
FUNDAMENTAL RULES (DEFINITIONS)

Act: *Act means the Government of India Act.* (F.R.9 (1))

Administrator: *Administrator means an Administrator of Union Territory appointed by the President under Article 239 of the Constitution and includes the Governor of Assam acting as Agent to the President in respect of the North-East Frontier Agency.* (FR. 9 (1-A))

Allotment: *Allotment means grant of a licence to a Government servant to occupy a house owned, leased or requisitioned by the Government or a portion thereof, for use by him as residence.* (F.R.9(1-B))

Cadre: *Cadre means the strength of a service or a part of a service sanctioned as a separate unit.* (F.R.9 (4))

Compensatory allowance: *Compensatory allowance means an allowance granted to meet personal expenditure necessitated by the special circumstances in which duty is performed. It includes a traveling allowance, but does not include a sumptuary allowance nor the grant of free passage by sea to or from any place outside India.* (F.R. 9 (5))

Duty: (a) *Duty includes –* (F.R. 9 (6))

(i) *service as probationer or apprentice provided that such service is followed by confirmation; and*

(ii) *joining time*

(b) *A Government servant may be treated as on duty—*

(i) *during a course of instruction or training in India, or*

(ii) *in the case of a student, stipendiary or otherwise, who is entitled to be appointed to the service of Government on passing through a course of training at a University, College or School in India, during the interval between the satisfactory completion of the course and his assumption of duties*

Fee: *Fee means a recurring or non-recurring payment to a Government servant from a source other than the Consolidated Fund of India, or the Consolidated Fund of a State or the Consolidated Fund of a Union Territory whether made directly to the Government servant or indirectly through the intermediary of Government, but does not include ---*

(a) *unearned income such as income from property, dividends, and interests on securities; and*

(b) *income from literary, cultural, artistic, scientific or technological efforts and income from participation in sports activities as amateur.* (F.R. 9 (6-A))

Foreign Service: *Foreign Service means service in which a Government servant receives his pay with the sanction of Government from any source other than the Consolidated Fund of India or Consolidated Fund of a State or the Consolidated Fund of a Union territory.* (F.R. 9 (7))

Honorarium: *Honorarium means a recurring or non-recurring payment granted to a Government servant from the Consolidated Fund of India or the Consolidated Fund of a State or the Consolidated Fund of a Union Territory as remuneration for special work of an occasional or intermittent character.* (F.R. 9 (9))

Joining time: Joining time means the time allowed to a Government servant in which to join a new post or to travel to or from a station to which he is posted. (F.R. 9 (10))

Leave Salary: Leave salary means the monthly amount paid by Government to a Government servant on leave. (F.R. 9 (12))

Lein: Lein means the title of a Government servant to hold on regular basis, either immediately or on the termination of a period or periods of absence, a post, including a tenure post, to which he has been appointed on regular basis and on which he is not on probation. (F.R. 9 (13))

Local fund: Local fund means (F.R. 9 (14))

(a) revenues administered by bodies which by law or rule having the force of law come under the control of Government, whether in regard to proceedings generally or to specific matters, such as the sanctioning of their budgets, sanction to the creation or filling up of particular posts, or the enactment of leave, pension or similar rules; and

(b) the revenues of any body which may be specially notified by the president as such.

Military Commissioned Officer: Military Commissioned Officer means a commissioned officer other than -- (F.R. 9 (16(a)))

- i. a departmental commissioned officer;
- ii. a commissioned officer of the Indian Medical Department It does not include a warrant officer.

Military Officer: Military Officer means any officer falling within the definition of Military Commissioned Officer, or included in sub-clause (i) or (ii) of clause (a) above or any warrant officer. (F.R. 9 (16 (b)))

Ministerial servant: Ministerial servant means a Government servant of a subordinate service whose duties are entirely clerical, and any other class of servant specially defined as such by general or special order of the Central Government. (F.R. 9 (17))

Month: Month means a calendar month. In calculating a period expressed in terms of months and days, complete calendar months, irrespective of the number of days in each, should first be calculated and the odd number of days calculated subsequently. (F.R. 9 (18))

Officiate: A Government servant officiates in a post when he performs the duties of a post on which another person holds a lien. The Central Government may, if it thinks fit, appoint a Government servant to officiate in a vacant post on which no other Government servant holds a lien. (F.R. 9(19))

Overseas Pay: Overseas pay means pay granted to a Government servant in consideration of the fact that he is serving in a country other than the country of his domicile. (F.R. 9(20))

Pay: Pay means the amount drawn monthly by a Government servant as--- (F.R. 9 (21 (a)))

- (i) the pay, other than special pay or pay granted in view of his personal qualifications, which has been sanctioned for a post held by him substantively or in an officiating capacity, or to which he is entitled by reason of his position in a cadre; and
- (ii) overseas pay, special pay and personal pay; and
- (iii) any other emoluments which may be specially classed as pay by the President.

Permanent Post : Permanent post means a post carrying a definite rate of pay sanctioned without limit of time. (F.R. 9 (22))

Personal Pay : *Personal pay means additional pay granted to a Government servant ---*

- (a) *to save him from a loss of substantive pay in respect of a permanent post other than a tenurepost due to a revision of pay or to any reduction of such substantive pay otherwise than as a disciplinary measure; or*
- (b) *in exceptional circumstances, on other personal consideration.* **(F.R. 9 (23))**

Presumptive Pay : *Presumptive pay of a post, when used with reference to any particular Government servant, means the pay to which he would be entitled if he held the post substantively and were performing its duties; but it does not include special pay unless the Government servant performs or discharges the work or responsibility, in consideration of which the special pay was sanctioned.*

(F.R.9 (24))

Special pay: *Special pay means an addition, of the nature of pay, to the emoluments of a post or of a Government servant, granted in consideration of ---*

- (a) *the specially arduous nature of the duties; or*
- (b) *a specific addition to the work or responsibility.* **(F.R. 9 (25))**

Subsistence Grant: *Subsistence grant means a monthly grant made to a Government servant who is not in receipt of pay or leave salary.* **(F.R. 9 (27))**

Substantive pay : *Substantive pay means the pay other than specialpay, personal pay or emoluments classed as pay by the President under Rule 9 (21) (a) (iii), to which a Government servant is entitled on account of a post to which he has been appointed substantively or by reason of his substantive position in a cadre.* **(F.R. 9 (28))**

Temporary post : *Temporary post means a post carrying a definite rate of pay sanctioned for a limited time.* **(F.R. 9 (30))**

Tenure Post : *Tenure post means a permanent post which an individual Government servant may not hold for more than a limited period.* **(F.R. 9 (30-A))**

Time Scale: **(F.R. 9 (31))**

- (a) *Time-scale pay means pay which, subject to any condition prescribed in these rules, rises by periodical increments from a minimum to a maximum. It includes the class of pay hitherto known as progressive.*
- (b) *Time-scales are said to be identical if the minimum, the maximum, the period of increment and the rate of increment of the time-scales are identical.*
- (c) *A post is said to be on the same time-scale as another post on a time-scale if the two time-scales are identical and the posts fall within a cadre, or a class in a cadre, such cadre or class having been created in order to fill all posts involving duties of approximately the same character or degree of responsibility, in a service or establishment or group of establishments, so that the pay of the holder of any particular post is determined by his position in the cadre or class and not by the fact that he holds that post.*

Travelling Allowance: *Travelling Allowance means an allowance granted to a Government servant to cover the expenses he incurs in traveling in the interest of the public service. It includes allowances granted for the maintenance of conveyances, horses and tents.* **(F.R. 9 (32))**

Distinguish between Fee and Honorarium:

Honorarium	Fees
<i>1. In terms of FR.9(7) - Honorarium means a recurring or non-recurring payment granted to a Government servant from the Consolidated Fund of India or the Consolidated Fund of a State or the Consolidated Fund of a Union Territory as remuneration for special work of an occasional or intermittent character</i>	<i>1. In terms of FR.9(6-A) - Fee means a recurring or non-recurring payment to a Government servant from a source other than the Consolidated Fund of India, or the Consolidated Fund of a State or the Consolidated Fund of a Union Territory whether made directly to the Government servant or indirectly through the intermediary of Government</i>
<i>2. The maximum amount of honorarium payable to any Government servant should not exceed Rs.5000 per annum, but the Head of Circle is empowered to sanction only up to Rs.2500 in a year.</i>	<i>2. The maximum amount of Fees that a Government servant can retain in full is limited to Rs.1500 in a financial year. If the fees exceeds these limits, one-third of such fees, which is in excess of Rs.1500 shall be remitted to Government.</i>
<i>3. Honorarium will be sanctioned as special remuneration for work performed which is occasional or intermittent in character and either so laborious or of such special merit as to justify a special reward.</i>	<i>3. A Government servant may be permitted , if this can be done without detriment to his official duties and responsibilities, to perform a specified service or series of services for a private person or body or for a public body including a body administering a local fund and to receive a remuneration therefor, if the service be material, a non-recurring or recurring fee.</i>
<i>4. Shall not be sanctioned unless the sanctioning authority record in writing the reasons which in his opinion justify the grant of the extra remuneration.</i>	<i>4. No G.S. may undertake work for another Government or a private or public body or a private person, or accept a fee therefor without the sanction of the Competent Authority, who certifies that the work can be undertaken by the Government servant, in writing.</i>

Joining Time - Its Fun Time

- 1 *These Rules are called C.C.S. (Joining Time) Rules, 1979 and are effective from 8.5.1979.* **Rule.1**
- 2 *Joining time means time allowed to a Govt. Servant in which to join a new post or to travel to a station to which he is posted.* **FR.9 (10) & Rule 3(e)**
- 3 *Joining Time is admissible to all Govt. Servants on transfer in public interest.* **Rule 4(1)**
- 4 *Joining Time is not admissible in cases of temporary transfer not exceeding 180 days.* **Rule 4(1)**
- 5 *Joining Time shall commence from the date of relinquishment of charge of the old post. i.e. :
If charge is made over on Forenoon then same day
If charge is made over on Afternoon then next day* **Rule 5 (1)**
- 6 *Not more than one day Joining Time is allowed in case the transfer doesn't involve change of residence.* **Rule 5(3)**
- 7 *When holidays follow(s) Joining Time, the normal Joining Time may be allowed to have been extended to cover such.* **Rule 5(4)**
- 8 *Joining Time admissible in cases of transfers involving change of residence as per following schedule:* **Rule 5(4)**

<i>Distance (in Kms)</i>	<i>JT admissible (in days)</i>	<i>JT admissible (in days) (Where journey involves continuous travel by road for more than 200 Kms)</i>
<i>1000 or less</i>	<i>10</i>	<i>12</i>
<i>More than 1000</i>	<i>12</i>	<i>15</i>
<i>More than 2000</i>	<i>15*</i>	<i>15</i>
<i>* 12 days in cases of travel by air.</i>		

- 9 *Distance from old headquarters to new headquarters means distance by direct route and ordinary mode(s) of travel* **Rule 5(4)**
- 10 *Joining Time can be extended, in contrary to Rule 5(4), upto a maximum of 30 days by Head of the Department and beyond 30 days by the Department* **Rule.5(5)**
- 11 *Un-availed Joining Time can be added to Earned Leave account provided that such addition doesn't exceed 300 days and the un-availed Joining Time is due to:*
 - a) *the reasons that Govt. Servant is ordered to join without availing full JT*
 - b) *the reason that the Govt. Servant proceeds alone to the new station and joins the post without availing full JT and takes his family later within the permissible period of time for claiming TA for the family* **Rule.6(1)**
- 12 *Joining Time can be combined with vacation and/or regular leave except casual leave.* **Rule.6(2)**
- 13 *If a Govt. Servant in transit is directed to proceed to a different place, he shall be entitled to a fresh spell of Joining Time from that place to his new destination, from the date following the date of receipt of revised orders* **Rule.6(3)**
- 14 *During Joining Time, the Govt. Servant is entitled to Pay and allowances equal to Pay and Allowances drawn by him immediately before relinquishment of charge* **Rule.7**

15	<i>During Joining Time, the Govt. Servant is entitled to CCA, HRA, Spl. Pay (if any) etc. equal to a rate applicable at old station</i>	Rule.7
16	<i>During Joining Time, the Govt. Servant is not entitled to conveyance allowance, permanent Travelling Allowance</i>	Rule.7
17	<i>As per Rule.4(1), JT is admissible in transfers of Public interest only. Therefore no JT is admissible for transfers on own request. Regular leave can be granted this situation. Further, no leave is required to avail intervening holidays during this situation. Pay for such leave/holidays will be borne by the Department where Govt. servant joins after his transfer</i>	GiO.6 below CCS (JT) Rules
18	<i>Central Govt. Employees are entitled for Joining Time for appointment to posts under the Central Government on the results of a competitive examination(s) and/or interview open to Govt. Servants and others. However temporary Govt. Servants of Central Govt. who have not completed 3 years of regular continuous service, though entitled to JT would not be entitled to JT pay</i>	Rule.4(4)
19	<i>Increment accruing while on JT will be released on the date on which it accrues, notionally. The benefit of the increment will however be admissible only from the date on which he reports to duty at new station</i>	GIO.12 below FR.26
20	<i>Joining Time counts for increment</i>	FR.26(e)
21	<i>Overstayal of JT attracts the provisions of unbecoming of Govt. Servant. Hence it attracts FR.15(a)(1). Further, the period of such overstayal of JT should be regularised by grant of leave, if the leave sanctioning authority agrees to do so. Otherwise, it attracts FR.17.A readwith G.I.D.(1) below FR.18 and the period will be treated as diesnon</i>	
22	<i>The surplus staff transferred from one post to another shall be eligible for joining time.</i>	Rule.4(2)
23	<i>Government servants who are discharged due to reduction of establishment are entitled for joining time :</i> <ul style="list-style-type: none"> <i>- if the orders of appointment to the new post were received by them while working in the old post.</i> <i>- if the orders of appointment were received after their discharge from the old post, the break period may be converted into joining time without pay by the Head of the Department, provided that the break does not exceed 30 days and the Government servant had rendered not less than 3 years continuous service on the date of his discharge</i> 	Rule.4(3)
24	<i>A Government servant proceeding on leave from/to a place in the remote locality or returning from leave to/from the said place shall be entitled, one in a calendar year, to transit time each way to cover the period spent in journey between the said remote locality and the specified station.</i>	GIO.1 below JT Rules
25	<i>The above concession is also admissible to a Government servant, while on leave :</i> <ul style="list-style-type: none"> <i>- who is domiciled in any part of India other than the remote locality concerned and has been specifically recruited from outside for service in remote locality;</i> 	-do-
26	<i>Where the outward journey falls in one calendar year and the return journey falls in the succeeding year, the concession shall be counted against the calendar year in which the leave commences.</i>	-do-
27	<i>In calculating transit time, holidays falling before or at the end of it shall be excluded while those falling during the transit time shall be included.</i>	-do-

Let's check :

