveries against house building advance and motor car advance sanctioned by the parent department, to each individual officer through the head of office, in form CAM-66. The annual statement will be prepared on the basis of entries in the Register of Outward claims maintained in form CAM-53. A copy of the statement shall be simultaneously sent to the Pay and Accounts Officer of the concerned official by the 31st of August each year. This statement can be used by the Pay and Accounts Officer of the parent department to adjust missing credits if any in the subscriber's account, without any need for correspondence with Principal Accounts Offices/Pay and Accounts Offices of the Central Government Ministries/Departments. The Pay and Accounts Officer of the State Government and the Pay and Accounts Officer of the parent department will follow similar procedure in the reverse situation where a State Government borrows the services of a Central Govt. employee, including that of UT Governments and Administrations, Posts, Telecommunications, Railways and Defence. Their roles will be suitably reversed as well.

CHAPTER 10

LOANS, ADVANCES, GRANTS-IN-AID, GUARANTEES AND INVESTMENTS

10.1 GENERAL

10.1.1 Sanctions for loans and grants-in-aid are issued by Ministries / Departments in accordance with the guidelines provided in Chapters 9 and 11 of the General Financial Rules (GFRs), 2017 while advances to Government servants are granted in accordance with the Compendium of Rules on Advances to Government Servants. Government also sanctions some loans and advances under special laws, for special reasons, or as a matter of recognized policy.

10.1.2 In case of Government loans, general guidelines and instructions on the interest rates to be charged and period of repayment to be fixed for loans of different categories, are contained in Ministry of Finance (Budget Division) O.M. No. 5(3)-B (PD)/2016 dated 6th January 2017 as amended from time to time (APPENDIX 10.1 to this Chapter). At present, any request for waiver of outstanding Govt of India loan or interest thereon is considered only in cases where the CPSU is being closed down/strategically sold (Budget Division OM No. F 5(3)-B(PD)/2017 dated 16th January, 2018). The Accounts Offices shall keep these provisions and the amended instructions in view while scrutinizing the sanctions for loans, if any. Due date of loan repayments and interest recovery should be adhered to in terms of the Ministry of Finance (Budget Division) OM dated 6th January, 2017.

(i) In case of Government loans, the detailed accounts are required to be maintained by PAO who shall see that the conditions of repayment are complied with by the organizations that have been given loans. The PAO shall also exercise a close watch on the repayment of instalments of principal and recovery of interest thereon.

(ii) In the case of loans to Public Sector Undertakings, statutory bodies, institutions etc. other than State / UT Governments, the Pay and Accounts Officer maintaining the detailed account shall issue notices one month in advance of the due date of repayment. This has been stipulated in clause (viii) to Rule 250 (1) of GFR, 2017.

(iii) Any default in the payment of principal or interest by the organizations/individuals who have received loans/advances should be reported immediately to the authority which had sanctioned it. If the sanction provides for penal interest on the overdue principal and interest amounts, it shall be the duty of the PAO to accordingly update the loan register and to watch its recovery. Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, would be responsible to monitor repayments to the Government of outstanding loans, due interest and guarantee fees. Accordingly, Pr.CCAs/CCAs/CAs (i/c) should closely monitor the default in repayment of principal and interest due by the borrowing organisations.

10.2 CLASSIFICATION

10.2.1 Loans to State governments are debited to the major head "7601- Loans and Advances to State Governments". Other loans are debited to the concerned functional major heads ranging between MH-"6202- Loans for Education, Sports, Art and Culture to MH-7605-Advances to Foreign Governments". The Miscellaneous loans are booked under MH-"7615-Miscellaneous Loans", as found suitable for the purpose. Advances to Government servants are debited to the major head "7610-Loans to Government servants etc".

10.3 PROCEDURE FOR PAYMENT OF LOANS SANCTIONED BY CENTRAL GOVERNMENT

10.3.1 The detailed procedure to be followed for the payment of loans to State Governments and Union Territory Governments and Administrations are dealt with in Paras 8.15 to 8.18 of Chapter 8.

10.3.2 Payment of loans and advances to parties other than State/U.T. Governments shall be made by the drawing officers of the Ministries/departments sanctioning payment of loans and advances. The drawing officer shall present a bill on a simple receipt in a form similar to form RPR-34, supported by a copy of the sanction for such payment to PAO concerned. After due verification, the Pay and Accounts Officer shall record a certificate on the bill indicating that the conditions specified in the sanction have been satisfied and/or that a formal undertaking/agreement wherever required, has been obtained from the loanee concerned.

10.4 PROCEDURE FOR REPAYMENT OF THE LOANS AND ADVANCES AND INTEREST THEREON

10.4.1 Paras 8.15.2, 8.15.7 and 8.18.2 of Chapter 8 deal with the procedure to be followed for repayment of loans and payment of interest by State Governments and U.T. Governments.

10.4.2 The procedure indicated below shall be followed by the borrowers for the repayment of principal as well as interest payment on the loans and advances referred to in para 10.3.2. Such borrowers include Public Sector Undertakings, Statutory bodies, Institutions, Societies, Private Sector concerns and other individuals etc.

(a) The payment of interest and principal on the loans shall be made on or before the due date to ensure that Government gets credit by the due date. The payment shall be made through www.bharatkosh.gov.in by duly following the procedure laid out in the bharatkosh portal. In case the payment is through cheque/draft, the same should be deposited sufficiently in advance with the bank to enable its clearance on or before the due date.

(b) The payment will be accompanied by a memorandum or challan in duplicate, giving the following details:

- i. Name of the loan sanctioning Ministry/Department or its successor as the case may be;
- ii. Number and date of sanction letter with the loan amount sanctioned;
- iii. Amount due for payment, separately for interest and principal and the head(s) of account to which the dues are to be credited in the Government account. Separate cheques/drafts and challans should be submitted for payment of principal and interest; and
- iv. Due date of payment.

(c) The accredited bank branch will initially acknowledge the receipt of cheque/draft tendered in payment of dues through a paper token. After the realisation of cheque or draft, duplicate copy of the challan will be given to the depositor.

(d) The accredited bank collecting the dues will arrange for its prompt credit to Central Government account and send details to the Pay and Accounts Officer of the Ministry/Department, in accordance with the general instructions for handling receipts and payments of the Ministry/Department.

10.4.3 The repayment of loan shall be watched in accordance with the terms of the sanction read with Rule 252 of GFRs 2017. Normally, the repayment of a loan shall begin on the day of completion of one year from the date it is drawn, and will be paid through specified number of

equal annual instalments of principal. While the Government may sanction/allow suitable moratorium period for repayment of principal, no such moratorium period shall be allowed for payment of interest.

10.4.4 Interest shall be recovered from the loanees at the rates prescribed by Government from time to time and calculated in accordance with the principle laid down in Rules 251 and 252 of GFRs 2017. Instructions issued by the Ministry of Finance (Budget Division) from time to time prescribing the rates of interest to be charged from statutory bodies, corporations etc. may also be referred to for this purpose, in case of any doubt.

10.4.5 If the due date (first anniversary date of loan drawn or expiry of the period of moratorium) for repayment of instalment of principal or interest on a loan falls on Sunday or any other holiday, no interest will be charged for such days, if the recovery is postponed on this account to the next working day. However, if the principal or interest is payable on the 31st March of a year, and if that day happens to be a holiday, the payment should be made on the immediate preceding working day.

10.5 LOAN REGISTERS AND BROADSHEETS

10.5.1 The sanction orders for payment of loans should be scrutinized and noted in a Loan Register in Form CAM 29, in the page assigned to it, under the attestation of the Pay and Accounts Officer. The details noted will comprise of the amount sanctioned, authority sanctioning the loan and the conditions of each loan. For each loan, separate page should be allotted in the Loan Register, and their repayment along with receipt of interest amount thereon should be noted/watched. Further, wherever a loan is not drawn in one lump sum, the drawing of further instalments should also be noted/watched therein. It should also be seen that all the sanctions contain specific provision for levy of penal interest in the event of default in repayment of principal and/or payment of interest on due dates, in accordance with Rule 258 (1) & (2) of GFRs 2017.

10.5.2 A major and minor head wise Broadsheet separately for debits and credits shall be maintained in Form CAM 59, to reconcile the payment and recovery of loans in each month against the figures in the monthly accounts .

10.6 UTILISATION CERTIFICATES

10.6.1 Normally, receipt of a utilisation certificate from the loan sanctioning authority shall be ensured in all cases of payment of loans. Utilization certificates however are not required to be submitted in cases where the loans are sanctioned for (a) financial aid to public undertakings etc. to tide over a temporary financial crisis (b) financing of their approved capital outlay and (c) loans given to State Governments and UT Governments. Utilization Certificate must be obtained in Form 12-B of GFR, 2017 and at such intervals as agreed between Accounts Offices and Ministry/Department.

10.6.2 For retrospective conversion of a loan given to a State/UT Government into grant-in-aid, provisions under Para 5.15.2 may be referred to.

10.7 LONG TERM ADVANCES TO GOVERNMENT SERVANTS

10.7.1 Long term interest-bearing advances for House Building and Computer advance that are recoverable in not less than 60 instalments, shall be paid to Government servants only after pre-check of the bills by the concerned PAO. The PAO shall keep a note of such payments and the repayments against it, in a Register in Form CAM 30 that has been prescribed for the purpose. The payments and recoveries noted in the register shall be reconciled on monthly basis with the

figures compiled in the monthly accounts, and rectified in case of any discrepancies. The provisions under para 2.16.17(iii) may be referred to for the purposes of calculation of interest.

10.7.2 If the Central Government employees are transferred or sent on deputation from one Ministry or Department to another under the Government of India, the balances outstanding against the Government servant at the time of such transfer shall be effected by monetary settlement through category 'C' cheques as envisaged in paras 19.4.1 and 19.4.2.

When such claim is received from the PAO of the employee from where he was transferred or came on deputation, the Pay and Accounts Officer of the employee where he has gone on transfer or deputation should issue a category 'C' cheque in favour of the former PAO. The payment of such amount by the PAO where the employee has been transferred/ deputed shall be classified and booked as minus credit (not debit) to Major/Minor Heads '7610-Loans to Govt. Servants-HBA/CA' affording contra credit to Major/Minor Head '8670-Cheques and Bills, PAO Cheques.

10.7.3 For All India Service Officers (AIS), the provisions of the All India Services (House Building Advances) Rules 1978, notified in D.P.A.R.'S No. 29012/1/75-AIS (II) dated 31-5-1978 are applicable. For the AIS Officers borne on State cadre but on deputation with the Central Government, Autonomous Bodies, Public Sector Undertakings etc. owned or controlled by the Central Government, the applications for house building advance shall be processed in accordance with the rates and conditions of HBA Rules of the Government of India. Such advance shall however be sanctioned only by the concerned State Government on whose cadre he is borne. The DDO of the parent Government that had issued the sanction will draw the advance and make payment to the concerned officer by bank draft, through the DDO of the officer in the Central Government. The PAO of the Central Government will pass on the recoveries from pay bills (credits) against such advances to the AG of the concerned State in the usual manner, on cash settlement basis.

Similar procedure shall be followed for the drawing and payment of other types of advances sanctioned by State Governments for their officers on deputation with the Central Government. For drawing of temporary advances and part final withdrawal from the G.PF, provisions under Note below Para 6.4.2 may be referred to.

10.8 SHORT-TERM ADVANCES TO GOVERNMENT SERVANTS

10.8.1 (i). Under the provisions of Rule 12 of Compendium of Rules on Advances to Government Servants, the Heads of Offices are responsible for the recovery of advances granted under these rules, along with the recoverable interest, if any, and to ensure that the condition attached to each advance are fulfilled.

(ii). The Head of Office shall also maintain detailed accounts of short-term advances granted to Government servants including advances that are recoverable in less than 60 instalments, and watch the recovery of advance viz. Pay/TA on Transfer, Tour Advance and Leave Travel Concession etc. Detailed procedure to be followed for the maintenance of records relating to short term advances by heads of offices and submission of periodical returns to PAOs have been spelt out in Compendium of Rules on Advances to Government Servants and Annexure "A" thereof.

10.8.2 The procedure followed by the PAOs will be as follows-

(i). The PAO shall watch for the receipt through the monthly schedules available with the pay bills from each of his DDO;

- (ii). He should check for the arithmetical accuracy, and tally the opening balance of the current month with the closing balance of the previous month in his ledger;
- (iii). He should check all accretions with the relevant vouchers for payment of advance, and recoveries effected through the establishment pay bills of the month;
- (iv). He shall make effective use of the Bill Passing cum Expenditure Control Register to conduct reconciliation of accounts figures with reference to departmental figures in the monthly abstracts; and
- (v). If any discrepancies are detected, it should be pointed out to the concerned DDO for rectification.

10.8.3 Payment of such advances are not required to be noted in the objection book or other records or registers maintained by the PAO, for watching recovery from the individuals, as provisioned vide Note below para 10.8.7.

10.8.4 During the internal inspections of the office of DDOs the vouchers through which advances were drawn should be checked, to ensure that payment entries are made properly in the Pay and Bill Register. It shall also be checked that the recoveries are being made regularly from the concerned Government servant and the entries in the monthly abstracts of recoveries, especially those relating to 'transfers in' and 'transfers out' cases are being made correctly.

10.8.5 Differences are likely between PAO's accounts figures under respective minor heads and the balances in the DDO's books, for persons with outstanding balances against them at the time of transfer from or to a DDO's office. Such differences should be reported through accounting entries under columns 3 & 5 of the monthly abstracts. In the overall accounting circle of a Principal Accounts Office, such differences would normally be small due to the compensating effect. This happens because the Group C staff entitled to short-term advances are mostly transferred within the same Ministry/Department, and their accounts are managed by the PAOs functioning within the same Principal Accounts Office. Instances of such transfers involving change in the Principal Accounts Offices are very rare and perhaps only in cases of transfer of CSSS and CSCS staff. For these reasons, inter-departmental adjustments shall not be used to pass on credits for such outstanding advances. They shall continue to be indicated by the DDOs in the Last Pay Certificate (LPC) of employees, for necessary recoveries by their counterparts within Civil Ministries/Departments.

10.8.6 As mentioned above, minor variations may arise on account of the transfers 'in' and 'out' cases between balances indicated by DDOs as recoverable in the monthly abstracts and the accounts figures of PAOs/Principal Accounts Offices. To bring them on par with the balances in the DDOs books, the concept of 'Raising Up' or 'Lowering Down' of the account balances held in the books of Pay and Accounts Offices and Principal Accounts Offices has been provisioned. For this purpose, after the close of the accounts every year and by the prescribed date, each PAO should send to his Principal Accounts Office, the following details-

- (a) A report indicating the figure as per account in his books on last day of the financial year under the two minor heads referred to above and the total balances held by all DDOs put together as on that date; (For example, the figures on the last day of the financial year 31.3.2023 to start with, under the two minor heads and the total closing balance indicated in the abstracts of February, 2023 plus payments minus repayments in cash during March, 2023.)
- (b) A certificate that the monthly abstracts for and up to February, 2023 have been checked through the process of verification of successive monthly abstracts for all the preceding months of the year, as prescribed in para 10.8.2 above; and
- (c) Recommendation in regard to the extent of 'proforma' correction needed.

Each Principal Accounts Office will similarly send the report and recommendation in respect of his entire accounting circle to the CGA, while submitting material for Statement No. 15 of the Finance Accounts.

10.8.7 After this, the office of CGA will compare the total of accounts figures held by all Principal Accounts Offices, separately for each advance head, with the total balances indicated by them as held by the DDOs under them. After satisfying that the totals agree, the CGA will accord sanction to each Principal Accounts Office for raising or lowering the figures, as the case may be, to come to the level of total figures of balances held by DDOs within the accounting circle, as 'Proforma' correction. The figures in the Finance Accounts for the Union Government appearing against these two minor heads will not be affected, and it will only enable the individual Pay and Accounts Offices/Principal Accounts Offices to update their accounts figures.

Note: - As the DDO/Head of office is responsible for watching prompt recovery or adjustment of all types of short-term advances, the Pay and Accounts Officer is not required to note details of payment of advances on tour, transfer etc. in the Objection Book.

10.9 GRANTS-IN-AID

10.9.1 Grant-in-aid can be given only to a person or a public body or an institution having distinct legal entity. One department of the Government cannot sanction grant-in-aid to another department. An organization set up by a Government resolution or by an executive order that does not have separate legal status of its own and functions only as an arm of the Government, cannot be given any grant.

10.9.2 Instructions on the conditions for sanctioning grant-in-aid to public bodies, institutions etc are contained in Chapter 9 of the General Financial Rules 2017. Those provisions should be kept in view, apart from the provisions in para 2.16.15 of this Manual, for scrutiny of such sanctions and guidance on maintaining the relevant register(s).

10.9.3 In terms of Rule 238 of GFR, 2017, a formal utilization certificate of the grants should be furnished by the administrative authority in the given format to the PAO. Normally, the certificate should be based on statements of accounts and the reports regarding performance or achievements of the grantee institutions vis-a-vis the objects and conditions of the grants. In case of the schemes covered under Direct Benefit Transfers (DBT), where the fund flow is directly from the Central Government to the beneficiaries, the intimation from the bank/National Payments Corporation of India (Aadhaar Payment Bridge) regarding deposit of the funds in the beneficiaries' bank accounts, generated as per procedure prescribed by the CGA, may be treated as a Utilization Certificate.

10.9.4 The following conditions apply for submission of utilisation certificates in respect of grants given by Central Government to State Governments:

- a. Utilisation certificates are not required where the expenditure is incurred out of the Central grants, by the State Governments directly.
- b. Where such expenditure is incurred by the State Governments through local bodies or private institutions, the State Government concerned should furnish the utilisation certificates as per Rule 232 of GFR-2017.

10.9.5 In respect of grants to non-government or quasi-government bodies or institutions, the assets acquired wholly or substantially out of Government grants should not be disposed-off or

used for purposes other than the objects of the grant, without prior sanction of the Government. The PAOs and the Internal Audit Units have, therefore, to watch compliance with such conditions.

10.9.6 The prescribed 'Register of Grants -in-aid' in Form CAM -28 may be used for entering payments relating to scholarships etc. but receipt of utilisation certificates is not required in this case.

10.9.7 Para 5.15.2(iv) may be referred to in connection with retrospective conversion of a grant-in-aid given to a State or UT Government into a loan.

10.9.8: In accordance with Rule 230(8) of GFR,2017 all interests or other earnings against Grants in aid or advances (other than reimbursement) released to any Grantee institution should be mandatorily remitted to the CFI, immediately after finalisation of the accounts. Such advances should not be allowed to be adjusted against future releases. The minor head "Interest or other earnings from Grantee on unspent balances" (code "801") may be opened wherever necessary under the functional major/sub-major heads in the Section Receipt Heads (Revenue Account) for classification of interest or other earnings received from Grantee or refund of unspent balances of Grants-in-Aid. The nature of the receipts i.e. Interest or other earnings may be classified at sub-head level. (Authority: Correction Slip No.931 of LMMHA).

10.10 GUARANTEES GIVEN BY CENTRAL GOVERNMENT

10.10.1 Guarantees create contingent liabilities and it is necessary to account for the same. Government generally gives guarantee against the loans taken by Central Public Sector Undertakings. Article 292 of the Constitution of India extends the executive power of the Union Government to give guarantees on the security of the CFI, within such limits, as may be fixed by Parliament. Beginning with the financial year 2004-05, the Fiscal Responsibility and Budget Management Act, 2003 (FRBM Act) and the Rules made there under prescribes a limit of 0.5% of GDP for guarantees to be given in any financial year. If this limit is exceeded owing to unforeseen circumstances, the Finance Minister is required to make a statement in both Houses of Parliament to explain the deviation. The statement should explain whether the deviation is substantial, if it relates to actual or any potential budgetary outcomes, and the remedial measures that the Government proposes to take in the matter.

10.10.2 Chapter 11 of General Financial Rules, 2017 prescribes the powers to give Government Guarantees and the limits thereon. Rule 276 of GFR, 2017 defines the objectives of Government Guarantees and purpose for extending the same. The sovereign guarantee is normally extended for achieving the following objectives:

- (i) To improve viability of projects or activities undertaken by central entities with significant social and economic benefits;
- (ii) To enable central public sector companies to raise resources at lower interest charges or on more favourable terms;
- (iii) To fulfil the requirement in cases where sovereign guarantee is a precondition for concessional loans from bilateral/ multilateral agencies to central public sector companies/ agencies.

Rule 277 of GFR,2017 details the Guidelines for grant of Government of India Guarantee. This includes the necessary safeguards that the FA may keep in view while processing the application. It prescribes that after examination in the concerned Ministry or Department, all proposals for extending guarantees shall be referred to Ministry of Finance (Budget Division) for approval.

10.10.3 Government Guarantee Policy,2022 issued by Ministry of Finance vide OM. No. 12(13)-B(SD)/2020-Part dated 17th May, 2022, stipulates the procedure to be followed while extending guarantees and other salient features of guarantees given by Government of India. In order to

ensure greater transparency in fiscal operations, Rule 6 of the FRBM Rules, 2004 requires government to publish a disclosure statement on guarantees, at the time of presenting the annual financial statement and the demands for grants. This statement covers, inter alia, details regarding the class and number of guarantees, amounts guaranteed, outstanding, invocations, guarantee fee payable and other material details. These statements are compiled by the Line Ministries/Departments and submitted to CGA Office, for onward submission to Ministry of Finance (Budget Division). Based upon the inputs, a statement of Guarantees given by the Central Government is presented as an annexure in the Receipt Budget.

10.10.4 As per GFR Rule 281 annual review of guarantees is to be ensured by all Ministries or Departments. The FAs of the Ministries or Departments should undertake these reviews. They shall also ensure that a register of guarantees in Form GFR 25 is maintained (i) to keep a record of guarantees(ii) to retain information required from time to time in respect of guarantees(iii) to keep record of the periodical reviews to see that these are carried out regularly(iv) to keep record of levy and recovery of guarantee fee(v) to send data as contained in Form GFR 25, duly updated every year to the Budget Division, Ministry of Finance, DEA by tenth of April. While furnishing the summary statements to Budget Division the Ministries or Departments should also certify that the information tallies with the material furnished to the CGA for the purpose of inclusion in the Finance Accounts (IGAS-1 Statement) of the relevant year.

10.10.5. Invocation of Guarantee: In the event of invocation of a guarantee, the obligation may be discharged with the approval of Budget Division, Ministry of Finance by sanctioning a loan equal to the amount of guarantee outstanding/invoked. However, any payment on this account will finally be charged to the Guarantee Redemption Fund maintained in the Public Account. (Rule 283(3),GFR,2017). The expenditure as well as the recoveries, if any, should be classified in the Government account under a distinct sub-head "Loans on invoking guarantees given by Government". This will be done under the relevant loan major head, exhibiting the name of the person/party against which loan is indicated at the detailed head level. If in due course, the whole or a part of the loan amount is finally held to be irrecoverable, the same should be adjusted in the manner indicated below:

- The amount of loan held to be irrecoverable shall be adjusted by debit to the Guarantee Redemption Fund, through the same accounting procedure as prescribed for accounting of expenditure financed from reserve Funds. This is as per para 3.4 of the General Directions in the List of Major and Minor Heads of Accounts.

10.10.6 Accounting for Guarantees: The Head of Accounting Organisation of Ministry/Department i.e. Pr.CCA/CCA/CA(i/c) as the case may be, shall be responsible to maintain guarantee register. To do this, they shall obtain necessary details from all Administrative Division of their Ministries/Departments dealing with sovereign guarantees on Government Account. The information relating to Statement Number – 4/ IGAS-1 of the Finance Accounts of the Union Government, for the guarantees outstanding at the end of a financial year shall be called by CGA from the Head of Accounting Organisation i.e. Pr.CCA/CCA/CA(i/c) as the case may be, of each Ministry/Department. The Pr.CCA/CCA/CA(i/c) shall be responsible to send the duly verified statement to the Finance Accounts Section of the office of CGA, latest by 31st May each year. Such returns sent by the Principal Accounts Office will also show the cases of guarantees if so, invoked during the year. Since the payments for invoked guarantees shall be treated as loans, the figures of paid amounts in the Statement should be based on the figures booked in the accounts.

10.10.7 Administrative Division of Ministries/Departments would be required to send the documents listed below to their Principal Accounts Offices on regular basis for reporting, monitoring and review of guarantees and maintenance of guarantee information in GFR 25 and IGAS-1. This will enable Principal Accounts Offices to furnish the requisite information to office of CGA for inclusion in Union Finance Accounts.

- (i) Copy of the guarantee agreement containing terms and conditions for checking correctness of calculations of the guarantee fee. Schedule of guarantee fee receivable and received
- (ii) Class, sector of guarantee
- (iii) Details of loan indicating purpose and amount etc.
- (iv) Repayment, schedule of loans
- (v) Rate of Guarantee fee per annum
- (vi) Copies of other related documents while updating GFR 25 (outstanding principal, interest etc. At the end of the period)
- (vii) Inputs/information as per the format of IGAS:1 Guarantees given by the Central Government.

To ensure accuracy, the Principal Accounts Office should also confirm the figures to be included in the IGAS-1 with concerned Administrative Divisions, before forwarding to office of CGA.

(MoF, Budget Division OM No 12(10)-B(SD)/2023 dated 25.09.2023)

10.10.8 As a measure to enhance fiscal management and make adequate provision for guarantees related contingent liabilities/invoked guarantees, a 'Guarantee Redemption Fund' has been created. In order to meet the contingent liability arising out of guarantees invoked, an amount as decided each year is provided under the head 'Transfer to Guarantee Redemption Fund' below the Major Head '2075-Misc. General Services' in the Demand for Grant of DEA. The amount provided as transfer to 'Guarantee Redemption Fund' will be accounted for under a distinct sub-head 'Transfer to Guarantee Redemption Fund' below the Minor heads '797-Transfer to Redemption Fund/Deposit Account' under the Major head '2075-Misc. General Services'. Contra credit shall be afforded to the Major Head-8235- General and other Reserve Fund -117- Guarantee Redemption Fund. When guarantees are invoked, the expenditure incurred will be accounted for at Sub-Head level of the loan head, as "Loans on invoking guarantees given by the Government' with the name of the loanee indicated as the detailed head. Recovery from the Fund will also be accounted under the loan head as Deduct entry below minor head '902- Deduct-amount met from Guarantee Redemption Fund'.

10.11 INVESTMENTS

10.11.1 Investments are made by Government mostly in Public Sector Undertakings or statutory corporations. In addition to the scrutiny of sanctions for payment on the lines of payment of loans and other bills, PAO shall also ascertain whether Government has actually received shares against the investment(s) made by it in the concerned company. A record of the investments made by Union Government in statutory corporations, public sector companies, other joint stock companies, cooperative banks and societies etc. shall be kept in a "Register of Investments" in Form CAM-60. This register shall be maintained by the Pr.Accounts Office or Pay and Accounts Office responsible for the release of funds for investments. The receipt of dividends shall also be watched through this register.

10.11.2 PAO shall obtain the following from the Ministry/Department concerned for maintaining the Register of Investments-

- (a) Whether the concerned company etc. has issued share scrip for the full value of investment to the Government, in the name of the President of India;
- (b) Name and designation of the officer responsible for the safe custody of share scrip;

- (c) Whether share scrip is in the custody of the officer or kept in the accredited public sector bank or it has been kept in stock with the RBI, (Public Debt Office);
- (d) Whether physical verification of the share scrip is done periodically;
- (e) Details of the dividend declared by the companies; and
- (f) Full particulars on the realization of dividend from the company and their credit to Government account, verifying their actual credit in Government account.

10.12 PERMANENT ADVANCES OR IMPREST

10.12.1 Permanent advance or imprest is normally granted to officers who have to meet day to day contingent and emergent expenditure, subject to the provisions under Rule 322 of GFR, 2017. Subject to observance of the following conditions, Departments of Central Government, Administrators and Heads of Departments are competent to decide in consultation with their Internal Financial Adviser the amount of Permanent Advance in respect of themselves and all organizations subordinate to them:-

- a. The quantum of such advance for any organization should not as a rule exceed the monthly average of contingent expenditure for the preceding twelve months. The application for the advance by an office/organization should be accompanied by a statement showing month-wise contingent expenditure for the preceding twelve months. In case of a new organization, the amount of advance should be fixed on a conservative basis subject to review after six months.
- b. The advance should be recouped at least twice a month so that the amount sanctioned does not exceed half the amount of the average monthly contingent expenditure calculated as in (a) above.
- c. As these advances involve the permanent retention of money outside the treasury, the amount of such an advance must not be larger than is absolutely necessary.
- d. These advances should not be multiplied unnecessarily.

NOTE. The amount of permanent advance should be adequate enough to meet the needs of every Branch of the Department, offices or organization so as to avoid the necessity of applying for separate advances for their subordinates.

- e. The advance is primarily intended for meeting emergent contingent expenditure. However, the holder of the advance may, at this discretion, utilize it to meet any other bona fide expenditure on Government account except for grant of advance of pay to Groups 'A' and 'B' officers.
- f. The accountability for the advance and its utilization on bona fide Government account in accordance with these rules and regulations shall rest wholly on the holder.
- g. Copies of sanctions along with monthly statements of expenditure showing the amount of contingent bills cashed with classified details of items of expenditure should be furnished to the sanctioning authority in the following month.
- h. In the event of transfer of charges and annually on the 15th April, each officer in whose favour the permanent advance is sanctioned shall send an acknowledgement of the amount due

from and accountable for by himself as on 31st March, preceding to the authority which sanctioned the permanent advance, viz., Departments of the Central Government, Administrators and Heads of Departments, as the case may be, and the said authority will maintain suitable record to watch receipt of such acknowledgements and endorse a copy of the same to his accredited PAO.

10.12.2 A note of each item of Permanent Advance or imprest given to various authorities shall be kept in the "Register of Permanent Advances" (Form CAM-61). If the amount of an advance is increased or reduced during the course of a year, the amount in the column for the current year should be altered in red ink as soon as payment of the increased advance is made or credit representing difference due to reduction is received from the officer concerned. The amount of the advance outstanding as on 31st of March each year should be entered in the money column for the subsequent year.

10.12.3 Sanctions for permanent advance are to be scrutinized to see-

- (i) That the officer sanctioning the advance is a recognized Head of Department;
- (ii) That the advance is intended for the subordinate and not for his own office; and
- (iii) That the advance has been sanctioned in accordance with the provisions of Rule 322 of GFR, 2017.

10.12.4 Acknowledgement from the officers holding permanent advance shall be obtained as on 31st March, in the month of April. Further, from the Register of Permanent Advances, the aggregate outstanding amount should be worked out and tallied with the ledger balance.

10.13 TREASURY SINGLE ACCOUNTS (TSA) SYSTEM:

10.13.1 The Treasury Single Account (TSA) system is intended to

- (i) facilitate release of government funds to Autonomous Bodies (ABs)/ Implementing Agencies including Statutory Bodies and Central Public Sector Enterprises (CPSEs) 'just in time' principle to enhance the efficiency of fund flows to them and thereby ensuring better Cash Management in Government of India;
- (ii) decrease the interest burden of the Government by decreasing the quantum of borrowings; and
- (iii) avoid parking of funds released by the Government to ABs/IAs in their bank account(s).

10.13.2 Opening Bank accounts in RBI: In order to bring ABs/Implementing agencies under TSA system, each AB/IAs need to open an Assignment Account at RBI, New Delhi for receiving Assignment from Ministry/Department and issuing sub-assignments to their sub-ABs/. Transfer of Assignments only up to 2nd tier Autonomous bodies i.e. upto sub-autonomous bodies just below main ABs are covered under the TSA system.

10.13.3 Financial Advisers with the assistance of Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be (who should act as nodal officers for PFMS), should ensure that guidelines/instructions issued on PFMS are followed/implemented and resolve issues relating to efficient running of PFMS. (Para 18.5 of Charter for FAs).

10.13.4 Issuing of sanctions by Programme Division and submission of Bill by DDO: Based on the Monthly Expenditure Plan (MEP), requirement of the ABs/IAs and expenditure trend of the Autonomous Bodies/IAs, the Programme Division of the Ministry will process the release and issue sanction for releasing the funds to AB concerned. The terms and conditions regarding TSA

shall be mentioned. The DDO will prepare a bill on the basis of the sanction and submit the same to PAO.

10.13.5 Issuance of Assignment Advice on PFMS: PAO of the concerned Ministry/Department will configure the ABs/IAs and Sub-ABs bank account in PFMS. In order to ensure that the funds are available with the Government till actual utilization, PAO, based on sanction order, will issue an 'Assignment Advice' to RBI through PFMS to honour payment instruments issued by the AB concerned up to the limit assigned in the advice. The 'Assignment Advice' will contain data relating to the PAO responsible for accounting of the funds assigned to AB/IA, Unique identifier for Sanction, heads of account and Bill prominently. A copy of the sanction order and Assignment Advice will seamlessly travel to the AB/IA concerned.

10.13.6 Crediting in Public Account by PAO and related accounting procedure: Simultaneously, to account for the issue of advice for assignment in favour of AB/IA in Government account, the amount under 'MH-8454- Funds under Treasury Single Account (TSA) System'-Sub-Major Head (Each Department will be a sub-major head) in the Public Account would be credited by contra debit to expenditure head under the concerned functional head. Minor Head under Major Head 8454 would be opened corresponding to the Section "Expenditure Heads (revenue account). PFMS and e-Kuber of RBI will capture the details as contained in the 'Assignment Advice' for reference, reporting and reconciliation purposes.

10.13.7 Payment Advice by AB/IA on PFMS: ABs/IAs would issue the 'Payment Advice' in PFMS against the receipt of 'Assignment Advice' from PAO. Only e-payments are to be made by the ABs/IAs. No cheques shall be allowed to be issued against the 'Assignment Account'. Authorized Signatory of the ABs/IAs after ensuring the genuineness of expenditure with reference to the relevant 'Assignment Advice' will digitally sign and issue the payment advice using PFMS. The payment advice will contain all the related details of the PAO and heads of accounts. Fund transfer to AB/IA's commercial bank accounts are allowed only for the specified purposes authorized from time to time. ABs/IAs would ensure not to make any expenditure on or after 1st April against the assignment of previous year.

10.13.8 Accounting of RBI Scrolls: RBI will honour the payment instruments issued by the ABs/IAs and on the basis of the information embedded in the payment advice, prepare payment scrolls PAO-wise for each account for debiting the Government account with an amount equivalent to the total of the payment scroll and crediting the AB's/IA's assignment account. Below the entries relating to PAOs own payments, payments made by ABs/IAs against assignment will be inserted. A copy of the scroll will also be sent to the PAO concerned. Based on the scrolls received from RBI, the aforesaid head in Public Account will be relieved by an equivalent amount by the PAO concerned in his account by per contra credit to the head '8675 Deposit with Reserve Bank -101- Central Civil- Reserve Bank (HQ)'.

10.13.9 Accounting of unutilized balances: Unutilized Balances at the close of the year will lapse to the Government and hence written back in Government Account by minus debiting concerned functional head of account and minus crediting to the head in Public Account. Ministries releasing funds to the AB/IA concerned will have to explain the saving in the related Appropriation Accounts.

10.13.10 Note on second tier Institutions in proposed model: Since the new system envisages just in time releases i.e. debiting Government accounts when the payment is released to the end beneficiary, there should not be any adjustment in Government account when an AB/IA transfers funds to the account of its subsequent level units. Payment Advices issued by the subsequent level units against that government fund needs to contain the details of the PAO and heads of accounts. Till such time, when the amount is actually spent, the balances in account of the subsequent level units will be considered as a balance under assignment with the parent AB.

10.13.11 Assignment to the second tier AB by the Autonomous Bodies: ABs to issue 'sub-Assignment Advice' to sub-ABs through PFMS. When an Assignment against grants-in-aid

received by an AB is released by it further to its subsidiary AB (sub-AB), the sub-assignment advice will be digitally signed by the authorized signatory of the AB and contain details of the Assignment Advice issued by the PAO. This assignment will be treated as a sub assignment of the AB and treated as a normal assignment i.e. account of the AB will not be debited.

10.13.12 Issuing Payment Advice by sub-AB: The payment advice issued by the second-tier autonomous body will contain the details of the assignment advice issued by the PAO concerned.

10.13.13 Sending of scroll from RBI to sub-AB, AB and PAO: Consequent upon making payment to the beneficiary, RBI will prepare scrolls and send original to the second tier AB and copies to the AB and PAO concerned and debit the Government Account with an equivalent amount by per contra credit to the account of the AB.

10.13.14 Scheme-wise collation of scrolls by PFMS and reconciliation of Public Accounts: Since an AB/IA may be sanctioned funds for different schemes, the scrolls so received from the RBI will be collated scheme wise by PFMS and necessary accounting entries passed to relieve the concerned heads of accounts in Public Account.

10.13.15 The following actions need to be strictly watched by the concerned PAOs in TSA system:

- (I) Accounting of e-scrolls received from RBI in respect of transactions (payments) made by ABs/IAs through their TSA accounts in RBI regularly
- (II) Regular monitoring of balances under MH-8454-Funds under Treasury Single Account (TSA) and reconciliation of balances there under on monthly basis.

(Authority: Para 5 of User Manual issued by CGA Office vide OM No.10(3)/TA-II/2020/TSA/244 dated 17th June, 2020 and subsequent orders issued by office of CGA from time to time. Revised instructions under TSA issued by DoE vide their OM NO.26(119)/EMC Cell/2016 dated 24.2.2022)

10.14. Central Nodal Agency (CNA) Implementation under Central Sector Schemes:-

10.14.1 With an objective to achieve efficient cash Management, Ministry of Finance introduced revised procedure of funds flow under Central Sector Scheme with effect from 1.4.2022 namely Central Nodal Agency (CNA) System through Public Financial Management System (PFMS). This revised procedure is aimed at enhancing the efficiency of fund flows by using the 'just in time' principle for drawl of funds and thereby ensuring better Cash Management in Government of India.

10.14.2 There are two models of implementation. Under Model I namely TSA Model, CNA and sub-agencies draws funds directly from Reserve Bank of India based on assignment limits. This model is applicable for all schemes having an outlay of more than ₹ 500 crore. For rest of the schemes model 2 is applicable wherein funds are released from Central Government to CNA's scheduled commercial bank account only. Down the ladder agencies can either draw funds from CNA account directly or open zero balance subsidiary accounts mapped with CNA account.

10.14.3 Financial Advisers with the assistance of Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be (who should act as nodal officers for PFMS), should ensure that guidelines/instructions issued on PFMS are followed/implemented and resolve issues relating to efficient running of PFMS. (Para 18.5 of Charter for FAs).

(Reference: Revised procedure for flow of funds under Central Sector Schemes issued by DOE vide their OM NO.1(18)/PFMS/FCD/2021 dated 9th March, 2022 and subsequent orders issued from time to time.)

10.15. Single Nodal Account (SNA) Implementation under the Centrally Sponsored Schemes (CSS):-

10.15.1 The General Financial Rules 232(v) prescribes the release of funds to the State Governments and monitoring utilisation of funds through PFMS. As an important Public Financial Management reform, the fund release mechanism was changed by Ministry of Finance for the Centrally Sponsored Schemes applicable from 1.7.2021 that aim at better cash management and best value realization for every rupee spent by the government. SNA model for Centrally Sponsored Schemes requires every state to designate an SNA for each CSS.

10.15.2 Funds are now being released by the State Treasury to the State Nodal Agency's bank accounts. The child agencies can operate the SNA account or open the Zero Balance Accounts. This has resulted into effective and real time monitoring of the funds and expenditure, as the entire funds of the scheme lies in a Single Nodal Account. SNA reports have been developed in PFMS to provide information related to funds released by Government of India, funds transferred by State Treasury to SNA, expenditure done by SNA and unspent balances.

10.15.3 Financial Advisers with the assistance of Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be (who should act as nodal officers for PFMS), should ensure that guidelines/instructions issued on PFMS are followed/implemented and resolve issues relating to efficient running of PFMS. (Para 18.5 of Charter for FAs).

(Authority: Procedure for release of funds under the Centrally Sponsored Schemes (CSS) and monitoring utilization of the funds released vide DoE PFMS Division OM No.1(13)/PFMS/FCD/2020 dated 23.3.2021 and subsequent orders issued from time to time.)

10.15.4 An alternative fund flow mechanism named SNA-SPARSH Model for 'Just-in-Time' release of Centrally Sponsored Schemes (CSS) funds through an integrated framework of PFMS, State IFMIS and e-Kuber platform of RBI has been introduced. (Authority: DoE OM dated 1(27)/PFMS/2020 dated 13th July, 2023).

MOST IMMEDIATE
F.No.5(3)-B(PD)/2016
Government of India
Ministry of Finance
Department of Economic Affairs

New Delhi, the 6th January, 2017

OFFICE MEMORANDUM

Subject: - *Loans and advances by the Central Government-Interest rates and other terms and conditions.*

Reference this Ministry's Office Memorandum No. F.5(3)-B(PD)/2015 dated the 3rd February, 2016 on the captioned subject.

2. The lending rates, categories and conditions prescribed in the aforesaid Office Memorandum have been reviewed. The revised rates of interest, categories and conditions as given in the Table below, would be applicable from 1st April, 2016 and till the time these are reviewed:

.....Table is not printed.....

The terms and condition and conditions regarding eligibility of loan would remain the same as that of last year. If any specific request comes in future from any other financial institution/CPSE/Autonomous Body/Cooperative, it would be examined by the Budget Division, DEA on merits of that case.

3. The terms including interest rate of loans to Foreign Governments may be settled in consultation with Budget Division. Terms for on-lending of funds under externally aided projects should be in accordance with the prescribed pattern. In case, deviation is considered necessary, Budget Division should be consulted.

4. The interest rates prescribed above assume timely repayments and interest payments and hence no further rebate in rates is to be allowed for timely payments.

5. OTHER TERMS AND CONDITIONS

(a) The loan sanctioning authority should meticulously follow the instructions contained in General Financial Rules, 2017, particularly, rules framed under Chapter 9 (II-LOANS) of GFR, 2017, while sanctioning loans to various entities as stipulated therein.

(b) The instructions issued from time to time have been reviewed and are set out in the following paragraphs for facility of reference.

(c) In case any request for waiver of outstanding Govt. of India loan or interest thereon, the same would be considered only in cases where the CPSU is being closed down/strategically sold. (Budget Division OM No.5(3)-B(PD)/2017 dated 16th January, 2018).

6. STATE GOVERNMENTS

In the case of loans to State **Governments**, the arrangements for payment of annual instalment of principal and interest will be as under:-

(a) **Block loans for State Plan Schemes and other Plan loans for Centrally Sponsored Schemes.** - These loans when drawn in instalments, will be consolidated and deemed to have been drawn as on 1st October in each year. The maturity period of the loans sanctioned for State Plans is 20 years, repayments being made in 20 annual equal instalments together with interest on the outstanding balance commencing from the following year, *subject to consolidation under the award of Twelfth Finance Commission (TFC)*. However, *fifty per cent* of these loans will enjoy a five-year initial grace period, after which repayments of these loans will be effected in 15 annual equal instalments. The amounts annually payable (by way of principal and interest) would be recovered in 10 equal monthly instalments commencing 15th June, *subject to debt waiver under the award of TFC*.

(b) **Other Loans:-**The terms of repayment of these loans will be as laid down from time to time.

7. PUBLIC SECTOR PROJECTS

(A) For new installations or expansion of existing institutions:

(i) The terms and conditions of loans should be fixed with reference to financial picture presented in the approved Project Report. (Once the pattern is settled, there should be no change excepted with the specific concurrence of this Department for reasons to be stated in writing).

(ii) The capital requirements of a project should include adequate provisions for interest payment on borrowings during the period of constructions (as specified in the Project Report). The interest on loans due during the period of construction will be allowed to be capitalised to the extent of the provisions made for this purpose in the approved Project Report. In other words, while interest on loans advanced to an undertaking during the period of construction will be notionally recovered by allowing its capitalisation, the payment of interest should effectively commence after the construction period is over.

(iii) The repayment of principal should ordinarily commence one year after the project commences production, the number of instalments being determined with reference to the financial projections and repaying capacity specified in the Project Report. Requests for further moratorium will be considered *only in exceptional cases* where the Project Report has specified any special circumstances that may necessitate a longer period of moratorium and has indicated clearly what staggering of repayment would be needed over the necessary break period. *The period of loans sanctioned against capitalised interest during the period of construction may also be on the same terms and conditions as are applicable to loans provided for financing the project costs.*

(iv) A suitable period of moratorium subject to a maximum of five years from the date of drawing of the loans may be allowed for the repayment of instalments of principal, having regard to the nature of the project, the stage of construction etc. The period of moratorium should not, however, extend in any case, beyond two years from the date of project going into production, or in the case of programmes of expansion, beyond two years from the date of expanded project coming into operation.

(B) **For meeting working capital requirements:** The undertakings are expected to obtain their cash credit requirements from the State Bank of India/Nationalised Banks by hypothecating their current assets (such as, stock of stores, raw materials, finished goods, work in progress, etc) and where the entire working capital requirements cannot be raised in this manner by seeking a guarantee from Government. Accordingly, *requests from Public Sector Undertakings for funds for meeting working capital requirements should be considered only to the extent the same cannot be had from the State Bank of India/Nationalized Banks.*

8. GENERAL REPAYMENT PERIOD

(A) (i) The period for repayment of loans for all parties other than State Governments should be fixed with due regard to the purpose for which they are advanced and it should be restricted to the minimum possible. Normally no loan should be granted for a period exceeding 10 years. *Where a longer period for repayment is sought, prior concurrence of the Budget Division in this Department will be necessary for fixing the period.*

(ii) The repayment of a loan should normally commence from the first anniversary date of its drawal or on expiry of the period of moratorium, as the case may be. The recovery should ordinarily be effected in annual *equal* instalments of principal.

(iii) The period of repayment of working capital loans should preferably be restricted to two or three years. In no case, however, the period of these loans should exceed 5 years.

(B) Moratorium:- Subject to exceptions made in respect of public sector projects, a suitable period of moratorium towards repayment might be agreed to in individual cases having regard to the project which the loans are to be utilized. However, no moratorium should ordinarily be allowed in respect of interest payments on loans. Ministries/Departments may with the approval of their FAs allow moratorium on repayment of principal wherever considered necessary upto a maximum period of 2 years.

(C) (i) Repayment before due date: Any instalment paid before its due date may be taken entirely towards the principal provided it is accompanied towards interest due upto date of actual payment of instalment; if not, the amount of the instalment will first be adjusted towards the interest due for the preceding and current periods and the balance if any, will alone be applied towards the principal. Where the payment of the instalment is in advance of the date by 14 days or less, interest for the full period (half year or full year as the case may be) will be payable. If any State Government repays an instalment of a loan which is consolidated as on 1st October, in advance of the due date by more than 14 days the interest will be payable with reference to the actual date of repayment.

(ii) **Pre-payment premium:** Prepayment premium of 0.25% on the loans with residual maturity of less than 10 years and 0.50% for the loans with residual maturity of 10 years and above, shall be charged. The provision does not apply to the loans to State/UT Governments.

(D) Penalty Clause: The loan sanctions/agreements should invariably include a penalty clause providing for levy of a penal rate of interest in the event of default in repayment of instalment(s) of principal and/or interest. The penal rate of interest should *not be less than 2.50%* above the normal rate of interest at which a loan is sanctioned.

(E) Defaults in repayment/Interest payment:

(i) *In the event of a default in re-payment of loan/interest payment, the recovery of interest at penal rate may not be waived unless there are special reasons justifying a waiver. However, a decision in the regard will be taken by the Ministry of Finance (Budget Division) on the advice of FA. Even in such cases, a minimum of 0.25% should be recovered from the defaulting party as penalty.*

(ii) The penal rate of interest is chargeable on the overdue instalments of principal and/or interest from the due date of their payment to the date preceding the date of actual payment.

(iii) Whenever a fresh loan is to be sanctioned to a borrower who has earlier defaulted, the loan sanctioning authority must consider the question of recovery of defaulted dues. All releases to Public Sector Undertakings against budgeted outlays should be made only after adjusting the defaults, if any, pertaining to repayment of loans and interest. If for special and exceptional reasons, such adjustments are not possible, specific orders of Secretary (Expenditure) should be obtained through Budget Division, before release of fresh loans, in relaxation of extant orders, in conformity with this Division Circular No.F.2(190)-B(SD)/91 dated 15.10.1991.

(iv) Any defaults should ab-initio serve as a warning signal to the Ministries/ Departments for which curative action has to be taken immediately.

(v) Ministries/Departments need to critically review the financial position of the borrower, including defaulting CPSUs and wherever possible, should take immediate action to recover the money due to the Government.

(vi) In the case of defaulting CPSUs, there has to be a clear road map for restructuring of these CPSUs, as prolonged approval results in burgeoning of defaults.

(vii) Ministries/Departments are to ensure that these defaults do not become fiscally unsustainable.

(viii) Wherever Ministries/Departments are considering restructuring of a CPSU, it must be ensured that besides equity infusion, funds mobilisation, rescheduling of loans/interest payments, write off of dues, etc. should be formulated holistically.

However, no request for waiver/postponement of instalments on any ground whatsoever will be accepted, except in cases of companies referred to BIFR or in respect of those companies which have incurred cash losses for last three years, in conformity with this Division circular No.F2(165)-B(SD)/94 dated 06.10.1994.

(F) Requests for modification of terms of loans:

(i) Borrowers are required to adhere strictly to the terms settled for loans made to them and modifications of these terms in their favour can be made subsequently only for very special reasons. Requests for modification of terms may relate to increase in the period of a loan or of an initial moratorium period towards repayment, or waiver of penal interest or reduction in or waiver of normal rate of interest. The procedure of dealing with requests for waiver of penal interest has already been dealt with in paragraph 8. Cases involving other modification in repayment terms should be considered in consultation with the Budget Division in this Ministry. *In referring such cases, the impact of the modifications on the estimates of repayment/interest which have gone into the Budget and Government's resources position should be succinctly brought out by the administrative Ministry.*

(ii) In examining proposals for modification of the period of the loan, the interest rate at which the loan was sanctioned should also be reviewed. In the case of a loan of which repayment has already commenced the revised rate of interest should be applied *ab-initio* only to the residuary portion of the loan outstanding on the date of extension of its period.

(iii) Requests for waiver of recovery of normal interest (either for a specified period or for the entire period) on a loan which was originally sanctioned at normal rate of interest, will attract the provisions of Rule 253(1) of GFR, 2017, and should be dealt with accordingly.

(G) Loans sanctioned at concessional rates:

(i) In cases where loans are to be sanctioned at a concessional rate, the instructions contained in Rule 253(1) of GFR, 2017 have to be observed. In such cases, payment of subsidy (to cover the concession viz, differences between normal rate and concessional rate) should be made conditional upon prompt repayment of principal and payment of interest thereon by the borrower.

(ii) In cases where loans are sanctioned interest free (e.g. loans to technical educational institutions for construction of hostels) prompt repayment should be made a condition for the grant of interest free loans. That is to say, the sanction letter in such cases should provide that in the event of any default in repayment, interest at rates prescribed by Government from time to time will be chargeable on the loans.

(iii) Similarly in the case of interest free loans to departmental canteens where subsidy is also provided to meet running expenses, the sanction letter should stipulate that in the event of any default in repayment, the defaulted due would be recovered out of the subsidy payable.

(H) Miscellaneous: A standard form prescribed for issue of loan sanctions (APPENDIX-I) should ordinarily be followed.

(i) The date of drawing of loan by the borrower will be date on which he received cash, cheque or bank draft from the Drawing and Disbursing Officer. It should be ensured that the time lag between the date of obtaining the cash/cheque/bank draft and its disbursement/delivery/despatch to the payee is reduced to the minimum. Where the cheque or bank draft is sent through post, the date of posting should be treated as the date of disbursement of the loan. The Drawing and Disbursing Officer should invariably intimate the date of payment to his Accounts Office to enable the latter to make a suitable note in his records.

(ii) In the case of loans sanctioned to parties other than State and Union Territory and Foreign Governments and Government servants, the borrower should tender the amounts due on or before the due date, at the New Delhi Office/Main Office of the public sector bank accredited to the Ministry/Department which sanctions the loan, in cash or by cheque or draft drawn on any scheduled bank in Delhi/New Delhi in favour of the said PSB branch. The payment should be accompanied by a memorandum or challan in duplicate indicating (a) name of the loan sanctioning Ministry/Department; (b) No. and date of the loan sanction letter and the loan amount sanctioned; (c) amount due for payment separately for interest and principal and the head(s) of account to which the dues are to be credited in the Government Accounts; and (d) due date of payment. The borrowers should be asked to tender separate cheque/drafts and challans for payment of principal and interest. Outstation loanees are required to arrange the dues through their bank ensuring that the memorandum/challan and the cheque/draft reaches the aforesaid PSB branch in New Delhi by the due date.

(iii) Ministries/Departments are required to keep close watch on timely repayments of loans advanced by them and recovery of interest thereon. Rule 250(1) (viii) of GFR 2017 provides for a notice to be given to the borrowers a month in advance of the due date of payment of instalment of the principal and/or interest thereon. Such notices may be sent in the form given in (APPENDIX II). The borrower should not, however, be given any advantage in the event of non-receipt of such a notice. Repayments/interest payments due from the loanees should also be reviewed, at least quarterly, and, where any default has occurred, a fresh notice should be served on the borrower to arrange payment with penal/higher rate of interest in the form set out in APPENDIX III.

(iv) Individual cases relating to terms and conditions of loans need not be referred to the Department of Economic Affairs (Budget Division) unless it is proposed to deviate from those laid down in this Office Memorandum.

This issues with the approval of Finance Minister.

Sd/-
(Vyas R)
Deputy Secretary (Budget)
Tel No.: 23092326

To
All Ministries, etc....

**APPENDIX-I
FORM OF SANCTION LETTER**

To

(In case of State and Union Territory Government to be addressed to

- i) Chief Controller of Accounts/Controller of Accounts concerned
- ii) Secretary of the Administration Department of the State/UT Government)

(in other cases to be addressed to:

- i) The borrower
- ii) Controller of Accounts of the Ministry/Department of.....)

Subject:

Sir,

I am directed to convey the sanction of the President to the payment of loan of
₹.....(in figures).....(in words) to
.....

2. The essential details are given in the Annexure to this letter.

3. (Conditions of fulfilment of which loan is to be sanctioned e.g., those given in Rules 250 and 255 of GFR 2017 to be inserted, if necessary).

4. This sanction has been accorded in accordance with the rules/principles laid down with the previous consent of the Ministry of Finance and that the rate of interest on the loan and period of repayment thereof have been fixed in accordance with the existing instruction issued by them.

Yours faithfully,

(.....)

No. dated

Copy to the AG concerned (in the case of State and UT Governments only).

Annexure to the Ministry/Department of letter No.
..... dated(APPENDIX I)

LOANS AND ADVANCES BY CENTRAL GOVERNMENT

1. Name of the Borrower
2. Amount sanctioned (in words & figures)
₹(in figures)
₹(in words).
3. Sanction valid upto
4. The purpose of loan
5. Payable in cash or by adjustment
6. Plan/Non-Plan (in the case of Plan, category of Plan)
7. Grant & Sub-head under which amount sanctioned is debitable
8. Progressive amount of loan sanctioned to the borrower to date in the financial year
.....
9. Period of loan
10. Moratorium to words repayment, if any
11. Date and year from which repayment to commence
12. Mode of repayment
13. Interest:
 - (i) For loans to State Government, Union Territory Government & Public sector enterprises:
 - a)normal rate
 - b)Penal rate of interest in events of defaults in repayment/interest payments
.....
 - c)Mode of recovery of interest
 - (ii) For parties other than State Government, UT Governments and PSUs:
Mode of recovery of interest

Signature
(Seal of the Sanctioning Authority)

APPENDIX –II

NOTICE

No.-----

OFFICE OF THE CHIEF CONTROLLER OF ACCOUNTS
MINISTRY/DEPARTMENT OF -----

New Delhi, dated the -----

To

Subject:- *Repayment of loan and payment of interest thereon.*

Dear Sir,

According to the terms of the loan of ₹-----sanctioned to you vide Ministry/ Department of -----
-----letter No.-----dated -----the annual repayment
instalment and/or interest thereon, detailed below, will become due on -----

(i) Repayment ₹----- (in words and figures)

(ii) Interest ₹----- (in words and figures)

2. Please arrange the payment by the due. It should be noted that the amount of interest has been calculated on the assumption that payment will be arranged promptly, otherwise it will be revised upwards in accordance with the terms of the loans.

3. The amount due should be tendered, on or before the due date at the -----
----- (New Delhi head office/main office of the PSB)-----
----- accredited to the Ministry/ Department) -----
----- in cash or by cheque or draft drawn of any scheduled bank/New Delhi in favour of the aforesaid PSB Branch. The payment should be accompanied by a memorandum or challan, in duplicate, giving the following details:-

- (i) Name of the Ministry/Department ----- (ii) Name of the Borrower -----
- (iii) No. and date of the loan sanction letter with the loan amount sanctioned -----
- (iv) Amount due for payment, separately for interest and repayment -----
- (v) Due date of payment -----
- (vi) The head of the account indicated below, to which the amounts will be adjustable in Government accounts, should, be included in the challan;

Head of Account

- (i) Instalment of Principal
- (ii) Interest

4. Separate cheque/draft and challans should be submitted for payment of principal and interest.

5. For outstation loanees, payment of dues together with memorandum/challan is to be arranged through their bank to the aforesaid authorised bank in New Delhi by the due date.

Yours faithfully

Pay and Accounts Officer

REGISTERED A.D.

APPENDIX-III

IMPORTANT NOTICE

No.-----

OFFICE OF THE CHIEF CONTROLLER OF ACCOUNTS

MINISTRY/DEPARTMENT-----

New Delhi, dated.....

To

Subject;- Repayment of loan and payment of interest thereon.

Dear Sir,

I am to state that the payment of ₹-----and ₹-----
--(as detailed below) representing principal and interest respectively, which fell due on ----- in
respect of loans mentioned there against, has not so far been arranged by you.

Loan sanction No. & Date

- (i) Principal-----
- (ii) Interest-----

2. Please arrange to deposit the aforesaid amount to the account of the Government of India within 10 days of the issue of this letter, failing which other measures would be initiated.

3. In case of the payment in question has already been made to the Government, particulars of the cheque/demand draft and the date of deposit at the(Name of PSB branch) may be indicated immediately.

Yours faithfully,

Pay and Accounts Officer

CHAPTER 11

APPROPRIATION ACCOUNTS (CIVIL)

11.1 CONCEPT AND SCOPE

11.1.1 Appropriation Accounts reflect Government's expenditure in a financial year, compared against the amounts of voted grants and charged appropriations, as specified in the Schedules appended to the Appropriation Act passed by Parliament. These accounts include information on re-appropriation of the sanctioned provision from one unit of appropriation to another, actual expenditure, and the savings and excess of expenditure if any against appropriations, including the supplementary grants. The Appropriation account is an aid for the Parliament and the Public Accounts Committee to ascertain the expenditure performance of Government against the budgeted provisions. The Appropriation Accounts of the Union Government are submitted to Parliament under the provisions of Article 151 of the Constitution, and are intended to disclose-

- (a) That the moneys indicated therein as having been disbursed, were legally available for and applicable to the service or purpose to which they had been applied or charged;
- (b) That the expenditure conforms to the authority governing it, and
- (c) The effects of re-appropriations ordered by the Ministry/Department.

11.1.2 If any expenditure in a financial year is incurred in excess of the amounts of voted grants or charged appropriations, the circumstances leading to it will also be disclosed through these accounts, separately for the revenue and capital sections. The regularization of excess expenditure is made through 'Excess demand for Grants' submitted to Parliament under Article 115 of the Constitution after receiving the recommendations of the Public Accounts Committee (PAC).

Note 1: The PAC of the third Lok Sabha (in the year 1965-66) made an important recommendation in this regard vide paragraph 4.26 of their 45th Report. PAC held that excess expenditure over the grant in a year caused exclusively due to an omission to account for such expenditure in an earlier year, does not require regularization by Parliament under Article 115 of the Constitution of India, if the grant/appropriation had actually remained unutilized in that year.

Note 2: For regularization of cases relating to New Service/ New Instrument of Service, they shall be submitted in the same manner as explanatory notes for excess expenditure. For determination of cases of New Service/New Instrument of Service, Ministry of Finance, Department of Economic Affairs O.M. No. F.1(22)-B(AC)/2022 dated 23.2.2024 (given in **APPENDIX 2.2** to Chapter 2 of this Manual) and as amended from time to time may be referred to.

11.1.3 The Appropriation Act 'Schedule' containing the gross Charged and Voted sums for Revenue and Capital expenditure is based on Part I (Main-Revenue/Capital and Charged/Voted) of the Demands for Grants presented to Parliament, under Article 113(3) of the Constitution. The Part I itself is built up from the details contained in Part II (Major head wise provisions) of the Demands for Grants. Subsequently, the grant wise complete classification details of each Demand are presented to the Parliament in the form of Detailed Demands for Grants, for discussion on the Budget. The Union Government Appropriation Accounts (Civil) are a supplement to the Union Government Finance Accounts. Since the Finance Accounts are prepared on net basis reflecting the gross expenditure minus recoveries, the relationship between the two is explained by below the line

recoveries indicated in the form of Note at the time of reconciliation. The gross, recoveries and net would be indicated in the notes on Demands for Grants contained in the Expenditure Budget.

11.2 SIGNING OF THE HEADWISE APPROPRIATION ACCOUNTS BY THE CHIEF ACCOUNTING AUTHORITY

11.2.1 The Secretary of each Ministry/Department acts as the Chief Accounting Authority under the departmentalized system of accounting and is responsible to approve and sign the Head Wise Appropriation Accounts of the grants/appropriations, administered by his Ministry/ Department. The FA and Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, assist him in the preparation of these accounts.

11.2.2 The following Grants or Appropriations are exceptions in this regard:

Grants or Appropriations relating to	are prepared by	and signed by
(i) Chandigarh	AG(A&E), Punjab, Chandigarh.	AG(A&E), Punjab, Chandigarh.
(ii) Dadra and Nagar Haveli and Daman and Diu	Director of Accounts, Dadra and Nagar Haveli and Daman and Diu, Silvassa.	Administrator, Dadra and Nagar Haveli and Daman and Diu,
(iii) Audit	AG (Audit), Delhi.	Dy. Comptroller & Auditor General of India.
(iv) Staff, Household and Allowances of President	PAO, President's Secretariat.	Secretary to the President.
(v) Lok Sabha	PAO, Lok Sabha Secretariat.	Secretary General, Lok Sabha.
(vi) Rajya Sabha	PAO, Rajya Sabha Secretariat.	Secretary General, Rajya Sabha.
(vii) Secretariat of the Vice-President	Principal Accounts Office, M/o Personnel, Public Grievances & Pensions.	Secretary to the Vice-President.
(viii) Union Public Service Commission	Principal Accounts Office, M/o Personnel, Public Grievances & Pensions.	Chairman, UPSC.
(ix) Supreme Court of India	Principal Accounts Office, M/o Law & Justice	Registrar General, Supreme Court of India
(x) Election Commission of India	PAO, Election Commission	Dy. Election Commissioner
(xi) Andaman & Nicobar Islands	Director of Budget & Accounts, Andaman & Nicobar Administration.	Chief Secretary, Andaman & Nicobar Administration
(xii) Ladakh	Director of Accounts, Ladakh Administration.	Secretary (Finance), Ladakh Administration

(xiii) Lakshadweep

Secretary (Pay & Accounts) UT of Lakshadweep.

Administrator, Lakshadweep Administration.

11.3 FORM FOR THE PREPARATION OF HEADWISE APPROPRIATION ACCOUNTS ALONG WITH OTHER ANCILLARY STATEMENTS AND ACCREDITED AUDIT OFFICERS

11.3.1 Each Principal Accounts Office shall prepare Head wise Appropriation Accounts for each grant/appropriation of their Ministry/Department in the prescribed form, strictly in accordance with the given nomenclature/lettering, and up to the sub-head level. That is, it should be prepared in 11-digit codes- comprising of 4 digits for Major Head, 2 digits for Sub-Major Head, 3 digits for Minor Head and 2 digits for sub-head. If there is no Sub-Major Head, "00" is taken as the Sub-Major Head digits for uniformity of coding provisions. A sample has been given for guidance at **APPENDIX 11.1**. Appropriation Accounts is based on the budget estimates shown in the DDG plus the effect of supplementary budgets and re-appropriations, if any. It needs to be prepared in thousands of rupees. The 'Statement of Recoveries' separately supports the account indicating the recoveries adjusted in accounts in reduction of expenditure, as shown in **APPENDIX 11.2** of this Chapter. The Principal Accounts Offices will be required to ensure the following:

1. Major Head totals in the Head wise Appropriation Accounts and the provisions of recoveries shown as reduction of expenditure are strictly in conformity with the Major Head totals and recoveries shown in the Main DG presented to Parliament. If any discrepancy is observed in the two sets of documents viz. Main DG and DDG, it should invariably be brought to the notice of Budget Section of the Ministry/Department for issue of necessary corrigendum with the approval of Budget Division, MoF. Corrections which lead to opening of heads of accounts also requires prior approval of Budget Division, MoF. Other routine corrections may be made by the administrative Ministries/Departments with the approval of the FA of the Ministry.
2. SDG makes provision only up to Major Head level. The distribution up to object-head level (in thousands of rupees) should therefore, be allocated as approved by the concerned administrative Ministries/Departments. This is to establish co-relation between supplementary provisions depicted in the Grant Statement /Head wise Appropriation Accounts.

11.3.2 The Appropriation Accounts are prepared in four stages:

Stage - I: Preparation of the Grant Statement of Head wise Appropriation Accounts, indicating:

In Col.1

- a. Various sub-heads as per DDG; and
- b. The appropriation/provision in respect of each sub head, with Original denoted by letter 'O', Supplementary denoted by letter 'S' and the Surrender or Re-appropriations denoted by letter 'R' for charged/voted appropriations and grants.

In Col.2

- a. The figures of total grant or appropriation indicating the net effect of Original, Supplementary & Re-appropriations. As surrendered amounts are accounted under 'R', the surrendered amounts as accepted by Min. of Finance are shown by opening the head "Surrenders/Withdrawals within Grant/Appropriation". This is to ensure that the actual grants including the Original & Supplementary as voted by the Parliament are shown under concerned segment or section.

b. Explanations for the variation denoted by 'R' should also be included in Column1, as per norms given in Para 11.5.1 e.g. saving/excess was due to.....".

c. In columns 1 & 2 of the Statement of Recoveries, the original budget estimates and the supplementary estimates, shall be given. Surrender of recovery provision (if any) taken for other budgetary purpose will not be shown in the recovery statement.

Note: The recovery should be shown against the correct head from which the amount has actually been reduced while computing the 'Statements for Central Transactions' (SCT) figures. The nomenclature in Annexure II should be in conformity with those shown in the SCT. It may be noted that even if a head does not appear in the DDG, it can still be adopted in Annexure II to depict the actual recovery, without the need of obtaining formal approval of the Ministry of Finance, Budget Division.

11.3.3 After the beginning of the new financial year, each Principal Accounts Office will complete Stage I of the Head wise Appropriation Accounts. This shall be done with the help of that year's Main and DDG, SDG, Re-appropriation Orders and the Surrender Orders as accepted by Ministry of Finance. The Budget Wing of the concerned Ministry/Department shall verify the (Stage-I) Grant Statement before it is issued under the signatures of Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be. The Principal Accounts Office will furnish one copy of this Grant Statement to the Principal Audit Officer i.e. Principal Director of Audit (Finance and Communication), three copies to the accredited Audit Officer and two copies to CGA. The Statement shall be sent as per the annual time schedule and details of accredited Audit Offices issued each year by the Office of CGA.

This Grant Statement should be accompanied with the following documents:

- (i) Statement indicating the Number, Date and Amount of various Re-appropriation/Surrender Orders taken into account while preparing the Grant Statement, duly certifying that-
- (a) the statement is complete and contains all the Re-appropriation/Surrender Orders issued in respect of the particular grant/appropriation during the financial year, and that
- (b) all Surrender Orders have been accepted by the Ministry of Finance vide its Audit Order No(s)..... dated
- (ii) Attested copies of all Re-appropriation and Surrender Orders issued during the financial year and taken into account for preparing the Grant Statement.
- (iii) Statement of funds re-appropriated to and from different sub-heads through the Form in **APPENDIX 11.7.**
- (iv) Statement of Recoveries adjusted in reduction of expenditure.
- (v) Statement showing the distribution of SDG up to object-head level- both for Gross provisions and Deduct recoveries, as furnished by the Administrative Ministries/Departments.
- (vi) Certificate to the effect that there is/are no case(s) that attract the provisions of 'New Service or New Instrument of Service' in terms of Ministry of Finance, Department of Economic Affairs

O.M. No. F 1(22)-B(AC)/2022 dated 23.2.2024 (**APPENDIX '2.2'** to Chapter 2 of this manual) and as amended from time to time.

(vii) Certificate to the effect that "Increase of budget provision by ₹ five crores and above under a sub-head has been made with the approval of Secretary Expenditure". Ministries/Departments would not be required to seek approval of Ministry of Finance on re-appropriation proposals above ₹5.00 crore in cases where supplementary demands have already been approved by the Parliament. Re-appropriation proposals for augmentation of provisions by more than ₹5.00 crore under object heads like Stipends/Scholarships, contribution to international bodies etc. which do not attract provisions of NS/NIS and for which no supplementary is obtained by the Ministries/Departments would continue to be processed by the Budget Division for approval of Secretary (Expenditure).

(viii) Certificate to the effect that "All savings/excess included in the Appropriation Accounts are covered by valid re-appropriation/surrender orders issued by competent authority under delegated powers and no re-appropriations have been made subsequently to cover the actual expenditure".

Note: A few Demands would encompass provision for more than one Department under a Ministry. In such cases the provision would be made department wise within the Revenue and Capital Section, and thereafter the grand total would be struck under each section. A separate sheet showing major head wise-combined provision of all the departments will be attached after both Revenue and Capital sections.

Stage-II - Head wise Appropriation Accounts indicating:

In Col.3

The figures of actual expenditure.

In Col.4

The variations of (+) Excess or (-) Savings between the figures of Columns 2 and 3 with the reasons for variation will also be given in Column 4. For example, saving/excess was due to". In the Statement of Recoveries etc., the actual recoveries will be shown alongside the total estimates, indicating the variation (+) More or (-) Less.