1. *Joining time Rules are effective from*
a) 08-05-1978 b) 08-05-1979 c) 08-05-1980 d) 08-05-1981
 2. *Joining time is admissible to all Government servants on transfer involving*
a) Own request b) Unilateral basis c) Mutual basis d) Public interest
 3. *In cases of relinquishment of charge on forenoon, Joining time commences from*
a) next day b) same day c) preceeding day d) afternoon
 4. *In cases of relinquishment of charge on afternoon, Joining time commences from*
a) next day b) same day c) preceeding day d) afternoon
 5. *A Government servant was relieved on 25-01-2010. His joining time commences from*
a) 25-01-2010 b) 26-01-2010 c) 27-01-2010 d) 25-01-2010 AN
 6. *Joining time is not admissible in case of :*
a) Temporary transfer b) Permanent transfer
c) transfer in public interest d) Joining to a post which G.S is posted
 7. *If Stn. A & B are located 800 kms apart, Joining Time is admissible for :*
a) 12 days b) 15 days c) 10 days d) 1 day
 8. *Stn. C and D are 1372 kms apart. Joining Time is admissible for :*
a) 10 days b) 12 days c) 15 days d) 1 day
 9. *Stn. E and F are 971 kms apart and to commute the distance one has to necessarily travel by road for a continuous distance of 200 kms. Calculate Joining Time admissible:*
a) 10 days b) 12 days c) 15 days d) 1 day
 10. *In the above question, if continuous journey by road is more than 200 kms, the Joining Time admissible will be :*
a) 10 days b) 12 days c) 15 days d) 1 day
 11. *On transfer from Trivendrum to Jammu (2172 kms) a Group A officer availed air facility. Joining Time admissible to him will be :*
a) 10 days b) 12 days c) 15 days d) 1 day
 12. *In the above question, if the Government servant is a Gr.C employee and actually commutes the distance by train/road, the Joining Time admissible will be :*
a) 10 days b) 12 days c) 15 days d) 1 day
 13. *Calculate JT with the following details : Old Hqrs – Stn.A, New Hqrs – Stn.B, distance from A to C = 52 kms (by road), C to D = 1372 kms (by rail) & D to B = 190 kms (by road)*
a) 10 days b) 12 days c) 15 days d) 1 day
 14. *Admissibility of Joining Time in cases of transfer non involving change of residence will be :*
a) 10 days b) 12 days c) 15 days d) 1 day
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15. Calculate JT with the following details : Old Hqrs – Stn.A, New Hqrs – Stn.B, distance from A to P = 140 kms (by road), P to Q = 655 kms (by rail), Q to R = 180 kms (by steamer) & R to B = 25 kms by road :
- a) 10 days b) 12 days c) 15 days d) 1 day
16. Calculate JT with the following details : Old Hqrs – Stn.A, New Hqrs – Stn.B, distance from A to P = 140 kms (by road), P to Q = 655 kms (by rail), Q to R = 190 kms (by road) & R to B = 12 kms (only tonga journey is available) :
- a) 10 days b) 12 days c) 15 days d) 1 day
17. Stn. A & B are 2300 kms apart. Calculate Joining time admissible :
- a) 10 days b) 12 days c) 15 days d) 1 day
18. When holiday(s) follow Joining Time, the holiday(s) are treated as :
- a) Suffixed b) Prefixed c) Leave d) extension of JT
19. In case of transfer on mutual basis from Stn. A to B (752 kms apart), JT admissible will be :
- a) Nil b) 10 days c) 12 days d) 15 days
20. The following leave cannot be combined to Joining Time :
- a) Earned leave b) Half Pay Leave c) Commuted Leave d) Casual Leave
21. Distance from old Headquarters to new headquarters means
- a) Shortest possible route b) Slightly longer route c) longer route d) as declared by GS
22. Unavailed Joining Time can be credited to
- a) EL account b) HPL account c) Spl CL account d) CL account
23. Addition of unavailed JT to leave account is limited to a maximum of
- a) 300 days of EL b) 315 days of EL c) 315 days of HPL d) 300 days of HPL
24. Unavailed JT can be automatically credited to EL account:
- a) Yes b) No c) At discretion d) None of the above
25. If the Government servant proceeds alone to new station consequent on transfer, unavailed joining time can be credited to his account:
- a) Yes b) No c) At discretion d) None of the above
26. Can unavailed Joining Time be credited to the leave account of a Government servant, if he was ordered to report early without availing full joining time :
- a) Yes b) No c) At discretion d) None of the above
27. Can unavailed Joining Time be credited to the leave account of a Government servant, if he had reported to duty earlier on his own accord without availing full joining time :
- a) Yes b) No c) At discretion d) None of the above
28. Joining Time can be extended by Head of the Department up to a maximum of
- a) 15 days b) 20 days c) 25 days d) 30 days
29. Joining Time can be extended beyond 30 days by
- a) Head of Office b) Head of Department c) Ministry d) President of India
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30. *During Joining time pay and allowances will be regulated with reference to :*
a) *New headquarters* b) *Old headquarters* c) *Average of both* d) *None of the above*
31. *During Joining Time the Government servant is not entitled to :*
a) *HRA* b) *FPA* c) *Conveyance allow.* d) *Transport Allowance*
32. *During Joining time the Government servant is entitled to*
a) *HRA* b) *Special Pay* c) *Transport allow.* d) *all the above*
33. *Pay during Joining time is equal to – Pay :-*
a) *immediately drawn before relinquishment of charge* b) *after reporting to duty*
c) *whichever, is more beneficial to the Government servant* d) *Pay at old headquarters plus 3% of pay plus grade pay*
34. *Mr. A on relinquishment of charge at Hyderabad on 14-08-2010 reported at Mumbai on 16-08-2010. If his transfer is not in public interest, his absence on 15-08-2010 will be regularized as:*
a) *Leave* b) *Holiday* c) *Casual Leave* d) *Spl. Casual Leave*
35. *On transfer on own request, a Government servant reported after 3 days of gap at new headquarters. His absence can be regularized as :*
a) *Leave* b) *Holiday* c) *Casual Leave* d) *Spl. Casual Leave*
36. *Mr. A was on Joining Time from 26-06-2010 to 05-07-2010. His increment on 01-07-2010 can be:*
a) *Postponed* b) *released in full* c) *released notionally* d) *withheld*
37. *Central Government servants if appointed to posts under Central Government as a result of competitive examinations/interview open to Government servants and others are eligible for :*
a) *Earned leave* b) *Special Casual Leave* c) *Joining Time* d) *EOL*
38. *In cases of Central Government servants appointed to posts under Central Government as a result of competitive examinations/interview open to Government servants and others, Joining time with pay can be allowed, if his status is*
a) *temporary* b) *permanent* c) *on probation* d) *on suspension*
39. *In cases of temporary Central Government servants appointed to posts under Central Government as a result of competitive examinations/interview open to Government servants and others, Joining time with pay can be allowed, if he had completed*
a) *1 year of service* b) *2 years of service* c) *3 years of service* d) *4 years of service*
40. *In case(s) of temporary Central Government servant(s) with 1 year of service, on appointment to post(s) under Central Government as a result of competitive examinations/interview open to Government servants and others, the following can be allowed*
a) *JT without pay* b) *JT with full pay* c) *JT with half pay* d) *No JT & no Pay*
41. *Joining time cannot be extended during following circumstances*
a) *natural calamities* b) *civil commotion* c) *situation beyond control of GS* d) *domestic reasons of GS*
42. *The competent authority may regularize the overstay of Joining time as*
a) *leave* b) *duty* c) *casual leave* d) *special casual leave*
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43. In case of transfer on own request, the intervening holidays between handing over & taking over can be treated as
 a) leave b) holidays c) duty d) diesnon
44. Old headquarters – HRA @ 20%; New headquarters – HRA @ 30%. During joining time HRA shall be regulated at following rate
 a) 25% b) 30% c) 20% d) No HRA
45. Mr. Malik proceeded on transfer from Station X to Y. Enroute on 17th May, at Stn. P, he received another order transferring him to Stn.Q in cancellation of earlier order. State when he should report to duty at Station Q, if distance between Stn.P to Stn.Q is 775 kms
 a) 27th May b) 28th May c) 29th May d) 30th May
46. On transfer to Stn. A to B (985 kms), Sri Khanna travelled by a slightly longer route (1002 kms) due to civil commotion, enroute. Calculate JT admissible to him
 a) 1 day b) 10 days c) 12 days d) 15 days
47. After availing JT a GS reported to duty on 05th July, 2010. State when his increment can be released, if 03rd and 04th July, 2010 were holidays on account of Saturday & Sunday.
 a) 1st July, 2010 b) 3rd July, 2010 c) 4th July, 2010 d) 5th July, 2010
48. On transfer in public interest, a GS was eligible for 12 days of Joining time. He availed 8 days of JT and reported to duty. The unavailed JT of 4 days can be credited to his:
 a) EL account b) HPL account c) Cannot be credited d) CL account
49. After availing Joining time Mr. A reported to duty on 10-10-2010 AN. His JT expires on 09-10-2010. How his absence on 10-10-2010 FN will be regularized:
 a) Half day CL b) EL for 10-10-2010 c) HPL for FN d) EOL for Half day
50. A Government servant on relief, on transfer, applied for EL from 01-10-2010 to 08-10-2010 followed by JT from 09-10-2010 to 20-10-2010. Can the competent authority sanction this?
 a) Yes. JT can be combined b) No. First JT then EL c) cannot be combined d) entire 20 days to be treated as JT

Fill in the blanks :

51. Joining time can be granted in case of transfer in
52. Joining time commences from if relinquishment of charge was made on FN.
53. Joining time commences fromif relinquishment of charge was made on AN.
54. In cases of transfer on own request, the pay and allowances for the intervening holidays/Leave shall be paid by the
55. Pay and allowances during Joining Time shall be equal to the rates which the GS was drawing at Headquarters.

Key:

1. b	2. d	3. b	4. a	5. b	6. a	7. c	8. b	9. a	10. b
11. b	12. c	13. b	14. d	15. a	16. b	17. c	18. d	19. a	20. d
21. a	22. a	23. a	24. b	25. a	26. a	27. b	28. d	29. c	30. b
31. c	32. d	33. a	34. b	35. a	36. c	37. c	38. b	39. c	40. a
41. d	42. a	43. b	44. c	45. b	46. b	47. d	48. c	49. b	50. a

51. Public interest

52. Same day

53. Immediate next day

54. New headquarters

55. Old

Pension is Easy

Retirements - Kinds of Retirements :

- 1 Every Government servant shall retire from service on the afternoon of the last day of the month in which he attains the age of sixty years. **FR.56(a)**
- Example : Arrive the date of Retirement of Government servant whose date of birth is 12-03-1946*
- Sol : The Government servant completes the age of sixty years on 11-03-2006, hence his date of retirement will be on the last day of March, 2006 i.e. 31-03-2006*
- 1(a) Provided that a Government servant whose date of birth is the first of a month shall retire from service on the afternoon of the last day of the preceeding month on attaining the age of sixty years. **Prov. to FR.56(a)**
- Example : Arrive the date of Retirement of Government servant whose date of birth is 01-03-1946*
- Sol : The Government servant completes the age of sixty years on 28-02-2006, hence his date of retirement will be on the last day of February, 2006 i.e.28-02-2006*
- 2 The Appropriate Authority shall, if it is of the opinion that it is in the public interest so to do, have the absolute right to retire any Government servant by giving him notice of not less than three months in writing (or) three months' pay and allowances in lieu of such notice; **FR.56(j)**
- (i) If he is, in Group 'A' or Group 'B' service or post in a substantive or temporary capacity and had entered Government service before attaining the age of 35 years, after he has attained the age of 50 years;
- (ii) In any other case after he has attained the age of fifty-five years.
- 3 Any Government servant may, by giving notice of not less than three months in writing to the appropriate authority, retire from service after he has attained the age of fifty years, if he is in Group 'A' or Group 'B' service or post, (and had entered Government service before attaining the age of thirty-five years), and in all other cases after he has attained the age of fifty-five years. **FR.56(k)**
- 4 The Appropriate Authority shall, if it is of the opinion that it is in the public interest to do so, have the absolute right to retire a Government servant in Class.III service or post **who is not governed by any pension rules**, after he has **FR.56(l)**
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completed thirty years' service by giving him notice of not less than three months in writing or three months' pay and allowances in lieu of such notice.

- 5 *A Government servant in Class III service or post **who is not governed by any pension rules**, may, by giving notice of not less than three months in writing to the Appropriate Authority, retire from service after he has completed thirty years' of service.* **FR.56(m)**
- 6 *At any time after a Government servant has completed thirty years' qualifying service, he may retire from service.* **Rule.48(1)(a) of CCS Pension Rules, 1972**
- 7 *At any time after a Government servant has completed thirty years' qualifying service, he may be required by the Appointing Authority to retire in the public interest.* **Rule.48(1)(b) of CCS Pension Rules, 1972**
- 8 *At any time after a Government servant has completed twenty years' qualifying service, he may, by giving notice of not less than three months in writing to the Appointing Authority, retire from service.* **Rule.48-A of CCS Pension Rules, 1972**

In cases of retirement(s) in terms of FR.56(j), FR.56(l) or Rule.48(1)(b), it shall be duty of the Appointing Authority to serve a notice of at least three months before the date on which he is required to retire in the public interest or three months' pay and allowances in lieu of such notice.

In cases of retirement(s) in terms of FR.56(k), FR.56(m), Rule.48(1)(a) or Rule.48-A, it shall be duty of the Government servant to give a notice in writing to the Appointing Authority at least three months before the date on which he wishes to retire. However, it shall be open to the Appointing Authority to accept notice of less than 3 months giving reasons therefor. Further, in all these cases, the Government servants who has elected to retire and has given the necessary notice to that effect shall be precluded from withdrawing his notice except with the specific approval of such authority (provided that the request for withdrawal shall be made before the intended date of his retirement).

- 9 *A Government servant who, on being declared surplus to the establishment in which he was serving, is eligible for the facility of being re-deployed through the Central (Surplus Staff) Cell located in the Department of Personnel and Training, Ministry of Personnel, Public Grievances and Pensions or in the case of a Group 'D' employee through the Directorate General, Employment and Training or can opt to retire voluntarily from service within two months from the date from which he is declared surplus.* **Rule.29 of CCS Pension Rules, 1972**
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Pension – Classes of Pension:

1	<i>Superannuation pension (Rule.35)</i>	<i>A superannuation pension shall be granted to a Government servant who is retired on his attaining the age of compulsory retirement.</i>
2	<i>Retiring pension (Rule.36)</i>	<i>A retiring pension shall be granted – (i) to a Government servant who retires, or is retired in advance of the age of the age of compulsory retirement in accordance with the provisions of Rule.48 or 48-A of Pension Rules, or FR.56 of the Fundamental Rules or Article 459 of the Civil Service Regulations; and (ii) to a Government servant who, on being declared surplus, opts for voluntary retirement in accordance with the provisions of Rule.29 of these rules.</i>
3	<i>Pension on absorption in or under a corporation, company or body. (Rule.37)</i>	<i>A Government servant who has been permitted to be absorbed in a service or post in or under a Corporation or Company wholly or substantially owned or controlled by the Central Government or a State Government or in or under a Body controlled or financed by the Central Government or a State Government, shall be deemed to have retired from service from the date of such absorption and he shall be eligible to receive retirement benefits in any, from such date as may be determined, in accordance with the orders of the Central Government applicable to him.</i>
4	<i>Invalid pension (Rule.38)</i>	<i>Invalid pension may be granted if a Government servant retires from the service on account of any bodily or mental infirmity which permanently incapacitates him for the service.</i>
5	<i>Compensation Pension (Rule.39)</i>	<i>If a Government servant is selected for discharge owing to the abolition of his permanent post, he shall, unless he is appointed to another post the conditions of which are deemed by the authority competent to discharge him to be at least equal to those of his own, have the option (a) of taking compensation pension to which he may be entitled for the service he had rendered, or (b) of accepting another appointment on such pay as may be offered and continuing to count his previous service or pension.</i>

6	Compulsory retirement pension (Rule.40)	A Government servant compulsorily retired from service as a penalty may be granted, by the authority competent to impose such penalty, pension or gratuity or both at a rate not less than two-thirds and not more than full compensation pension or gratuity or both admissible to him on the date of his compulsory retirement.
7	Compassionate Allowance (Rule.41)	A Government servant who is dismissed or removed from service shall forfeit his pension and gratuity; Provided that the authority competent to dismiss or remove him from service may, if the case is deserving of special consideration sanction a Compassionate Allowance not exceeding two-thirds of pension or gratuity or both which would have been admissible to him if he had retired on compensation pension.

Some important points on regulation of pension :

1 If a Government servant is unable to state his exact date of birth but can state the month and year of birth, then 16th of the month shall be treated as his date of birth. **GIO 2 below Rule.35**

Ex.: A Govt. servant stated that he was born during March, 1946.

After due verification it will be presumed that his Date of birth is 16th March, 1946.

2 If a Government servant is unable to state his exact date of birth but can state the year of birth, then 1st July of that year shall be treated as his date of birth. **GIO 2 below Rule.35**

Ex.: A Govt. servant stated that he was born during 1946.

After due verification it will be presumed that his Date of birth is 1st July, 1946.

3 If a Government servant is unable to state his date of birth but can only state approximate age, then his date of birth shall be assumed to be the corresponding date after deducting the number of years representing his age from his date of appointment. **GIO 2 below Rule.35**

Ex.: A Govt. servant stated that his age is approximately 25 years as on date of appointment i.e. 15-05-2005.