11.3.4 After complying with all the observations made by the Accredited Audit Officer, Pr. Audit Officer and the Office of CGA on the Grant Statement (Stage I), Principal Accounts Office will initiate action for Stage II of the Head wise Appropriation Accounts due for rendition to Audit/CGA as per time schedule issued by the CGA every year. Each account will be accompanied by the following certificates and statements also:

- (a) "Certified to the best of my knowledge and belief that all expenditure included in the Head wise Appropriation Accounts: Union Government (Civil): for the year has been sanctioned by the competent authority (except for the cases mentioned in the APPENDIX). This certificate shall be recorded at the end of the body of the Account itself.
- (b) Statement showing Reconciliation of expenditure figures included in the Head wise Appropriation Accounts and the Statement of Central Transactions (**APPENDIX 11.3**). It will be duly certified as under-
 - (i) Certified that ₹.....(ths.) shown above agree with the expenditure figures shown in the Statement of Central Transactions for the year furnished to CGA.

- (ii) Certified that the expenditure figures included in the Head wise Appropriation Accounts stand reconciled and accepted by the concerned Heads of Departments / Controlling Authorities.

Note: In the case of composite grants and expenditure incurred by agent Ministries/Departments on behalf of functional Ministries, sub-head wise details of expenditure will be furnished on monthly and annual basis by the various accounting agencies viz. PAOs, AG etc. to the Pr.CCA/CCA/CA responsible for preparing the Head wise Appropriation Accounts of these grants. If the LoA amount is not fully utilised by the Agent Ministry/Department on behalf of Functional Ministry, the unspent amount should be surrendered within a specific timeline so that the surrendered/unspent amount can be utilised by the functional Ministry for its own commitments.

- (c) Statement showing sub-head wise Reconciliation of figures in the Head wise Appropriation Accounts as well as Statement of Recoveries adjusted in accounts in reduction of expenditure. This will be done up to and Minor Head wise in the Statement of Central Transactions, as shown in **APPENDIX 11.4**.
- (d) Statement showing the “Amounts met from Advances out of Contingency Fund of India” (**APPENDIX 11.6**), but remaining un-recouped at the end of the year. If there is no case of such advance remaining un-recouped, a Nil statement shall be furnished.
- (e) Account(s) of earmarked Fund(s) containing the brief description of the Fund, its accounting operation, the year’s receipts and payments along with opening and closing balances. Figures as given in the statement should tally with the figures as given in Finance Accounts.

A certificate in the following form must also be given on a separate sheet to be enclosed with the Head wise Appropriation Accounts:

“Certified that the earmarked funds included in the Union Government (Civil) Appropriation Accounts for the year.....are eligible for inclusion and have the prior concurrence of the C&AG of India.

or

“Certified that there is/are no fund(s) which is/are eligible for inclusion in the Union Govt. Appropriation Accounts (Civil) for the year”. (Deleting whichever is not applicable.)

- (f) If the expenditure has exceeded the sanctioned provision or appropriation in any segment, viz. Revenue-Voted, Revenue-Charged, Capital-Voted, or Capital-Charged of the grant or appropriation, a certificate shall be furnished to the effect that the expenditure has not exceeded due to misclassification/erroneous adjustment in the accounts, and the actual figures of excess amount in units will also be shown.
- (g) Certified that all the expenditure incurred during relevant to grant/appropriation No..... has been included in the Appropriation Account for the year....., and no amount/amounts pertaining to it has/have been left unadjusted under any suspense/remittance heads for want of paid vouchers etc.
- (h) Statement indicating Major Head-wise /Grant-wise totals of the CFI as appearing in SCT.
- (i) Reasons for variations between figures of total grant or appropriation in Column I (Original + Supplementary) if any, and actual expenditure in Column 3 under various sub-heads will be obtained by the Principal Accounts Office from the Budget Wing etc. of the Ministry/Department and incorporated in the Head wise Appropriation Accounts. Such reasons will be obtained in the cases qualifying for comments in view of the principles given in para 11.5.1. The copies of

Appropriation Accounts will be sent for audit scrutiny to the accredited Audit Officer, Principal Director of Audit (Finance and Communication), and the CGA, duly signed by the Principal Accounts Office, as indicated below-

- a. Accredited Audit Officer, 3 copies;
- b. Principal Director of Audit (Finance and Communication), 1 copy; and
- c. CGA, 2 copies.

Note: Principal Accounts Office would prepare Appropriation Accounts of the expenditure incurred by the PAOs under its control as well as the expenditure figures reported by the Agent Departments on behalf of the Functional Department, based upon the sanctions issued by the latter. This is in terms of this Office Memorandum No.1(8)(7)/86/TA/1099 dt.30-10-1986.

11.3.5 Any important feature seen in the Head wise Appropriation Accounts should be brought to the notice of the Chief Accounting Authority, through the Financial Adviser.

11.4 STAGE-III HEADWISE APPROPRIATION ACCOUNTS: DULY AUDITED AND APPROVED BY THE CHIEF ACCOUNTING AUTHORITY ON FILE.

11.4.1 After the Appropriation Account of each grant/appropriation pertaining to the Ministry/Department is audited and "No Comments" certificate is issued by the Accredited Audit Officer, the finalized account would be put up on file to the Secretary, for his approval. This shall be put up through the FA of the Ministry, bringing to notice any important variations, points or features arising out of the audit scrutiny.

Note: The Audited Head wise Appropriation Accounts has to be submitted within one week of receiving 'No Comments' certificates from Audit. If the 'No Comments' Certificate received is subject to some Audit Observations, the audit observations must be complied with and the accounts finalized at the earliest, without waiting for a clear 'No Comments' Certificate from Audit.

11.4.2 The copies of the finalized Account will be furnished for condensation at this stage as under:

- a. To the Accredited Audit Officer, 2 copies;
- b. To the Principal Director of Audit (Finance and Communication), 2 copies; and
- c. To the CGA, 2 copies.

11.4.3 The fact that the Chief Accounting Authority has approved the Accounts on file will also be indicated in the forwarding letters sent with the copies.

11.5 NORMS FOR RECORDING REASONS FOR VARIATIONS AND THEIR PRESENTATION

11.5.1 The sub-heads for which reasons for variations of savings and excesses are required to be included in the Head wise Appropriation Accounts, will be selected on the following laid down limit:

(a) If the variation in a sub-head exceeds ₹500.00 lakhs*:

This includes all variations irrespective of the percentage under both savings and excesses, against the sanctioned provision of Original or Supplementary grants/appropriations or both taken together.

(b) If the variation in a sub-head does not exceed ₹500.00 lakhs*:

- (i) *Where variation is an excess* - This includes all cases where the excess exceeds either 10% of the total sanctioned provision or ₹250.00 lakhs*, whichever is higher. The total sanctioned provision in this clause means Original provision if there is no supplementary provision or

Supplementary provision (except token supplementary) if there is no Original provision, and Original and Supplementary provision taken together, if both of them exist. (O or O+S or S)

(ii) *Where the variation is a saving* - This includes all cases where the savings exceed 10% of the original provision or ₹250.00 lakhs* whichever is higher, if there is no supplementary provision in that sub-head. If there is a supplementary provision (except token supplementary) in a sub-head either with or without any original provision, all cases in which the savings exceed 10% of the supplementary provision or ₹100.00 lakhs*, whichever is higher, will be included.

(c) If the Grant/Appropriation as a whole has been exceeded - This includes all cases where excess has occurred in any of the four segments as a whole viz. Revenue-Voted, Capital-Voted, Revenue- Charged and Capital-Charged.

In such instances only the sub-heads that involve an excess of over ₹25.00 lakh* each, may be picked up. If none of the individual sub-heads involve an excess of over ₹25.00 lakh*, the sub-heads that mainly account for the overall excess may be included. The criteria laid down in (a) and (b)(i) will also be followed for the purpose.

***The revised limits effective for the accounts from the year 2018-19.**

Note (1): Notwithstanding the working principles mentioned in the preceding para, occasions may arise where it may be considered necessary at any stage of the processing of the Appropriation Accounts, to include any additional sub-heads for the purpose of explaining the variations. This may occur either during Audit, or after the completion of Audit of the Head wise Accounts, or even at the stage of condensation. In such cases, explanations for variations in those sub-heads shall also be included in the Head wise Appropriation Accounts, before they are signed by the Secretary of the Ministry/Department as the Chief Accounting Authority.

Note (2): For the purpose of this para, variation implies the variations under column 1 (re-appropriation including surrender element only) and column 4 taken together.

11.5.2 The reasons for variations should be brief, lucid and analytical to be mentioned as per their importance. Vague observations like 'due to over estimates', 'based on actual expenditure', 'due to less (or more) expenditure', 'due to less (or more) demands' etc. should be avoided and Ministry/Department shall be requested to elucidate correct and specific reasons.

11.5.3 The PAC (10th Lok Sabha, 1990-91) in its 60th Report vide paras 1.22 and 1.24 had observed that savings of ₹100.00 crores or above are indicative of defective budgeting as well as shortfall in performance in a Grant or Appropriation. It has therefore been decided by the PAC, that each year a detailed Explanatory Note in respect of savings of ₹100 crores or above shall be furnished by the respective Ministry/Department, to the Committee.

Note: Explanatory Note for savings of ₹100.00 crores or more and for all excess expenditure may be submitted to audit for vetting, with a copy to the CGA by the concerned Ministries/Departments. It should be submitted along with the Head wise Appropriation Accounts (of this Stage).

11.6 CORRIGENDUM TO THE HEADWISE APPROPRIATION ACCOUNTS

11.6.1 Corrections necessitated in the Head wise Appropriation Accounts after submission to Audit/CGA whether due to reconciliation of expenditure with departmental authorities and carried out in the SCT through JEs or otherwise, may be communicated to Audit/CGA in the Format given in **APPENDIX 11.5.**

11.7 CONDENSATION OF HEADWISE APPROPRIATION ACCOUNTS IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE PAC

11.7.1 (i). The audited Head wise Appropriation Accounts of various grants/appropriations will be condensed by the organization of the CGA in the form in which these are required to be printed and presented to Parliament. This is done in accordance with the recommendations of the PAC on the subject and the changes advised from time to time by the C&AG of India.

(ii). The norms and guidelines for preparation of Condensed Appropriation Accounts as approved by the PAC to be laid in Parliament are given in **APPENDIX 11.8**.

(iii). Two copies of the condensed accounts shall be signed by CGA and the balance three copies will be authenticated by the Jt. CGA/Dy.CGA/ACGA, and furnished to Principal Director of Audit (Finance and Communication, New Delhi), for obtaining final Audit clearance from the CAG of India, before it is sent for printing.

(iv). In case the CGA is not in office on account of tour or leave, two copies of Condensed Accounts will be signed by the Addl. CGA. Ex-post-facto approval of the CGA will however be obtained in all such cases.

(v). Sixteen (diglot) signed copies hard bound with the Title embossed in Golden colour will be signed by the CGA, countersigned on behalf of the Government by the Secretary to the Govt. of India, Ministry of Finance, Department of Expenditure.

(vi). Twelve of the signatory (diglot) copies, along with a certificate by the Assistant Director (Official Language) to the effect that Hindi version is the true translation of the English version appended to it, will be furnished to Principal Director of Audit (Finance and Communication), New Delhi. Principal Director of Audit (Finance and Communication) will obtain the signatures of the Comptroller & Auditor General of India on the Audit Certificate, before the C&AG submits it to the President through the Ministry of Finance, Govt. of India.

(vii). A certificate will also be recorded in the forwarding letter addressed to Principal Director of Audit (Finance and Communication), to the effect that the reconciliation of Grant wise/Major Head wise figures for the purpose of Union Govt. Appropriation Accounts (Civil) has been completed with the Major and Minor Head wise figures of the Union Govt. Finance Accounts.

(viii) When intimation is received regarding the date of presentation of the Accounts on the Table of both the Houses of Parliament, 25 diglot copies will be supplied to Lok Sabha Secretariat and 25 such copies to the Rajya Sabha Secretariat, on the specified date.

(ix) When intimation is received by the CGA that the Accounts have been laid on the Table of Parliament, diglot copies of the Union Govt. Appropriation Accounts (Civil) as per numbers indicated will be supplied to the following authorities.

Name of Authority/Organization	Number of Copies
(i) Press Information Bureau	2
(ii) Public Accounts Committee	5
(iii) C&AG of India	10

11.8 STAGE - IV - HEADWISE APPROPRIATION ACCOUNTS

11.8.1 Principal CCAs/CCAs/CAs etc will carry out the corrections in the Audited Head wise Appropriation Accounts, on receipt of intimation from CGA about any additions or alterations etc made in the Audited Head wise Appropriation Accounts. Such corrections may be based on the Audit Comments and are included in the Condensed Appropriation Accounts, before their final printing and presentation. After carrying out such corrections, three copies of the Head wise Appropriation Accounts including the Statement of Recoveries adjusted in accounts in reduction of expenditure, will be got signed by the Chief Accounting Authority. The Pr. CCA/CCA/CA who functions as the Head of the Organization will sign the enclosures. The final version of the Detailed Appropriation Accounts will be furnished as per the following.

- | | |
|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| (a) Pr. Audit Officer
(Principal Director of
Audit (Finance and
Communication)) | 5 copies (including one copy signed by Chief
Accounting Authority and the rest attested by
the Pr. CCA/CCA/CA) |
| (b) CGA | 1 copy (signed by Chief Accounting Authority) |

APPENDIX 11.1
(REFER TO PARA 11.3.1)

HEADWISE APPROPRIATION ACCOUNT FOR Grant No.XX_____
DEPARTMENT OF _____

Head	Total grant or Appropriation	Actual expenditure	Excess+ Saving—
(1)	(2)	(3)	(4)

(In thousands of rupees)

Revenue Section:

Major Head "3451"

Secretariat-Economic Services:

3451.00.090-Secretariat

3451.00.090.30-Department of Agricultural Research and Education

O.	35,00,00		
S.	12,00,00	45,50,00	45,50,00
R.	-1,50,00		..

Col 1 — Saving was due to

(being more than 10% of the supplementary provision or ₹100.00 lakhs, whichever is higher)

Major Head "2415"

Agricultural Research and Education:

2415.01 --Crop Husbandry

2415.01.150-- Assistance to I.C.A.R.

2415.01.150.01 Crop Science Institutes, Research and Education Schemes

<i>Charged</i>	<i>20,84,00</i>	<i>18,24,00</i>	<i>-2,60,00</i>
----------------	-----------------	-----------------	-----------------

Col 4 — Saving was due to

(being more than 10% of sanctioned provision or ₹250.00 lakhs, whichever is higher)

Voted

O.	27,00,00		
S.	2,00,00	28,60,00	24,21,00
R.	-40,00		-4,39,00

Col 1 & 4 — Saving was due to

(being more than 10% of the supplementary provision or ₹100.00 lakhs, whichever is higher, Col.1 & 4 taken together)

2415.01.150.02— Horticulture Institutes, Research and Education Schemes

S	32,15,00		
R.	2,60,00	34,75,00	35,45,00
			+3,30,00

Col 1 & 4 - Excess was due to

(being more than 10% of the sanctioned provision or ₹250.00 lakhs, whichever is higher, Col. 1 & 4 taken together)

Head	Total grant or Appropriation	Actual expenditure	Excess+ Saving-
(1)	(2)	(3)	(4)

(In thousands of rupees)

2415.01.150.06 — Agricultural Extension Institutes, Research and Education Schemes

O.	72,15,00		77,40,00	77,25,00	-15,00
R.	5,25,00				

Col 1 — Excess was due to
(being more than ₹500.00 lakhs)

2415.80— General

2415.80.120 Assistance to Other Institutions

2415.80.120.01 — Grants-in-aid to Central Agriculture University, Imphal

O.	33,23,00		26,98,00	26,97,00	-1,00
R.	-6,25,00				

Col 1 & 4 — Saving was due to
(being more than ₹500.00 lakhs)

2415.80.120.02 — Grants-in-aid to Central Agricultural University, Bihar

O.	3,00,00	
R.	-3,00,00				

Col 1 — Entire provision remained unutilized due to
(being more than ₹250.00 lakhs)

Total Major Head "2415"

<i>Charged</i>	20,84,00	18,24,00	-2,60,00
----------------	----------	----------	----------

Voted

O.	135,38,00		167,73,00	163,88,00	-3,85,00
S.	34,15,00				
R.	-1,80,00				

Surrenders or Withdrawals within appropriation

R.
----	----	----	----

Surrenders or Withdrawals within grant

R.	3,30,00	3,30,00	..	-3,30,00
----	---------	---------	----	----------

Total Revenue Section

Charged		20,84,00	18,24,00	-2,60,00
----------------	--	-----------------	-----------------	-----------------

Voted

O.	170,38,00			
-----------	------------------	--	--	--

S.	46,15,00	216,53,00	209,38,00	-7,15,00
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Certified to the best of my knowledge and belief that all expenditure included in the Headwise Appropriation Account, Union Government (Civil) for the year..... has been sanctioned by the Competent Authority (except for cases mentioned in APPENDIX).

*Secretary/Pr.CCA/CCA/CA/Dy.CA

* Signature of Secretary only in Stage-IV (Strike whichever not applicable)

**APPENDIX 11.2
(REFER TO PARA 11.3.1)**

Grant No. XX- MINISTRY OF _____ FOR _____

Details of recoveries adjusted in accounts in reduction of expenditure

Sub-Head	Total Estimates	Actuals	Actuals Compared with total estimates More + Less –
1	2	3	4
(in thousands of rupees)			
Revenue Section:			
Major Head “3055”			
Road Transport			
3055.00.902- Deduct			
Amount met from			
Nirbhaya Fund			
	100,00,00	27,91,80	-72,08,20
Major Head “3601”			
Grants-in-aid to State			
Governments			
3601.08.903- Deduct amount			
Met From Central Road			
and Infrastructure			
Fund			
3601.08.903.01- Grants			
For State Roads			
O.	6535,00,00		
S.	50,00,00	6588,16,30	+3,16,30
<hr/>			
Total Revenue Section			
O.	6635,00,00		
S.	50,00,00	6616,08,10	-68,91,90

*Secretary/Pr. CCA/CCA/CA/Dy.CA

* Signature of Secretary only in Stage-IV (Strike whichever not applicable)

** ‘S’ denotes supplementary provision and not surrender. Surrender of recovery is not to be taken into account (if any).

@Total estimates means the original estimates (if there is no supplementary estimates) supplementary estimates (if there is not original estimates) and Original and Supplementary estimates taken together if both exists. -@ has to be defined

APPENDIX 11.3
(REFER TO PARA 11.3.4)

Statement Showing Reconciliation of Appropriation Accounts figures with the Statement of Central Transactions (Finance Accounts) figures for the year _____

(In thousands of rupees)

	Revenue		Capital	
	Charged	Voted	Charged	Voted
1. Amount of actual expenditure shown in the Head-Wise Appropriation Accounts (Vide Annexure-I).				
2. Deduct Amount of recoveries adjusted in Accounts in reduction of Expenditure (Vide Annexure-II)				
3. Deduct amount adjusted in the SCT of the Accounting Circles but included in the Head Wise Appropriation Accounts (as per details appended indicating name of the accounting organizations, the amount, sub-heads affected etc., and reasons for inclusion).				
4. a) Add - Amounts adjusted in the Statement of Central Transactions of agent Ministries/Department for inclusion in the head-wise Appropriation Accounts of functional Ministries/Deptt. (as per details appended including the number and name of Grant of functional Ministries/Deptt. in which the amount will be included, sub-heads affected and authorization issued by later. b) Add-amount relating to the other grants of Ministries/Department appearing in SCT.				
5. Net Expenditure {1-(2+3)+4}{SCT Figures)				

1. Certified that ₹_____ thousands (Charged) and ₹_____ thousands (Voted) in Revenue Section and ₹_____ thousands (Charged) and ₹_____ thousands (Voted) in Capital section, shown in Sl. No. 5 above agrees with the expenditure figures shown in Statement of Central Transactions of this Grant for the year furnished to CGA separately.

2. Certified that the figures of expenditure included in Appropriation Accounts has been reconciled and accepted by the Head of Department/Ministry.

*Pr. CCA/CCA/CA(i/c)

*Strike out whichever is not applicable

APPENDIX 11.4 (para 11.3.4)

Grant No. _____ Ministry/Department of _____ for the year

Statement of Reconciliation

Statement showing reconciliation of figures (sub-head wise) included in the Headwise Appropriation Accounts and upto Minor Headwise in the Statement of Central Transaction

(In thousands of rupees)

Head of Accounts	Figures as per Head-Wise Appropriation	SCT	Difference	Remarks will appear in	
				Headwise Appropriation Accounts	SCT
1	2	3	4	5	6
Revenue Section:					
Major Head "3451"					
Secretariat — Economic Services					
3451.00.090— Secretariat					
3451.00.090.09— Department of Agricultural Research and Education	141,72,47	146,77,31	-5,04,84	-5,96,85 — Gr. 02	41-I&B 9160-UD
3451.00.911	-2,89,79	-2,91,89	2,10	2,10— Gr. 02	
Total Major Head "3451"	141,72,47	146,77,31	-5,04,84		
Deduct Recoveries	-2,89,79	-2,91,89	2,10		
Net Major Head "3451"	138,82,68	143,85,42	-5,02,74	-5,96,85 — Gr. 02 2,10— Gr. 02	41 —I&B 9160 -UD
Major Head "2401" – Crop Husbandry					
2401.00.109 – Extension and Farmer's Training					
2401.00.109.33 – Green Revolution-Krishonnati Yojna	213,96,00				
2401.00.109.34 – Support to Central Institute/DOE	14,12,89				

2401.00.109.35 – National Institute of Agricultural Extension Management (MANAGE)	5,00,00				
Total Minor Head ‘109’ – Extension and Farmer’s Training	233,08,89	209,25,89	23,83,00		21,31,96-I&B 53,54,-UD 67,50-Ladakh 1,30,00-A&N
2401.00.113- Agricultural Engineering					
2401.00.113.01- Tractor Training and Testing Institutes	28,08,74				
2401.00.113.26- Green Revolution- Krishonnati Yojna	4,86,77				
2401.00.113.27- Promotion of Agriculture Mechanization for In-Situ Management of Crop Residue	575,09,89				
Total Minor Head ‘111’ – Agricultural Engineering	608,05,40	607,72,72	3,32,68		32,68-I&B
Total Major Head “2401”	841,14,29	816,98,61	24,15,68		21,64,64-I&B 1,45,14-UD 67,50-Ladakh 1,30,00-A&N
Total Revenue Section (Voted)	982,86,76	963,75,92	19,10,84		
Deduct Recovery	-2,89,79	-2,91,89	2,10		
Total Revenue	979,96,97	960,84,03	19,12,94		-5,96,85-Gr.02 21,65,05-I&B 2,10-Gr.02 1,45,14-UD 67,50-Ladakh 1,30,00-A&N

*Pr. CCA/CCA/CA(i/c)

*Strike out whichever is not applicable

APPENDIX -11.5

(Refer to Para 11.6)

STATEMENT SHOWING PARTICULARS OF CORRECTIONS TO THE HEADWISE APPROPRIATION ACCOUNTS

Grant No. and name	Sub-heads of the Appropriation Account	Amount shown to be shown in col.3	Amount of corrections in col.3 More + Less -	Amount shown/to beshown in col.4	Amount of corrections in col.4 More + Less -	Revised explanation	Authority on the basis of which correction proposed
1	2	3	4	5	6	7	8

For
Read

Signature of Pr.CCA/CCA/CA(i/c).....
Ministry.....
Department.....

Note:- The Corrigendum will be signed by the officer who has signed the Headwise Appropriation Accounts to be corrected.

Note:- (i) The figures to be shown against For against affected head/sub-head would be the same as shown against the head-sub-head in the Appropriation Accounts approved by the Secretary.

(ii) The figures to be shown against Read against head/sub-head would be revised figures after incorporation of the proposed correction.

(iii) The amounts shown in cols.4 and 6 are to be the same.

(iv) Any change/addition or alteration in the notes and comments/explanations should be indicated in col.7 against the relevant sub-head of the Appropriation Accounts.

(v) if the correction affects the Total (Revenue or Capital or both) of the Appropriation Accounts of a particular grant, the same should be shown in the end as follows:

Total Revenue Charged
 Voted

For

Total Capital Charged
 Voted

Total Revenue Charged
 Voted

Read

Total Capital Charged
 Voted

CONTINGENCY FUND STATEMENT

1. The statement to be appended to the Headwise Appropriation Accounts should be prepared in the proforma indicated below:-

(In thousands of rupees)

Sl.No.	Head of Accounts	Amount	Month of sanction/ withdrawal	Amount recouped	Month in which recouped	Balance, if any

2. In case where there has been no withdrawal/recoupment from the Contingency Fund during the year, a NIL statement should be given.

*Pr. CCA/CCA/CA(i/c)

*Strike out whichever is not applicable

APPENDIX 11.7
(Refer to Para 11.3.3)

Statement of Funds Re-appropriated To & From the Different Sub-Heads

No. and/or name of Grant/Appropriation

(Figures in thousands)

Sl.No.	No. and Date of Re-appropriation/ Surrender Order	Sub-Head	Amount Re-appropriated		Remarks
			From(-R)	To(+R)	
1	2	3	4	5	6
	Revenue Section				
	Total Revenue Section				

Difference of amounts shown in Column 4 & 5

Amount Surrendered, if any as accepted by Ministry of Finance vide Audit order No. F.No. _____ dated _____

*Pr. CCA/CCA/CA(i/c)

*Strike out whichever is not applicable

Foot Notes:

- 1 The Statement should be prepared separately for
- | | | | |
|-----|---------|---|---------|
| (a) | Revenue | - | Charged |
| (b) | Revenue | - | Voted |
| (c) | Capital | - | Charged |
| (d) | Capital | - | Voted |

Sections/portions of the Accounts

2 The amount of difference between the amounts shown in Column 4 and 5 should tally with the amount surrendered.

3 The number of reappropriation orders mentioned in column 2 should be verified with the list of such orders obtained from the Budget Section of the Ministry/Department so as to ensure that all these orders issued during the year have actually been taken into account for preparing the Statement/Account.

** The totals of sub-heads, major heads and Revenue/Capital section may be worked out separately.

APPENDIX 11.8
(Refer to Para 11.7)

Broadly the form and manner of the condensed Appropriation Accounts is as follows:

1. Nomenclature and number of Grant/Appropriation is given strictly as per the Main Demand for Grants presented to Parliament by the Ministry of Finance.
2. Summary of total grant/appropriation (Original+Supplementary), actual expenditure and saving/excess (-/+) is shown at the beginning of each section i.e. Revenue (charged & voted) and Capital (charged & voted) simultaneously showing the surrender for each portion under respective section.
3. **Notes and comments**

After recording the summary, the Notes and Comments are to be recorded for each portion separately. Broadly there are 5 categories where specific comments are to be given:

- (i) Where there is an excess, specific comment along with actual excess in rupees to be given. In such cases explanation order will be excess followed by savings.
 - (ii) Overall saving is more than 10% of the Supplementary.
 - (iii) Overall savings in a segment has exceeded the supplementary grant.
 - (iv) Amount surrendered has exceeded the overall savings.
 - (v) General comments : Saving/excess occurred under the following major heads
4. Below Notes and Comments, Major Head-wise details with reference to total grant, actual expenditure and savings/excess (-/+) are depicted in tabular form for the account heads to be explained under the relevant section.
 5. Savings/excess are explained sub-head wise under a major head with the following guiding principles.
 - (i) If there is a supplementary, all cases where the savings exceeds 10 percent of the supplementary or ₹100.00 lakhs, whichever is higher.
 - (ii) All the cases where the savings/excess exceeds 10 percent of the sanctioned provisions or ₹250.00 lakhs, whichever is higher.
 - (iii) All the cases where savings/excess exceeds ₹500.00 lakhs.
 6. Narration below major heads will be in the following order:
 - (i) **Entire provision remained unutilised-** Total entire provision with number of sub-heads be given. Further, sub-heads where the savings are more than ₹500.00 lakhs are to be explained.

- (ii) **Independent savings:** Order of depiction of heads will be as under:
- (a) Heads where the savings are more than supplementary grant.
 - (b) Where part of the supplementary grant remained unutilised.
 - (c) Savings of more than ₹500.00 lakhs.
- (iii) **Omnibus savings:** Number of subheads with total savings alongwith percentage (lowest & highest) to be shown in one paragraph for heads pertaining to saving of more than ₹250.00 lakhs but less than ₹500.00 lakhs.
- (iv) **Independent Excess:** Order of depiction will be as under:
- (a) Heads where the excess has been reported to Parliament (through supplementary or vide annexure to supplementary grant) to be explained first. Reasons for excess in these cases are not depicted.
 - (b) Excess of more than ₹500.00 lakhs.
- (v) **Omnibus Excess:** Number of sub-heads with total excess alongwith percentage (lowest & highest) to be shown in one paragraph for heads pertaining to saving of more than ₹250.00 lakhs but less than ₹500.00 lakhs.

Further, reported heads to be taken in independent excess.

CHAPTER 12

FINANCE ACCOUNTS

12.1 FINANCE ACCOUNTS OF UNION GOVERNMENT

12.1.1 The Finance Accounts of the Central Government comprises of the accounts of the Central Government as a whole and includes transactions of Civil Ministries/Departments, Ministries of Defence and Railways and the Departments of Posts & Telecommunication. It presents the accounts of receipts and outflows of the Central Government for the year together with the financial results disclosed through accounting data and statements. These accounts include the Revenue and Capital Account, Public Debt account and other liabilities and assets worked out from the balances in the accounts and are presented in the form of various statements in the Finance Account. The Finance Accounts is the Audited account of the Union Government presented to the Parliament. It is supplemented by the accounts separately presented in the form of Appropriation Accounts.

12.2 FORM OF FINANCE ACCOUNTS

12.2.1 The Finance Accounts comprises of two parts- Part I and Part II. Part I presents the summarized statements in respect of Revenue, Capital, Debt, Deposit, Suspense and Remittances transactions and Contingency Fund. Part II has detailed statements in respect of these transactions, along with other related statements. Part II of the Finance Accounts is further sub- divided into two sections `A' & `B'. While section `A' comprises of detailed accounts and statements relating to Receipts and Expenditure on Revenue and Capital accounts, section "B' has detailed accounts and statements relating to Debt, Deposit, Suspense & Remittances and the Contingency Fund.

12.2.2 The basic inputs for compilation of Finance Accounts are as follows:-

- (1) SCT;
- (2) Journal Entries;
- (3) Prior Period Adjustments;
- (4) Proforma Adjustments; and
- (5) Disclosures relating to Guarantees, Grants-in-aid, Loans and advances and Investments.
- (6) Progressive figures up to the end of the previous year relating to DDSR Heads and Capital Expenditures

12.2.3 While the first five inputs mentioned above are received from the various accounting authorities, progressive figures up to the end of previous year are available in the records of Finance Accounts Section.

12.3 MATERIAL FOR FINANCE ACCOUNTS:

12.3.1 The Finance Accounts Section in the office of CGA issues a circular before the close of each financial year, prescribing the time schedule for preparation and closing of Union Government Accounts. Circulars are also issued by this section detailing guidelines relating to the preparation and submission of SCT, Journal Entries and other materials for the Finance Accounts.

12.3.2 The Finance Accounts is prepared on the basis of materials indicated in the Table below, including the SCT that constitute the base material, and is furnished by the authorities indicated below.

(a) Statements of Finance Accounts, SCTs and other materials.	Principal Accounts Offices relating to Ministries / Departments, AG and separated Accounts Organizations of Union Territory Administrations/Governments.
(b) SCTs and other material.	Dy. Director General, Postal Accounts.
(c) SCTs and other material.	Dy. Director General, Telecommunications.
(d) SCTs and other material.	Controller General of Defence Accounts.
(e) SCTs and other material.	Railway Board.

12.3.3 The following instructions shall be followed with regard to the preparation and submission of the SCTs to the CGA.

12.3.4 The SCT shall be submitted to the CGA, in the prescribed form. The figures of expenditure under CFI in SCT should reconcile with the figures of Appropriation Accounts, prepared subsequently.

12.3.5 The SCT should include the progressive figures up to Supplementary-I accounts. After its submission to the CGA, any further correction to the SCT, shall only be carried out by proposing a Journal Entry after obtaining the approval of CGA. The proposal for Journal Entries shall be sent to the CGA up to the time limit specified in the yearly circular of Time Schedule and Annual closing of Accounts, along with the justifications for the corrections. These proposals should be supported by Journal Entries in Form CAM-34, duly signed by the concerned Head of Accounting Organization viz. Pr.CCAs/CCAs/CAs(i/c) as the case may be. This shall be accompanied with the related corrections to the SCT, for seeking the approval of CGA and including them in the Accounts. The figures in the SCT and JEs are to be indicated in 'thousands of rupees'.

12.3.6 Material for Statement No.13 comprising of: (a) figures of receipts/disbursements during the year; and (b) opening/closing balances under various Debt heads under the Consolidated Fund, Reserve Funds, Deposits and Advances, Suspense and Remittance heads; and the Public Account shall be furnished in the following format:

(In Thousands of Rupees)

Head of account (Major & Minor head of account)	Opening balance as on 1st April	Balances adopted through proforma from As.G./ Pr.A.Os during the course of year (AG-wise details and the particulars of communications returning certified proforma 'B' should be given separately in an	Revised opening balance as on 1st April (Col. 2-3)	Receipt during the year	Disbursement during the year	Closing balances as on 31st March
-------------------------------------------------	---------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------	-------------------------	------------------------------	-----------------------------------

Annexure)						
1	2	3	4	5	6	7

Note:- Proforma corrections in respect of Statement No.13 of Finance Accounts etc. will be carried out in terms of para 5.15.2 and as below the line entries and reflected distinctly under a separate line named "Prior Period Adjustment Account" below the relevant major/minor head. The closing balance under the head will be worked out after taking into account the effect of "Prior Period Adjustment Account".

12.3.7 The following points should be further kept in view while furnishing material for Statement No.13 and other subsidiary statements like Statement No.14 and 15:

(i) The minor heads of account indicated under each major head are strictly in accordance with the revised List of Major and Minor Heads of Account.

(ii) The 'Receipts' and 'Disbursements' against each major/minor head of account during the year matches with the corresponding figures shown in the SCT.

(iii) The figures appearing under Disbursement (column 6) and Closing balance (col.7) under the Minor heads below Major Head 8658 to Major Head 8662-Suspense Accounts, as the case may be, indicates that certain items/transactions remain outstanding. This may be on account of non-clearance or adjustment to the final head. No Outstanding balance should normally remain under any of the minor heads at the end of a year, and the same should be ensured.

(iv) If there are debit balances under the heads against which there should normally be credit balances or vice versa, the reasons for such Adverse Balances should be explained fully through footnotes. The action taken for liquidation of the adverse balances should also be indicated.

(v) Normally, there should be no minus figures under the columns relating to receipts/disbursements during the year. In case there are any such minus figures, the full reasons are required to be indicated.

(vi) The opening balances under Debt, Deposit, Suspense and Remittance heads should match with the respective closing balances in the preceding year's statement.

Note: In some cases, rectifications may be required on being detected due to reconciliation of balances, or otherwise. In such cases, the rectification of misclassification relating to earlier years will be carried out through Prior Period Adjustments as envisaged in para 5.15.3.

(vii) If any footnote in the Statement of Finance Accounts during earlier year was in the form of promise for further action/probe/remedial step, it should be ensured that such action is taken in the subsequent year, and if it was not done the reasons for the same should be indicated.

(viii) The totalling will be done for each sector/sub-sector/major head at every stage, with the

grand total being recorded at the end.

12.4 COMPONENTS OF FINANCE ACCOUNTS: Apart from the certificates to be recorded in the Finance Accounts and introductory portion, Finance Accounts contains 17 Statements in all. Part-I of Finance Accounts contains summary statements whereas Part-II contains detailed accounts and other statements. These Statements, in brief are discussed below.

Part I of Finance Accounts contains five summarised statements (Statements No. 1 to 5).

12.4.1 Part-I Statement No.1 – Summary of Transactions: This statement is prepared in crores of Rupees upto two decimal places. It shows a summary of all transactions of the Union Government for the current and the previous year, with the Receipts and Expenditure transactions shown separately total Receipts matching with total Disbursements. The Summary of Transactions includes an Annexure containing Major Head-wise details of Taxes and Duties assigned to States during the year.

The total Revenue Receipts and Expenditure for the current year are compared with those of the previous year. The increase in respect of Defence, Railways and Posts is shown as a single figure, while the reasons for increase in civil departments are explained for those major heads where the increase is marked.

At the end of the Statement, transactions of Ministry of Railways are analyzed, showing their Revenue Receipts and Revenue Expenditure, the net surplus, transfer to the respective Reserve Funds and the distribution of net revenue into dividend for General Revenues if any. This write up is vetted by the Ministry of Railways before incorporating in the Statement.

12.4.2 Statement No.2 – Summary of Debt Position: This statement is prepared in crores of Rupees upto two decimals. It has three parts-

(i) **Statement of Borrowings:** This part contains the debt position at the commencement of the year, Receipts and Repayments during the year, the debt position at the end of the year and the net increase during the year relating to Public Debt and the liabilities on Small Savings, Provident Funds, etc. The components of Market Loans raised during the year are also shown separately as well as the total outstanding liability of the Central Government.

(ii) **Other Obligations:** This part of the statement includes similar information as mentioned in (i) above in respect of Reserve Funds and Deposits (both for Funds/Deposits bearing interest and not bearing interest) separately.

(iii) **Service of Debt:** In this part of the statement, transactions of the current year and the previous year are compared in relation to total interest paid by the Government indicating the interest on (a) Public Debt and Small Savings and Provident Funds (b) Reserve Funds and (c) Other Obligations. Total expenditure on interest and net amount of interest charges after adjustment of (i) interest received on loans to State/UT Governments, (ii) interest received from investment of cash balances & other items and (iii) interest from Departmental Commercial Undertakings, PSUs/PSEs and other undertakings including Railways and Posts & Telegraphs, are reflected in this statement. These are also shown in terms of Percentage to the total revenue receipts. A footnote showing the amount of Dividend received on investments in the commercial undertakings is also incorporated.

12.4.3 Statement No.3 (IGAS-3)–Loans and Advances by the Union Government: The details under “Loans and Advances made by the Union Government” shall be disclosed as per the Indian Government Accounting Standard (IGAS) 3 on “Loans and Advances” made by Governments as detailed below:-

- (i) the summary of Loans and Advances showing Loanee group-wise details.
- (ii) the summary of Loans and Advances Sector-wise details
- (iii) the summary of repayments in arrears from State/UT Governments and other loanee entities.

Notes: -

1. Out of total amount of ₹ lakhs paid as loans to State/Union Territory Governments, loans granted to cover gaps in resources of the State/Union Territory amounted to ₹ lakhs.

2. In pursuance of the recommendations of the 13th Finance Commission, repayments by the States/Union Territories amounting to ₹ lakhs have been written off up to March 31, (xxxx).

3. At the beginning of the year, there was a balance of Rs.....lakhs sanctioned to State Governments as Ways and Means Advances. During the year, an amount of ₹Lakhs was paid as Ways and Means Advances to State Government for clearance/avoidance of overdrafts from the RBI. The State Governments repaid ₹ lakhs during the year leaving a balance of Rs..... lakhs.

4. Following are the cases of a loan having been sanctioned as “loan in perpetuity”:
(In lakhs of rupees)

S. No.	Loanee entity	Year of Sanction	Sanction Order No.	Amount	Rate of Interest
1	State and Union Territory Governments				
2.	Other loanee entities				
TOTAL					

12.4.4 Statement No. 4 (IGAS-1) Guarantees Given by the Union Governments

12.4.4.1 Government gives guarantees on behalf of various PSUs, Banks and other institutions for repayment of their borrowings and payment of interest thereon, repayment of their share capital and payment of minimum dividend, and payment against supplies of materials and equipment on credit basis, etc. These guarantees constitute Government’s contingent liabilities that have to be discharged from the CFI in case of any default by the beneficiaries of such guarantees. As per requirements of the FRBM Rules, a new format for disclosing guarantees given by the Government has been introduced in the Finance Accounts for the year starting from 2004-05. This statement is prepared in crores of Rupees upto two decimals. At the outset, the purposes for which Government stands guarantee are stated. The maximum amount of guarantee for which Government had entered into agreements and sums guaranteed outstanding at the end of the year are mentioned in crores of Rupees. The Ministry/ Department-wise details of guarantees under 6 different classes are given.

12.4.4.2 The information is provided in two parts: (1) Class wise information on guarantees given by the Union Government and (2) Guarantees given by Government: Disclosure requirements (IGAS-I) which is further furnished in two parts: (a) Sector wise Disclosures in respect of guarantees given by the Union Government and (b) Additional Disclosures in respect of guarantees given by the Union Government. The Sector wise disclosures contain information in respect of Guarantees under the following 8 Sectors:

- 1 Power
- 2 Co-operative
- 3 Irrigation
- 4 Road & Transport
- 5 State financial Corporations
- 6 Urban Development and Housing
- 7 Other Infrastructure
- 8 Any Other

12.4.5 Statement No. 5-Summary of Balances: Under the Indian Government Accounts book-keeping system, the amounts booked under Receipts and Expenditure heads in Revenue and Capital Account and those under major heads `7810 Inter- State Settlement', `7999-Appropriation to the Contingency Fund' and `8680 Miscellaneous Government Account', are closed to a head with the nomenclature `Government Account'. The balances under this head represent the cumulative result of all such transactions. The closing cash balance at the end of the year can be worked out and proved by adding the balances under 'Government Account' and those under Debt, Deposit, Suspense and Remittance heads and the Contingency Fund. This statement is prepared in thousands of Rupees and has three parts, showing the balances at the end of the year under various sectors of account, with the total debit balances being equal to the credit balances. The other information available in this statement, in brief, is as follows: -

1. The sector-wise details of Prior Period Adjustments made in the account, along with the debit and credit totals of the PPAs;
2. The significance of "Government Account" head and the closing balance under it;
3. The debit or credit balance (as on 31st March of the year) for each sector of the account.

Note: The details of Prior Period Adjustments and impact of Prior Period Adjustments involving Capital expenditure Heads, if any, on Capital expenditure are to be disclosed in Finance Accounts in terms of Indian Government Accounting Standard (IGAS) 4-Prior Period Adjustments, which is applicable for the financial statement for the period commencing from the 1st day of April, 2023.

12.5 PART – II DETAILED ACCOUNTS AND OTHER STATEMENTS

A – Receipts and Expenditure

This part contains seven statements: Statements 6 to 12

12.5.1 Statement No. 6-Statement showing Percentage Distribution of Revenue Receipts and Revenue Expenditure for the year: This statement is prepared in crores of rupees upto two decimal places. The information is furnished in three columns. In the first half of the statement, the total Revenue Receipts is depicted component wise along with the percentage against the total Revenue Receipts. In the second half the various components of Revenue Expenditure are similarly depicted.

12.5.2 Statement No. 7- Statement showing the distribution between Charged and Voted Expenditure: This statement is prepared in thousands of Rupees and contains the following information depicting in a nutshell, the distribution of total expenditure between Charged and Voted expenditure: -

1. The distribution of the expenditure under the Consolidated Fund
2. Breakup of disbursement under Public Debt, Loans and Advances, Inter-State Settlement and Transfer to Contingency Fund

12.5.3 Statement No. 8-Detailed Account of Revenue Receipts and Capital Receipts by Minor Heads: This statement is prepared in thousand of rupees. This statement shows the following details of Revenue and Capital Receipts minor head wise: (a) The totals at the Sub-Major, Major head, and Sector levels (b) Total Revenue Receipts, (c) Capital Receipts and (d) The total of Revenue and Capital Receipts. The reasons for minus transactions at Minor head levels except those under deduct heads are recorded as footnotes at relevant pages.

12.5.4 Statement No. 9 Detailed Account of Revenue Expenditure by Minor Head and Capital Expenditure by Major Head:

12.5.4.1 This statement depicts the details of Revenue expenditure by minor heads and Capital expenditure by major heads. The breakup, if any, of expenditure into Charged and Voted components is also shown, with the charged expenditure shown in italics. The reasons for minus expenditure except those under deduct heads are recorded as footnotes at the relevant pages. This statement is prepared in thousand of rupees.

12.5.4.2 As per notification dated 19 May, 2011 issued by M/o Finance, Department of Economic Affairs (Budget Division), Indian Government Accounting Standard (IGAS) 2 on "Accounting and Classification of Grants-in-aid" has been introduced in Finance Accounts for the year starting from 2011-12 as disclosure to Statement No.9. It depicts total funds released as Grants-in-aid and funds allocated for creation of capital assets out of the total funds released during the financial year. Grants-in-aid in kind shall also be disclosed in quantitative terms. The statement is prepared in lakhs of Rupees up to two decimals.

12.5.5 Statement No.-10 Statement of Expenditure on Capital Account during and upto the end of the year: This statement is prepared in thousand of rupees. The expenditure on

Capital Account during and to the end of the year, is depicted minor head wise in this statement. However, due to non-availability of progressive figures at minor head levels, the figures are shown at sub major head level for major head 4076 and at the major head levels for major heads 5002 and 5003. An **APPENDIX** is added indicating the minor head wise details of expenditure incurred during the year under the Major Heads 4076, 5002 and 5003. The reasons for minus expenditure (except those under deduct heads) are recorded as footnotes at relevant pages. Any PPA that affects the investment is suitably explained in the footnote.

12.5.6 Statement No.11-Statement showing the Investments of the Union Government in Statutory Corporations, Government Companies, Other Joint Stock Companies, Co-operative Banks and Societies, etc., upto end of the year: This statement, contains full details of investments made by the Government in Statutory Corporations, Government Companies, Other Joint Stock Companies, Co-operative Banks and Societies, etc., upto the end of the year. Those enterprises which are under construction/expansion are included in Part I of the statement while the enterprises already in operation are covered in Part II of the statement. Dividend received during the year is mentioned in column (9) of the statement, and if no dividend is received, the reasons thereof are recorded in the remarks column. Any PPA that affects the investment is suitably explained in the footnote.

12.5.7 Statement No. 12 - Statement showing Capital and Other expenditure (outside the Revenue Account) to end of the year and the principal sources from which funds were provided for that expenditure: The figures depicted in this statement are shown in two parts. The first part indicates the expenditure on Capital account and on Loans and Advances while the second part indicates the sources of funds for that expenditure. The net provision of funds for the current year should be equal to the total capital and loan expenditure during the current year. Figures in respect of investment heads are shown separately and are not included in the concerned sectors.

12.6 B- DEBT, DEPOSIT, REMITTANCES AND CONTINGENCY FUND: This part contains five statements i.e. Statement Nos. 13, 14, 14A, 15 & 16.

12.6.1 Statement No. 13-Statement of Receipts, Disbursements and Balances under heads of account relating to Debt, Deposits, Remittances and Contingency Fund

This statement contains the following: -

1. Details of Consolidated Fund at the beginning of the statement, with the Receipts and Disbursements under Revenue and Capital account shown in respective columns. As these heads are closed to Government Account, there are no opening and closing balances of these heads;
2. Summary of Public Debt, Loans and Advances, Inter-state settlement, Transfer to Contingency Fund and Total of Consolidated Fund
3. The balances against Major Head 8000 – Contingency Fund of India;
4. The details of transactions and balances under Public Account except sector I- Small Savings, Provident Funds etc., with the details for every minor head with sub-sector-wise breakup;

5. Aggregate totals are made at all levels viz. sub – major head, major head, sub – sector and sector levels. The total for the Public Account is also depicted;

6. Minor head wise details of the major head 8999 Cash Balance under the ‘Sector N Cash Balance’. The opening balance under this major head is equal to the figure under the column for Receipts while the closing balance is equal to the figure under the column for Disbursements. A footnote comparing the closing balance under head 8999 – 102 Balance with Reserve Bank in this statement with the closing balance as reported by RBI, CAS, Nagpur is also recorded.

12.6.2 Statement No. 14-Statement of Debt and other interest-bearing obligations of Government.

This Statement depicts:

(1) Minor - head wise details under the -

(i) Sector E-Public Debt which includes Internal Debt and External Debt

(ii) State Provident Fund

(iii) Other Accounts and

(iv) Post Office Insurance Fund below the Sector I Small Savings, Provident Funds etc. except heads under NSSF (8001-8008)

(2) A statement showing details of foreign loans in foreign Currencies/Rupees in Crores and the exchange rate adopted (as on 31st March of the year) is appended to statement no.14. This is furnished by CAAA.

12.6.3 Statement No. 14 A- Details of Market Loans raised in India and securities issued to international Financial Institutions: This statement supplements statement No. 14, furnishing details of each loan, under major head “6001”, even below the minor head level. Head wise details of loans shown at minor head level in statement No.14 are furnished in this statement, which is obtained separately from the concerned department(s) and incorporated. This statement is prepared in thousand of rupees.

12.6.4 Statement No. 15-Statement of loans and advances showing the amounts advanced and repaid, interest received during the year and the balances of such loans and advances at the commencement and close of the year.

Section: 1- Major and minor Head wise details of Loans and Advances

Major and Minor head wise details of loans are given in this section. The details consist of balance of loans at the commencement of the year, amount of loans paid and repaid during the year, write off during the year, balance of loans at the end of the year, net addition/decrease during the year and interest credited during the year for each minor head.

Section: 2 – Repayment in arrears from State or Union Territory Governments

In this section, details of arrears pertaining to each State/UT Government are given.

The details consist of amount of arrears at the close of the year (principal amount in arrear, interest amount in arrear and their total are shown separately), the earliest period to which the arrears relate and total loans outstanding against each State/UT at the close of the year.

Section: 3– Repayment in arrears from Other Loanee entities or institutions

The same details, as in section 2, are provided for each loanee entity/institution.

Additional Disclosures:

Details of fresh Loans and Advances made during the year are furnished in this statement. The details are given for each State/UT/Foreign Government separately and also for each loanee entity/institution. For fresh loans to the Government servants given during the year, the details are given for each class of loans to Government servants separately. The details of fresh loans given during the year are provided as under:

- (i) Number of fresh loans given to each loanee entity;
- (ii) Total amount of fresh loans given to each loanee entity;
- (iii) Rate of interest for each fresh loan; and
- (iv) Moratorium period for loans given during the year, if any;
- (v) Cases of loans having been sanctioned as “loan in perpetuity”;
- (vi) Details of loans sanctioned by the Government where the term and conditions of the loans were not settled; and
- (vii) Cases of fresh loans and advances made during the year to loanee entities from whom repayment of earlier loans in arrears.

The statement is prepared in lakhs of Rupees up to two decimals in the proforma prescribed in IGAS 3

12.6.5 Statement No. 16-Statement showing the position of National Small Savings Fund: This statement depicts the minor head-wise details of balances under National Small Savings Fund that also includes Savings Deposits and Savings Certificates etc. At the end of the Statement, two Appendices are added – (i) Showing the details of Income & Expenditure of National Small Savings Fund (ii) Showing State-wise details of investments made by Government of India in Special State Government Securities and undertaking wise detail of investment under other instruments.

12.7 CERTIFICATION OF FINANCE ACCOUNTS:

12.7.1 After the preparation of the Finance Accounts along with the statements, a certificate is recorded on Finance Accounts by the CGA, which is countersigned by the Secretary Expenditure, Ministry of Finance. The Comptroller and Auditor General of India thereafter records the audit certificate and presents it to Government, for placing before the Parliament.

12.8 SUPPLY OF FINANCE ACCOUNTS

12.8.1 After obtaining approval of the President, copies of the publication will be supplied to Budget Division in the Ministry of Finance and the Parliament Secretariat, in advance for their presentation to the Lok Sabha and Rajya Sabha. They will be supplied with the clear stipulation that they are to be treated as 'Secret', until their presentation to the Parliament.

12.8.2 After the Finance Accounts has been laid on the Table of Parliament it will also be uploaded on CGA website. .

12.8.3 The updated distribution list of the publication including the changes ordered from time to time, is kept in the office of CGA.

CHAPTER 13

BANK RECONCILIATION - EXPENDITURE ACCOUNTS TRANSACTIONS

13.1 GENERAL

13.1.1 This chapter deals with the processes of banking, reconciliation and accounting relating to the receipt and payment functions performed by the PAO except the procedure relating to collection of receipts through Bharatkosh and Tax receipts in CBIC and CBDT (for payment functions of CDDOs please refer to chapter on CDDOs). The procedure relating to Bharatkosh and Tax receipts are specified in Chapter 16.

13.1.2 The reconciliation processes conform to various statutes and acts such as the RBI Act - 1934, Negotiable Instruments Act-1881, Payment and Settlement Systems Act – 2007, Information Technology Act- 2000 and various rules notified thereafter for all these acts. Furthermore, the RBI and Office of CGA issue guidelines from time to time on the handling of government transactions by the banks and they shall be applicable in addition to the provisions outlined in this chapter.

13.1.3 With the departmentalization of accounts and in line with Chapter 3 of the RBI Act, the financial transactions of the various Government of India offices take place either at the branches of the RBI or the accredited Banks. The PAO executes payments vide various instruments and drawing accounts such as cheque payment account and electronic payment account at the accredited bank or Inter Accountal Adjustment Advice (IAAA) account and Inter Governmental Adjustment (IGA) advice account at RBI, as the case may be.

13.1.4 The banks have in turn designated FPBs and e-FPBs for reporting back on the government transactions within stipulated timeframe, for both physical as well as electronic transactions. The common interface platform between the PAO and the bank is the PFMS, operated under different assigned roles of the stake holders involved. The receipt and expenditure transactions including revenue transactions of CBIC and CBDT are consolidated in the Government accounts electronically (through PFMS). At the same time, the effect of these transactions made through the banking channels on the cash balance of the Government of India is reflected at the RBI, Central Accounts Section (CAS), Nagpur. The reconciliation of the cash balance of Government of India is done through the accounting information worked out by the office of CGA on the one side and the cash balance of Government worked out by the RBI. The RBI data includes information received from RBI's own branches in Regional Offices and various accredited banks who settle the agency transactions done by those banks with RBI.

13.1.5 This reconciliation is necessary for the following reasons:

- (a) To bring out any mistake committed by the accounting authorities or by the banks in working out the cash balance;
- (b) To ensure that the payments by the RBI and accredited Banks on account of Government of India, are authorized and correct;
- (c) To ensure similarly that every item of receipt by the branches of the RBI and accredited Banks are duly accounted for and accurately credited by the bank with reference to the amount shown in the challans;

- (d) The settlement effected by the authorized Banks with R.B.I. through Put Through is done: within permitted time limits; for the correct amount; includes only the actual transactions of Government for both payments and receipts arising at the banks; and there is no double/excess or less adjustment for these transactions.

13.1.6 The Minor Heads '108-Public Sector Bank Suspense' and '138-Other Nominated Banks (Private Sector Banks) Suspense' below Major Head 8658-Suspense Account in accounts exhibit the difference between amounts of Central Government (Civil) transactions occurring in Public Sector Banks and Other Nominated (Private Sector) Banks included in Government Accounts and the amounts actually adjusted by the RBI, CAS, Nagpur on the basis of advices received from the link branches of Public/Private Sector Banks. The progressive balances outstanding on credit and debit sides under the minor heads 'Public Sector Banks Suspense' and 'Other Nominated Banks (Private Sector Banks) Suspense' will represent respectively the payments and receipts of the Ministry/Department handled by its accredited Bank for which- (i) either settlement remains to be effected between the accredited Bank and the RBI or (ii) clearances are pending from the Principal Accounts Office concerned, due to non-receipt of monthly statement(s) of transactions from the RBI, CAS, Nagpur before close of the monthly accounts of relevant month.

13.2 SCHEME OF REPORTING BY BANKS, ACCOUNTING AND RECONCILIATION

13.2.1 All Pay and Accounts Officers/CDDOs hold account with the branches of bank(s) accredited to the Ministry/Department in line with guidelines issued by Office of CGA.

13.2.2 Transaction in respect of electronic instruments: For transactions done through electronic instruments in line with the guidelines issued by RBI and Office of CGA, the Pay and Accounts Officer shall hold account with designated e-FPB, to make electronic payments through PFMS or to receive electronic receipts via *Bharatkosh*.

13.2.3 In case of electronic instruments, the e-FPBs shall act as the dealing branch as well. The e-FPBs shall provide a transaction wise electronic acknowledgement and success /failure response against each electronic transaction for PAO concerned, within stipulated timeline and in the format prescribed by the Office of CGA.

13.2.4 The e-FPBs shall provide transaction wise detail, and PAO-wise daily scroll in PFMS in the format as prescribed by Office of CGA, and within the stipulated timelines. The scroll files for receipt and payments transactions shall be different and in line with CGA's guidelines. PAO shall monitor the relevant reports available in PFMS in respect of receipts and payments transactions and report to FPB in case of any discrepancies, if any. Accredited Bank would send the rectified file to PAO via PFMS, within stipulated timeframe, and in line with Payments and Settlement Systems Act, 2007.

13.2.5 Transaction in respect of physical instruments: For handling transactions using physical instruments such as cheque, demand drafts etc. a FPB would be designated by the accredited bank at a centre where the PAO is situated, preferably, close to the office of the PAO for better coordination.

13.2.6 For transactions using physical instruments such as cheque, demand drafts etc; the dealing branch of the bank will prepare payment/receipt scrolls on a daily basis. As and when cheques are passed for payment, the cheques will be entered in the scroll. The scrolls will be prepared separately for each PAO / CDDO of Ministry/Department in the prescribed format. The

daily scrolls shall have a running serial number for each accounting year from 1st April, to 31st March. These numbers on the scrolls shall bear the prefix DMA(E) for 'Payments' and DMA(R) for 'Receipts'.

13.2.7 After the books of the branch have been balanced with reference to the total of the day's scrolls, the dealing bank branch will send copies of Payment and Receipt scrolls to the designated FPB of the bank on daily basis, along with the images of paid cheques or challans as the case may be. The dealing branch will not send any copy of scroll directly to the PAO. However, one copy of the scroll will be sent directly to the DDO concerned.

13.2.8 As a FPB, in addition to acting as a dealing branch, it will check the accuracy of the scrolls/paid cheques/challans rendered to it by the dealing branches linked to it. The FPB will prepare PAO-wise Main Scroll. It will be prepared separately for each Ministry/Department on a daily basis. The Focal Point branch will send the Main Scroll along with original copy of the scroll and image of paid cheques received from various dealing branches, including its own, to the PAO on a daily basis (on T+1 day). The scrolls of dealing branches along with documents attached to the original Main Scroll should be in the same order, in which entries are listed in the Main Scroll. After verification, the PAO will certify and return the copy of Main Scroll (without documents) to the FPB within one working day of receipt.

13.3 PROCEDURE FOR SUBMISSION OF CERTIFICATES IN LIEU OF CHALLANS/PAID CHEQUES OR DUPLICATE COPY OF SCROLLS LOST/MISPLACED IN TRANSIT

13.3.1 Since the challans/paid cheques are important documents of evidence for receipt/payments from Government account, dealing/FPB should take utmost care to ensure these are not lost or misplaced during the handling of documents. However, in the event of loss or misplacement of documents, the FPB should obtain certificate from the dealing branch against such challan/paid cheques respectively, and attach it with the scroll. These certificates should also be serially numbered and indicated against the entry in the relevant scroll. Such scrolls of the dealing branch should not be included in the Main scroll unless a certificate as mentioned above supports it.

13.3.2 Similarly, in the event of loss/misplacement of scroll along with the documents during transit, the FPB should obtain duplicate copy of the scroll along with Certificates in lieu of challans/paid cheques and include them in the Main Scrolls.

13.3.3 If the lost/misplaced challans/paid cheques/scrolls are recovered subsequently, they should be sent to the Accounting Authority through a covering letter giving reference to the corresponding certificates/scrolls. The scroll/documents should be marked "for record and not for accounting" in order to avoid double accounting.

13.4 DMS REPORTING BY FPB TO PAO AND MONETARY SETTLEMENT WITH RBI

13.4.1 In case of SBI, the FPBs will report the total of transactions as per daily Main Scroll to Govt. Accounts Department (GAD), Mumbai for monetary settlement with RBI, CAS, Nagpur and due adjustment in the accounts of the concerned Ministry/Department. The FPBs of other Banks will report to their respective Link Cells at Nagpur for monetary settlement with RBI, CAS, Nagpur. While reporting these transactions, the FPBs will furnish a certificate to GAD/Link Cells that necessary scrolls/images of paid cheques/challans etc. have already been submitted to the concerned PAO. Similar certificate will be given by GAD/Link Cells while settling transactions

with RBI, CAS, Nagpur. This daily report to GAD, Mumbai/ CAS Nagpur shall comprise of both physical and electronic instruments handled by accredited bank concerned.

13.4.2 After the close of the month, the FPBs of the Banks will prepare the DMS. DMS will be prepared PAO wise for each Ministry/Department based on the daily Main Scrolls already sent to PAO. DMS will be sent by 1st of the succeeding month to the PAO for verification. The duly verified statement will be returned by the PAO to the FPB within three days of receiving it, with one copy of the duly verified statement sent to his Principal Accounts Office (by 7th of following month). A copy will be retained by the PAO for his record.

13.4.3 The FPB will be responsible for aiding reconciliation of accounts with the respective PAOs and rectification of discrepancies pointed out by the PAO. The FPB will carry rectification through a separate 'Error Scroll' and report it to PAO/Link Cell for necessary action.

13.4.4 In case of SBI, the GAD Mumbai will prepare Monthly Settlement Statement and forward, by first working day of the succeeding month to RBI, CAS, Nagpur for verification. After verification, RBI will forward along with the Monthly Closing Balance Statement (CAS-122) to the Principal Accounts Office of Ministry/Department, by 3rd working day of the following month. GAD, SBI Mumbai will also prepare Monthly Settlement Statement (PAO-wise, indicating the dates of settlement and dates of transactions) and forward one copy to Principal Accounts Office of the Ministry/ Department concerned by 3rd working day of following month. One copy each will also be sent to the concerned PAO and Focal Point branch. For all other banks (other than SBI), RBI (CAS) Nagpur will generate PAO wise and Date wise monthly settlement referred as DMA-1. The statement will be sent to Link Cell of Public/Private Sector Bank by 1st working day of the following month. The Link Cell will forward one copy each to the concerned Principal Accounts Office and PAO by the 3rd working day of the following month. RBI (CAS) Nagpur will also generate Ministry wise statement (PAO wise), referred to as DMA-2. A copy will be sent to the Link Cell and another to the Principal Accounts Office by 3rd working day of the following month.

13.4.5 In some cases, RBI handles the transactions of Ministries/Departments accredited to them in the usual manner. In such cases the RBI offices follow the procedure applicable to dealing branches as well as FPBs as they function both as 'dealing branch' and 'FPB' in respect of those Ministries/Departments. The transactions for accredited Ministries/Departments effected by them are accounted for in their books, and the balances in the Ministries Accounts are reported to CAS, Nagpur through daily position. The RBI offices render daily scrolls and DMS to the concerned PAO for verification/ certification and attend to reconciliation work as per the normal procedures. RBI offices also send details regarding the PAO wise monthly receipt and payment position of each Ministry/Department to CAS, Nagpur. This is done immediately after the month end transfer of balances and is followed by detailed statement. All this exercise would have to be completed by 3rd working day of the month.

13.4.6 The format and platform for delivery of DMS by the various banks shall be in line with guidelines issued by Office of CGA. The format and delivery channel of various put-through statements is jointly decided by Office of CGA and RBI.

13.5 METHODOLOGY FOR ADJUSTMENT OF WRONG DEBIT/CREDIT

13.5.1 The mistakes and discrepancies caused by erroneous debit/credit entry in the scroll will be rectified by withdrawal of the erroneous debit/credit by minus debit or minus credit, as the

case may be. Rectification should not be done by passing of contra credit/debit adjustment by the banks. The methodology for adjustment carried out through error scroll is illustrated below:

- (a) The FPB will incorporate the Receipt and Payment figures of the dealing branches / e-FPB from the branch scroll and carry out minus or plus entry as required, in the main scroll. The aggregate receipt and payment figure arrived at in the Main Scroll after carrying out minus or plus entry should be reported to RBI, CAS for settlement.
- (b) For the purpose of inter-branch settlement, the minus "Receipt" will be treated as "Payment" and minus "Payment as "Receipt", and the branch account will be debited or credited accordingly.
- (c) If the overall position arrived in the Main Scroll after carrying out all the Receipt and Payment transactions reveals a minus figure; it should be reported as such.

13.6 ACTIONS TO BE TAKEN IN THE PAY AND ACCOUNTS OFFICE

13.6.1 When an electronic payment / cheque is issued by the PAO/CDDO, the amount is booked by debiting the concerned head of account and crediting the Major head "8670 - Cheques & Bills" under appropriate minor heads.

13.6.2 Scrutiny of Payment and Receipt Scrolls: After the cheque is cleared, daily scroll is sent by the concerned branch of the bank on which the cheque is issued, to the FPB. The daily scrolls show the details of transactions that have taken place at the bank on that day, reflecting every item of payment by the paid bank supported by the image of cheques issued by the PAO/CDDO. Similarly, the receipt scroll shows every item of receipt supported by challans for all credits in favour of the Pay and Accounts Officer. PAO receives these scrolls of dealing branches along with the Main Scroll from the FPB, supported by paid cheques/receipted challans.

13.6.3 On receiving the original copy / electronic copy of Main Scroll, along with other relevant documents, the PAO should exercise the following checks:

- a. that the image of the paid cheque is genuine and was issued by the PAO/CDDO under his control and it was not time barred on the date of payment;
- b. that the amount appears in the image of paid cheque/challan matches with the amount entered in the dealing branch scroll;
- c. that the totals of the payment/receipt scrolls of dealing branches are correct;
- d. that the amount in the receipt scroll correctly pertains to the PAO or the CDDO rendering account to the PAO, as per copy of challan attached to the scroll;
- e. that the amount shown in the challan agrees with the amount shown in the scroll;
- f. that for every item of payment/receipt not supported by the paid cheque/challan, there is a prescribed payment/receipt certificate for the correct amount in the scroll of dealing branch, showing details of cheque number and date of payment or details of receipt;
- g. that the total of the main scroll is correct with reference to the accompanying

documents;

- h. that the running serial numbers of the branch Scrolls and Daily Main Scrolls are in consecutive order;
- i. in case of electronic transaction, that the transaction matches with the details of transactions made by/ to PAO;
- j. that all checks from points 'b' to 'g' are performed for all electronic transactions by comparing the details in scroll and transactions made/ received, through PFMS forms and reports.
- k. that the payment shown in the scroll and on the cheque tallies with the amount passed for payment on the related voucher and the entry in the Register of Cheques Delivered (Form CAM-11). The entry in the Register of Cheques Delivered will be simultaneously ticked off and the date of encashment noted in it.
- l. Any discrepancy noticed by PAO must be promptly taken up with the FPB for rectification by means of an "Error Scroll". The PAO shall also monitor the error scrolls for electronic payments through relevant PFMS reports and take up for furnishing of rectified scroll by electronic focal point branch.
- m. He will also watch whether credit is given in bank scrolls for all the cheques/bank drafts sent to the bank by him for credit into Government account, and in consultation with the bank take appropriate action in respect of those outstanding. If any outstanding bank drafts pertains to one that was received from a Departmental Officer (without cheque drawing powers) located outstation, he would have to keep the latter informed and/or take appropriate course of action through the Departmental officer with the party concerned.
- n. The details of transactions of each dealing branch on a particular date as mentioned in the Main Scroll should be verified from the respective details and instruments attached with the Main Scroll for the purpose of identification.

13.6.4 After carrying out above checks, the PAO should record a certificate of verification on the Main Scroll and return the duly verified copy to the FPB within one working day of its Receipt, for all transactions involving physical instruments. In case e-payments are made through PFMS, the day-wise e-Scroll report would be generated based on the data received from Bank concerned through system integration with PFMS. PAO should verify the details of e-Scroll report of PFMS with reference to the details available in e-DMS received from accredited banks.

13.6.5 If any paid cheques/challans/scrolls not relating to the PAO has been included in the Main Scroll, it should be returned to FPB for amendment in the Main Scroll, by making a personal contact. The PAO, while taking up the matter with bank, may also send a copy of the reference to the PAO to whom the cheque/challan pertains giving full particulars of it to enable the latter to keep a record of its encashment and pursue the matter with his FPB for inclusion of the cheque/challan in his scroll. This will also avoid the possibility of issue of duplicate cheques in lieu of such cheques. The PAO may however, accept the payment/receipt certificate issued by the bank against the missing paid cheque or challan. Any item that is not supported by a paid cheque/challan or the certificate mentioned above should be got deleted from the Main Scroll.

They will be included in the subsequent Main Scroll on getting the relevant challan/paid cheque/certificate of payments/receipts.

13.6.6 Every item of receipt including refunds of unspent amount that is accounted as reduction of expenditure, should be adjusted by crediting/minus debiting the challan amount to the relevant receipt/functional expenditure head of account. This will be done by affording contra debit to appropriate "Suspense" head below Major Head 8658 Suspense Account. Similarly, total of all the accepted payment items should be adjusted by minus credit to the head "8670 - Cheques and Bills" – PAO Cheques/ Departmental cheques as the case may be, by contra credit to the head "PSB Suspense".

13.6.7 In the case of the transactions handled by RBI office as dealing branch, PAO will directly operate the head '8675 - Deposits with Reserve Bank-Central Civil (HQ)'. Similar process shall be adopted for electronic instruments.

13.6.8 Entry of scrolls/challans in PFMS: The figures of payments and receipts for each month to the relevant Minor Heads '108-Public Sector Banks Suspense' and '138-Other Nominated Banks (Private Sector Banks) Suspense' under Major Head 8658-Suspense Accounts on the appropriate side i.e. Credit and debit sides respectively are to be entered in the accounts of PAO. In case of electronic payment / receipt, the main scroll is received in electronic format on the PFMS platform. There is no need to enter e-Payment/e-receipt scrolls in PFMS.

13.6.9 Only Payment scrolls pertaining to cheque Payment and Receipts scrolls in respect of receipts in the form of cheques/DDs after its clearance need to be entered. User will complete all the entries (Dealing branch wise, date wise) of receipt amount and payment amount pertaining to the Main Scroll. Details of instrument entered by user is checked by the system in accordance with the instrument (cheque) issued through PFMS. AAO user can check the details of Cheques entered in respect of Payment Scroll and details of Challans entered in respect of Receipt Scroll through the given hyperlink before accepting the Main Scroll. On successful completion of the payment scrolls and receipts scrolls/challans entry in PFMS, the relevant Minor Heads '108-Public Sector Banks Suspense' or '138-Other Nominated Banks(Private Sector Banks) Suspense' under Major Head 8658-Suspense Accounts on the appropriate side would be credited or debited in the accounts. The amount booked under Credit side of MH-8658 Suspense Accounts in respect of payment scrolls would be equal to clearance made as (-) minus credit under Major Head 8670-Cheques and Bills. Similarly, the concerned receipt heads would be credited in the accounts against the amount booked under Debit Side of MH 8658-Suspense Accounts on account of receipt scrolls. AAO through DH shall keep a close watch on the BR Reports of PFMS. It shall also be checked that the instruments received from Bank through the Scroll tallies with that the details of instruments mentioned in the BR Report.

13.6.10 Maintenance of CAM-17 PSB Register: The PAO shall maintain a register of "Public/Private Sector Bank Suspense" in Form CAM - 17 and post each day's receipts and payments in it, as per the daily Main scrolls received from the FPB excluding discrepant items, if any. Separate folios in this Register may be opened for entering scrolls pertaining to PAO and each CDDO. He will also watch receipt of reconciliation statement from the CDDOs to ensure that all the amounts credited by them have been correctly entered in the scrolls received by him. One page in the register may be used for compiling the aggregate monthly transactions reported by the FPB. The Pay and Accounts Officer should tally the monthly gross receipts/payments worked out in this Register with the gross amount shown in the DMS of receipts/payments sent by the FPB, and record a certificate in the Register. For electronic

receipts, payments and all electronic/ digitalised e-scrolls, the register of "Public/Private Sector Bank Suspense" in Form CAM-17 would be maintained on PFMS platform in line with process detailed above.

Note: The Pay and Accounts Officer in account with a branch of the RBI as primary banker shall post the total of the day's payments/receipts as per the scrolls, in the Register of Reserve Bank Deposits (Form CAM-17). The monthly totals of receipt and payment scrolls as worked out in this register will be taken to the accounts as debit and credit respectively under the head of account "8675-Deposits with Reserve Bank- Central Civil-Reserve Bank (Headquarters)".

13.6.11 Scrutiny of Date-wise Monthly Statement (DMS) from FPB: PAO should ensure that copies of the DMS/e-DMS showing the daily total of payments and receipts in respect of his office and the CDDOs are received from the FPB, by 1st Working day of the following month. If the DMS is not received by the stipulated time, it should be obtained by the Pay and Accounts Officer through personal contact. The figures of daily totals in the DMS should be checked with the corresponding totals in the Daily Main Scrolls, to ensure:

- a. that the amount shown by the bank against a particular date agrees with the amount shown in Daily Main Scroll sent earlier to the PAO;
- b. that if an item not pertaining to the PAO is included in the monthly statement, the same is rectified by taking up with FPB immediately. In case an amount appearing in DMS was not included in the Main Scroll, the FPB should be contacted to provide the scroll with supporting documents of the transaction, otherwise, the item may be gotten deleted;
- c. that any item appearing in the Main Scroll but omitted from DMS, gets included by making personal contact;
- d. that the total amount of the DMS has been worked out correctly.

13.6.12 After carrying out the above checks, the Pay and Accounts Officer should record his certificate of verification on it. Copies of duly verified DMS should be returned by PAO to the FPB by 2nd working day of the following month and a copy would also be sent to Principal Accounts Office. A copy of DMS with the recorded verification should be retained by the PAO.

13.6.13 Entry of Date-wise Monthly Statement (DMS) from Banks in respect of physical instruments in PFMS: DH user has to enter the details of DMS which contains date wise summary of receipt and payment amount (in respect of physical instruments) in PFMS. DMS entered by DH user will be available at AAO level for approval. The figures appearing in CAM 17 should be tallied with DMS report in PFMS before its approval. The accounting adjustments shall be made in the functional heads 8670 and 8658 /8675 on the basis of payment scrolls and receipt scrolls at the time of consolidation of monthly accounts.

13.6.14 Scrutiny of Put through Statement and reconciliation in PAO: The PAO should see that the monthly Put through Statements in the prescribed form is received. They should be received by 1st Working day of the following month from SBI (GAD), Mumbai or the Link Cell of the concerned Bank as the case may be. These statements contain the dates of transactions and the dates of Put Through of receipts and disbursements with RBI, CAS, Nagpur. On receipt of this statement from the SBI, GAD, Mumbai/Link Cell at Nagpur, the PAO should link the Put Through items in this statement with the items shown in the DMS, that was reconciled earlier

with the Daily Main Scrolls received from the FPB. The discrepancies may be noticed by the PAO in the following categories:

- a. Amount shown in the DMS on a particular date/s have not been Put Through by the Bank as per Put through Statement;
- b. Amount Put Through by the Bank as per Put through Statements does not appear in the DMS;
- c. The amount of a transaction as shown in Put Through Statement differs from that shown that shown in the DMS;
- d. Minus expenditure/ receipts appearing against the transactions of some dates in the 'Put Through Statement' denote reversal of erroneous amounts put through earlier; The dates of erroneous settlement will be indicated in the Put Through statements to link the same.

13.6.15 After verifying the Put Through figures with the DMS as stated above, the PAO will take up the reconciliation work by preparing a "Monthly Reconciliation Analysis" in Form CAM- 68. PAO shall be responsible for reconciliation of any difference appearing in the analysis. For any discrepancies in the analysis, the Pay and Accounts Officer should immediately contact the FPB to ensure rectification. After the rectifications have been carried out, the FPB should positively put through these items through GAD or the Link Cell, in the second month.

13.6.16 The PAO should maintain "Register of Amounts Put through - Part I" in Form CAM- 69, separately for Receipts and Payments to enter the amounts 'Put Through' in this Register. Normally all the amounts except those relating to the last day of the month will be 'Put through' in the same month. The transactions of last day of the month are expected to be 'Put Through' on the first day of the subsequent month. In case the PAO finds some of these items outstanding while closing the Register for the subsequent month, he should immediately contact the FPB for remedial action.

13.6.17 After preparation of Part -I of the "Register of Amounts Put Through" in CAM -69, the PAO should prepare part II of the Register of Amounts Put Through in Form CAM -70, showing the monthly progressive position.

13.6.18 The PAO should prepare a statement of monthly reconciliation between DMS amounts and the amounts booked under Major Head "8658-Suspense Accounts-PSB/Private Sector Banks Suspense" in Form CAM- 71. The statement will also give proper explanation or reasons for any difference with reference to DMS, along with the action taken for the clearance of difference. The PAO should ensure the submission of monthly reconciliation statement along with the monthly accounts, to the Principal Accounts Office.

13.6.19 The PAO should also maintain separate Broadsheet of "PSB/Private Sector Banks Suspense" in Form CAM- 72 for Receipts (Debit) and Payments (Credit).

Note: In case a PAO deals with two different banks, the 'PSB/Private Sector Bank Suspense' figures of each bank shall be kept separately, the broadsheet folios will also be kept separately.

13.6.20 In order to conduct age wise analysis of balances under “PSB/Private Sector Bank Suspense”, the PAO should keep a record in the form prescribed for Abstract of objections in Form CAM-26.

13.6.21 Verification of the amounts “Put through” indicated in DMA-I statement with reference to the DMS, and the preparation of “Monthly Reconciliation Analysis” will throw light on the amounts of excess/double reimbursements obtained by the bank, if any. For such excess/double reimbursements of ₹10 lakhs and above, penal interest @ Bank rate(notified by RBI from time to time) +2% will be claimed from the banks per the SOP issued in March 2016. PAO should prepare the following reports in this regard:

- a. A monthly statement in CAM - 73 for cases of ₹10 lakhs and above on which levy of interest on Excess/Double reimbursement claimed by the bank is to be levied;
- b. Quarterly reports by the 15th April/July/October/January respectively in CAM- 74, indicating cases of Excess/Double Reimbursement attracting penal interest;
- c. Quarterly reports in CAM-75 by the 15th April, July, Oct. & Jan respectively, indicating the cases of Excess/Double Reimbursement that do not attract penal interest.

While in the case of (a) above, PAO should initiate action with FPB for recovery of penal interest, the reports mentioned at (b) above should be sent by the PAO to the Principal Accounts Office, for consolidation and onward transmission to the office of CGA.

13.7 ACTION TO BE TAKEN IN PRINCIPAL ACCOUNTS OFFICE

13.7.1 The Principal Accounts Office will be responsible for agreement of the figures of the Ministry/Department-wise balances as reported by RBI with the figures under the Major Head ‘8675-Deposits with Reserve Bank’ appearing in the monthly accounts rendered to the Office of the CGA. The differences of the figures under "8675 Deposits with Reserve Bank-Central-Civil" (all the sub-heads) and amounts outstanding under Major Head 8658-Suspense Accounts-‘108-Public Sector Bank Suspense’ and ‘138-Other Nominated Banks (Private Sector Banks) Suspense" should be got analysed and settled before the accounts of the year are closed. In exceptional cases where this has not been achieved, the matter should be pursued to its finality even thereafter, and adjustments that may be required should be incorporated in the accounts that are open.

13.7.2 Receipt and scrutiny of put-through Statements by Principal Accounts Office and its accounting: RBI, CAS, Nagpur will carry out necessary settlement on receipt of the daily intimations of receipt and payment relating to each Ministry/Department from the Link Cell of the PSB/Private Sector Bank, and, inter-alia, work out daily balance of the Govt. of India. RBI, CAS, Nagpur shall maintain a separate proforma account called "Departmentalised Ministries' Account" (with details in respect of each Ministry/ Department) in the General Ledger.

13.7.3 The CAS, R.B.I., Nagpur shall furnish Ministry-wise/Department- wise balance for each month to the concerned Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, of the Ministry/ Department indicating:

- (a) adjustment effected by the CAS, RBI, Nagpur on the basis of IGA advices received from the Principal Accounts Office and from AG in terms of para 4.4.3 read with paras 8.14, and from Railways in terms of para 8.12 etc. and

(b) balances (total receipt/payment) transferred from RBI offices representing transactions during the month in respect of that Ministry/Department as reported by

- (i) branch of RBI acting as primary banker and
- (ii) by Link office of PSBs/Private Banks nominated by RBI; and

(c) the net balance of that Ministry/Department calculated therefrom.

13.7.4 Principal Accounts Office will be responsible for clearance from the Minor Heads '108-Public Sector Banks Suspense' and '138-Other Nominated Banks (Private Sector Banks) Suspense' head under Major Head 8658-Suspense Accounts as per the figures reported by CAS, RBI, Nagpur. On the basis of Put through statement in DMA-2 or Monthly Closing Balance statement supported by amounts put through in form CAS-122, whichever is received earlier, the Principal Accounts Office should carry out adjustment for clearing the respective 'PSB Suspense' head under Major Head 8658-Suspense Accounts. It will be done by **minus credit** and **minus debit** of '108-Public Sector Bank Suspense' and '138-Other Nominated Banks (Private Sector Banks) Suspense' head for the total disbursements and receipts respectively, and afford corresponding credit and debit under the head "8675-Deposits with Reserve Bank-101-Central Civil-Sub Head 'Reserve Bank (Public Sector Bank)' or Reserve Bank(Other Nominated Bank-Private Sector Banks)' as the case may be. In case the adjustment carried out is based on DMA-2, the correctness of amounts adjusted shall be confirmed from CAS-122. Details of the adjustments so carried out should be intimated every month to the concerned PAO, for the preparation of BROADSHEET of "PSB Suspense/RBI Hqs./ONB Suspense". In monthly accounts also, the effect of the Reserve Bank Deposits would be taken separately for credit & debit figures under this head.

13.7.5 Monthly Reconciliation Analysis in Principal Accounts Office: The Principal Accounts Office should maintain a Month wise and PAO wise "Register of Amounts Put Through" in part I. It will be maintained separately for Receipts and Disbursements in Form CAM- 69, with the "Name of PAO" substituting for the column of "Month". Similarly, part II of the Register will be maintained PAO wise separately for Receipts and Disbursements in Form CAM-70. In this case, the column "Names of PAO" should be added at the beginning.

13.7.6 Principal Accounts Office should also maintain PAO wise BROADSHEET of PSB Suspense" in Form CAM -72, separately for Debits and Credits, except that the first column "Month" will be substituted by "Name of PAO". The Principal Accounts Office will also work out age wise analysis of outstanding balances under 'PSB Suspense' in the prescribed Abstract in Form CAM -26.

13.7.7 The Principal Accounts Office should prepare "Monthly Reconciliation Analysis" in Form CAM- 68 for all the PAOs, and take immediate action for put through of old outstanding items by the FPBs through GAD/Link Cell, positively in the second month.

13.7.8 The Principal Accounts Office should keep close watch for receiving the statement of Monthly Reconciliation in Form CAM- 71 from the PAOs, to enable the analysis and clearance of outstanding balance under 'PSB Suspense'.

Note: The GBA Section in the office of CGA will also closely monitor the clearance of balances by Principal Accounts Offices under PSB/ONB/RBI Hqs. Suspense under Major Head 8658-Suspense Accounts.

13.8 FINAL ADJUSTMENT FROM MAJOR HEAD '8675-DEPOSITS WITH RESERVE BANK' TO MAJOR HEAD '8999-CASH BALANCE:

13.8.1 The final adjustment for transferring the amount from the head '8675-Deposits with Reserve Bank 'to '8999-Cash Balance' will be done by office of the CGA. The responsibility of reconciling between the net increase/decrease in the balance of the Central Government with RBI (as reported by the RBI) and the net results of the credits/debits to the head 'R.B. Deposits' reported in the accounts rendered by the various Principal Accounts Offices will be that of the Office of the CGA. In effecting such reconciliation, the effect of the transactions taking place through the Centre-State adjustments advised by AG etc. will also be taken into account.

13.9 HANDLING OF MARCH RESIDUAL TRANSACTIONS

13.9.1 To the extent possible, the transactions of a financial year are required to be adjusted in the accounts of that year itself. As such, the transactions made during the month of March should be expeditiously advised/reported by the dealing branches / e-FPBs to the FPBs to enable the latter to report the same to RBI, CAS, Nagpur. For the residual March transactions that could not be reported to RBI during the concerned financial year, the FPB should segregate all transactions pertaining to the previous year from 1st April, and prepare separate Main Scrolls for:

- (a) The residual transactions at the dealing branches in March or even previous months in the previous financial year;
- (b) Transactions in the current financial year from 1st April onwards, for reporting in the current financial year.

13.9.2 The Main Scroll for March transactions prepared from 1st April to 10th April should be distinctly marked as March Residual-1, March Residual and so on, up to March Residual 10. The FPB should report these transactions to Link Cell/GAD Mumbai in case of SBI, in separate Daily Memo for adjustment with RBI, CAS, Nagpur i.e. one for the month of March and other for April transactions.

13.9.3 The FPBs should furnish two separate monthly statements. One statement will pertain to 'March Residual Account' clearly marked as such, and covering the transactions relating to the period up to 31st March, but reported during 1st to 10th April. The other statement will cover the April transactions that may include the transactions of the previous month(s) reported after 10th April, as usual. The monthly statement of 'March Residual Account' should be sent latest by the 30th April to the concerned PAO. The statement for the month of April should be sent in the normal course, latest by the 3rd of the following month.

13.9.4 The reporting of March residual transactions is to be monitored by the PAO and the office of CGA shall define and make available secure electronic channel for obtaining the same from banks.

CHAPTER 14

REVENUE ACCOUNTING BANKING ARRANGEMENTS AND RECONCILIATION REVENUE ACCOUNTS OF CBIC (Central Board of Indirect Taxes and Customs)

14.1. BACKGROUND

14.1.1 Consequent to implementation of departmentalised accounting system, collection of revenue receipts/refunds relating to Central Board of Indirect Taxes and Customs (CBIC) (erstwhile CBEC) (other than customs revenue) was introduced on 1st April, 1977.

14.1.2 The “working Group on Government Accounts” consisting of representatives of RBI, and senior officers of Government and banks revised the revenue accounting process with effect from 1.4.1986. Under this process, one Public Sector Bank having an extensive network of branches in a particular Commissionerate was nominated to collect the revenues of CBIC (One bank-one Commissionerate scheme)

14.1.3 The “Multi Banking Scheme” came into existence in a phased manner from the year 2003. Under this scheme multiple banks were authorized in a Commissionerate for Excise and Service Tax collection subject to a maximum of five banks in a Commissionerate.

14.1.4 Initially the tax collection was only through the physical or ‘over-the-counter’ mode of collections through cash/cheque/demand drafts. Different coloured pre-printed challans were used for the different taxes/duties like Customs, Central Excise, Service Tax etc.

14.1.5 With the introduction of computerization and developments in technological capabilities both in the banking system and the Government, introduction of e-payments for remittance of indirect taxes and other related changes were made.

14.1.6 A landmark of various changes and milestones in the banking arrangements, modes of payment and in the accounting process is given below:

1	Departmentalization of Accounts: Setting up the accounting organization in CBIC headed by Chief Controller of Accounts (CCA)	1976
2	RBI, State Bank of India and its subsidiaries and select Public Sector Banks started handling the work of collection of revenue, as well as payment of refunds, rebates and drawbacks	1977
3	Scheme of 'One Bank-One Commissionerate' came into existence	1986
4	Computerization of Revenue Accounting: Adoption of Revenue Accounting Software (REVACT)	1993
5	Introduction of Electronic Data Interchange System (EDI) in customs	1997
6	Introduction of Multi-banking system 2003 and Inclusion of three Private Sector Banks for collection of indirect taxes	2003
7	Introduction of e-receipts for collection of Union Excise Duty and Service Tax	2005
8	Introduction of Electronic Accounting System in Excise and Service Tax (EASIEST)	2007

9	Creation of e-PAOs at Chennai & Mumbai for single point accounting of electronic payments of Central Excise and Service Tax	2008
10	Creation of e-PAO (Customs) in New Delhi	2012
11	Operationalization of central server (P-CBEC) that serves as a repository of historical data of Indirect Tax collections	2012
12	Introduction of Goods and Services Tax (GST) and Accounting and Reconciliation Portal of Indirect Taxes (ARPIT) roll out	2017
13	Introduction of ICEGATE (CEP) portal for Central Excise and Service Tax collection and accounting in ARPIT	2019
14	Introduction of Electronic Cash Ledger in Customs Department	2023
15	Introduction of UPI/Debit Card/Credit Card modes for collection of GST	2023

14.2 GOODS AND SERVICES TAX (GST)

14.2.1. GST: The Goods and Services Tax (GST) was rolled out with effect from 1st July 2017 across the country (for Jammu and Kashmir w. e. f. 8th July 2017). GST is a tax on supply of goods and services and a single tax on entire value chain of supply, from the manufacturer to the consumer. Credit of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage.

14.2.2. COMPONENTS OF GST

14.2.2.1 There are three components of GST: -

- a) Central Goods and Services Tax (CGST): payable to the Central Government on supply of goods and services within the State/Union Territory.
- b) State/Union Territory Goods and Services Tax (SGST/UTGST): payable to the State/Union Territory Government on supply of goods and services within the State/Union Territory.
- c) Integrated Goods and Services Tax (IGST): in case of inter-state supply of goods and services, IGST is levied by the Government of India and shall be apportioned between the Union and the States as per the provisions of IGST Act. Equivalent IGST is also levied on imports into India.

14.2.2.2 GST Compensation Cess: In addition to GST, a cess named GST Compensation Cess is levied on notified goods and services in order to compensate the Revenue loss of the States due to the introduction of a destination based GST. The GST Compensation Cess was initially levied for a period of five years but has been extended up to 31.03.2026. Currently, such cess is levied on 'sin' items like pan masala, tobacco, and some luxury items.

14.2.3. TAXES SUBSUMED IN GST: GST subsumed the following central and state taxes: -

Central Taxes subsumed	State Taxes subsumed
<ul style="list-style-type: none"> • Central Excise Duty (except five Petroleum products viz. Petroleum crude, high speed diesel, motor spirit(petrol), natural gas & aviation turbine fuel and tobacco products) • Additional Excise Duty • Service Tax • Additional Customs Duty commonly known 	<ul style="list-style-type: none"> • State Value Added Tax (VAT)/Sales Tax (except five petroleum products and alcohol for human consumption) • Entertainment Tax (other than the tax levied by the local bodies) • Central Sales Tax (levied by the Centre and collected by the States)

as Countervailing Duty
 • Special Additional Duty of Customs

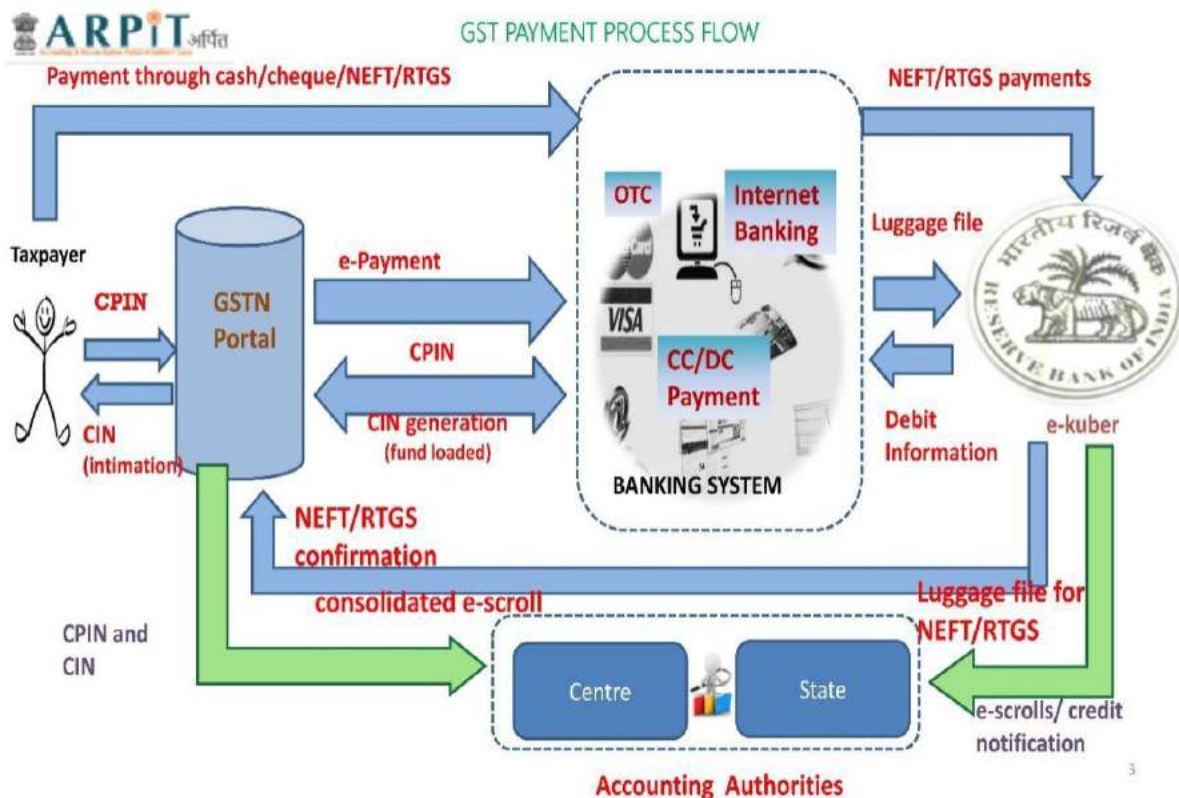
- Octroi and Entry tax
- Purchase tax
- Luxury tax
- Taxes on lottery, betting and gambling

Central / State Excise duty and VAT would continue on five Petroleum products, which would be subject to the levy of GST whenever notified on the recommendation of the GST Council. Tobacco products could be subjected to both Central Excise duty and GST. Alcohol for human consumption has been kept outside the ambit of GST.

14.2.4. GST MAY BE DEPOSITED BY TAXPAYERS THROUGH ANY OF THE FOLLOWING MODES:

- Internet Banking through authorised Banks;
- Credit card or Debit card through the authorised Banks;
- National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS) from any Bank;
- Over the Counter (OTC) payment through authorised banks up-to ₹ 10,000 per challan per tax period by cash, cheque or demand draft; and
- Unified Payment Interface

14.2.5 PAYMENT PROCESS FLOW IN GSTN: The payment, Accounting and Reconciliation Process of GST is outlined in the figure below. The system of Accounting and Reconciliation that is applicable for all Indirect taxes including GST is called Accounting and Reconciliation Portal of Indirect Taxes (ARPIT).



14.2.6. ELECTRONIC CHALLAN FOR DEPOSIT OF GOODS AND SERVICES TAX (CPIN):

The taxpayer or anyone authorized on his behalf enters the details of the amount to be deposited towards tax, interest, penalty, fees or any other amount in the electronic challan in the common portal of GSTN. The format is prescribed in Form GST PMT-06 of CGST Rules, 2017. On generation of the challan which is an intent to pay, Common Portal Identification Number (CPIN) is generated on GSTN Portal. The challan once generated is valid for 15 days for payment.

14.2.7. GENERATION OF CIN BY AUTHORISED BANK/RBI: When a tax payer makes a payment through any one of the prescribed modes through an authorised Bank against a valid CPIN, the Bank generates the paid challan CIN (Challan Identification number) and electronically shares it with common portal (GSTN). CIN number consists of CPIN prefixed by four-digit Bank Code at the time of successful payment by tax payer. In the case of NEFT/RTGS mode, the payments are through RBI and hence CIN is issued by RBI.

14.2.8. AUTHORISED BANKS FOR GST COLLECTION: All Public Sector Banks and selected Private Sector Banks are authorised for GST collection. In addition to it, RBI is also authorised for GST collection through NEFT/RTGS.

14.2.9. SHARING OF CHALLAN (CIN) BY BANKS/RBI ON REAL TIME BASIS: On successful payment, the challans are shared by the authorised bank/RBI electronically with a digital signature on real time basis with common Portal (GSTN) through API integration process. The Challan (CIN) is also received electronically with digital signature by the e-PAO (GST) through ARPIT.

14.2.10. ACCOUNTING and RECONCILIATION PORTAL of INDIRECT TAXES (ARPIT)**14.2.10.1 PROCESS FLOW OF ACCOUNTING**

(a) GSTN provides digitally signed CPINs, created by the tax payers, at every 5-minute interval to the Central Accounting System (ARPIT).

(b) On payment by the tax payer, the authorized banks, after crediting Government account, generates CIN and shares the digitally signed CIN with GSTN.

(c) GSTN provides CIN data (containing only Major Heads) digitally signed by the Banks at five minutes' interval to ARPIT.

(d) GSTN provides a consolidated EOD (End of Day) CPIN file to ensure that all CPINs have been received by Accounting Authority (for reconciliation).

(e) The GSTN provides a consolidated EOD (End of Day) CIN file (containing Major as well as Minor Heads) to ensure that all CINs have been received by Accounting Authority (for reconciliation).

(f) On receipt of the banks' digitally signed CIN data through GSTN, the CIN is matched with the corresponding CPIN. The accounting entries are made based on the minor head-wise details available in the CPIN i.e. Debiting Major Head 8658-Suspense Accounts-'108-Public Sector Banks Suspense' or '138-Other Nominated Bank (Private Sector Banks) Suspense' as the case may be, and Crediting the duty/tax heads concerning GST.

(g) The O/o Pr. CCA CBIC accounts for CGST, IGST, GST Compensation cess and UTGST (Union Territory-Without Legislature) heads only. The SGST and other UTGST amounts are accounted by the respective States and UTs Governments.

(h) The banks send a luggage file containing CIN wise details of all collections of the day to RBI on T+1 day for settlement. The EOD time for the banks is 8.00 pm. The collection details of previous day 8.00 pm to current day 8.00 pm are sent in the luggage file.

(i) RBI will receive bank luggage file from all authorised banks before 6:00 PM on T+1. Consequently it will debit Authorized bank's account and correspondingly credit the indirect tax account of Government of India maintained in RBI.

(j) On T+1day, RBI based on the luggage file received from the banks, provides digitally signed e-scrolls (Major Head-wise) on hourly basis. The e-scrolls from RBI contain settlement made by the banks (i.e. collections made by the banks on the previous day) and the NEFT/RTGS transactions of RBI of the same day.

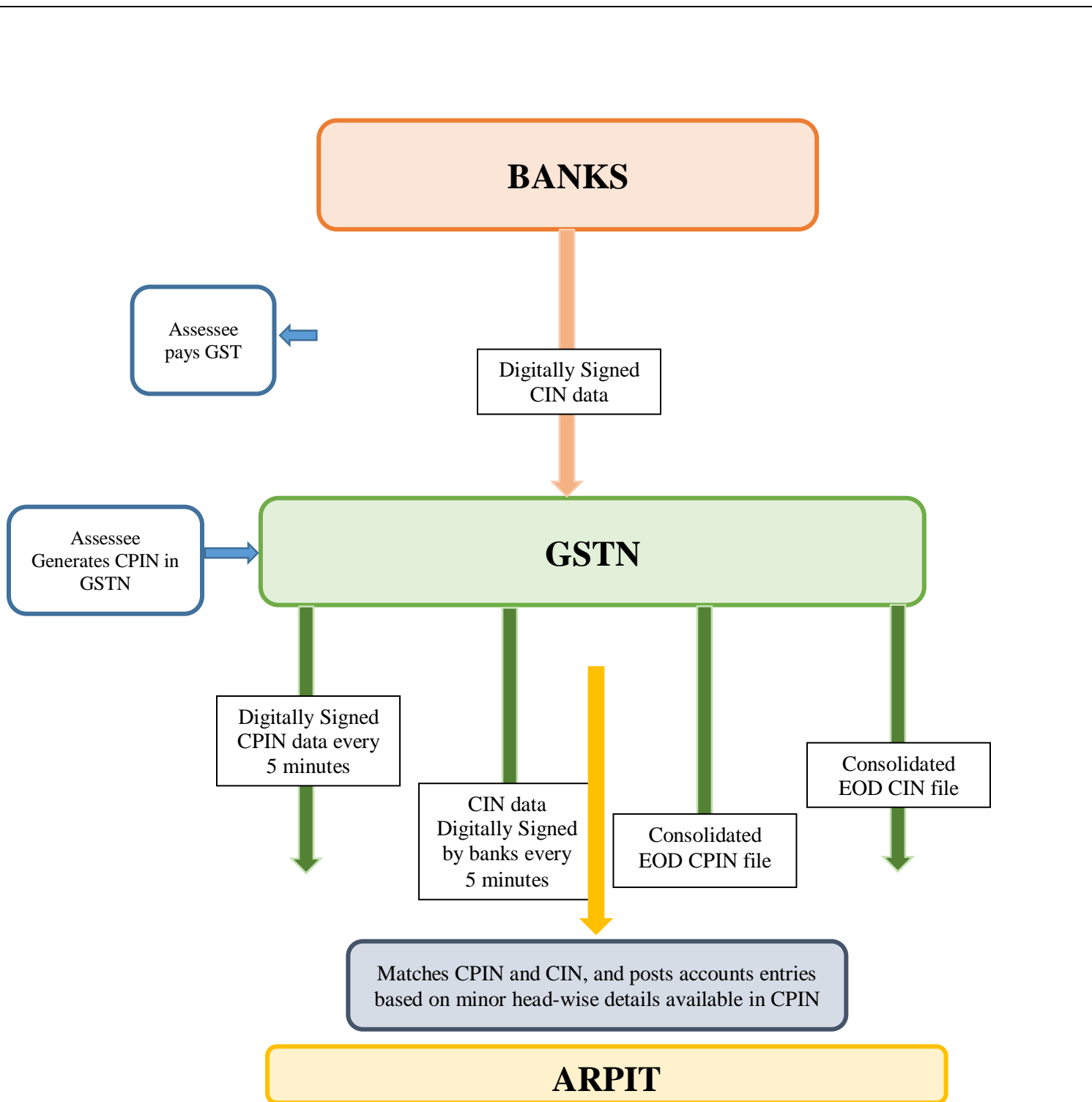
(k) The transaction (CIN) wise e-scroll is matched with the CPIN and CIN received already in the system and the following accounting entry is made for the matched transactions:-

8675 Reserve Bank Deposits-101-Central Civil-
sub-heads-Reserve Bank (PSB) or
Reserve Bank(Other Nominated Bank-Private Sector Banks.
(as the case may be)
Debit

8658 –Suspense Accounts-108-Public Sector Bank Suspense or
138-Other Nominated Bank (Private Sector Banks) Suspense
(as the case may be)
(-) Debit

(l) CIN Transactions received in the e-scroll only are booked under RAT (Receipts Awaiting Transfer) of concerned Major head and Memorandum of Error (MoE) is generated by the system.

8675 Reserve Bank Deposits	Debit
Receipt Awaiting Transfer (RAT) 0005/0008/0009	Credit



14.2.11. BANK RECONCILIATION PROCESS- MEMORANDUM OF ERROR (MOE)

The Bank Reconciliation in GST system is fully electronic. A separate module of MoE has been developed by RBI in consultation with Pr. CCA, CBIC (Central Accounting Authority of GST) by integrating of RBI's -e-Kuber system with the ARPIT Portal of Central Accounting Authority.

Four types of mismatches can occur:

Case 1. CIN reported by RBI but not reported by GSTN (Invalid CIN)

Case 2. CIN reported by Bank (through GSTN) but not reported by RBI (Missing CIN)

Case 3. Amount reported by RBI is more than the amount reported by the GSTN.

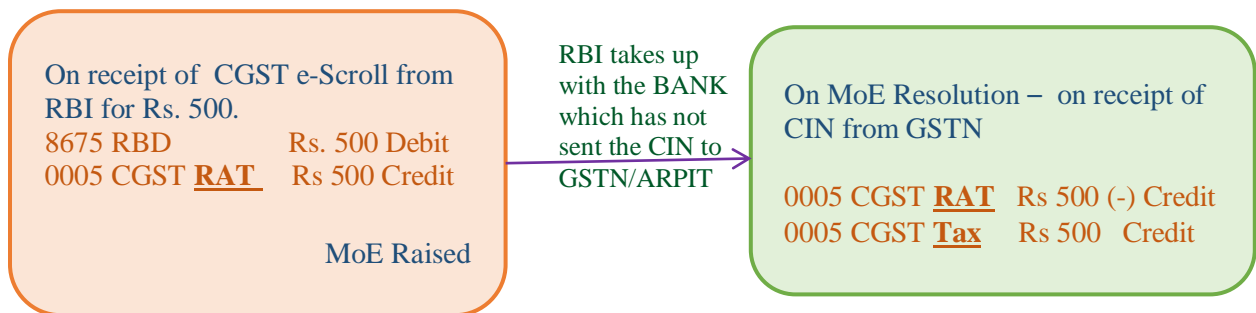
Case 4. Amount reported by RBI is less than the amount reported by the GSTN

14.2.11.1 Case 1: CIN reported by RBI, but not reported by GSTN (Invalid CIN)

There are three possible scenarios:

- Bank has not reported CIN to GSTN/ARPIT but reported it to RBI.
- Bank reported CIN to GSTN/ARPIT but the same has been rejected by GSTN/ARPIT due to Amount Mismatch with CPIN.
- Bank reported the CIN under one Major Head to RBI but under a different Major Head to GSTN/ARPIT

Illustration: CIN for ₹ 500 received from RBI under CGST Scroll

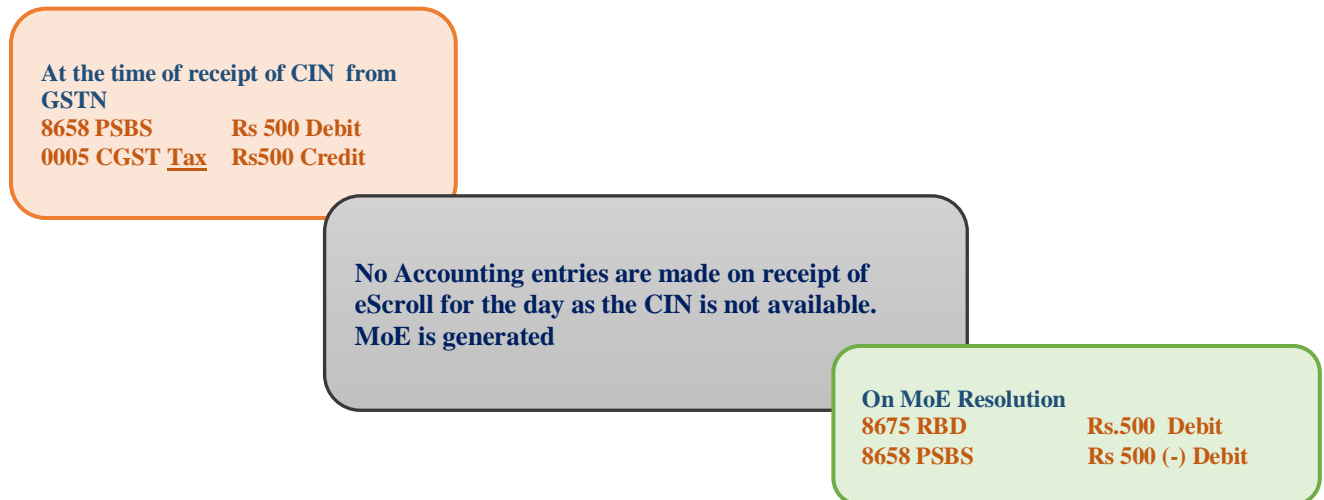


14.2.11.2 Case 2. – Accounting Entries (Missing CIN)

- Scenario A: The Bank has not reported the CIN in the luggage file sent to RBI
- Scenario B: The bank has reported the CIN in the luggage file but under a different Major Head

Illustration: CIN for ₹ 500 received under CGST from GSTN. ARPIT does not get the CIN in e-Scroll. Same CIN reported to RBI by bank under SGST.

Penal Interest for delayed remittance will be levied as per extant rules



14.2.11.3 Case 3.-AMOUNT REPORTED BY RBI IS MORE THAN THE AMOUNT REPORTED BY THE GSTN

Accounting Entries

At the time of receipt of CIN from GSTN

8658 PSB	Rs 90	Debit
0005 CGST Tax	Rs 90	Credit

On receipt of CGST e-Scroll from RBI for Rs. 100.

8675 RBD	Rs. 100	Debit
0005 CGST RAT	Rs 10	Credit
8658 PSB	Rs 90	(-)Debit

MoE Raised

On MoE Resolution – on receipt of Reversal clearance Memo/Debit Notification from RBI

(-)Credit 0005 CGST RAT	Rs 10
(-) Debit 8675 RBD	Rs 10

14.2.11.4 CASE –4 ACCOUNTING ENTRIES (AMOUNT REPORTED BY RBI IS LESS THAN THE AMOUNT REPORTED BY THE GSTN)

Accounting Entries

At the time of receipt of CIN from GSTN

8658 PSBS	Rs. 100	Debit
0005 CGST Tax	Rs.100	Credit

On receipt of CGST e-Scroll from RBI for Rs. 90.

8675 RBD	Rs. 90	Debit
8658 PSBS	Rs. 90	(-) Debit

MoE Raised

On MoE Resolution – Receipt of Error Correction Scroll (ECS)

8675 RBD	Rs. 10	Debit
8658 PSB	Rs. 10	(-) Debit

14.2.12 SETTLEMENT OF IGST BETWEEN CENTRE AND STATE/UTs

14.2.12.1 The levy of Integrated Goods and Services Tax [IGST] on all inter-state supplies of Goods and Services is as per the Provisions of Section 5 of Integrated Goods and Services Act 2017. As per the provisions of this Section, IGST is also levied and collected on the imports of goods into India at the point when duties of customs are levied and collected.

14.2.12.2 REGULAR APPORTIONMENT AND SETTLEMENT OF IGST:

(a) Section 17 of IGST Act 2017 provides for the Apportionment of IGST collected to the Centre and to the State/Union Territory where the supply takes place. Section 49 (5) of CGST Act (And respective provision in SGST acts of the States) provides for the cross utilization of Input Tax credit (ITC) between CGST and IGST, SGST and IGST and between UTGST and IGST. Accordingly, Section 18 of IGST Act 2017 provides for the transfer of ITC between Centre and State/UT.

(b) The GST Settlement of Fund Rules 2017, provides the manner in which the IGST Settlement takes place between the Centre's IGST and CGST and between the Centre and the States/UTs. The rules provide that based on the returns filed by the tax payers, the Place of Supply and the ITC utilized by the tax payers are determined. GSTN will provide details of IGST which is to be apportioned to the Centre and States/UTs and also the details of ITC cross utilized i.e. the ITC of IGST used for adjusting the tax liability of CGST/SGST/UTGST and the ITC of CGST/SGST/UTGST used for adjusting the tax liability of IGST.

(c) The details are provided by GSTN to the Centre (O/o Pr. CCA, CBIC) in the form of various types of GST Settlement Reports. Based on these reports, Department of Revenue (DoR) issues sanction. The Settlement Reports form the basis for net settlement to be made to the Centre (CGST) and the States/UTs. On receipt of sanction from DoR, the O/o Pr. CCA, CBIC issues IGA Advice to RBI for transfer of funds to/from the States/UTs and also for making book adjustment between the IGST and CGST for the Centre.

14.2.12.3 ADVANCE SETTLEMENT FROM IGST: Rule 11(3) of GST Settlement of Fund Rules 2018(as amended by Gazette Notification No GSR 524 (E) dated 04.06.2018 of the Department of Revenue) provides that:

“at any point of time in any particular financial year, the Central Government may, on the recommendation of the Goods and Service tax council, provisionally settle any sum of integrated goods and services tax collected in that particular financial year which has not been settled so far which will be adjusted in the subsequent month(s)/year(s), based on the returns filed by the taxpayers”.

According to the above amendment, the Centre can settle/apportion any unsettled amount of IGST as deemed necessary in equal share (after giving due provisions for future settlement and refunds) to the Centre and State/UT after the approval of GST Council.

14.2.12.4 RECOVERY OF ADVANCE SETTLEMENT OF IGST:

(a) The recovery of advance settlement will be made when there is a shortfall in IGST to meet the settlements to be made to the Centre and States on the basis of returns. No recovery will be made from the centre or the States when there is no shortfall in unsettled IGST in CFI.

(b) In case there is a shortfall of IGST to meet the regular settlements, recovery from the Centre and States/UTs is made in equal proportion i.e. 50% from the Centre and 50% from the States/UTs. The ratio of adjustment/recovery to be made from each State/UT will be in the same ratio as that of Regular Settlement (Return based) is being done during the month of adjustment.

14.2.13 REFUNDS UNDER GST

14.2.13.1 Refund of GST may occur due to various reasons viz.

- Refund of IGST paid on Goods exported out of India
- Refund arising due to supply of zero rated Goods and Services
- Refunds due to inverted duty structure
- Refund due to deemed exports
- Refund of GST paid by Unique Identification Number (UIN) entities like Embassies, UN agencies etc.

14.2.13.2 PROCESS OF REFUND OF IGST PAID BY EXPORTERS ON GOODS EXPORTED OUT OF INDIA

a) In accordance with Rule 96 of CGST Rules, the shipping bill filed by an exporter of goods shall be deemed to be an application for refund of integrated tax (IGST) paid on the goods exported out of India. The application is deemed to have been filed only when the Export General Manifest (EGM) has been generated and the GSTR3B has been filed by the tax payer.

b) On receipt of the information of valid return filing of GSTR 3B and GSTR1 from the common portal (GSTN), the designated officer of Customs processes the claim and sanction the refund in the ICES/ICEGATE System. He also generates a sanction file for IGST Refunds.

c) The IGST sanction file contains a list of beneficiaries for whom the IGST Refunds has been sanctioned by the officer. This data is sent by the ICEGATE system to the PFMS system in specified file format.

d) The PFMS system validates the file and places it at the DDO level. An officer of Customs department designated as the DDO generates the bill in PFMS for these sanctions received at his level, digitally signs and sends it to the PAO [e-PAO GST Refunds Mumbai].

e) The e-Pay and Accounts Officer receives the e-refund bills, and the same are cleared in PFMS at three levels viz. Dealing Hand, AAO and Pay and Accounts Officer. The Pay and Accounts Officer digitally signs the payment file for disbursement to the beneficiaries through the authorized bank of CBIC.

14.2.13.3 GST REFUND DISBURSEMENT THROUGH SINGLE AUTHORITY

(A) (i) Under GST the tax payers are either under the Jurisdiction of the Centre Tax authority (CBIC) or the State Tax authority. The refund shall be sanctioned by the Tax authorities either under CGST/IGST/CESS/SGST(UTGST) or under all or combination of the tax heads irrespective of whether the tax payer is under Centre or State's jurisdiction. During manual process of these sanctions the refund sanctions were passed to the respective pay and accounting authorities through the nodal officers for disbursement.

AND/OR Corresponding Detailed Head under dedicated Minor Head below 8658.00.140 (in case of refunds on behalf of State/UTs) Debit

8670.00.111– Electronic Advice Credit

2. Following accounting entries are made at the time of receipt of Scroll from the accredited Bank:

8670.00.111.00 – Electronic Advices (-) Credit

8658.00.108.00 Public Sector Bank Suspense Credit

3. On receipt of put through statement from RBI about the refunds made from CFI,
8658.00.108- PSB (-) Credit
8675-Reserve Bank Deposits Credit

4. Following Accounting Entry are made at the time of receipt of Clearance Memo from RBI for settlement of SGST/UTGST refund payments made on behalf of the State/UTs

8675.00.101 Deposits with Reserve Bank – Central (Civil) Debit
8658-00-140 Dedicated Head of the State/UT (-) Debit

14.3 CENTRAL EXCISE AND SERVICE TAX COLLECTIONS

14.3.1 The Central Excise and Service Tax collections are made through the EASIEST and e-PAYMENT system. In this process the tax payers make electronic payments of Excise and Service Tax by logging to the NSDL-EASIEST website.

14.3.2 With the roll out of GST from 01.07.2017, the tax payers who had migrated to GST access the portal www.gst.gov.in for making GST payments and filing returns. The tax payers who deal with goods attracting Central Excise levy still make payments through NSDL-EASIEST website and file returns on www.aces.gov.in. However, CBIC, in order to have an integrated data, has integrated the ACES and GST data, and a new portal www.cbic-gst.gov.in has been made operational w.e.f. 01.07.2019. The tax payers for Central Excise and Service Tax (legacy payments) now login to this site for making payments and filing returns.

14.3.3 In the earlier system, e-payments of Central Excise and Service Tax were made through NSDL-EASIEST portal. This portal provided the platform for generating challan and directed the taxpayer to the internet banking site of the selected authorised banks. The DG Systems of CBIC has now integrated the payments of Central Excise and Service Tax with the ICEGATE portal and the new payment gateway portal viz. CBIC (ICEGATE-CEP) e-payment. [<https://cbicpay.icegate.gov.in/iceepay/>]

14.3.4 STAKEHOLDERS:

14.3.4.1 In the new platform for Central Excise and Service Tax payments the following are the Stake holders:

(i) CBIC -ACES-GST system

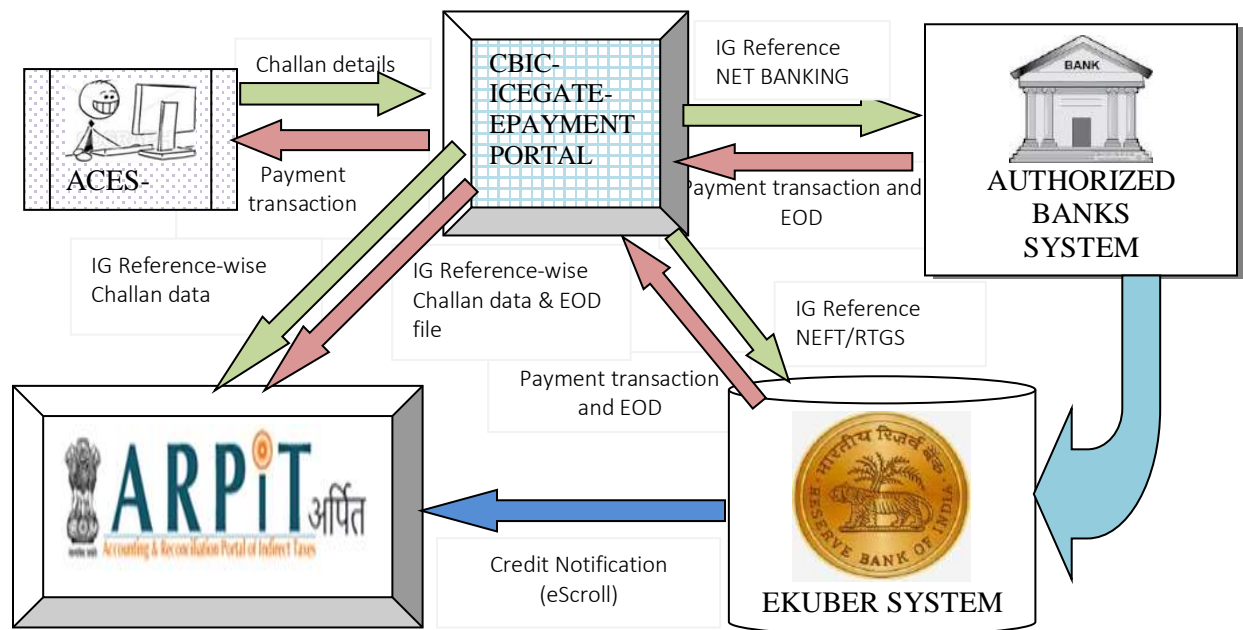
- (ii) ICEGATE -payment portal of CBIC
- (iii) Authorized Banks
- (iv) RBI e-Kuber
- (v) O/o Pr. CCA, CBIC [ARPIT]

14.3.4.2 The systems of the various stakeholders are integrated with each other through either APIs or Secured File Transfer Protocol (SFTP) to share and exchange the tax payment details.

14.3.5. PAYMENT PROCESS OF CENTRAL EXCISE AND SERVICE TAX IN THE NEW PLATFORM FROM 01.07.2019

14.3.5.1 The following is the process for payment of Central Excise and Service Tax:

- (a) The tax payer logs in to the ACES -GST system with login credentials;
- (b) While generating a challan for payment, the tax payer selects the accounting codes under which he is making the payment and fills the amount details;
- (c) After the challan is generated the taxpayer can make the payment. On clicking the make payment button, the ACES-GST portal redirects him to the ICEGATE e-payment portal;
- (d) The tax payer can initiate the challan payment transaction from ACES-GST portal by following the payment link provided in the portal OR alternatively can access the ICEGATE e-payment portal directly for online or offline transaction mode;
- (e) At the ICEGATE e-payment portal, the taxpayer logs in by giving parameters asked for. Challans that have been generated by the tax payers are listed. The tax payer has the choice to select one challan or multiple challans for payment. On initiation of payment, an IG Reference number is generated by ICEGATE;
- (f) The tax payer can select the mode of payment as internet banking or NEFT/RTGS;
- (g) On selection of internet banking, the ICEGATE portal will redirect the taxpayer to the internet banking facility of the selected bank for payment.
- (h) If the tax payer selects the mode of payment as NEFT/RTGS, a mandate form is generated, where in the IG Reference number is shown as the Account number, RBI as the beneficiary and the RBI's specific IFSC code provided for these transactions as the IFSC code of the Bank. The tax payer can make either an online or offline payment of NEFT/RTGS transactions.



14.3.6 SHARING OF DATA BETWEEN VARIOUS STAKE HOLDERS THROUGH INTEGRATION.

- (i) The ACES-GST system will send the challan details to ICEGATE on real time basis.
- (ii) When the tax payer initiates the payment in ICEGATE portal, an IG Reference number is generated.
- (iii) The ICEGATE sends the IG Reference number, Major Head(s) and Major head-wise amount to the Authorized bank in case of Net banking and to RBI in case of NEFT/RTGS payment.
- (iv) In case of net banking, after every transaction, a double verification API is invoked to reconfirm the transaction status before updating the transaction details at ICEGATE.
- (v) For NEFT and RTGS the challan details along with IG reference number are sent to RBI. When the user makes the payment via NEFT/RTGS, banks send the transaction details to RBI and RBI sends the details to ICEGATE.
- (vi) The RBI/banks generate the CIGN (Bank code + IG Reference number) for successful transactions and send the digitally signed transaction details to ICEGATE.
- (vii) ICEGATE sends the IG Reference wise challan details on real time basis (i.e. as and when payments have been initiated by the tax payer and IG Reference is generated) to the ARPIT system of Pr. CCA.
- (viii) The digitally signed transaction details (CIGN), as received from Banks/RBI are also sent by ICEGATE to the ARPIT system of Pr. CCA.
- (ix) The banks and RBI send an EOD file to ICEGATE for all the transactions of the day for reconciliation.

(x) ICEGATE sends the transaction EOD file to ARPIT where in the challan-wise payment transaction status at bank's end and the ICEGATE integration status is provided.

(xi) The EOD file received from ICEGATE helps Pr. CCA in reconciliation and accounting of the day's transaction.

(xii) Normally all challan and payment transaction details from ICEGATE are received by the O/o Pr. CCA CBIC. In case the transaction details are available only in the EOD file, the challan and payment transaction details can be pulled from ICEGATE through APIs.

(xiii) The authorized banks also settle the collections on T+1 day by sending a luggage file to RBI e-Kuber containing the IG-Reference wise, Major Head-wise data.

(xiv) RBI e-Kuber sends credit notifications (e-scroll) to ARPIT on the transaction (T) day in respect of NEFT/RTGS transactions, and on T+1 in respect of net-banking transactions (when the banks report the same to RBI).

14.3.7 CHALLAN BASED ACCOUNTING OF CENTRAL EXCISE AND SERVICE TAX COLLECTIONS:

14.3.7.1 The ICEGATE shares with ARPIT digitally signed IG Reference-wise Challan details on real time basis. The challan contains minor head-wise details of Central Excise/Service Tax payment amount.

14.3.7.2 ICEGATE sends IG Reference, Major Head, and amount to the Bank/RBI. The minor-head details are not sent to bank or RBI for payment. The payment transactions (CIGN) for each IG Reference are digitally signed by the RBI in case of NEFT/RTGS and by Authorized banks in respect of net-banking transactions and sent to ICEGATE.

14.3.7.3 ICEGATE shares the digitally signed payment transaction data (CIGN) to ARPIT. ICEGATE also sends an EOD file of all payment transactions received from banks and RBI showing the bank payment status and the ICEGATE integration status.

14.3.7.4 However, the payment transaction contains only Major head-wise amount. ARPIT matches the payment transaction data with the challan wise data received from ICEGATE. IG Reference is the common attribute (primary key) in both the data sets for matching them.

14.3.7.5 The payment transactions received are reconciled with the EOD file and Challan-wise minor head-wise accounting of the transactions are done under the respective Major Heads.

14.3.7.6 The Challan details contain minor head-wise details which are in 8 digit Reduced Code format as given by the tax payers. While accounting the challan-wise data in ARPIT, the accounting is done in the corresponding 13 +2 digit functional heads.

14.3.7.7 The accounting of Central Excise payments will be done under the PAO Code of 000582 –e-PAO Central Excise and the Service Tax payments (legacy and residual payments) will be made under the PAO code of 000581 e-PAO Service Tax.

14.3.8 There may be instances when the IG reference-wise credit notification has been received from RBI but the challan-wise transactions details have not been received from ICEGATE (may be due to some temporary integration failure). In such instance, the amount having been already settled to CFI needs to be accounted and hence will be booked under the Receipt

awaiting transfer head of the respective Major Head. The amount booked under Receipt Awaiting Transfer Head will be cleared on receipt of Challan and payment transaction details from ICEGATE

14.3.9 MEMORANDUM OF ERRORS

14.3.9.1 In an ideal electronic environment there shall not be any discrepancies between Transaction data reported by bank in real time (and EOD) and the data reported by RBI in the credit notifications. However, there may be instances of following errors

- (a) When banks have reported higher amount than RBI
- (b) When banks have not reported or less reported the amount than RBI

14.3.9.2 In either instance, the Memorandum of Error is raised through the system/offline to RBI, Mumbai and on resolution of the same, the MoE is closed.

14.3.10 REFUND PAYMENTS OF CENTRAL EXCISE AND SERVICE TAX

14.3.10.1 The Competent Authority as per prescribed departmental procedure, sanctions claims for Refunds. The Divisional Officer issues a cheque payable at the nominated bank authorized for payments of Refunds. [Cheque-books are provided by Pr.Accounts Office to the Pay and Accounts Officers concerned who thereafter issued to the Divisional Officer/ Chief Accounts Officer of the Commissionerate on requisition.]

14.3.10.2 The cheques are honoured by the concerned bank branches (if in order) who will thereafter prepare separate payment scrolls (specifically marked Refunds, rebates and drawbacks) in the prescribed format Major Head-wise in respect of cheques issued for payment of refunds.

14.3.10.3 The Divisional Officer shall prepare a List of Payments (LOPs) on weekly basis i.e. 7th, 14th, 21st & 30th of every month under revenue account and send it to the PAO along with Paid Refund Vouchers directly. The accounting adjustment is made on the basis of the LOPs received from the Department and the images of paid cheques along with scrolls received from bank branch authorized for making refunds. This will be accounted for by the PAO under the concerned revenue head as deduct refunds/drawbacks.

14.4 CUSTOMS DUTY COLLECTION

14.4.1 There are various types of Custom locations across the country Like Air Cargo, Land Custom Stations (LCS), Inland Container Depot (ICD), Custom Houses etc. where custom duties are collected. Every Importer/ Exporter needs to declare his goods/ items in detail through Bill of entry at the Custom Location or at ICEGATE (a web portal hosting various services for Custom houses) if that custom location is having EDI (Electronic Data Interchange) system. If custom location doesn't have EDI system then whole process of filling Bill of Entry, duty assessment, Challan generation, duty payment and delivery of goods is under manual process flow.

14.4.2 In the Indian Customs Electronic Data Interchange (EDI) system i.e. ICES the challans are generated by the system after the assessment is done by the customs officials, based upon the Bill of Entry filed by the importer/taxpayer either electronically or manually. The challan

details so generated by EDI are provided to the bank through electronic means. Taxpayer makes the payment at the bank through e-Payment or physical mode.

14.4.3 ELECTRONIC CASH LEDGER IN CUSTOMS

Section 51A of Customs Act 1962 provides for the creation of an electronic cash ledger in which importers/exporters can deposit any amount of sum to pay their duty liability, interest, penalty, testing fees etc. Any amount deposited in this electronic cash ledger account could be debited automatically towards the dues of the exporter/importer in contrast to traditional payment system in operation earlier.

14.4.4 Objective for Introduction of Section 51A of The Customs Act 1962 is too

- i.create Electronic Cash Ledger (ECL) in Indian Customs EDI Systems (ICES)
- ii.provide advance deposit mechanism in ECL
- iii.provide payment of tax and other dues through ECL

14.4.5 PAYMENT PROCESS OF CUSTOMS DUTY UNDER SECTION 51A OF THE CUSTOMS ACT 1962

14.4.5.1 The tax payer has been provided the choice of making advance payment of duties towards Imports and Exports. The tax payers can also make the payments on real time basis at the time of generation of challans. The ICEGATE system will maintain an Electronic Cash ledger [ECL] for each tax payer. All payments made will be routed through the ECL

14.4.5.2 The tax payer will generate a challan on ICES/ICEGATE for an amount as per his choice for making the advance payment or while making the regular payment. On payment of the challan, the Electronic Cash Ledger will be credited. Given the nature of the deposits, the amount shall be credited to the Public Account. The ECL shall be used by the importer for further payments towards Duty, interest, fee or any other sum payable under the law. The ECL would have all details of credit and debit for particular entity (like Importer/Exporter, Customs Broker, Shipping Line, Agent etc.). When a declaration for clearance is made through Bill of Entry (BE) or Shipping Bill (SB), the tax payer instead of making a payment will discharge the duty amount from the ECL.

14.4.5.3 After account head Wise Liability/ duty payment is finalized the tax payer's electronic cash ledger is debited and the duty payments are credited head-wise. Both the transactions debiting the cash ledger and crediting to the correct duty payment shall be communicated to Pr. CCA, CBIC along with the Minor Head Information for accounting purpose. The changes in the account heads due to reassessment cases or refunds shall also be communicated to Pr. CCA, CBIC.

14.4.6 ACCOUNTING IMPLICATIONS OF THE IMPLEMENTATION OF THE LEDGER SYSTEM IN CUSTOMS DUTY COLLECTIONS: All the deposits made in the Electronic Cash Ledger (ECL), created for individual entities in ICES, shall be made by crediting the amount below the 'MH 8449 – *Other Deposits*' under 'Deposits not bearing interest' section of Public Account. All the liabilities of entity concerned will be discharged through transfer from Public Account to CFI. All challan level details containing Debit – Credit Linkage(s) shall be shared regularly by the ICEGATE with O/o Pr.CCA through API integration. Detailed accounting procedure is given in **APPENDIX 14.1**.

14.4.7 REFUNDS AND DUTY DRAWBACK UNDER CUSTOMS

14.4.7.1 On import or export of goods, at times duty may be paid in excess of what was actually leviable. Section 27 of the Customs Act, 1962 deals with the refund of duty and interest. As provided therein, refund of duty and interest can be claimed either by a person who has paid the duty in pursuance to an order of assessment or a person who has borne the duty. An application for refund is required to be filed within six months from the date of payment of duty and interest.

14.4.7.2 After scrutiny of the application, the competent authority passes the refund order and issues cheque to the beneficiary payable at the nominated bank authorized for payments of Refunds.

14.4.7.3 The Duty Drawback seeks to rebate duty or tax chargeable on any imported/excisable materials and input services used in the manufacture of export goods. In case of exports under electronic Shipping Bill, the Shipping Bill itself is treated as the claim for Drawback. At Customs locations wherever the EDI system has been introduced, the whole process of filing Bill of Entry/Shipping Bill, duties assessment, challan generation, duty payment, processing of drawback claims etc. are done through the ICES/ICEGATE system.

14.4.7.4 On approval of the drawback payment by the competent Customs officer, the drawback data sheet is generated in the ICEGATE system which is sent to the Authorized Banks Central server. A hard copy of the data sheet with a cheque is also sent by the officer to the local bank branch authorized for drawback payment. The bank credits the beneficiaries account as per the data sheet.

14.4.7.5 The Payment scrolls for the Refund and Drawback payments are sent by the bank to the PAO. The Departmental officer also sends the weekly list of payments of refunds and drawbacks to the PAO for accounting.

14.4.7.6 Accounting Entries

(i) The PAO on receipt of abstract of drawback/refund payments from concerned Customs Officer (Drawback) will make the following accounting entry:

0037 Customs	(-) Cr
8670 Cheques and Bills	Cr.

(ii) On receipt of Daily Payment Scroll from FPB, the PAO will make the following accounting entry for the amounts shown in the paid scrolls:

8670 Cheques & Bills	(-) Cr.
8658 Public Sector Bank Suspense	Cr.

(iii) On receipt of Put Through Statement of RBI, Principal Accounts Office will make following entries:

8658-Public Sector Bank Suspense	(-) Cr.
8675-Deposits with RBI	Cr.

14.5 PAYMENT OF CUSTOMS DUTY THROUGH SCRIPS OF RODTEP/ ROSCTL/ SEIS AND OTHER SCHEMES

14.5.1. PROCEDURE FOR ACCOUNTING OF ISSUE AND UTILIZATION OF SCRIPS TOWARDS PAYMENT OF CUSTOMS DUTY

14.5.1.1 The Govt. of India has been providing rebates on taxes paid and incentives to Exporters under various schemes like RoDTEP (Remission of Duties and Taxes on Exported Products), RoSCTL (Remission of State and Central Taxes and Levies), like MEIS (Merchandise exports from India Scheme), SEIS (Service Exports of India Scheme). The issue of scrips to exporters and its utilization had so far been treated only as revenue foregone. From Financial year 2021-22 onwards, however, the Government decided that there should be a budgetary control over the issue and discharge of scrips towards payment of Customs Duty. Accordingly, the Budget Division has provided an accounting process (as detailed below) to be followed in the budgetary route of issue of scrips and its discharge through the CFI and Public account.

(a) A suitable budget provision will be made annually under the new Minor Heads (opened for various schemes) below the Major Head “2037”, indicating the maximum amount up to which the scrips will be issued. Addition or reduction to the budget allocated will be made as per requirement as done for all expenditures.

(b) At the time of issue of scrips to the exporters, an amount equivalent to the scrips issued will be transferred from the concerned minor heads under ‘2037- Customs’ to Public Account, under relevant minor heads below the Major Head “8012- Special Deposits and Accounts”.

(c) As and when scrips are utilized for payment of Custom Duty, the Public Account will get debited and an equal amount credited under the concerned Minor Head relating to the liability on account of customs duty discharged below the Major Head “0037- Customs”.

(d) While calculating the net proceeds assignable to States, the entire cost of collection along with the amount booked under “MH 2037-Customs” towards issue of scrips will be deducted from total collection for arriving at the ‘Net Proceeds’ for the purpose of devolution of State’s share from Central Taxes.

(e) The scrips issued are valid for a period of one/ two year(s) from the date of issue. On expiry of validity of unused scrip(s) **within the same year**, the corresponding balance lying in the public account shall be credited back to the original budgetary head under ‘MH 2037 Customs’. This would be done by classifying (-) Credit to concerned minor heads below Major Head 8012- Special Deposits and Accounts’ and (-) Debit would be made under minor heads below Major Head 2037-Customs for the equal amount. The Balances lying in the scrips, issued in previous year(s), but going to expire in current financial year, the balances lying under concerned minor head below “MH 8012-Special Deposit and Accounts” shall be written back to the distinct “Minor head 911 Deduct- Recoveries of overpayment” under the MH – 2037 Customs”, in terms of General Direction 3.10 of LMMHA.

(f) Consequent to reassessment, Customs duty payable may vary. The duty payable may either be increased from the original assessed value or may show a decrease from the original assessed value. In case of increase in the duty amount, the sanction for the scrips utilised will be issued only for the incremental value and not for the whole amount as per the accounting mentioned in (c) above. In case of decrease in the duty amount, a sanction for reversal of the duty paid through scrips to be issued for the decremental value. The sanction should clearly

mention the reversal of the earlier entry showing a credit back (minus Debit) to the scrips head of the scheme concerned below Major Head 8012-Special Deposits and Accounts and (-) Credit would be made under minor heads below Major Head 0037-Customs.

14.6 SPECIAL ECONOMIC ZONES

14.6.1 Special Economic Zone (SEZ) is a specifically delineated duty-free enclave within India which is deemed to be foreign territory for the purposes of trade operations, duties and tariffs. The whole of India (including the territorial waters and continental shelf) but excluding the areas of the Special Economic Zones is known as the Domestic Tariff Area (DTA)

14.6.2 The government provides many incentives for companies and businesses established in SEZs. Viz.:

- Duty free import/domestic procurement of goods for development, operation and maintenance of SEZ units.
- Exemption from Central Sales Tax, Service Tax and State sales tax. These have now subsumed into GST and supplies to SEZs are zero rated under IGST Act, 2017.
- Other levies, if exempted by the respective State Governments.
- Single window clearance for Central and State level approvals.
- Supplies to SEZ are zero rated under IGST Act, 2017.

14.6.3 However, whenever any goods are removed from a Special Economic Zone to the DTA it is treated as an import and shall be chargeable to duties of customs which includes basic customs duty, IGST, antidumping, countervailing and safeguard duties (under the Customs Tariff Act, 1975), where applicable.

14.6.4 Hence, whenever the SEZ makes DTA sales, Customs and IGST collections are collected. These collections are both through online (electronic) mode and through physical collections. For physical collections/OTC mode of payments the challans are duly filled in and payment made through the banks authorised for collections of Customs in the area. The banks provide the receipt scroll for these along with the other customs collections at ports.

14.6.5 The electronic mode of collection is through the ICEGATE payment gateway. The challans are generated on the SEZ-online portal and when initiated for electronic mode of payment the same are sent to the ICEGATE (CEP) portal through which the tax payer can make his payments in the similar way as done for Central Excise and Service Tax payments.

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APPENDIX 14.1
(para 14.4.6)

DETAILED ACCOUNTING PROCEDURE RELATING TO ELECTRONIC CASH LEDGER OF CUSTOMS DUTY:

(i)(a). At the time of Deposit of amount by tax payer into the ECL

MH 8658 Suspense Accounts
 00.108 Public Sector Bank Suspense
 or
 00.138 Other Nominated Banks (Private Sector Banks) Suspense Debit.
 To

8449 Other Deposits
 00.124 Electronic Cash Ledger of Customs
 01-Deposits under section 51 A of the Customs Act, 1962 Credit.

(b) on receipt of Credit notification from RBI

MH 8675 Deposits with Reserve Bank
 00.101 Central – Civil Debit.

To
 MH 8658 Suspense Accounts
 00.108 or Public Sector Bank Suspense
 00.138 Other Nominated Banks (Private Sector Banks) Suspense

(-) Debit

(ii) (a) The BROADSHEET of deposits in ECL will be maintained by the PAO and balances reconciled every quarter and at the close of the financial year

MH 8449.00.124

Opening Balance as on 1 st April,20xx	Deposits made during the 1 st /2 nd /3 rd /4 th quarter	Utilization made during the 1 st /2 nd /3 rd /4 th quarter	Closing Balance at the end of 1 st /2 nd /3 rd /4 th quarter

(ii)(b) The BROADSHEET of MH 8449 shall be maintained electronically with individual importer-wise breakup and shall be reconciled with the lump sum closing balance arrived at (as shown in ii(a) above). A physical copy of the BROADSHEET be duly authenticated by PAO.

MH 8449.00.124

Importer Exporter Code (IEC)/Name	Opening Balance as on 1 st April,20xx	Deposits made during the 1 st /2 nd /3 rd /4 th quarter	Utilization of deposits during the 1 st /2 nd /3 rd /4 th quarter	Closing Balance at the end of 1 st /2 nd /3 rd /4 th quarter

The challan level reconciliation through Debit Credit linkage will be shared by ICEGATE through APIs with the O/o Pr. CCA and this will be the key to taxpayer-wise reconciliation.

(ii) (c). Review of balances under each importer account will be analyzed at the end of the year to ensure that there are no negative balances and/or large amount of balances haven't accumulated.

(ii) (d) Reconciliation also needs to be done by PAO and Department regularly.

iii. At the time of usage of ECL deposits to meet the liability under various heads of account

MH 8449	Other Deposits
00.124	Electronic Cash Ledger of Customs (New Minor Head)
01	'Deposits under section 51 A of the Customs Act, 1962'

Dr.