After due verification, it will be presumed that his year of birth is 1980 and there after as per the procedure discussed above his date of birth will be presumed as 1st July, 1980

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- 4 *W.e.f. 01-11-1973 all Govt. servants shall retire from service on the afternoon of the last day of the month in which they attain the age of their retirement.* **FR.56(a) read with GIO 1 below Rule.35**
- a) *With effect from 13-05-1998 age of superannuation is 60 years.*
- b) *Prior to 13-05-1998 age of superannuation is 58 years*
- Ex.: A Central Govt. employee whose date of birth is 14-05-1945 shall retire from service on 31-05-2005 after noon.*
- 5 *A Government servant whose date of birth is the first of a month shall retire from service on the after noon of the last day of the preceeding month on which he attains the age of retirement.* **Proviso below FR.56**
- Ex.: A Central Govt. employee whose date of birth is 01-05-1945 shall retire from service on 30-04-2005 after noon.*
- 6 *The date of death of a Govt. servant shall be treated as working day, irrespective of time of death.* **Rule.5(2)**
- Ex.: If a Govt. servant is reported died on 17-05-2005 at 00:15 A.M., then 17-05-2005 should be treated as his last working day.*
- 7 *The date of retirement in the cases of Government servants who are retiring prematurely shall be treated as non-working day.* **Proviso below Rule.5(2)**
- Ex.: If a Govt. servant served a notice of voluntary retirement on 14-05-2005 then his retirement will be made on 14-05-2005 F.N. and for all purposes that date will be treated as a non-working day for him.*
- 8 *Qualifying Service of a Government servant commences from the date he takes charge of the post to which he is first appointed either substantively or in an officiating or temporary capacity.* **Rule.13**
- 9 *Qualifying Service commences from the day on which the Government servant attains the age of 18 years, if he was appointed earlier than his attaining the age of 18 years.* **Proviso 2(b) below Rule.13**
- Service before attaining the age of 18 years is treated as boy service and this will not count as qualifying service for the purpose of pension.*
- 10 *Service on probation against a post if followed by confirmation in the same or another post shall qualify for pension.* **Rule.15**
- 11 *Service as an apprentice shall not qualify, except in the case of SAS apprentice in the Indian Audit and Accounts Department or the Defence Accounts Department.* **Rule.16**
- 12 *Subject to certain conditions, service rendered on contract for a specified period and subsequently followed by appointment to the same or another post in a pensionable establishment without interruption of duty counts for pension.* **Rule.17**
- 13 *Pre-retirement civil service counts for the purpose of pension in case of re-employed Government servants, subject to certain conditions.* **Rule.18**
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- 14 *Military service rendered before civil employment counts for the purpose of pension.* **Rule.19**
- 15 *Periods spent on leave and Extra ordinary Leave granted on medical certificate counts as qualifying service for the purpose of pension.* **Rule.21**
- 16 *Extra ordinary Leave without Medical Certificate also counts as qualifying service in following cases:* **Proviso below Rule.21**
- a) *due to Govt. servant inability to join or rejoin duty on account of civil commotion, and/or*
- b) *for prosecuting higher scientific and technical studies.*
- 17 *Extra ordinary Leave without Medical Certificate also counts as qualifying service in the absence of specific entry in the service book.* **GIO.1 below Rule.21**
- 18 *The period of suspension counts as qualifying service, if the Govt. servant on conclusion of proceedings is fully exonerated or the suspension is held to be wholly unjustified. A **specific entry** in this regard should be made in the Service book* **Rule.23**
- 19 *Absence of specific entry in service book, regarding the period of suspension and its treatment, automatically counts as qualifying service for pension.* **GIO.1 below Rule.23**
- 20 *Periods spent on Foreign Service will count as qualifying service.* **FR.115(a)**
- 21 *Non-receipt of pension contributions from Foreign employer during the period spent on foreign service should have no bearing on finalization of pension i.e. that period shall also be treated as qualifying service for pension.* **GIO.1(b) below FR.67**
- 22 *Joining time counts as qualifying service for the purpose of pension.* **Rule.27(1)(e)**
- 23 *Dismissal or removal of a Government servant from a service or post entails forfeiture of his past service* **Rule.24**
- 24 *A Government servant who is dismissed, removed or compulsorily retired from service, but is reinstated on appeal, is entitled to count his past service as qualifying service.* **Rule.25(1)**
- 25 *The period of interruption in service between the date of dismissal, removal or compulsory retirement, as the case may be, and the date of reinstatement, and the period of suspension, if any, shall not count as qualifying service unless regularized as duty or leave by a specific order of the authority which passed the order of reinstatement.* **Rule.25(2)**
- 26 *Resignation from a service or a post, unless it is allowed to be withdrawn in the public interest by the Appointing Authority, entails forfeiture of past service* **Rule.26(1)**
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- 27 A resignation shall not entail forfeiture of past service if it has been submitted to take up, with proper permission, another appointment, whether temporary or permanent, under the Government where service qualifies. **Rule.26(2)**
- 28 Interruption between two spells of civil service shall be treated as automatically condoned and the pre-interruption service treated as qualifying service. However, the period of interruption shall not count as qualifying service. **Rule.28(a) & Rule.28(c)**
- 29 Interruption period between two spells of civil service shall be treated as qualifying service provided the gap is covered by grant of leave of kind due and admissible to the Government servant. **Rule.26(3)**
- 30 An interruption in the service of a Government servant entails forfeiture of his past service with few exceptions. **Rule.27**
- 31 Dies-non doesn't count as qualifying service for the purpose of Pension. **GIO below Rule.27**
- 32 In calculating the length of qualifying service, fraction of a year equal to three months and above shall be treated as a completed half-year and reckoned as qualifying service. **Rule.49(3)**
- Ex.:** 32 years 2 months 29 days will be treated as **32 years**
 32 years 3 months will be treated as **32 1/2 years**
 32 years 8 months 29 days will be treated as **32 ½ years**
 32 years 9 months will be treated as **33 years**
33. Qualifying service in excess of 33 years shall be rounded to 33 years **Rule.49(2)(a)**
- 34 Emoluments means basic pay as defined in FR.9 (21) (a) (1) which a Government servant was receiving immediately before his retirement or on the date of his death and will also include non-practising allowance. **Rule.33**
- 35 Dearness Pay and Dearness Allowance on the date of retirement/death shall be treated as emoluments for all types of Gratuity under Rules 49 and 50 w.e.f. 1.1.1996. **GIO.4 below Rule.33**
- 36 Average emoluments shall be determined with reference to the **emoluments drawn** by a Government servant during the last ten months of his service. **Rule.34**
- 37 If during the last ten months of his service, a Government servant had been absent from duty on leave for which leave salary is payable or having been suspended had been reinstated without forfeiture of service, the emoluments which he would have drawn had he not been absent from duty or suspended shall be taken into account for determining average emoluments. **Note.1 below Rule.34**
- 38 If during last ten months of his service, a Government servant had been on foreign service, then the pay drawn by him during foreign service shall not be treated as emoluments for the purpose of average emoluments, but the pay which he would have drawn had he not been on foreign service shall alone be treated as emoluments. **Note.7 below Rule.33**
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- 39** *In the case of a Government servant who was on earned leave during the last ten months of his service and earned an increment which was not withheld, such increment though not actually drawn shall be included in the average emoluments, if the increment falls due during the first one hundred and twenty days of earned leave.* **Note.3 below Rule.34**
- 40** *If during the last ten months of his service, a Government servant had been absent from duty on extraordinary leave, or had been under suspension the period whereof does not count as service, the aforesaid period of leave or suspension shall be disregarded in the calculation of the average emoluments and equal period anterior to the ten months shall be included.* **Note.2 below Rule.34**
- 41** *In calculating average emoluments containing incomplete months, the factor dividing these split months shall be taken as 30, irrespective of the number of days of the month. The definition of month should be strictly followed in such calculations.* **GIO.3 below Rule.34**

Service Pension (Rule.49):

- 1** *In case of Government servant retiring in accordance with the provisions of these rules after completing qualifying service of not less than twenty years, the amount of pension shall be calculated at 50% of emoluments.* **Rule.49 (2) (a)**
- 2** *In case of Government servant retiring in accordance with the provisions of these rules before completing qualifying service of twenty years, but after completing 10 years of qualifying service, the amount of pension shall be calculated at 50% of emoluments* **Rule.49 (2) (b)**
- 3** *If the emoluments drawn by a Government servant are less than the average emoluments, otherwise than as penalty, then average emoluments shall be substituted for emoluments while calculating pension.* **GIO (4) below Rule.49**
- 4** *In case of persons retiring in accordance with the provisions of these rules, the minimum pension in these cases shall not be less than Three thousand five hundred and Maximum pension shall not exceed Forty five thousand rupees.* **GIO (4) below Rule.49**
- 5** *The amount of pension finally determined under Rule.49 shall be expressed in whole rupees and where the pension contains a fraction of a rupee, it shall be rounded to the next higher rupee.* **Rule.49 (4)**
- 6** *The quantum of pension payable to old pensioners shall be increased with reference to their basic pension, on their attaining the age as indicated below:* **GID (5) below Rule.49**
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|------------------|--------------------|------------------|
| 80 & above – 20% | 85 & above – 30% | 90 & above – 40% |
| 95 & above – 50% | 100 & above – 100% | |
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Simple Examples on calculation of pension :

1 Calculate Pension admissible in case of Mr.X whose qualifying service is 24 years and whose emoluments are Rs.18900 ?

Sol. Service Pension = 50% of Emoluments **Rule.49 (2) (a)**
= 50% of 18900
= Rs.9450 per month

2. Calculate Pension admissible in case of Mr.X whose qualifying service is 17 years and whose Emoluments are Rs.19000.

Sol. Service Pension = 50% of Emoluments **Rule.49 (2) (b)**
= 50% of 19000
= Rs.9500 per month

Gratuities:

1(a) Service Gratuity (Rule.49 (1)):

In case of Government servant retiring in accordance with the provisions of these rules before completing qualifying service of ten years, the amount of service gratuity shall be calculated at the rate of half month's emoluments for every completed six monthly period of qualifying service.

(b) Retirement Gratuity (Rule.50 (1) (a))

A Government servant, who has completed five years of Qualifying service and has become eligible for service gratuity or pension under Rule.49, shall, on his retirement, be granted retirement gratuity equal to one-fourth of his emoluments for each completed six monthly period of qualifying service, subject to a maximum of 16.5 times the emoluments.

(c) Death Gratuity (Rule.50 (1) (b))

If a Government servant dies while in service, the death gratuity shall be paid to his family in the manner indicated in Rule.50 (1) at the rates given below:

	<i>Length of service</i>	<i>Rates of death gratuity</i>
(i)	<i>Less than 1 year</i>	<i>2 times of emoluments</i>
(ii)	<i>One year or more but less than 5 years</i>	<i>6 times of emoluments</i>
(iii)	<i>5 years or more but less than 20 years</i>	<i>12 times of emoluments</i>
(iv)	<i>20 years or more</i>	<i>½ of emoluments for every completed six-monthly period of qualifying service subject to a max. of 33 times of emoluments.</i>

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- 2 Retirement gratuity or death gratuity payable under this rule shall in no case exceed Rupees Ten lakhs. **GID.8 below Rule.50**
- 3 The emoluments for the purpose of gratuity admissible under this rule shall be reckoned in accordance with Rule.33. However, in cases where the emoluments of a Government servant have been reduced during last ten months of his service, otherwise than as a penalty, average emoluments as referred in Rule.34 shall be treated as emoluments for the purpose of Gratuity **Rule.50 (5)**
- 4 Retirement Gratuity or Death Gratuity finally calculated contains a fraction of a rupee; it shall be rounded off to the next higher rupee. **Proviso.2 below Rule.50(1)**
- 5 The benefit of Death Gratuity is admissible in cases of suicide also. **GID.2 below Rule.50**

Simple Examples on calculation of gratuities :

Ex.1 Mr.X retired from service after completing 8 years of qualifying service on 30-06-2009. He was drawing a pay of Rs.16000 in PB.1 with grade pay of Rs.2000. He was in receipt of Non-practising allowance at the rate of 25% of his pay. Calculate Service gratuity if the rate of DA on 30-06-2009 is 22%.

Sol: Qualifying service = 8 years **Rule.49 (1)**
 Emoluments for the purpose of Gratuity = Pay + GP + NPA + DA
 = 16000 + 2000 + 4500 + 4950
 = 27450
 Service gratuity = $\frac{1}{2}$ X emoluments X Completed six monthly periods
 = $\frac{1}{2}$ X 27450 X 16
 = 219600 in-lump

Ex.2 Mr.X retired from service after completing 28 years of qualifying service on 30-06-2009. He was drawing a pay of Rs.16000 in PB.1 with grade pay of Rs.2000. He was in receipt of Non-practising allowance at the rate of 25% of his pay. Calculate Retirement gratuity if the rate of DA on 30-06-2009 is 22%.

Sol: Qualifying service = 28 years **Rule.50 (1) (a)**
 Emoluments for the purpose of Gratuity = Pay + GP + NPA + DA
 = 16000 + 2000 + 4500 + 4950
 = 27450
 Retirement gratuity = $\frac{1}{4}$ X emoluments X Completed six monthly periods
 = $\frac{1}{4}$ X 27450 X 56
 = 384300 in-lump

Ex.3 Mr.X died while in service after completing 28 years of qualifying service on 30-06-2009. He was drawing a pay of Rs.16000 in PB.1 with grade pay of Rs.2000. He was in receipt of NPA at the rate of 25% of his pay. Calculate Death gratuity if the rate of DA on 30-06-2009 is 22%.

Sol: Qualifying service = 28 years

$$\begin{aligned} \text{Emoluments for the purpose of Gratuity} &= \text{Pay} + \text{GP} + \text{NPA} + \text{DA} \\ &= 16000 + 2000 + 4500 + 4950 \\ &= 27450 \end{aligned}$$

Rule.50 (1) (b)

$$\begin{aligned} \text{Retirement gratuity} &= 1/2 \times \text{emoluments} \times \text{Completed six monthly periods} \\ &= 1/2 \times 27450 \times 56 \\ &= 768600 \text{ in-lump} \end{aligned}$$

Example : Mr.X retired on superannuation after completing of a qualifying service of 32 years on 31-10-2009. He was drawing a pay of Rs.27000 & grade pay of Rs.5400 in PB-2 with effect from 01-07-2007. He was promoted to an excadre post in PB-3 with a grade pay of Rs.6600 w.e.f 01-07-2007. He was reverted back to his cadre post on 30-06-2009. Determine his eligibility towards Pension & Retirement Gratuity.

Solution: Regulation of Pay

Period	9300-34800 GP – Rs.5400	15600-39100 GP – Rs.6600	Remarks
01-07-2007 30-06-2008	27000 + 5400	27980 + 6600	FR.22.I.(a)(1)
01-07-2008 30-06-2009	(27980 + 5400)	29020 + 6600	FR.26(a)
01-07-2009 31-10-2009	28990 + 5400	Reverted	

On a comparison of pay drawn by the Government servant during last 10 months of his service, the pay drawn by him on the date of retirement is less, otherwise than as penalty. Hence in terms of GID.4 below rule.49 and Rule 50(5), average emoluments shall be computed for the purpose of pension and retirement gratuity as detailed below:

Emoluments for Pension (GID.4 below Rule.49)

Period	No. of Months	Pay	GP	(Pay+DP)	Total
01-01-2009 30-06-2009	6	29020	6600	35620	213720
01-07-2010 31-10-2010	4	28990	5400	34390	137560
Total					351280

$$\text{Average Emoluments for pension} = 351280 / 10 = 35128$$

Emoluments for Retirement Gratuity [Rule.50(5)]

Average Emoluments = Average Emoluments for Pension + DA

= 35128 + (27% of 35128)

= 35128 + 9485 = Rs.44613

Pension admissible = 50% of average emoluments

= 50% of 35128

= Rs. 17564 per month

Retirement Gratuity = $\frac{1}{4}^{\text{th}}$ average emoluments X CSMPs

= $\frac{1}{4}^{\text{th}}$ of 44613 X 64

= Rs.713808 in lump

Family Pension (Rule.54):

- 1 The family of a Government servant is eligible for family pension, if the **Rule.54** Government servant dies:
 - (a) after completion of one year of continuous service; or
 - (b) before completion of one year of continuous service, provided the deceased Government servant concerned immediately prior to his appointment to the service or post was examined by the appropriate Medical Authority and declared fit by that authority for Government service; or
 - (c) after retirement from service and was on the date of death in receipt of a pension, or Compassionate Allowance.
- 2 Family Pension shall be at a uniform rate of 30% of pay last drawn i.e. **GID.19 below Rule.54** emoluments referred to in Rule.33
- 3 The amount of family pension shall be fixed at monthly rates and be expressed in **Rule.54 (2-A)** whole rupees and where the family pension contains a fraction of a rupee, it shall be rounded off to the next higher rupee.
- 4 In case the pay last drawn by a Government servant is less than the average **Rule.54 (14)** emoluments, otherwise than as penalty, Family pension may be computed as 30% **(c) (ii)** of average emoluments.