To

Concerned minor head under Major Head:

MH 0037	Customs/
MH 0008	Integrated Goods and Services Tax (IGST)/
MH 0009	Goods and Services Tax Compensation Cess

Cr.

iv. At the time of processing for Refunds out of Deposits made under Public Account

MH 8449	Other Deposits
00.124	Electronic Cash Ledger of Customs (New Minor Head)
01	'Deposits under section 51 A of the Customs Act, 1962'

Dr.

To

MH 8670 –	Cheques and Bills
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Cr.

CHAPTER 15

Revenue Accounting: Banking arrangements and reconciliation Revenue Accounts of Central Board of Direct Taxes (CBDT)

15.1 INTRODUCTION

15.1.1 Subsequent to departmentalisation of accounting system, collection, reconciliation, and accounting of revenue transactions of the Central Board of Direct Taxes (CBDT) came into effect from 1st April, 1977.

15.1.2 The initial accounting system of CBDT introduced from 1st April, 1977 was fraught with certain operational shortcomings causing avoidable delay in transmission of data to stakeholders. Therefore, a revised procedure of collection and accounting of direct taxes was introduced from 1st October, 1988.

15.1.3 The basic feature of the revised scheme was aimed at transmission of documents to Zonal Accounts Offices (ZAOs), Income Tax (IT) Department, and remittance of the direct Tax collections to Government account expeditiously. In order to achieve this, several intermediary stages between the Receiving branch and the RBI, CAS, Nagpur were eliminated.

15.1.4 As per the revised accounting procedure, each authorized bank was required to have a Nodal branch at the station of ZAO. This branch would function as Focal Point Branch (FPB) for all the authorized receiving branches of the bank at that station. The FPB in addition to acting as a pooling branch also functions as a receiving branch. There is no need to set up an FPB if the zone has less than 5 authorised branches. In such cases the branches will function as sub-agent to SBI for reporting, remittance and reconciliation of direct taxes. The receiving branches of a bank in a particular zone would report transactions and also submit scrolls/challans to their respective FPB. The FPBs in turn transmit them to ZAOs.

15.2 ONLINE TAX ACCOUNTING SYSTEM (OLTAS)

15.2.1 OLTAS i.e. Online Tax Accounting System was implemented by CBDT with effect from 1.6.2004. The OLTAS enabled capturing all information at the very first interface with the Tax payer i.e. at the Receiving Branch. This information is subsequently transferred online to all the stakeholders of Tax Information Network (TIN). OLTAS was hosted by NSDL e-Gov on behalf of Income Tax Department under TIN.

15.2.2 Main Features of OLTAS are fully computerised 'Single Copy Challan', networked branches, accuracy, and timeliness of information flow.

15.2.3 In tandem with OLTAS, O/o Pr. Chief Controller of Accounts, CBDT implemented CFMS-RAMS (Challan File Movement System- Revenue Accounting Management System) in 2011 for carrying out accounting and reconciliation of direct taxes.

15.3. TIN 2.0-PRAKALP ARRANGEMENT

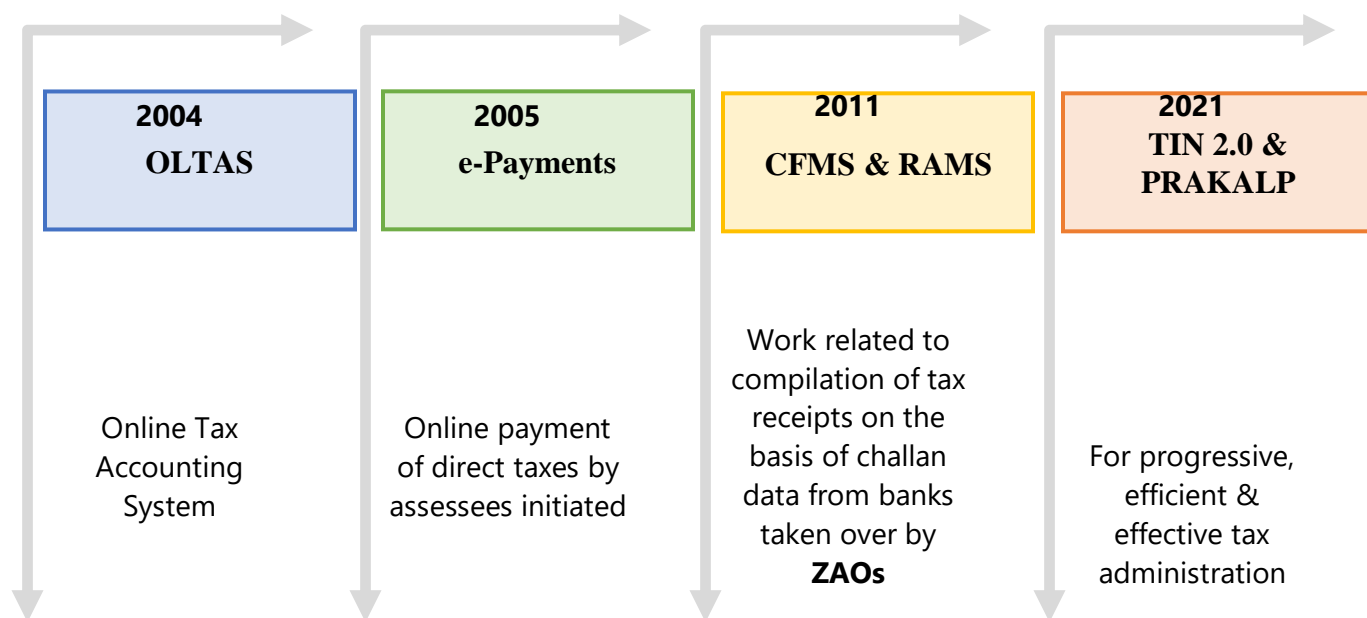
15.3.1 Income-tax Department has implemented a new tax collection and refund system referred to as TIN 2.0. The TIN 2.0 system is implemented by CBDT under IEC 2.0 project

(Integrated e-filing & CPC 2.0) replacing the erstwhile OLTAS (Online Tax Accounting System) and Refund Banker Scheme.

15.3.2 The defining aspect of TIN 2.0 is that the entire process is digital and paperless, including the challan, scroll, Date wise monthly statement (DMS) put through, etc. Subsequently, the accounting of direct tax collection has also moved to a completely electronic platform; namely *PRAKALP (Pratyaksh Kar Lekhankan Pranali)* developed by the Office of the Principal Chief Controller of Account. While the TIN 2.0 system handles the tax payment and tax payers' database management, the direct taxes reporting and accounting system is managed on PRAKALP hosted on the Public Financial Management (PFMS) platform.

15.3.3 TIN 2.0-PRAKALP arrangement was implemented on pilot basis w.e.f. 01.07.2022 and replaced OLTAS completely on 01.04.2023.

15.3.4 The transition of accounting systems in CBDT is shown in the following diagram



15.3.5 The most important aspects under TIN 2.0 are as under:

a) **Challan Reference No. (CRN):** The CRN is generated after a tax payer fills up a Challan on the TIN 2.0 portal which is a 14-digit number auto generated. CRN is just the intent to pay tax and remains valid for 15 days. It is purged by the TIN 2.0 system if the payment is not received by the due date.

A sample copy of challan for collection of Income Tax is attached in **APPENDIX 15.1**.

A sample copy of challan for collection of Corporation Tax is attached in **APPENDIX 15.2**.

b) **Challan Identification No. (CIN):** The CIN is generated by the Authorized Banks or the RBI (as the case may be) after the payment is received by the bank/RBI. It is an 18-character field (CRN + First 4 characters of bank's IFSC). A sample copy of challan Receipt is shown below:



INCOME TAX DEPARTMENT

Challan Receipt



TINS No. : 280

FAN	:	
Name	:	
Assessment Year	:	
Financial Year	:	
Major Head	:	
Minor Head	:	
Amount (r Rs.)	:	
Amount (r words)	:	
CIN	:	
Mode of Payment	:	1
Bank Name	:	
Bank Reference Number	:	
Date of Deposit	:	
ESR code	:	
Challan No	:	
Tender Date	:	

Tax Breakup Details (Amount in ₹)

A	Tax
B	Surcharge
C	Cess
D	Interest
E	Penalty
F	Others
Total (A+B+C+D+E+F)	
Total (In Words)	



Thanks for being a committed taxpayer!

To express gratitude towards committed taxpayers, the Income Tax Department has started a unique appreciation initiative. It recognises taxpayers' commitment by awarding certificates of appreciation to them. Login to e-filing portal and visit Appreciations and Rewards to know more.

Congrats! Here's what you have just achieved by choosing to pay online:



Time

Quick and Seamless



Paper

Save Environment



e-Receipt

Easy Access

Figure-1

c) **Authorized Bank:** An authorized bank means a bank authorized by the Office of the Principal Chief Controller of Accounts, CBDT, to collect Direct Taxes. Branch specific authorization of banks for collection of Direct Taxes is no longer required. All branches of an Authorized Bank can collect direct taxes.

d) **e-FPB:** Each authorized bank designates a branch as the electronic Focal Point Branch (e-FPB) which is the nodal branch for performing all responsibilities related to role of an authorized bank under the TIN 2.0 regime. E-FPB remits money to the RBI and reports to TIN 2.0, PRAKALP and RBI. The Refund Banker (involved in income tax refund process) also designates an e-FPB for processing and reporting refunds.

e) **Timeline of T+1:** All taxes collected by authorized banks through any mode of payment have to be remitted to the RBI for credit to the Government account on the next day of collection on 'T+1 working days' basis ('T' being the date on which CIN is generated). For taxes received through a payment instrument (cheque/DD) the date of realization will be the date when funds are available to the bank. For any delay in remittance, penal interest will be levied on the banks by the Office of the Principal Chief Controller of Accounts, CBDT. The rate of penal interest on delayed remittance is decided by RBI in consultation with CGA from time to time. A uniform holiday calendar, issued from time to time by the Office of the CGA in consultation with the RBI,

may be followed for reporting TIN 2.0 transactions by the agency banks.

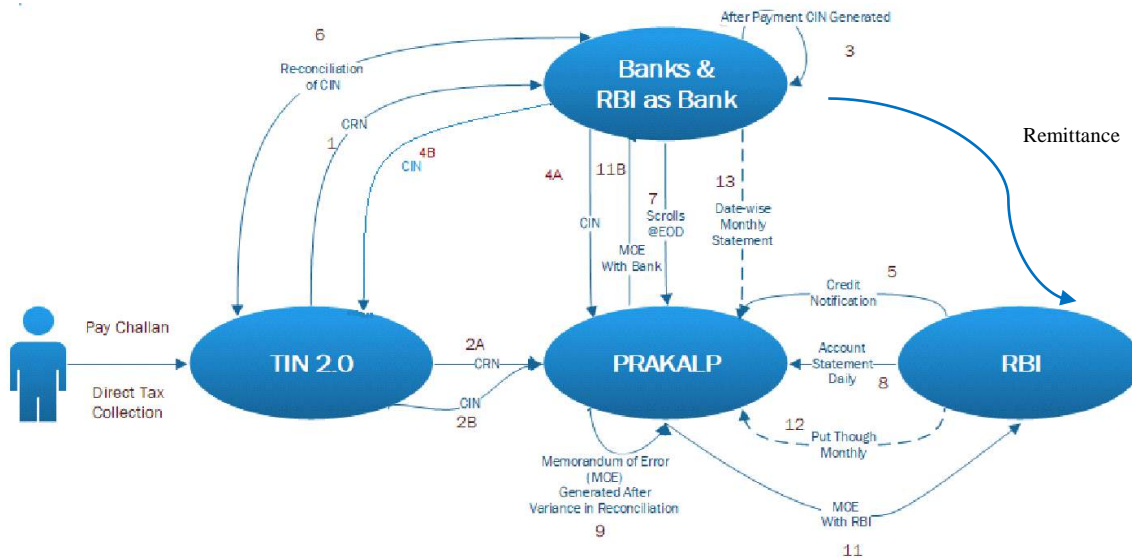
f) **Levy of additional charges on the tax payer:** The banks will not impose any additional charge on the tax payer under any mode of payment, paid through any instrument of payment, unless mandated by the RBI/Government. The MDR (Merchant Discount Rate) charges on applicable Debit/Credit Cards, if charged by the bank, will be payable by the tax payer, if permissible as per the extant regulations of the RBI/Government. The Government will not bear such charges. There would be no charge levied by banks on use of RuPAY Debit Card, UPI/BHIM and UPI QR code and BHIM QR code, which have been prescribed under Section 269SU of the Income Tax Act, notified vide CBDT's Gazette Notification No.105/2019 dated 30.12.2019.

g) **Periodicity & Nature of Data Flow:** For data flow and the periodicity of reporting among authorized Banks/RBI, TIN 2.0 & PRAKALP is as per table below:

Table-1

Day 'T'	
1	Real time communication of CRN by TIN 2.0 to Banks/RBI (Depending on mode of payment)
2	Real time/batch mode communication of CRN from TIN 2.0 to PRAKALP
3	Real time communication of acknowledgements against CRNs in case of presentation of paper instrument for OTC mode by banks/RBI to TIN 2.0.
4	Real time communication of acknowledgements against CRNs in the case of pre-authorized debit/Maker-Checker for Mode 1 (& Mode 4 if applicable) to TIN 2.0
5	Real time communication of CIN by bank/RBI to TIN 2.0 against successful payment against a CRN (Depending on mode of payment)
6	Real time/ batch mode communication of CIN from Agency Banks to PRAKALP
7	Real time/ batch mode communication of CIN from TIN 2.0 to PRAKALP
Day "T+1"	
1	Communication of all CRNs generated for day T from TIN 2.0 to PRAKALP
2	Communication of all successful CINs for day T from TIN 2.0 to PRAKALP
3	Communication of acknowledgements received for day T against CRNs in case of presentation of paper instruments for OTC mode by TIN 2.0 to PRAKALP
4	Communication of Draft Luggage File for day T from Banks to TIN 2.0
5	TIN 2.0 to communicate the reconciliation results based on the Draft Luggage File and its own record to banks
6	Banks to prepare Luggage File and e-scroll for transactions related to day T after considering the reconciliation results as mentioned in step 5 and communicate them to RBI and PRAKALP respectively. <ul style="list-style-type: none"> • Post reconciliation of CIN with TIN, Banks will provide the Scroll file of the reconciled transactions to PRAKALP. After consuming the scrolls, if any discrepancy is established by PRAKALP, Memorandum of Errors (MoE) for those transactions will be generated. RBI to share e-scroll for transactions related to day T with PRAKALP

7	• RBI to prepare a Credit Notifications based on Luggage Files received from banks for day T and including the transactions for RBI's OTC and NEFT/RTGS transactions for day T+1, and to communicate to PRAKALP.
8	PRAKALP to forward Credit Notifications received from RBI to TIN 2.0
9	RBI to communicate to PRAKALP Account Statement giving the head wise details of funds settled with it for day T
Monthly Statements	
1	Banks to submit a Date-wise Monthly Statement (DMS) every month for preceding month to PRAKALP.
2	RBI to submit a Put-through Statement every month for preceding month to PRAKALP RBI to submit a Date-wise Monthly Statement (DMS) for its own Over The Counter (OTC) transactions and NEFT/RTGS based transactions and also Major head wise and Bank wise Put-through Statement every month for preceding month to PRAKALP



Flow Diagram -2

15.4 COLLECTION OF TAXES THROUGH PUBLIC SECTOR BANKS/PRIVATE BANKS

15.4.1 All Public/Private Sector Banks authorized under OLTAS regime have been migrated to TIN2.0-PRAKALP platform. Additionally, since the lifting of embargo of Govt. Business to Private Sector Banks in 2021, O/o Pr. CCA, CBDT after obtaining necessary approval from DGBA, RBI through O/o CGA has been issuing authorization to New Scheduled Private Sector Banks to collect direct tax on behalf of CBDT. The Refund work of Direct Taxes initially is being done through State Bank of India. Other banks may also be entrusted with this work in due course of time.

15.4.2 Tax Payment Modes:

- I. Payment through Internet Banking of Authorized Banks

- II. Over the Counter Payment through all branches of Authorised Banks
- III. Payment through NEFT/RTGS through any bank
- IV. Payment through any bank using the Payment Gateways (PGs) of the Authorized Banks
- V. Any other mode as prescribed by Government of India from time to time

15.5 NUMBERING OF CHALLANS:

15.5.1 After the successful completion of a transaction, the concerned authorized bank will revert with a unique Challan Identification Number (CIN) against the CRN. This will be a unique 18-character alpha-numeric code containing 14-digit CRN generated by TIN 2.0 portal for the challan appended with the unique 4-Character IFSC code.

15.5.2 The CIN will be reported by the banks to the TIN 2.0 and PRAKALP on a real time basis, and to the RBI through luggage file. The CIN is an indicator of successful transaction and will be used as a key field for accounting and reconciliation by TIN 2.0, PRAKALP and the RBI.

15.5.3 After every successful e-payment transaction, there will be an instantaneous reverse flow of information through an electronic data string from the Authorized Bank to TIN 2.0 and PRAKALP, containing the following details:

- a) Challan Identification Number (CIN)
- b) PAN / TAN
- c) Assessment Year
- d) Major & Minor Head
- e) Challan amount along with breakup
- f) Date of Payment (realization)
- g) Time of Payment (realization)
- h) Details of mode through which payment has been made
- i) Transaction hash
- j) Authentication details for the authorized bank

15.6 PROCEDURE TO BE FOLLOWED FOR DIRECT TAX PAYMENT THROUGH INTERNET BANKING OF AUTHORIZED BANKS

15.6.1 Taxpayer who wants to avail the facility of electronic payment generates challan through TIN 2.0 portal. Once internet banking mode is selected for payment, CRN is generated and taxpayer chooses his preferred bank amongst the list of authorized banks to make payment. After the successful completion of a transaction, the concerned authorized bank reverts with a unique Challan Identification Number (CIN) against the CRN. The CIN is reported by the banks to TIN 2.0 and PRAKALP on a real time basis, and to the RBI through electronic file/luggage file on IT platform.

15.6.2 Taxpayer has an option to pre-authorize debit of her bank account for payments at a later date by providing suitable payment instruction. In such cases, the challan is finalized with payment authorization completed; however, remittance takes place on dates as provided by the taxpayer. Only after debit of taxpayer's account on each occasion, the CIN is generated and reported by banks to TIN 2.0 and PRAKALP on a real time basis, and to the RBI through luggage file.

15.6.3 The tax payer can also choose to pay direct taxes by using the debit card of the authorized banks under this mode.

15.7 PROCEDURE TO BE FOLLOWED FOR DIRECT TAX PAYMENT THROUGH OTC AT THE BRANCHES OF AUTHORIZED BANKS:

15.7.1 The Taxpayer Prepares challan online through TIN 2.0 portal following the guidelines as provided by the Income Tax Department. From the available payment options, the taxpayer would select OTC mode which has the options of payment by cheque, DD, cash or Internal Transfer (to be used exclusively by the RBI for internal transfer of funds). The name of the authorized bank/RBI where the instrument/cash is to be presented is required to be selected necessarily. It will be prefilled as "RBI" in the case of internal transfer of funds.

15.7.2 The challan form so generated will be available on the dashboard of the taxpayer in downloadable/ printable form from TIN 2.0 portal. The taxpayer will print the challan form for making the payment. If the payment is made by cheque or DD, the challan itself would have a disclaimer that the payment is subject to realization of cheque or DD.

15.7.3 For OTC payments, the CRN generated would be valid for a pre-defined period as prescribed by Income Tax Department after the date of its generation, within which duration, payment instrument/cash is to be tendered. Once a payment instrument (cheque or DD) is deposited in the bank, the CRN shall remain valid for 90 days from the date of deposit of instrument in the bank.

15.7.4 Challan tendered at the counter of any branch of an authorized bank,:

- a) The tax payer can then approach any branch of that selected bank to make payment through the OTC mode, along with the printed copy of challan form bearing the CRN and the instrument or cash.
- b) There is a linkage between the TIN 2.0 and the Core Banking Solution (CBS) of the authorized banks/RBI whereby the details of challan is shared by the TIN 2.0 system with the CBS of the bank selected by the tax payer to facilitate the cashier / teller to verify the details of the challan submitted by the taxpayer.
- c) The cashier / teller verifies the details of challan, payment instrument and amount provided by the taxpayer with those displayed in the bank's system and should accept the receipt only when no discrepancy is found.
- d) The taxpayer may make payment by cash or instruments drawn on the same bank or on any other bank, including outstation cheque/DD.

15.7.5 Generation of CIN in the case of challans tendered with cash, same bank instrument and RBI's Internal transfer:

- a) In such cases just after realization of tax payment, CIN is generated and the same is intimated to TIN 2.0 and PRAKALP on a real-time basis and to the RBI on T+1 working day basis through luggage file.
- b) After generation of CIN, the bank cashier shall put the Bank Reference No. (or RBI Transaction Number, as applicable) and CIN on the taxpayer's counterfoil of the challan form presented by the taxpayer.

15.7.6 Generation of CIN in the case of challans tendered with Cheque/Draft of another bank:

- a) In case an instrument drawn on another bank is presented; the payment would not be realized immediately. In such cases, the CIN is generated later only after the instrument is realized, and the cashier should give an acknowledgment on the taxpayer's counterfoil and a stamp to the effect that "the acknowledgment by the bank is subject to realization of the cheque/DD". The taxpayer need not visit the bank again to get the CIN on the realization of the cheque/DD, as the same is available from her log-in account on TIN 2.0 portal.
- b) Where the instrument is drawn on another bank, including outstation cheques, there should be a validation in the bank's system to prevent deduction of commission charges for instruments drawn on another bank in the same city.
- c) The authorized bank/RBI would send the instrument for clearing in the very next clearing cycle and the transaction would be treated as complete and successful only after the actual receipt of the amount by the said bank through successful clearing.
- d) The authorized bank/RBI informs TIN 2.0 on real time basis in two stages. i. First, when an instrument is tendered at the counter. At this stage the authorized bank/RBI forwards an electronic string to TIN 2.0. On receipt of this message, TIN 2.0 sends an SMS to the tax payer, in addition to showing the status of the payment on its portal as 'subject to realization'. Once an instrument is deposited in the bank/RBI, the CRN remains valid for 90 days from the date of deposit of instrument in the bank. TIN 2.0 sends the details of acknowledgement received from Authorized bank/RBI to the office of Pr. CCA, CBDT through PRAKALP for the transactions pertaining to date 'T'; i.e. the day of 'Transaction'. ii. In the second stage, the bank's/RBI's system would send CIN details to TIN 2.0 on real time basis, once the instrument is realized.
- e) In case of cash, instrument of the same bank or Internal Transfer of Funds by RBI, date of deposit of instrument and date of realization of instrument shall be the same.
- f) If the cheque is dishonoured, the presenting bank should inform TIN 2.0 about the fact of dishonour and same is informed by TIN 2.0 to taxpayer and also reflects on her dashboard.

15.8 PROCEDURE TO BE FOLLOWED FOR DIRECT TAX PAYMENT THROUGH NEFT/RTGS AT ANY BANK:

15.8.1 Under this mode, payment of direct taxes through NEFT/RTGS can be done through any bank participating in the NEFT/RTGS clearing system of the RBI. RBI would itself be the recipient of the amount transferred through NEFT/RTGS, thus, eliminating the need for a link-up first with an authorized bank to receive the payment and, thereafter, its transfer to the RBI. RBI would, thus, perform the role of an authorized bank and that of an e-FPB in this mode of payment. Once this mode is selected by the tax payer, besides the generation of CRN, TIN 2.0 also generates "NEFT/RTGS Mandate Form".

15.8.2 NEFT/RTGS mandate form has the same validity period as that of CRN printed on it. The CRN generated at the portal shall be incorporated in NEFT/RTGS mandate form in "Beneficiary Account Number" field. The RBI would provide for suitable validations for this field. In case of NEFT/RTGS payments, there shall also be a disclaimer on the challan copy of the mandate form that the payment through NEFT/RTGS is a transaction between the tax payer and her bank and the payment is deemed to be received by the government only when the amount is credited to the designated account in the RBI as per settlement cycle of RBI for NEFT/RTGS transactions. The payments in this mode would be permitted only against Internet

Banking and cheques tendered at the concerned bank branch where the tax payer is maintaining account.

15.8.3 Once the remittances are received by RBI, it performs the following functions:

- a) RBI receives and validates the NEFT/RTGS transaction against the Challan details (CRN) received by it; and
- b) RBI communicates the receipt of such payment through generation of CIN in each case to TIN 2.0 and PRAKALP on a real time basis.

15.9 PROCEDURE TO BE FOLLOWED FOR DIRECT TAX PAYMENT THROUGH ANY BANK USING THE PAYMENT GATEWAYS (PGS) OF THE AUTHORIZED BANKS:

15.9.1 The TIN 2.0, for the ease of payment by tax payers, also allows payment through payment gateways (PGs). This mode of payment opens a whole lot of payment options such as payments through debit cards, credit cards, UPI, BHIM, etc.

15.9.2 As a policy, the Government shall not entertain chargeback on tax payments through cards. Tax once paid cannot be withdrawn through the banking channels. The only mode of refund available to the tax payer is through the process of filing Income Tax Return.

15.9.3 The payment through this mode can be made through any bank. However, only the PGs of the authorized banks are allowed to provide the facility of payment through this mode. The Office of the Principal Chief Controller of Accounts, CBDT and the RBI do not deal directly with the service providers of PGs.

15.10 CREDIT NOTIFICATION BY RBI ON RECEIPT OF MONEY FROM BANKS

15.10.1 RBI would prepare digitally signed Credit Notifications, which include the luggage files received by it from authorized banks for successful transactions related to day 'T' and amount collected by RBI through RTGS/NEFT & OTC Mode on T+1 working day and transmit the same to the PRAKALP.

15.11 ZONAL ACCOUNTS OFFICE (ZAO) – BANK MAPPING

15.11.1 Each authorized bank including RBI (as agency bank) is mapped with a particular ZAO in the PRAKALP system for the purpose of accounting, reconciliation and reporting.

15.11.2 The RBI sends Put Through statements w.r.t. transactions reported by authorised banks, bank-wise and Major Head (MH) wise in the proforma as prescribed by O/o Pr. CCA, CBDT from time to time.

15.12 ROLE OF STAKEHOLDER (ELECTRONIC FOCAL POINT BRANCHES OF AUTHORIZED BANKS)

15.12.1 e-FPBs, branch(es) nominated by Authorized banks, are responsible as the single point of contact for all required coordination for the purpose of direct tax payments. These have overall responsibility for the prompt and accurate transmission of the information pertaining to collections under direct tax. It also monitors the daily receipts and check the accuracy of the details received from the branches of the Authorized Banks regarding collection of direct taxes in the case of OTC payments.

15.12.2 The payment should reach the destination bank/e-FPB before the expiry of validity period of CRN generated. Each e-FPB of Authorized banks uses direct tax accounts of Government of India for direct tax collection in which the remittances received by it would be credited.

15.12.3 It is also the responsibility of the e-FPB to provide physical DMS to the concerned ZAO to enable reconciliation with the data provided by e-FPB on PRAKALP. e-FPB promptly acts on the discrepancies reported by the ZAOs in case of any mismatch in the figure of physical DMS and the data reported on PRAKALP. The e-FPB communicates to the ZAO that necessary action has been taken to resolve any reconciliation issue as reported by the ZAO.

15.12.4 eFPBs are responsible for following functions:

A. Sending information to TIN 2.0

a. e-FPBs collate the Challan data of all successful payment transactions for all applicable modes made on day T (including nil payment days), prepare a Draft Luggage File, and transmit the same in the prescribed format to TIN 2.0 in the morning of next day (i.e. T+1) for system level reconciliation.

b. e-FPBs receive system level reconciliation report from TIN 2.0 on the Draft Luggage File, carry out relevant corrections, and then send revised e-Scrolls on PRAKALP to the office of Pr. CCA, CBDT. e-FPBs also send the information on T+1 basis to RBI through e-file/luggage file on IT platform.

B. Fund Settlement to RBI

Before 06:00 PM of the (T+1) day, each e-FPB is responsible for sending daily Luggage File containing transaction level details of receipts from all modes of payments for day T (including nil payment days) to RBI for the purpose of fund settlement. The format of Luggage File has been decided by RBI. Each Luggage File has a Unique Serial Number which is a running serial number extending through a financial year which will facilitate identification of missing files. This Luggage File number is a part of the electronic file.

C. Sending e-Scrolls to the O/o the Pr. CCA, CBDT:

a. The e-FPBs transmit e-Scrolls on PRAKALP to the O/o Pr. CCA, CBDT on T+1 day. e-Scrolls contain transaction level details of all successful transactions for all modes for Day T in the format of the Authorized Bank's e-Scroll as prescribed by the office of Pr. CCA, CBDT.

b. Every month, e-FPBs will provide Date-wise Monthly Statements (DMS) to the office of Pr. CCA, CBDT for the preceding month in the format and timeline as prescribed by the office of Pr. CCA, CBDT.

15.12.5 e-Kuber (Core Banking System) of RBI:

The following functions are performed by RBI (e-Kuber):

a. RBI will receive bank Luggage File from all Authorized banks before 6:00 PM on T+1. Consequently, it will debit Authorized Bank's accounts and correspondingly credit the direct tax account of Government of India maintained in RBI;

b. RBI prepares digitally signed Credit Notifications, which includes the Luggage File received from authorized banks for successful transactions related to day T and amount collected by RBI through RTGS/NEFT & OTC Mode on day T+1. RBI transmits this data to PRAKALP on T+1.

c. RBI to prepare daily Account Statement giving the head wise details of funds settled with it for day T.

d. RBI will prepare a monthly Put-through Statement in respect of amount put through to RBI and forward the same to the office of Pr. CCA, CBDT in the format and timeline as prescribed by the office of Pr. CCA, CBDT.

15.12.6 Principal Chief Controller of Accounts, CBDT

The following functions are monitored and performed by the office of Pr. CCA, CBDT:

a. O/o Pr. CCA, CBDT receives, on real time/batch mode basis, the details of CRNs created on TIN 2.0 and CINs for every successful transaction reported to TIN 2.0 by Authorized banks;

b. O/o Pr. CCA, CBDT separately receives the details of CINs for successful transactions on real time/batch mode basis from the Authorized banks for the reconciliation of the same with that reported by TIN 2.0.

c. On T+1, O/o Pr. CCA, CBDT receives from TIN 2.0 a consolidated file containing details of all CRNs generated on TIN 2.0 system during day T; followed by a consolidated file containing details of the challans for which successful transactions (CINs) were reported by Authorized banks for the date value T to TIN 2.0;

d. On T+1 date, office of Pr. CCA, CBDT receives e-Scrolls from e-FPBs of Authorized banks;

e. The office of the Pr. CCA, CBDT receives digitally signed Credit Notifications on T+1 date from RBI, which will include the amount collected by RBI in RTGS/NEFT & OTC Mode for day T+1 and the Luggage File received by RBI from Authorized banks regarding successful transactions for day T.

f. The office of the Pr. CCA, CBDT receives Account Statement from RBI on T+1 for day T.

g. The office of the Pr. CCA, CBDT also receives every month a date-wise monthly statement (DMS) for the preceding month from e-FPBs of the Authorized banks;

h. The office of the Pr. CCA, CBDT receives every month a Put-through Statement for the preceding month from RBI; Further, Daily Progressive Receipts and Refund figures from RBI are also submitted to the O/o Pr. CCA, CBDT.

i. The office of Pr. CCA, CBDT, carries out the reconciliation of all the files received by it. It ensures that fund settled by RBI in the Direct Tax Accounts of Government of India should tally with the successful transactions reported by TIN 2.0.

j. The Office of the Pr. CCA, CBDT will also consolidate the total collection and forward the same to the Office of CGA for further consolidation.

15.13 PROCEDURE FOR INCOME TAX REFUND

15.13.1 Taxpayers can get a tax refund of their income tax if the tax they owe is less than the sum of the total amount paid. The refund process starts with the submission of claim by the assessee in annual Income Tax Returns. The taxpayer would be required to show in the Income Tax Return, the computation of his income tax payable, the total TDS which has been deducted from his income and the tax paid into the bank. The Assessing Officer (AO) determines the refund amount and approves the refund (or gets the approval of the competent authority if it exceeds his powers).

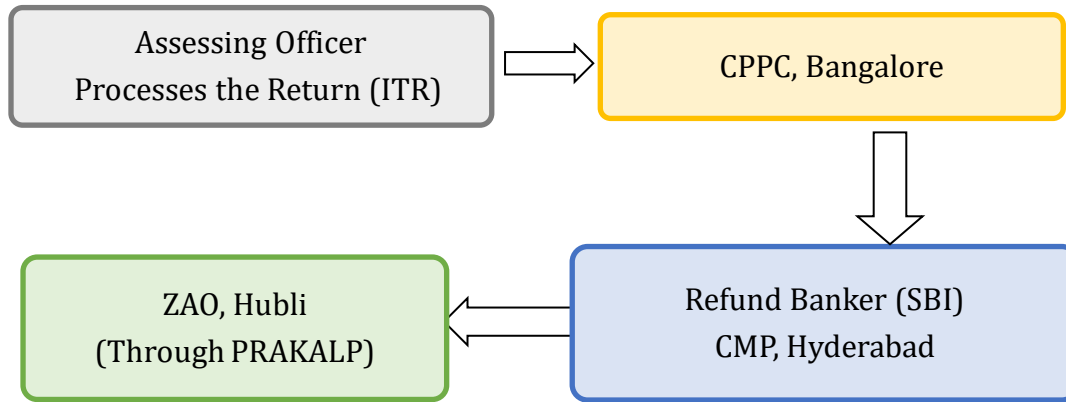
15.13.2 Procedure of refund: Refunds of tax are majorly being made through Refund Banker Scheme. Additionally, in some exceptional cases it is made by issuing Refund orders by the Departmental Officer, payment by direct credit to the tax assessee's bank account (mentioned in his ITR) or by cheque in his favour.

15.13.3 Refund Banker Scheme: In the 'Refund Banker Scheme' the refunds generated on processing of Income Tax Returns by the Assessing Officers/CPC- Bangalore are transmitted to the Refund Banker (Presently SBI) for further distribution to the taxpayers. On receipt of encoded file from the Department, Refund Banker processes the refunds, pays electronically on case to case basis, and sends the refund intimation to the taxpayer.

15.13.4 In the TIN 2.0 system, the Refund Banker has been integrated directly with the TIN 2.0 of Income-tax Department through API for refund instruction transmission and reconciliation. The scheme is proposed to be implemented in two phases:

Phase-1: In this phase, refund records are transmitted to Refund Banker directly by TIN 2.0. The refund scrolls for accounting purposes are shared by Refund Banker to O/o Pr. CCA on PRAKALP as per specification agreed between Refund Banker & PRAKALP. In Phase-1 there is no change in the accounting process which is in place. Income Tax Department gives direct instructions to the Refund Banker (SBI) for refund payments. The Refund Banker after making payments sends the scroll to the O/o Pr.CCA on PRAKALP (which was earlier being sent to the CFMS system of the O/o Pr. CCA). The concerned ZAO continues to do the accounting as is being done on receipt of Payment Scroll from the Refund Banker and on receipt of the Put Through from the RBI.

15.13.5 Refund process flow



Flow Diagram -3

15.14 ACCOUNTING SYSTEM

15.14.1 The accounting Major Heads of Direct taxes as per LMMHA shall be used along with underlying minor heads, sub-heads/detailed heads opened as per the existing procedures, to account for direct taxes. The list of Major Heads related to direct taxes is as follows:

Major Head	Description	Major Head	Description
0020	Corporation Tax	0031	Misc Tax Receipt
0021	Taxes on Income (Income-Tax) other than Corporation Tax	0032	Taxes on Wealth
0023	Hotel Receipt Tax	0034	Securities Transaction Tax
0024	Interest Tax	0036	Commodity Transaction Tax
0026	Fringe Benefit Tax	0045	Other Taxes and Duties on Commodities & Services
0028	Other Taxes on Income and Exp.		

15.14.2 The accounting entries are automated in PRAKALP (ZAO wise) on receiving of Scrolls along with CINs:

I. From Public Sector Banks

8658.00.108 Dr.
Functional Head under concerned Major Head Cr.

II.From Private Sector Banks

8658.00.138 Dr.
Functional Head under concerned Major Head Cr.

III.From RBI

8675.00.101 Dr.
Functional Head under concerned Major Head Cr.

15.15 RECONCILIATION BY O/O PR. CCA, CBDT:

15.15.1 The objective of the reconciliation is to ensure matching of the following:

- Tax paid by the taxpayer;
- Tax credit given by TIN 2.0 to taxpayer; and,
- Amount credited to direct tax account of Government of India by the RBI

15.15.2 Pr. CCA, CBDT will have information from three sources viz. TIN 2.0, Banks and RBI.

15.15.3 The source of reliable data regarding attributes of Challan shall be the CIN details provided by TIN 2.0 to O/o Pr. CCA, CBDT. CIN information provided by TIN 2.0 to O/o Pr. CCA, CBDT shall correspond to the tax credit given by TIN 2.0 to taxpayer, while Credit Notifications provided by RBI to O/o Pr. CCA, CBDT shall be actual tax receipts credited in the direct tax account of Government of India.

15.15.4 Presently, O/o Pr. CCA, CBDT manually feeds ZAO wise Put Through data in PFMS. The accounting entries on receiving of Put Through Statement from RBI at Pr. CCA, CBDT is as follows:

For Direct Tax collected by Public/Private Sector Banks

8675.00.101 Dr.
8658.00.108/138 (-) Dr.

15.15.5 The above mentioned process shows that the accounting and reconciliation of direct taxes is carried out through a hybrid mechanism; first the Scroll data is received in PRAKALP, then the data is pushed to PFMS where the Put Through amount is fed and finally the detailed data is pushed to e-Lekha.

15.15.6 The interest, penalty, fees or other charges, if any, under Direct tax needs to be accounted for separately. Hence, they would be reflected under separate heads in the Tax Payment Challan. All relevant information present on the prescribed RPR 7 challan (or as

prescribed) shall be captured and become part of the information being shared with O/o Pr. CCA, CBDT by Agency Banks/TIN2.0.

15.15.7 The IT audit of the process flows and settlement of funds by the e-FPBs may be conducted periodically by a CERT-IN empanelled agency selected by the office of Pr. CCA, CBDT so as to ensure safety, integrity and correctness of revenue collections systems and process.

15.15.8 The key Id for information exchange with Authorized banks, RBI & O/o Pr. CCA, CBDT is the unique Id generated by TIN 2.0, i.e., CRN. Once the payment has been made by the taxpayer and CIN is generated and reported by the recipient bank, CIN which has CRN embedded therein would be used as key Id in subsequent stages. CIN is recommended to be used as a key Id as it is the sole indicator of the receipt of actual payment. Similarly, the transaction reported by RBI for the funds flow (credit) to government accounts through Credit Notifications forms the basis for accounting as it reflects the actual credit in the Government Account.

15.15.9 Banks must ensure that e-Scrolls being shared with O/o Pr. CCA, CBDT and Luggage Files to RBI are sent only after reconciliation with TIN 2.0. All updates related to payments are expected to be promptly shared with TIN 2.0 and O/o Pr. CCA, CBDT by the banks.

15.15.10 O/o Pr. CCA, CBDT carries out the reconciliation of CRN and Challan data received from TIN 2.0, e-scrolls and DMS received from authorised banks and Credit Notification received from RBI. O/o Pr. CCA, CBDT will also reconcile the accounts after receiving Put Through Statement from RBI.

15.15.11 The ZAO should maintain the Broadsheet of 'Public/Private Sector Suspense with the amount booked as per the accounts. The amount as per copy of the 'Monthly Put Through Statement' received from O/o Pr. CCA, is shown as clearance, and the closing balance/balance outstanding amounts settled by the e-FPB. The ZAO will also maintain an age-wise analysis of balance outstanding under 'PSB Suspense' in the form prescribed for Abstract in form CAM 26. Transactions which have remained outstanding under the 'PSB' Suspense for more than two months may be considered as old outstanding items.

15.15.12 In case of unreconciled amount, automated MoEs are generated and the same is being taken care by concerned stakeholders as per the **APPENDIX 15.3**.

15.15.13 A bank reconciliation report in CAM 88 format is to be prepared for receipts and refunds by ZAO and sent to Principal Accounts Office within 3 days of the receipt of copy of RBIs statement No.2. This report contains bank figures as per RBI statement and ZAO's account figures booked under PSB/Private Bank suspense along with action taken to settle the difference therein.

15.16 TAX ACCOUNTING BASED ON ITR DATA:

15.16.1 IT Act and relevant rules do not mandate the assessee to fill up surcharge amount in the challan. This leads to huge gap between the actual surcharge amount received by the government and what is accounted for.

15.16.2 To overcome this problem, the following decision was taken with approval of the Finance Secretary for the purpose of accounting of surcharge:

- i. Account of surcharge under direct tax could be done based on tax returns of the previous year
- ii. Department of Revenue would provide letter of authority to Principal CCA, CBDT of the surcharge amount collection and such other details as may be necessary for effecting transfer entry in the accounts.
- iii. The above said system has taken effect from F.Y. 2022-23

15.16.3 Consequent to the decisions in the meeting, TPL Division, CBDT, Department of Revenue, MoF issued an OM vide F.No. 370134/05/2023-TPL dated 21.03.2023 for 'Accounting of Surcharge amount under Direct Taxes-Communication of the data as per the Income Tax Return (ITR)' (**APPENDIX 15.4**).

15.16.4 In terms of the above orders, the following Transfer Entry (TE) shall be made by the Zonal Accounts Offices.

For Corporation Tax

0020.00.101.18.00.00 – Advance Payment on Corporation Tax (-) Cr.
0020.00.103.01.00.00 - Advance Tax on Corporation Tax Surcharge. Cr.

For Income Tax

0021.00.102.24.00.00 – Advance Payment on Income Tax (-) Cr.
0021.00.103.05.00.00 - Advance Tax on Income Tax Surcharge. Cr.

***Note: The adjustment (TE) will be carried out after receiving Letter of Authority from D/o Revenue and analyzing the bookings as per accounts in various Tax receipt heads**

15.17 PAYMENT OF INTEREST ON DELAYED REMITTANCES

15.17.1 If there is any delay beyond the period prescribed above, i.e. T+1 working day, the banks are liable to be charged interest for delayed period. The interest for delayed remittance is to be quantified and collected from the defaulting bank by the concerned ZAOs. The rate of interest shall be charged as per guidelines issued by RBI and SoPs issued by O/o CGA from time to time.

15.17.2 The Pr.CCA, CBDT will submit a consolidated quarterly report of delayed remittances to CGA. The penal interest will be worked on the basis of the rates communicated by CGA in consultation with RBI.

15.18 ACTION TO BE TAKEN BY PRINCIPAL ACCOUNTS OFFICE ON PUT THROUGH STATEMENTS

15.18.1 The RBI, CAS, Nagpur sends every month the following five computerised 'put through statements' to the O/o Pr.CCA, C.B.D.T.:

a Statement No. PR 1: Bank-wise Tax-wise Monthly figures as reported by Agency Banks* during the month under TIN 2.0 (Pertains to TIN 2.0- PRAKALP arrangement) in the form given in **APPENDIX 15.5**

b Statement No. 2: Tax-wise, SBI-station-wise summary of transactions (Receipts, Refunds, net for the month) (2 copies) in the form given in **APPENDIX 15.6**.

c Statement No. 3: Bank wise, Head of account wise summary of transactions (Receipts, Refunds, net for the month) in the form as per **APPENDIX 15.7**.

d Statement No. 4: Bank-wise and Head of Account wise summary of transactions (Receipts, Refunds, net for the month) with grand total for CBDT (one copy) in the form as per **APPENDIX 15.8**.

e Statement No. 5: Head of Account-wise summary of transactions for CBDT as a whole (one copy) in the form as per **APPENDIX 15.9**.

15.18.2 The grand total of Statement 2,3,4 and 5 should tally with each other.

15.18.3 On receipt of 'Put Through' from RBI, the total receipt is adjusted as minus debit to the head PSB Suspense and total refunds as minus credit to 'PSB Suspense' and by debit/credit to '8675 Deposits with Reserve Bank ' Central Civil Reserve Bank (PSB). This adjustment will be carried out by Pr.Accounts Office.

15.18.4 The head 'PSB Suspense' will continue to be cleared in the Pr.CCA's office, on the basis of monthly computerised 'put through statement' received from RBI, CAS, Nagpur. A copy/extract of the put through statement (Bank wise, head of account wise) received from CAS, Nagpur is sent to the concerned mapped ZAO by the Pr.CCA's office on monthly basis for reconciliation with DMS figures.

15.19 PERSONAL DEPOSIT ACCOUNTS

15.19.1 Under the Income Tax Rules, Personal Deposit (PD) Accounts are maintained with specified branches of the accredited bank or the RBI offices, for depositing money seized from persons suspected of Tax Evasion. The Tax amount in the P.D. Account is transferred to the RBI, CAS, Nagpur on a daily basis for credit to the Government Account and the balance in these accounts is only a notional balance.

15.19.2 The delay in transferring the amounts under the PD Account to the Government account attracts penal interest at the same rate as in case of delayed remittance of direct tax collections to Government account.

15.19.3 Repayments are also made from this account by the PD Account holder by issuing cheques which are supplied by the ZAO. Separate receipt and payment scrolls are prepared and sent to the ZAO (along with paid cheques/challans). Copies of the scrolls are sent to the account holder.

15.19.4 The bank maintaining the P.D. Account, prepares, at the end of every month, a monthly statement showing (i) Opening balance; (ii) total receipts; (iii) total payments; and (iv) Closing balance. Three copies of the statements are sent to the ZAO and one copy is sent to the Account holder by the 5th of the following month. (No copy of the scroll/statement is sent to the Designated Officers).

15.19.5 The ZAO verifies the statement with reference to the receipts and payments scrolls and returns one copy to the Bank (after recording the certificate of verification thereon over his signature).

15.19.6 The receipts and payments as per scrolls are booked by the ZAO under the head '8443-Civil Deposits-Personal Deposits' by contra debit/credit to the head '8658 Suspense Accounts-108-Public Sector Bank Suspense / 138- Other Nominated (Private Sector) Bank Suspense'.

15.19.7 In the case of transactions arising at RBI Offices the contra adjustments are made under the head '8675-Deposits with Reserve Bank'. The head PSB Suspense is cleared on receipt of the monthly account from the RBI, CAS, Nagpur, by the office of the Pr.CCA,CBDT by per contra adjustment under the major head '8675-Deposits with Reserve Bank'. However, only the net effect under '8675-Deposits with Reserve Bank' will be posted as debit/minus debit in the Revenue Account (depending upon whether the net receipts are more or less than the refunds).

15.20 ACCOUNTING OF MARCH TRANSACTIONS

15.20.1 Reserve Bank Central Office, Mumbai will issue in the month of February each year special instructions to all banks collecting direct taxes regarding the procedure to be adopted in accounting the March transactions.

15.20.2 The Authorized banks will be receiving scrolls relating to last days of March of the previous Financial Year in April. In order to account for the entire collections of March in the same financial year the e-FPBs have to follow the following procedure during the month of April.

15.20.3 The e-FPBs have to prepare two sets of separate scrolls - one pertaining to March residual collections (payments realized from taxpayer's account before 31st March) and another for April transactions during the first 10 days in April. They should ensure that all tax collections made by the receiving branches upto 31st March are accounted as "March Residual Transactions" and should not be mixed up with the transactions of April. The main scrolls for March transactions prepared from 1st to 10th April are to be distinctly marked as "March Residual".

15.20.4 The e-FPBs should send two sets of figures distinctly showing March Residual and April Transactions separately upto 10th April.

15.20.5 The date-wise monthly statements should also be prepared in two sets, one pertaining to March Residual Transactions and another relating to April Transactions.

15.20.6 The timelines for the reporting of "March Residual Transactions" in the month of April of the following financial year is (currently prescribed as 10th of April) decided by the O/o of the CGA in consultation with RBI from time to time.

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*NOTES

1. **Please use a separate challan for each type of payment.**
2. Please note that quoting your Permanent Account Number (PAN) is mandatory.
3. Please note that quoting false PAN may attract a penalty of Rs. 10,000/- as per section 272B of I.T. Act, 1961.
4. Please note that to deposit Appeal Fees either **Major Head 020 or 021** (depending upon the tax payer's status) has to be ticked under 'Tax Applicable'. Followed by this; **Minor Head: Self Assessment Tax (300)** has to be ticked under 'Type of Payment' and the amount is to filled under **Others** in 'Details of Payments'.
5. To deposit taxes, appeal fees, etc. in respect of block period cases, enter the first Assessment Year of the block period followed by the last Assessment Year of the period. For example, if the block period is 1/04/85 to 5/3/96, it would be entered as 1986-97 in the space indicated for Assessment Year. If taxes are being deposited, tick the box Self Assessment (300) under Type of Payment and fill up amount under 'Tax' while in respect of appeal fees, enter amount under 'Others'.
6. Tax payers may please draw/issue Cheque/DDs towards payment of income-tax as under:
Pay _____ (Name of the bank where the Challan in being deposited)
A/c Income-tax

PLEASE USE THIS CHALLAN FOR DEPOSITING TAXES (TYPES OF PAYMENT) MENTIONED OVERLEAF.
KINDLY DO NOT USE THIS CHALLAN FOR DEPOSITING TAX DEDUCTION AT SOURCE (TDS)

KINDLY ENSURE THAT THE BANK'S ACKNOWLEDGEMENT CONTAINS THE FOLLOWING:

1. 7 DIGIT BSR CODE OF THE BANK BRANCH
2. DATE OF DEPOSIT OF CHALLAN (DD MM YY)
3. CHALLAN SERIAL NUMBER

THESE WILL HAVE TO BE QUOTED IN YOUR RETURN OF INCOME.

*NOTES

1. Please note that quoting false TAN may attract a penalty of Rs. 10,000/- as per section 272BB of I.T. Act, 1961.
2. Use a Separate Challan for each Nature (Type) of Payment. The relevant Codes are:

<i>Section</i>	<i>Nature of Payment</i>	<i>Code</i>		
192	Payment to Govt. Employees other than Union Government Employees	9	2	A
192	Payment of Employees other than Govt. Employees	9	2	B
193	Interest on securities	1	9	3
194	Dividend	1	9	4
194A	Interest other than interest on securities	9	4	A
194B	Winnings from lotteries and crossword puzzles	9	4	B
194BB	Winnings from horse race	4	B	B
194C	Payment of contractors and sub-contractors	9	4	C
194D	Insurance Commission	9	4	D
194E	Payments to non-resident Sportsmen/Sport Associations	9	4	E
194EE	Payments in respect of Deposits under National Savings Schemes	4	E	E
194F	Payments on account of Re-purchase of Units by Mutual Funds or UTI	9	4	F
194G	Commission, prize etc., on sale of Lottery tickets	9	4	G
194H	Commission or Brokerage	9	4	H
194I	Rent	9	4	I
194J	Fees for Professional or Technical Services	9	4	J
194K	Income payable to a resident assessee in respect of Units of a specified Mutual Fund or of the Units of the UTI	9	4	K
194LA	Payment of Compensation on acquisition of certain immovable property	9	4	L
195	Other sums payable to a non-resident	1	9	5
196A	Income in respect of units of Non-Residents	9	6	A
196B	Payments in respect of Units to an Offshore Fund	9	6	B
196C	Income from foreign Currency Bonds or shares of Indian Company payable to Non-Resident	9	6	C
196D	Income of foreign institutional investors from securities	9	6	D
206C	Collection at source from Alcoholic Liquor for Human Consumption	6	C	A
206C	Collection at source from Timber obtained under Forest lease	6	C	B
206C	Collection at source from Timber obtained by any Mode other than a Forest Lease	6	C	C
206C	Collection at source from any other Forest Produce (not being Tendu Leaves)	6	C	D
206C	Collection at source from Scrap	6	C	E
206C	Collection at source from contractors or licensee or lease relating to Parking lots	6	C	F
206C	Collection at source from contractors or licensee or lease relating to toll plaza	6	C	G

206C Collection at source from contractors or licensee or lease relating to mine or quarry

6	C	H
---	---	---

206C Collection at source from tendu leaves

6	C	I
---	---	---

3. Tax payers may please draw/issue Cheque/DDs towards payment of income-tax as under:
Pay _____ (Name of the bank where the Challan in being deposited)
A/c Income-tax

PLEASE TICK THE RELEVANT BOX AT THE TOP OF THE CHALLAN. SEPARATE CHALLANS SHOULD BE USED FOR DEPOSITING TAX DEDUCTED AT SOURCE FROM COMPANY DEDUCTEES AND FROM NON-COMPANY DEDUCTEES

KINDLY ENSURE THAT THE BANK'S ACKNOWLEDGEMENT CONTAINS THE FOLLOWING:-

1. 7 DIGIT BSR CODE OF THE BANK BRANCH
2. DATE OF DEPOSIT OF CHALLAN (DD MM YY)
3. CHALLAN SERIAL NUMBER

THESE WILL HAVE TO BE QUOTED IN YOUR RETURN OF INCOME.

TIMELINES FOR SETTLING OF MOES UNDER TIN 2.0

	Para no. Of TIN 2.0 document.	Type of error.	Action to be taken by Whom.	Matter to be taken up with.	Proposed No of days within which MOE to be sorted.
1	2	3	4	5	6
1	Transaction reported to TIN 2.0 by banks but not reported to RBI/ O/o PCCA, CBDT (Para 123, 124 to 134 of TIN 2.0 document) (Pertains to Para 26, 97,111,123,124 and 134 of TIN 2.0 document.)				
A	Para 122 of TIN 2.0 document.	CIN reported to TIN 2.0 but not included in bank's e – scroll & luggage file	MOE to be generated by O/o PCCA, CBDT	Bank	MOE day + 2 working days
B		Transaction reported by bank to RBI & O/o PCCA, but not to TIN 2.0 (CIN included in bank's e scroll/luggage file but CIN not reported to TIN 2.0)			No MOE needed
c		.If CIN data does not match with TIN 2.0 data at all, these kind of discrepancy can occur in: 1. PAN/TAN no. 2. Assessment year. 3. Major Minor head 4. Amount break up i.Or without CIN, e scroll have come. i.Or incorrect CIN, e scroll have come.	O/o PCCA will not get e-scroll, so it will reconcile with TIN 2.0/ RBI notifications and create MOE and issue to bank For II AND III MOE issued by O/o PCCA	Bank	MOE day + 2 working days MOE day + 2 working days
2	Cases where CIN is shared with the tax payers but there is no data flow from bank to				

	Para no. Of TIN 2.0 document.	Type of error.	Action to be taken by Whom.	Matter to be taken up with.	Proposed No of days within which MOE to be sorted.
1	2	3	4	5	6
	other stakeholders ; viz. RBI, TIN 2.0 & O/o Pr. CCA, CBDT (Pertains to Para 130 of TIN 2.0 document)				
A	Para 130 part 1	For online payments, When TIN 2.0 ascertains the payment from e-FPB, Bank will immediately include in banks e-scroll/ luggage file	CBDT/ TIN 2.0	Bank	TIN 2.0 query day
B	Para 130 part 2	In OTC Payments, Tax payer will contact the bank and then bank will immediately include in banks scroll.	Taxpayer	Bank	Tax payer query day.
C	Para 130 part 3	In respect of NEFT/RTGS payments, tax payers contacts RBI, RBI will include in its credit Notifications.	Taxpayer	RBI	On query day itself
D		If remittance not received by RBI itself, then the tax payer can contact the bank	Taxpayer	Bank/RBI	On query day itself.
E	Para 130 part 4 of TIN 2.0 document	Payment (net banking) through mode 1 & 4 and there is no response from bank means taxpayer can raise grievance at TIN 2.0 portal. TIN 2.0 will take up with e-FPB of banks	Taxpayer to TIN, TIN to Banks	Bank	Response on same day by including the amount in next scroll

	Para no. Of TIN 2.0 document.	Type of error.	Action to be taken by Whom.	Matter to be taken up with.	Proposed No of days within which MOE to be sorted.
1	2	3	4	5	6
F	Para 131 of TIN 2.0 manual	Transaction reported by e-FPB to TIN 2.0 & O/o Pr.CCA, CBDT, But not reported to RBI or vice versa. O/o PCCA, CBDT will take up with RBI. RBI can verify whether the error is from their end or from the end of bank and facilitate corrective measure.	O/o PCCA, CBDT	RBI	MOE + 1 working day
		Any type of error made by the taxpayer and wishes to correct in respect of Major Head, PAN no. and Assessment year after making the payment, he can raise grievance on TIN 2.0 which will be shared to O/o PCCA, CBDT for TE to be made on misclassification	TIN 2.0	Communi- cate to O/o PCCA, CBDT.	Grievance day + 1 working day
G	Para 132 of TIN 2.0 document	Sum total of amount for a CIN reported in credit notification by RBI is lesser/greater than that reported by e FPB of authorized bank/RBI to TIN 2.0. In case where the tax amount is less than the amount indicated in the	O/o PCCA, CBDT	Bank	MOE + 2 working day

	Para no. Of TIN 2.0 document.	Type of error.	Action to be taken by Whom.	Matter to be taken up with.	Proposed No of days within which MOE to be sorted.
1	2	3	4	5	6
		challan, O/o PCCA, CBDT will take up the MOE process with RBI/Concerned bank			
H	Para 134 of TIN 2.0 document	In all cases where transactions reported by RBI mismatches, O/o PCCA, CBDT will take up the matter with RBI	O/o PCCA, CBDT	RBI	MOE + 2 working days

Note: In above mentioned cases there exists two scenarios in cases outlined above: (1) Either the banks have not settled the funds with RBI and thus not reported to RBI/CBDT, or (2) the banks have settled the funds but not shared the luggage/settlement files. In the first instance penalty for delayed settlement will be imposed from the date of collection and up to the date of settlement as per prevailing rates prescribed by the O/o CGA/RBI. In the second case, any delay on the part of banks will be factored in while rating the performance of banks by the O/o Pr. CCA as delays will impact the accuracy of accounting date and correctness of flash figures.

F No 370134/05/2023-TPL
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes
(TPL Division)

147 B-II, North Block, New Delhi
Dated the 21 March, 2023

OFFICE MEMORANDUM

Sub: Accounting of Surcharge amount under Direct Taxes—communication of the data as per the Income Tax Return—reg.

A meeting to examine for accounting of surcharge was held under the chairmanship of Finance Secretary on 06.03.2023 where certain issues were discussed and decided.

2. After deliberations for the purpose of accounting of surcharge it was decided as under:
- i. Account of surcharges under direct tax could be done based on tax returns of the previous year.
 - ii. Department of Revenue would provide letter of authority to Principal CCA, CBDT of the surcharge amount collection and such other details as may be necessary for effecting transfer entry in the accounts. This system will take effect from financial year 2022-23 onwards.

(i) and (ii) of the decisions taken in the meeting, the accounting of the Surcharge amount under Direct taxes is to be done on the basis of Income Tax returns of the previous year. In this regard, the Department of Revenue has to convey the amount of Surcharge collection to be accounted for in FY 2022-23. The returns for AY 2022-23 (FY 2021-22) have been received upto 31.12.2022. The data from these returns relating to surcharge is being communicated as under:

Total Surcharge collected as per available Income Tax Returns of Assessment Year (AY) 2022-23 (Financial Year 2021-22.)

	Actual Amount (Fig. in Crores)
Corporate Tax surcharge	55,103.61

Income Tax Surcharge	53,905.39
Total amount	109,009

As decided in the above referred meeting the surcharge figures in accordance with the returns for AY 2022-23, as mentioned above, have to be considered as total surcharge collected in the AY 2022-23. Pr. CCA, CBDT may accordingly make appropriate transfer entry in the accounts for financial Year 2022-23.

This issues with the approval of the Chairperson, CBDT.


(G. Sharma Goel)

Director (TPL)-II

☎ 2309 5447

E-mail: dirtpl2@nic.in

Pr. CCA CBDT

APPENDIX 15.5
[Ref: Para 15.18.1.a]

Bankwise Taxwise Monthly figures as reported by Agency Banks* during the month UNDER TIN 2.0

Receipts
TAXCODE

Bank	0020	0021	0023	0024	0026	0028	0031	0032	0033	0034	0036	0045	Grand Total
BOB													
BOI													
BOM													
CAB													
CBI													
INB													
IOB													
PNB													
PSB													
SBI													
UBI													
UCO													
Public Bank Total													
DCB													
FBL													
HDF													
ICI													
IDB													
IDS													
JKB													
KCU													
KOT													
KVB													
RTN													
SIB													
BAB													
UTI													
Private Bank Total													
Grand Total													

APPENDIX 15.6
[Ref: Para 15.18.1.b]



Reserve Bank of India

CAS Nagpur

Print Date
 Print Time
 User Id.

CM19

CBDT(REVENUE ACCOUNT) Statement No-- 2
 Summary Of Transactions For the Month Of , 20XX

Public Sector Banks							
ZAO :							
Head Of Account					Receipt Amount	Payment Amount	Net Amount
Corporation Tax							
Public Sector Banks Total							
ZAO :							
Head Of Account					Receipt Amount	Payment Amount	Net Amount
Taxes on Income Other than Corporation Tax							
Public Sector Banks Total							
ZAO :							
Head Of Account					Receipt Amount	Payment Amount	Net Amount
Taxes on Income Other than Corporation Tax							
Public Sector Banks Total							
ZAO :							
Head Of Account					Receipt Amount	Payment Amount	Net Amount
Corporation Tax							
Taxes on Income Other than Corporation Tax							
FRINGE BENEFIT TAX							
Taxes on Wealth							
Other taxes and duties on commodities and service							
Foreign Travel Tax							
Public Sector Banks Total							
ZAO :							
Head Of Account					Receipt Amount	Payment Amount	Net Amount
Taxes on Wealth							
Public Sector Banks Total							
ZAO :							
Head Of Account					Receipt Amount	Payment Amount	Net Amount
Corporation Tax							
Taxes on Income Other than Corporation Tax							
Public Sector Banks Total							
ZAO :							
Head Of Account					Receipt Amount	Payment Amount	Net Amount
Corporation Tax							
Public Sector Banks Total							
ZAO :							
Head Of Account					Receipt Amount	Payment Amount	Net Amount
Taxes on Income Other than Corporation Tax							
Public Sector Banks Total							
Public Sector Banks Total					Receipt Amount	Payment Amount	Net Amount
Grand Total							

APPENDIX 15.7
[Ref: Para 15.18.1.c]



Reserve Bank of India
CAS Nagpur

Print Date
 Print Time
 User Id.

CBDT(REVENUE ACCOUNT) Statement No-- 3
 Summary Of Transactions For the Month Of _____

Public Sector Banks									
ZAO									
Name Of The Bank		Head Of Account		Receipt Amount		Payment Amount		Net Amount	
STATE BANK OF INDIA		0020 Corporation Tax							
Total									
ZAO									
Name Of The Bank		Head Of Account		Receipt Amount		Payment Amount		Net Amount	
STATE BANK OF INDIA		0021 Taxes on Income Other than Corporation Tax							
Total									
ZAO									
Name Of The Bank		Head Of Account		Receipt Amount		Payment Amount		Net Amount	
STATE BANK OF INDIA		0020 Corporation Tax							
STATE BANK OF INDIA		0021 Taxes on Income Other than Corporation Tax							
STATE BANK OF INDIA		0026 FRINGE BENEFIT TAX							
STATE BANK OF INDIA		0032 Taxes on Wealth							
STATE BANK OF INDIA		0044 Other taxes and duties on commodities and serviceForeign Travel Tax							
Total									
Grand Total				Receipt Amount		Payment Amount		Net Amount	

APPENDIX 15.8
[Ref: Para 15.18.1.d]



Reserve Bank of India

CAS Nagpur

Print Date
 Print Time
 User Id.

CBDT(REVENUE ACCOUNT) Statement No-- 4
 Summary Of Transactions For the Month Of , 20XX

Name Of The Bank	Head Of Account					Receipt Amount	Payment Amount	Net Amount
STATE BANK OF INDIA								
Public Sector Banks								
	0020 Corporation Tax							
	0021 Taxes on Income Other than Corporation Tax							
	0044 Other taxes and duties on commodities and serviceForeign Travel Tax							
	0032 Taxes on Wealth							
	0026 FRINGE BENEFIT TAX							
	Public Sector Banks Total							

Grand Total

APPENDIX 15.9
[Ref: Para 15.18.1.e]



Reserve Bank of India

Print Date
 Print Time
 User Id.

rcm39

CAS Nagpur

CBDT(REVENUE ACCOUNT) Statement No-- 5
 Summary Of Transactions For the Month Of , 20XX

Public Sector Banks

Head Of Account					Receipt Amount	Payment Amount	Net Amount
0020 Corporation Tax							
0021 Taxes on Income Other than Corporation Tax							
0026 FRINGE BENEFIT TAX							
0032 Taxes on Wealth							
0044 Other taxes and duties on commodities and							
serviceForeign Travel Tax							
Public Sector Banks Total							
Grand Total							

CHAPTER 16

REVENUE ACCOUNTING: NON-TAX REVENUE (NTR) RECEIPTS

16.1 INTRODUCTION

16.1.1 Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, shall be responsible for assisting Financial Advisors (FAs) in relation to estimation, collection, reconciliation, and accounting of non-tax revenues(NTR). In the discharge of these responsibilities, the Head of Accounting Organization shall hold consultations with the administrative divisions to estimate and review various NTR receipts of the Ministries/Departments. Review of user charges of rent, licence fees, royalties, profit share and dividends etc. may be done periodically in terms of Ministry of Finance instructions, as issued from time to time. (Authority: Revised Charter for FAs issued vide OM No. 23(3)/E.Coord./2018, dated June 13, 2023)

16.1.2 Ministry of Finance has developed a public portal named as Non-Tax Receipt Portal (Bharatkosh.gov.in) in PFMS for online collection of various non-tax revenues including fees and user charges through e-Receipts. For the Government receipts realised through NTRP, the data will be consumed in PFMS and all transactions will reflect in various accounting and MIS reports. All Ministries/Departments shall take prompt measures for collection of all NTR through e-Receipts to ensure customer convenience and immediate credit of receipts to the Government account. Rule 49 of GFR 2017 also prescribe this.

16.1.3 The Bharatkosh portal provides an end to end solution for the complete collection and accounting of non-tax revenue receipts. This includes online user interface, payment at the Payment Gateway/ Aggregator (PG/A), and Accounting of the receipts by the Government Department/Ministry. A depositor can make online payment to the Government using either a Credit Card, Debit Card or through Net Banking of any of the banks integrated with the PG/A. Bharatkosh also provides option of NEFT/RTGS. The portal is integrated to the Public Financial Management System for storage of Bharatkosh data, generating various accounting and MIS reports.

16.1.4 The Portal has the capability to collect both small and large value of non-tax revenue receipts due to Government (for example a low value receipt of ₹10 payments for an RTI application to the high value payments in the nature of dividends from PSUs, telecom operators etc.).

16.1.5 Government revenues, dues or other moneys receivable in the Government Account shall generally be received through 'authorised mode' defined in the Rule 2(b) of Central Government Account (Receipts and Payments) Rules, 2022. Further, as per Rule 4 of the Central Government Account (Receipts and Payments) Rules, 2022 states that the *money due to Government may be deposited by the public directly in authorised bank through authorised mode in accordance with the procedure and the form of challan specified in the Subsidiary Instructions*. Therefore, the office can accept all kind of receipts in online mode in addition to Demand Draft/Postal order.

16.2 ONLINE RECEIPTS: ACCOUNTING AND RECONCILIATION PROCESSES

16.2.1 Accounting and reconciliation process for NTR receipts received online (i.e. receipts received through Credit Card/Debit Card/Net Banking/UPI) is similar to that of physical receipts. The electronic scrolls received from the accredited bank of the Ministry are consumed in the PFMS system. In this regard, various reports are available in PFMS under the menu “Bharatkosh Reports”. These reports should be monitored by the PAO and to be reconciled by challan-wise. The figures must be verified while sending the monthly accounts to CGA office. The key reports are as under:

- (a) NTRP Purpose Transaction Summary Report.
- (b) NTRP Reconciliation Report.
- (c) NTRP Challan Summary Report.
- (d) NTRP Receipt Scroll Report (Online/Offline)

(a) **NTRP Purpose Transaction Summary Report:** The report provides monthly summary of the total number of successful transactions and the amounts received.

(b) **NTRP Reconciliation Report:** This report shows the transactions that are not settled with the bank. PAOs must note that if there is error in even one challan, complete scroll will be shown in error. In such cases of non-reconciled transactions, the PAO should email the scroll file name to accredited bank with copy to helpdesk of Bharatkosh i.e. ntrp-helpdesk@gov.in for rectifying the error in challans and to resend the scroll to PFMS.

(i) **For offline transactions:** If deposit slip exists and scroll for the same is not received, mail the transaction details to be emailed to Bharatkosh helpdesk for want of scroll/bank account statement from RBI in order to verify the successful offline transaction of NTRP.

(ii) **For online scroll in error:** The transaction details to be emailed to Bharatkosh helpdesk for non-receiving of scrolls along with an e-mail to the accredited bank for want of scroll file.

(c) **NTRP Challan Summary Report:** This report should be used by PAO/DDO to check challan wise number of total transactions and to compare it with number of success and pending transactions.

(d) **NTRP Receipt Scroll Report:** This report should be used to check online (Debit Card/Credit Card/Net-banking/UPI) and offline (NEFT/RTGS) scrolls for a month and if any offline scroll in error. Further checks can be done through:

- (i) UTR No. entered by the user for a particular transaction reference number in Bharatkosh is correct or not, not entered, or is ‘yet to be verified’ as provided by RBI.
- (ii) Check for the mandate form details from ‘Know Your Transaction’ Report whether the user has created the mandate form or not. If created, check whether the same been expired as the deposit slip created for NEFT/RTGS is valid for 15 days from the date of its creation after which it gets archived/wiped out from the user’s end.

16.2.2 The details of accounting entries for online and offline transactions (NEFT/RTGS) are as shown below:

For Online (Debit Card/Credit Card/Net Banking) transactions

(i) On receiving scroll from bank (PSB or other Nominated Banks as the case may be),
8658.00.108 – Public Sector Bank Suspense Dr
or
8658.00.138 - Other Nominated Banks (Private Bank Suspense) Dr
Receipt Head of Account (as mapped for the purpose) Cr.