Family Pension at enhanced Rates (Rule.54):

- 1 If a Government servant dies while in service after having rendered not less than **Rule.54 (3) (a)** seven years continuous service, the rate of family pension payable to the family **(i)** shall be equal to 50% of the pay last drawn.
 - 2 Family pension authorized in above cases shall be paid up to a maximum of 10 **GID.19 below Rule.54** years from the date following the date of death of the Government servant or up **Rule.54** to the date on which the deceased Government servant would have attained the age of 67 years had he survived, whichever is earlier and there after family
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pension at normal rates are payable.

- 3** *If a Government servant dies after retirement, the family pension payable to the family of the deceased pensioner shall be equal to 50% of the pay last drawn or Pension authorized on retirement, whichever is least.* **Rule.54 (3) (a) (ii)**
- 4** *Family pension authorized in above cases shall be paid up to a maximum of 7 years from the date following the date of death of the Government servant or up to the date on which the deceased Government servant would have attained the age of 67 years had he survived, whichever is earlier and there after family pension at normal rates are payable.* **GID.22 below Rule.54**
- 5** *If a deceased GS/pensioner leaves behind a widow/widower, the family pension shall become payable to the widow/widower, failing which to the eligible child.* **Rule.54 (8) (ii)**
- 6** *Family pension to the children shall be payable in the order of their birth and the younger of them will not be eligible for family pension unless the elder next above him/her has become ineligible for the grant of family pension.* **Rule.54 (8) (iii)**
- 7** *Family pension is payable to widow or widower, up to the date of their death or re-marriage, whichever is earlier.* **Rule.54 (6) (i)**
- 8** *Family pension can be paid to:* **GID.21 below Rule.54**
- a) Sons, until they attain the age of 25 years or up to the date of their marriage or until they starts earning Rs.2550 or more, per month;*
 - b) Daughters, until they attain the age of 25 years or up to the date of their marriage or until they starts earning Rs.2550 or more, per month;*
 - c) Widowed/divorced daughters, till their life time or up to the date of their re-marriage or until they earn Rs.2550 or more, p.m.;*
 - d) Parents, who were wholly dependent on the Government servant when he/she was alive, provided the deceased employee had left behind neither a widow nor a child. Family pension in this case will be payable provided their earnings are not more than Rs.2550, per month.*
- 9** *In case, if Family Pension is authorized to parents of the Government servant, then, the same is not payable at enhanced rates.* **GID.19 below Rule.54**
- 10** *Where a family pension is payable to twin children, it shall be paid to such children in equal shares.* **Para 7(d) of Rule.54**
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Commutation of Pension (C.C.S. Commutation of Pension Rules, 1981) :

- 1 A Government servant shall be entitled to commute for a lump sum payment a **Rule.5 (1)** fraction not exceeding 40% of his pension.
- 2 If fraction of pension to be commuted results in fraction of rupee, such fraction of **Rule.5 (3)** a rupee shall be ignored for the purpose of commutation.
- 3 The lump sum payable to an applicant shall be calculated in accordance with the **Rule.8** table of the values prescribed from time to time and applicable to the applicant on the date on which the commutation becomes absolute.

Commutation value of pension = Commuted Fraction of Pension X Commutation Factor X 12

- 4 Commuted value of pension, if results in a fraction, shall be rounded off to the **GID.1 below** next higher rupee. **Rule.8**
- 5 Commuted portion of pension will be restored after fifteen years from the date of **GID.2 & 3** commutation. **below Rule.10**
- 6 Application for commutation of pension received after one year of retirement **Rule.13 (1) r/w** requires applicant's medical fitness certificate by appropriate medical authority. **Rule.18(v)**
- 7 Fee for medical examination to be borne by the applicant. **Rule.23**
- 8 Residuary pension is operative from the date of receipt of the CVP or at the end **Proviso below** of three months after issue of authority by the Accounts Officer, or on the date at **Rule.6 (1)** which the CVP is credited by the bank to the applicants account.

Commutation table with effect from 01-01-2006

Age next birthday	Comm. Factor	Age next birthday	Comm. Factor	Age next birthday	Comm. Factor	Age next birthday	Comm. Factor
51	8.808	56	8.572	61	8.194	66	7.591
52	8.768	57	8.512	62	8.093	67	7.431
53	8.724	58	8.446	63	7.982	68	7.262
54	8.678	59	8.371	64	7.862	69	7.083
55	8.627	60	8.287	65	7.731	70	6.897

Rates of Dearness Allowance sanctioned from 01-01-2006 to-date:

<u>From</u>	<u>DA</u>	<u>From</u>	<u>DA</u>	<u>From</u>	<u>DA</u>	<u>From</u>	<u>DA</u>
01-01-2006	- 0%	01-07-2006	- 2%	01-01-2011	- 51%	01-07-2011	- 58%
01-01-2007	- 6%	01-07-2007	- 9%	01-01-2012	- 65%	01-07-2012	- 72%
01-01-2008	- 13%	01-07-2008	- 16%	01-01-2013	- 80%	01-07-2013	- 90%
01-01-2009	- 22%	01-07-2009	- 27%	01-01-2014	- 100%	01-07-2014	- 107%
01-01-2010	- 35%	01-07-2010	- 45%	01-01-2015	- *	01-07-2015	-

*** 113 % expected.**

5 *Non Qualifying Service*

1. EOL from 23-05-2004 26 00 00
to 17-06-2004

2. Dies-non 01 00 00

Total 27 00 00

: 00 years 0 months 27 days

6 *Net Qualifying Service*

dd Mm yy

Gross Qualifying service 30 11 28

Non Qualifying service 27 00 00

Total 03 11 28

29 years 01 months 0 days
: (or) 29 years or 58
CSMPs [Rule.49(3)]

7 *Regulation of Pay for the purpose of Pension:*

Pay as on 12-07-2008 : Rs.28000 + Rs.5400 = Rs.33400

8. *Emoluments (Rule.33):*

Emoluments for the purpose of Pension and other benefits : 28000 + 5400 = 33400

Emoluments for Gratuities [GIO.4 & 5 below Rule.33] : 28000 + 5400 + 5344 = 38744

9. *Average Emoluments (Rule.34)*

The pay last drawn by the Government servant is more than the average emoluments and hence no need to work-out the average emoluments.

Invalid Pension (Rule.38)

Pension = 50% of Emoluments

= 50% of 33400

= 16700 p.m.

[Rule.49(2)]

Since the Government servant retired on invalid grounds, he becomes eligible for **Invalid Pension** (a class of pension) at Rs.16700 per month with effect from 13-07-2008.

Retirement Gratuity [Rule.50 (1) (a)]:

Retirement Gratuity = $\frac{1}{4} \times \text{Emoluments} \times \text{Completed Six monthly periods}$

= $\frac{1}{4} \times 38744 \times 58$

= 561788/-.

Retirement Gratuity amounting to Rs.561788 payable in lump on or after 13-07-2008.

Family Pension [Rule.54]:

Family pension = 30% of Pay last drawn

= 30% X 33400 = 10020/-

Family Pension at Enhanced rates[Rule.54(3)(a)(ii)]:

Family pension at enhanced rates will be the least of the following :

a) 50% of Pay last drawn = 50% X 33400 = Rs.16700

b) Service pension = 16700

Family pension is payable at Rs.16700 per month to the eligible family members of the Government servant for a period of 7 years from the date following the date of death of the Government servant or up to 13-07-2022, whichever is earlier and thereafter at Rs.10020 per month. As the Government servant expired on 06-09-2008, his family is eligible for Family Pension at enhanced rates for 7 years from 07-09-2008 to 06-09-2015. In accordance with the particulars given, family pension can be paid to the family members as per the following schedule:

Member	From	To	Rate	Event making them ineligible
Wife	07-09-2008	12-04-2010	16700	Death
Son (S1)	13-04-2010	15-07-2014	16700	attaining the age of 25 years
Son (S2)	16-07-2010	06-09-2015	16700	enhanced pension only to this date
Son (S2)	07-09-2015	18-07-2016	10020	attaining the age of 25 years
Daughter (D2)	19-07-2016	21-02-2018	10020	attaining the age of 25 years
Son (S2)	22-02-2018	till life time	10020	Subject to not marrying & earning

Elder daughter (D1) is not eligible for family pension since she got married prior to the demise of her mother.

Commutation of Pension (CCS (Commutation of Pension) Rules, 1981):

Maximum Commutable portion of pension = 40% of Service Pension

= 40% of 16700 = 6680

[Birthday after retirement = 14-07-2008]

Age next Birthday = 53 years

Commutation Factor = 8.724

Commutation value of pension = 6680 X 8.724 X 12 = Rs.699315.84 or 699316 in lump

Residual Pension:

Residual Pension = Original pension – Commuted portion of pension

= 16700-6680 = Rs.10020 per month

The original pension will be restored after 15 years. However, the pensioner receives Dearness Relief on Original pension and not on residual pension.

Residuary Gratuity : [Rule.50(2)]

If a Government servant who has become eligible for a service gratuity or pension, dies within five years from the date of the retirement from service including compulsory retirement as a penalty and the sums actually received by him at the time of his death on account of such gratuity or pension including ad-hoc increase, if any, together with the retirement gratuity admissible under sub-rule (1) of Rule.50 and the commuted value of any portion of pension commuted by him are less than the amount equal to 12 times of his emoluments, a residuary gratuity equal to the deficiency may be granted to his family.

Solve the following questions

Question.1 : Mr.X a Central Government servant retired from service on 15th May 2011. With the following particulars, calculate the pension, RG, FP and Commutation Value of Pension admissible to him :

1. Date of Birth : 18-06-1955
2. Date of appointment : 15-03-1973
3. Date of confirmation : 19-11-1976
4. In addition to regular leave of kind due & admissible, the following events were observed from his service book :
 - a) EOL without MC from 18-07-1979 to 21-10-1979
 - b) He was under suspension from 23-10-1983 to 18-05-1987. It was ordered that the period of suspension will not count for pension.
 - c) The period from 18-11-1989 to 16-12-1989 was treated as *dies non* on conclusion of a disciplinary proceeding.
 - d) In continuation of sanctioned leave up to 16-05-1994, he remained absent to duty till 18-08-1995 which was not regularised till retirement.
 - e) Availed EOL on domestic grounds from 16-04-1998 to 07-08-1998.
5. He was drawing a pay of Rs.23690 with a Grade Pay of Rs.4800 in PB.2 w.e.f. 01-01-2010. He was in receipt of a special pay of Rs.800 till retirement.
6. DA was admissible at 51 per cent of pay w.e.f. 01-01-2011.
7. He opted to commute pension to the extent possible.
8. Extract from Commutation factors are given below for reference:
55 – 8.627; 56 – 8.572; 57 – 8.512; 58 – 8.446 & 59 – 8.373

Question.2 : Calculate the Pension, RG, FP & CVP admissible to Mr.X, who retired on superannuation, with the following details :

1. Date of Birth : 17-08-1952
2. Date of appointment : 12-06-1980
3. He was on deputation to an organization, on Foreign Service terms and conditions from 12-05-2003 to 15-10-2006. The Pension contributions, payable by employee, were not credited to general revenues.
4. He was serving in an ex-cadre post the department and drawing a pay of Rs.18270 with Grade Pay of Rs.4200 in PB-2 w.e.f. 01-07-2011.
5. He was reverted back to his substantive post w.e.f. 01-06-2012. Consequent on reversion his pay was fixed at Rs.17130 and GP of Rs.2800 in PB.1
6. He commuted 35 per cent of his pension and commutation factor applicable was 8.194.
7. Rates of DA are 58 per cent from 01-07-2011, 65 per cent from 01-01-2012 & 72 % w.e.f. 01-07-2012.

Question.3 : Calculate the Pension, RG, FP & CVP admissible to Mr.X, who retired on 28-02-2012, with the following details :

1. Date of Birth : 13-05-1956
2. Date of appointment : 07-09-1980
3. He availed the following spells of extra-ordinary leave during his career
 - a) On domestic grounds from 15-05-1986 to 19-09-1986
 - b) In a situation beyond his control from 18-08-1995 to 12-06-1996
 - c) On private affairs from 12-05-2003 to 19-10-2003
4. Due to participation in a strike the period from 07-04-2006 to 08-04-2006 was treated as *dies non*.
5. He was drawing a pay of Rs.22530 with a GP of Rs.5400 in PB.2 wef 01-07-2008.
6. He was on deputation to a PSU, on Foreign Service terms and conditions, from 01-01-2009 to 31-12-2011. While on FS, he opted to draw pay offered by the Foreign employer in PB.3 with a GP of Rs.6600.
7. He opted to commute maximum pension admissible on retirement.
8. The rates of DA and commutation factors may be taken from above questions.

Question.4 : Calculate the benefits admissible to the family of a GS, who died while in service on 06-08-2012, with the following details :

1. Date of Birth : 07-11-1955
2. Date of appointment : 18-02-1979
3. He was drawing a pay of Rs.19860 with a GP of Rs.4600 in PB.2 with effect from 01-07-2011.
4. He left behind the following family members:

Wife	:	Expired on 24-01-2013
Son.1	:	DOB : 04-05-1990
Daughters	:	DOB : 18-08-1993 & 18-08-1998
Son.2	:	DOB : 14-10-1995
Son.3	:	DOB : 14-10-1995
5. Rates of DA may be taken from the above questions.

Payment of Retirement/Death benefits to the family of a missing Government servant whose

Whereabouts are not known:

[GID 9,10,11 & 12 below Rule.54]

In terms of Section 108 of The Indian Evidence Act, 1872 a person who had suddenly disappeared and whose whereabouts are not known cannot be deemed to be dead unless a period of 7 years has elapsed since the date of his disappearance. The period of 7 years can be construed from a date from which he has not been heard by those who would have heard of him if he had been alive. Further, the burden of proving that he is alive is shifted to the person who affirms it.

In cases where a Government servant had suddenly disappeared and whose whereabouts are not known, it is the primary responsibility of the family of the missing employee to lodge a complaint with the concerned police station and obtain a report that the employee has not been traced after all efforts had been made by the police.

In these cases, the family of the missing employee can be paid the following amounts

- a) Amount of salary due, leave encashment due and the amount of GPF, at the first instance.*
- b) After the lapse of a period of one year from the date on which FIR was lodged, other retirement benefits viz. Retirement Gratuity, Family Pension may also be granted. Though family pension is authorized after lapse of 1 year, the arrears of family pension shall be paid from the date on which FIR was lodged to the date it was issued.*
- c) After a lapse of 7 years from the date on which FIR was lodged, the missing employee can be treated as dead, in view of Section 108 of The Indian Evidence Act, 1872. Hence, the family of the missing employee becomes eligible for Death Gratuity and family pension at enhanced rates. In terms of Rule.54(3)(a)(i), family pension at enhanced rates is payable for a period of 7 years from the date of death of the Government servant or up to the date on which he attains the age of 67 years, whichever is earlier. Hence, the family previously sanctioned with family pension at normal rates now will be authorized with family pension at enhanced rates as per the normal procedure and arrears from the date on which FIR was lodged will be drawn and paid. Differential amount of Death gratuity and Retirement gratuity (already paid after the lapse of 1 year) will also be drawn and paid.*

The above amounts can be paid after the family furnishes an Indemnity Bond stating that all payments will be adjusted against the payments due to the employee, in case, he appears on the scene and makes any claim. Further, the Head of the Office will assess all Government dues outstanding against the Government servant and affect their recovery before payment of above amounts.

Let's check :

1. *Every Government servant shall retire from service on the last day of the month in which he attains the age of*
a) 58 years b) 59 years c) 60 years d) 62 years
 2. *A Group A/B Government servant can opt to retire voluntarily on attaining the minimum age of*
a) 50 years b) 55 years c) 58 years d) 60 years
 3. *A Group C/D Government servant can opt to retire voluntarily on attaining the minimum age of*
a) 50 years b) 55 years c) 58 years d) 60 years
 4. *The provision of FR.56 (j) & (k) are applicable to Group A/B Government servant if they had entered service before attaining the age of*
a) 50 years b) 55 years c) 58 years d) 35 years
 5. *The minimum notice period required for voluntary retirement is*
a) 3 months b) 4 months c) 6 months d) 8 months
 6. *State the date of retirement of a Government servant whose date of birth is 01-03-1951*
a) 31-03-2011 b) 28-02-2011 c) 31-03-2010 d) 29-02-2012
 7. *State the date of retirement of a Government servant whose date of birth is 13-03-1951*
a) 31-03-2011 b) 28-02-2011 c) 31-03-2010 d) 29-02-2012
 8. *Every Government servant can opt to retire voluntarily after completing the qualifying service of:*
a) 25 years b) 30 years c) 33 years d) 20 years
 9. *The appointing authority can retire a Government servant voluntarily, in public interest after completing a minimum qualifying service of*
a) 25 years b) 30 years c) 33 years d) 20 years
 10. *In cases where a Government servant opt to retire voluntarily, minimum notice period required is*
a) 1 day b) 1 week c) 1 month d) 3 months
 11. *Which of the following Rule is not applicable for voluntary retirement if individual is opting for it:*
a) FR.56 (k) b) Pension Rule 48(1)(a) c) Pension Rule 48(1)(b) d) Pension Rule 48.A
 12. *Pension Rules are not applicable to those who were appointed on or after*
a) 01-04-2005 b) 01-01-2004 c) 01-09-2004 d) 01-10-2004
 13. *A pension granted to those who retired on superannuation is*
a) Superannuation pension b) retiring pension c) Compensation pension d) Compulsory retirement pension
 14. *A pension granted to those who retired voluntarily is*
a) Superannuation pension b) retiring pension c) Compensation pension d) Compulsory retirement pension
 15. *A class of pension granted to a Government servant who retires from service owing to abolition of his permanent post is*
a) Superannuation pension b) retiring pension c) Compensation pension d) Compulsory retirement pension
 16. *A class of pension granted to a GS who was compulsorily retired as a measure of penalty is*
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- a) Superannuation pension b) retiring pension c) Compensation pension d) Compulsory retirement pension
17. A class of pension granted to a Government servant who retires from service on account of bodily or mental infirmity which permanently incapacitates him from service is
a) Superannuation pension b) retiring pension c) Invalid pension d) Compulsory retirement pension
18. In cases of persons who were removed/dismissed from service, the competent authority may grant
a) Compensation pension b) Subsistence allowance c) Extraordinary pension d) Compassionate allowance
19. Compulsory retirement pension shall not be less thanof compensation pension
a) 50 % b) 66 2/3 % c) 75 % d) 100 %
20. Compassionate allowance shall not exceed of compensation pension
a) 50 % b) 66 2/3 % c) 75 % d) 100 %
21. If a GS cannot state his exact date but can state month and year, his birth date will be treated as
a) 1st of that month b) 15th of that month c) 16th of that month d) last day of month
22. If a GS cannot state the date and month but can state year of his birth, then his date of birth is
a) 1st January of that year b) 30th June of that year c) 1st July of that year d) 31st July of that year
23. The date of birth of a GS whose month and year of birth is May 1957
a) 01-01-1957 b) 31-05-1957 c) 01-05-1957 d) 16-05-1957
24. The date of birth of a Government servant who was born in 1956 and date and month not known:
a) 1st January 1956 b) 1st July 1957 c) 16th July 1957 d) 1st July 1956
25. The date of birth of a GS whose age is approx. 26 years as on 10-10-2010 and details not known is
a) 1st July 1983 b) 1st July 1984 c) 1st July 1985 d) 10th October 1984
26. In all caes of premature retirements, the last day for the purpose of pension shall be treated as
a) Dies-non b) Non qual. service c) Qualifying service d) duty
27. The date of death for the purpose of pension shall be treated as
a) Dies-non b) Non qual. service c) Qualifying service d) duty
28. The date of retirement in cases of GSs who were retiring prematurely shall be treated as
a) Dies-non b) Non qual. service c) Qualifying service d) duty
29. In caes of superannuation/absorption in a PSU, the last day shall be treated as
a) Dies-non b) Non qual. service c) Qualifying service d) duty
30. Qualifying service for pension commences from this day
a) appointment b) conformation c) substantive d) officiating
31. In cases where appointment was made before attaining the age of 18 years, qualifying service for pension starts from this date
a) appointment b) conformation c) age of 18 years d) age of 25 years
32. For the purpose of pension, service on probation shall be
a) Non qual. Service b) Qualifying service c) half service d) excluded
qualifies
-

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49. *Minimum service required for becoming eligible for pension*
a) 33 years b) 20 years c) 10 years d) 1 year
50. *Maximum service required for acquiring full pension*
a) 33 years b) 20 years c) 10 years d) 1 year
51. *Minimum service required for voluntary retirement*
a) 33 years b) 20 years c) 10 years d) 1 year
52. *In cases of persons opting to retire voluntarily, due to abolition of post, the minimum qualifying service required will be*
a) 15 years b) 20 years c) 10 years d) 25 years
53. *Persons retiring with less than 10 years qualifying service are eligible for*
a) pension b) service gratuity c) compensation d) Compassionate allow.
54. *Service Gratuity shall be equal to*
p) $\frac{1}{4} \times \text{emoluments} \times \text{CSMP}$ q) $\frac{1}{2} \times \text{emoluments} \times \text{CSMP}$
r) $\frac{1}{4} \times \text{emoluments} \times \text{Qual. Service}$ s) $\frac{1}{2} \times \text{emoluments} \times \text{Qual. Service}$
a) both p & q b) both q & s c) both r & s d) both q & r
55. *Minimum amount of pension that shall be granted is*
a) Rs.7000 pm b) Rs.3500 pm c) Rs. 2550 pm d) Rs.45000 pm
56. *Maximum amount of pension that can be granted is*
a) Rs.10000 pm b) Rs.25000 pm c) Rs.45000 pm d) Rs.50000 pm
57. *If fraction exists in the final pension granted, it shall be rounded to*
a) nearest rupee b) next rupee c) nearest ten rupees d) next ten rupees
58. *The quantum of pension to be increased on attaining the age of 100 years*
a) 30 % b) 40 % c) 50 % d) 100 %
59. *The quantum of pension to be increased on attaining the age of 85 years*
a) 30 % b) 40 % c) 50 % d) 100 %
60. *The quantum of pension to be increased on attaining the age of 95 years*
a) 30 % b) 40 % c) 50 % d) 100 %
61. *If emoluments drawn by GS are less than average emoluments, then pension can be calculated on*
a) average emoluments b) emoluments only c) last pay d) maximum of pay band
62. *Compute pension if emoluments are Rs.24700 and qualifying service is 26 years*
a) Rs.12700 pm b) Rs.11350 pm c) 24700 pm d) 12350 pm
63. *Compute pension if emoluments are Rs.28600 and qualifying service is 17 years*
a) Rs.14300 pm b) Rs.12155 pm c) Rs.7367 pm d) Rs.13300 pm
64. *Compute pension if emoluments are Rs.23950, qualifying service is 29 years and average emoluments are Rs.24150*
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- a) Rs.11975 pm b) Rs.10524 pm c) Rs.12075 pm d) Rs.10612 pm
65. Compute service gratuity if emoluments are Rs.17000 and qualifying service is 10 CSMPs
a) Rs.85000 per month b) Rs.170000 in lump c) Rs.68000 in lump d) Rs.85000 in lump
66. Emolumens for service gratuity include
a) Pay b) Pay + Grade pay c) Pay + GP + NPA d) Pay+GP+NPA+DA
67. Minimum service required for service retirement gratuity
a) 5 years b) 10 years c) 20 years d) 33 years
68. Maximum retirement gratuity/death gratuity shall be restricted to
a) Rs.3.5 lakhs b) Rs.5.0 lakhs c) Rs.10.0 lakhs d) no limit
69. Maximum limit for service gratuity
a) Rs.3.5 lakhs b) Rs.5.0 lakhs c) Rs.10.0 lakhs d) no limit
70. Maximum completed six monthly periods (CSMPs) for Retirement gratuity/Death gratuity
a) 10 CSMPs b) 20 10 CSMPs c) 40 CSMPs d) 66 CSMPs
71. Minimum service required for death gratuity
a) 5 years b) 1 day c) 20 years d) 33 years
72. Death gratuity granted to a GS died while in service after completion of 1 year of QS will be
a) 2 times emoluments b) 6 times emoluments c) 12 times emoluments d) emoluments X QS
73. Death gratuity on completion of 20 years of qualifying service will be
a) 50% of emoluments X CSMPs c) 25% of emoluments X CSMPs
b) 50% of emoluments X Qual. Service in years d) 25% of emoluments X Qual. Service in years
74. Calculate Death gratuity if qualifying service is 32 years and emoluments are Rs.44000
a) Rs.14.08 lakhs b) Rs.13.08 lakhs c) Rs.18.00 lakhs d) Rs.10.00 lakhs
75. Mr. A died while in service before completion of one year of service. Compute Death gratuity if his emoluments are Rs.18000 per month
a) Rs.18000 b) Rs.36000 c) Rs.108000 d) Rs.10.00 lakhs
76. Minimum service required for eligibility towards family pension
a) one year b) 7 years c) 10 years d) no minimum
77. Minimum family pension that shall be granted
a) Rs.2550 pm b) Rs.3500 pm c) Rs.7000 pm d) Rs.10000 pm
78. Maximum family pension that can be granted
a) Rs.3500 pm b) Rs.10000 pm c) Rs.20000 pm d) Rs.27000 pm
79. Family pension shall be granted at a uniform rate of
a) 20 % b) 30 % c) 50 % d) 75 %
80. Emoluments for the purpose of family pension means
a) Pay b) Pay + Grade pay c) Pay + GP + NPA d) Pay+GP+NPA+DA
-

-
-
81. Family pension can be granted at enhanced rates if the GS had completed a minimum service of
a) 1 year b) 7 years c) 10 years d) 20 years
82. The rate at which family pension is paid at enhanced rates
a) 30 % of emol. b) 40 % of emol. c) 50 % of emol. d) 75 % of emol.
83. In cases where a GS died while in service, family pension at enhanced rates can be paid up to a maximum of
a) 1 year b) 5 years c) 7 years d) 10 years
84. In cases where a GS died after retirement, family pension at enhanced rates can be paid up to a maximum of
a) 1 year b) 5 years c) 7 years d) 10 years
85. Family pension at enhanced rates shall be paid up to years of age, had the GS been alive
a) 65 years b) 67 years c) 70 years d) 85 years
86. In respect of spouse, the income limit that disqualifies him/her for family pension is
a) Rs.2550 pm b) Rs.3500 pm c) Rs.7000 pm d) no limit
87. The event that disqualifies spouse for family pension
a) earning Rs.2550 pm b) re-marriage c) death d) age of 67 years
88. In which of the following instances son(s)/daughter(s) will become ineligible for family pension
a) marriage b) earning Rs.2550 pm c) 25 years of age d) all the above
89. Where family pension is payable to twin children it shall be paid
a) to elder twin b) to youngest c) equally d) to next children
90. Maximum family pension at enhanced rates shall be
a) Rs.27000 pm b) Rs.45000 pm c) pay last drawn d) none of the above
91. Compute family pension at enhanced rates if the emoluments last drawn are Rs.12000
a) Rs.6000 pm b) Rs.3600 pm c) Rs.9000 pm d) Rs.3500 pm
92. Compute family pension if the emoluments last drawn are Rs.10000
a) Rs.3000 pm b) Rs.5000 pm c) Rs.10000 pm d) Rs.3500 pm.
93. Maximum amount of pension that can be commuted
a) 30 % b) 40 % c) 50 % d) one-third
94. If the pension commuted results in a fraction of rupee, the same shall rounded to
a) nearest rupee b) next rupee c) lower rupee d) nearest ten
95. If the commuted value of pension results in a fraction, the same shall be rounded to
a) nearest rupee b) next rupee c) lower rupee d) nearest ten
96. Commuted portion of pension will be restored after
a) 100 months b) 120 months c) 150 months d) 180 months
97. Commutation factor is dependent on
-
-

-
- a) length of service b) age at retirement c) age next birthday d) pension sanctioned
98. An application for commutation requires medical certificate on completion of from the date of retirement.
- a) 1 year b) 2 years c) 3 years d) 15 years
99. An application for commutation shall be supported by Medical certificate in the following kind of retirement
- a) superannuation b) voluntary retirement c) invalid pension d) compulsory retirement
100. Commutation is
- a) automatic b) at the request of GS c) discretionary power of sanctioning authority d) not applicable to all pensioners
101. Commutation becomes absolute on the date of whichwas sanctioned
- a) Pension b) Retirement Gratuity c) Family pension d) Death gratuity
102. Residual pension is equal to (CVP = commuted value of pension)
- a) pension – CVP b) (pension + RG) – CVP c) Pension+FP-CVP d) original pension
103. In all cases of commutation, dearness relief is payable on
- a) original pension b) original pension – CVP c) Residual pension d) last pay drawn
104. If pension sanctioned is Rs.10000, maximum pension commutable is Rs.4000. Calculate maximum pension that can be commuted, if pension authorized on retirement is Rs. 9999
- a) Rs.3998 b) Rs.3999 c) Rs.4000 d) Rs.4001
105. Pension is a
- a) Privilege b) Right c) discretionary power d) concession
106. Pension is subjected to
- a) specific period b) certain group of employees c) meritorious employees d) future good conduct
107. Pension shall be paid in India in
- a) Indian Rupee b) Dollars c) Pound d) Euro
108. In accordance with Sn.108 of Indian Evidence act, 1872 a person can be deemed to be dead if disappeared and whereabouts are not known for
- a) 1 year b) 5 years c) 7 years d) 10 years
109. In all cases of employees missing, the 1st duty of family is
- a) apply for pension b) request for salary due c) withdraw GPF d) lodge FIR with police
110. In case of missing employee, the family in the first instance will be paid
- a) salary due b) arrears due c) leave encashment d) all the above
111. On completion of 1 year from the date of missing, the family of the employee can be granted
- a) Death gratuity b) Retirement gratuity c) DG + family pension d) RG + family pension
112. On completion of 7 years from the date of missing, the family of the employee can be granted
- a) Death gratuity b) DG – RG c) GPF d) Full pension
-

Fill in the blanks:

113. Qualifying service for the purpose of pension commences from the date of
114. The date of death of a Government servant shall be treated asfor all purposes.
115. In cases where emoluments are less than average emoluments, otherwise than as penalty, then shall be taken for computation of pension, retirement gratuity and family pension.
116. A Government servant absorbed in a public sector undertaking will be treated as and accordingly all his pensionary benefits will be settled.
117. In the absence of specific entry in the service book regarding suspension, the period of suspension shall be treated as for the purpose of pension.
118. Foreign service can be allowed as qualifying service for pension though pension contributions were not received, if payment of pension contribution is the responsibility of
119. The terms of foreign service fixed the responsibility of payment of pension contributions on the employee. In such a case if the same was not paid then the period of foreign service shall be treated as for pension.
120. Compassionate allowance once ganted shall be a minimum of Rs. per month.
121. All pensionary benefits shall always be rounded to rupee.
122. Family pension of issueless widow/widower can be paid to his/her
123. The age next birthday in cases of retirement on superannuation will be years.
124. Interruption between two appointments will be treated as duty if regularized by
125. In all cases of commutation of pension, dearness relief is payable on

Key:

1. c	2. a	3. b	4. d	5. a	6. b	7. a	8. d	9. b	10. d
11. c	12. b	13. a	14. b	15. c	16. d	17. c	18. d	19. b	20. b
21. c	22. c	23. d	24. d	25. b	26. b	27. c	28. b	29. c	30. a
31. c	32. b	33. b	34. b	35. c	36. d	37. d	38. d	39. c	40. b
41. c	42. d	43. b	44. c	45. d	46. b	47. a	48. a	49. c	50. b
51. b	52. a	53. b	54. d	55. b	56. d	57. b	58. d	59. a	60. c
61. a	62. d	63. a	64. c	65. a	66. d	67. a	68. c	69. d	70. d
71. b	72. a	73. a	74. d	75. b	76. d	77. b	78. d	79. b	80. c
81. b	82. c	83. d	84. c	85. b	86. d	87. b	88. d	89. c	90. b
91. a	92. d	93. b	94. c	95. b	96. d	97. c	98. a	99. c	100. b
101. a	102. a	103. b	104. a	105. b	106. d	107. a	108. c	109. d	110. d
111. d	112. b								

113. appointment	114. duty	115. Average emoluments	116. retired	117. qualifying service
118. foreign employer	119. non qualifying service	120. Rs. 3500	121. next	122. Parents
123. 61 years	124. Leave	125. Original penion.		