(ii) On incorporating put-through in the PFMS, the following accounting entries are effected:

8675.00.101.03 - Reserve Bank Suspense Dr.
8658.00.108 – Public Sector Bank Suspense (-) Dr.
or
8658.00.138 - Other nominated banks (Private Bank Suspense) (-) Dr.

For offline (NEFT/RTGS) transactions, the following accounting entries are made:

(i) On receiving scroll from RBI,
8675.00.101.02 – Reserve Bank Headquarters Dr.
Receipt Head of Account (as mapped for the purpose) Cr.

(ii) The Bharatkosh challan wise amount can also be viewed through CMP-01 and CMP-02 under CAM Reports – Compilation for reconciliation purpose.

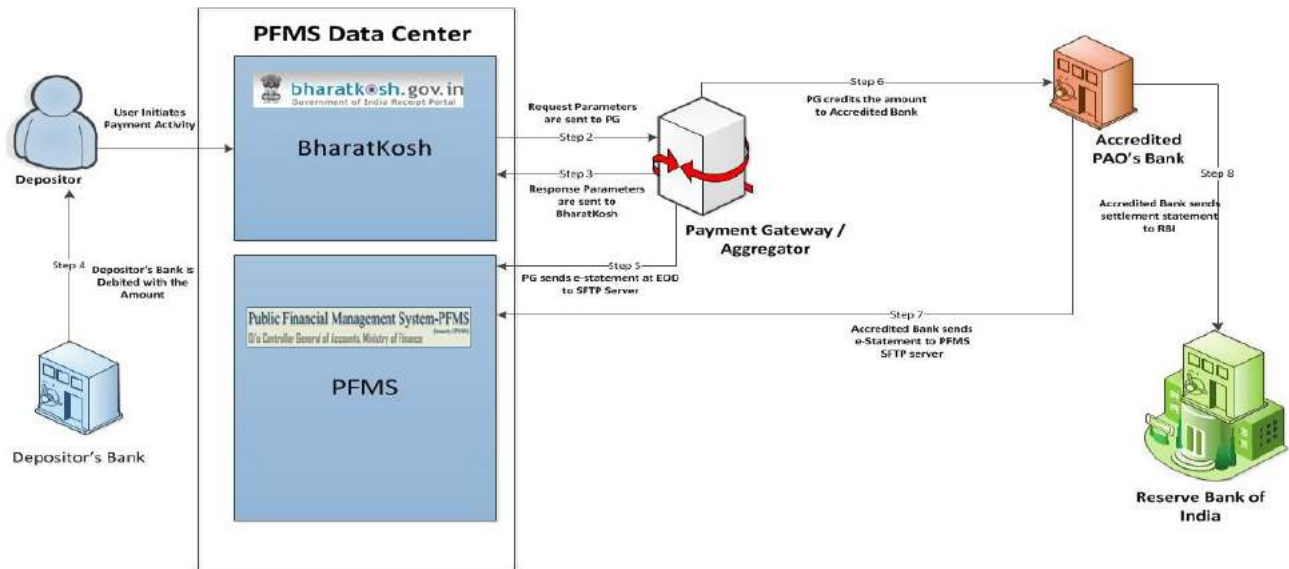
16.2.3 The Receipt Accounts should be opened by the Pay and Accounts Officer in the Accredited Bank and RBI only for the purposes, indicated as under:

- **Physical Receipt Account:** For depositing dues payable to any department with which the department of the Ministry is banking. The deposit will be accepted in cash or by means of a cheque or draft, along with appropriate challans.
- **e-FPB Receipt Account:** This account is used for depositing non-tax receipt collected through Non-Tax Receipts Portal (Bharatkosh.gov.in) by PG/A in the e-Focal Point Branch.
- **RBI Receipt Account*:** This account is used for Non-Tax receipts deposited through offline mode (NEFT/RTGS) directly in the account of PAO opened in the RBI.

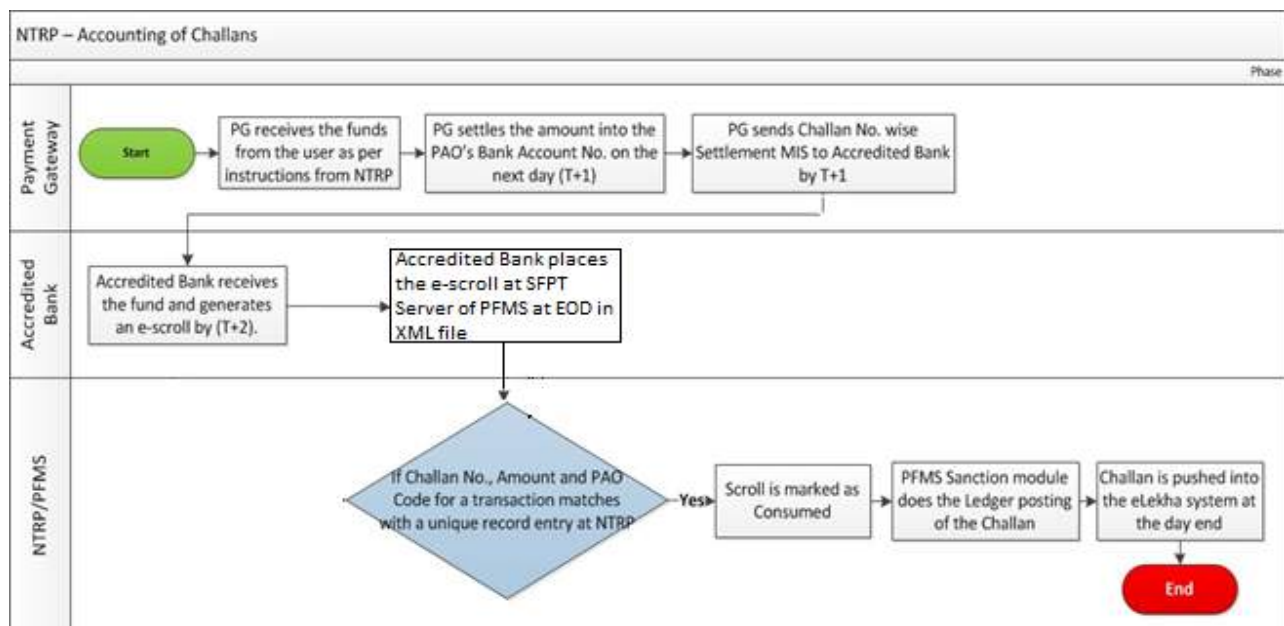
Note: In case of remittance of revenue through NEFT/RTGS, the amount shall be credited in the e-FPB receipt account of PAO specifically opened for this purpose in RBI. (Authority: S-11012/1(12)/HLM/2012/RBD/1281-1337 dated 22.8.2016).

16.2.4 PAO shall verify that all successful transactions are scrolled and accounted/reflected in the accounts.

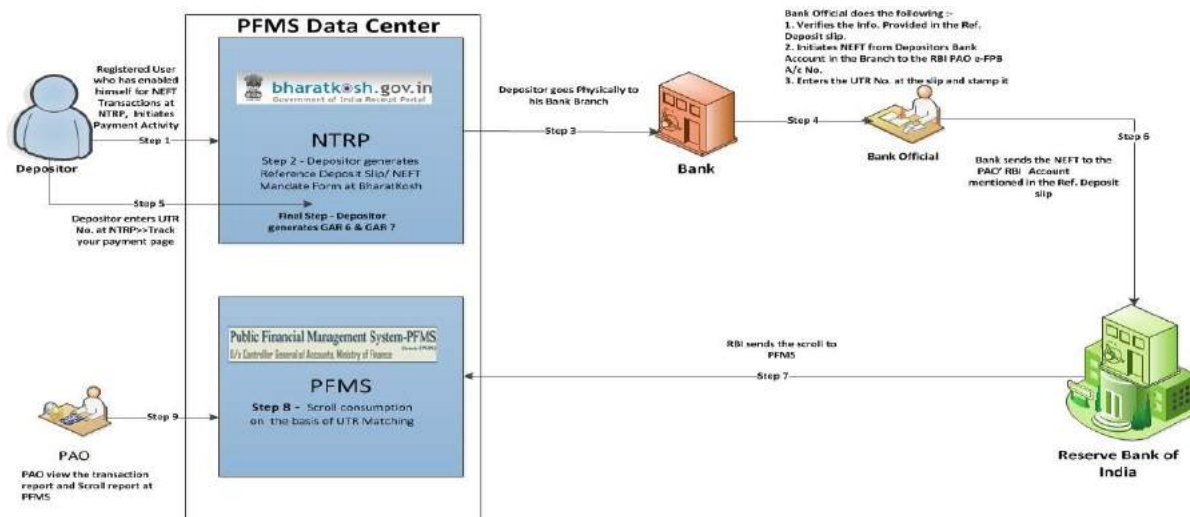
16.2.5 Accounting of the funds received through Bharatkosh into the PAO account is done through the PFMS module. Process flow for the same is depicted below:-



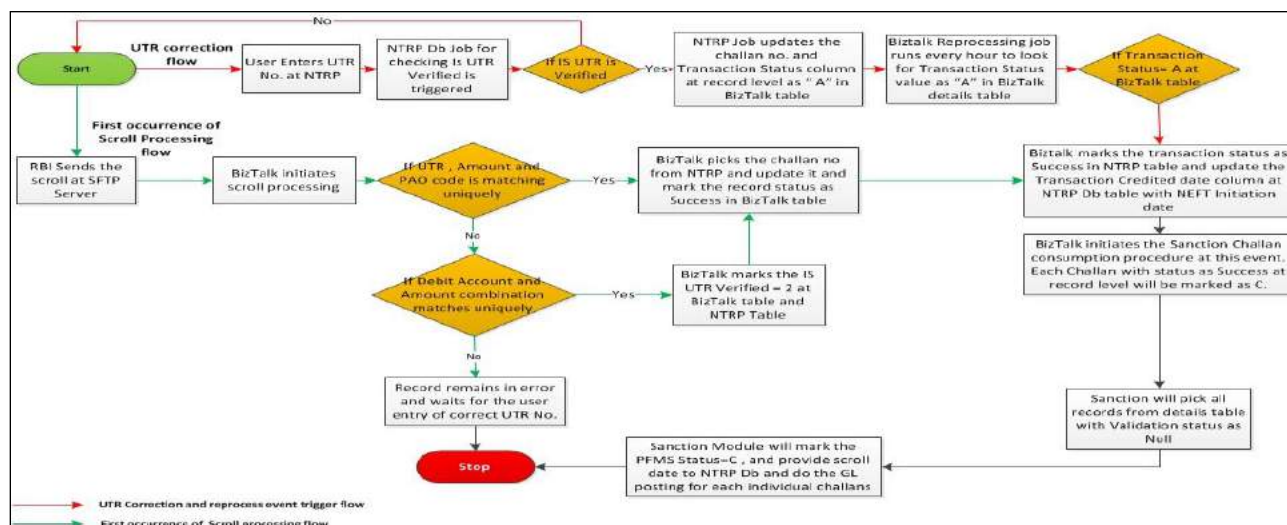
1. Payment Gateway receives the fund from the user as per details filled and payment made via Bharatkosh.
2. PG settles the amount into the PAO's Bank Account No. on the next day i.e. (T+1).
3. PG Sends Challan No. wise Settlement MIS to Accredited Bank by T+1 day
4. Accredited Bank receives the fund and generates and e-scroll by T+2 days.
5. Accredited Bank places the e-scroll at SFPT Server of PFMS at EOD in XML file.
6. If the Challan No., Amount and PAO Code for a transaction match with a unique record entry at Bharatkosh, Scroll is marked as Consumed.
7. PFMS Sanction Module does the Ledger posting of the Challan for accounting.
8. Challan is pushed into the e-Lekha system at the day end.



Process Flow of Offline (NEFT/RTGS) Transactions routed through RBI on Bharatkosh.



- Registered User who has enabled himself for NEFT Transaction as Bharatkosh initiates Payment Activity.
- Depositor generates Reference Deposit Slip/NET Mandate Form at Bharatkosh
- Depositor goes physically to his Bank Branch
- Bank verifies the Information and initiates NEFT from Depositors Bank account in the RBI PAO EFPB Account and provide the UTR Number to the User
- Depositor enters UTRN at Bharatkosh → Track Your Payment Page
- Bank sends the NEFT to the PAO' RBI Account mentioned in Ref. Deposit slip
- RBI places the scrolls on PFMS SFTP
- If the User's Account No., Amount and UTR Number for a transaction match with a unique record entry at Bharatkosh, Scroll is marked as Consumed.
- PFMS Sanction Module does the Ledger posting of the Challan for accounting.
- Challan is pushed into the e-Lekha system at the day end.



16.3 ACCOUNTING AND RECONCILIATION OF RECEIPTS INCLUDING NTR RECEIVED THROUGH PHYSICAL MODE

16.3.1 Bank drafts or cheques received in the PAO should be entered in the Register of Valuables (Form CAM-16) immediately on receipt and then sent to the Bank along with a credit slip, for credit to Government account on the next working day. In order to reduce clerical work in cases of heavy receipt of valuables from outstation/ non-cheque drawing DDOs, the covering list of valuables may be pasted in the register after checking each entry in the list with the valuables enclosed with it. The register should be closed every fortnight and bank drafts/cheques for which the corresponding credits in the bank scrolls are not forthcoming should be investigated.

16.3.2 Non tax revenue receipts received through cheques or demand drafts drawn in favour of PAOs, will be accounted once the receipt scroll is received. Receipts in cash will, however, be accepted by DDOs or other departmental officers, subject to the provisions of Rule 5 of the Central Government Account (Receipts and Payments) Rules, 2022.

16.3.3 The receipts through instruments/cash will be remitted into Government account held by PAO or by the CDDO in the relevant branch of the bank accredited to the Ministry /Department concerned. It will be done through the prescribed challan forms indicating the particulars of cash / cheque/ demand draft deposited and the account head classification. In case of CDDOs the challan will be prepared in triplicate. The receiving bank will prepare daily Receipt scrolls (**Annex-4 to APPENDIX 4.1 in Chapter 4**) in quadruplicate, separately for each account holder.

16.3.4 The serial numbers on the receipt scroll will bear prefix Daily Monthly Account (DMA) (R). The serial number of the entry in the scroll will be recorded on the corresponding challans for the purpose of identification. After the day's accounts are balanced, two copies of the receipt scroll along with their challans will be sent to the designated FPB with a forwarding memo (**Annexure 5 to APPENDIX 4.1 in Chapter 4**) on a day-to-day basis. One copy of the scroll will be sent directly to the concerned PAO/CDDO while the fourth copy of the scroll will be retained by the receiving branch.

16.3.5 Based on the challans received, the departmental officer will prepare a weekly statement of receipts giving the number and date of the challan, name of the depositor and the amount deposited. He will also check the entries in the copy of the scrolls with entries in the statement of receipts and reconcile with the bank. If any discrepancy is detected the same shall be got rectified under advice to PAO. He will also send a monthly bank reconciliation statement in Form CAM-22 to PAO.

16.3.6 The FPBs will consolidate the transactions of various dealing branches including its own, and prepare a main scroll in triplicate separately for each Ministry/Department. Two copies of the Main scroll along with the original copy of the scroll and the related instruments received from various dealing branches will be forwarded to the concerned PAO for verification, as in the case of payment scrolls.

16.3.7 On receipt of the bank scrolls, PAO will check the entries in scrolls with the challans attached to it and pass them on to the compilation section for posting. Compilation Section will post the total receipts as per scrolls in the register of Public /Other Nominated (Private Sector) Bank suspense or Reserve Bank Deposits as the case may be, in form CAM-17, and post corresponding entries in the concerned receipt heads. Reconciliation statement from CDDO shall be obtained to ensure that all amounts credited have been correctly entered in scrolls. It

shall also be ensured that credit is given in bank scrolls for all the cheques/bank drafts sent to the bank, and appropriate action must be taken in consultation with the bank in respect of those outstanding. The action to be taken in PAO for scrutiny of receipt scrolls and challan entry in PFMS are detailed in para 16.3.11 below.

16.3.8 Departmental officers other than CDDOs situated at the same station as Pay and Accounts Officer shall remit the collections received in cash or local cheque/demand draft into the bank in which PAO holds an account, with duly supported challans. A weekly list of remittances shall also be sent to PAO to enable verification of receipt of corresponding credits in the bank scrolls. In case, any such cheque(s)/bank draft(s) remains outstanding at the end of the month subsequent to Departmental officer reporting it as remitted or if it is dishonoured, the PAO shall intimate the details of such instrument/s to the Departmental Officer for further necessary action.

16.3.9 Departmental Officers situated at a station other than that of the PAO, shall obtain receipts through demand drafts drawn in favour of PAO payable at the latter's station. Wherever authorised to receive cash, he shall convert the same into a demand draft drawn in favour of PAO and remit to PAO for crediting into Government account. If under the provisions of any Rule/Act, the receipts of a department are required to be remitted by the public by means of demand draft drawn in favour of departmental officer and such an officer happens to be a non-cheque drawing DDO, he should endorse it in favour of Pay and Accounts Officer with whom he is attached for crediting into the Government account. RBI in this regard have clarified that there is no legal bar to endorsement of a crossed cheque/demand draft drawn in favour of departmental officer and bearing the endorsement 'Account Payee' in favour of Pay and Accounts Officer.

16.3.10 Even category 'C' cheques/drafts bearing the endorsement "Not negotiable and not payable in cash-creditable to Government account only" drawn in favour of Pr. CCA/CCA/CA i.e. Principal Accounts Office, could be endorsed in favour of a PAO for crediting to Government account.

16.3.11 The actions to be taken in the PAO for scrutiny of receipt scrolls and the entry of scrolls and DMS received from Banks in PFMS are detailed in para 13.6 of this manual. The action to be taken in Principal Accounts Office on receipt of put through statements from RBI,CAS, Nagpur and conduct of monthly reconciliation are specified in para 13.7 of this manual. In case of electronic receipt, the main scroll is received in an electronic format on the PFMS platform. There is no need to enter e-receipt scrolls in PFMS. However, receipt scrolls in respect of cheques/DDs, however, need to be entered after its clearance/realisation.

Account transactions of Physical NTR Receipts

Entry of receipt scroll in PFMS by PAO to credit in concerned functional receipt head of accounts (On receipt of receipt scroll from accredited bank i.e. PSB or Other nominated bank as the case may be)

8658.00.108 – Public Sector Bank Suspense	Dr.
or	
8658.00.138 - Other Nominated Banks(Private Bank Suspense)	Dr
Receipt Function Head of Account	Cr.

“Adjustment by Pr.AO to transfer/clear the amount from the minor head Public/Private Sector

Bank Suspense below the major head '8658- Suspense Accounts' to major/minor heads '8675- Deposits with Reserve Bank-Central (civil)' etc". (On receipt of put-through)

8675.00.101	- Reserve Bank Suspense	Dr.
8658.00.108	- Public Sector Bank Suspense	(-) Dr.
	or	
8658.00.138	- Other Nominated Banks (Private Bank Suspense)	(-)Dr

CHAPTER 17

GUIDELINES FOR INTERNAL AUDIT(IA) OF THE DEPARTMENTAL ACCOUNTS ORGANISATIONS

17.1 INTRODUCTORY

17.1.1. The scheme of departmentalization of Union Government accounts provides for setting up of an efficient IA organization to ensure accuracy in accounts and efficiency in the operation of the accounts set up. IA Wing is accordingly required to be set up in all the Ministries/Departments. The scope and function of the IA Wing will depend on the nature of work, the number of schemes operated by Ministry/ Department, the number of subordinate offices, the strength of establishment, nature and quantum of expenditure and revenue etc. Each Ministry/Department therefore, shall draw up a Manual of IA specifying the duties and functions of the Wing, with reference to the specific contexts in the Ministry/Department. While preparing or amending such Manual, Ministries/Departments may refer to IA Manual for Central Civil Ministries/Departments issued by the office of CGA, to conform to the provisions and guidelines stipulated in the above manual. IA Manual so developed by the Department shall be vetted by IA Division, O/o CGA. The guidelines contained in this chapter provide the broad framework for the IA Wing. These guidelines are however, broad in nature and have to be detailed in the manual of the concerned Ministry/Department.

17.1.2 Ministry/Department will clearly define its IA vision, mission and charter. An IA Committee shall be constituted to have an oversight on IA compliance issues. Committee shall be headed by Secretary of the Department and Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be (herein after referred as Chief Audit Executive), shall be the member secretary of the Committee.

17.1.3 IA Charter: Rule 70 of the GFR (2017) delineates the responsibility for sound financial management to the Secretary of the Ministry/Department. As the Chief Accounting Authority, he/she shall ensure that his/her Ministry or Department maintains full and proper records of financial transactions and adopts systems and procedures that will at all time ensure optimal internal controls. Roles and responsibilities of Pr.CCAs/CCAs/CAs(i/c) as Head of Accounting Organisation as contained in Para 1.3 of CAM specifies that IA Wing working under the control and supervision of Pr.CCAs/CCAs/CAs(i/c) as the case may be, would move beyond compliance/regulatory audit and focus on: -

- a. Assessment of adequacy and effectiveness of internal controls in general and soundness of financial systems and reliability of financial and accounting reports in particular;
- b. Identification and monitoring of risk factors (including those contained in the Outcome Budget/OOMF Framework);
- c. Critical assessment of economy, efficiency and effectiveness of service delivery mechanism to ensure value for money; and
- d. Providing an effective monitoring system to facilitate mid-course corrections.

A model charter for reference is provided at **APPENDIX 17.1** of this chapter.

17.1.4 Role of Audit Committee: Audit Committee would supervise the overall functioning of IA Wing of the Ministry/Department and establish priorities for its functioning. It would approve the IA Charter of the concerned Ministry/Department, provide direction and facilitate availability of resources for effective discharge of responsibilities of the IA. It would specify the areas, which may be taken up for audit as part of work program of the relevant financial year. Audit Committee would have an oversight over the functioning of IA of the Ministry/Department and all the major and significant audit observations would be presented to the Committee. It would deliberate on modalities to resolve key audit issues brought out by the IA Wing including resolution of outstanding issues. The Committee would also evaluate performance of IA Wing and offer guidance, as may be necessary, to improve its functioning and effectiveness.

17.1.5 IA Management Team: Each Ministry/Department should also have an IA Management Team for a closer supervision of the IA functions of the Ministry/Department and to ensure quality assurance in audit engagements. The IA management team would be headed by the Chief Audit Executive and would comprise key functionaries of the Accounts and Audit Wings of the Ministry/Department. This would also serve as a forum for discussion to improve the quality of IA. The Management Team would meet regularly to discuss execution of approved Annual Audit Plan of the Ministry/Department, coordinate the work program of different audit teams and also to decide upon the approach to various audits. Guidance and Advisories to the audit teams would be issued by the Management Team as may be required. The Management Team may also discuss and decide upon ways to improve performance of IA in the individual audit engagements.

17.2 SCOPE OF IA:

17.2.1 The IA Wing will work directly under the Chief Audit Executive (CAE), with overall responsibility remaining with the Chief Accounting Authority i.e. Secretary of the Ministry/Department. The Principal Accounts Office, the PAOs as well as the offices of the DDOs in the Ministries/Departments, Indian Missions and other Govt. of India offices abroad, shall be within the jurisdiction of IA. In addition to these offices, IA shall be required to audit the implementing agencies for various schemes and programmes of the Ministry/Department, autonomous bodies and other institutions receiving grants from Government of India.

17.2.2 IA shall also check the initial accounts maintained in the executive offices to ascertain the extent of compliance to the rules and regulations, system and procedures etc. in the accounting and financial matters. The scrutiny would cover checking of all accounting records including those relating to fund accounts, loans and advances, disposal of confiscated stores (in CBEC), review of the installation and operating efficiency of expensive equipment and machinery and examination of records relating to physical verification of stores, equipment, tools and plant. IA will specifically look at the risks in the process, IT systems, payments and delivery of goods and services and suggest remedial measures. The accounts of all grantee Institutions or Organizations shall be open to inspection by the sanctioning authority and audit, both by the Comptroller and Auditor General of India under the provision of CAG (DPC) Act 1971 and IA by the Principal Accounts Office of the Ministry or Department, whenever the Institution or Organization is called upon to do so and a provision to this effect should invariably be incorporated in all orders sanctioning grants in aid. The IA Wing shall also draw up specific risk matrices for each audit task under areas such as compliance risk, financial risk, legal risks etc., as applicable. The schemes of a Ministry / Department would be audited for their effective implementation in terms of the scheme guidelines and various MoF rules and orders issued from time to time.

17.3 DUTIES OF IA

17.3.1. The duties of the IA Wing, shall not be limited to, but will include the following:

- (i) Prepare annual and quarterly plan to conduct IA
- (ii) Facilitate preparation of risk registers and risk matrix of the Departments/ Grantee institutions
- (iii) Study of accounting procedures prescribed for the department with a view to ensuring that they are correct, adequate and free from any defects or lacunae;
- (iv) Watch over the implementation of the prescribed procedures and the orders issued from time to time;
- (v) Scrutiny and check of payments and accounting work of the accounting units;
- (vi) Review the system generated reports used for receipts, payments and accounts to test check their authenticity with reference to related copies of supporting documents like vouchers, registers etc, and to suggest improvement in the IT processes;
- (vii) Examining the banking system to suggest improvement in the payment processes;
- (viii) Examining the fund flow and cash flow mechanisms to suggest better fund management
- (ix) Investigation of important areas and gaps in accounting and other connected records;
- (x) Coordination with other Ministries and CGA on the IA procedures;
- (xi) Coordination with the States and UTs for proper Internal Audit of Centrally Sponsored Schemes
- (xii) Periodical review of all accounts records;
- (xiii) Pursuance/settlement of objections taken in test audit notes issued by statutory audit offices and other matters relating to statutory audit;
- (xiv) Examine and report on points or irregularities brought to its notice by the Principal Accounts Offices/Pay and Accounts Offices; and
- (xv) Preparation and submission of 'Annual Review' on performance of IA Wing to the CGA.

17.3.2 Duties of Chief Audit Executive as per New Charter: Roles and responsibilities of Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, relating to IA/Risk Based Audit are specified in para 1.3 of this Manual. Para 18.11 of Charter for FAs provides that FA shall vet the annual internal audit plan of the Department prepared by CCAs before submission to Secretary of the Department for approval.

17.4 PROCEDURE FOR CONDUCTING IA

17.4.1. The work relating to IA should normally be conducted by inspecting various units and offices and "on the-spot" verification of accounts records. IA should also review reports relating to physical verification of assets, work sites and delivery of goods and services. The work of the inspection parties may be coordinated through IA cell at the Headquarters, depending upon the nature, number and size of the IA set up. The IA Wing shall make use of the IA Online System provided by O/o CGA for performing all audit functions and monitoring of audit paragraphs. To operationalize this, the legacy data prior to adoption of system would need to be entered in the system one time by the IA Wing concerned.

17.5 QUANTUM OF AUDIT

17.5.1. An IA party should conduct a general review of all the accounts records maintained by an office since the last inspection or in case of new units, since the formation of that office. IA manual of the Department shall cover the methodology and process of selection of units to be audited and records to be inspected apart from the records on physical verification of assets and services. Apart from the general review, it should also conduct a detailed check of accounts records of at least one month in a year, selected by the Controller/Deputy Controller in charge of IA. Sampling techniques shall be used to select the sample data for IA. Since most of the payment and related records are now available in the electronic form, audit team shall analyse the data and prepare relevant questionnaire. Responses may be collected and draft para in such cases may be prepared before actual visit of the audit team. The percentage of bills/vouchers/cases etc. other than the month selected for detailed check will be left to the discretion of the Head of the IA party/team. While PFMS reports of various modules should be used in the process, it is also advisable to use analytical tools over PFMS data. The extent and nature of checks will include the following:

- (a) Detailed scrutiny of accounts records required to be maintained in PAOs/ DDOs offices;
- (b) Scrutiny of records of procurement, tendering, GeM, approvals and award of work/service/contract;
- (c) Scrutiny of the sanctioning and purchase procedures so as to ensure that they are free from any defect or lacunae;
- (d) Verification of payment and accounting procedures including procedures to be followed by cheque drawing DDOs. It will be seen in particular that the scope and extent of pre-check and post-check by PAOs are adequate and that the procedures for maintenance of provident fund accounts, finalization of pension cases etc. are duly observed;
- (e) It may be ascertained that all returns and reports are duly verified by the supervisory officers and adequate safeguards are there to ensure that transactions are reviewed regularly.
- (f) Verifying the extent and frequency of controls and checks exercised by head of office to locate risks, that may cause frauds or defalcations either individually or in collusion. Wherever necessary, steps to remove such risks/lacunae will be suggested;
- (g) Checking the procedures followed for disposal of assets etc. to ensure they are as per laid down condemnation and disposal procedures;
- (h) Scrutiny of general office management procedures adopted by the heads of offices in areas having financial and accounting implications, so as to suggest measures for tightening up administrative and financial control, savings in expenditure or streamlining of processes and procedures, including accounting.

17.6 NATURE OF CHECKS TO BE EXERCISED BY IA:

IA parties will exercise the following checks during inspection of accounts records of various offices:

(A) PAOs:

- i. All the required accounts records are being maintained in the prescribed forms, compiled accurately and in correct manner;
- ii. All processes of pre-check, accounting, consolidation and reconciliation are followed as prescribed in this Manual.
- iii. Payments were made in accordance with the rules and orders governing them with correct arithmetical calculations;
- iv. Recoveries and deductions made from the bills are in order;
- v. Purchases are made as per rules and orders governing them and the reasons recorded for the cases where lowest quotations are not accepted;
- vi. The instructions relating to the processing and submission of pension cases are observed;
- vii. All payments and receipts are duly accounted for;
- viii. Various Broadsheets, Objection Books and Calendar of Returns are being maintained properly, verified and inspected by concerned supervisory officers. It will further be seen that the broadsheets are closed regularly on monthly basis, and the differences between Broadsheets and Ledger figures are analysed and steps taken for their expeditious clearance;
- ix. The balances outstanding under various Debt, Deposit, Suspense and Remittance heads are reviewed at periodical intervals and steps taken to clear them as expeditiously as possible;
- x. Last claims of government servants are correctly paid and over payments if any, brought to the notice of concerned DDO for appropriate action and follow up thereof;
- xi. Pay fixations are correct;
- xii. All transactions are accounted under the correct heads of account and no unauthorized head of account is operated in the Classified Abstract/Consolidated Abstract;
- xiii. Receipt scrolls/payment scrolls are received in time, checked properly as per laid down instructions and the discrepancies if any, are pointed out promptly;
- xiv. Interest amount wherever required has been correctly calculated and accounted for;
- xv. GPF/CPF accounts are being maintained by PAO properly and reconciled through the prescribed broadsheets. It will further be checked that no missing debits/credits and un-posted items are kept outstanding for unduly long periods and the closing of annual accounts and issue of statements of account are done by the due dates;
- xvi. Foreign service contributions wherever necessary are recovered correctly;

- xvii. Loans, advances and grants-in-aid are paid correctly and over payments if any, are brought to the notice of the concerned DDO for appropriate action;
- xviii. In the case of payments made by CDDOs, the list of payments accompanied by paid vouchers are received from them every week by the prescribed dates, checked properly and accounted for;
- xix. The weekly accounts of receipts realized and remitted by the departmental officers with duplicate copies of challans are being received, and checked properly with the bank scrolls;
- xx. The instructions on reconciliation of figures under the heads Public Sector Bank /Other nominated Bank Suspense and RB Deposits are being duly followed;
- xxi. Verification through vouchers etc. that payment entries are made properly in the Pay Bill Register for the advances drawn, and that the recoveries are being effected regularly from the concerned Government servants. The correctness of entries should also be checked in the monthly abstracts of recoveries, especially those relating to 'transfer in' and 'transfer out' cases.
- xxii. Every Personal Deposit Account in the Ministry/Department is alive and in operation.
- xxiii. All instructions relating to maintenance of Pay Bill Register, Pay Bills etc. are strictly followed by DDOs.
- xxiv. To check whether the contributions towards NPS are correctly recovered from the Government servants covered under the Scheme and bills for drawing Government's Contributions are drawn/submitted along with the pay bills. the monthly reports on NPS are sent to the Principal Accounts Office on due dates and the records pertaining to NPS are properly maintained. All instructions with regard to NPS are complied with by PAO's.
- xxv. The instructions regarding reconciliation of expenditure and revenue receipts are being followed; and
- xxvi. To check whether there has been undue delay in the finalization of pension cases, IA Party will conduct test-checks with reference to the pension papers received from the Heads of Office.

(B) *Cheque drawing/non-cheque drawing DDOs*

- (a) All the required accounts records are maintained in the prescribed forms;
- (b) Payments made by the Cheque Drawing DDOs are in accordance with the rules and orders governing them, with correct arithmetical calculations and proper recoveries/deductions made from the bills. It will further be checked whether the List of Payments with paid vouchers are sent by them every week to the concerned PAO by the prescribed dates, and as per given instructions;
- (c) The instructions for the maintenance of Cash Book, Contingent Register, Stock and Stores Accounts, Log Books and other account records are duly observed;

- (d) 'Account Payee' cheques issued by PAOs after pre-check of relevant bills to DDOs are not being entered in their own cash book, and that the delivery and acknowledgement of such cheques is being watched through a separate register required to be maintained for the purpose in CAM-12.
- (e) Pay fixations are done correctly;
- (f) The weekly accounts of receipts with duplicate copies of challans are being sent to the concerned PAO;
- (g) Purchases are made as per rules and orders governing them and the reasons recorded for the cases where lowest quotations are not accepted;
- (h) All sub-vouchers pertaining to contingent charges/bills that are not required to be sent to the PAO are available in the office, are otherwise in order and properly cancelled;
- (i) The instructions relating to the processing and submission of pension cases are observed;
- (j) Verification through vouchers etc that payment entries are made properly in the Pay Bill Register for the advances drawn, and that the recoveries are being effected regularly from the concerned Government servants. The correctness of entries should also be checked in the monthly abstracts of recoveries, especially those relating to 'transfer in' and 'transfer out' cases.
- (k) Every Personal Deposit Account in the Ministry/Department is alive and in operation.
- (l) All instructions relating to NPS including maintenance of Pay Bill Register, Pay Bills etc are strictly followed.
- (m) Check the "Control Points for IA for DDOs" as prescribed by CGA is complied with.

17.7 CHECKING OF RECEIPTS

17.7.1. The Departmental authorities are primarily responsible to ensure that all revenues or dues to Government are correctly and properly assessed, realized and credited to Government account. IA shall conduct mandatory checks to see whether the Department has effective processes and checks on collection and accounting of all revenue receipts and refunds, and that they are followed correctly. The nature of checks exercised by the Departmental authorities for the following shall also be ascertained: (i) checks for ensuring prompt detection and investigation of irregularities (ii) leakage or loss due to double refunds (iii) refunds with reference to fraudulent and forged vouchers/challans and (iv) other types of omissions or commissions in the process of levy/collection of taxes or their refunds.

17.7.2. In the audit relating to revenue receipts, the IA Party should ensure the following by such test checks as may be considered necessary:

- (a) That the demands are raised promptly in the manner required by the Law or Act of Parliament and that no amount due to Government is left outstanding in its books without sufficient reasons;

- (b) That the collection and refunds are accounted for regularly and properly under the appropriate heads of account and that no sums are credited to Government by debit to any suspense head. The credit must follow and not precede actual realization;
- (c) That proper safeguards exist against wilful omission or negligence in the levy or collection of taxes and in arranging refunds, wherever due;
- (d) That double refunds, fraudulent or forged refund orders or other revenue losses through fraud, default or mistake are promptly brought to light and investigated; and
- (e) That all revenue receipts collected by departmental officers are promptly remitted to the bank or the PAO as the case may be, and that reconciliation between their books of records and those booked in Government accounts based on receipted challans are carried out, in accordance with the procedure laid down.

Note: Bank audit would form a major part of the audit of revenue department audit wherein the functioning of collecting banks is to be assessed over the parameters and functioning as defined by RBI and O/o CGA from time to time. This will include matters relating to collection methods, settlement time period with RBI and reporting to PAOs. These aspects should also be covered in the IA Manual of the Department concerned.

17.8 PROGRAMME FOR INTERNAL INSPECTION

17.8.1 The internal inspection programme for each party will be chalked out by the IA Wing with the approval of the CAE. Timely intimation of the proposed visit of inspection party will be sent to all the offices concerned. A copy of the programme will also be forwarded to the concerned PAO and HoD.

17.8.2 Further, preliminary findings from the available records in MIS and PFMS will be sent to the auditee unit before actual audit. The IA team shall cull out preliminary findings by examining the payment details in PFMS reports pertaining to auditee. Other available database shall also be examined and analysed and audit memo shall be issued for the data not available to the audit team. Key risks may be identified and para raised through critical examination of the reports and database. Wherever possible computer-based audit tools and data analytical tools shall be used by the audit teams for enhanced efficiency and scrutiny.

17.9 RECORDS, DOCUMENTS TO BE MADE AVAILABLE TO THE IA PARTIES

17.9.1 The Heads of the Offices and head of the auditee units that are to be inspected will be advised of the dates of inspection well in advance. A list of records proposed to be examined during IA shall also be prepared and sent to the auditee along with the notice of inspection, so that these are kept ready before the arrival of the audit party. The IA will also inform about their plans to inspect reports generated from the auditee's portal/database or any other electronic source of information.

17.9.2 The accounts records maintained by the auditee will be made available promptly to the IA parties.

Note 1: The payments made by a CDDO during the selected month(s) will be verified by the IA Party with reference to the counterfoils of cheques, copies of bank scrolls, Pay Bill

Register and the office copies of the paid vouchers available with the DDO. It will not be necessary for the inspection party to obtain original paid vouchers etc. from the PAO. If there is any doubt, original vouchers from PAO may be obtained in such cases.

Note 2: In the case of DDOs without cheque drawing powers, the IA Parties will check the copies of the original paid vouchers for the month(s) selected for audit, If there is any doubt, original vouchers from PAO may be obtained in such cases.

Note 3: The lists of payments and paid vouchers will be furnished by the PAO to the inspection party promptly, on receipt of necessary requisitions. The PAOs will also furnish a list showing particulars of discrepancies/defects or other irregularities if any, noticed during the course of scrutiny of bank scrolls with reference to the related paid vouchers and cheques remaining unsettled. Any other important issue requiring investigation may also be included in the list and furnished to the IA parties for 'on the spot' examination and report.

Note 4: In the case of Divisional Offices working on the Public Works system, the paid vouchers and other original records pertaining to the month(s) selected for audit shall be similarly sent by the PAO to the IA Party. A record of paid vouchers furnished to/received back from IA will be maintained by the PAO in a register in the form given in **APPENDIX 17.2** of this chapter. This register will be reviewed on monthly basis and necessary action shall be taken if the paid vouchers are not received back. It will be the Inspecting Officer's responsibility to return the vouchers immediately after completing the IA of the concerned office.

17.10 FREQUENCY OF IA

17.10.1 IA of important offices shall be carried out every year. All offices shall be audited at least once in a period of three years. However, the frequency of IA will largely depend upon the staff strength of Internal Audit Wing as well as the number of units falling under its purview. Judicious planning and prioritization is required to optimize the outputs, and the duration and frequency of audit may be decided based upon the nature of transactions, amount of allocation, arrears in relation to last audit, and the general health of accounts of each unit.

17.10.2 Audit Committee and CAA shall be informed by CAE about the targets and constraints if any, in meeting the targets. Efforts shall be made to have an IA set up to meet the targets.

17.11 DRAFTING AND PROCEDURE FOR SUBMISSION OF INSPECTION REPORTS

17.11.1 The inspection reports should be written in polite and dispassionate language pointing out the risks and/ or irregularities, rather than sounding accusatory. Offensive and strong words, sarcastic language etc. should not figure in the report on any account. At the same time suppositions, assumptions or allegations should be avoided in the reports. Further, the facts recorded in the reports should be based upon the available documents and records and only inevitable conclusions should be drawn. For every observation there must be some evidence. There should be no reference to judgemental inferences, for example fixing of responsibility for any irregularity, as it is for the administrative authorities to take action in the matter. The inspection report should be in two parts, Part-I comprising of Introductory Report and Part-II comprising the irregularities noticed during current audit. IA Party should take up all the outstanding paras pertaining to an office during subsequent audit and settle them to the extent possible, through on the spot verification of compliance. Where settlement is not possible,

outstanding paras with their updated position should be taken as part of the new report and the old report(s) should be considered as settled.

17.11.2 Routine errors or omissions or commissions noticed during the course of inspection may be got rectified on the spot. Inspection reports should also be invariably discussed with the Heads of Offices inspected, and their comments if any, should be suitably incorporated in the report. Inspection reports should be issued only after they have been vetted at the headquarters, with one copy each issued to the Head of Office inspected and the CAE. Important points arising out of the IA should also be brought to the notice of FA and the Secretary through the Head of Accounting Organization by the IA Wing. The assessment of procedural risks that may be noticed or any suggestions that may arise on account of IA should be incorporated in the report as an aid to the auditee for improving the process under review. Also, any major systemic deficiency, which requires urgent action should be clearly brought out and reported to the higher authorities. The CAE should watch the progress on settlement of points raised by IA as well as CGA's Inspection Unit. IA Party should also review all the outstanding points at the time of next inspection.

17.11.3 The CAE's reporting and communication to the CAA and the Audit Committee must include information about:

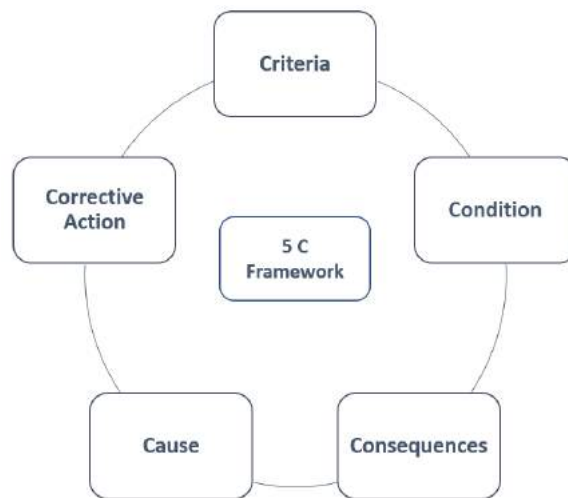
- i. The Audit Charter.
- ii. Independence of the IA activity.
- iii. The audit plan and progress against the plan.
- iv. Resource requirements vs. Results of audit activities.
- v. Conformance with the Code of Ethics and the Standards and action plans to address any significant conformance issues.
- vi. Management's response to risk that in the Chief Audit Executive's judgement, may be unacceptable to the Ministry/Department.

17.11.4 Reporting upon the audit engagement (5-C Framework): The auditor must check if he has reviewed all working papers and all the supporting evidence for audit observations before final preparation and entry of paras raised. The report must be created adhering to the 5C framework which has the following objectives:

- (a) **Criteria:** What should exist? The benchmarks or expectations identified as the basis against which audit evidence is compared. (E.g. Policy, SOP, Norm, etc.)
- (b) **Condition:** What exists? The factual evidence found in the course of the audit. The condition identifies the nature and the extent of the observation. A clear and accurate statement of condition evolves from the auditor's comparison of actual evidence with appropriate criteria.
- (c) **Consequence/Effect/ Impact:** What effect did it have? The risk or exposure to the institution and/or others as a result of the difference between the criteria and the condition should be recorded. The effect establishes the actual or potential impact of the condition. The significance of a condition is usually judged by its effect. It can be expressed in quantitative terms. To warrant reporting, an effect should be sufficiently serious to justify the action (and related cost) to correct the difference (the deficiency).
- (d) **Cause:** Why did it happen? The possible or likely reason for the difference between the expected and actual condition should be explored. The cause may be

obvious or may be identified by deductive reasoning. The identification of similar causes for a number of observations may highlight an underlying risk and the audit recommendation should address it. Identification of the cause of an unsatisfactory condition is a prerequisite to making a meaningful recommendation for corrective action.

(e) Corrective Action/ Recommendation: What should be done? The actions suggested or required to correct the situation and prevent future occurrences. The relationship between the audit recommendation and the underlying cause of the condition should be clear and logical. In developing sound recommendations, the IA ensures that the recommended action is within the scope of the auditee, addresses the cause and not just the symptoms, and is viable.



17.12 PURSUANCE OF AUDIT PARA

17.12.1 TEST AUDIT NOTES ISSUED BY STATUTORY AUDIT: In order to keep a watch over the settlement of audit objections included in the Test Audit Notes issued by Statutory Audit/CGA Inspection Team, the IA Wing will maintain a register in the form given in **APPENDIX 17.3** with separate folios for each DDO. The progress made towards the settlement of outstanding objections should be reviewed on quarterly basis and appropriate action taken to ensure speedy settlement. The compliance of IA observations reported by the DDOs should be verified during the next audit of that office. Whenever asked for, the register will also be furnished to the Statutory Audit Parties to verify the settlement of objections.

17.12.2 IA para shall be reviewed regularly and reported to the Audit Committee of the Department. Status of pending para shall also be brought out in the review meetings of the Department. CGA shall also be informed through a structured report, as stipulated by CGA.

Model Charter:

Role of Internal Audit (IA) Function: IA is an independent, objective assurance and advisory activity designed to add value and improve the Ministry's/Department's operations. It would facilitate achievement of Ministry's/Department's objectives by evaluating and improving the effectiveness of risk management, control and governance processes. IA is concerned with controls that ensure:

- Reliability and integrity of financial and operating information;
- Effectiveness and efficiency of operations;
- Safeguarding of assets; and
- Compliance with laws, regulations and contracts.

The IA function in _____ Ministry would aim at improving the overall operating effectiveness of the programmes by conducting an independent evaluation of operations with respect to policy guidelines, scheme provisions and objectives and make suggestions to improve performance of the implementing units. While evaluating performance of spending units, audit would look into planning, execution and monitoring mechanisms, wherever possible from gender perspective, focus on control weaknesses and suggest ways to improve the control mechanisms. IA would also comment on risks which exist and may impede achievement of intended objectives.

IA function would also comment on compliance by various field formations with rules, guidelines and procedures established by the Government of India in general and of _____ Ministry in particular. IA would also check the accuracy of accounting and financial records maintained by various executive offices of the _____ Ministry and would focus on compliance with rules and regulations to be followed, in this regard.

The mandate of IA would include examination and evaluation of all aspects of functioning of the spending units and would not be limited to compliance audit only. It would help in identification and monitoring of risk factors and carry out a critical assessment of economy, efficiency and effectiveness of service delivery mechanism to ensure value for money and assist FAs in the appraisal, monitoring and evaluation of individual schemes.

The audit plan would concentrate on extensive coverage of the high-risk areas and would set up its audit priorities and coverage based on risk assessment and available resources. IA would thus provide an effective monitoring system to facilitate mid-course corrections.

Responsibilities: Programme divisions are responsible for maintaining an adequate system of internal controls to manage risks, which may adversely impact achievement of objectives. IA would provide assurance services to the spending units, the programme divisions and the audit committee in terms of reviewing the adequacy of these systems of internal control. IA may also play an advisory role in facilitating the development of effective systems of risk management and internal control, but ensure that it does not assume the role of management. In addition, and subject to the availability of resources, audit would seek to respond to programme divisions' requests for special audits, which may have a specific and defined objective.

Annual Audit Plan: The IA function is a key component of Public Financial Management within each Ministry/Department. Historically, this function has confined itself to merely ensuring that accounting and related records were properly maintained and the expenditure by spending agencies was made in compliance to laws, rules and regulations. This concept has undergone a sea change and the move towards a Risk Based approach to IA is a paradigm shift. The planning is an important aspect of every project, and similarly, of performing the IA function to achieve the objective. In this regard, the guidelines from O/o CGA has been issued from time to time which include recommendations for utilizing 60% of working days for Risk Based IA of Schemes and 40% of working days for Compliance/Regularity Audit. The Planning for Compliance/Regularity Audit or Risk Based IA should be made on Risk Based approach. To facilitate smooth conduct of IA engagements, Annual Audit Plan should be finalized by 15th January every year and a copy of the same should be endorsed to the IA Division O/o CGA by 15th February.

By 15th of January every year, IA Wing would submit an Annual Audit Plan, for the next financial year, through the Financial Advisor to the Audit Committee and thereafter perform the audits approved by the Audit Committee, in the manner defined in the audit manual. Annual Audit Plan would be based on the risk assessments carried out by the Divisions and take into account issues derived from the current audit strategy that is approved by the audit committee. Wherever the Divisions have not completed the risk identification and categorisation exercise, the Chief Audit Executive may make his/ her own assessment in this regard and explain the same in the Annual Audit Plan. A copy of approved Annual Audit Plan should be sent to O/o CGA by 15th of February every year.

Reports: All audit reports should be prepared within one week and issued immediately after the approval of Chief Audit Executive of the Ministry/Department. Reports, which have significant issues, would be circulated with the approval of Vice Chairman of the Audit Committee. (A sample template of Audit Report is given in EXHIBIT II of Internal Audit Hand Book(2018) issued by Office of CGA). Also, summary of major observations on the basis of work done by the IA parties during a financial year would be brought out in the Annual Audit Review for the Ministry/Department and would be submitted to the Chairperson of the Audit Committee. This Annual Audit Review should also be submitted to the Office of CGA in the prescribed format by 31st May (Refer EXHIBIT I of Internal Audit Hand Book(2018) issued by Office of CGA). The programme divisions would be required to take follow-up action on the audit report and significant non-compliance would be brought to the notice of the Audit Committee for adequate action. Reports would be addressed to the HoD with endorsement to concerned entity of the Ministry/Department.

Access: IA would have unfettered access to all officers, buildings, information, explanations and documentation required, to discharge the audit responsibilities in a comprehensive and effective manner.

Independence: Independence of IA Wing of the Ministry/Department would be ensured by providing a clear mandate to it. The performance of IA would also be periodically reviewed by Pr. CCA/CCA/CA. Results of this assessment will be shared by Chief Audit Executive with the Audit Committee in the Ministry/Department.

Organization Structure of IA Wing: The IA Wing would be headed by Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, who will function as a CAE in the Ministry/Department. CAE would report to the Secretary of the Ministry/Department through Financial Advisor of the Ministry/Department. Functionally, IA would report to an Audit Committee chaired by Secretary of the Ministry/Department, with Financial Advisor of the

Ministry/Department being its Vice Chairman and Chief Audit Executive (or an officer nominated by him) as its Member Secretary. Audit Committee would also have other division heads/members from Finance Wing to provide inputs for the function.

Independence of IA Functions: The Institute of IA (IIA) defines that the Independence is the freedom from conditions that threaten the ability of the IA activity to carry out IA responsibilities in an unbiased manner. To achieve the degree of independence to effectively carry out the responsibilities of the IA activity, the Chief Audit Executive [Pr.CCAs/CCAs/CAs(i/c)] has direct and unrestricted access to senior management and the Board. This can be achieved through a dual reporting relationship. Threats to independence must be managed at the individual auditor, engagement, functional and organizational levels.

In order to maintain the requisite technical standards of accounting in the Departmentalized Accounting Offices, the O/o CGA has the powers to inspect the offices with a view to ensuring that accounts are maintained accurately, comprehensively and in a correct manner. For this purpose, an Inspection Wing (IA Division) has been setup in the office of CGA. The IA Division is structured in three sections viz.

- (i) Centre of Excellence
- (ii) Planning and coordination and
- (iii) Inspection Wing.

Government entities must establish protection to ensure that IA activities are empowered to report significant issues to appropriate oversight authorities. Safeguarding auditor independence is particularly needed when the IAW reports to officials who may also be held accountable for any significant problems. Examples of such protection include statutory requirements that:

- Prevent the audited Ministry/Department from interfering with the conduct of audit work, staffing of the audit activity and publication of the audit report.
- Ensure the CAE reports to the highest executive level in the Government entity and that report distribution requirements ensure the transparency of audit results.
- Require that completed audit reports are made available to the public.

(Source: Internal Audit Hand Book for Central Civil Ministries/Departments issued by Office of CGA on 1st March, 2018.)

APPENDIX- 17.2

[Referred to in Note 4 below para 17.9.2]

REGISTER SHOWING PARTICULARS OF PAID VOUCHERS FURNISHED TO IA PARTIES

Sl. No.	Particulars of office to be audited	No. & date of requisition	No. & date of letter with which sent	Particulars of inspecting officer to whom sent	Month(s) to which the vouchers required pertain	No. of vouchers furnished	No. & date of letters with which vouchers received back	No. of vouchers received back	No. & date of reminders, if any, issued	Remarks
1	2	3	4	5	6	7	8	9	10	11

Note - Separate register will be maintained for recording particulars of vouchers supplied to the internal and statutory audit parties.

APPENDIX- 17.3

[referred to in para 17.12.1]

Register of watching Settlement of Audit Objections included in the Test Audit Notes Issued by Statutory Audit/ CGA Inspection Team

Name of the office

Particulars of Audit Office

Sl.No.	Letter No. & Date with which Test Audit Note received	Period of accounts covered by Audit	No. of objections raised	No. of objections settled (quote S.No. of paras settled)	Paras outstanding	Action taken	Remarks
1	2	3	4	5	6	7	8

CHAPTER 18

BUDGETING, ITS FORMULATION AND EXECUTION

18.1 INTRODUCTION

18.1.1 Department of Expenditure, Ministry of Finance issued Revised Charter for Financial Advisers (FAs) vide OM no. 23(3)/E.Coord./2018, dated June 13, 2023, defining their roles, responsibilities, accountability, and authority.

18.1.2 While emphasising the responsibilities of FAs in budget formulation, the ibid OM highlights the role of Chief Controllers of Accounts (CCAs) in budgeting and accounting. The OM states:

(a) *“FAs in discharge of their duties relating to financial management system in general and budgeting and accounting in particular, are assisted by the Chief Controller of Accounts (CCAs).*

(b) *CCAs shall be actively associated with the process of Budget formulation. Budget related files shall be submitted to the FA through the Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be. The Budget section should ordinarily function under the control of the CCA; exceptions require concurrence of Department of Expenditure based on valid justification (e.g. volume of work involved or special circumstances).”*

The Charter therefore unambiguously outlines the roles and responsibilities of Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (independent charge) as the case may be, in budget formulation, budget execution and accounting in their respective Ministries/ Departments.

18.1.3 Apart from budget formulation many other associated roles are assigned to the FAs by the Charter. They are Outcome Budget, FRBM related tasks, Expenditure and Cash Management, Non-Tax Receipt estimation, monitoring of asset and liabilities, financial management systems, etc. Head of Accounting Organization with their sphere of work are in the best position to assess and advise administrative managers about optimal utilisation of funds based on utilization patterns of the past.

18.2 BUDGETING IN GOVERNMENT OF INDIA

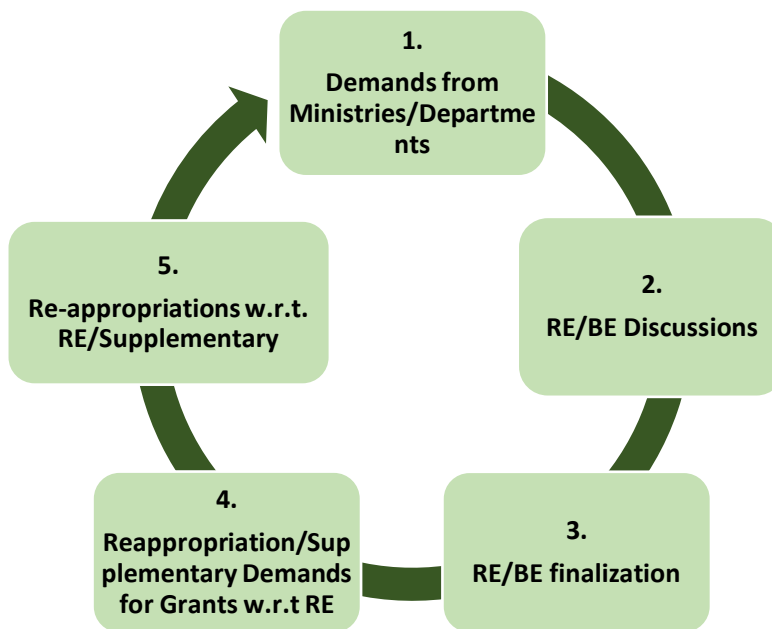
18.2.1 Budgeting exercise is not only cyclical, but a continuous process. Budget formulation is just the beginning of this process. This first stage (Budget Estimates (BE)) is based on expenditure patterns of past year(s), committed liabilities of current and anticipated financial commitments of next financial year.

18.2.2 However, as no estimation can fully match the exigencies of real world, soon demands for funds from various quarters for unanticipated activities start emanating. Thus, the process of re-appropriation of funds starts. Pressing demands are processed for the approvals of the competent authorities as defined in the Delegation of Financial Power Rules (DFPRs). As per the delegation of powers, some re-appropriation proposals can be approved by the Secretary of the Ministry/Department, some need the approval of Secretary, Department of Expenditure, Ministry of Finance, and some other proposals attracting New Service/New Instrument of Service (NS/NIS) need approval of the Parliament. For the proposals attracting NS/NIS, approval of the Parliament are obtained through Supplementary Demands for Grants (SDGs).

18.2.3 The initial estimates i.e. BE undergo a mid-year review in October/November every year and Revised Estimates (RE) are projected. At the RE stage, Ministries/Departments get an

opportunity for a comprehensive review of their allocations so as to re-align their budgetary requirements and correct the errors of estimations. At this stage expenditure of six months of the current year is available as an indicator of utilization pattern. Significantly, in the discussions at the RE stage, the BE of the next financial year is also discussed and finalised. Thus, the next cycle begins.

Chart-1



18.3 ROLE OF HEAD OF ACCOUNTING ORGANIZATION i.e. Pr.CCAs/CCAs/CAs(i/c) IN BUDGETING:

As financial management specialists in Ministries/Departments, Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, have a critical role to play in various activities related to Budget formulation and budget execution as detailed below:

18.3.1 Preparation of Budget Estimates and Revised Estimates

18.3.1.1 Usually Budget Division, Ministry of Finance issues Budget Circular in the first week of September seeking inputs from ministries/departments related to RE for current financial year and BE for ensuing financial year. These estimates form the basis for Pre-budget discussions which are usually held in October-November. Ministries are expected to provide realistic estimates of RE based on preceding 6 months’ expenditure and committed liabilities for next 6 months. Similarly, reasonable estimates for ensuing financial year are also to be provided based on anticipated expenditure, which forms basis for deciding BE for the next financial year.

18.3.1.2 As custodians of financial data in Ministries/Departments and in-charge of Budget Section in Ministries/Departments, Head of Accounting Organization have an important role to play in providing realistic RE and BE estimates. They should analyse last 5 years expenditure trends under different schemes, and suggest reasonable estimates for each of the schemes. The Head of Accounting Organization should show the actual expenditure figures and the analysis thereof to program managers, and prepare estimates as close to reality as possible. They should also consider Single Nodal Account (SNA) and Central Nodal Account (CNA)

balances under Centrally Sponsored Schemes (CSS) and Central Sector (CS) Schemes respectively, while projecting estimates.

18.3.1.3 After Budget discussions, Ministry of Finance communicates RE and BE ceilings to Ministries/Departments. Head of Accounting Organization should thereafter ensure that Statement of Budget Estimates (SBE) is filled up within stipulated time in Union Budget Information System (UBIS), by their budget section. This will form the basis for preparation of Expenditure Budget and Demands for Grants (DG).

18.3.1.4 At the time of entering SBE in UBIS, particular care should be taken to ensure that allocations under special categories, such as NER and SC/ST are correctly entered. Guidelines for allocations to NER and SC/ST issued by DoNER and NITI Aayog respectively from time to time must be adhered to.

18.3.1.5 All other instructions related to preparation of RE and BE, and timelines thereof, as detailed in Budget Circular should also be followed meticulously.

18.3.2 Preparation of estimates of Non-Tax Revenue (NTR) Receipts:

18.3.2.1 Non-Tax Revenue (NTR) is an important component of Revenue Receipts of Government of India. The responsibility of providing NTR estimates of Ministries/Departments to Budget Division, Ministry of Finance has been entrusted with Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be. Therefore, Pr.CCAs/CCAs/CAs(i/c) should carefully analyse past trends of NTR receipts (with components) and project accurate budget estimates.

18.3.2.2 Ministries/Departments are expected to make full efforts to recover arrears of non-tax revenues, and ensure all their CPSUs are paying dividend as per the Dividend Policy issued by DIPAM. Head of Accounting Organization should keep this in mind while projecting NTR receipts and arrears of NTR.

18.3.2.3 In the report of the C & AG of India (Report No. 20 of 2018) on compliance of FRBM Act, 2003, it has been observed that, there are inconsistencies/discrepancies relating to arrears of non-tax revenues. Therefore, special attention should be given to reconciliation of figures and the recovery of arrears of NTR. While reporting NTR arrears, information particularly relating to guarantee fee arrears should also be reconciled.

18.3.3 Preparation of Expenditure Profile Statements

18.3.3.1 Expenditure Profile is one of the important Budget Documents laid in the Parliament. It contains various of Statements showing allocations made to different sections and sectors. Some of the important Statements of Expenditure profile are:

- i. Gender Budget Statement
- ii. Allocations for Welfare of Children
- iii. Statement showing "Estimated Strength of Establishment and Provisions therefor".
- iv. Statement showing Allocation for Welfare of Scheduled Castes
- v. Statement showing Allocation for Welfare of Scheduled Tribes

18.3.3.2. Ministries/departments are required to fill relevant data for these statements in Expenditure Profile module of UBIS, immediately after filling up SBE. Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, should ensure that all these statements are filled up as per instructions provided in Budget Circular.

18.3.4 Preparation of Output-Outcome Monitoring Framework (OOMF)

18.3.4.1 Since 2017-18, in addition to the financial outlays of schemes of the Ministries/Departments being indicated in the Budget document, the expected outputs and outcomes of the schemes are also being presented in a consolidated Outcome Budget document, along with the Budget. These Outlays, Outputs and Outcomes are being presented to the Parliament, reflected in measurable terms and bringing-in greater accountability for the agencies involved in the execution of government schemes and projects.

18.3.4.2 Output-Outcome Monitoring Framework (OOMF) shall be prepared as per the format described in Budget Circular both in English and Hindi. Ministries/Departments shall submit OOMF to NITI Aayog which will consolidate and forward the same to Department of Expenditure (PFC-II Division). DoE will review the targets of outputs and outcomes with reference to budgeted outlay in consultation with DMEO, NITI Aayog and forward the final document to Budget Division.

18.3.4.3 Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, should be closely involved in preparation of OOMF and base the projections on the analysis of past projections and performance and the actual budget outlay.

18.3.5 Preparation of FRBM disclosures

18.3.5.1 As per Fiscal Responsibility and Budget Management Rules, 2004, as a measure of fiscal transparency, certain statements are to be included in Receipt Budget. They are Guarantees given by the Government, Tax Revenues raised but not realized, Arrears of Non - Tax Revenues, and Asset Register.

18.3.5.2 Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be should ensure that the data provided for the purpose of these disclosures exactly matches with accounts data, wherever applicable.

18.3.6 Preparation of Medium-Term Expenditure Framework (MTEF)

18.3.6.1 Section 3 of the Fiscal Responsibility and Budget Management (FRBM) Act, 2003 requires the Government to lay the Medium-Term Expenditure Framework (MTEF) Statement in both Houses of Parliament. The MTEF Statement sets a three-year rolling target for the expenditure indicators with specification of underlying assumptions and risks involved. MTEF gives a medium-term perspective to the Central Government finances and specifies a path for Government's fiscal consolidation.

18.3.6.2 As per FRBM Rules, 2004 MTEF Statement has to be laid in the session immediately following the session of the Parliament in which the budget has been presented. Therefore, Ministries/Departments are expected to start the work related to preparation of MTEF immediately after budget is passed by the Parliament.

18.3.6.3 Since MTEF shows estimated expenditure for next three financial years, Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, should play active role in the process of finalizing the estimates. Analysis of the past trends of expenditure and approved scheme outlays are the key to providing useful inputs in projecting estimates in consultation with administrative divisions.

18.3.7 Preparation of Detailed Demands for Grants (DDGs)

18.3.7.1 Based on final ceilings of RE and BE decided in pre-budget meetings, Ministries/Departments prepare their respective DDG in UBIS. PFMS fetches DDGs data from UBIS directly and makes it available for Ministries/Departments for incurring expenditure in the new financial year.

18.3.7.2 Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, should ensure that allocation for each spending unit is realistically projected. Here again analysis of past expenditure patterns would help in decision making.

18.3.7.3 Ministries/Departments shall ensure that the totals for each Major Head and the total provisions by Revenue and Capital Sections separately for 'charged' and 'voted' included in the DDG exactly correspond to the provisions included in the DG prepared by the Budget Division.

18.3.7.4 Administrative Divisions, being primarily concerned with the programme implementation, are not expected to know the intricacies of the budget classification systems, and the Budget Sections have to assist in this regard. Whenever in doubt, the Principal Accounts Office of the Ministry must be consulted.

18.3.7.5 Therefore, while preparing the DDG it is important to ensure that the classification, namely, major head, minor head, etc. is as per the heads of account prescribed in the List of Major and Minor Heads of Account, and available in Account Code Directory of PFMS.

18.3.7.6 While sending proposal for opening of a new budget line in DDG to Budget Division, Ministry of Finance it shall be ensured that Minor Heads like 800 (Other Receipts/Other Expenditure/Other Deposits/Other Loans), and Object Heads like 43 (Suspense),49 (Other Revenue Expenditure),60 (Other Capital expenditure), and 77 (Other Fixed Assets) are avoided as much as possible. Efforts should be made to identify account head which best describes the function/activity for which budget head is proposed to be allocated. Further, Head of Accounting Organization should frequently analyse expenditure being captured under these account heads and suggest program divisions to avoid the same to the extent possible.

18.3.7.7 All other instructions detailed in Budget Circular related to DDG preparation should be followed scrupulously. It shall also be ensured to upload DDGs in respective administrative Ministry/ Department website.

18.3.8 Preparation of Supplementary Demands for Grants (SDGs)

18.3.8.1 Article 115 of the Constitution provides for seeking Supplementary Demands for Grants (SDGs) during the financial year if the amount authorized by Parliament is found to be insufficient or a need has arisen for a new service or any other additional funding needs.

Sl. No.	Type of Supplementary	Remarks
	Cash Supplementary	<ul style="list-style-type: none">• Obtained when funds are required over and above original appropriation approved by Parliament• Savings could not be identified under any budget line• Cash supplementary should be obtained as a last resort and after due diligence.
	Technical Supplementary	<ul style="list-style-type: none">• Obtained when surrender is sought to be effected from one section of the Demand for additionality in the other.

		<ul style="list-style-type: none"> • transfer of a scheme from one Demand to another Demand which will result in surrender of the amount from the Demand which has transferred the scheme and increase of the Demand where the scheme has been transferred. • expenditure is proposed to be met with matching receipts and recoveries • in case of waivers/write offs • no net increase in the overall appropriation of the Demand
	Token Supplementary	<ul style="list-style-type: none"> • Token supplementary is obtained when due to NS/NIS limits, approval of Parliament is required for re-appropriation. It is obtained when re-appropriation is sought to be done within the same section of the Demand and a token appropriation of ₹ 0.01 cr (₹ 1 lakh) is sought.

18.3.8.2 SDGs are classified into three categories namely, Cash Supplementary, Token Supplementary and Technical Supplementary. Cash supplementary is over and above the original budget provisions and results in enhancement of the allocation for the Demand. Technical Supplementary is required for surrender of savings from one section of the Grant in lieu of requirement in the other. i.e., between Revenue-Voted, Revenue-Charged, Capital-Voted and Capital-Charged. Token supplementary of ₹ 0.01 crore is obtained when due to NS/NIS limits, approval of Parliament is required for Re-appropriation towards utilizing the savings within the same section of the Demand.

18.3.8.3 Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, should ensure that supplementary is sought under the appropriate category and a thorough review of expenditure should be done to explore the possibility of meeting the requirements for additionality through either Token or Technical Supplementary. Cash supplementary should only be sought as a last resort and after proper due diligence.

18.3.8.4 Further, the proposal for Supplementary Demand should be made only when the programme/ scheme for which additional provision is sought has been approved by competent authority and should be limited to the funding requirements within the relevant financial year.

18.3.9 Re-appropriation of Funds

18.3.9.1 Re-appropriation of funds from one primary unit of appropriation to another within a grant or appropriation may be sanctioned by a competent authority at any time before the close of the financial year. However, frequent re-appropriation of funds depicts poor budgeting and must be taken note of.

18.3.9.2 Re-appropriation of funds shall be made only when it is known or anticipated that the appropriation for the unit from which funds are to be transferred shall not be utilized in full and the funds proposed to be re-appropriated will not be needed.

18.3.9.3 Power for re-appropriation is subject to the provisions of Rule 10 of the Delegation of Financial Powers Rules, 1978, and also subject to such other general or specific guidelines as issued by the Finance Ministry from time to time.

18.3.9.4 It will be useful for the Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be and Budget Sections to analyse re-appropriations trends both of the past and current year from the view point of frequency, amount and the accounting heads, for appropriate corrective measures going forward.

18.3.9.5 It is the responsibility of Budget Section of line ministries/departments to review the reasons for savings/excess given by the program divisions, to avoid vague phrases, if any, under a particular budget line. This becomes more pertinent at the time of preparation of Appropriation Accounts for that particular financial year.

18.3.10 Expenditure and Cash Management

18.3.10.1 Distribution of Grants – After the Budget is passed, the Finance Ministry communicates to the various Ministries/Departments figures of Revised Grants for the current year as also the Budget Grants for the next financial year, which in turn, will be communicated to the various offices/units.

18.3.10.2 Expenditure on new service – No expenditure shall be incurred during a financial year on a 'New Service' not included in the Annual Budget without obtaining a supplementary grant. Details of cases treated as New Service are given in Annexure-1 to APPENDIX-3 of GFR,2017 and Rule 10 of Delegation of Financial Powers Rules.

18.3.10.3 Excess over sanctioned grant not permissible – No expenditure should be incurred in excess of the total grant sanctioned by Parliament. If any excess is found necessary, supplementary grant or appropriation or an advance from the Contingency Fund should be obtained.