Know about GPF - Its our money

- 1 These rules may be called the General Provident Fund (Central Services) Rules, 1944 and are effective from 1st April, 1960 **Rule.1**
- 2 Family for the purpose of General Provident Fund *means*:- **Rule.2(c)**

In case of a male subscriber :-

- a) wife or wives,
- b) Parents,
- c) Legitimate children including adopted children (recognized by the personal law governing subscriber)
- d) A ward under the Guardians and Wards Act, 1890 who lives with the Government servant and who was given some status as that of a natural born child.
- e) Minor brothers,
- f) Unmarried sisters
- g) Deceased son's widow and children
- h) Paternal grandparent, where no parents of the subscriber is alive

.Provided that if a subscriber proves that his wife has been judicially separated from him, she shall henceforth be deemed to be no longer a member of the subscriber's family.

In case of a female subscriber :-

- a) husband,
- b) Parents,
- c) Legitimate children including adopted children (recognized by the personal law governing subscriber)
- d) A ward under the Guardians and Wards Act, 1890 who lives with the Government servant and who was given some status as that of a natural born child.
- e) Minor brothers,
- f) Unmarried sisters
- g) Deceased son's widow and children
- h) Paternal grandparent, where no parents of the subscriber is alive.

Provided that if a subscriber by notice in writing expresses her desire to exclude her husband from her family, the husband shall henceforth be deemed to be no longer a member of subscriber's family.

- 3 All temporary Government servants after a continuous service of one year, all re-employed pensioners (other than those eligible for admission to the CPF) and all permanent Government servants shall subscribe to the Fund. **Rule.4**
- 4 Temporary Government servants who have been appointed against regular vacancies and are likely to continue for more than a year may subscribe to the General Provident Fund any time before completion of one year's service. **Note.3 below Rule.4**
- 5 A subscriber shall subscribe monthly to the Fund except during the period when he is under suspension. **Rule.7(1)**
- 6 A subscriber may, at his option, not subscribe during leave which either does not carry any leave salary or carries leave salary equal to or less than half pay. **Prov. below Rule.7(1)**
- 7 Option of the subscriber, not to subscribe while on leave which either does not carry any leave salary or carries leave salary equal to or less than half pay is valid, if a written communication is presented by him to the Head of his Office before he proceeds on leave. Failure to make due and timely intimation shall be deemed to constitute an election to subscribe. **Rule.7(2)**
- 8 The amount of subscription shall not be less than 6% of his emoluments and not more than his total emoluments. Subscription shall be expressed in whole rupees. **Rule.8(1)**
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- 9 Emoluments for the purpose of GPF means :-
- a) in the case of a subscriber who was in Government service on the 31st March of the preceeding year, the pay, leave salary, subsistence grant and includes dearness pay (w.e.f. 01-04-2004) to which he was entitled to on that date. **Rule.8(2)**
 - b) In the case of subscriber who was not in Government service on the 31st March of the preceeding year, the emoluments to which he was entitled on the day he joins the Fund.
- 10 Rate of subscription once fixed not to be varied during the year on account of retrospective increase or decrease in rate of pay ordered subsequently. **GIO below Rule.8**
- 11 The amount of subscription so fixed may be –
- a) reduced once at any time during the course of the year;
 - b) enhanced twice during the course of the year; or
 - c) reduced and enhanced as aforesaid.
- Rule.8(4)**
At the option of the Government servant/subscriber.
- 12 If a Government servant opts to subscribe at the minimum rate of 6% and if this results in a fraction of a rupee, the fraction should be rounded off to nearest rupee. In cases where this rounding off has to be done to a lower rupee, the subscription may result in less than 6%. In these cases, though, the subscription it is still allowed. **CAG's decision No.2 below Rule.8**
- 13 The appropriate sanctioning authority may sanction the payment to any subscriber an advance consisting of a sum of whole rupees and not exceeding in amount three month's pay or half the amount standing to his credit in the Fund, whichever is less. **Rule.12(1)**
- 14 Purposes for which advance from GPF is permissible:
- ❖ to pay expenses in connection with the **illness**, confinement or a disability, including where necessary, the traveling expenses of the subscriber and members of his family or any person actually dependent on him;
 - ❖ to meet cost of **higher education**, including where necessary, the traveling expenses of the subscriber and members of his family or any person actually dependent on him (i) for education outside India for academic, technical, professional or vocational course beyond the High School stage; (ii) for any medical engineering or other technical or specialized course in India beyond the High School stage, provided that the course of study is for not less than three years;
 - ❖ to pay **obligatory expenses** on a scale appropriate to the subscriber's status which by customary usage the subscriber has to incur in connection with betrothal or marriages, funerals or other ceremonies;
 - ❖ to meet the **cost of legal proceedings** instituted by or against the subscriber, any **member** of his **family** or any person actually dependent upon him, the advance in this case being available in addition to any advance admissible for the same purpose from any other Government source.
 - ❖ To meet the cost of the subscriber's **defence** where he engages a legal practitioner to defend himself in an enquiry in respect of any alleged official misconduct on his part.
 - ❖ To purchase **consumer durables** such as TV, VCR/VCP, Washing machines, Cooking range, Geysers and Computers.
 - ❖ The President may, in special circumstances, sanction the payment to any subscriber of an advance if he is satisfied that the subscriber concerned requires the advance for reasons other than those mentioned above.
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15 Subject to the conditions specified therein, withdrawals may be sanctioned by the authorities competent to sanction an advance, at any time –

(A) after the completion of 15 years of service of a subscriber or within ten years before the date of his retirement on superannuation, whichever is earlier, from the amount standing to his credit in the Fund, for one or more of the following purposes, namely :-

- a) meeting the cost of higher education, including where necessary, the traveling expenses of the subscriber or any child of the subscriber for education outside India for academic, technical, professional or vocational course and for any medical, engineering or other technical or specialized course in India beyond High School stage;
- b) Meeting the expenditure in connection with the betrothal/marriage of the subscriber or his sons or his daughters, and any other female relation actually dependent on him;
- c) Meeting the expenses in connection with the illness, including where necessary, the traveling expenses of the subscriber and members of his family or any person actually dependent on him;
- d) Meeting the cost of consumer durables such as TV, VCR/VCP, Washing machines, Cooking range, Geysers and Computers.

(B) During the service of a subscriber from the amount standing to his credit in the Fund for one or more of the following purposes, namely

Rule.15

- a) building or acquiring a suitable house or ready-built flat for his residence including the cost of the site.
- b) Repaying an outstanding amount on account of loan expressly taken for building or acquiring a suitable house or ready-built flat for his residence;
- c) Purchasing a house-site for building a house thereon for his residence or repaying any outstanding amount on account of loan expressly taken for this purpose;
- d) Reconstructing or making additions or alteration to a house or a flat already owned or acquired by a subscriber;
- e) Renovating, additions or alterations or upkeep of the ancestral house or a house built with the assistance or loan from Government.

(C) Within twelve months before the date of subscriber's retirement on superannuation from the amount standing to the credit in the Fund, without linking to any purpose.

(D) Once during the course of the financial year, an amount equivalent to one year's subscription paid for by the subscriber towards the Group Insurance Scheme for the Central Government employees.

16 Withdrawal from the Fund is also permissible after completion of 15 years of service or when there is less than 5 years of service for superannuation for purchase of motor car/motor cycle/scooter or for repayment of a Government loan already taken for this purpose.

**GID.1 below
Rule.15**

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- 17 Grant of withdrawal for extensive **repairs** or overhauling of motor cars permissible after completion of **28 years** of service or who have **less** than **3 years** of service for **GID.2 below Rule.15**
- 18 A subscriber who has already drawn or may draw in future an advance under Rule.12 for any of the purposes specified in sub-rule (1) of Rule.15 may convert, at his discretion by written request addressed to the Accounts Officer through the sanctioning authority, the balance outstanding against it into a final withdrawal on his satisfying the conditions laid down in Rules.15 and 16. **Rule.16.A**
- 19 When a subscriber quits the service, the amount standing to his credit in the Fund shall become payable to him. **Rule.31**
- 20 Subscription to be compulsorily discontinued during the last 3 months of service on superannuation. **GID.1 below Rule.7**

Let us Check :

1. *In case of male Government servant, family for the purpose of GPF exclude*
a) wives b) parents c) unmarried sisters d) wife's parents
2. *In case of female Government servant, family for the purpose of GPF exclude*
a) husband's parents b) her minor brothers c) her unmarried sisters d) her children
3. *Temporary Government servants after completing of service shall become subscribers to GPF*
a) 1 month b) 6 months c) 1 year d) 2 years
4. *In which of the following events subscription to GPF cannot be stopped*
a) suspension b) EOL c) superannuation d) voluntary retirement
5. *Subscription to GPF to be compulsorily stopped before months to superannuation*
a) 1 month b) 3 months c) 4 months d) 6 months
6. *The amount of GPF subscription shall be a minimum of*
a) 10 % b) 8 1/3 % c) 6 % d) 12 %
7. *Emoluments for the purpose of GPF means*
a) Pay b) Pay + GP c) Pay + GP + DA d) Gross
8. *Emoluments for the purpose of GPF means, emoluments as on*
a) 31st March of preceeding years b) 1st April of subscribing year
c) 31st March of subscribing year d) 31st March of succeeding year
9. *Subscription to GPF shall not exceed*
a) Pay b) GP c) Pay + GP d) Gross
10. *The rate of subscrip;on once fixed can be increased in a year*
a) once b) twice c) thrice d) four times
11. *The rate of subscription once fixed can be reduced in a year*
a) once b) twice c) thrice d) four times
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12. GPF subscription can be stopped at the written request of the GS when he/she is on the following leave
a) Earned leave b) Half pay leave c) Commuted Leave d) Study leave
13. During suspension subscription to GPF from subsistence allowance is
a) compulsory b) optional c) shall not be made d) as per discretion of accounts officer
14. During suspension recovery on account of temporary advance from subsistence allowance is
a) compulsory b) optional c) shall not be made d) as per discretion of accounts officer
15. Maximum advance that can be made out of GPF accumulation is
a) Half of balance b) three-fourth c) Four-fifth d) two-thirds
16. The maximum number of instalments in which the advance needs to be refunded
a) 36 months b) 24 months c) 48 months d) 30 months
17. In exceptional circumstances, the instalments for refund of advance can be enhanced to
a) 36 months b) 24 months c) 48 months d) 30 months
18. Which of the following reason is not permissible for temporary advance
a) travel expenses in connection with medical treatment
b) legal expenses initiated/instituted against/by the Government servant
c) cost of vocational course beyond high school stage outside India
d) **technical** course of 2 years beyond high school in India
19. GPF advance is not permissible for the following reasons
a) betrothal of cousin sister b) marriage of brother c) **cradle** ceremony of knees d) ear boring ceremony of grand daughter
20. Minimum service required for withdrawal from the fund for initiating legal proceedings by the subscriber
a) 1 year b) 5 years c) 10 years d) **15** years
21. Service required for purchasing a house site by withdrawing from GPF
a) 1 year b) 5 years c) 10 years d) 15 years
22. Withdrawal from GPF is permissible without assigning any reasons before ... to superannuation
a) 24 months **b)** 12 months c) 6 months d) 1 month
23. Once in a financial year, withdrawal from fund is permissible towards subscription paid to
a) CGHS b) Benevolent fund c) SLF & SC **d)** CGEGIS
24. The maximum amount of withdrawal that can be made out of GPF for purchase of Gold in connection with daughters marriage
a) **6** months emol. b) 3 months emol. c) 9 months emol. d) 12 months emol.
25. In exceptional circumstances the competent authority may permit withdrawal from the fund up to
a) 1/3rd of balance b) 2/3rd of balance **c)** 3/4th of the balance d) 5/4th of the balance
26. For the purpose of housing withdrawal can be made up to of balance
a) 75 % b) 80 % **c)** 90 % d) 100 %
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27. The advance outstanding can be converted in to withdrawal after completion of
 a) 10 years of service **b) 15 years of service** c) 28 years of service d) 33 years of service
28. For the purpose of GPF financial year means
a) 01-Apr-2010 to 31-Mar-2011 b) 01-Mar-2010 to 28-Feb-2011
 c) 01-Mar-2010 to 31-Mar-2011 d) 01-Apr-2010 to 28-Feb-2011
29. Final withdrawal from the fund is not permissible in the following cases
 a) invalid retirement b) dismissal c) resignation **d) transfer**
30. Withdrawal for purchase of motor cycle is admissible on completion of of service
 a) 1 year b) 10 years **c) 15 years** d) 28 years

Comment on the following and state whether the action of correct or not:

31. A temporary Government servant with less than one year of service requested for deduction of GPF subscription. The DDO accepted the request.
32. A female Government servant requested in writing to exclude her husband from her family. The Accounts Officer accepted her request though she had not been divorced.
33. A male Government servant, having no surviving parents, included his spouse parents in his nomination & Accounts Officer accepted the nomination.
34. At the written request of a Government servant, who was under suspension, the DDO recovered GPF subscription.
35. Mr. Nandu appointed in August 2010 applied in writing to recover GPF subscription from September 2010 @ 20% of his emoluments. The DDO rejected his request.
36. Mr. X drawing a Pay+GP of Rs.20000 as on 31st March 2010, opted to subscribe @ Rs.20600 w.e.f. 1st August 2010, on the plea that after increment on 1st July, 2010, his Pay+GP was raised. The DDO allowed the same.
37. A subscriber on 12 days HPL in October 2010, requested the DDO not to recover GPF advance recovery on the plea that he receives less pay during the month. The DDO accepted the request on humanitarian grounds.
38. A subscriber requested for 2nd advance before completing the recovery of 1st advance. The sanctioning authority rejected and ordered to remit the balance and then apply for 2nd advance.
39. A subscriber already availed withdrawal from GPF towards purchase of house applied for withdrawal for purchase of Flat after 18 years. The sanctioning authority rejected the request.
40. The emoluments & subscription of a subscriber as on 31-Mar-2010 are Rs.15000 & Rs.900 respectively. His emoluments were increased to Rs.22000 due to promotion & setting of anomaly during May 2010. The DDO enhanced his subscription to Rs.1320 being 6% of Rs.22000.

Key:

1. d	2. a	3. c	4. d	5. b	6. c	7. b	8. a	9. c	10. b
11. a	12. b	13. c	14. b	15. a	16. b	17. a	18. d	19. c	20. d
21. a	22. b	23. d	24. a	25. c	26. c	27. b	28. a	29. d	30. c
31. Correct		32. Correct		33. Incorrect		34. Incorrect		35. Correct	
36. Incorrect		37. Correct**		38. Correct		39. Correct		40. Incorrect	

** In terms of Rule 13(2) recovery can be postponed. Humanitarian grounds is incorrect.

PAY REGULATION :

With effect from 01-01-2006, the concept of time scale has been dispensed and in their place a new Pay Band system was introduced. All the time scales (S-32) existed till 31-12-2005 were replaced with PB-1 to PB-4. Apart from Pay Band Government servant is also sanctioned Grade Pay representing the cadre/post the Government servant holds.

<i>Pay Band No.</i>	<i>Pay Band</i>	<i>Grade Pay</i>	<i>Entry grade pay in pay band</i>
<i>PB-1</i>	<i>5200-20200</i>	<i>1800</i>	<i>5200</i>
<i>PB-1</i>		<i>1900</i>	<i>5830</i>
<i>PB-1</i>		<i>2000</i>	<i>6460</i>
<i>PB-1</i>		<i>2400</i>	<i>7510</i>
<i>PB-1</i>		<i>2800</i>	<i>8560</i>
<i>PB-2</i>	<i>9300-34800</i>	<i>4200</i>	<i>9300</i>
<i>PB-2</i>		<i>4600</i>	<i>12540</i>
<i>PB-2</i>		<i>4800</i>	<i>13350</i>
<i>PB-2</i>		<i>5400</i>	<i>15600</i>
<i>PB-3</i>	<i>15600-39100</i>	<i>5400</i>	<i>15600</i>
<i>PB-3</i>		<i>6600</i>	<i>18750</i>
<i>PB-3</i>		<i>7600</i>	<i>21900</i>
<i>PB-4</i>	<i>37400-67000</i>	<i>8700</i>	<i>37400</i>
<i>PB-4</i>		<i>8900</i>	<i>40200</i>
<i>PB-4</i>		<i>10000</i>	<i>43000</i>
<i>HAG+ Scale</i>	<i>75500-80000</i>	<i>----</i>	<i>----</i>
<i>Fixed</i>	<i>80000</i>	<i>----</i>	<i>----</i>
<i>Fixed</i>	<i>90000</i>	<i>----</i>	<i>----</i>

Every Government servant who was drawing pay in pre-revised pay scales were eligible for fixation of pay in revised scales with effect from 01-01-2006. An option was given to all the Government servants to opt for the new scales till 31-08-2008, at their choice. Pay in all these cases will be fixed with reference to their pay in old scales multiplied by 1.86. Fixation tables as circulated by Ministry of Finance in OM.F. No.1/1/2008-1C dated 30th August, 2008 shall be referred for fixation of pay in pay band and grade pay. Once the Government servant opts for revised pay scales, his pay will be fixed with reference to the fixation tables. The pay in the pay band plus grade pay will be treated as pay for all practical purposes. The pay of a Government servant promoted from one grade pay to another grade pay will be fixed with reference to FR.22.1.a (1). In cases where promotion was ordered to another post where the grade pay remains the same, no fixation shall be done such in such cases.

F.R.26(a) --- All duty in a post on a time scale counts for increments in that time scale

Qualifying service for the purpose of increment means:

- All duty including public holidays & closed holidays
- All leave viz. EL, HPL, Commuted Leave, Leave not due, EOL on medical certificate, EOL without medical certificate for prosecuting higher technical studies in the interest of the department & EOL without medical certificate sanctioned in a situation beyond the control of the Government servant.
- All special kinds of leave viz. Paternity leave, Maternity leave, Child care leave, Special disability leave for injury intentionally inflicted or accidental injury, Hospital leave, Seaman's sick leave, Study leave etc.
- Service rendered in a higher post due to promotion.
- Service spent in another post due to promotion on ad-hoc basis;
- Service rendered in an excadre post, whether within the department or outside.
- Deputation and Foreign Service.
- Joining time.

Non Qualifying service means :

- EOL on domestic grounds
- Dies non
- Unauthorized absence either in continuation of authorized leave or where it stands alone and subsequently not regularized as leave of kind due and admissible.
- Periods of suspension if ordered that the period will not count as qualifying service by the competent authority.

With the implementation of Revised Pay Rules, 2008 the following changes took place for release of annual increments:

- All increments shall be released only on 01st July, every year;
- As an exception, Incentive increments can be released on the day they become due;
- The rate of increment is fixed as 3% of existing pay in pay band plus grade pay;
- The amount thus arrived shall be rounded off to next multiple of Rs.10 and added to pay in pay band;
- If the fraction thus arrived is less than one rupee to the nearest ten, the same may be ignored;
- Minimum service required for release of increment is 6 months as on 01st July.

An increment is automatic unless otherwise specifically withheld, in terms of FR.24. Every Government servant who had put in a minimum service of 6 months between 01st July of a year to 30th June of succeeding year will become eligible for one increment at a rate of 3 per cent of existing pay plus grade pay. If however, the Government servant had not put in a minimum of 6 months his increment gets postponed to 01st July of subsequent year. In effect, his increment gets postponed for a period of one year and the loss is permanent.

Example : A Government servant was drawing a pay of Rs.10000 plus 2400 as grade pay with effect from 01-07-2007. He availed EOL on domestic grounds from 01-09-2007 to 29-02-2008. Regulate his pay from time and indicate his date of next increment.

Sol:

Period	5200-20200 (Grade pay: Rs.2400)	Remarks
01-07-2007 31-08-2007	10000 + 2400	
01-09-2007 29-02-2008	<i>EOL on domestic grounds, No Leave Salary</i>	
01-03-2008 30-06-2008	10000 + 2400	
01-07-2008 30-06-2009	10380 + 2400	FR.26(a)with DNI on 01-07-2009

In this example the Government servant availed EOL on domestic grounds, which is a non-qualifying service for the purpose of increment. However as he had put in a minimum of 6 months of qualifying service between 01-07-2007 to 30-06-2008, he is eligible for increment on 01-07-2008 at 3 per cent of Rs.10000 plus Rs.2400, which is Rs.372 rounded to Rs.380. In the above example if the EOL is from 01-09-2007 to 03-03-2008 then the regulation of pay will be as follows:

Period	5200-20200 (Grade pay: Rs.2400)	Remarks
01-07-2007 31-08-2007	10000 + 2400	
01-09-2007 03-03-2008	<i>EOL on domestic grounds, No Leave Salary</i>	
04-03-2008 30-06-2009	10000 + 2400	
01-07-2009 onwards	10380 + 2400	FR.26(a)with DNI on 01-07-2010

In this case, the qualifying service between the period from 01-07-2007 to 30-06-2008 is only 5 months and 28 days and hence his increment cannot be released on 01-07-2008. Thus, he lost his increment due on 01-07-2008 and he will become eligible for his next increment only on 01-07-2009.

Thus the minimum qualifying service required for an increment is 6 months between 01st July of a year to 30th June of succeeding year. Further if Government servant is on leave on the day on which the increment is due, the increment will be released notionally on that day, but monetary benefit can be allowed only from the date of reporting to duty of deemed date of reporting.

For example, in the 1st example if the Government servant is on EL from 26-06-2008 to 07-07-2008 and reported to duty on 10-07-2008 suffixing 08-07-2008 & 09-07-2008 (Saturday & Sunday), his increment will be released on 01-07-2008 as usual, but the monetary benefit of such increment can be allowed only from 08-07-2008 i.e. deemed date of reporting to duty. The same logic is applicable even in case of Joining time, but in such a case the increment can be released only after joining to duty i.e. on 10-07-2009, since suffixed holidays to Joining time will be treated as deemed extension of Joining time and increment monetary benefit cannot be allowed during Joining time.

FR.22.I - The initial pay of a Government servant who is appointed to a post on a time-scale of pay is regulated as follows:-

(a)(1) -- Where a Government servant holding a post, other than a tenure post, in a substantive or temporary or officiating capacity is promoted or appointed in a substantive, temporary or officiating capacity, as the case may be, subject to the fulfilment of the eligibility conditions as prescribed in the relevant recruitment rules, to another post carrying duties and responsibilities of greater importance than those attaching to the post held by him, his initial pay in the time-scale of the higher post shall be fixed at the stage next above the notional pay arrived at by increasing his pay in respect of the lower post held by him regularly by an increment at the stage at which such pay has accrued (or) rupees one hundred only, whichever is more.

The RPRs 2008 modified the application of this rule w.e.f. 01-01-2006. According to RPRs 2008, on promotion the Government servant shall be allowed a promotion incentive of 3 per cent of existing pay in pay band plus grade pay on the date of promotion, which will be added to his pay in pay band. He will be allowed the same pay in the new pay band or the same pay band with the grade pay attached to the new post from the date of promotion.

Example : Mr.X drawing a pay of Rs.10000 (PB-1) with a grade pay of Rs.2800 as on 01-07-2008 is promoted to officiate a post carrying a scale PB-2 and grade pay of Rs.4200 with effect from 13-11-2008. Fix his pay on the date of promotion.

Sol.

Period	5200-20200 (PB-1) Grade Pay – Rs.2800	9300-34800 (PB-2) Grade Pay – Rs.4200	Remarks
01-07-2008 12-11-2008	10000 + 2800		
13-11-2008 30-06-2009	(10000 + 2800)	10390 + 4200	FR.22.I.(a)(1)
01-07-2009 onwards	(10390 + 2800)	10830 + 4200	FR.26(a)

10390 = 3% of (10000+2800) rounded to next multiple of Rs.10/-

10830 = 3% of (10390+4200) rounded to next multiple of Rs.10/-

Example : Mr.X drawing a pay of Rs.8000 in (PB-1) with a grade pay of Rs.2800 as on 01-07-2008 was promoted to a post carrying PB-2 & grade pay of Rs.4200 w.e.f. 11-11-2008. Fix his pay & indicate DNI.

Period	5200-20200 (PB-1) Grade Pay – Rs.2800	9300-34800 (PB-2) Grade Pay – Rs.4200	Remarks
01-07-2008 10-11-2008	8000 + 2800		
11-11-2008 30-06-2009	(8000 + 2800)	9300 + 4200	FR.22.I.(a)(1)
01-07-2009 onwards	(8330 + 2800)	9710 + 4200	FR.26(a)

Since the revised pay after adding promotion incentive of Rs.330 is less than the minimum of PB-2 i.e.Rs.9300, the pay shall be raised to the level of Rs.9300.

Example : Mr.X drawing a pay of Rs.10000 (PB-1) with a grade pay of Rs.2000 as on 01-07-2008 is promoted to officiate a post carrying a scale PB-1 and grade pay of Rs.2800 with effect from 13-11-2008. Fix his pay on the date of promotion.

Period	5200-20200 (PB-1) Grade Pay – Rs.2000	5200-20200 (PB-1) Grade Pay – Rs.2800	Remarks
01-07-2008 12-11-2008	10000 + 2000		
13-11-2008 30-06-2009	(10000 + 2000)	10360 + 2800	FR.22.I.(a)(1)
01-07-2009 onwards	(10360 + 2000)	10760 + 2800	FR.26(a)

In the above example, if the promotion is ordered with effect from 13-01-2009, then regulate pay:

Period	5200-20200 (PB-1) Grade Pay – Rs.2000	5200-20200 (PB-1) Grade Pay – Rs.2800	Remarks
01-07-2008 12-01-2009	10000 + 2000		
13-01-2009 30-06-2010	(10000 + 2000)	10360 + 2800	FR.22.I.(a)(1)
01-07-2010 onwards	(10360 + 2000)	10760 + 2800	FR.26(a)

If carefully observed, the Government servant is put to loss if the promotion is ordered after 1st working day of the year, as he cannot earn an increment on 1st July (falling short of 6 months service) of the year. To save Government servants from such a loss the following saving clause was inserted to FR.22.I(a)(1):

Save in cases of appointment on deputation to an ex-cadre post, or to a post on ad-hoc basis or on direct recruitment basis, The Government servant shall have the option, to be exercised within one month from the date of promotion or appointment, as the case may be, to have the pay fixed under this rule from the date of such promotion or appointment (or) to have the pay fixed initially at a stage of the time scale of the new post above the pay in the lower grade or post from which he is promoted on regular basis, which may be re fixed in accordance with this rule on the date of accrual of next increment in the scale of the pay of the lower grade or post. In cases where an ad-hoc promotion is followed by regular appointment without break, the option is admissible as from the date of initial appointment/promotion, to be exercised within one month from the date of such regular appointment.

In continuation of previous example, if the Government servant opts for fixation of pay on accrual of increment in the lower post, then the regulation of pay will be as follows:

Period	5200-20200 (PB-1) Grade Pay – Rs.2000	5200-20200 (PB-1) Grade Pay – Rs.2800	Remarks
01-07-2008 12-01-2009	10000 + 2000		
13-01-2009 30-06-2009	(10000 + 2000)	10000 + 2800	FR.22.I.(a)(1)
01-07-2009 onwards	(10360 + 2000)	10730* + 2800	FR.26(a)

** Two increments will be allowed on 01-07-2009 i.e. one annual increment in lower cadre post in terms of FR.26 and another increment as a promotion incentive in terms of FR.22.I (a)(1). However, both the increment shall be released only with reference to old basic pay and old grade pay only. Increment on new basic pay can be allowed only on completion of 6 months of qualifying service in that cadre.*

10360 = 3% of (10000+2000) rounded to next multiple of Rs.10/-

10730 = 3% of (10360+2000) rounded to next multiple of Rs.10/-

Remember : Government servants can opt for fixation of pay on promotion date itself for all promotions ordered between 1st July of a year to the first working day of January of succeeding year. Similarly, option for fixation on ensuing 01st July can be made by all those Government servants whose promotion was effective between 2nd working day of January and 30th July of a year. This **option is not admissible** for those employees whose promotion:

- is on adhoc basis;
- is to a excadre post;
- is due to direct recruitment basis.

However, if the employee cessates his duties before accrual of next increment then he has no choice of option for fixation of pay on accrual of increment in the lower post.

In all cases where the employee is regularized in a post in which he is promoted on adhoc basis, without break, then option is admissible from the initial date of promotion (on adhoc basis).

The pay of a Government servant stands protected if he had previously held:

- the same post
- a permanent or temporary post on the same grade day
- a permanent post or a temporary post on identical grade pay

either substantively or in an officiating capacity provided the promotion was ordered on regular basis. For the purpose of protection promotion ordered on temporary basis shall be excluded. Promotions ordered on regular basis to cadre post(s) stands protected. Promotions ordered from one excadre post to another excadre post on identical grade pay, in public interest, stands protected. In cases of promotion from one excadre post to another excadre post on higher grade pay, the difference of pay, if any, due to second and subsequent promotion, stands protected by way of personal pay absorbable in future increments.

FR.24 –

An increment shall ordinarily be drawn as a matter of course unless it is withheld. An increment may be withheld from a Government servant by the Central Government or by any authority to whom the Central Government may delegate this power under Rule 6, if his conduct has not been good or his work has not been satisfactory. In ordering the withholding of an increment, the withholding authority shall state the period for which it is withheld, and whether the postponement shall have the effect of postponing future increments.

[If the order of penalty includes the word “next increment”, the implication of this term shall be treated as “all increments falling due during that period would be withheld”. Further, if the penalty order specifies “one increment” then only one increment over a specified period be withheld – **GIO.1 below FR.24**]

This gave rise to the following four options in the punishment order, the same are detailed below:

- c) With-holding of one increment without cumulative effect
 - d) With-holding of next increment without cumulative effect
 - e) With-holding of one increment with cumulative effect
 - f) With-holding of next increment with cumulative effect.
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In the absence of any of the above specified punishments the least of the punishments i.e. with-holding of one increment without cumulative may be adopted.

Example : Mr. X drawing a pay of Rs.10000 in PB-1 with a Grade pay of Rs.2800 w.e.f. 01-07-2006 was awarded a penalty of withholding of increment for a period of 3 years on 12th Nobember, 2006.

Regulate the pay from time to time and indicate date of next increment.

If the penalty is withholding one increment without cumulative effect:

Period	5200-20200 (PB-1) Grade Pay – Rs.2800		Remarks
	Normal Course	Punishment course	
01-07-2006 30-06-2007	10000 + 2800	-----	
01-07-2007 30-06-2008	(10390 + 2800)	10000 + 2800	Penalty starts
01-07-2008 30-06-2009	(10790 + 2800)	10390 + 2800	FR.26(a)
01-07-2009 30-06-2010	(11200 + 2800)	10790 + 2800	FR.26(a)
01-07-2010 onwards	11620 + 2800	-----	Penalty ceases

If the penalty is withholding next increment without cumulative effect:

Period	5200-20200 (PB-1) Grade Pay – Rs.2800		Remarks
	Normal Course	Punishment course	
01-07-2006 30-06-2007	10000 + 2800	-----	
01-07-2007 30-06-2008	(10390 + 2800)	10000 + 2800	Penalty starts
01-07-2008 30-06-2009	(10790 + 2800)	10000 + 2800	FR.26(a)
01-07-2009 30-06-2010	(11200 + 2800)	10000 + 2800	FR.26(a)
01-07-2010 onwards	11620 + 2800	-----	Penalty ceases

If the penalty is withholding one increment with cumulative effect:

Period	5200-20200 (PB-1) Grade Pay – Rs.2800		Remarks
	Normal Course	Punishment course	
01-07-2006 30-06-2007	10000 + 2800	-----	
01-07-2007 30-06-2008	(10390 + 2800)	10000 + 2800	Penalty starts
01-07-2008 30-06-2009	(10790 + 2800)	10390 + 2800	FR.26(a)
01-07-2009 30-06-2010	(11200 + 2800)	10790 + 2800	FR.26(a)
01-07-2010 onwards	11200 + 2800	-----	Penalty ceases

If the penalty is withholding next increment with cumulative effect:

Period	5200-20200 (PB-1) Grade Pay – Rs.2800		Remarks
	Normal Course	Punishment course	
01-07-2006 30-06-2007	10000 + 2800	-----	
01-07-2007 30-06-2008	-----	10000 + 2800	<i>Penalty starts</i>
01-07-2008 30-06-2009	-----	10000 + 2800	<i>FR.26(a)</i>
01-07-2009 30-06-2010	-----	10000 + 2800	<i>FR.26(a)</i>
01-07-2010 onwards	10390 + 2800	-----	<i>Penalty ceases</i>

FR.29(1) –

If a Government servant is reduced as a measure of penalty to a lower stage in his time scale, the authority ordering such reduction shall state the period for which it shall be effective and whether, on restoration, the period of reduction shall operate to postpone future increments and, if so, to what extent.