18.3.10.4 Budget grant to be utilized only during the year – Any grant or appropriation sanctioned for a financial year should be utilized only during the year including clearing off of liabilities for the previous years. Any unspent balance will not be available for utilization in the next year and thus lapses at the end of the year.

18.3.10.5 Acceptance of Revised Estimates: The figures as accepted by the Ministry of Finance against RE are communicated to the offices by the HoDs sometime in January-February. The expenditure for the remaining part of the year should be so adjusted as to be within the accepted provisions. If in any case it is found that the accepted provision is not sufficient to meet the essential items of expenditure the matter should be taken up with the HoD immediately for possible re-appropriation within their powers.

18.3.10.6 Final Estimates: The offices will be required to submit the Final Estimates along with the Monthly Statement of expenditure of February to be submitted in March. The excesses or savings over the accepted RE will be indicated in this statement with full justification. While no additional provision could be granted by the Finance Ministry, the HoD may provide additional funds needed by any office by re-appropriation of savings from other units to the extent available. The final expenditure to be incurred by the units during March will be only after the additional funds are provided by re-appropriation. It should be ensured that there are absolutely no variations between the accepted RE (plus additional provision by re-appropriation, or minus provision shows as surrendered in the Final Estimates) and the actual final expenditure up to the end of March. Hence the Final Estimates included in the statement for February should be carefully assessed and accurately prepared. There could normally be no excesses, as the PAO will not entertain any claim in excess of the provision. Non-utilization of the available provisions by any office is also seriously viewed, as this would have deprived of some other needy unit from utilizing the same.

18.3.10.7 For better cash management, Ministries/Departments are mandated to provide Monthly and Quarterly Expenditure Plans (MEP/QEP) in their respective DDGs, as an annexure. In addition, Budget Division stipulates cash management and exchequer-based expenditure management guidelines from time to time. Extant cash management guidelines may be referred to in Budget Division OM dated 25.05.2022.

18.3.10.8 Non-adherence to MEP/QEP and cash management guidelines would seriously disturb borrowing plan of the Government. Therefore, Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, should help not only in projecting accurate MEP/QEPs but also in adhering to them. They should bring to the notice of administrative Secretary about any abnormal variations in expenditure patterns during the financial year.

18.3.10.9 In addition to the QEP/MEP, the Ministries/Departments also need to diligently follow the SNA/CNA guidelines issued by the Department of Expenditure.

18.3.11 Advance from Contingency Fund of India

18.3.11.1 Article 267 of Indian Constitution stipulates *“Parliament may by law establish a Contingency Fund in the nature of an imprest to be entitled the Contingency Fund of India into which shall be paid from time to time such sums as may be determined by such law, and the said Fund shall be placed at the disposal of the President to enable advances to be made by him out of such Fund for the purposes of meeting unforeseen expenditure pending authorization of such expenditure by Parliament by law under article 115 or article 116”*. Government of India through Finance Act, 2021 increased the corpus of Contingency Fund of India from ₹ 500 crore to ₹ 30,000 crore.

18.3.11.2 In view of the increased corpus of Contingency Fund, additionality sought by the line Ministries/Departments, if any, are preferred to be allocated from the Contingency Fund instead of authorising excess expenditure in terms of Rules 61 and 69 of GFR 2017 (APPENDIX-10).

18.3.11.3 Proposals for advance from Contingency Fund of India shall be sent to Budget Division, Ministry of Finance in the prescribed format of the GFR,2017 giving appropriate reasons for immediate requirement of funds, and why Ministry/Department cannot wait till SDG through the Parliament.

18.3.11.4 After Contingency Advance is taken and funds are expended, care should be taken to obtain requisite appropriations from Parliament to recoup the advance and that the necessary Transfer Entry (TE) is made for final expenditure booking.

18.3.12 Excess Expenditure under APPENDIX-10 of GFR 2017

18.3.12.1 Since most of Central Government expenditure is effected through PFMS, a check to ensure that individual Ministries/Departments are within the ceilings of Demand for Grants, and payments are made from the budget line authorised by the legislature is inbuilt. However, any overriding of the budgetary ceilings in the system, should be done only with appropriate approvals.

18.3.12.2 Whenever Excess Expenditure under APPENDIX-10 of GFR, 2017 is granted by Budget Division, Ministry of Finance, Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs (i/c) as the case may be, should authorise the Pay and Accounts Offices to override the budgetary provisions in the PFMS under a particular head of accounts and incur excess expenditure, over and above the budgetary provisions. However, in such instances, Budget section should ensure that the additional budget is projected under the intended budget head and the same is provisioned through supplementary demands and/or re-appropriation of funds, before the close of the financial year.

18.3.13 Training and Capacity Building

18.3.13.1 Frequent transfers and changes in manpower requirements in Budget Sections of Ministries/Departments calls for regular training and capacity building. Budgeting and finance being a technical subject, steps must be taken to keep the staff updated and well versed with the latest instructions, guidelines and procedures.

18.3.13.2 Head of Accounting Organization i.e. Pr.CCAs/CCAs/CAs(i/c) as the case may be, therefore, should organise regular training sessions on budgeting rules and processes to both Budget Sections and Administrative Divisions. Preparing Manuals, Standard Operating Procedures (SoPs), and Frequently Asked Questions (FAQs) would greatly enhance the capacity of manpower associated with Budget formulation and execution.

18.3.13.3 Possible areas of training could be on familiarisation with UBIS, Data Analytics Tools like Tableau etc., and preparation of DDG, SDG, re-appropriation etc.

18.3.14 Close Coordination with Administrative Divisions

18.3.14.1 The fact that budget related exercises throughout the year need close interaction between the Principal Accounts Office (Pr.AO)/Pay and Accounts Office on one side and the Budget Division on the other, cannot be overemphasised. An illustrative list of areas where close coordination with Administrative Divisions required is given below:

- When Program Divisions communicate surrender of the funds to the Budget Division, there may be some expenditure in some attached/subordinate offices under their control which may be in the pipeline. There may also be instances where they may have authorised some budget to some other Ministries/organizations such as CPWD, BRO, DAVP, etc. While communicating surrender of budget, they might not have factored in fully these instances of expenditure in pipeline or funds authorised to other Ministries.
- Under these circumstances if the Budget Division reduces their BE and allocates the same to some other Division, following aberrations may take place:
 - The Division may overspend due to expenditure in the pipeline getting matured or in the event of CPWD/BRO/DAVP, etc. booking more expenditure out of budget authorised to them.
 - The Division which has been given the additional funds will also book the expenditure out of additional funds provided to them.
- The close coordination between the Budget Division and the Principal Accounts Office helps in avoiding this situation. The Budget Division should advise the Principal Accounts Office to ensure that no further booking of expenditure is allowed to the Division which has surrendered the funds. Budget Division should also get the details of the funds authorised to other Ministries by the Division from the Principal Accounts Office and request the Division to restrict the authorizations to the extent required. This will ensure containment of expenditure within the re-allocated budget.

CHAPTER 19

MISCELLANEOUS ISSUES

19.1 PROCEDURE FOR PAYMENT OF ARREAR CLAIMS

19.1.1 The PAOs under the departmentalized accounting system will not issue any authorization on other Accounts Offices to make payment of arrears on their behalf. When a Government servant is transferred from the payment control of a PAO to another Accounts Office/ Circle, it will be necessary to draw his claims for pay and allowances for issue of the Last Pay Certificate (LPC) by the Head of Office. In the cases where joining time pay and allowances are not to be debited to the department, it should be drawn up to the date of relieving of the Government servant. Other cases will attract the provisions of Rule 66(2) of Government Accounting Rules, 1990 and Notes 1 & 2 under it, to cover joining time pay and allowances for the admissible period or until joining in the new office itself, whichever is earlier. Head of Office should issue LPC in the latter cases, only after payment as above has been made.

19.1.2 In case of employees onboarded for preparation of Pay bill through EIS Module of PFMS, the previous DDO will not be able to process any kind of payment through EIS, if LPC has been issued. In case of employees not onboarded in EIS Module of PFMS, if for any reason the LPC is issued before the payment of joining time pay, the same drawing officer will arrange payment by direct credit into bank account of the government servant for such allowances after drawing from his PAO and intimate the DDO of his new office. A revised LPC marked "Final" will be simultaneously issued to the new DDO stating that the LPC that was issued earlier, should be treated as cancelled and be replaced by the subsequent one.

19.1.3 If any claim arises after the issue of LPC, a "Due and Drawn Statement" for the arrears of pay and allowances will be prepared by the DDO of the present office of the Government servant. He will send it to the earlier/parent office of the Government servant for verification of the drawn portion. The DDO of the earlier office will check the statements and make entries in the relevant Pay Bill Register. After this, he will return it to the present drawing officer along with a certificate that the arrears relating to the Government servant have been noted in the relevant Pay Bill register. On receipt of the duly vetted "Due and Drawn Statement" from the earlier/parent office, the present DDO will prepare arrear bills of the Government servant. The bill will be drawn in proper form after recording necessary certificate as required under Para 2.6(2) of Subsidiary Instructions to CGA(R&P) Rules 2022, for payment from the PAO. The arrear payment will finally be disbursed to the Government servant on proper acquittance, and the expenditure shall be debited to the budget provisions of his own office.

19.1.4 The procedure referred to above has been further modified in cases where the Government servants are transferred to/from Civil Departments/Ministries to/from other Ministries/Departments viz. Defence, Railways, Posts, Telecom or any Government Commercial Department/ Departmental Undertakings, or other Governments. In these cases, while accepting the "Due and Drawn Statement" of arrear claims, the concerned office should accept the debit against the claim and record the classification. After doing this, he will return it to the DDO of the office in which the Government servant is presently working, for drawing the arrears and making payment to him.

19.1.5 The arrears due to a Central Government servant arising after his/her transfer to a Public Sector Undertaking or Government autonomous body on foreign service shall be drawn by the parent office and paid to him by e-payment.

19.1.6 The above procedure is applicable only for drawing the arrears of pay and allowances. In respect of other claims like Travelling Allowance, Overtime Allowance etc. that requires counter signature by the controlling officer, it will be the earlier/parent office that will draw the bill and arrange e-payment by direct credit into bank account of the government servant.

19.2 PROCEDURE FOR RECEIPT, REPAYMENT AND ACCOUNTING OF DEPOSITS UNDER THE DEPARTMENTALIZED ACCOUNTING SYSTEM

19.2.1 Under the departmentalized accounting system, the responsibility for keeping the detailed accounts of deposit transactions will be that of the Pay and Accounts Officer except for deposits where the departmental officers have been made responsible for maintaining detailed accounts (e.g. court deposits, deposits with Public Works or Forest Divisions etc.). In cases where the PAO is responsible for keeping detailed accounts, following instructions shall be applicable for the accounting and repayment of deposits.

19.2.2 The detailed accounts of such deposits should be kept in separate 'Registers of Deposits' in Form CAM- 63, with separate folios allotted for each departmental officer under whose authority or on whose behalf the deposit has been received. Entries will be made from the challans accompanying the receipt scrolls received from the receiving branches of the bank. In cases where amounts are remitted by the departmental officer receiving the deposit to the bank in lump-sum, the detailed posting will be done from the particulars of the statement received from departmental officer, to be reconciled with the credits in bank scroll.

19.2.3 For the repayment of deposits, the bill shall be drawn by the same departmental officer who had deposited the amount on collection from parties, or on whose behalf the parties had deposited the amount in the Bank. He will send the bill to PAO for pre-check and payment, certifying on the bill itself that the conditions subject to which repayment is to be made have been fulfilled, and that a note has been kept in his initial records to prevent double claim. The PAO will check the availability of balance from the Deposit Register and make an entry in the repayment portion of the register with cross reference against the relevant entry. PAO will also make entries in the column against the month in which repayment is being made and then make the payment, subject to other usual checks. Posting against the monthly column of repayment will enable the PAO to reconcile between the figure of repayment as noted in the Register of Deposits and the ledger figure.

19.2.4 Except to the extent modified in these instructions, the rules contained in Central Government Account (Receipts & Payments), Rules, 2022 for deposits of various categories shall remain applicable. Deposits which lapse to Government in terms of para 2.75 of Subsidiary Instructions to Central Government Account (Receipt & Payments) Rules, 2022 shall be entered in a register in Form C.A.M. - 63 A, with cross reference to the Serial Numbers in the Register of Deposits. However, deposits that were not claimed/refunded due to litigation or arbitration cannot be treated as unclaimed deposit normally, and therefore, will not be credited to Government account. To identify such items, the PAO shall ascertain whether any legal proceeding/arbitration is pending against the relevant contracts/supply orders, from the Departmental Officer. On receipt of an affirmative reply, a note to this effect shall be recorded in the remarks column of Form CAM-63. Depending on the outcome of the proceedings, the relevant items of deposit shall be refunded, or forfeited and adjusted as the case may be. For

crediting Government account, a transfer entry shall be incorporated in the accounts to debit the major and minor head etc under which the original deposit was credited, by contra credit to the major head 0075- Miscellaneous General Services- 101-Unclaimed Deposits. Before authorizing refund of such lapsed deposits, the PAO will-

- (i) Verify that the Departmental Officer countersigning the application for refund has certified the claimant's identity and title for refund;
- (ii) Ascertain from the register in Form CAM 63 or 63A as the case may be, that the deposit item was actually received and is recorded; and
- (iii) That it was transferred to the revenue head of Government account as lapsed deposit, and has not been paid previously.

Thereafter, the PAO will make necessary entries about payment in the relevant columns of the register. On refund, such lapsed deposits shall be accounted for under the sub-head "Deduct-Refund" below the major etc. head '0075-Miscellaneous General Services-101-Unclaimed Deposits.'

19.3 REFUND OF DEPOSITS WHERE DETAILED ACCOUNTS ARE MAINTAINED BY THE DEPARTMENTAL OFFICERS.

19.3.1 The departmental officers shall submit the list of items lapsing to Government account to their PAO, with full particulars vide columns 1 to 4 of Form CAM- 63A, in terms of para 2.75(1) of Subsidiary Instructions to CGA (R&P) Rules, 2022. He will indicate distinctly the details of deposits that pertain to contracts/supply orders which are under litigation/ arbitration.

19.3.2 If the items are large in number, the original list received from the departmental officer may be used as folios of the register, after opening additional columns Numbers 5 to 8, otherwise these may be entered in the register. In the accounts, the effect of the lapsed deposits shall be reflected by the PAO through a transfer entry in the manner stated in Para 19.2.4. In the same manner, the bill for refund of lapsed deposits of this type will be submitted to the PAO for payment after scrutiny.

19.3.3 The PAO will also be responsible for reconciliation of the balances as per the Register(s) of Deposits with the corresponding ledger balances as per accounts, by maintaining broadsheets.

(Authority; - Ministry of Finance, Deptt. of Exp. special Cell O.M.NO. F2(27)/76-Spl. Cell (Pt II) dt, 15.12.76.)

19.4 PROCEDURE FOR TRANSFER OF BALANCES, BETWEEN PAOs OF THE SAME ORGANISATION OF A MINISTRY/ DEPARTMENT AND BETWEEN PRINCIPAL ACCOUNTS OFFICES.

19.4.1 When a Government servant is transferred from one office to another either within the same Ministry/ Department or another, the balances outstanding against that Government servant shall be settled through monetary settlement for various Debt Deposit and Remittance Heads pertaining to long term Loans/ Advances and Provident Funds. When both the PAOs are working in GPF module of PFMS, the transfer of PF balances would be through system generated TE. In other cases, the GPF balance at the credit of the subscriber shall be transferred by the PAO by issue of 'C' category cheque drawn in favour of the PAO of the circle where the Government servant stands transferred, by classifying the amount as minus Credit to M.H. 8009 –GPF.

19.4.2 While transferring the long term outstanding amounts viz. H.B.A./M.C.A. etc. in respect of a Government servant, the PAO shall raise a claim against the PAO where the Government servant is transferred through Transfer Entry(TE) by debiting the Major Head 8658-Suspense Accounts-"PAO-Suspense-item adjustable by (the name of PAO). He shall do so by affording contra credit to Major/Minor Heads, "7610 - Loans to Govt. servants - H.B.A./M.C.A." as the case may be, to clear the debit balances outstanding under HBA/MCA in his books. On receipt of claim, the transferee PAO shall arrange to issue cheque of `C' category in favour of the Pay and Accounts Officer from whose circle the Government servant had been transferred, and classify the paid amount as minus credit (not debit) to Major /Minor Heads "7610- Loans to Government servants- HBA/MCA. Upon receipt of cheque from transferee PAO, the cheque should be deposited by the former PAO in the bank along with a challan. Subsequently on its realization through receipt scroll from the bank, the challan should be posted in the accounts by classifying as (-) Debit to Major Head 8658-Suspense Accounts-PAO Suspense through Transfer Entry so as to clear the original suspense created at the time of claim.

19.4.3 There may be instances when the entire departments/offices of Government of India are transferred from one Ministry/Department to another Ministry/Department. In such cases, the following procedure shall be followed for the transfer of balances from one Principal Accounts Office to another:

19.4.4 The ledger balances to be transferred as on the date of transfer for various debt, deposit, suspense and remittance shall be mentioned separately for each major head, in the format given in clause (D) below. It shall be prepared in triplicate by the Principal Accounts Office of the transferring/originating Ministry. These balances shall exhibit a break up of balances as on 31st of March of the preceding financial year, and the cumulative effect of transactions arisen from 1st April to the end of the month preceding the month in which the transfer is effected. The balance as on 31st March will be obtained from the ledger of balances (Form CAM-40) maintained by the relevant PAO while the figures for the remaining period shall be based on the progressive figures of transactions appearing in the affected month's Consolidated Abstract. Before transferring the balances, it is to be ensured that in respect of Major Heads like 8009, 8342 etc. that involve calculations on interest, the interest is worked out only on the balances as at the end of the preceding financial year, and added to the major/minor head totals through March (Supplementary) Accounts of the originating Department. This is to ensure that the interest so calculated is accounted for in the accounts of his circle also, and the balances are transferred as on 31st of March of the preceding financial year.

(A) TRANSFER OF WORK INVOLVING TRANSFER OF A PART OF THE WORK HANDLED BY A PAY AND ACCOUNTS OFFICE.

- (i) Balances under Major Heads 8658-Suspense Accounts except as specified in the note given below, 8670-Cheques and Bills, 8675-Deposits with Reserve Bank, 8786-Adjusting Accounts between Central and State Governments are not to be transferred to the new Accounts Office. The circle in which the balances under these heads had arisen shall be responsible for clearing the outstanding amounts, based on the payment scrolls received from the Bank and the response of the PAOs against whom debits or credits had been raised through outward claims.
- (ii) In respect of all major heads of account for which individual-wise detailed accounts are maintained by the PAO, e. g. 7610- Loans to Government servants-HBA/MCA, and other loan heads, 8009- GP Fund etc. the original ledger folios and relevant broad sheets shall

continue to be held in the custody of the originating AO. The PAO should however send an individual-wise statement, indicating the balances as on 31st March of the preceding financial year and the month-wise subscriptions/recoveries effected during the current financial year. He should also furnish details of drawing of original advances like amount sanctioned, number and date of drawing of advances, certificate regarding agreements/mortgage deed having been executed by the Government servant in favour of the President for comprehensive insurance taken by him etc. This is to enable the recording of necessary entries in broad sheets by the successor PAO.

- (iii) In respect of major heads appearing under 'Sector F -Loans and Advances', an extract from the relevant loan register shall also be furnished.
- (iv) In respect of major heads appearing under 'Sector K-Deposits and Advances', apart from furnishing of list of deposits as per relevant register in Form CAM-63, the list of deposits lapsed to Government account shall also be prepared from the register in Form CAM-63-A and sent to the successor PAO in terms of provisions of para 2.75 of Subsidiary Instructions of CGA (R&P) Rules, 2022.

(B)TRANSFER OF WORK INVOLVING TRANSFER OF AN ENTIRE PAO DEALING WITH THE DEPARTMENT'S WORK.

There may be cases where the transfer of a Department involves the transfer of its accredited PAO in totality, as in the case of PAOs attached to the Ministry of Overseas Indian Affairs. In such cases the balances outstanding under all the debt, deposit, suspense and remittance heads held in the accounts of that PAO shall be transferred without any exception to the Principal Accounts Office to which the PAO stands transferred, along with all the accounting records. The question of bifurcation of the balances under various heads between allocable and non-allocable would not arise in such cases. The PAO shall continue to be responsible for the final clearance of all transactions booked under such suspense and remittance heads and watching the repayment and accounting of loans, deposits and the subscriptions etc. recovered.

(C)MANNER AND FORMAT FOR EFFECTING "PROFORMA" TRANSFER OF BALANCES.

The originating or the transferor Principal Accounts Office shall prepare two copies of the statement in the format given below, duly filled and accompanied with necessary details such as analysis of difference between ledger and broad sheet, supported by extracts of details as mentioned in (A) or (B) above. This shall be sent to the responding or transferee Principal Accounts Office of the Ministry to which the Department stands transferred. The responding Principal Accounts Office would adopt the ledger balance indicated in the format on 'Proforma basis' and return one copy of the same to the originating Principal Accounts Office, with a certificate that the ledger balances shown in it has been adopted on "Proforma basis" in his books. The originating Principal Accounts Office on receipt of a copy of the format from the responding Principal Accounts Office, shall drop such balances from his books.

(D) FORM (To be prepared in triplicate)

Principal Accounts Office, Ministry of Statement showing balances under various D.D.R. heads relating to the Office/Deptt. of transferred to Principal Accounts Office, Department of Ministry of Government of India as on

(Separate for each Major Head) Major/Sub Major heads of account

Minor Head	Sub Heads	Brief nature of transactions	Ledger balance	Broad sheet balance	Difference	Remarks

Encl: Supporting documents/details.

Signature
(Pay and Accounts Officer)
(Originating Principal Accounts Office)
Ministry of..... Deptt. of

Certificate of the responding Principal Accounts Office:

Certified that the ledger balances as indicated above have been taken over in the books of this office as on.....

Signature
(Pay and Accounts Officer)
(Corresponding Principal Accounts Office)
Ministry of..... Deptt. of

When the material for Statements No. 3 and 15 for the preparation of Central Government Finance Accounts is sent to the CGA, it shall be accompanied with a copy of the folio maintained in Form CAM-40, for each of the affected major head of account. The Principal Accounts Office to or from which the proforma transfer of balance was effected and the amount involved will be indicated through entries in column 6 or 7 thereof. It will also be indicated whether the balance under a minor head was transferred or received from more than one Principal Accounts Office.

This would enable the organization of the CGA to verify that the data regarding Proforma transfer/adoption of balances furnished by the originating and responding Principal Accounts Offices are consistent and there are no discrepancies in the balances dropped or adopted on `Proforma` basis by them.

19.4.5 Apart from the transfer of balances under the D.D.R. heads as above, the originating Principal Accounts Office shall also send complete details of the investments etc made by the Government as appearing in his books under the capital Major Heads, to the responding Principal Accounts Office. It is required to enable the latter to prepare Statement No. 11 of the Finance Accounts, which shows investments of Union Government in statutory corporations, government companies etc. Similarly, figures relating to Statement No. 12 of

Finance Accounts regarding progressive expenditure on Capital Account shall also be sent. [Authority : Min. of Finance (CGA) OM No. S-11018/11/78/TA-1407 dt. 27-6-78 and O.M.No.S 11018/11/78/TA - 2365 dt. 30-9-78].

19.5 BUDGETARY AND ACCOUNTING ARRANGEMENTS CONSEQUENT UPON REORGANIZATION OF MINISTRIES

19.5.1 An amendment to the Government of India (Allocation of Business) Rules, 1961, may involve transfer of some items of work as well as offices/departments dealing with them from one Ministry/Department of the Government of India to another. This may require special arrangements for provisioning of funds and operation of certain sub-heads under the Demand for Grants pertaining to former or the transferor Ministry/Department by the latter or the transferee Ministry/Department. In such cases, the Ministry of Finance would be required to issue necessary sanction for permitting the transferee Ministry/ Department to operate the provisions under the Demand for Grants of transferor Ministry/Department. – Hereafter, this type of case has been referred as Type `A'. Alternatively, the transferee Ministry/Department will take action to obtain supplementary budget allocation under its own DG wherever possible, and the transferor Ministry/Department will surrender the budget available with them - this type has been referred to as Type `B' hereafter.

19.5.2 Instructions pertaining to payment and accounting procedure to be followed in such cases are prescribed below:

General (applicable to both types `A' and `B')

- (a) There is a need to avoid dislocation of work that might otherwise be caused due reorganization of Ministries/Departments and sudden switch over. Hence, the transfer of payment and accounting work in the office of the PAO (Transferee) in such cases, will be commenced from the 1st of the month following the date of Presidential Notification and on receipt of the sanction of the Ministry of Finance (DEA referred to above).
- (b) The Transferor PAO will furnish a statement to the Transferee PAO, indicating -
 - (i) The provisions in the existing Demand for Grants against relevant sub-heads, plus supplementary grant if any obtained for the purpose, and break up thereof, if any, among various DDOs as authorized by the Grant Controlling Authority;
 - (ii) The expenditure booked by him against the respective heads up to the end of the month for which accounts are compiled, plus the amounts for the subsequent month posted in his Expenditure Control Register;
 - (iii) He will subsequently indicate the actual figure booked by him up to the month for which he was responsible for payment and accounting, as soon as compilation for the last month is finished; and
 - (iv) If any debits pertaining to the Transferred DDOs are received later, they will be duly forwarded by him to the Transferee PAO for necessary action, under intimation to the accounts authorities from whom the debits originated.
- (c) The Transferee PAO will enter the details referred to above in his relevant books e.g.

DDO wise Bill passing cum expenditure Control Register etc and proceed with the payment and accounting work relating to the new offices/departments transferred to his circle, in the usual manner.

Action at the end of the year and preparation of Appropriation Accounts

- (d) Type 'A'- In cases where supplementary grant is not obtained by the Transferee Ministry/Department, as soon as the accounts for the relevant financial year are closed, the Transferee PAO will forward the following material to the 'Transferor' PAO -
- (i) The figures of expenditure booked by Transferor PAO and intimated to him as per (b) (iii) above;
 - (ii) The expenditure incurred and booked in his books against the relevant primary units after he started the payment and accounting work relating thereto;
 - (iii) Total actual expenditure during the entire year vis-a-vis the provisions under each of the primary units in the original Demand for Grant, Supplementary Grants and Reappropriations (Orders sanctioning Reappropriations in such cases would be issued by the Transferor Ministry/Department) if any, and
 - (iv) The Principal Accounts Office of the Transferor Ministry/departments will be responsible for including the figures intimated by the Transferee PAO (vide (iii) above) for the purpose of preparation of the Appropriation Accounts for the Demand for Grant as a whole.
- (e) Type 'B' - If the Transferee Ministry/Department obtains supplementary funds to cover the relevant expenditure in its own Demands for Grants, the Pr A.O. of the Transferee Ministry/Department would be responsible for the preparation of the Appropriation Accounts after including these heads, as usual.

Applicable to types 'A' and 'B'

19.5.3 In either case, soon after the accounts for the relevant month are closed, further action would have to be taken by the Transferor Pr.Accounts Office/PAO to effect the transfer of balances under various D.D.R.S. Heads to the Transferee Pr Accounts Office/PAO, keeping in view the provisions of paras 19.4.3. to 19.4.5. (Authority: S.14014/AL/83/TA)

19.6 OPENING OF LETTERS OF CREDIT(LC) BY AUTHORISED BANKS IN FAVOUR OF FOREIGN SUPPLIERS IN CONNECTION WITH THE IMPORT OF EQUIPMENTS AND COMPONENTS BY CENTRAL GOVERNMENT MINISTRIES/DEPARTMENTS

19.6.1 Certain Ministries/Departments are authorized to import equipments and components. Consequently, they are in this connection required to open Letters of Credit (LC) in favour of foreign suppliers.

19.6.2 The Ministries/Departments now have the facility of opening an irrevocable LC with authorized agency banks on payment of the commission charges on the basis of the services rendered without depositing funds with them in advance. Quotation on the commission charges payable would be called from banks including accredited bank of the Ministry/Departments. The bank would be selected based on the quotation received for commission charges. The accredited bank to follow the procedure of directly debiting the amount to the government

account through scrolls. However, the banks other than the accredited banks will get reimbursement from the RBI for the Foreign LC payment made on the basis of debit mandate receipt from the concerned Government Ministries/Departments.

[Authority No: 1(13)(6)/2000/TA/338 dated 17.06.2004]

19.6.3 This is on account of the fact that the turn over commission paid by the Reserve Bank to the banks handling Government business in terms of para 26 of the Memorandum of banking instructions issued by them, is not meant to cover the charges for the work of opening irrevocable LC on behalf of Government.

19.6.4 With effect from 1-9-1980 the Ministry/Department which places a supply order or order for acceptance of tender other than those placed on private firms or individuals in the U.S.A., shall be responsible to arrange for payments against such contracts. For this purpose, the procedure prescribed below may be followed after mutual agreement with the foreign suppliers, with lower costs implications when compared to the system of LC. On receipt of the completed invoice from the foreign supplier along with all the relevant documents required under terms of the contract by the nominated officer in the Ministry/Department or by the bank nominated by the Ministry in India, payment shall be made through bank transfer directly into the payee's pre-specified bank account(s) abroad.

Note: - In cases where the foreign supplier insists on opening of a LC, the concerned Department may insert a suitable provision to that effect in the contract, and arrange to have the LC opened, keeping in view the orders on the subject.

(Authority: File No. 1(13) (1)/86/TA)

19.7 PERSONAL DEPOSIT (PD) ACCOUNT

19.7.1 Personal Deposit Account is an account which is authorised to be opened in the Public Account portion of Government account in an accredited bank with the approval of CGA by Central (Civil) Ministries/Departments. The proposal for opening of PD Account should be on the recommendation of Ministry/Department with the approval of Chief Accounting Authority in consultation with FA and Head of Accounting Organisation. It is a device intended to facilitate the Administrator of the PD Account to credit the receipts and effect withdrawals directly from the account. This is subject to an overall check exercised by the bank in which the account is authorized to be opened, to ensure that no withdrawal will result in a minus balance therein. It is done (with the help of a Personal Ledger Account maintained by the bank for this purpose. The administrators of PD Account shall be only Government Officers acting in their official or any other capacity.

19.7.2 The Ministry/Department concerned is required to satisfy themselves on the need for opening such an account, the arrangements made for the proper maintenance of the initial accounts of the money that is to be kept in the PD Account, and their audit. The Principal Accounts Office shall also be consulted for the purpose, and then the proposal shall be forwarded to the CGA for their views, as well as for the opening the necessary head of account and finalization of the accounting procedure.

19.7.3 PD Account may be required to be created by a law or a rule having the force of law, or where certain liabilities devolve on the Government out of the special enactments by way of bridging any deficit or shortfall in the account which are discharged by transferring funds to it from the CFI. In such cases, the credit balance in the PD Accounts at the end of each financial year would lapse to Government, and for this purpose the account may be closed by

affording minus debit to that extent to the relevant service head(s) in the Consolidated Fund. The PD Account may be revived in the subsequent year again, if necessary, in the usual manner.

19.7.4 Where work relating to payment etc of a P.D. Account is entrusted to an Administrator or the PD Account holder, the Chief Accounting Authority of the Ministry/Department may determine whether or not the initial accounts, vouchers etc shall be subject to post check by the concerned PAO. The decision shall be taken with reference to the status, expertise etc of the organization functioning under him. Where post check is required to be exercised by the PAO, the Deposit Accounts holder shall furnish the detailed monthly account along with vouchers in support of the lump withdrawals/deposits made during each month, to the concerned Pay and Accounts Officer. It will be done in the same manner as required by a cheque drawing DDO under the provisions contained in Chapter 3 of this Manual. Where post check is not required to be exercised, the PAO will confine its check to the transactions of withdrawals from the accounts to see that they do not exceed the balance at the credit of the account. He will also ensure that proper paid cheques are received along with bank scrolls. The vouchers in such cases will remain in the custody of the PD Account holder, who shall be responsible for the regularity of all the payments out of the PD Account in all respects, and especially with reference to the relevant rules relating to the creation and operation of the PD Account.

19.7.5 For every PD Account, the Pay and Accounts Officer shall invariably conduct a monthly reconciliation of the receipts and payments out of the PD Account against the reported figures in the bank scrolls and the monthly statement of receipts and expenditure submitted by the PD Account holder. The PD Account holder shall indicate the details of cheques issued by him but not encashed till the end of month. For this purpose, an "Abstract of the Register of Receipts and Payments" pertaining to the PD Account shall be submitted by the PD Account holder to the concerned PAO (**APPENDIX 19.1**).

19.7.6 In some cases work of payment etc relating to a PD Account may be entrusted to the Pay and Accounts Officer himself on behalf of the officer appointed to administer the account. In such cases, it shall be the responsibility of the P.D Account administrator to examine the correctness of the receipts credited into the PD Account and to ensure the remittance of funds creditable to it by the concerned parties, either to the PAO or directly into the bank account for final accounting in the PD Account. Similarly, all claims out of the PD Account shall, if necessary, after scrutiny by the officer appointed to administer it shall be sent to the PAO, for effecting payments. In such cases the Pay and Accounts Officer shall maintain a register known as PD Account Register, as described below.

19.7.7 All receipts accruing to the PD Account shall be recorded on the receipt side briefly indicating the nature, date of the bank scrolls and amount credited into the Deposit Account. On the payment side (right hand side), all payments out of the fund with necessary details shall be recorded. Progressive total of receipts and expenditure shall be recorded whenever an entry is made on the receipt or expenditure side, so as to ensure that a payment does not lead to minus balance in the account at any point of time. The PAO shall discharge all its general functions prescribed in this manual in such cases. In the first week of every month, he shall furnish to the officer administering the account, a monthly account showing the opening balance, receipts, payments and closing balance of the transactions at the end of the previous month. At the close of each financial year, the closing balance in the PD Account shall be reconciled with that appearing in the figures under the relevant head in the March (Supplementary) accounts of the PAO and a certificate, to this effect shall be recorded in the PD Account Register. The PAO will also be responsible for the preparation

of Budget Estimates and Revised Estimates in regard to the receipts and payments under the PD Account. It shall be done in consultation with the Officer appointed to administer the account, to be furnished to the Budget Division in the Ministry of Finance (DEA), in November each year.

19.7.8 Every PD Account shall be subjected to scrutiny by the internal Audit Unit functioning under the respective Ministry/Department.

19.8 INVESTIGATION OF CASES BY SPECIAL POLICE ESTABLISHMENT: FACILITIES AND CO-OPERATION REQUIRED TO BE EXTENDED BY ADMINISTRATIVE AUTHORITIES AND PROCEDURE FOR OBTAINING ORIGINAL DOCUMENTS RELATING TO ACCOUNTS ETC.

19.8.1 The following procedure shall be followed for the production of original documents relating to accounts which are in the possession of departmentalized accounts organization, to the Special Police Establishment (SPE) required for investigation:

(i) The requisition(s) shall be sent by the SPE at the level of not less than a Superintendent of Police along with a certificate to the effect that copies/Photostat copies of the required documents would not serve the purpose of the investigating officer;

(ii) On receipt of the requisition as above, the Pay and Accounts Officer shall obtain the orders of the Head of Accounting Organization expeditiously who shall in turn obtain the orders of the FA wherever necessary, before handing over the documents in original to the SPE. The Pay and Accounts Officer shall comply with the request of CBI, subject to procedure prescribed, without causing undue delay and inconvenience in CBI investigation;

(iii) It shall be ensured that a note of the record so handed over is kept by the Pay and Accounts Officer concerned to keep a watch on the return of the documents. In all cases, photostat copies of the original documents shall also be retained in proper safe custody before releasing original documents, except where the F.A./Head of accounting organization specifically direct otherwise; and

(iv) In cases where the original documents are requisitioned by a Court of Law, the concerned PAO shall obtain the orders of the head of the accounts organization, and then produce the documents before the court of law, after retaining the photostat copies in proper custody. A note of such documents produced before the court should also be kept and return of the original document watched upon carefully.

19.8.2 The provisions of the procedure at (ii) of para 19.8.1 above and of (iii) & (iv) thereof, shall also be followed for release of original documents to Departmental Enquiry Officers.

(Authority: D.P.A.R's U.O.No. 371/7/79-AVD.III dt.2-2-1981 in File No. S.14024/1/79/TA)

19.9 ADJUSTMENT OF PAYMENT AND ACCOUNTING CHARGES IN THE PROFORMA ACCOUNT OF DEPARTMENTAL COMMERCIAL UNDERTAKINGS OF THE GOVERNMENT OF INDIA

19.9.1 The following procedure shall be uniformly adopted for calculation of payment and accounting of the charges that are to be debited to the 'Proforma Account' of departmental

commercial undertakings:

- (a) Full cost of clerk/typist and Sr. Accountant/Accountant exclusively deployed for the work;
- (b) When clerk/typist and Sr. Accountant/Accountant are not exclusively deployed for the work concerned, proportionate cost of the estimated time spent by them on that work;
- (c) The cost of A A.O. in proportion of the cost of clerk/typist and Sr. Accountant/Accountant deployed on the work to the total staff in the section;
- (d) The cost of PAO in proportion of the cost of the A A.O. (item (c) above) dealing with the work to the total number of A A.Os under him, and.

19.9.2 The cost may be worked out by adding items (a) to (d) above and to this 10 percent (ten percent) may be added to cover the expenditure of Principal Accounts Office, Internal Audit Parties, pension charges and other contingent expenditure.

(Authority: CGA`S letter No. S 11064/1/78/TA/4044-45 dt.12-11-1980)

19.10 ACCOUNTING AND RECONCILIATION OF TRANSACTIONS FALLING UNDER PWD REMITTANCES, FOREST REMITTANCES ETC. UNDER THE DEPARTMENTALISED ACCOUNTING SYSTEM.

19.10.1 In the PWD system, the minor head "102 – Public Works Remittance" below the Major Head "8782 – Cash Remittances & adjustments between Officers rendering accounts to the same AO" is operated to record transactions of Public Works Officers with Treasury and Other Officers of the Civil Departments within the same circle of Account. It includes the following sub-heads viz.

- (i) Remittances into Treasuries/Banks; and
- (ii) Public Works Cheques.
- (iii) Other remittances
- (iv) Transfers between Public works / Forest Officers

The sub-heads mentioned at (i) and (ii) above are operated for accounting for the remittances and drawings from the banks respectively. The Monthly Divisional Accounts will be continued to be supported by the "Schedule of Reconciliation of Cheques and Remittances", in the same form as the existing Schedule of Settlement with treasuries, with suitable modifications. The exception being that the reconciliation will be done with the copies of receipt and payment scroll received from the bank with which the Divisional officer is in account with, showing the receipts and payments accounted by the bank in the scroll sent to the PAO. This schedule should explain the differences between the cheques issued/e-payment advices issued and remittances made by the Divisional Officer on the one hand and the cheques encashed or e-payment advices termed as success and remittances accounted for by that bank. A list of cheques issued but not encashed, e-payment advices failed or failure after success and remittances made but not accounted for during the month, as well as cheques or e-payment advices issued and remittances made during the previous months but accounted in the bank scrolls during the month on hand, should also be furnished.

19.10.2 In the PAO the `Schedule of Reconciliation of Cheques and Remittances will be carefully examined with reference to the divisional accounts and the bank scroll for the month, and it should be seen that:

(i) FOR CHEQUES or e-payment advices

(a) The total of the cheques encashed or e-payment advices found success as shown in the Schedule agrees with the total cheques encashed or e-payment advices found success as per the bank scrolls for the same period. The images of the paid cheques shall also be individually checked with the scroll as well as with the relevant paid vouchers received with the accounts;

(b) The difference between the cheques or e-payment advices issued by the Divisional Officer during the month and the cheques encashed or e-payment advices successful has been explained fully and reconciled, after taking into account the effect of the cheques issued but not encashed during the month and cheques issued during the previous months but paid during the month on hand; and

(c) The closing difference as at the end of the month is equal to the total of the cheques remaining un-encashed as on that date.

(ii) FOR REMITTANCES

(a) The total of the remittances shown as accounted for by the bank in the Schedule agrees with the total as per receipt scrolls received direct from the bank;

(b) That the difference between the total remittances accounted for by the Divisional Officer and that acknowledged by the bank is duly explained taking into account the remittances not accounted for by the bank during the month and the remittances of the previous months accounted for during the month on hand; and

(c) That the progressive difference at the end of the month is on account of remittances actually in transit. The PAO will also maintain separate broad sheets in respect of 'I-Remittances' and 'II-Cheques' for reconciliation of the figures shown in the schedule with those in the ledger.

19.10.3 The PAO will continue to follow the existing procedure for accounting of transfers between his books and divisional books through "PW Remittances III-Other Remittances" only for the transactions advised by the PAOs of the Department of Supply. In other cases the Divisions should resort to direct settlement by cheques/drafts. Accordingly, the Departments rendering supplies of services to the Divisions should prepare a bill for the claims recoverable from the Divisions and send them directly to the concerned Divisional Officers for payment by cheque or draft as the case may be. This expenditure will also be accounted by the Divisional Officers in their accounts, just like any other transaction arising in their books.

19.10.4 The foregoing instructions will also apply to officers rendering accounts under the Forest System of accounts e.g. in the Ministry of Environment and Forests.

19.11 SAFE CUSTODY OF DUPLICATE KEYS OF THE DEPARTMENTAL TREASURY CHESTS, PROMISSORY NOTES, SAVINGS CERTIFICATES ETC. RECEIVED AS SECURITIES.

19.11.1 The Public Sector Banks have agreed to extend, free of charge, the safe custody facilities for keeping duplicate keys of the concerned Ministries/Departments dealing with them, subject to the availability of adequate strong room facilities at the branch concerned

and observation of the usual banking procedure. Similar safe keeping facility has also been extended free of charge for Promissory Notes/ Savings Certificates etc. received as security and held by Ministries/Departments of the Government of India.
(Authority: - CGA's O.M.No.s.14013/1/78/TA/Vol.III/3246 DT. 29-8-1980).

19.12 RAISING AND PURSUANCE OF OBJECTIONS

19.12.1 It is an important duty for every Pay and Accounts Officer to see that objections raised and irregularities noticed as a result of various pre and post checks exercised by his office are reported to the proper authorities so that suitable remedial action is taken by them and recurrence thereof prevented.

19.12.2 Ordinarily when a transaction requires the authorization of a higher authority, the Pay and Accounts Officer must insist that such authorization be obtained. Similarly where a sum of money is recoverable, the Pay and Accounts Officer must insist on recovery except in cases where it has been waived under the authority of waiver of recovery delegated to him, or where the competent authority has directed that the recovery should be foregone.

19.12.3 All communications conveying objections must be recorded in courteous and impersonal language, should be clear and intelligible, and issued promptly to the concerned departmental authority. Majority of the objections would be such as would require to be conveyed through bill return forms to the DDO concerned, and their Return should also be watched carefully.

19.12.4 The objections should be recorded in detail in the Objection Book (Form CAM-26) in the PAO, with Individual cases of serious irregularity reported to the concerned Controlling Authority under intimation of the head of the accounting organization.

19.12.5 Money value should be recorded in respect of objections of the type or similar to those enumerated below:

1. Want of vouchers (if not received when the relevant accounts are under check);
2. Want of sanction relating to advances, losses etc;
3. Want of sanction relating to special charges;
4. Want of any other specific sanction required by rule;
5. Over payments and short recoveries;
6. Delays in the recovery of sums due to Government, if not recovered within a reasonable period usually in respect of each class of debt or other dues;
7. Want of allotment of funds;
8. Excess over allotment; and
9. Excess over sanctioned limit of reserve stock.

19.12.6 In respect of objections of the following types, money value need not be indicated in the records:

- (1) Simple directions to concerned offices for further guidance or calling for a document or information the absence of which is not likely to affect the amount admissible;
- (2) Stamp not affixed on a voucher which is otherwise complete;
- (3) Habitual delays in the submission of account returns, vouchers etc;
- (4) Doubtful adjustments and possible manipulations in accounts which do not involve actual losses;
- (5) Deviations from the rules which are indicative of disregard or evasion of rule(s), but which do not represent charges incurred without proper sanction;

- (6) Errors in accounts etc which do not indicate any deficit or surplus;
- (7) Instructions and other remarks regarding the form of accounts or errors in procedures adopted; and
- (8) Enquiries to seek clarifications on points of doubt.

19.12.7 A record of insufficient or irregular sanctions accorded by any authority superior to the disbursing officer shall also be kept in the objection book in column 9.

19.12.8 CLOSING OF THE OBJECTION BOOK

After dispatch of bill return memo relating to the month, the money column in the adjustment portion of the Objection Book should be totalled and the outstanding balance representing the objections should be worked out. The Objection Book should be closed by the 20th of the succeeding month over the signature of the AAO, and put up to the Pay and Accounts Officer once in every quarter e.g. in July, October, January, and April.

19.12.9 DELEGATION OF POWERS TO WAIVE OBJECTIONS OR FOREGO RECOVERY OF IRREGULAR EXPENDITURE.

In order to avoid time and labour spent on pursuit of objections of simple and unimportant nature and thus reduce administrative costs, powers are conferred on officers working in Departmentalized Accounts Organizations functioning under Central Government (Civil) as indicated below:

(a) Powers to waive objections against irregular expenditure not exceeding the amount specified against each, in any individual case are shown below:

Pr. CCA/CCA	: ₹.250
Controller of Accounts	: ₹.100
Dy. Controller of Accounts/PAOs	: ₹ 75

Note: If the irregularity is such that it is likely to recur, the Government servant responsible for it should be intimated that the expenditure was irregular even if no recovery was made.

(b) Some items are placed under objection as they are not exactly covered by rules or the authority for them is insufficient or not foolproof, or the reasons that supporting vouchers for the expenditure incurred have not been produced. In such cases, the powers to forego recovery upto the limit specified against each, in any individual case and subject to fulfilment of conditions (i) to (iii) are indicated below:

Pr. CCA/ CCA	: ₹500
Controller of Accounts	: ₹ 200
Dy. Controller of Accounts/ Pay and Accounts Officers	: ₹ 100

(i) The expenditure must not be of recurring nature;

(ii) Where the objection is based on insufficiency of sanction, the concerned officer must be satisfied that the authority empowered to sanction the expenditure would accord sanction if requested to do so; and

(iii) Where the objection is based on insufficiency of proof of payment, concerned officer must be satisfied that undue trouble would be caused by insistence on submission of the proof, and must see no reason to doubt that the charge has actually been paid.

19.12.10 TREATMENT OF ERRONEOUS PAYMENT ADMITTED BY THE PAY AND ACCOUNTS OFFICE.

When erroneous payments were admitted through pre/post check for a considerable period of time either due to wrong interpretation of financial rules or oversight, the following course of action shall be followed:

(a) When a wrong interpretation of a financial rule has been followed, the new interpretation should in the absence of special instructions to the contrary, take effect from the date of issue of orders on correct interpretations by competent authority,

(b) When erroneous payments were admitted through oversight, the Pay and Accounts Officer should not of his own volition undertake a re-audit of bills paid for a period more than one year before that day. He should report the facts of the case for orders to the Government and a re-audit should not be made unless the Government so desires.

Note: The Pay and Accounts Officer has to rely largely upon certificates and it is often possible and desirable to check such certificates by examination of original documents during internal inspection. Such examination is not a re-check for the purpose of this clause.

19.12.11 REPORTS OF DEFALCATIONS AND OTHER LOSSES

(a) The department concerned should report defalcations and losses to the Pay and Accounts Officer and to the Statutory Audit Officer simultaneously.

(b) On receipt of a report on defalcation or loss of public money or property, the Pay and Accounts Officer should call for such further information as he may require on the subject, and carefully examine the case. He shall ascertain whether the defalcation or loss was caused on account of any defect in the rules, or whether it was due to neglect of rules or want of supervision on the part of the authorities. He should report the result of such examination to the authority competent to sanction the write off for the loss. He should also report important cases of this nature to the Principal Accounts Office.

19.13 REVIEW OF BALANCES

19.13.1 At the close of any financial year, the Pay and Accounts Officer shall review and verify the balances under various Debt, Deposit and Remittance heads and ascertain wherever necessary, whether the person or persons by whom the balance is owned or to whom it is due, admits its correctness. In cases of balances due to Government, it should be ascertained as to how far they are really recoverable. Occasionally there could be a case where the broadsheet balance under a loan, debt, deposit, remittance or suspense head may be higher than the ledger balance, for which the full details would also be available in the broadsheet. In such cases, in order to rectify the book keeping error, the ledger balance has to

be increased to match with the broadsheet figure, through write-off of the difference in balance. On receiving the sanction of the competent authority in terms of Rule 38 of Government Accounting Rules, 1990, the write-off shall be effected by a contra entry under '8680- Misc. Government Account'. If however, no details are available in the broadsheet the difference between broadsheet & ledger figures shall be dropped without any accounting adjustment, and by a mere correction in the broadsheet.

(Authority: C & A.G's Circular No. 844-Comp/18-72 dt. 14.9.72.)

19.13.2 The Pay and Accounts Officer should take steps to clear the outstanding balances and to settle the discrepancies noticed after obtaining the acceptance of correct balances from the person or persons by whom they are owned or from whom they are due, wherever required. All Pay and Accounts Officers should furnish annually by 15th September each year, a detailed statement indicating the amount of unreconciled differences between broad sheet and ledger and number of cases where acceptances of balances are awaited from the persons concerned to the Pr. Accounts Office for the period ending 31st March of the preceding year, against various heads. The Pr. Accounts Office shall furnish a consolidated report for the Ministry/Department as a whole, to the Finance Accounts Section of the CGA by the 15th of October.

19.13.3 The following paragraphs provide guidelines regarding the review expected in respect of certain types of balances:

(a) Deposits of provident Fund: The balances in the Provident Fund accounts as worked out in the ledger cards should be communicated to the subscribers by 31st May each year.

(b) Deposits: Receipt of each deposit as well as repayment there against will be maintained in a suitable register by the PAO vide para 19.2 of this Manual. The PAO should take steps-

(i) to verify the balances at the close of the year with the ledger balance of the class of deposit concerned;

(ii) to obtain, wherever necessary, the acceptance of the parties concerned of the balances left outstanding in the Personal Deposit Account at the close of each year; and

(iii) to credit to the Government account any unclaimed amounts which are required to be treated as lapsed amount under para 2.75 of Subsidiary Instructions to Central Government Account (Receipts & Payments) Rules, 2022.

(c) Permanent Advance: As and when a permanent advance is paid to a head of office, on the basis of sanction issued by the competent authority, a note of the advance paid shall be kept in the Register of Permanent advance in Form CAM-61. At the end of each financial year an acknowledgement shall be obtained from the officer holding the permanent advance, and verified with that outstanding in the Register of Permanent Advance. The aggregate of all the outstanding shall be worked out from this register, and tallied with the ledger balance at the end of each year.

(d) Loans and Advances: The outstanding balance of principal of loans in the Loan Register as on 31st March should be tallied with the ledger balance as on that date for each year. It should also be seen whether the conditions of each loan have been fulfilled and whether the balance due at the end of each year has been communicated to, and it has not been disputed by the debtor. The result of the verification should also be reported to the Deptt. /Ministry as

provisioned vide para 262 of the GFRs 2017. In case of Housing Building Advance, Motor Car and Motor Conveyance Advances, for which PAO maintain the detailed accounts, only acknowledgement should be obtained from the concerned Govt. servants for the balance outstanding against him at the close of each financial year, through the DDO/ Head of Office.

19.14 ADJUSTMENT OF GAIN OR LOSS BY EXCHANGE

19.14.1 The question of adjustment of Loss/Gain by exchange has been considered in detail in consultation with Budget Division of the Ministry of Finance, office of P r. C C A , MEA and the CAG of India and the following procedure has been decided upon:

(i) Disbursements made against agreements for loans/grants after 1st April, 1976 by foreign banks etc. under the Direct payment procedure, are credited as External Debt/External Grant Assistance at daily rate of exchange by contra debit to the minor head "Suspense Account for purchases etc. abroad" under the Major Head -"8658-Suspense Accounts". The deposits made by importers at the Composite rate of Exchange (fixed by the Controller of Aid Accounts and Audit) and interest under the minor head "Deposits for purchases etc. abroad" below the Major Head "8443-Civil Deposits" are cleared by (a) transferring the amounts to the above noted Suspense head thereby clearing it; (b) adjusting the difference between daily rate and composite rate of exchange under "0075-Miscellaneous General Services-Gain by Exchange" and (c) adjusting the element of interest recovery under the head "0049-Interest Receipts".

(ii) When loans are fully repaid, the balances lying under the head "Exchange variation" under the major head "6002-External Debt" is cleared by adjusting the same under Major etc. head "8680 – Miscellaneous Government Account" with the balance left under the head indicating credit or debit.

(iii) Capital transactions relating to acquisition of property by Missions abroad and all payments to International Bodies towards India's contribution shall be converted at composite rates of exchange, wherever such rates are prescribed for the relevant foreign currencies by the Department of Economic Affairs. However, in cases where composite rates are not prescribed, these transactions shall be accounted for at official rates of exchange prescribed by the Ministry of External Affairs. Loss or gain arising on account of the above shall be adjusted under the Major Heads "2075" or "0075" as the case may be. The remittances to Missions and expenditure relating to personal claims appearing in the accounts of H.C.I. London and chancery payments in E.I. Washington will be accounted for at the official rates of exchange prescribed by Ministry of External Affairs. The gain or loss arising on that account shall also be adjusted under the Major Heads "0075" or "2075" as the case may be.

19.15 ACQUISITION OF STORES ON DEFERRED PAYMENT TERMS.

19.15.1 Under agreements/contracts entered into by the Government of India with foreign Governments/Suppliers abroad, equipment, stores, etc. are sometimes procured on deferred payment basis. According to the terms of such agreements/contracts specified sums are payable to the foreign Governments/Suppliers from time to time along with interest, if any, in terms of the conditions of the relative agreement/contracts. It has been held that the purchase of goods on credit while constituting a commitment to pay, does not ipso facto constitute a loan or borrowing. Accordingly, the full value of the equipment/stores procured on deferred payment terms or on supplier's credit should be brought to account immediately on receipt of the plant and equipment or stores in question. It will be done by debit to the relevant service major head of account with contra credit afforded to a suitable suspense

head within the same service major head, as in the case of Public Works Department. The credit under the Suspense head will be relieved as and when actual payments are subsequently made to the suppliers/foreign Government.

19.15.2 Interest payable on the deferred payment purchase has the effect of increasing the value of the goods purchased and therefore, shall be debited to the same head to which the full value of the equipment, stores etc. was initially debited, as and when they are paid. All Ministries / Departments, with the exception of Ministry of Defence, shall follow the above procedure even if issue of promissory notes or loan agreements covers the purchases on deferred payment terms / supplier's credit. This is due to the fact that the said imports constitute a commitment to pay the supplier over a period of time and the accounting adjustments prescribed as above do not alter the mode of such commitment.

19.15.3 In order to enable PAOs to carry out the required adjustments, all the concerned Ministries/Departments concerned should send advices to the PAO to carry out the adjustment in question as soon as the equipment, stores, etc. are received. The exception being the departments where PW system of accounts is followed and the initial and subsidiary accounts are compiled departmentally for rendering to the PAOs. In such cases, the value of the equipment etc obtained on deferred terms/supplier's credit should be reflected in the compiled accounts rendered to the latter.

(Based on Ministry of Finance (DEA) O.M.No.F.1(69)-B/74 dt. 22nd October, 1974 and O.M. of even No dated 8th May, 1975).

19.16 PERIOD OF PRESERVATION OF RECORDS IN ELETRONIC OR PHYSICAL FORM MAINTAINED BY THE DEPARTMENTALIZED PAOs.

19.16.1 The table below indicates the retention period of various accounting records maintained by the PAOs. Irrespective of the period of preservation so prescribed, these records shall be preserved till completion of audit (statutory and internal) for the relevant period and the settlement of the objections so raised. The accounts records relevant to Appropriation Accounts and Finance Accounts will be preserved for the periods specified against each or until these documents are presented to Parliament, whichever is later. The provisions of APPENDIX 9 to G.F.Rs, 2017 shall be applicable for the retention of records referred therein.

19.16.2 As far as possible, digitization of records/ documents in PAO may also be done on continuous basis and stored in a structured file. Before weeding out the vouchers relating to PF or Long term/short term advances or Refunds or revenue and schedules attached to Pay bills voucher, it is to ensure that the entries are posted in the concerned ledger, Broadsheet or relevant Registers as the case may be, and it is reconciled with the accounts. Before weeding out of the vouchers relating to final settlement of PF dues (Sl.No.7 and 8 below) and payment of provisional pension, CGEGIS, the same are recorded in the service book/e-Service Book.

19.16.3 Item-wise information about creation as well as clearance of items classified under suspense heads be maintained. Before weeding out of Suspense vouchers, it is to be ensured the item is liquidated in the register maintained for this purpose.

19.16.4 The standard retention periods for the document types provided for in the GFR and the CAM shall be adhered to in respect of e-records maintained in PFMS.

Note: Retention period indicated in Col. (c) is to be reckoned from the date of close of the financial year to which the voucher/register/record relates, unless otherwise specified.

(Authority: CGA F.No. TA-2-01001/1/2021-TA-II (Computer NO.5752) dated 12.7.2021.

SL. No.	Nature of Record	Retention Period
(a)	(b)	(c)
	I-VOUCHERS	
1	Contingent Bills	2
2	Provident Fund vouchers other than final payment	2
3	Refund vouchers	2
4	Suspense vouchers	2
5	Pay Bills	2
6	TA/LTC Bills	2
7	Provident Fund vouchers through which final payments are made to persons other than subscribers:	
	(a) To minors	20
	(b) To other than minors not in accordance with declaration of subscribers	20
	(c) To other than minors in accordance with declaration of subscribers	6
8	Provident Fund vouchers of final payments other than those mentioned in 7(a) to (c)	6
9	Vouchers pertaining to non-refundable withdrawals from Provident Fund	2
10	House Building Advance vouchers	6
11	Medical Bills	2
12	Deposits payment vouchers other than personal deposits	6 years or <i>till all deposits are reconciled and final.</i>
13	Pension vouchers	3
14	Vouchers relating to Government employees Insurance Schemes (Vouchers of payment from Savings Fund, Insurance Fund or of Insurance cover)	6
15	D.C.R.G. vouchers	6
16	Commuted value of pension paid by the PAO	6
	II-OTHER RECORDS	
1	Bill Diary	2
2	Register of files/Vouchers/registers	
	(a) transferred to Departmental Recording Wing (i.e., Old record room of the Department Office)	25
	(b) transferred to National Archives	Permanent
3	File Index Register	10
4	Register of valuables	5 years or <i>till all outstanding items are cleared.</i>

5	Expenditure Control Register (now Bill Passing cum E.C.R.)	1 year or till the Appropriation Accounts are discussed by the P. A. C. of Parliament, whichever is later.
6	Register of final post-check of pre-checked bills	1
7	Inward Claims Register and supporting documents received with Inward Claims	2 years or till the settlement of all items in corresponding Broadsheet and of audit for the relevant period and settlement of audit objections, whichever is later.
8	Outward Claims Register	-do-
9	Schedule of Debits/Credits	3 years or till the Appropriation Accounts are discussed by the P. A. C. of Parliament, whichever is later.
10	T.E. Register	1
11	Appropriation Audit Register	1
12	Summary of Transfer Entries	2
13	Office copies of J.Es.	1
14	Ledger and Trial Balance	3
15	(i) Bank Scrolls with paid cheques/challans	2
	(ii) Pension payment scrolls received from various public sector banks	2
16	Counterfoils of cheque books	2
17	Paid cheques	2
18	Review of Balances and papers connected therewith	2 (However, records/ reports in terms of Para 17.13 may be preserved on permanent basis).
19	Scheduled of Deposits (including any subsidiary accounts) for the month of March in which any item(s) has(have) credited to	25
20	Misc. correspondence regarding inter-Government and Reserve Bank adjustments	2
21	List of payments to be furnished by the DDOs.	2
22	Account of receipts to be furnished by the DDOs.	2
23	Bank reconciliation statement	1
24	Register of R.B.D. H.Qrs./P.S.B. Suspense	3 years or till all outstanding are settled.
25	Compilation Book (Daily Posting Register)	2
26	Departmental Classified Abstract	1
27	PW Classified Abstracts	1

28	Departmental Consolidated Abstract	1 (The information may be maintained in e-format for reasonable period viz.5 years for the purpose of reconciliation of old outstanding items)
29	Office copies of Monthly Accounts prepared by PAOs/Pr.A.Os. for submission to Pr.A.Os./CGA	One year or till the annual accounts have been prepared, whichever is later.
30	Monthly account rendered by PAOs.	-do-
30A.	Monthly accounts of Public Works Disbursing officers with supporting schedules (except the schedules of Deposits), Schedules docket, lists of payments and vouchers for payments other than those for land acquisition.	10 complete accounts years
30B.	Schedule of Deposits (including any subsidiary account) for the month of March & Supplementary)	25 complete Accounts year
30C.	Vouchers for payment on account of acquisition of land	Permanent Record
31	Broadsheet of PAO Suspense (Receipts and Payments)	3 (The e-format of the record may be maintained for permanent record)
32	Register of Govt. servants lent on Foreign Service	10 years subject to condition that necessary information regarding recovery of contributions is recorded in Service Book.
33	Stock Register of Cheque Books	2
34	Account of Cheque Forms	2
35	Office copies of information to bank regarding the cheque (Forms) brought to use	2
36	Register of requisition of Bank Drafts	1
37	Office copies of letter forwarding cheque/Bank Draft	1
38	PAO's check register of outstanding pre-check cheques	5
39	Register of Cheques drawn	<i>5 years or upto settlement of audit paras corresponding to register of cheque drawn whichever is earlier</i>
40	Register of Cheques delivered	-do-
41	Establishment check register	2
42	Non-Computation Allowance Register (Fly Leaf of Payment Register)	2
43	Register of Special Charges	2 years subject to the condition that all sanctions still current are noted in new Register with progressive exp. Under proper attestation.

44	Register of Periodical Charges	-do-
45.	Register of Grants-in-aid & Scholarships	3 years after all the utilization certificates have been received.
46	Objection Book	3 years subject to the condition that all outstanding items are transferred to next OB with full details.
47	Abstract of Objections	-do-
48	Office copy of letter forwarding Schedules of receipts /disbursements for adjustment in books of other accounting units.	1
49	Office copy of letter sending cheque/Bank Drafts in settlement of accounts (inward)	1
50	Register of Broadsheet of Advances for HB/MC/and Interest thereon.	2 years after recoveries have been fully effected and reconciliation with ledger figures effected.
51	Register of Sanctions to Contracts	3
52	Advices to the R.B.I. (CAS) Nagpur by the Principal Accounts Offices and Clearance memos from CAS Nagpur	5
53	Assignment/Letter of Credit in favour of cheque drawing DDOs and correspondence relating thereto	2
54	Monthly branch bank statements and correspondence thereon.	3
55	Monthly put-through statements-Reconciliation memoranda and correspondence thereon.	5
56	<i>Ledger/Broadsheet of DDS&R heads</i>	<i>Permanent</i>
57	Broadsheets/Registers maintained for reconciling differences between Central Government balance as shown in the books of R.B.I. and as worked out in accounts (including P.S.B. Suspense, Reserve Bank Suspense and Reserve Bank Deposits)	5 years subject to the condition that the reconciliation with banks is completed.
58	Reserve Bank Statement of monthly transactions for the Department/Ministry	3
59	IRLA Ledger	10 years from the date of final settlement of accounts of the officers concerned after retirement etc. from Government Service.
60	File containing report and authorisation (including Form 7 of C.C.S. Pension Rules) for all types of pensions Viz.; Superannuation, invalid, family pension etc.	35 years from the date of retirement/death or after the last installment of family pension has been paid, whichever is later.

61	Register of P.P.Os. maintained in the office of the P&AO issuing the P.P.O.	35 years from the date of last entry made in the register.
62	Register of P.P.Os. maintained in the Principal Accounts Office in which P.P.Os./authorities routed through that office for being countersigned by the authorised officer and embossed with his special seal before being sent to the concerned PAO for arranging payment, are noted.	10 years from the date of last entry made in the register.
63	Files relating to Commutation of pension if the same is not dealt with in the file referred to at (1) above.	35 years from the date on which commutation becomes final
64	Final withdrawal Register	6 subject to verification of all entries in the respective ledgers and Broadsheets
65	Register of Temporary withdrawals	2
66	Register of Policies assigned to the President	35
67	Index Register of Provident Fund	35
68	Provident Fund Ledgers & Registers and P.F. Extracts supplied by AG at the time of departmentalization of accounts in support of transferred G.P. Fund balances	35
69	Provident Fund Broadsheet.	2 Years after reconciliation is effected with Ledger and all outstanding unposted items along with the debits appearing in the Broad Sheets have been duly carried forward to the subsequent year's Broad Sheet.
70	G.P. Fund Schedules	3 years subject to non-existence of unposted items for the period of the schedules and completion of agreement of Broad Sheet with Ledger for that period.
71	Statement of Central Transactions	25
72	Files containing correspondence regarding S.C.T.	6
73	Files containing Union Govt. Finance Accounts and related correspondence	6
74	Printed Union Government Finance Accounts	Permanent (two copies)
75	Files containing Appropriation Accounts and related correspondence.	10
76	Printed Union Government Appropriation Accounts (Civil)	Permanent (two copies)
77	Printed Demand for Grants	5
78	Files containing P.F. Final payment cases	Preservation should be five years from the date of last authorisation.

79	Files containing correspondence regarding Provident Fund allotment of GPF numbers, Transfer in and out of GPF balances etc.	5
80	Printed reports of C.&A.G. of India	One year after the settlement of all the audit observations reported therein.
81	Files containing correspondence regarding creation of new accounting offices, re-organisation or winding up of offices, banking arrangements and transfer of records to other offices.	Permanent (maintain in digital form)
	III-Other PFMS Data (From APPENDIX 3 of Data Retention, Archiving, Backup and Destruction Policy 2020 of PFMS)	
82	e- Asset Register	Permanent
83	<ul style="list-style-type: none"> • Master Data • Beneficiary Data • Agency Data • Bank Data • Controller • PAO • DDO/CDDO • Program Division • IFD • Scheme • Vendor • Employee • Head of Budget Accounts (COA) • Scheme COA 	Always should be maintained in active records and Inactive data should move to archival along with transactional data
84	Ack/NAck Responses	3 months post completion of reconciliation (Files till clear status is achieved)
85	Debit/Credit Status	3 Months post completion of reconciliation (not required once e-Scroll is received or reconciliation is confirmed. E-Scroll file required till CM received and reconciled.
86	Sanctions	3 Years post the final release (to be archived after sanction is consumed)
87	Releases	3 Years post the final release
88	NTRP Transactions	5 Years post the Financial Year in which receipts were recorded
89	DBT Transactions	3 Years post the Financial Year in which transactions were recorded
90	Suspense Transactions	3 Months post completion of

		reconciliation or till settling of audit paras corresponding to suspense transactions whichever is later
91	Budget Data	3 years
92	User Access Data	6 months post the user is deleted from the system or as per audit requirements
93	Audit Data	2 years post completion of Audit or settlement of the objection(s) so raised, if any, whichever is later.
94	CGA Annual Accounts	Permanent
95	EIS (Service Records)	As per GFR,2017
96	Direct Taxes Indirect Taxes GST	Data is shared between PFMS & CBDT/CBIC/GSTN; files to be maintained in active mode as per mutual agreement.
97	e-Files/records may be digitized any one of the category*: (1)Category-I (e-Files/records to preserved permanently on which are of historical importance) (2)Category –II (e-Files/records of secondary importance and have a reference value for a limited period) *From 'Categorisation of Records' of Record Retention Schedule of D/o Administrative Reforms & Public Grievances	For 10 years, it will be kept in the Department's server and thereafter transferred to the server of the National Archives of India. 10 years on the Department's server. In exceptional cases, if the record is required to be retained beyond 10 years it will be upgraded to Category-I

19.17 PROCEDURE FOR SENDING RECORDS TO OLD RECORD ROOM

19.17.1 Files, Registers, vouchers bundles etc. shall be properly bound immediately after their closure, with the outer cover prominently indicating the proposed year of destruction of that record, under the dated signature of the PAO. They shall be kept and arranged serially in the concerned Sections for not more than 3 calendar years, and shall be transferred to the Departmental Record Room thereafter. Files/Vouchers/Registers etc that are transferred to the Departmental Record Room will be accompanied by a list of particulars as shown below (in duplicate) :
 Department.....Section.....

SI.NO	File No. or Details of Vr. Bundle or type of register	Classification & year of review	Date of actual destruction	Record Room Index No.

19.17.2 After verification of the entries, the Departmental Record Room will retain one copy of the List and return the other copy to the Section, indicating the Record Room Index Number after duly signing it. In the Departmental Record Room, these lists will be kept section-wise in separate file covers. The concerned section shall also preserve the duplicate copies by pasting them in a Register.

19.17.3 No recorded file etc. may be issued from the Record Room except against a signed requisition which should indicate Record Room Index Number. The requisition slip will be kept against the issued file. On return, the requisitioned file/record will be restored in its place and requisition slip returned to the section/ official concerned. In case the record/ file etc. is not received back within a period of one month of its issue, the Record Keeper shall remind the concerned section at an appropriate level, for expeditious return of the file/ record.

19.17.4 The Record Keeper shall be responsible for conducting an annual review to locate files that are required to be destroyed as per the proposed preservation period indicated on the outer cover. These files/ voucher bundles etc. will be referred to the PAO concerned for instructions regarding their destruction/ further preservation along with a list in duplicate prepared in the form indicated below:

SI.No.	File No. or details of Voucher Bundle or type of register	Record Room Index No.	Instructions of reviewing authority (To destroy or to preserve, upto the year)

19.17.5 The Departmental Record Room shall observe the instructions of the PAO for destruction/preservation for weeding out of the file/voucher bundle etc., or for its further retention as indicated in this form. In case of further preservation, the new date of

destruction as indicated by the PAO shall also be conspicuously indicated on the outer cover. The duplicate copy of the latter list received back by the Departmental Record room shall be returned to the Section concerned by it. Authority: - No. 1(14)/84/TA)

19.18 DELEGATION OF POWERS TO AAOs IN THE DEPARTMENTALISED ACCOUNTING ORGANISATION

19.18.1 The following powers are delegated to AAOs:

- (i) Check of classification of vouchers of value up to ₹2,500 and rectification of any misclassification noticed therein by proposing Transfer entries;
- (ii) Closing of broad sheets with `nil' balance and those where there is no difference between broad sheet and ledger figures;
- (iii) Attestation of opening and closing balances in Provident Fund ledger cards except those relating to the staff of the Pay and Accounts Officer's own office which should be attested by the PAO;
- (iv) Allotment of account numbers and attestation of entries in the ledger and General Index Register in the Provident Fund Section. However, entries regarding acceptance of nomination and closing of accounts shall be made over the signatures of the Pay and Accounts Officer;
- (v) Issue of annual statements of accounts to subscribers of General /Contributory Provident Fund;
- (vi) Signing or routine acknowledgement of receipts and reminders to Half-margin memos issued to DDOs;
- (vii) Calling for acknowledgement of balance relating to loans and advances. However, in the case of non-receipt of reply the reminder shall be issued at the level of Pay and Accounts Officer;
- (viii) Attesting entries in the objection book;
- (ix) Monitor Bill Diary Register regularly to ensure timely token generation in PFMS in respect of all physical bills received from DDO in PAO; and.
- (x) Monitor bills awaiting for distribution at Bill Distributor level in e-bill module of PFMS on regular basis.

APPENDIX 19.1
(Referred to in Para 19.7.5)

Abstract of Register of Receipts and Payments Relating to Personal Deposit Account for the month of

.....

Opening balance	Receipts for the month		Total	Payments for the month		Closing balance	Note : Details of cheques issued but not encashed as per bank scroll during the month are to be given in detail
	Date of bank scroll	Amount		Cheque No. and date	Amount		

Concordance Table II w.r.to CAM 2007 and CAM 2024

CAM 2007 Para	CAM 2024 Para	CAM 2007 Para	CAM 2024 Para
1.1.1	1.1.1 to 1.1.3	1.12.1	4.4.1 to 4.4.2
1.1.2(i)	1.1.3, 1.1.5	1.12.2	4.4.3
1.1.2(ii)	1.1.4 , 1.1.6	1.12.3	4.4.4, 4.4.1
1.1.3	1.1.6	1.12.4	4.4.5
...	Note below 1.1.6, 1.1.7, 1.1.8	1.12.5	4.4.6
1.2.1	1.2.1, 1.2.2	1.12.6	13.7.2 to 13.7.3
1.2.2 to 1.2.3	1.2.3 to 1.2.4	1.12.7	13.7.4
1.2.4, 1.2.4.1	1.2.5	1.12.8	13.7.1
1.2.4.2, 1.2.4.3 1.2.5	1.2.5.1, 1.2.5.2 1.2.6	Note below 1.12.8, 1.12.9	13.8.1
1.3.1 to 1.3.5 ...	1.3.1, Appex-1.1 1.3.2 (new)	1.13.1,1.13.2 1.13.3	2.1.1 2.1.2
...	1.4.1 to 1.4.6	1.14.1	2.14.2
1.4.1	4.1.1	1.14.2	2.14.3
-	Note below 4.1.1	1.15.1	4.5.1
1.4.2 to 1.4.7	4.1.2 to 4.1.7	1.16.1 to 1.16.11	4.6.1 to 4.6.11
1.5.1 to 1.5.2	4.2.1 to 4.2.2	Appx 1 Ch-1	1.1.4
1.5.3.1 1.5.3.1.1	4.2.3.1 Deleted	Appx 2 Ch-1	Appx 4.1 Ch-4 with updated Annex-15
1.5.3.1.2	Deleted	Appx 3 Ch-1	Appx 4.2 Ch-4
1.5.3.1.3	4.2.3.2	2.1.1	2.1.6
1.5.3.2	4.2.3.3	2.1.2	2.16.1(xii)
1.5.3.3	4.2.3.4	...	2.2.1 to 2.2.6 (new)
1.6.1 to 1.6.2	4.2.4.1 to 4.2.4.2	2.2.1	2.2.7
1.6.3, 1.7	Deleted	...	2.2.8 to 2.2.11 (new)
1.8	4.3	...	2.3.1 to 2.3.10 (new)
1.9.1, 1.9.2	Appx-4.1(Chap 4) 10(i), 10(ii)(d), 13.6.3	2.3.1	2.4.1. Note 1,2 (new)
1.9.3	13.6.3 (l)	2.3.2 to 2.3.5	2.4.2 to 2.4.5
1.9.4, 1.9.5	13.6.10, 13.6.8	2.4.1 to 2.4.2	5.4.1 to 5.4.2
1.9.6	13.1.6	2.5.1	5.2.5
1.9.7	13.7.4	2.6.1 to 2.6.2	2.5.1 to 2.5.2 2.5.3 to 2.5.4 (new)
1.9.8	Note below 13.6.10	2.7.1 to 2.7.3 Note below 2.7.3	2.19.1 to 2.19.3 2.19.4
1.10.1	16.1.5	2.7.4	2.19.5 to 2.19.8
1.10.2	16.3.3 to 16.3.6	2.7.5	2.19.9
1.10.3	16.3.7	...	2.19.10 to 2.19.12
1.10.4	16.3.8 to 16.3.10	3.1.1	3.1.1 to 3.1.3
1.11	16.3.1, 16.1.2	3.1.2	3.1.4

CAM 2007 Para	CAM 2024 Para	CAM 2007 Para	CAM 2024 Para
3.1.3	3.1.5 to 3.1.8	4.7.1 to 4.7.4	2.12.1 to 2.12.4
Note 1-4 below 3.1.3	Note 1-4 below 3.1.8	4.7.5	2.12.5
Note 5 below 3.1.3	Note 1 below 3.1.8	4.8.1	2.13.1
3.1.4, ...	3.1.9, 3.1.10 (new)	4.8.2	2.13.2
3.2.1	3.2.1 to 3.2.4, 3.2.6	4.8.3	2.13.3
...	3.2.5 (new)	4.9.1	2.14.1
3.2.2	3.2.7	4.10.1	2.15.1, 2.15.2 (new)
3.2.3	3.2.8	4.10.2	2.16
3.3.1	3.3.1	4.11.1	2.16.1, (xiii) new
3.3.2	3.3.2 to 3.3.4	4.11.2	2.16.1 (xiv)
3.3.3	3.3.5	4.11.3	2.16.2 (i), (ii)
3.4.1	3.4.1	4.11.4	2.16.2(iii)
3.4.2 3.4.3	3.4.2 3.4.3	4.11.5	Deleted
...	3.4.4 (new)	4.11.6	2.16.2 (iii)
3.4.4	3.4.5	4.11.7	2.16.2 (iv) & (v)
3.5.1 3.6	3.5.1 to 3.5.3 3.6	4.11.8	2.16.1 (xii) & 2.16.2 (vi)
3.7	3.7.1	4.12.1	2.16.3.1
4.1.1	2.1.3, 2.1.4(new)		2.16.3.2 & 3 (new)
4.1.2	2.1.5	4.13.1	2.16.4
4.2.1	2.6.1 to 2.6.4 18.3.10.1 to 18.3.10.6	4.14.1	2.16.5
4.2.2	2.6.5	4.14.2	2.16.5
4.2.3	2.6.6	4.15.1	2.16.6
4.2.4	2.6.7, 2.7.1	4.15.2	Deleted
Note below 4.2.4	2.7.2, 2.7.3	4.15.3	2.16.7
4.3.1 to 4.3.2	2.8.1 to 2.8.2	4.16	2.16.8
4.4.1	2.9.1	4.17.1 to 4.17.2	2.16.9.1 to 2.16.9.2
4.4.2	2.9.2, 2.9.3	4.18.1	2.16.9.3
Note below 4.4.2	2.9.3 to 2.9.4	4.19.1 to 4.19.6	2.16.10(i) to (vi)
...	2.9.5 (new)	4.20.1	2.16.11
4.4.3(a)	2.9.6, 2.9.7	4.21.1, 4.22.1	Deleted
4.4.3 (b)& (c)	2.9.8	4.23.1 to 4.23.3	2.16.12
4.4.3 (d)	Deleted	4.24.1, 4.24.2	2.16.13
4.4.3 (e)	2.9.9	4.25.1	2.16.14
Note below 4.4.3	2.9.10	4.26	Deleted
4.4.4	Deleted	4.27.1 to 4.27.4	2.16.15
4.5.1	2.10.1	4.28.1 to 4.28.4	2.16.16
4.6.1 to 4.6.2	2.11.1 to 2.11.2		

CAM 2007 Para	CAM 2024 Para	CAM 2007 Para	CAM 2024 Para
4.29.1 to 4.29.3 4.30.1 to 4.30.5	2.16.17 2.16.18	5.3.5 to 5.3.6 ...	Deleted 5.6.6 to 5.6.8 new
4.31.1 to 4.31.5	2.16.21 (i) to (v)	5.4.1 to 5.4.6 ...	5.7.1 to 5.7.6 5.7.7 (new)
Note below 4.31.5	Deleted	5.5.1, 5.5.2, 5.6.1 5.7.1 to 5.7.3	5.8.1, Deleted Deleted 5.9.1 to 5.9.3
4.31.6 4.32.1 to 4.32.4	2.16.21 (vi) 2.16.22 (i) to (iii)	5.8 ...	5.9.4 5.9.5, 5.9.6 (new)
...	2.16.23 (new)	5.9.1 to 5.9.2	5.10.1 o 5.10.2
4.33.1 to 4.33.3	2.16.19.1 to 3		
4.34.1 4.35.1	2.16.24, 2.16.25 new 2.16.20	5.10.1 to 5.10.2 5.11.1	5.11.1 to 5.11.3 5.12.1
4.36.1	Deleted	5.12.1 to 5.12.2 5.13.1	5.13.1 to 5.13.2 5.13.3
4.37.1 to 4.37.2 4.38	2.17 Deleted	5.14.1 5.15.1 to 5.15.3	5.14.1 5.15.1 to 5.15.3
4.39	2.18	APPENDIX A to Ch-5	Deleted
APPENDIX A,B ,C (Ch-4)	Appex 2.2,2.1,2.3 (Ch-2)	Annex. B,C to Ch-5	APPENDIX 5.1,5.2 (Ch -5)
...	Appdx. 2.4(Ch-2)	6.1.1	6.1.1, 6.1.2
- 5.1.1 5.1.2	5.1.1 to 5.1.5 (new) 5.2.6, 5.2.7 5.2.2	6.1.2 6.1.3 6.2.1	6.1.3 Deleted 6.2.1
5.1.3 (i), (ii) 5.1.3 (iii)	5.2.1 Note below 5.2.1	6.2.2 6.2.3	6.2.2, 6.2.3 6.2.4
...	5.2.3 to 5.2.4	6.3.1	6.3.1
5.1.3 (iv)	5.2.7, 5.2.1	6.4.1 to 6.4.4	6.4.1 to 6.4.4
5.1.4 to 5.1.5	5.2.8 to 5.2.9	6.5.1 to 6.5.4 6.6.1 to 6.6.2	6.5.1 to 6.5.4 6.6.1 to 6.6.2, 6.6.5
-	5.3.1 to 5.3.2 new	...	6.6.3 and 6.6.4 (new)
5.2.1 ...	5.5.1(i) 5.5.1(ii) new	6.7.1 6.7.2	6.7.1 to 6.7.2 6.7.3
...	5.5.2 new	6.7.3	6.7.4 to 6.7.5
5.2.2 to 5.2.3	5.5.3 to 5.5.4	-	6.7.6, 6.7.7 (new)
5.3.1 ...	5.6.1 5.6.2 (new)	6.7.4 6.7.5 to 6.7.11	6.7.8 6.8.1 to 6.8.7
5.3.2 5.3.3 5.3.4	Deleted 5.6.3 5.6.4, 5.6.5	6.8.1 to 6.8.2 6.9.1 to 6.9.4 6.10.1, 6.10.2	6.9.1 to 6.9.2 6.10.1 to 6.10.4 6.11.1
		6.11 (i) to (iv) 6.11 (v) to (ix) Annex-I, II, 6.12.1	6.12.1 to 6.12.6 Deleted
		...	APPENDIX 6.1 (new)

CAM 2007 Para	CAM 2024 Para		CAM 2007 Para	CAM 2024 Para
7.1.1 to 7.1.2 7.2.1 -	7.1.1 to 7.1.2 7.2.1 7.4.1.1		Note 1 to 4 below 8.2.1(ii)b	Note 1 to 4 below 8.2.1(ii)b 1A, 1B new
7.3.1	7.4.1.2		8.3.1 to 8.3.5	8.3.1 to 8.3.6
Note below 7.3.1	7.3.1, 7.3.3		8.4.1 to 8.4.3	8.4.1 to 8.4.3
7.3.2 Annx J	7.4.2.1, 7.4.2.2 7.3.2		8.5	8.5.1 to 8.5.2
- 7.3.3	7.4.2.3 new 7.4.3.1 to 7.4.3.7		8.6.1 to 8.6.8 8.7	8.6.1 to 8.6.8 8.7
- 7.3.4 to 7.3.5	7.4.3.8 7.4.5 to 7.4.6		8.8 8.9.1 to 8.9.2	Deleted 8.8.1 to 8.8.2
7.4.1	7.4.7		8.10.1 to 8.10.3 8.11.1, 8.12.1	8.9.1 to 8.9.3 8.10.1,8.11.1
7.5.1 to 7.5.7 7.5.8	7.5.1 to 7.5.7 Deleted		8.13.1 8.14.1 to 8.14.2	8.12.1 8.13.1to 8.13.2
7.6.1 to 7.6.3 7.7.1to 7.7.3	7.6.1 to 7.6.3 7.7.1to7.7.3		8.15.1 to 8.15.4 Note below 8.15.4	8.14.1 to 8.14.4 Note below 8.14.4
-	7.7.4 new		8.16.1	8.14.5
7.8.1 to 7.8.3	7.8.1 to 7.8.3		8.17.1	8.14.6 to 8.14.7
7.9.1 to 7.9.3	7.9.1 to 7.9.3		8.18.1 to 8.18.7	8.15.1 to 8.15.7
7.10.1, 7.10.2	7.10.1, 7.10.2		8.19.1 to 8.19.5	8.16.1 to 8.16.5
7.11.1 to 7.11.2	7.11.1 to 7.11.2		8.20.4	8.17.2
7.12.1, 7.12.2	7.12.1, 7.12.2		8.20.1 to 8.20.3	8.17.1
7.13.1	7.13.1		8.21.1 to 8.21.5	8.18.1 to 8.18.5
7.14.1 to 7.14.2	7.14.1 to 7.14.2		8.22.1 to 8.22.2	8.19.1
7.15.1 to 7.15.7	7.15.1 to 7.15.7		8.23.1 to 8.23.2	8.20.1 to 8.20.2
7.16.1 to 7.16.3	7.16.1 to 7.16.3		Annex 1 (ch 8)	APPENDIX 8.1
7.17.1 to 7.17.2	7.17.1 to 7.17.2		9.1.1 to 9.9.1	9.1.1 to 9.9.1
7.18.1	7.20.1 to 7.20.5		9.10.1 to 9.10.6 ANNEX A	9.10.1 to 9.10.7 Deleted
-	7.18 and 7.19 new		10.1.1 to 10.10.1	10.1.1 to 10.10.1
Annx A (ch-7)	Appedix 7.1		10.10.2	Deleted
Annx B, C (Ch7)	Deleted		-	10.10.2 to 10.10.4
Annx D,D1 Ch7	Appex 7.5, 7.9		10.10.3	10.10.5
Annx E to G-Ch7 Annx H,H1,H2, I	Appex 7.6,7.10,7.11 Appex7.2,7.3,7.4,7.7		10.10.4 10.10.5	10.10.6 to 10.10.7 10.10.8
Annx J-Ch-7 -	7.3.2, 7.4.4 Appex 7.8 (ch-7)		10.11.1 to 10.11.2 10.12.1to10.12.3	10.11.1 to 10.11.2 10.12.1 to 10.12.4
8.1	8.1.1		-	10.13.1 to 10.13.15 10.14.1 to 10.14.3
8.2.1 ...	8.2.1 Note Below 8.2.1(ii)a (new)		- Annex A (ch 10)	10.15.1to10.15.4 new APPENDIX 10.1

CAM 2007 Para	CAM 2024 Para	CAM 2007 Para	CAM 2024 Para
11.1.1 to 11.8.1	11.1.1 to 11.8.1	13.4(ii) to (iv)	13.2.6 to 13.2.8
Ann-I to VI(Ch11 Appedx A,B	Appedx 11.1 to 11.6 Appedx 11.7, 11.8	13.4 (v) to (vii) 13.4 (viii),(ix),(x)	13.4.1 to 13.4.3 13.4.4 new
12.1.1	17.1.1	13.4 (a)-(c)	13.3.1 to 13.3.3
-	17.1.2 new	13.5	13.4.5
12.2.1	17.2.1 to 17.2.2	-	13.4.6 new
12.3.1	17.3.1	13.4 (vii) second part	13.5.1
-	17.3.2 new	13.6 (i), (ii)	13.6.1 to 13.6.3
12.3.2	17.1.3	13.6 (iii), (iv)	13.6.4, 13.6.5
-	17.1.4, 17.1.5 new	13.6 (v)	13.6.6,13.6.7,13.6.10
12.4.1, 12.5.1	17.4.1, 17.5.1	-	13.6.8, 13.6.9 new
12.6.1	17.6.1	13.6 (vi), (vii)	13.6.11 to 13.6.12
12.7.1, 12.7.2	17.7.1, 17.7.2	-	13.6.13 new
12.8.1	17.8.1	13.6 (viii) to (xv),	13.6.14 to 13.6.21
-	17.8.2 new	13.6 (xvi)	Deleted
12.9.1, 12.9.2	17.9.1, 17.9.2	13.7 (i)	13.7.1
12.10.1	17.10.1	13.7 (ii)	13.7.4
-	17.10.2 new	13.7 (iii),(iv),(v), (vi)	13.7.5 to 13.7.8
12.11.1, 12.11.2	17.11.1, 17.11.2	13.7 (vii)	Note below 13.7.8
-	17.11.3, 17.11.4 new	-	13.8.1 new
12.12.1	17.12.1		
..	17.12.2 new	13.8	13.9.1 to 13.9.3
- Annex A, B(12)	APPENDIX 17.1(new) APPENDIX, 17.2,17.3	Annex 1-9 (Ch13) -	Deleted 13.9.4 new
13.1.1	13.1.3, 13.1.5	Chapter 14-CBIC	Chapter 14 –CBIC (overall revised)
- - 13.2, 13.3 13.4(i) --	13.1.1 & 13.1.2 new 13.1.4 new Deleted 13.2.1 13.2.2 to 13.2.5 new	Chapter 15-CBDT 15.1.1 to 15.3.2 15.4.1 to 15.5.6 15.9.1 to 15.9.2 15.6.1 to 15.7.3 ... 15.8 to 15.19 ... 15.20.1 to 15.20.3 15.21.1 to 15.21.4 15.21.5 15.22.1 15.23.1 to 15.23.5	Chapter 15 –CBDT (overall revised) 15.1.1 to 15.2.3 15.3.1 to 15.12.6 ... 15.13.1 to 15.13.5 15.14.1 to 15.15.13 ... 15.16.1 to 15.16.4 15.17.1 15.18.1 to 15.18.4 15.17.2 15.19.1 to 15.19.7 15.20.1 to 15.20.6

CAM 2007 Para	CAM 2024 Para		CAM 2007 Para	CAM 2024 Para
...	Ch-16-NTR new			
16.1.1	12.1.1			
16.2.1	12.2.1			
16.2.2	12.2.2 to 12.2.3			
16.3.1 to 16.3.6	12.3.1 to 12.3.7			
16.4.1 to 16.4.5	12.4.1 to 12.4.5			
16.5.1 to 16.5.7	12.5.1 to 12.5.7			
16.6.1 to 16.6.5	12.6.1 to 12.6.5			
16.7.1	12.7.1			
16.8.1 to 16.8.3	12.8.1 to 12.8.3			
...	Chapter 18 – Budget (new)			
17.1.1	19.1.1 to 19.1.2			
17.1.2 to 17.1.5	19.1.3 to 19.1.6			
17.2.1 to 17.2.3	19.2.1 to 19.2.3			
17.2.4	Deleted			
17.2.5	19.2.4			
17.3.1	19.3.1 to 19.3.3			
17.4.1 to 17.4.5	19.4.1 to 19.4.5			
17.5.1 to 17.5.3	19.5.1 to 19.5.3			
17.6.1 to 17.6.4	19.6.1 to 19.6.4			
17.7.1 to 17.7.8	19.7.1 to 19.7.8			
17.8.1 to 17.8.2	19.8.1 to 19.8.2			
17.9.1 to 17.9.2	19.9.1 to 19.9.2			
17.10.1 to 17.10.4	19.10.1 to 19.10.4			
17.11.1	19.11.1			
17.12.1 to 17.12.11	19.12.1 to 19.12.11			
17.13.1 to 17.13.3	19.13.1 to 19.13.3			
17.14.1	19.14.1			
17.15.1 to 17.15.3	19.15.1 to 19.15.3			
17.16.1 to 17.16.4	19.16.1 to 19.16.4			
17.17	19.17.1 to 19.17.5			
17.18	19.18.1			
Annex A (ch 17)	APPENDIX 19.1			

**CIVIL ACCOUNTS MANUAL
FORMS**

CIVIL ACCOUNTS MANUAL FORMS

Sl. No	Particular	Availability of relevant reports in PFMS if available		To be maintained by PAO who is functioning in PFMS		
				Only in manual form	Only in electronic form	Both in manual and in electronic form
1	FORM CAM-1 Stock Register of Cheque books/forms	....		Yes	...	...
2	FORM CAM-2 Account of Cheque Forms	...		Yes	...	...
3	FORM CAM-3 Para 12 of APPENDIX-3 to Chapter -4	...		Yes	...	...
4	FORM CAM-4 Bill Diary	CAM ↓ Pre-Check ↓ PC-03 (cheque issued) PC-04(e-payments)		Yes. (for monitoring receipt of ink-signed bills and its token generation in PFMS). PC-03, PC-04 contain details of bills including e-bills.	...	...
5	FORM CAM-5 Token Register	CAM -> Pre-Check ↓ PC-02 Token issue Register		...	Yes.	...
	CAM-6, CAM-7 and CAM 8 were deleted.	...		...	...	...
6	FORM CAM-9 D.D.O wise bill passing cum expenditure control register	ECR Report is available in CAM → Budget → Bud-04		...	yes	...
7	FORM CAM-10 Register of cheques drawn	CAM ↓ CDDO ↓ CDDO-02	CAM ↓ Pre-Check ↓ PC-03	...	Yes.	...
8	FORM CAM-11 Register of Cheques delivered FORM CAM 11A Summary of e-payment	CAM ↓ CDDO ↓	CAM ↓ Pre-Check	...	...	Yes. CAM-11 is revised to capture

Sl. No	Particular	Availability of relevant reports in PFMS if available		To be maintained by PAO who is functioning in PFMS		
				Only in manual form	Only in electronic form	Both in manual and in electronic form
	advices	CDDO-02	↓ PC-03			details of issue of cheques and e-payment separately.
9	FORM CAM-12 Register of requisition of bank drafts			Yes.	...	...
10	FORM CAM-13 Memo			Yes. In use for Outstation DDOs	...	...
11	FORM CAM-14 Bill return memo	CAM ↓ Pre check ↓ PC-01		...	Yes	...
12	FORM CAM-15 Pay and Accounts Officer's check register of outstanding pre check cheques	CAM ↓ Bank reconciliation ↓ BR-01▶ Cheques/e-payment /Challan Encashed/Outstanding/only in scroll		...	...	Yes. BR Reports available in PFMS should be used for verification
13	FORM CAM-16 Register of Valuables			Yes.	...	...
14	FORM CAM-17 Register of public/private sector bank suspense/reserve bank deposits	CAM ↓ Bank reconciliation ↓ BR-04		...	...	Yes. BR Reports available in PFMS should be used for its tally or to verify consumption of escrolls takes place in PFMS. The format redesigned to include details of e-

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
					payment.
	FORM CAM-17A Register of Reserve Bank Deposits		...	...	Same as above.
15	FORM CAM-18 Register of Bills received		Yes.	...	...
16	FORM CAM-19 Register of Cheques issued CAM-19A Summary of e-payment advice	CAM ↓ CDDO ↓ CDDO-02	...	...	Yes. Details available in PC-03 report should be verified. The format redesigned to include e-payment details too
17	FORM CAM-20 Bank reconciliation statement of disbursements relating to the month of 20____	CAM ↓ Bank reconciliation ↓ BR-01	...	...	Yes. BR-01 report should be used for its verification.
18	FORM CAM-21 List of Payments		Yes.	...	...
19	FORM CAM-22 Monthly reconciliation statement of receipts deposited into the bank by cheque drawing D.D.Os		yes	...	...
20	FORM CAM-23 Non-computational Allowances payment register		...	....	yes
21	FORM CAM-24 Establishment Check Register		...	...	Yes.
22	FORM CAM-25 Register of Special Charges		Deleted.		
23	FORM CAM-26		...	...	Yes.

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
	Objection Book (Other Transactions) and Adjustments				
24	FORM CAM-27 Register of periodical Charges		Deleted.		
25	FORM CAM-28 Register of Grants-in-aid/Scholarships		...	...	Yes.
26	FORM CAM-29 Register of Loans		...	..	Yes.
27	FORM CAM-30 House building register and broadsheet of advances for motor car and of interest thereon for the year 20_ to 20_ other conveyances		...	...	Yes.
28	FORM CAM-31 Register of Sanctions to Contracts		Yes.	...	...
29	FORM CAM-32 Register of Final post-check of pre-checked bills		Yes.	...	...
30	FORM CAM-33 Daily Memo compilation sheet for posting vouchers received with list of payments of DDO ___ Debits (Payments)	CAM ↓ Compilation ↓ CMP-02	...	Yes.	...
31	FORM CAM-34 Transfer Entry in the Accounts of _____ 20_20_.	Available in PFMS.	...	Yes.	...
32	FORM CAM-35 Transfer Entry Number book of the _____ for the month of ___20__.	CAM ↓ Compilation ↓ CMP-02	...	Yes.	...
33	FORM CAM-36 Summary of Transfer Entries	CAM ↓ Compilation ↓ CMP-02	...	Yes.	...
34	FORM CAM-37 Classified Abstract Part-I	CAM ↓ Compilation ↓ CMP-03	...	Yes.	...
35	FORM CAM-38	CAM	...	Yes.	...

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
	Classified Abstract Part-II	↓ Compilation ↓ CMP-03			
36	FORM CAM-39 Part –I Receipts Part- II- Disbursements Consolidated Abstract	CAM ↓ Compilation ↓ CMP-03	...	Yes.	...
37	FORM CAM-40 Major/Minor (Detailed) Headwise Ledger of balances for and upto the year ending 31.3.20__ under the DDR heads (closed to balance) in the books of Pr.AO/P.A.O/		...	...	Yes.
38	FORM CAM-41 Sector wise Abstract (Ledger) of balances as on 31.03.2006 under DDR Heads (Closed to Balance) in the books of a Pr.AO.		...	...	Yes.
39	FORM CAM-42 Computation of Government Account as on 31.03.2006 in the books of the Pr.AO.		...	Yes. Available on e- Lekha in SCT Reports	...
40	FORM CAM-43 Summary of Balances		...	Yes. Available on e- Lekha in SCT Reports	...
41	FORM CAM-44 General Index Register		...	...	Yes.
CAM-45 & CAM-46 deleted in CAM (2007)					
42	Form CAM 47 (Para 6.7.1) Provident Fund Ledger Folio	EIS ↓ Reports ↓ Annual Reports ↓ Ledger Card	...	...	Yes. Available in GPF Module of PFMS.
43	Form CAM 48	EIS	...	...	Yes.

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
	(Para 6.9.1) Broadsheet of the.....Provident Fund for the year...	↓ Reports ↓ Annual Reports ↓ Broadsheet			Available in GPF Module of PFMS.
44	Form CAM 49 (Para 6.10.2) Obverse GPF Annual Statement	EIS ↓ Reports ↓ Annual Reports ↓ Annual statement of Employee	...	Yes. Available in GPF Module of PFMS.	...
45	Form CAM 50 (Para 6.11.1) Register of missing G.P. Fund Credits/Debits		...	...	Yes. Available in GPF Module of PFMS.
46	Form CAM 51 (Para 6.5.3) Register of Final Payment cases	EIS ↓ Reports ↓ Final Settlement Report ↓ Final Payment Register	...	...	Yes. Available in GPF Module of PFMS.
47	Form CAM 52 & 52 (A) & (B) (Para 7.4.2) Rubber stamp of the issuing the pension payment order (Pension Payment Order)		...	...	Yes. Even after issuance of e-PPO, manual PPO has not been dispensed with.
48	Form CAM 53 (Para 8.2.1) Register of outward claims		Yes.	...	...
49	Form CAM 54 (Para 8.2.1) : Forwarding letter from Pay and Accounts Offices		Yes.	...	...
50	Form CAM 55		Yes.	...	...

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
	(Para 8.3.4) Register of Inwards claims				
51	Form CAM 56: (Para 8.3.2): Forwarding Letter containing the cheque for settlement		Yes.	...	...
52	Form CAM 57 [Para 9.4.3(ii)]: letter format		Yes.	...	...
53	Form CAM 58 (Para 9.5.1) Register of Government Servants Lent or Transferred of Foreign Services		Yes.	...	...
54	Form CAM 59 (Para 10.5.2) Broadsheet of Loans to State Government etc. for the year 20....20....		...	...	Yes.
55	Form CAM 60 (Para 10.11.1) Register of investment of the Union Government in Statutory Corporation, Government Companies, Other Joint Stock Companies, Cooperative Banks & societies etc.		...	...	Yes.
56	Form CAM 61 (Para 10.12.2) Register of Permanent Advances		Yes.	...	...
57	Form CAM 62 (Para 2.7.1) Grant/Appropriation Audit Register of the Year.....		...	...	Yes.
58	Form CAM 63 (Para 19.2.2) Register of Deposits		Yes.	...	...
59	Form CAM 63 A (Para 19.2.4) Register of Deposits lapsed & credited to Government during year 20....20...		Yes.	...	...
60	Form CAM 64 (Para 8.3.4) Broadsheet of P.A.O		...	...	Yes.

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
	Suspense				
61	Form CAM 65 (Para 4.4.5) Register of Advice issued to Reserve bank of India (C.A.S) Nagpur		...	...	Yes. Available in PFMS system as eIGAA is being issued through PFMS
62	Form CAM 66 (Para 9.10.7) Statement showing details of deduction and remittance for the year 20....20..../period		Yes.	...	...
63	Form CAM 67 (See Para 7.16.2) Pre-receipt bill for payment of award from the Compassionate Fund		Yes.	...	...
64	Form CAM 68 [Vide Para 13.6.15 & 13.7.7] Monthly Reconciliation Analysis		Yes.	...	...
65	Form CAM 69 [Vide Para 13.6.16] Part -I Register of amounts put through Receipts/Payments		Yes.	...	...
66	Form CAM 70 [Vide Para 13.6.17] Part -II Register of amounts put through Receipts/Payments		Yes.	...	...
67	Form CAM 71 [Vide Para 13.6.18] Statement of Monthly Reconciliation between the figures as per D.M.S and the amount booked under "8658-Suspense Accounts –P.S.B. Suspense "for the month of		Yes.	...	...
68	Form CAM 72 [Vide Para 13.6.19]		...	...	yes

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
	Broadsheet of PSB suspense (Dr.) Receipt /Disbursement (Cr.)				
69	<i>Form CAM 73</i> [Vide Para 13.6.21] Statement of Double /Excess Reimbursement		Yes.	...	...
70	<i>Form CAM 74</i> [Vide Para 13.6.21] Report on Excess/Double Reimbursement (Attracting penal interest)		Yes.	...	...
71	<i>Form CAM 75</i> [Vide Para 13.6.21] Report on Excess/Double Reimbursement (Not Attracting penal interest)		Yes.	...	...
72	<i>Form CAM 76</i> [Vide Para 14.20] Monthly Reconciliation statement between the amounts as per DMS (Revenue Accounts) with the amount booked under '8658-PSB Suspense' for the month of		Deleted. CAM-71 can be used for reconciliation of receipts		
73	<i>Form CAM 77</i> [Vide Para 14.19 & 14.22] Analysis: Focal Point Bank/Link Cell, Nagpur Revenue Receipt		Deleted. CAM -68 can be used for this purpose.		
74	<i>Form CAM 78</i> Analysis: Focal Point Bank/Amount verified by the P.A.O Revenue Receipt		Deleted. CAM -68 can be used for this purpose.		
75	<i>Form CAM 79</i> [Vide Para 14.23] Broadsheet of Amount put through by Link cell Receipts/Refunds Part-I		Deleted. CAM-69 can be used for this purpose		
76	<i>Form CAM 80</i> [Vide Para 14.23] Broadsheet of Amount put through by Link cell for the Month of .....receipts /refunds		Deleted. CAM-69 can be used for this purpose		

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
	Part-II				
77	<i>Form CAM 81</i> [Vide Para 14.24 Broadsheet of Public Sector Suspense Receipts (Debit)/Disbursements (Credit)]		Deleted. CAM-72 can be used for this purpose		
78	<i>Form CAM 82</i> [Vide Para 14.24 Year wise Breakup of the closing balance of Public Sector bank Suspense shown under Col. 7 of Annexure XIV]		No relevance found in CAM 2007 also. Deleted.		
79	<i>Form CAM 83</i> [Vide Para 15.18.1] Register of daily main scrolls received from nodal branch Receipts/Refunds		No relevance found in CAM 2007 also. Deleted.		
80	<i>Form CAM 84</i> [Vide Para 15.18.1] Monthly Summary		No relevance found in CAM 2007 also. Deleted. Annexure V to Para 15.19.1.a would be maintained in electronic form (bank-wise, tax-wise)		
81	<i>Form CAM 85</i> [Vide Para 15.18.2] Forwarding letter from Designated Officer of CBDT for reconciliation of monthly statement		No relevance found in CAM 2007 also. Deleted.		
82	<i>Form CAM 86</i> [Vide Para 15.18.2] Designated officer –Wise register of main scrolls received by nodal branch		No relevance found in CAM 2007 also. Deleted.		
83	<i>Form CAM 87</i> [Vide Para 15.19.2] Designated officer –Wise Monthly Summary		No relevance found in CAM 2007 also. Deleted.		
84	<i>Form CAM 88</i> [Vide Para 15.15.13] Bank Reconciliation report for the month of..... (for clearance from PSB Suspense) ZAO, CBDT..... Receipts/Refunds		...	...	Yes.

Sl. No	Particular	Availability of relevant reports in PFMS if available	To be maintained by PAO who is functioning in PFMS		
			Only in manual form	Only in electronic form	Both in manual and in electronic form
85	<i>Form CAM 89</i> Part-I (New Cases) Month..... Date on which the item was included in the scrolls of receiving Branches/Nodal Branch and the period of delay and the name of the Bank Branch.		No relevance found in CAM 2007 also. Deleted.		
86	<i>Form CAM 90</i> DDO-PAO expenditure reconciliation certificate (new addition of CAM format)		...	In electronic	...
	Total Formats- 71		30	15	26

Note: PAO in civil Ministries/Departments who works in any other designated IT system of the Ministry/Department including integration with PFMS for payment and accounting function has to check availability of the above mentioned formats in electronic forms in their IT systems. In case the same are not available, these are to be maintained in manual formats.

FORM CAM-1
(Para 7 of Appendix 4.2 to Chapter 4)

STOCK REGISTER OF CHEQUE BOOKS/FORMS
 Name of the Ministry/Deptt

Receipt into Stock					Issue from Stock					Balance on receipt or issue	Initials of G.O.	No. & Date of acknowledgment of books issued	Remarks		
Date	From Whom	Number		SI.No. of forms	Date	To Whom	Number		SI. No. of forms						
1	2	Books	Forms	3	4	5	6	7	8	9	10	11	12	13	14

FORM CAM-2
(Para 9 of Appendix 4.2 to Chapter 4)

ACCOUNT OF CHEQUE FORMS

Date	Opening balance of cheque forms	No. of cheque forms received from stock	Total No. of cheque forms to be accounted for (Columns 2 + 3)	No. of cheques issued	No. of cheque forms cancelled and destroyed with Sl. Nos. thereof	Total No. of cheque forms accounted for (Columns 5+6)	No. of cheques written but not issued	Closing balance of cheque forms (Columns 4-7)	Initials of Cashier	Initials of Officer in Charge
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.

FORM CAM - 3
(Para 12 of Appendix 4.2 to Chapter - 4)

MINISTRY

DEPARTMENT

Pay and Accounts Officer
Cheque drawing D.D.O.

No.

Dated.....

To
The Manager,
.....
.....
.....

Subject: - Intimation regarding cheque forms to be brought into use

Sir,

In continuation of this Office letter No..... dated... ..I have to state that on completion of cheques upto No..... of Category 'A' ; No. of Category 'B'; and No..... of Category 'C', I will start issuing cheques of the following categories bearing Nos. detailed below: -

Category A (Negotiable)

From No.....
To

Category B (Not-Transferable)

From No,
To

Category C (Account - Government Not payable in Cash)

From No.
To

Yours faithfully,

PAY & ACCOUNTS OFFICER/
CHEQUE DRAWING D.D.O.

Copy to Pay & Accounts Officer, Ministry/Deptt. of For information.

Cheque Drawing D.D.O.

FORM CAM – 4
(Para 2.2.7)

BILL DIARY

Sl.No.	Date of receipt of Bill	From whom received	Nature of claim	Amount of Bill	Date of issue of Token in PFMS	Initials of DH	No. and Date of DV	Remarks
							No. & Date of bill return memo	
1.	2.	3.	4.	5.	6.	7.	8.	9.

Note: This register is to be used for recording receipt of ink-signed bills in PAO from DDO.

(Applicable for PAO which do not process bills in PFMS).

FORM CAM – 5
(Para 2.2.7)
Token Issue Register

Sr.No	Sr.No. (DDO wise)	Token No.	Token Type	Bill No	Bill date	Amount	Bill distributed to

Note: For Pay and Accounts Office which process bill in PFMS, the token against bill would be generated in PFMS. The token report is available under CAM Report No. PC-02 Token Issue Register.

(Applicable for Pay and Accounts Office which do not process bills in PFMS).

FORM CAM - 9
(Para 2.4.3)

D.D.O. - WISE BILL PASSING CUM EXPENDITURE CONTROL REGISTER

Sl.No.	Token No. or Bill Diary No.	Nature of Bill	Amount claimed	Amount passed for payment	Initials of P.A.O.	Expenditure Control Register								Total	Initials of AAO.
						Object Head									
						Budget allotment as it stands from time to time can be shown below each head									
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
				TOTAL											

NOTES :- (i) Separate register will be maintained for each DDO. (ii) First few pages may be use for pasting the specimen signature of the DDO, allotment of funds to the DDO (iii) Allotment of funds may be noted at the top in red ink in Col. 7 to 15 (iv) Progressive expenditure on passing each bill may also be noted in cols. 7 to 15 in red ink as a by-entry (v) Monthly total of expenditure may also be struck (apart from page-wise total) for reconciliation with accounts compiled (vi) Vouchers received from chequedrawing DDOs need not be posted in detail in the register; only the sub-head-wise totals may be entered in this register every week, from the compilation sheet (vii) Debits received through inward account and adjusted, should also be noted in the relevant columns to watch progress of expenditure.

Note: Budget availability under each object head would be shown at the time of conduct of pre-check by PAO in PFMS. The details would be available under PFMS CAM Report No.BUD-04-Expenditure Control Register.

**FORM CAM - 10
(Para 2.4.5)**

REGISTER OF CHEQUES DRAWN

Date	Cheque No.	Amount	Initials of PAO
		₹	

FORM CAM - 11
(Para 2.4.5)

(To be maintained in Pay & Accounts Office)
(Separate sheet for each day)

Date.....

REGISTER OF CHEQUES DELIVERED

Sl.No.	Cheque Number	To whom issued	Voucher No.	Token No.	Amount	Initials of PAO
					₹	

Note: The details of cheques issued are available under CAM Report No. PC-03 Register of Cheques of PFMS in PFMS in FORMAT CAM 10. This is to be reconciled with this register.

ABSTRACT OF OUTSTANDING CHEQUES AS AT THE END OF EACH MONTH

- (a) Sl.Nos./ cheque number not cashed upto end of the month.....
- (b) Total amount of cheques outstanding thereof as per total of (a). (This should also be reconciled with BR 01 Report of PFMS outstanding cheques)
- (c) Total amount outstanding under the head 8670 - Cheques and Bills - PAO Cheques upto end of the month
- (d) Analysis of difference, if any, between (b) and (c)

DH

AAO

PAO

**CAM 11 A: REGISTER OF E-PAYMENT ADVICE
(para 2.4.5)**

DAILY SUMMARY OF E-PAYMENT:

Total e-payment issued	Success as per PFMS report	Failure as per PFMS report	Failure after success as per PFMS report	Amount lying under MH-8658- uncredited items (credit side)

SUMMARY FOR EPAYMENT ADVICE FOR THE MONTH ENDING.....

- 1.Amount of e-payment advice outstanding at the end of previous month
- 2.Add amount of e-payment advice issued
- TOTAL
- 3.Deduct Amount of e-payment advice successful as per PFMS report (col Col.2)
4. Deduct Amount of e-payment Advice (reported as failure)
- 5.Balance - Amount of e-payment advice outstanding
6. Total amount outstanding under the head 8670 - Cheques and Bills – Electronic advices upto end of the month
7. Analysis of difference, if any, between (5) and (6)
8. Amount outstanding under the head 8658-uncredited items (credit side) in the accountswhich is equal to

Amount reported as failure after success.....

DH

AAO

PAY AND ACCOUNTS OFFICER

FORM CAM – 12
(Para 2.4.4)

REGISTER OF REQUISITION OF BANK DRAFTS

Sl.No (a)	Date (b)	Bill No. & Date	Date of requisition	Cheque No. & Date	Name/ Designation of the Payee	Branch of Bank on which the draft is requisitioned	Amount of D.D.	Initials of G.O.
1	2	3	4	5	6	7	8	

Number and Date of the Bank Draft	Date of despatch of Bank draft	Initials of the G.O.	Date of receipt of acknowledgement of payee
9	10	11	12

**FORM CAM - 13
(Para 2.4.4)**

URGENT

To

.....
.....
.....

**COVERING LETTER FOR DISPATCH OF LETTER FOR
PAYMENT**

No..... Dated.....20

A Cheque/Demand Draft No. dated for
Rs..... is sent herewith in payment of the bills noted below :-

Token or Voucher No.	Particulars of bills paid		
	No.	Date	Net Amount
TOTAL			

For Pay and Accounts Officer

MEMO OF ACKNOWLEDGEMENT

(To be immediately returned by all outstation Drawing and Disbursing Officers)

No. ,

Date 20..

To

The Pay and Accounts Officer,
Ministry of
Department of
.....

Receipt of Cheque/Demand Draft No.

dated for Rs..... in payment of the bills noted on
the reverse is hereby acknowledged.

Signature
Designation.....

FORM CAM - 14
(Para 2.5.1)

BILL RETURN MEMO

Token No.....

(To be returned in original with reply noted in the right-hand column)

<p align="center">Ministry</p> <p>Pay & Accounts Office ----- of Deptt.</p> <p>No..... No. of enclosures (in words)</p> <p align="right">Dated, the.....20.....</p>	<p>Reply No.</p> <p>Dated, the..... 20....</p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------

To the

To the

Your bill No..... for Rs.....is returned herewith for the reason(s) stated in No.....below with the request that you will kindly remedy the defect pointed out before resubmission and instruct your office to avoid similar errors or omissions in future.

Signature.....

Designation.....

Reasons for return	Details of specific reasons
1. Calculation error	1.1 Arithmetical calculation error 1.2 Claim amount does not match with sub-vouchers. 1.3 The net amount of the bill in figures does not agree with that written in words. 1.4 Calculation of arrear bills of DA/HRA and allowances is incorrect 1.5 Others
2. TDS deduction not as per rules	2.1 TDS as per Income Tax is not made 2.2 TDS on GST is not made 2.3 Others
3. Misclassification of accounting head	3.1 Expenditure is not covered as per DFPR description of object heads 3.2 Others
4. Insufficient budget	4.1 Non-availability of budget provisions under the accounting head. 4.2 Budget made available through re-appropriation is not in order 4.3 Does not adhere to MEP/QEP cash management guidelines 4.4 Others
5. incorrect details	5.1 Mismatch in vendor name and account holder 5.2 Mismatch of beneficiary bank account details as per mandate form 5.3 Bill amount and sanction amount mismatch 5.4 The date of 'Not payable before' (NPB)

	<p>is incorrect.</p> <p>5.5 Duplicate bill/claim/sanction has been submitted.</p> <p>5.6 Others</p>	
6. signature related (other than e-bill)	<p>6.1 Bill is not signed by DDO</p> <p>6.2 Passed for payment order is missing.</p> <p>6.3 Signature of DDO does not match with the specimen signature available with PAO</p> <p>6.4 Alterations unattested</p> <p>6.5 Others</p>	
7. Incomplete documents/certificate	<p>7.1. Pay and Allowances</p> <p>7.1.1 Increment certificate is not signed by Head of Office</p> <p>7.1.2 LPC along with joining order is not enclosed.</p> <p>7.1.3 Appointment order/posting order is not enclosed in first salary of new joinee.</p> <p>7.1.4 Promotion/NFU/Pay fixation orders is not attached in bill.</p> <p>7.1.5 Copies of original invoices, cash memo, requisite self certificates etc. are not enclosed.</p> <p>7.1.6 Sanction order for Leave Encashment is not enclosed.</p> <p>7.1.7 Certificate that necessary entries made in Service Book is not enclosed.</p> <p>7.1.8 PRAN is not indicated in NPS first salary bill</p> <p>7.1.9 Not supported by absentee statement.</p> <p>7.1.10 Others</p> <p>7.2. Medical reimbursement</p> <p>7.2.1 Not supported with receipts/invoices/vouchers</p> <p>7.2.2 Sanction order is not available with the bill & claim.</p> <p>7.2.3 Emergency certificate is not attached.</p> <p>7.2.4 Copies of CGHS card holder/primary card holder are not enclosed.</p> <p>7.2.5 CGHS/AMA referral slip is not enclosed.</p> <p>7.2.6 Restricted amount or approved amount is not attested by DDO</p> <p>7.2.7 Discharge summary duly signed is missing</p> <p>7.2.8 Certificate from Government servant that total reimbursement from both CGHS and Insurance Company is not exceeded from</p>	

	<p>actual expenditure, is missing</p> <p>7.2.9 Not properly filled up/being blank by claimant.</p> <p>7.2.10 Others</p> <p style="text-align: center;">7.3.TA/LTC/Transfer TA</p> <p>7.3.1 Not supported with receipts/invoices/vouchers for place of stay</p> <p>7.3.2 Copy of sanctioned leave approved by the competent authority is not attached.</p> <p>7.3.3 Not supported with copies of tickets/boarding pass</p> <p>7.3.4 Print out of concerned web page of authorised travel agency is not attached.</p> <p>7.3.5 Date and time of commencement/end of journey are missing.</p> <p>7.3.6 Purpose of visit is missing.</p> <p>7.3.7 Bills not signed by Controlling Officer/Self Controlling Officer</p> <p>7.3.8 Copy of approved tour programme is missing.</p> <p>7.3.9 Certificate that necessary entries on LTC are entered in service book, is missing.</p> <p>7.3.10 Place of visit is not mentioned in LTC sanction order.</p> <p>7.3.11 Transfer order is missing.</p> <p>7.3.12 Not properly filled up/being blank.</p> <p>7.3.13 Certificate that the conveyance charges drawn in the bill were strictly in accordance with the rules is not enclosed.</p> <p>7.3.14 Amount incurred for food charges is not mentioned in TA format.</p> <p>7.3.15 Others</p> <p style="text-align: center;">7.4.GPF/NPS/Loans and Advances</p> <p>7.4.1 PF Advance bill is not supported by PF Ledger Statement on PFMS.</p> <p>7.4.2 NPS bills are not supported by subscriber statement/Schedule.</p> <p>7.4.3 Not properly filled up/being blank.</p> <p>7.4.4 Amount claimed by DDO is not in accordance with the sanction order</p> <p>7.4.5 Conditions fulfilled before payment, if any, are actually fulfilled and a certificate to that effect is not recorded on the bill</p> <p>7.4.6 others</p>	
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7.5. Procurement of Goods and Services

- 7.5.1 Sanction order is missing/not signed.
- 7.5.2 Not supported with receipts/invoices/vouchers
- 7.5.3 Certificate on goods received in good condition and entry has been made in Stock register in terms of Rule 208, GFR, 2017 is not made available.
- 7.5.4 Not supported with documents/proof for GST claim
- 7.5.5 Non-availability certificate for procurement outside GeM is missing.
- 7.5.6 For procurement outside GeM, necessary approval from Secretary in consultation with FA on the recommendation of Standing Committee on GeM is missing.
- 7.5.7 Copy of ESIC, EPFO challan or other documents as per contract is missing.
- 7.5.8 Certificate of Local Purchase Committee is missing.
- 7.5.9 Documentary evidence like Bank guarantee against advance sought is not provided.
- 7.5.10 Not properly filled up/being blank.
- 7.5.11 others

7.6. Major/Minor/Repair/Original Works through LOA/GeM/Tender

- 7.6.1 Certificate for final payment that the work has been completed as per contract/work order/agreement is missing.
- 7.6.2 Work order is missing
- 7.6.3 Others

7.7. CSS/CS/Other Central Expenditure

- 7.7.1 Details of IFD concurrence are not indicated.
- 7.7.2 Details not attached
- 7.7.3 Others

7.8. Contingent bills

- 7.8.1 Requisite certificates are not enclosed.
- 7.8.2 Sub-vouchers not attached.
- 7.8.3 Bill for phone calls is not supported

	<p>by the certificate 7.8.4 Others</p> <p>7.9. Tuition Fee</p> <p>7.9.1 Certificate of school or cash receipt from the school is not attached 7.9.2 Receipt is not signed/ attested by DDO 7.9.3 Not properly filled up/being blank 7.9.4 Others</p>	
8.Non-compliance with rules	<p>8.1.Pay and Allowances</p> <p>8.1.1 Recoveries viz. CGHS, CGEGIS, L.Fee etc. are not correctly deducted as per entitlement 8.1.2 Due-drawn statement and pay fixation order are not verified by DDO. 8.1.3 DA,TA,HRA,PersonalPay,special pay, NPA etc. are not as per extant orders or rules. 8.1.4 Pay fixation is not verified by Internal Audit in case of stepping up of pay. 8.1.5 Others</p> <p>8.2.Medical reimbursement</p> <p>8.2.1 Fees charged by AMA/Doctor are not as per prescribed rates. 8.2.2 Test prescribed by private hospital is not endorsed by CGHS centre. 8.2.3 CGHS rate code is not mentioned in the bill. 8.2.4 Medical Advance sought is not in favour of hospital name. 8.2.5 Medicine purchased from market will not be reimbursed, in case of CGHS beneficiary. 8.2.6 Amount of inadmissible/ consumables items are not restricted from the claim. 8.2.7 Others</p> <p>8.3.TA/LTC/Transfer TA</p> <p>8.3.1 Rates/ charges are not restricted as per rules 8.3.2 Ticket is not booked from authorized agents 8.3.3 Not restricted as per the shortest route 8.3.4 Mode of travel is not as per entitlement 8.3.5 Travel by own vehicle is not approved by competent authority.</p>	

- 8.3.6 Leave balance is not sufficient as per service book
- 8.3.7 Leave encashment is only paid for 60 days of leave(10 days at a time)
- 8.3.8 LTC travel by own vehicle is not permissible.
- 8.3.9 Adjustment bill against advance has not been submitted within the timelines.
- 8.3.10 Claim is timebarred.
- 8.3.11 Prior approval from the department is mandatory if not travelled within time limit
- 8.3.12 Composite transfer grant is not calculated on last month basic pay
- 8.3.13 TA is not admissible during leave.
- 8.3.14 NO TA/DA is allowed on local training.
- 8.3.15 others

8.4.Pension and Retirement benefits

- 8.4.1 Service verification entries are not made in the service book.
- 8.4.2 Sanction is not as per rules.
- 8.4.3 Pension Papers are not accompanied by Service Book.
- 8.4.4 Qualifying service certificate is missing.
- 8.4.5 Leave account entries in Service Book are incomplete.
- 8.4.6 Amount of Commuted Value of Pension is not as per rules.
- 8.4.7 Amount of Provisional Pension is not as per the Rules.
- 8.4.8 Amount of Gratuity is not as per rules.
- 8.4.9 Amount of Leave encashment is not as per rules.
- 8.4.10 Payment from CGEGIS is not as per table.
- 8.4.11 others

8.5. GPF/NPS Bills/Loans and advances

- 8.5.1 Advance/Withdrawal is not in conformity with the rules.
- 8.5.2 Sanction is not issued by the Competent Authority.
- 8.5.3 others

8.6.Procurement of Goods and Services

- 8.6.1 LD charges not deducted from bill
- 8.6.2 Bill is not preferred through GeM-

	<p>PFMS integration against procurement made through GeM.</p> <p>8.6.3 Advance sought by Supplier is not as per GFR,2017.</p> <p>8.6.4 Concurrence of FA in exceeding sanction of advance is missing.</p> <p>8.6.5 Bills are not preferred in accordance with contract/job order</p> <p>8.6.6 Adjustment bill on account of advances for contingent and miscellaneous purpose is not submitted within 15 days [as per Rule 323(ii) of GFR,2017].</p> <p>8.6.7 Others</p> <p>8.7.Major/Minor/Repair/Original Works through LOA/GeM/Tender</p> <p>8.7.1 Execution is not as per terms and conditions of the contract</p> <p>8.7.2 Sanction/approval is not from the competent authority.</p> <p>8.7.3 Concurrence of IFD is not provided.</p> <p>8.7.4 Works executed other than through CPWD is not supported by terms and conditions of the contract</p> <p>8.7.5 others</p> <p>8.8.Centrally Sponsored Schemes</p> <p>8.8.1 Release of funds is not as per MoF O.M. dated 23.03.2021 as amended from time to time.</p> <p>8.8.2 Deviation from release of funds as per MoF dated 23.03.2021 is not supported by approval of DoE.</p> <p>8.8.3 Release of funds is not as per MoF OM dated 13.07.2023.</p> <p>8.8.4 UC is not enclosed.</p> <p>8.8.5 others</p> <p>8.9.Central Sector Scheme</p> <p>8.9.1 Release of funds is not as per MoF O.M. dated 09.03.2022 as amended from time to time.</p> <p>8.9.2 Deviation from release of funds as per MoF dated 09.03.2022 is not supported by approval of DoE.</p> <p>8.9.3 Scheme or any component of the Scheme are exempted with the approval of the Secretary in consultation with IFD from marking it as CNA as stipulated in DoE OM dated 25.07.2022, is not provided.</p> <p>8.9.4 UC is not enclosed.</p> <p>8.9.5 others</p>	
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	<p style="text-align: center;">8.10. Other Central Expenditure Bills</p> <p>8.10.1 UC is not enclosed. 8.10.2 For recurring GIA, the unspent balances of the previous Grants are not taken into account in sanctioning the subsequent grant. 8.10.3 Others</p> <p style="text-align: center;">8.11. Tuition Fee</p> <p>8.11.1 Amount reimbursed is not as per prescribed limit 8.11.2 Claim is admissible only for 2 children 8.11.3 Sanction is not from competent authority/ not as per the rules. 8.11.4 others</p>	
9.Others	9.1 Specify details	
Remarks		Officer's Reply
..		
		Signature Designation

FORM CAM – 15
(Para 2.19.9)

PAY AND ACCOUNTS OFFICER'S CHECK REGISTER OF OUTSTANDING PRE-CHECK CHEQUES

For the Month ending

Date	Amount of cheque delivered	Amount of cheques encashed/cancelled (as per daily scroll from the Bank)
	₹	₹
1	2	3
TOTAL		

SUMMARY FOR THE MONTH ENDING

Amount of Cheques outstanding at the end of previous month

Add amount of cheques delivered (Total Column 2)

TOTAL

Deduct Amount of cheques encashed/Cancelled (Total Col.3)

Balance - Amount of cheques outstanding

Certified that the above balance has been tallied with the list of cheques outstanding and found to be correct.

PAY AND ACCOUNTS OFFICER

FORM CAM - 15A
(Para 2.19.9)

**PAY AND ACCOUNTS OFFICER'S CHECK REGISTER OF OUTSTANDING
PRE-CHECK E-PAYMENTS ADVICES**

For the Month ending

Date	Amount of e-payment advices issued	Amount of e-payment success (as per daily scroll from the Bank)
	₹	₹
1	2	3
TOTAL		

SUMMARY FOR THE MONTH ENDING

Amount of e-payment outstanding at the end of previous month

Add amount of e-payment issued (Total Column 2)

TOTAL

Deduct Amount of e-payment success (Total Col.3)

Balance - Amount of e-payment advices outstanding

Certified that the above balance has been tallied with the list of e-payment advices outstanding and found to be correct.

PAY AND ACCOUNTS OFFICER

FORM CAM - 16
(Para 16.3.1)

REGISTER OF VALUABLES

Sl.No.	Date of receipt	From whom received	Nature of valuables (e.g. whether cheque/ Demand Draft) No.& Date & name of Bank on which drawn	Amount	Initials of		How disposed of with particulars (e.g. credit to Bank; return to Party/DDO)	Date of Bank scroll in which credit traced	Initials of Acctt/ Sr.Acctt.	Remarks
					Acct/ Sr.Acctt	AAO				
1	2	3	4	5	6	7	8	9	10	11

FORM CAM - 17
(Para 13.6.10)

REGISTER OF PUBLIC / PRIVATE SECTOR BANK SUSPENSE/RESERVE BANK DEPOSITS

Description of PAO

Code No. allotted to PAO

Code No. allotted to Cheque Drawing DDO

Date	Main Scroll Number	Receipts			Payments			
		Other than e-receipts	e-receipts	Total Receipt as Receipt Scroll	Payment through Cheque	e-Payment	Failure after success (returning)	Total Payments as per payment scroll
(1)	(2)	(3)	(4)	(5)=(3)+(4)	(6)	(7)	(8)	(9)=(6)+(7)-(8)

Note: PAO should ensure that the totals for the month mentioned above exactly tallies with the DMS figures (Cheque/e-payment) as available in PFMS before submitting account to CGA.

FORM CAM - 17A
(See Paras 4.4.4. & 4.4.5)

REGISTER OF RESERVE BANK DEPOSITS

Effect on R.B.D. etc. based on clearance memos received against settlement throughout R.B.I. (CAS) Nagpur

Principal Accounts Office, Ministry/Department of Month of 20.....

Sl.No. (to be continuous for a financial year)	R.B.I. clearance memo No. & date		Indicate against entries in col.3 whether particulars were received & T.Es prepared (See para 1.18.3)	Amounts where the memos afford receipts						Amounts where memos represent disbursements		Remarks
	Against advices issued by Pr. A.O.	Against advices issued by AG on Railways etc.		Total Heads bearing contra effect						Total (to be reckoned as credit under R.B.D.)	Head bearing contra effect 8658 etc. R.B.S.) Responding(-) Cr)	
				(to be reckoned as debit under R.B.D.)	8658 etc. R.B.S. (Original credit	8786	8787	8788	8789				(Only in Ex. Affairs accounts books, to appear as responding(-) Dr. vide para 1.18.4
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.
				₹	₹	₹	₹	₹	₹	₹		

FORM CAM - 18
(Para 3.3.2)

(To be maintained by the cheque drawing D.D.Os)

REGISTER OF BILLS RECEIVED

Sl. No.	Date	Designation of D.D.O.	Particulars of the bill	Net amount	Date of passing bill & issue of Cheques	Cheque No.	Amount	Remarks
1	2	3	4	5	6	7	8	9

(To be maintained by the
cheque drawing D.D.Os)

Form CAM 19

(Para 3.3.2)

REGISTER OF CHEQUES ISSUED

Sl .N o.	Date	Ref. to Sl.No. of Bill Register	Particulars of the Bill	To whom issued	Cheque No.	Amount	Initials of D.D.O.	Remark	Date of encashmen t	Initial sof D.D.O .	Amount of assignm ent	Balanc e in assign ment accou nt
1	2	3	4	5	6	7	8	9	10	11	12	13

ABSTRACT OF OUTSTANDING CHEQUES AS AT THE END OF EACH MONTH

- (a) Sl.Nos./ cheque number not cashed upto end of the month.....
- (b) Total amount of cheques outstanding
thereof.....
- (e) Total amount outstanding under the head 8670 - Cheques and Bills – Departmental cheques
upto end ofthe month
- (f) Analysis of difference, if any, between (b) and (c)

DH

AAO

PAO

Form CAM: 19A

(Para 3.3.2)

MONTHLY SUMMARY OF E-PAYMENT ADVICE

Total e-payment issued	Success as per PFMS report	Failure as per PFMS report	Failure after success as per PFMS report	Amount lying under MH-8658-uncredited items (credit side)

SUMMARY FOR EPAYMENT ADVICE FOR THE MONTH ENDING.....

- 1.Amount of e-payment advice outstanding at the end of previous month
- 2.Add amount of e-payment advice issued

TOTAL

- 3.Deduct Amount of e-payment advice successful as per PFMS report (col Col.2)
- 4.Balance - Amount of e-payment advice outstanding

- 5. Total amount outstanding under the head 8670 - Cheques and Bills – Electronic advices upto end of the month
- 6. Analysis of difference, if any, between (4) and (5)

DH

AAO

PAY AND ACCOUNTS OFFICER

FORM CAM - 20
(Para 3.4.2)

BANK RECONCILIATION STATEMENT OF DISBURSEMENTS RELATING TO THE MONTH
OF
..... 20.....
Ministry/Department/Office
of
.....

Total payments as per bank scrolls	Total payments as per the Register of Cheques issued	Amount of Cheques issued in earlier month(s) but encashed during the month	Amount of Cheques issued during the month but not encashed	Items in bank scrolls not relating to DDO and other errors in scrolls	2+3 - 4+5 (should be equal to the figures under col.1)
1	2	3	4	5	6

**FORM CAM - 21
(Para 3.4.3)**

(For cheque drawing D.D.Os)

LIST OF PAYMENTS

Ministry/Department/Office of
List of Payments for the week ending
Designation of the D.D.O. (Cheque drawing)

Authority Amount

Credit (assignment) advised for the quarter ending _____

Abstract

Balance in the quarterly assignment at the close of last week _____

Total payments during the week _____

Balance in the quarterly assignment at the end of the current week _____

SI.No.	Date	Particulars of the bill	SI.No. given in Bill Register	To whom paid	Cheque No.	Amount
1	2	3	4	5	6	7

Total ₹ _____ (₹ _____ only)

Certified that the total payments during the week ending Indicated above agrees with the payments shown in the Register of Cheques issued and the progressive total of assignment worked out in the latter has been reconciled with the progressive total indicated in the Bank's payment scroll. The (to be submitted monthly, with the last week's list) reconciliation statements of receipts/payments for the month ofare also attached.

Signature
Designation of D.D.O.

**FORM CAM-22
(Para 3.4.2)**

(To be maintained by Cheque Drawing D.D.Os)

**MONTHLY RECONCILIATION STATEMENT OF RECEIPTS DEPOSITED INTO THE BANK BY
CHEQUE DRAWING D.D.Os**

Month/Year

Total of remittances sent to Bank through Challans by Cheque drawing DDO during the month	Total of receipts as per Bank Scrolls	Total of remittances pertaining to earlier period and shown in the scroll for the month	Total of remittances made but not appearing in the Bank Scroll for the month	Items in Bank Scroll not relating to the D.D.O.			Total (1+3 - 4+7) This should tally with the amount under Col.2	Remarks
				5	6	7		
1	2	3	4	5	6	7	8	9

NOTE: Normally the figure in Col.3 of current month's statement will represent figure of Col.4 of the statement of the previous month. In case of difference only, the details may be given.

FORM CAM - 23

[Para 2.16.1]

NONCOMPUTATIONAL ALLOWANCE PAYMENT REGISTER

Sl. No	Name & Designation	Pay level	Pay	Non-computational allowances admissible				Recurring or Non-recurring	Remarks (with authority)
				Name	Amount	Start w.e.f.	Upto		
1	2	3	4	5	6	7	8	9	10

FORM CAM - 24
(Para 2.16.2)
ESTABLISHMENT CHECK REGISTER

Name of the D.D.O

Designation of post	No. & Month of Voucher	No. of permanent posts	No. of temporary posts	Total Posts	Number of incumbents		Remarks
					Substantive / Officiating	On leave	
1	2	3	4	5	6	7	8

FORM CAM - 26
(Para 2.16.10)

OBJECTION BOOK (OTHER TRANSACTIONS) AND ADJUSTMENTS

EFFECTED DURING THE MONTH OF 20 .. .

Sl. No.	Period of Account	No. of Voucher or bill Diary No.	Designation of the DDO responsible for clearance of objection	Amount kept under Objection					Nature of item and objection	Details of Correspondence	Details of Adjustments		Remarks	
				For want of detailed bill	For want of sub-vouchers & Payees stamped receipt	For want of sanction	For other reasons	Due to insufficient or irregular sanction			Month	Amount		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Total of the Month's objections									Adjustment during the Month.....20				I certify that I have examined the OB and find it complete in full respects. AAO PAO	
Add - Balance from last Month									OB Item No.	Month	Indicate Col. No.@	Amount		
Total														
Deduct - Amount adjusted during....														
Balance carried forward									Total					

@ Col. No.5 to 9

FORM CAM - 28
(Para 2.16.15)

REGISTER OF GRANTS-IN-AID/SCHOLARSHIPS

Grant No.
Charged/Voted

Sl. No.	Designation of authority issuing sanction	Letter No. & Date	Name of Grantee/ Scholarship holder	Purpose of Grant/Scholarship	Special conditions, if any	Amount in ₹		Period of the sanction	NOTE OF PAYMENT		
						Recurring	Non-recurring		Vr. No. & Date/ Advice No. & Date to RBI	Amount Paid	Initials of PAO
1	2	3	4	5	6	7	8	9	10	11	12
Reference furnishing information regarding fulfillment of conditions attached to the Grant	Letter No. & Date with which utilisation certificate is received	Details of unutilised portion surrendered	Remarks and note of final action	Initials of AAO							
13	14	15	16	17							

Notes :

1. Separate registers should be maintained for Grants-in-aid and Scholarships.
2. In case payment is in instalments during a year, the periodicity of instalment viz. Quarterly/half yearly will be indicated (e.g. Quarterly/1998-99) under Col. No. 8 and
3. Sufficient space may be left for the purpose of entering the periodical payments one below the other against relevant Serial No.

**FORM CAM - 29
(Para 2.16.17)**

REGISTER OF LOANS

Loan of Rs.....sanctioned to
In letter No..... Dated20.....

Major head of Account.....
Minor head of Account.....

CONDITIONS OF LOAN

Rate of interestper cent. Due date(s) of repayment of Principal
.....

Date & Voucher		Account of Principal of loan			Calculation of interest on principal			Account of interest demand			Remarks
Date	Voucher	Advance	Repayments	Balance	Period	On Advance	On Repayment	Amount due	Amount paid & credited to interest		
		₹	₹	₹		₹	₹	₹	Rs		

FORM CAM – 30
(Para 2.16.18)
REGISTER AND BROADSHEET OF ADVANCES FOR HBA,
MOTOR CAR AND OTHER CONVEYANCES AND OF INTEREST THEREON FOR THE YEAR
20.....20.....

Sl No	Name of Government Servant	No & Date and substance of order and the amount sanctioned	Rate of interest/monthly rate of recovery	Amount drawn with Voucher No. / Balance of Principal brought forward/ Total interest due or brought forward	AMOUNT RECOVERED													Total Recoveries during the year	Balance of Principal / interest at the end of the year carried forward	Remarks	
					April	May	June	July	August	September	October	November	December	January	February	March	March Final				
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	
			₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	Rs	

NOTES :

- The entries in this register should be grouped by months, the name of the month being written in red ink across the first 5 columns. Sanction will, on receipt, be noted in chronological order in the 4 columns. Advances drawn in the same month will be noted in column 5 against the entries for sanctions. Those drawn in subsequent months will be entered in column 5 under the month in which payment is made and cross reference recorded in columns 5 and 1-4 against the entries made as above for sanctions and payments respectively, a line being drawn in the remaining columns against the entries for sanctions. If an advance drawn in more than one instalment the entries for second and subsequent instalments will, with proper cross reference, be made in column 5 under the months of payment and plus entries will also be made against first instalment. Recoveries of total advances will thus be watched against the first entry of payment. Sufficient space should invariably be left after the entries for each month, to effect the necessary reconciliation, with the Detail Book.
- The monthly recovery of an advance should be entered in black ink in the column for the month in which the salary is finally accounted for. As repayment of an instalment from the salary pertaining to a month is to be deemed as effected on the 1st of the subsequent month for purpose of interest (Vide G.I., decision No.1 below rule 20 of Compendium of Rules on Advances to Government Servants,2005), the outstanding balance after reckoning the repayment should be

entered in red ink below the line in such subsequent month's column. The red ink entries in the monthly columns should be totalled and entered, also in red ink, in column 19 below the black ink figure of total recoveries during the year. A progressive total of the red ink balances entered in columns 19 (i.e., sum of red ink figures in column 19 + previous year's column 20) pertaining to the employee should be entered in red ink below the line, in column

20. After the advance is completely repaid, total amount of interest recoverable will have to be calculated on the progressive total (red ink entry in the corresponding column 20), adopting the monthly rate of interest applicable to the advance.

3. Particulars of the original Mortgage Bond and of the Insurance cover notes should be noted in the remarks cols. whenever necessary, in order to watch the dates of first insurance and of subsequent renewals.

4. The fact that the Government servant concerned has accepted the balance should be cited in the remark's column.

3. Voucher number need be noted in Col.5 only while noting the amount drawn, it need not be repeated while noting the balance of Principal

4. /Interest brought forward.

5. Fly leaf may be inserted to cover a period of 5 Years.

FORM CAM - 31
[Para 2.16.21(v)]

REGISTER OF SANCTIONS TO CONTRACTS

Item No.	Ref. To Sanction	Name of Contractor	Name of work/nature of supply	Substance of sanction/quantities/rates and other conditions	Stipulated date of completion of contract	Payments												Remarks
						April	May	June	July	August	Sep	Oct	Nov	Dec	Jan	February	March	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19

FORM CAM – 32
(Note 1 below Para 2.4.1)

REGISTER OF FINAL POST-CHECK OF PRE-CHECKED BILLS

Month to which final post-check of pre- checked bills relates	Number of the bills passed by AAO during the month	Out of sl.No.2, Post check conducted by PAO		Remarks/Certificateof the PAO	Initialsof the PAO
		Number of the voucher(s)	In percentage of SL.NO.2		
1	2	3	4	5	6

**FORM CAM - 33
(Para 5.2.1)**

Pay & Accounts Office

Ministry / Department of

COMPILATION SHEET FOR POSTING VOUCHERS RECEIVED WITH LIST OF PAYMENTS OF DDO.....

DEBITS (Payments)

(Deductions/Recoveries) CREDIT

Sl. No.	Date of Payment	Computer Code No.						Total Debits	Sl. No.	0021 Taxes on income etc.		0210 Medical	0216 Housing		0235 Social Security
			Major Head 3451- Secretariat - Economic Services Minor Head 090- Secretariat							Income Tax on Union emoluments including pension	Surcharge	Contribution to CGHS	Receipt from Govt. Residential Buildings	Other Receipts	Receipt under CGEIS
DV.No.															
		Salaries	Wages	Travel Expenses	Office expenses										
		₹	₹	₹	₹		₹		₹	₹	₹	₹	₹	₹	

8009 State Provident Funds		8658 Suspense Accounts - PAO Suspense					Net amount of voucher i.e. PAO cheques or departmental cheques Suspense (Credit)	Total Credits	
G.P. Fund	C.P. Fund							₹	₹
₹	₹	₹	₹	₹	₹	₹	₹	₹	

FORM CAM - 34
(Para 5.6.1)

TRANSFER ENTRY IN THE ACCOUNTS OF..... 20.....- 20.....
Serial No.
(running serially for a year)

Date.....

<p>Dr.....</p> <p>To.....</p> <p>Cr.</p>	
-----------------------------------------------------------------------------------------------------------	--

Reasons for the T.E. :-

Asst. Accounts Officer

Accounts Officer

N.B. : - The T.E. shall be signed by the Head of the Accounting Organisation Viz. CCA/ CA/ Dy.CA/ AG as the case maybe, if it is a Journal Entry.

FORM CAM - 35

(Para 5.6.6)

TRANSFER ENTRY NUMBER BOOK OF THE.....FOR THE MONTH OF20.....

No. of TE (Running Serial for whole year)	Department	Debited		Credited		Reasons for Transfer Entry	Receipt of Receiving Section	No. of the Receiving Section	Remarks
		Head	Amount	Head	Amount				
1	2	3	4	5	6	7	8	9	10
			₹		₹				

(Only for PAO who do not work in PFMS)

**FORM CAM - 36
(Para 5.6.6)**

SUMMARY OF TRANSFER ENTRIES

Pay & Accounts Office, Ministry/Deptt. of

Month
Year

As per individual TE		Number thereof	Head of Account	Effect to be posted in the Departmental Classified Abstract	
Debit	Credit			Debit	Credit
1	2	3	4	5	6

(Only for PAO who do not work in PFMS)

**FORM CAM - 37
(Para 5.7,7)**

CLASSIFIED ABSTRACT PART - I

RECEIPTS
MONTH & YEAR

Computer Code No. etc.	Head of Account	PAO	DD O	DD O	DD O	Summary of TEs	Total for the Month
1	2	3	4	5	6	7	8
I. CFI	0021 - Taxes on Income etc. Income-tax on Union emoluments including Pensions Income-tax on other than Union emoluments including Pensions Surcharge Total '0021' 0049 - Interest Receipts Interest from State Govts. (i) Interest on loans for (ii) (iii) TOTAL (A) Interest from U.T. Govts. (i) Interest on loans for TOTAL (B)						
III. Public Account	(C) Other interest receipts of Central Govt. (i) Interest from Departmental commercial undertakings. (ii) Interest from Public Sector & Other undertakings.						

<p>(iii) Other receipts - Interest on loans to Govt. Servants. Deduct - Refunds TOTAL (C)</p> <p>TOTAL 0049 (A+B+C)</p> <p>8009 - State Provident Funds Total '8009'</p> <p>8658 - Suspense Accounts Pay & Accounts office Suspense Transactions adjustable by other PAOs/AGs Original credit Rs.....</p> <p>Responding minus credit Rs.....</p> <p>Net Rs.....</p> <p>(b) Public Sector Bank Suspense</p> <p>(c) CAO RBS Original credit Responding minus Credit.....</p> <p>Net Rs</p>					
<p>(d) Suspense Account (Civil)</p> <p>Original</p> <p>Responding (minus)</p> <p>Net Rs.....</p> <p>Total '8658'</p> <p>8670 - Cheques & Bills</p> <p>1. PAO Cheques Original... Responding(minus).....</p> <p>Net Rs.....</p> <p>2. Departmental Cheques Original.....</p> <p>Responding(minus)....</p> <p>Net Rs.....</p> <p>TOTAL '8670'</p>					

(Only for PAO who do not work in PFMS)

FORM CAM - 38
(Para 5.7.7)

CLASSIFIED ABSTRACT PART - II

DISBURSEMENT.
MONTH & YEAR

Computer Code No. etc.	Head of Account	PAO	DDO	DDO	DDO	Summary of Transfer Entries	Total for the Month
9	10	11	12	13	14	15	16
I. Consolidated Fund	2047 - Other Fiscal Services - Interest on..... Total '2047' 2049 - Interest Payments (Charged) (i) Interest on GPF (Others) Total '2049' (Charged) 3451 - Secretarial Economic Services Secretariat Salaries Wages Total Secretariat Other Offices Total '3451'						

Grant No.....	7610 - Loans to Govt. Servants							
III. Public Account	House Building Advance....							
	Advances for purchase of Computer.....							
	Advances for other conveyances							
	Other Advances							
	Total ' 7610'							
	8009 - State Provident Fund							
	A - Civil G.P.F.							
	(i) Others							
	Total '8009'							
	8658 - Suspense Accounts							
	(a)PAO Suspense							
	(i) Outstation Pay Bills for March							
	Original Debit Rs....							
	Responding minus							
	Debit Rs...							
	Net ₹							
	(ii) Transactions adjustable by other PAOs/AGs							
	Original debit Rs....							
	Rs.....							
	Net Rs.....							

(iii) Other Transactions						
Original debit ₹						
Responding minus						
Debit Rs.....						
Net Rs.....						
Total 'PAO Suspense'						
(b) PSB Suspense						
(c) CAO R.B.S.						
Original debit ₹						
Responding minus						
Debit Rs.....						
Net Rs.....						
(d) P.F. Suspense						
Original debit ₹						
Responding minus						
debit Rs.....						
Net ₹						
(e) Suspense Account (Civil)						
Challans/vouchers. suspense						
Original debit ₹ Responding minus						
debit Rs.....						
Net Rs						
Total '8658'.....						

(Only for PAO who do not work in PFMS)
FORM CAM - 39
(Para 5.7.7)

Part - I RECEIPTS
 Part - II DISBURSEMENTS
 Year.....

CONSOLIDATED ABSTRACT

Pay & Accounts Office, Ministry/Deptt. of

Computer Code No. etc.	Heads of Account	April	May	Upto end of May	June	Upto end of June	July	Upto end of July						March	Upto end of March	March (Sy.)	J.E.s.
I. Consolidated Fund																	
III. Public Fund																	
TOTAL																	

FORM CAM - 40
(Para 5.11.2)

Major/Minor (Detailed) Head wise Ledger of balances for and upto the year ending 31.3.20.... under the DDR Heads (Closed to Balance) in the books of Pr. A.O./ P.A.O./

Major Head & Minor/Sub/Detailed Heads here under	Opening balance as on 1.4.20.... including the amount transferred by Accountants General		Total Progressive figures for the first six months of the financial year i.e. from April to Sept. 20.....		Closing Balance as on 30.9.20.... after taking the net effect of Columns 4 & 5 and 2 & 3		Quarterly figures for the Qr. Oct. to Dec. 20.....		Closing Balance as on 31.12.20... after taking the net effect of Columns 8 & 9 and 6 & 7		
	1	2	3	4	5	6	7	8	9	10	11
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	

Quarterly figures for the Qr. Jan. to March 20.... Including March (Supplementary) and J.E.s.		Plus/Minus amounts adopted/transferred on Proforma basis during the year		Closing Balance as on 31.3.20..... after taking net effect of columns 12-13 & 14-15 and 10-11	
12	13	14	15	16	17
Dr.	Cr.	Dr.	Cr.	Dr.	Cr.

Note : - (1) Detailed head wise ledger is to be kept only by PAOs;
(2) Separate Folio be opened for different major heads

FORM CAM - 41
(Para 5.11.2)

**SECTORWISE ABSTRACT (LEDGER) OF BALANCES AS ON 31.3.2006 UNDER DDR HEADS (CLOSED TO BALANCE) IN THE BOOKS OF A
Pr. A.O.**

Sector of Account	Opening balance as on 1.4.79 including amount transferred earlier by A.G.s		Total Progressive figures during the year (including JEs)		Plus/Minus amount adopted/transferred on proforma basis during the year		Net effect of columns 4 to 7		Closing balance as on 31.3.80 (This is to be transferred to the summary of balances)	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
1	2	3	4	5	6	7	8	9	10	11
E - Public Debt	...	23,063	13,496	18,408	...	...	...	4,912	...	27,980
F - Loans/Advances	17,920	...	4,155	2,288	80	...	1,867	1,430	19,787+80	9,129+21
I - Small Savings, PF Etc.	...	7,699	1,837	3,267	...	21	...	101	...	1,128
J - Reserve Funds	...	1,027	505	606	...	...	...	113	...	1,856+7
K - Deposits & Advances	...	1,743	2,222	2,335	...	7	...	...	...	...
L - Suspense & Misc. other than Major heads 8675 & 8680.	405	...	694	423	5	...	271	...	676+5	...
M - Remittances. .	28	...	162	64	....	...	98	...	126	...

FORM CAM - 42
(Para 5.12.1)

COMPUTATION OF GOVERNMENT ACCOUNT AS ON 31.3.2006 IN THE BOOKS OF THE Pr.A.O.

Sector		Dr.	Cr.
	Opening balance as on 1.4.79	15,184	...
A+B	Receipts (Revenue)	...	13,843
A+B+C+D	Expenditure (Revenue)	13,414	...
A+B+C+D	Expenditure (Capital)	2,243	...
G (Major Head 8679)	DDR Heads (Closed to govt.)	2,506	...
H (Major Head 7999 & Major Head 8675 RBD & Major Head 8680 -Misc. Govt. A/c)			
	Net effect of balances adopted/ transferred on "proforma" basis, reversing its side i.e., credit to debit and vice-versa.	...	57
	Net effect of Prior Period Adjustment Account	...	...
	Total	33,347	13,843+57
	Closing balance transferred to Summary of balances	1,950-57	...

**FORM CAM - 43
(Para 5.13.1)**

SUMMARY OF BALANCES

As on 31.3.2006(Pr. A.O.'s Books)

Debit Balance	Sector of the General Account	Name of Account	Credit Balance
19,504 - 57		CONSOLIDATED FUND	----
---	E	Govt. Account (Closing balance including Major Heads 8675 & 8680)	27,980
19787+80	F	Public Debt	----
---	I	Loans & Advances	9129+21
---	J	PUBLIC ACCOUNT	1,128
---	K	Small Savings, Provident Funds etc.	1,856+7
676+5	L	Reserve Funds	----
126	M	Deposits & Advances	----
		Suspense & Miscellaneous (except Major Heads 8675 & 8680)	
		Remittances	
40,093+28		TOTAL	40,093+28

NOTE : This is prepared based on the closing balances in forms CAM 41 & 42.

**FORM CAM - 43(contd.)
(Para 5.13.1)**

(Corresponds to Statement No. 5 of Finance Accounts)

**SUMMARY OF BALANCES
As on 31.3.2006**

(In CGA's Books)

Debit Balance	Sector of the General Account	Name of Account	Credit Balance
1,814		CONSOLIDATED FUND	----
—	E	Govt. Account (including Major Heads 8675 & 8680)	27,980
19,787	F		----
---	I	Public Debt	50
----	J	Loans & Advances	9,129
----	K		
----	L	CONTINGENCY FUND	1,128
676	M	PUBLIC ACCOUNT	1,856
126	N		----
17,740		Small Savings, Provident Funds etc. Reserve Funds Deposits & Advances Suspense & Miscellaneous (except Major Heads 8675 & 8680) Remittances * Cash Balance(closing)	----
40,143		TOTAL	40,143

* Worked out as shown below in CGA's Books :-

	Debit
Opening Balance	15,234
Progressive balance accrued during the year	2,506
Closing Balance	17,740

O.N. Equal and opposite effect of transfer of balances on 'proforma' basis between two different Pr. A.Os. will get cancelled in CGA's books in which consolidated summary for Central Govt. as a whole is prepared.

**FORM CAM - 44
(Para 6.8.1)**

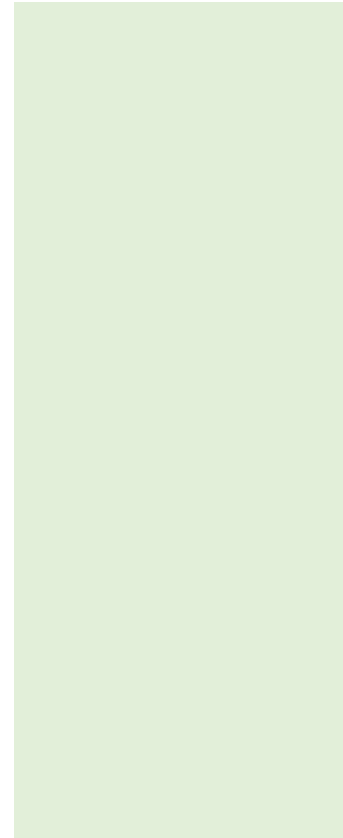
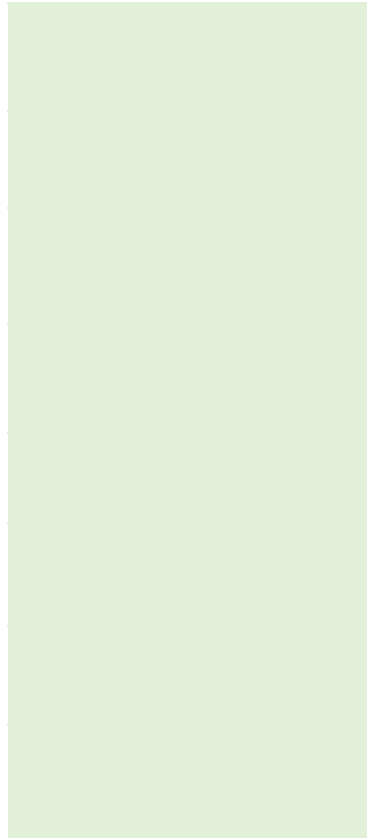
GENERAL INDEX REGISTER

Account No.	Ledger folio	Name & Designation of subscriber	Nomination when received	Attestation of receipt of nomination by Branch Officer	Date of and reason for closure of account	Actual date of closure	Remarks (indicate letter No, date with which the balance was transferred to another Sr.AO in case of transfer out)

Office:
Form CAM-47 (Para 6.7.1)
Provident Fund Ledger Folio

Date of Joining in service		Date of retirement					Interest			
A/C No.										
Subscriber Name:					Designation:					
Admitted	Optional/Compulsory			Nomination received vide letter no. Dated ....and accepted.....			Discontinued times			
PAO	AAO			PAO			AAO			
Pay on 31st March of previous FY										
Month	Credit details				Debit details			Remarks	Monthly Balance on which interest is calculated	
	Subscription		Refund		Advance/Withdrawals with voucher nos.					
				Total (Sub.+Refund)						
April										
May										
June										
Jul										
Aug										
Sep										
Oct										
Nov										
Dec										
Jan										
Feb										
Mar										
March-Final										
March-Suppl.										
Total ₹										

Summary	Total
(A) Opening Balance	
(B) Deposits and Refund	
(C) Interest for the year	
(D) Add Bonus	
(E) Total (A+B+C+D)	
(F) Deduct Withdrawals	
(G) Closing Balance (E-F)	



Posted by

Checked by

Examined by

FORM CAM - 48
(Para 6.9.1)

BROADSHEET OF THE PROVIDENT FUND FOR THE YEAR.....

No. of Account	Ledger Folio	Balance at commencement of year	Receipts in the month of	Government contribution	Interest of the year	Total of receipts & opening balance	Withdrawals in the month of	Closing balance	Total of withdrawal and closing Balance	Remarks
			Twelve money columns for the twelve months and two money columns for March Final and March Supplementary				Twelve money columns for the twelve months and two money columns of March Final and March Supplementary			

Total as per Broadsheet
 Total as per Detail Book
 Initials of AAO
 Difference
 Initials of P.A.O.

FORM CAM-49(Para 6.10.2)

(Obverse)

Annual Statement of Provident Fund Account.....

Year of Account.....

Rate of Interest.....

Account No. -----

Name of Subscriber -----

Non-Taxable/ Taxable detail	Opening Balance	” Deposits/Recoveries during the year	@ interest allowed during the year	Withdrawal during the year	\$Balance (Both in figure & in words)
1	2	3	4	5	6
Non-Taxable					
Taxable					
Total					

This also includes ₹recovered in earlier years detailed below, but brought on to the account of the subscriber in this year.

@ Includes interest on credits relating to earlier periods also.

\$ For missing credits/debits please see below.

Notes: -

1. If the subscriber desires to make any alteration in the nomination already made, a revised nomination may be sent forthwith in accordance with the rules of the Fund.
2. In case the subscriber, owing to his/her having no family then, had nominated a person /person other than a member/member of his family and has subsequently acquired a family, he /she should submit a nomination in favour of a member/members of his/her family.
3. The subscriber is requested to satisfy himself/herself as to the correctness of the statement and to bring errors, if any, to the notice of the Accounts Officer within**month(s) from the date of receipt.

**To be filled in according to the rules of the Fund concerned.

(Reverse)
MISSING CREDITS/DEBITS

Details of missing credits/debits are given below. In case these subscriptions/ withdrawals/ refunds of withdrawals were actually made, the subscriber may give the particulars of the bills from which the deductions were made/amounts were withdrawn, indicating the No. of each voucher, date of its encashment, name of the P.A.O., head of account and the net amount of the voucher.

detail	Subscription		Refunds of Withdrawals		Advances/Withdrawals	
	Year	Month of Salary	Amount	Year	Month of Salary	Year
1	2	3	4	5	6	7

Signature.....
Designation.....
Date.....

ACKNOWLEDGEMENT SLIP

(Important: Kindly return this slip to the immediately after the receipt of the Account Statement).

I hereby acknowledge the receipt of the Annual Statement of my Provident Fund Account for the year 20.....20.....

I certify that to the best of my knowledge and information the balance shown therein is correct.

I am to state that I do not accept the balance shown therein as correct for the reasons given over-leaf.

Signature

Designation.....

Date.....

FOR USE IN ACCOUNTS OFFICE

Noted in the Ledger Card/Folio

Accountant/ Sr. Accountant

Asstt. Accounts Officer

**FORM -CAM-50
(Para 6.11.1)**

REGISTER OF MISSING G.P. FUND CREDITS/DEBITS

SI.No.	Name of the Subscriber	G.P. Fund Account No.		Details of Missing				Details of adjustment		Remarks
				Credits		Debits		T.E. No. & Date	C.E. Basis	
				Month	Amount	Month	Amount			
Old	New									

(FORM CAM-51)

(Para 6.5.3)

REGISTER OF FINAL PAYMENT CASES

Sl.No.	No. & Date forwarding the application	Name & Designation	Account No.	Date of Death/retirement/quitting service	Date of authorising payment		Details of actual payment	Date of receipt of disbursement certificate		**Remarks
					*Available balance	Residual Balance		*AB RB (indicate voucher No. & Date)	*AB		RB

*

* Note (1) : When a single payment is made for the final settlement, the column "A.B." would *not* be used.

** Note (2) : Reminders issued for receipt of disbursement certificates are to be noted in Remarks column.

FORM CAM-52

(Para 7.4.2)

(Rubber stamp of the Office issuing the Pension Payment order)

PENSION PAYMENT ORDER

(Pensioner's Portion)

P.P.O. No. _____ Date _____ Debitable toUnion Government.

Head of Account
Major Head/Sub-major Head
Minor Head
Voted /Charged

Sir,

UNTIL FURTHER NOTICE, and on the expiration of every month be pleased to pay Shri/Smt.....the pension as set out in Part II of this order /Family Pension as set out in Part III of this order* Plus the amount of dearness relief as admissible from time to time thereon after due identification of the pensioner/family pensioner. The Payment should commence from..... . The income tax, where deductible, should be deducted at source.

2. Arrears of pension/family pension at ₹ _____ P.M. (₹ _____ per month) fromto.....plus admissible dearness relief thereon has been paid/ shall also be paid to Shri/Smt.....by PAO/Bank. (strike off whichever is not applicable)

3. Provisional pension/family pension has been/shall be paid for the period from ----- to ----- @ ₹ ----- plus Dearness Relief. The payment of final pension/family pension shall be commenced by the bank w.e.f. ----- .(Strike off whichever is not applicable).

Signature

Designation

(Special Seal of the Pension Payment Order issuing Authority)

To

(Pension Disbursing Authority where pension is to be paid)-Strike out whichever is not relevant

(1) Pay & Accounts Officer, M/o.....D/O.....

(2) Name of the Paying Branch (with IFSC code).....(Mandatory).

..... **Account No.**

* In applicable clause to be deleted.

**Part I : - Particulars of service of the pensioner/deceased Government servant
("Strikeout whichever is not admissible")**

1. Name of the Government Servant.
2. Post /Grade/Rank/ last held
 - 2.a. Group of Service.....Cadre.....State.....Batch
 - 2.b. Gallantry awardee (Y/N)
3. Detail of establishment of pensioner/deceased Government servant retired/last attended
 - a. Name of the Ministry/Deptt./ Office.
 - b. Designation /Address of Head of Office
 - c. Address/code of PAO
 - d. Designation /Address/code of DDO
 - e. EIS Number/Payroll ID (if available)
 - f. *Permanent Retirement Account Number (PRAN)*
 - g. *Any other important information/references including PPO No., if any*
4. Pay level in the Pay Matrix last held by the Government Servant at the time of retirement (Mandatory)
- 4(a) Pay last drawn
5. Date of Birth
6. Date of entry into Government service.
7. Date of ending service (Last day of Service).
8. Details of weightage in service allowed, if any.
9. Period of service not qualifying for pension.

From	To	Period			Reasons
		Y	M	D	

10. Total length of Qualifying Service. [Col. (7-6) + (8-9)]years.....months...days

11. EMOLUMENTS DRAWN DURING 10 MONTH PERIOD AND THOSE RECKONED FOR CALCULATION OF AVERAGE EMOLUMENTS

From	To	Emoluments drawn			Emoluments reckoned for Average emoluments			Remarks
		Pay	Other items with details viz. Personal Pay, Spl. Pay, Deputation Allowance, DA, etc.	Total	Pay	Other items reckoned with details	Total	
1	2	3	4	5	6	7	8	9

12. Average Emoluments for pension ₹

13. Emoluments for family pension. ₹

14. Emoluments for Retirement Gratuity/Death Gratuity. ₹

15. Amount of Retirement Gratuity/Death Gratuity allowed (Not to be paid /to be paid by the Bank) ₹

16. Grant of Medical allowance to be paid by the Bank

17. Details of Extra Ordinary Pension (EOP)

a) Category **(B, C, D or E as per EOP rules)**

b) Percentage of disability

c) Service Element:

d) Disability Element:

e) Pension Sanctioned:

18. Constant Attendant allowance

19. Monetary allowances attached with Gallantry award to be paid by Pension Disbursing Authority:.....

(No Dearness Relief is payable on Sl. No. 16, 18 and 19)

Part II (Applicable on Retirement)

Section I - particulars of Pensioners



1. Joint photograph with the spouse. 
2. Name of the retiring Govt. Servant.
3. Permanent Address.
4. Personal marks of identification.
- 4a. Signatures or the left-hand Thumb impression of the pensioner (To be obtained at the time of first payment of pension).
5. Permanent Account Number for Income Tax (PAN)
6. Aadhar No. (if available) 
7. Mobile No. (if available)
8. Email id: (if available)

Image of
signature

Image of
signature

Section 2 - Details of pension.

Sl. No.		Original Pension	Revised Pension (1)	Revised Pension (2)
1	Amount of monthly pension before commutation (i.e. basic pension).			
2	Class of Pension			
3.	Rules under which sanctioned			
4	Date of commencement of pension			
5	Fraction/amount of pension commuted, if any			
6	Commuted value and the date of its payment			
7	Reduced monthly pension after commutation			

8	Date of commencement of reduced basic pension			
9	Date (in words) from which commuted portion shall stand restored (subject to pensioner being alive on that date).			
10	Whether the pensioner/Family Pensioner is in receipt of any other pension. If so, its particulars and source from which being drawn.			

Section 3 - Details of family pension payable on the death of the pensioner.

1. Rules under which family pension is admissible
2. Details of family members eligible for family pension in the event of the death of pensioner in their order of eligibility as per CCS (pension) rules. Family Pension of co-authorized members (refer column 9 below) shall be disbursed directly by PDA as provisioned in CCS (Pension) Rules without routing the case to Head of Office. Separate PPO is not required for co-authorized members in the PPO.

Sl. No.	Name	Marital status (whether married/ unmarried/ widow/widower/ divorcee)	Relationship with the Govt. servant	D.O.B	Address	Whether disabled / (Yes/No)	If yes in col 7(a), the nature of disability (Permanent/ Temporary)	Aadhaar Number	Whether member under column 2 is eligible for co-authorization in PPO (Y/N)	% of family pension, if applicable
1	2	3	4	5	6	7(a)	7 (b)	8	9	10

3. Amount of family pension.

Amount Rs	From	To
	The day following the date of the death of the pensioner	

(i) At Enhanced Rate			
(ii) At Normal Rate			

**Part III
(Applicable on death while in service)**

Section I - Particulars of family pensioner

1. Photograph of the Family Pensioner



2. Name of the recipient of family pension
- 2(a) Date of Birth of family pensioner
3. Relationship with the deceased Govt. Servant.
4. Permanent Address.
5. Personal marks of identification
6. Signature or the left-hand Thumb impression of the family pensioner (To be verified by PDA)
7. Whether the pensioner/Family Pensioner is in receipt of any other pension. If so, its particulars and source from which being drawn.

Image of signature

Section 2

1. Rules under which Family pension is sanctioned.
2. Amount of family pension.

	Amount Rs	From	To
(i) At Enhanced Rate			
(ii) At Normal Rate			

3. Details of other family members eligible for family pension in the event of the death of family pensioner in their order of eligibility as per CCS (pension) rules. Family Pension of co-authorised members (refer column 9 below) shall be disbursed directly by PDA as provisioned in CCS (Pension) Rules without routing the case to Head of Office. Separate PPO is not required for co-authorised members in the PPO.

Sl. No.	Name	Marital status (whether married/ unmarried/ widow/widower/ divorcee)	Relationship with the Govt. servant	D.O.B	Present Address	Whether disabled (Yes/No)	If yes in col 7(a), the nature of disability (Permanent/ Temporary)	Aadhaar Number	Whether member under column 2 is eligible for co-authorisation in PPO (Y/N)	% of family pension, if applicable
1	2	3	4	5	6	7(a)	7 (b)	8	9	10

PART-IV: -

(CO-AUTHORIZATION OF FAMILY PENSION OF PERMANENTLY DISABLED CHILDREN/DEPENDENT PARENTS & PERMANENTLY DISABLED SIBLINGS)

Section 1- Particulars of Family Pensioner

1. *Photograph of the Family Pensioner (i.e. Permanently Disabled Children/ Dependent Parents & Permanently Disabled Siblings).*

2 a) *Name of the recipient of family pension*

b) Name of the guardian in case of Mentally Challenged Children

3. Date of Birth of family pensioner

4 Relationship with the deceased Govt. Servant

4 5 Permanent Address

6 Personal marks of identification

6a. Signature/ the left-hand Thumb impression of the family pensioner (To be verified by PDA).

Image of signature

7 Whether the pensioner/family pensioner is in receipt of any other pension, if so, its particulars and source from which being drawn

Section 2

1 Rules under which Family pension is sanctioned

2. Amount of Family Pension

Amount (₹) From To

(i) At Enhanced Rate

(ii) At Normal Rate

Section 3- Details of Pension Disbursing Authority

1. Name of the Paying Branch

2. Address with Pin code

3. IFS Code

4. *Saving Bank Account No.*

Notes: -

- i) The name(s) of permanently disabled child /children/ siblings and /or dependent parents may be added to the PPO issued to the retiring Government servant only if there is no other eligible prior claimant for family pension other than the spouse.
- ii) The authorization made shall become invalid in case a person becomes member of family after issue /amendment of such PPO and is entitled to family pension prior to the disabled child/ sibling/dependent parent at the time of the death of the pensioner/ spouse.

PART –IV A

(Post sanction revision of pension/Family Pension /Dearness Relief) Amount of Pension at the time of Retirement ₹__.

Amount of Dearness Relief at the time of retirement_____.

Letter No.& Date	Date of effect	Amount of Revised Pension Rs	Reasons Revision	Amount of Revised Dearness Relief ₹	Total Monthly Pension Plus Dearness Relief payable ₹	Remarks	Initials of designated officer

PART V

Record of transfer of PPO from one Pension Disbursing Authority to another, if any.

Sl.No.	Full particulars of PDA at which pension is drawn before transfer	Date upto which pension has been paid.	Full particulars of PDA to which PPO is transferred	Date signature of authorised officer of transferring PDA

PART VI

Periodical identification of pensioner

(To be done twice a year if payment is by postal money order, otherwise annually)

Date	Initials of designated Officer	Date	Initials of designated Officer	Date	Initial of Designated Officer

PART VII

(Record of Disbursement)

Month for which pension is due	Amount			Date of Payment	Disbursing officers' initials	Remarks
	Pension ₹	Dearness Relief ₹	Total Rs			
March						
April						
May						
June						

July						
August						
September						
October						
November						
December						
January						
February						

Note : Dearness relief is payable with reference to the amount of pension before commutation. (Rubber stamp of the Office issuing the Pension Payment order)

Part VIII

PPO Record/History Table of pensioner and family pensioner

(Intimation is to be given to CPAO on commencement of family pension to the next beneficiary by CPPC. Commencement date of pension/family pension is to be recorded in order to their eligibility)

Name of the Government Servant:

Details of PPOs numbers, if any, in case family pension is shared more than one beneficiary.

Sl. No.	Pensioner/ family pensioner detail/name	Relationship with pensioner/ Govt. Servant	PPO No.	Date of commencement of pension/family pension	Date of cancellation of PPO of pensioner/ family pensioner, if any.	Detail of Special Seal Authority issued by CPAO.	
						Letter No.	Date

PENSION PAYMENT ORDER
(Disburser's Portion)

P.P.O. No. _____ Date _____
Debitable to _____ Union Government.

Head of Account
Major Head
Minor Head
Voted /Charged

Sir,

UNTIL FURTHER NOTICE, and on the expiration of every month be pleased to pay Shri/Smt. _____ the pension as setout in Part II of this order /Family Pension as set out in Part III of this order *

Plus the amount of dearness relief as admissible from time to time thereon after due identification of the pensioner/family pensioner. The Payment should commence from _____. The income tax, where deductible, should be deducted at source.

2. Arrears of pension/family pension at ₹ _____ P.M. (₹ _____ per month) from _____ to _____ plus the admissible dearness relief thereon has been/shall also be paid to Shri/Smt. _____ By PAO/Bank.

3. Provisional pension/family pension has been/shall be paid for the period from ----- to ----- @ ₹ ----- plus Dearness Relief. The payment of final pension/family pension shall be commenced by the bank w.e.f. -----.

(Strike off if it is not applicable).

Signature

Designation

(Special Seal of the Pension Payment Order issuing Authority)

To

(Pension Disbursing Authority where pension is to be paid)

(1) Pay & Accounts Officer, M/o _____ D/O

(2) Name of the Paying Branch (with IFSC code)

(Mandatory)

Account No.

* In applicable clause to be deleted.

Part I : - Particulars of service of the pensioner/deceased Government servant
 (“Strike out whichever is not admissible”)

1. Name of the Government.
2. Post /Grade/Rank/ last held
 - 2a. Group of Service.....Cadre.....State.....Batch
 - 2b. Gallantry Awardee (Y/N).
3. Detail of establishment of pensioner/deceased Government servant retired/last attended
 - a. Name of the Ministry/Deptt./ Office.
 - b. Designation /Address of Head of Office
 - c. Address/code of PAO
 - d. Designation /Address/code of DDO
 - e. EIS Number/Payroll ID (if available)
4. Pay level in the Pay Matrix last held by the Government Servant at the time of retirement (Mandatory)
5. Date of Birth
6. Date of entry into Government service.
7. Date of ending service (Last day of Service).
8. Details of weightage in service allowed, if any.
9. Period of service not qualifying for pension.

From	To	Period			Reasons
		Y	M	D	

10. Total length of qualifying Service. Years Months Days [Col. (7-6) + 8-9]

11. EMOLUMENTS DRAWN DURING 10 MONTH PERIOD AND THOSE RECKONED FOR CALCULATION OF AVERAGE EMOLUMENTS

From		To		Emoluments drawn			Emoluments reckoned for Average emoluments			Remarks	
		Pay	Other items with details viz. Personal Pay, Spl. Pay, Deputation Allowance, DA, etc.			Total	Pay	Other items reckoned with details		Total	
1	2	3	4			5	6	7		8	9

12. Average Emoluments for pension ₹
13. Emoluments for family pension. ₹
14. Emoluments for Retirement Gratuity/Death Gratuity. ₹
15. Amount of Retirement Gratuity/Death Gratuity allowed (Not to be paid/to be paid by the bank ₹
16. Grant of Medical allowance to be paid by the Bank
17. Details of Extra Ordinary Pension (EOP)
 - a) Category **(B, C, D or E as per EOP rules)**
 - b) Percentage of disability
 - c) Service Element:
 - d) Disability Element:
 - e) Pension Sanctioned:
18. Constant Attendant allowance
19. Monetary allowances attached with Gallantry award to be paid by Pension Disbursing Authority:.....
(No Dearness Relief is payable on Sl. No. 16, 18 and 19)

Part II (Applicable on Retirement)

Section I - particulars of Pensioners

1. Joint photograph with the spouse.



2. Name of the retiring Govt. Servant.
3. Permanent Address.
4. Personal marks of identification.

Image of
signature

- 4.a. Signatures or the left-hand Thumb impression of the pensioner (To be verified by PDA).
5. Permanent Account Number for Income Tax (PAN)
6. Aadhar No. (if available)
7. Mobile No. (if available)
8. Email id: (if available)

Section 2 - Details of pension.

Sl. No.		Original Pension	Revised Pension (1)	Revised Pension (2)
1	Amount of monthly pension before commutation (i.e. basic pension).			
2	Class of Pension			
3.	Rules under which sanctioned			
4	Date of commencement of pension			
5	Fraction/amount of pension commuted, if any			
6	Commuted value and the date of its payment			
7	Reduced monthly pension after commutation			
8	Date of commencement of reduced basic pension			
9	Date (in words) from which commuted portion shall stand restored (subject to pensioner being alive on that date).			
10	Whether the pensioner/Family Pensioner is in receipt of any other pension. If so, its particulars and source from which being drawn.			

Section 3 - Details of family pension payable on the death of the pensioner.

1. Rules under which family pension is admissible
2. Details of family members eligible for family pension in the event of the death of pensioner in their order of eligibility as per CCS (pension) rules. Family Pension of co-authorized members (refer column 9 below) shall be disbursed directly by PDA as provisioned in CCS (Pension) Rules without routing the

case to Head of Office. Separate PPO is not required for co-authorised members in the PPO.

Sl. No.	Name	Marital status (whether married/ unmarried/ widow/widower/ divorcee)	Relationship with the Govt. servant	Date of Birth	Address	Whether disabled (Yes/ No)	If yes in col.7(a), the nature of disability (Permanent/ Temporary)	Aadhaar Number	Whether member under column 2 is eligible for co-authorisation in PPO (Y/N)	% of family pension, if applicable
1	2	3	4	5	6	7(a)	7(b)	8	9	10

3. Amount of family pension (payable in the event of the death of the pensioner).

	Amount Rs	From	To
		The day following the date of the death of the pensioner	
(i) At Enhanced Rate (ii) At Normal Rate			

**Part III
(Applicable on death while in service)**

Section I - Particulars of family pensioner

Photograph of the Family Pensioner
1. Joint photograph with the spouse.



2. Name of the recipient of family pension
- 2.a. Date of Birth of family pensioner
3. Relationship with the deceased Govt. Servant.
4. Permanent Address.
5. Personal marks of identification
6. Signature or the left-hand Thumb impression of the family pensioner (To be verified by PDA)
7. Whether the pensioner/Family Pensioner is in receipt of any other pension. If so, its particulars and source from which being drawn.

Image of
signature

Section 2

1. Rules under which Family pension is sanctioned.
2. Amount of family pension.

	Amount Rs	From	To
(i) At Enhanced Rate			
(ii) At Normal Rate			

3. Details of other family members eligible for family pension in the event of the death of family pensioner in their order of eligibility as per CCS (pension) rules. Family Pension of co-authorized members (refer column 9 below) shall be disbursed directly by PDA as provisioned in CCS (Pension) Rules without routing the case to Head of Office. Separate PPO is not required for co-authorized members in the PPO.

Sl. No.	Name	Marital status (whether married/unmarried/widow/widower/divorcee)	Relations hip with the Govt. servant	Date of Birth	Present Address	Whether disabled (Yes/ No)	If yes in col.7(a), the nature of disability (Permanent/ Temporary)	Aadhaar Number	Whether member under column 2 is co- authorized in PPO (Y/N)	% of family pension, if applicable
1	2	3	4	5	6	7(a)	7(b)	8	9	10

PART-IV

(CO-AUTHORIZATION OF FAMILY PENSION OF PERMANENTLY DISABLED CHILDREN/DEPENDENT PARENTS & PERMANENTLY DISABLED SIBLINGS)

Section 1- Particulars of Family Pensioner

- 1. Photograph of the Family Pensioner (i.e. Permanently Disabled Children/ Dependent Parents & Permanently Disabled Siblings).
 - 2. Name of the recipient of family pension
 - b) Name of the guardian in case of Mentally Challenged Children
 - 3. Date of Birth of family pensioner
 - 4 Relationship with the deceased Govt. Servant
 - 4 5 Permanent Address
 - 6 Personal marks of identification
 - 6a. Signature/ the left-hand Thumb impression of the family pensioner (To be verified by PDA).
- Image of signature
- 7 Whether the pensioner/family pensioner is in receipt of any other pension, if so, its particulars and source from which being drawn

Section 2

- 1 Rules under which Family pension is sanctioned
- 2. Amount of Family Pension

	Amount (₹)	From	To
(iii) At Enhanced Rate			
(iv) At Normal Rate			

Section 3- Details of Pension Disbursing Authority

- 5. Name of the Paying Branch
 - 6. Address with Pin Code
-

7. IFS Code

8. **Saving Bank Account No.**

Notes: -

- i) The name(s) of permanently disabled child /children/ siblings and /or dependent parents may be added to the PPO issued to the retiring Government servant only if there is no other eligible prior claimant for family pension other than the spouse.
- ii) The authorization made shall become invalid in case a person becomes member of family after issue /amendment of such PPO and is entitled to family pension prior to the disabled child/ sibling/dependent parent at the time of the death of the pensioner/ s spouse.

PART –IV A

(Post sanction revision of pension/Family Pension /Dearness Relief)

Amount of Pension at the time of Retirement ₹ _____.

Amount of Dearness Relief at the time of retirement _____.

Letter No. & Date	Date of effect	Amount of Revised Pension Rs	Reasons Revision	Amount of Revised Dearness Relief ₹	Total Monthly Pension Plus Dearness Relief payable ₹	Remarks	Initials of designated officer

PART V

Record of transfer of PPO from one Pension Disbursing Authority to another, if any.

SI.No.	Full particulars of PDA at which pension is drawn before transfer	Date upto which pension has been paid.	Full particulars of PDA to which PPO is transferred	Date signature of authorised officer of transferring PDA

PART VI
Periodical identification of pensioner

Date	Initials of designated Officer	Date	Initials of designated Officer	Date	Initial of Designated Officer

PART VII
(Record of Disbursement)

Month for which pension is due	Amount			Date of Payment	Disbursing officers initials	Remarks
	Pension ₹	Dearness Relief ₹	Total Rs			
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						
January						
February						

Note: Dearness relief is payable with reference to the amount of pension before commutation.
(Rubber stamp of the Office issuing the Pension Payment order)

Part VIII

PPO Record/History Table of pensioner and family pensioner

(Intimation is to be given to CPAO on commencement of family pension to the next beneficiary by CPPC)

(Commencement date of pension/family pension is to be recorded in order to their eligibility)

Name of the Government Servant:

Details of PPOs numbers, if any, in case family pension is shared more than one beneficiary.

Sl. No.	Pensioner/ family pensioner detail/name	Relationship with pensioner/ Govt. Servant	PPO No.	Date of commencement of pension/ family pension	Date of cancellation of PPO of pensioner/ family pensioner, if any.	Detail of Special Seal Authority issued by CPAO.	
						Letter No.	Date

IMPORTANT INSTRUCTIONS

(To appear on inside cover of the PPO booklet)

1. No payment shall be liable to seizure, attachment of sequestration by process of any Court in India in the instance of creditor for any demand against the pensioner (Section II, ACT XXIII of 1871).
2. Payment under this order is to be made only to the pensioner in person, with the following exceptions.
 - a. To persons specially exempted by Government.
 - b. To females unaccustomed to appear in public and to persons unable to appear on account of illness or bodily infirmity.

(Payment in both cases (a) and (b) is made on production of a Life Certificate signed by a responsible officer of Govt. or other well-known and trustworthy person).

- c. To any person sending a Life Certificate signed by some persons exercising the powers of a Magistrate under the Criminal procedure Code, or by any Registrar or Sub-Registrar appointed under the Indian Registration Act, 1908 or by any pensioned officer who, before retirement exercised the powers of a Magistrate or by any Gazetted officer, or by a Munsiff or by a police officer not below the rank of Sub-Inspector in charge of a police station or by a Post Master, a Departmental sub-post Master or an Inspector of post offices, or by officers of the Reserve Bank of India and Public sector Bank or by the Head of a village Panchayat, Gaon Panchayat or Gram Panchayat or by the Head of an executive Committee of a village or by a Bank included in the second schedule to the Reserve Bank of India Act 1934, in respect of persons drawing pension through that Bank.
 - d. In all cases referred to in clauses (a), (b) & (c) the Disbursing officer must at least once a year require proof independent of that furnished by the life certificate of the continued existence of the pensioner. The pension shall not be paid on account of a period more than a year after the date of life certificate last received and the disbursing officer must be on the watch for authentic information of the decease of any such pensioner and on receipt thereof, shall promptly stop further payments.
3. The quantum of pension available to old pensioners/ family pensioners will be as follows: -

Age of pensioner/family pensioner	Additional quantum of pension/ family pension
From 80 years to less than 85 years	20% of basic pension/ family pension
From 85 years to less than 90 years	30% of basic pension/ family pension
From 90 years to less than 95 years	40% of basic pension/ family pension

From 95 years to less than 100 years	50% of basic pension/ family pension
100 years or more	100% of basic pension/ family pension

4. In the event of the death of the pensioner governed by the Liberalised pension Rules within a period of five years from the date of retirement the Disbursing officer should take the following action: -

- (i) Intimation regarding the benefits of family pension and/or residuary gratuity admissible under of Liberalised pension Rules under certain circumstances should be sent to the person to whom arrears of the pension are paid or are payable under Rule 370 of the Central Treasury Rules Vol. I, and
 - (ii) Intimation about the death of the pensioner should be sent to the Head of the Office/Deptt. along with statement of pension etc. so far paid, in order to able him to take further action regarding grant of family pension and/or residuary gratuity
5. The Gallantry allowance (refer SI.NO.19 of Part I) is payable to the awardee till his life and, on his death, to his/her spouse.

FORM CAM-52 A

Register of P.P.Os authorised for payment at _____(Name of the Bank)

Sl. No	Name of pensioner, Service to which belonged and post last held	Number of P.P.O. and the name of Accounts Office by whom issued	Month for & from which pension authorised to be paid by bank	Amount of basic pension	No. & date of authority letter for subsequent increase or decrease due to revision or commutation of pension & amount thereof	Amount of family pension & name of spouse Name of child(ren)/guardian	Special conditions if any attached to continued payment of pension/Date, if indicated from which pension will cease to be payable	Allocation of pension	Remarks
1	2	3	4	5	6	7	8	9	10

Notes:

1. The facts relating to transfer of P.P.O. or death of pensioner should be noted in the remark's column.
2. Name of Child(ren)/guardian to be indicated where both pensioner and his/her spouse are dead and family pension is to be paid to child(ren)/guardian on the basis of a separate authority.
3. Entries in Col. 8 should be made in red ink.
4. Decreased rate of pension as a result of commutation should be shown in Col.6 from the date indicated in the payment authority for commuted value of pension.
5. The terms basic pension includes ad-hoc relief sanctioned w.e.f. 1.1.73 and temporary/ad-hoc increase, if any, in case of 31.12.72 pensions.

**FORM CAM-52B
(Para 7.4.2)**

Terminal Benefits Register

(Part I)

Sl. No.	PARTICULARS									ENTITLEMENTS	
	Name & Designation of retiring Govt. servant	Date of Birth	Date of entry in service	Date of Retirement	Qualifying Service	Pay last drawn	Average emoluments	Whether opted new scales w.e.f.	Pension Reduced pension after commutation	DCRG	Family Pension
1	2	3	4	5	6	7	8	9	10	11	12

PART I

AUTHORISATION

Nature of Entitlements	Amount (₹)	Authority letter No. & Date	PPO No.	Place of payment	Initials of P.A.O.
1	2	3	4	5	6
a. Provisional Pension b. Pension c. DCRG d. Commuted value of pension e. Leave encashment					

f. Residual amount					
--------------------	--	--	--	--	--

PART II

Nature of Payments	Amount (₹)	Vr. No.	*Date of Payment	Remarks
1	2	3	4	5
a. Provisional Pension b. Pension c. DCRG d. Commuted value of pension e. Leave encashment f. Residual amount				

- Date of Revised Pension (after commutation)
(Authority: File No.1(14)/87/TA & CTR/Pension's U.O. No.23031/2/85/MF-CGA/918 dated 28-2-1987)

**FORM CAM-53
(Para 8.2.1)**

REGISTER OF OUTWARD CLAIMS

YEAR _____

Transactions arising in the account of the which are adjustable by

Voucher No./Date Challan No/Date	Recoveries Receipts	Payments	Net amount of claim to be preferred (3-2)	Net amount due to the other party (2-3)	No. & Date of letter forwarding the claim	No. & Date of the cheque issued if the amount is due to the other party	Whether figures under Cols. 2 & 3 tally with the ledger figure. If not, reasons for variation	No. & Date of the cheque received	No. of challan received from Bank with receipt scroll for credit of the cheque	Initials of the Accounts officer
1	2	3	4	5	6	7	8	9	10	11
April										
TOTAL										
May										
TOTAL										

**FORM CAM—54
(Para 8.2.1)**

**PAY AND ACCOUNTS OFFICE
MINISTRY/DEPARTMENT OF**

To

The
.....
.....

Subject: Outward Claim No.....

Sir,

The schedule(s) (Form) of receipts and disbursement which arose in the account of this office during the month of..... 20... and are adjustable in your books as per summary given hereafter, are sent herewith along with:

- i. Cheque/Demand Draft No..... Date..... (or)
- ii. The request that a Cheque/Demand Draft for Rs..... (₹) drawn in favour of PAO.....Ministry/ Department..... may be sent to the undersigned by name, within seven days of the receipt of this claim.

Summary of outward claim

₹

P.

Receipts

Payments

Net

Receipts

Payments

Please return the lower half of this letter, duly signed immediately, in acknowledgement.

PAY AND ACCOUNTS OFFICER
MINISTRY/DEPARTMENT

Details of enclosures

- (i) Schedule(s) Debits / Credits containing Details of Schedules /Vouchers sent
- (ii) Cheque/Demand Draft.

(Portion to be returned by the addressee)

Receipt is hereby acknowledged of the account received with him letter along with the Cheque/Demand Draft No..... Dated..... For
Rs..... Steps are being taken to send Cheque/Demand draft in settlement of the debit raised.

Signature and Designation.....
Office of the

To

The Pay and Accounts Officer,
Ministry/Department of

Issue No..... Date.....
(Enclosure to Form CAM - 54)

PAY AND ACCOUNTS OFFICE
MINISTRY

DEPARTMENT.....

Schedule of Debits/ Credits adjusted by.....
Transactions pertaining to Month of20.....

No. of the accompanying vouchers or of Schedules of recoveries etc.	Particulars	Amount		Remarks
1	2	3	4	
		₹	P.	

	TOTAL			

OFFICE OF THE
20....

SIGNATURE
DESIGNATION

**FORM CAM-55
(Para 8.3.4)**

REGISTER OF INWARD CLAIMS

Transactions arising in the accounts ofadjustable in the accounts ofDepartment.

1. Serial No.
2. No. and date of the letter with which the Account was received
3. Period of Account
4. Receipts
5. Payments
6. Net amount due from the other party (4-5)
7. Net amount due to the other party (5-4)
8. Particulars of the draft/cheque received with Inward account (No. and date)
9. Amount
10. No. and date of letter forwarding the draft/Cheque to the other Party
11. Particulars of cheque sent to the other party (No. and date)
12. Amount
13. Initials of the Accounts Officer
14. Amount placed under PAO Suspense and referred to departmental officer
15. No. and date of the T.E. clearing the Suspense Head
16. Date on which the amount appeared in bank Scroll (for cheques/drafts received from other Party vide Column 8 and sent to bank).
17. Initials of Junior/Asst. Accounts Officer
18. Remarks

FORM CAM-56
(Para 8.3.2)

No..... Date. The.....

OFFICE OF THE
.....
.....

To

.....
.....
.....

As requested in your letter No..... dated..... Cheque No..... dated..... for Rs.....(₹
.....) is sent herewith in settlement of your account for month ending 20.....as per
details given below:

₹

Receipts accepted

Payments accepted

Net

Receipts / Payments accepted

Please return the lower half of this letter duly signed, immediately in token of acknowledgement.

Details of enclosures:

Cheque No.

Signature
Designation

OFFICE OF THE
.....

Receipt is hereby acknowledged of his letter No..... dated along with the Cheque No..... dated for Rs.....
(₹) and vouchers/schedules returned.

Signature

Designation

To

The.....
.....

Issue No..... dated

FORM CAM - 57
[Para 9.4.3(ii)]

(To be returned in original with reply noted in right hand column, immediately after receipt)

<p>Office of the PAO <u>Ministry</u> of Deptt. Dated, the 20</p> <p>To</p> <p>..... </p> <p align="center">MEMO</p> <p>With reference to No..... dated ..... .....from.....transferring services of to the </p> <p>(Here name of Head of office)</p> <p>You are requested to ascertain and report the following information in the right-hand column, and to forward duly completed in respect of his services under the Govt. i.e. till the last day of his giving over charge of his duties, his Service Book in accordance with subsidiary rule framed by the Government of</p> <ol style="list-style-type: none"> 1. Date and hour (whether before or afternoon) at which he relieved of his duties under the Government of 2. Date and hour (whether before or afternoon) at which he assumed charge of his duties under the foreign employer. 3. Transit pay sanctioned under FR. 144 4. (a) Substantive appointment at the time of transfer to Foreign Service, if any. (b) Officiating appointment at the time of transfer to Foreign Service, if any. (c) Head of Account to which pay was debitible before transfer to Foreign Service. 5. Service to which he belongs, i.e. IAS, All India and Class I, Class II Service or Subordinate Service. 6. Date of birth. 7. Pay in Government Service from time to time for one year before transfer to Foreign Service. 	<p>Reply No. Dated, the 20</p> <p>To The PAO Ministry/ Deptt of</p> <p>..... </p> <p align="center">MEMO</p> <p>I am to furnish the following information together with Service Book duly completed as desired:</p> <ol style="list-style-type: none"> 1. 20 Before/After - noon 2. 20 Before/After - noon 3. Rs..... 4. (a)..... (b)..... (c)..... 5. 6. 7. Rs..... 8. Rs..... 9. 10. <p>Signature</p> <p>Designation.....</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

8. Pay and allowances, (if any) to be paid by the Foreign employer.
9. Date of commencement of service.
10. Date of accrual of annual increment in substantive/officiating post under Government.

Signature

Designation: Pay & Accounts Officer

**FORM CAM-58
(Para 9.5.1)**

REGISTER OF GOVERNMENT SERVANTS LENT OR TRANSFERRED ON FOREIGN SERVICE

No.....
Name
Date of Birth

1. To whom lent	.....
2. Official designation	.....
3. Pay Level of the post in Government service held by the officer	.....
4. Head of account to which pay was debitale before transfer (Voted/Non-voted)	.....
5. Monthly rate of sanctioned pay in Foreign Service under Fundamental Rules	.....
6. No. and date of order with the name of the Government sanctioning transfer	.....
7. Rate of monthly contributions under Fundamental Rules for: a. Leave Salary b. Pension	.....
8. When lent	.....
9. Where to be recovered	.....
10. Number of years of service completed on for the purpose of determining the rate of pension contribution.	.....

NOTES - LEAVE

Number and date of order	Kind of leave	Period of leave		Details of payment of leave salary to the official/borrowing department
		FROM	TO	

NOTES PENAL INTEREST

Amount of interest due		No. & date of reference	Amount recovered		Date of recovery	Amount of interest due		No. & date of reference	Amount recovered		Date of recovery
₹	P.		₹	P.		₹	P.		₹	P.	

PARTICULARS OF CONTRIBUTIONS ACTUALLY RECOVERED

Year/Period	Pension Contribution	Total	Year/Period	Pension Contribution	Total
Leave Salary Contribution			Leave Salary Contribution		

**FORM CAM-59
(Para 10.5.2)**

BROADSHEET OF LOANS TO STATE GOVERNMENTS ETC. FOR THE YEAR 2020.....

(To be maintained separately for payments i.e. debits & repayments i.e. credits)

Major HeadMinor Head

Sl. No.	To whom granted Party which has paid	Page of the loan Register	April	May	June	July	August	September	October	November	December	January	February	March	March Final and Supplementary (Supplementary entries in red ink)	Total for the year
	TOTAL Figures as per Ledger Difference Initials of A.A.O Initials of Sr.A.O.															

FORM CAM - 60

(Para 10.11.1)

REGISTER OF INVESTMENTS OF THE UNION GOVERNMENT IN STATUTORY CORPORATIONS, GOVERNMENT COMPANIES, OTHER JOINTSTOCK COMPANIES, COOPERATIVE BANKS AND SOCIETIES ETC.

Sl. No.	Name of the Company/ Corporation/ Cooperative Society in which investment made	Number & date of letter of Ministry/ Department sanctioning the investment	Amount	Cheque/ D.D. No. and date issued	Year of Investment	Type of Shares /Debentures	Number of shares/ Debentures	Face value of each share, Debenture	No. & Date of Ministry/ Department's letters acknowledging share scrips	Total amount invested to date in the company	Percentage of Govt.'s investment to the total paid-up capital/ Debentures issued	Amount of dividend declared and credited to Govt. account	Amount of interest received in regard to debentures and credited to Govt. account	Particulars of cheque/ D.D. received and referred to in col. 13 or 14	Remarks	Initials of AAO/ PAO
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

FORM CAM - 61
(Para 10.12.2)
PAY AND ACCOUNTS OFFICE
MINISTRY/DEPARTMENT OF
REGISTER OF PERMANENT ADVANCES

Sl. No.	Sanction order No. and date	Office for which sanctioned	Date of drawal	Amount				Remarks (Note the acknowledgement to be received from the officer annually)
				20 - 20	20-20	20-20	20-20	
			Total on 31st March Balance as per ledger Difference if any to be reconciled Total on 31st March	_____				

FORM CAM -62

(Para 2.7.1)

GRANT /APPROPRIATION AUDIT REGISTER FOR THE YEAR

Name and No. of Grant/Appropriation

Major, Minor and Sub-heads & Units of Appropriation	Authority		Original Grant/ Appropriation		Suppl ementary Grant/Appropriation		Reapp ropriation		Final Grant/ Appr opriation		PROGRESSIVE EXPENDITURE FORWARDED UPTO THE END OF													
	From Who m	No. & Date	Voted ₹	Cha rged ₹	Voted ₹	Ch arged ₹	Voted ₹	Ch arged ₹	Voted ₹	Cha rged ₹	April ₹	May ₹	June ₹	July ₹	Aug ₹	Sept ₹	Oct ₹	Nov ₹	Dec ₹	Jan ₹	Feb ₹	March ₹	March (Sy.) ₹	Remarks
1.	2.		3.		4.		5.		6.		7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.

Notes :

1. Against the sub-head Surrenders or withdrawals within Grant/Appropriation in Col.1, the surrenders should be noted in Col.5 'Reappropriations'.
2. Where the progress of expenditure against the grant / appropriation under any sub-head is significantly rapid or slow, necessary warning slips should be issued to the authorities concerned. Particulars of the action taken in such cases should also be indicated in the Remarks Column.
3. Each Grant or Appropriation should be assigned a page or set of pages.
4. Cases where the excesses have already taken place should be underlined in red ink and these should be pointed out to the controlling authorities demi-officially, after investigating circumstances leading to the excess in consultation with the PAO concerned.
5. The progressive expenditure to be indicated in monthly column should be 'gross' expenditure and recoveries, if any, to be taken in reduction of that expenditure and shown in red ink in the consolidated abstract, may be Ignored.

FORM CAM - 63
(Para 19.2.2)

REGISTER OF DEPOSITS

SEPARATE REGISTERS ARE TO BE MAINTAINED FOR EACH CLASS OF DEPOSITS

In case the number of deposits are not very heavy, a single register may be maintained and the nature of deposits indicated in a separate column to be opened

Sl.No.	Details of Receipts				Details of Payment				Amount lapsed and credited to Govt.	Remarks
	Date of receipt	From whom received	Amount received	Initials of P.A.O.	Date	Bill No. & Date	Amount Repaid	Initials of P.A.O.		

FORM CAM - 63-A

(Para 19.2.4)

REGISTER OF DEPOSITS LAPSED AND CREDITED TO GOVERNMENT DURING THE YEAR 20..... 20.....

Sl.No.	Particulars of original Deposits			T.E. No. & date	B.R. No.	Amount of refund authorised	Initials of P.A.O.
	Year of deposit & Sl.No. in the register of deposits	Name of the depositor (i.e. party concerned)	Balance lapsed		Vr. No. & date		
1.	2.	3.	4.	5.	6.	7.	8.

FORM CAM -64
(Para 8.3.4)

BROADSHEET OF P.A.O. SUSPENSE

Month of

Annual Sl. No. of original entries	Original entries arising during the month		Adjusting Entries		Particulars of Adjustment		
	Debits	Credits	Minus debit against col. 2(a)	Minus credit against col. 2(b)	Month of adjustment	Serial No. of original entry	T.E. No. & Date through which adjustment effected
1	2(a)	2(b)	3(a)	3(b)	4(a)	4(b)	4(c)
Monthly closing	Debits	Credits			Details of Closing balance		
Balance from last month Col.2(a) of this month Col.2(b) of this month					Month & Year from which item outstanding	Serial No. of item	Debit Credit
Total for adjustment							
Deduct							
Adjustment during the month Total of Col.3(a) Total of col.3(b) Net outstanding							

FORM -CAM 65
(See para 4.4.5)

Register of Advices issued to Reserve Bank of India (C.A.S.) Nagpur.
Pr.AO, Ministry /Department of
Month of20.....

SI. No. (to be continuous for a financial year)	Advice No. & Date	Amount	Initials of the authority signing the advice	Serial number of the corresponding clearance memo as entered in CAM - 17 A.	Remarks
1.	2.	3.	4.	5.	6.
		Total:			

Abstract pertaining to the year 20.....20..... after closing of the annual Accounts.

SI. No. Total amounts
Rs

- (a) SI. Nos. of advices issued during the year (for even upto the 3rd week of following April relating to the year) and not given effecto by R.B.I. in that year's accounts
- (b) Total progressive amount outstanding under 'R.B.S.' (Credit side) in the accounts of March (Sy.), excluding adjustments pertaining to the previous year
- (c) Analysis of difference, if any.

FORM CAM – 66

(Para 9.10.7)

STATEMENT SHOWING DETAILS OF DEDUCTIONS AND REMITTANCES FOR THE YEAR 20..... 20... /PERIOD

Name & Designation of the Officer

Ministry /Department serving

Name of the parent State /Department State Govt. of/U.T. Govt. Railway /Defence/P.T.

Designation of the Accounts Officer of the Parent Department

Month of Salary	Amount of Deductions			Particulars of Cheque sent			Details of the forwarding letter	Date of encashment of cheque if available or of acknowledgement thereof	Remarks, if any
	G.P.F.	HBA	Computer Advance	No.	Date	Amount of Cheque			
March									
April									
May									
June									
August									
September									
October									
November									
December									
January									
February									

FORM CAM 67

(See para 7.16.2)

PRE-RECEIPT BILL FOR PAYMENT OF AWARD FROM THE COMPASSIONATE FUND

Pre-Receipted Bill for payment of award from the compassionate Fund of the Government of India

Sanction No. Date Bill No.

Quarter ending Head of Account

Received the sum of Rs..... (₹) being the lump-sum * payment/payment* for the quarter ended
from the Compassionate Fund of the Govt. of India sanctioned by..... (Name of the Min/ Deptt.) vide section letter mentioned above.

Dated

Signature of the Beneficiary
(Name in Block letters)

* Delete whichever is not applicable

For use in Departmental Office

@ Countersigned for payment of Rs..... (₹.....) to beneficiary.
Crossed cheque/Payment Advice/DD to be issued in favour of
beneficiary.

Signature
Date
Designation of D.D.O.

@ Applicable in the case of lumpsum payment made through the D.D.O. under para 7.16.3..

For use in Pay and Accounts Office

Passed for payment of Rs..... (₹.....) by cheque/Payment Advice.

Pay & Accounts Officer

Paid by Payment Advice/ Cheque

No.....

Dated.....

D.V. No.
Pay and Accounts Officer

CAM - 68
[Vide Para 13.6.15 & 13.7.7]

Monthly Reconciliation Analysis

PAO..... Month.....

A - Between F.P. Bank and the PAO			
		RECEIPTS	PAYMENTS
(i)	Figures shown by the F.P. Bank in the DMS		
(ii)	Figures as per verification of DMS by the PAO		
(iii)	Difference		
(iv)	Reasons for the difference:		
C- Between the DMS and GAD/Link Cell			
(i)	Opening balance		
(ii)	Figures as per DMS for the month		
(iii)	Total		
(iv)	Amount put through by GAD/Link Cell relating to revised procedure.		
(v)	Closing balance		
(vi)	Analysis of closing balance		
(a)	Amounts pertaining to last few days of the month not put through		

Date of transaction	Receipts	Disbursements
Total (a)	_____ _____	_____ _____
(b) Other Discrepancies		
Date of put Date of Through transaction	Receipts	Disbursements
Total(b)	_____ _____	_____ _____
Grand Total (a+b)		

Asstt. Accounts Officer

Accounts Officer Dy. C.A.

CAM 69
[Vide Para 13.6.16]
PART - I
REGISTER OF AMOUNTS PUT
THROUGH RECEIPTS / PAYMENTS

P.A.O., _____

Month	Amount as per DMS	Amounts put through in first month	Balances	Initials of Sr.A.O.	Amounts put through in 2nd month	Balance	Initials of Sr.A.O.	Amounts put through in subsequent month		Initials of Sr.A.O.	Remarks
								Amount	Months		
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.

CAM 70
[Vide para 13.6.17]
PART -II
REGISTER OF AMOUNTS PUT THROUGH
RECEIPTS/PAYMENTS

PAO

Opening Balance	April				May				
	Figures as per DMS	Progressive total upto April	Amounts put through		Closing Balance	Figures as per DMS	Progressive total upto May	Amounts put through	
			April	Total				April	May

PART - II

		June						July		
Total	Closing Balance	Figures as per DMS	Progressive total upto June	Amounts put through				Closing Balance	Figures as per DMS	Progressive total upto July
				April	May	June	Total			

PART -II

AMOUNTS PUT THROUGH					August			
Other previous months i.e., 4 & 5		June	July	Total	Closing Balance	Figures as per DMS	Progressive total upto August	Amounts put through
Amount	Month							Other previous months i.e., 4,5 & 6

									Amount	Month

PART - II

July	August	Total	Closing Balance	And so on upto the close of the year

CAM 71

[Vide para 13.6.18]

Statement of Monthly Reconciliation between the figures as per D.M.S and the amount booked under " 8658 - Suspense Accounts - P.S.B. Suspense " for the month of _____

		Receipts (Dr. P.S.B. Suspense)	Disbursement (Cr. P.S.B. Suspense)	Progressive figure for Receipts upto____ (₹)	Progressive figures for Disbursement upto_____ (₹)
i	Opening Balance				
	Amount as per D.M.S.				
iii	Total				
iv	Amount booked under "8658 - Suspense A/cs – 108-PSB Suspense or 138-Other Nominated (Private Sector Bank) Suspense"				
v	Difference	_____	_____		
vi	Explanation/Reasons for difference:				
vii	Action taken for clearance of the difference:				

CAM 72
[Vide Par 13.6.19]

PAO _____

BROADSHEET OF PSB SUSPENSE
(Dr.) Receipts/Disbursements (Cr.)

Month	Opening Balance of PSB Suspense	Amount of PSB Suspense Booked in the Month	Progressive Total	Amount of Clearance of PSB Suspense in the month	Closing Balance	Remarks
4/89						
5/89						
6/89						
7/89						
& so on						

CAM 73
[Vide para 13.6.21]

STATEMENT OF DOUBLE / EXCESS REIMBURSEMENT

Sr. No.	Bank Name	Branch Name	Date of trans action	Amount of trans action	Date of put through	Amount put through	Date of second put through (put through for the Second time)	Amount of Second put through	Amount of excess/ double claim	Date of with drawal rectifi cation	Period of excess/ double put through	Remarks if any
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.

CAM 74
[Vide para 13.6.21]
Report on Excess/Double Reimbursement (Attracting penal interest)

April/July/October/January

Name of Ministry/Deptt. _____

(Part - I)

Cases attracting Penal interest relating to:	Opening Balance No. of Amount Cases	Additions No. of Amount Cases	Settled with Bank No. of Amount Cases	Closing Balance No. of Amount Cases	Remarks
(i) Previous years, if any (Break up year-wise)					
(ii) Current year					
Total					
(Part - II) Public Sector-wise Breakup of closing balances					
Sl. No.	Name of Banks	No. of Cases	Amount	Remarks	

P.A.O./Dy.C.A.

CAM 75
[Vide para 13.6.21]

**Repost of Excess/Double Reimbursements
(Not attracting Penal interest)**

Ministry/Department _____

15th April/July/October/January

Part - I

Sl. No.	Category	Opening Balance		Additions		Closing Balances	
		No. of Cases	Amount	No. of Cases	Amount	No. of Cases	Amount
I.	Between ₹ 1 lakh and 5 lakhs						
II.	Above ₹ 5 lakhs but less than ₹ 10 lakhs						

Part - II

PUBLIC SECTOR BANK WISE BREAK UP OF CLOSING BALANCE

Sl. No.	Name of the bank	Category I		Category II	
		No. of Cases	Amount	No. of Cases	Amount

P.A.O./Dy. Controller of Accounts

C.A.M. - 88
(Vide Para 15.15.13)
BANK RECONCILIATION REPORT FOR THE
MONTH OF _____
(for clearance from PSB Suspense)
ZAO, CBDT _____
RECEIPTS/REFUNDS

Bank figures as per RBI statement No.2	ZAO's accounts figures booked under PSB Suspense	Difference for the month	Progressive Difference

Note I: Bank wise and Date wise break-up of the progressive difference should be given in the report along with the action taken to settle the difference.
Note II: This reconciliation report is to be prepared separately for Receipts and Refunds and sent to Pr.AO within 3 days of the receipt of the copy of RBI's Statement No.2

Zonal Accounts Officer

ZAO/CBDT

CAM 90
(Para 2.19.12)
DDO-PAO EXPENDITURE RECONCILIATION CERTIFICATE

Controller Name (with code):.....

Name of PAO:

Reconciliation for the month and year:.....

3. It is certified that

the bills were processed in PFMS against the valid financial sanction of the competent authority obtained/made available by the Division concerned.

the details of Bill Number, Amount, Beneficiary Name and Beneficiary bank account Number as indicated in PFMS reports 'PAY-01: Sanction status details' and 'PAY-02: Sanction e-payment status details', have been verified with reference to Bill Register and other registers/documents available with DDO and are found to be correct.

[Please tick below appropriately:

- No discrepancies were noticed or
- Any discrepancies, if any, noticed are indicated in the statement enclosed herewith.

monthly and progressive expenditure shown in the PFMS report 'CMP-03 Classified Abstract' under different object heads and in the Public Account portion have been checked and verified with the figures appearing in the Expenditure Control Register (ECR) and other records etc. being maintained by DDO.

[Please tick below appropriately:

- No discrepancies were noticed or
- Transfer Entries for rectification of misclassification of accounting heads, if any, are/were proposed for its incorporation in the accounts. (Enclosed document duly approved by the competent authority in support of the proposal).

Name of DDO (with Code)

Name of Office.....

Department.....

Ministry.....

Examined and noted for necessary action.

PAO

Notes

A series of horizontal dashed lines for writing notes.

**Office of Controller General of Accounts
Mahalekha Niyantarak Bhawan
E-Block, GPO Complex, INA, New Delhi-110 023**

Websites:

<https://cga.nic.in> | <https://pfms.nic.in> | <https://bharatkosh.gov.in>