[Explanation : (GIO.2 below FR.29)]

- It may be noted that reduction to lower stage is not permissible for an unspecified period or as a permanent measure.
- If a Government servant is reduced to a lower stage in his Pay Band, his pay during entire course of punishment remains constant.
- The punishment order should clearly specify whether on completion of period of penalty the reduction will have the effect of postponing future increments. If the order is silent on this point, the Government servant should be allowed the pay which he would have drawn in the normal course but for the reduction.
- If the punishment order clearly specifies that the period of reduction shall operate to postpone future increments, the pay of the Government servant shall be fixed at the stage which he was drawing immediately before commencement of penalty and from there on, his service for increment qualifies.

Example : Mr.X was drawing a pay of Rs. 18000 plus grade pay of Rs.4200 in PB-2 w.e.f. 01-07-2006. He was awarded a penalty of reduction to a stage of Rs.14000 in PB-2 for 2 years on 12-05-2007. The reduction will not have effect of postponing his future increments. Regulate his pay from time to time and indicate DNI.

Sol :

Period	PB-2 (9300-34800) – GP Rs.4200		Remarks
	Normal Course	Punishment Course	
01-07-2006 11-05-2007	18000 + 4200		
12-05-2007 30-06-2007	(18000 + 4200)	14000 + 4200	<i>Punishment starts</i>
01-07-2007 30-06-2008	(18670 + 4200)	14000 + 4200	<i>FR.26(a)</i>
01-07-2008 11-05-2009	(19360 + 4200)	14000 + 4200	<i>FR.26(a)</i>
12-05-2009 onwards	19360 + 4200	Penalty ceases	<i>DNI 01-07-2009</i>

In the above example, if the penalty has the effect of postponing his future increments, then regulation will be as follows:

Period	PB-2 (9300-34800) – GP Rs.4200		Remarks
	Normal Course	Punishment Course	
01-07-2006 11-05-2007	18000 + 4200		
12-05-2007 30-06-2007	-----	14000 + 4200	<i>Punishment starts</i>
01-07-2007 30-06-2008	-----	14000 + 4200	<i>FR.26(a)</i>
01-07-2008 11-05-2009	-----	14000 + 4200	<i>FR.26(a)</i>
12-05-2009 onwards	11800 + 4200	Penalty ceases	<i>DNI 01-07-2009</i>

FR.29(2) –

If a Government servant is reduced as a measure of penalty to a lower service, grade or post or to a lower time-scale, the authority ordering the reduction may or may not specify the period for which the reduction shall be effective; but where the period is specified, that authority shall also state whether, on restoration, the period of reduction shall operate to postpone future increments and, if so, to what extent.

[Explanation : (GIO.3 below FR.29)]

- a) Reduction to a lower service, grade or post or to a lower Pay Band is permissible for a specified period or for an unspecified period, if period is not specified, then it may be treated as a permanent measure.
- b) Where the reduction to lower service, grade or post or to a lower pay band is for a specified period, the Government shall be automatically restored to his old post after expiry of the specified period.
- c) Where the reduction to lower service, grade or post or to a lower pay band is for an unspecified period, the Government servant will continue to draw pay in lower service, grade or post or on lower pay band, until he is re-appointed to the higher post in normal course. After promotion, his pay will be regulated in accordance with the normal rules relating to pay fixation i.e. FR.22.I.(a)(1).
- d) The punishment order should clearly specify whether on completion of period of penalty the reduction will have the effect of postponing future increments. If the order is silent on this point, the Government servant should be allowed the pay which he would have drawn in the normal course but for the reduction.
- e) If the punishment order clearly specifies that the period of reduction shall operate to postpone future increments, the pay of the Government servant shall be fixed at the stage which he was drawing immediately before commencement of penalty and from there on, his service for increment qualifies.]

The examples quoted in FR.29(1) and the procedure prescribed there stands good even for reduction to a lower grade or post. The procedure of regulation of pay with postponing the future increments and not postponing the future increments is the same. However in cases of reduction to a lower post etc. the pay in the lower post varies due to increments. Increments in lower post can also be withheld if specifically ordered and in such cases the pay remains constant.

Foreign Service

- 1 *No Government servant may be transferred to Foreign service against his will.* **FR.110(a)**
 - 2 *This rule is not applicable in the transfer of a Government servant to the service of a body, incorporated or not, which is wholly or substantially owned or controlled by the Government.* **Prov. to FR.110(a)**
 - 3 *Duties in Foreign service should be such as are required to be performed by the Government servant.* **FR.111(a)**
 - 4 *A Government servant in Foreign service will draw pay from the Foreign employer from the date on which he relinquishes charge of his post in Government service.* **FR.114**
 - 5 *Joining time pay at the beginning and at the end of Foreign service should be settled, before hand.* **FR.114**
 - 6 *A Government servant transferred to Foreign service may not without the sanction of the central Government, accept Pension or Gratuity from his foreign employer in respect such service.* **FR.121**
 - 7 *The Foreign service ends on the date on which the Government servant takes charge of his post in Government service, and from that date his pay will be ceased to be paid by the foreign employer and his contributions will be discontinued with effect from the date of reversion.* **FR.125 & FR.126**
 - 8 *The terms granted must not be so greatly in excess of the remuneration which the Government servant would receive in Government service as to render Foreign service appreciably more attractive than Government service.* **Para.3(b) of App.I**
 - 9 *No Government servant will be permitted to receive any remuneration or enjoy any concession which is not so specified, and if the order is silent as to any particular remuneration or concession, it must be assumed that the intention is that, it shall not be enjoyed.* **Para.1 of App.I**
 - 10 *Travelling Allowance on transfer to and from Foreign service is payable by the foreign employer and should be incorporated in the terms and conditions.* **GID.1 below App.1**
 - 11 *Medical facilities extended by Foreign employer can also be accepted provided they are not inferior to those admissible under Central Services (Medical Attendance) Rules, 1944 and a clause is incorporated in terms and conditions.* **GID.2 below App.2**
 - 12 *A Government servant in Foreign service will receive leave salary from Government during the period(s) he spent on leave while on Foreign service.* **FR.122**
 - 13 *Expenditure in respect of any Compensatory Allowance (incl. Dearness Allow) for periods spent on leave, in or at the end; of Foreign service shall be borne by Foreign employer.* **GID.3 & 5 below App.3**
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14	<i>Pay and allowces during Foreign service are to be borne by Foreign employer. Allowances such as DA, HRA, CCA etc are to be settled before hand i.e. they can be paid at central Government rates or at the rates applicable with such Foreign employer.</i>	Annexure to App.5
15	<i>A Government servant sent on Foreign service will have the option either to opt for the scale offered by the Foreign employer or draw parent cadre pay plus deputation duty allowance at prescribed rates. If a Government servant opts to draw the pay attached to the ex-cadre post then:</i>	
	<i>a) If the scale offered by the Foreign employer is higher than that of his parent cadre scale ---- -----then pay will be fixed under normal rules i.e. in terms of FR.22.I.(a)(1) or (a)(2)</i>	Para.5.2 of App.5
	<i>b) In case the scale offered by the Foreign employer is identical to that of an ex-cadre post(s) held by him on earlier occasion then in terms of Prov.1(iii) of FR.22.I</i>	Para.5.2 of App.5
	<i>c) In case, appointment was made to a post in on a scale higher to that of an ex-cadre post(s) previously held by him and if the pay fixed in Foreign service in the higher ex-cadre post happens to be less than the pay which he drew on the previous occasion, then he may be allowed personal pay equal to the difference of such lesser pay, to be absorbed in future increases of pay.</i>	Para.5.3 of App.5
16	<i>Deputation Duty Allowance :</i>	
	<i>b) 5% of employee's basic pay limited to Rs.2000 when the deputation is within the same station.</i>	Para.6.1 of App.5
	<i>c) 10% of employee's basic pay limited to Rs.4000 in other cases.</i>	
17	<i>While a Government servant is in Foreign service, Contribution towards the cost of his Pension must be paid to the General revenues on his behalf.</i>	FR.115(a)
18	<i>If the Foreign service is in India, contributions must be paid on account of the cost of leave salary also.</i>	FR.115(b)
19	<i>Leave Salary Contributions and Pension Contributions shall be paid by the Government servant himself, unless the Foreign employer consents to pay them.</i>	FR.115(c)
20	<i>Leave Salary Contributions and Pension Contributions shall not be paid during leave taken while of Foreign service.</i>	FR.115(c)
21	<i>Central Government may permit the Foreign employer to pay Leave Salary Contributions and/or Pension contributions in respect of an employee whose services are lent by them.</i>	Para.4 of App.1

22 Rates of :

Leave Salary Contributions - 11%

Pension Contributions - @ prescribed rates as per Annex. To Appendix.2

23 Calculation of Leave salary Contributions:

FR.117(b) and

- a) When Pension Contribution is payable by employee and Leave salary contribution by the Foreign employer **App.2**

$$LSC = (\text{Pay actually drawn in FS} - \text{Pension Contribution}) \times \text{Rate} / 100$$

- b) When Leave salary Contribution is payable by employee and Pension Contribution by Foreign employer

$$LSC = (\text{Pay actually drawn in FS}) \times \text{Rate} / (\text{Rate} + 100)$$

- c) When both Leave Salary and Pension Contributions are payable by employee:

$$LSC = (\text{Pay} - \text{Pension Contribution}) \times (\text{Rate}) / (\text{Rate} + 100)$$

- d) When both Leave Salary and Pension Contribution are payable by Foreign employer:

$$LSC = (\text{Pay actually drawn in Foreign service}) \times (\text{Rate}) / 100$$

24 Calculation of Pension Contributions :

- i) Pension Contributions will be the prescribed % on the presumptive **pay applicable to the parent cadre post** which the Government servant would have held but for Foreign service.

- ii) To arrive at the prescribed % :

- a) Arrive at the length of service.

(Length of service means entire continuous service including service in temporary post.

- b) Determine the category to which the Government servant belongs to on the date of such calculation.

**App.2
&
Clarification.2
below para.6
of
App.2**

- 26 Promotion while on Foreign service : The benefit of Promotion while on Foreign service will be given in terms of FR.22.II i.e. proforma promotion (under next below rule) under one-for-one principle.

27 Rounding off the contributions shall be made in the following circumstances:

- (i) at the initial stage while calculating the rates of monthly contributions
- (ii) while recovering contributions for part of a month at the beginning or at the end of the foreign service.
- (iii) Where rates of monthly contributions are refixed due to a change in the rates of pay, deputation pay etc. and the total contributions for a calendar month are not in whole rupees.
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Let's check some examples of pay regulation:

1. Which of the following counts as qualifying service for increment
a) EOL on domestic grounds b) dies non c) Leave not due d) Unautohorized absence
 2. Minimum qualifying service required for earning an increment
a) 3 months b) 6 months c) 9 months d) 12 months
 3. Which of the following doesn't count as qualifying service for increment
a) Special kinds of leave c) Service rendered in excadre post
b) Service rendered in another post d) Unauthorized absence regularized as EOL
 4. Rate of increment shall be
a) 3% of pay b) 4 % of pay c) 3% of pay + GP d) 4% of pay + GP
 5. An increment due shall be released on
a) 1st January b) 1st July c) On completion of 6 months d) On completion of 1 year
 6. The amount of increment shall be rounded to
a) nearest rupee b) next rupee c) nearest Rs.10 d) next Rs.10
 7. The amont of increment arrived shall be added to
a) Pay in Pay Band b) Grade Pay c) DA d) HRA
 8. Incentive increments shall be released on
a) 1st July b) Date they became due c) 1st January d) 31st December
 9. The rate of increment in respect of a Government servant whose pay in pay band is Rs.10890 and grade pay is Rs.2800:
a) Rs.400 b) Rs.420 c) Rs.411 d) Rs.410
 10. During the period from 1st July 2009 to 30th June 2010, A Government servant was on EOL on domestic grounds for 7 months. His next increment can be released on
a) 1st July, 2010 b) 1st August, 2010 c) 1st September, 2010 d) 1st July, 2011
 11. A Government servant was on commuted leave from 28-06-2010 to 09-07-2010. He reported to duty on 12-07-2010 after suffixing 10-07-2010 & 11-07-2010 (Saturday & Sunday). His increment due on 1st July 2010 can be released on
a) 01-07-2010 b) 10-07-2010 c) 12-07-2010 d) 01-07-2011
 12. In the above example, monetary benefit can be allowed from
a) 01-07-2010 b) 10-07-2010 c) 12-07-2010 d) 01-07-2011
 13. A Government servant was on Joining time from 28-06-2010 to 09-07-2010. As 10-07-2010 and 11-07-2010 are closed holidays (Saturday & Sunday), he reported to duty on 12-07-2010. His increment due on 1st July 2010 can be released on
a) 01-07-2010 b) 10-07-2010 c) 12-07-2010 d) 01-07-2011
 14. In the above example, monetary benefit can be allowed from
a) 01-07-2010 b) 10-07-2010 c) 12-07-2010 d) 01-07-2011
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15. A Government servant was on EOL on domestic grounds from 28-06-2010 to 09-07-2010. He reported to duty on 12-07-2010 after availing suffixed holidays on 10-07-2010 & 11-07-2010. His increment due on 1st July can be released on
- a) 01-07-2010 b) 10-07-2010 c) 12-07-2010 d) 01-07-2011
16. In all cases of promotions involving higher responsibilities, pay will be fixed in terms of
- a) FR.22.I.a.1 b) FR.22.1(a)(1) c) FR.22.I(A)(1) d) FR.22.I(a)(I)
17. In all cases of promotions not involving higher responsibilities, pay will be regulated in terms of
- a) FR.22.I(a)(II) b) FR.22.I(a)(ii) c) FR.22.1(a)(2) d) FR.22.I(a)(2)
18. In all cases where option is admissible, it shall be exercised within
- a) 1 month b) 3 months c) 6 months d) 1 year
19. In all cases of promotions involving higher responsibilities, the option is not admissible in the following cases:
- a) Promotion on adhoc basis b) Promotion to excadre post c) On direct recruitment basis d) all the above
20. If the promotion ordered earlier on adhoc basis was subsequently regularized without break, then option is admissible from
- a) Initial date of appointment on adhoc basis c) Date of assumption on regular basis
b) Date of office order d) the date ordered by competent authority
21. Promotion incentive is
- a) 3% of pay b) 4 % of pay c) 3% of pay + GP d) 4% of pay + GP
22. If promotion was ordered during second half of a year, which of the following options is beneficial
- a) Fixation on date of increment b) Fixation on date of promotion c) Fixation on ensuring 1st Jan. d) Fixation on ensuring 1st July
23. Mr.X was ordered promotion on 13-05-2010 to a post carrying a Grade pay of Rs.4200. He was drawing a pay of Rs.13020 plus Grade Pay of Rs.2800 w.e.f. 01-07-2009. If he opts for fixation of pay on date of promotion, his pay on promotion will be :
- a) Rs.13020 b) Rs.13500 c) Rs.13490 d) Rs.13510
24. In the above example if opted for fixation of pay on the date of increment his Grade pay as on 13-05-2010 will be
- a) Rs.4600 b) Rs.4200 c) Rs.2800 d) Rs.2400
25. In continuation of previous example, if opted for fixation of pay on the date of increment, his pay as on 01-07-2010 will be
- a) Rs.13020 b) Rs.13500 c) Rs.13990 d) Rs.13490
26. In cases of option for fixation of pay on increment date, the total increase in pay on increment date will be
- a) 3% b) 6% c) 9% d) 3% + 3%
27. A Government servant, on promotion to a higher post, assumed charge on 03-01-2010. If 01-01-2010 and 02-01-2010 are closed holidays, his next increment can be released on
- a) 01-07-2010 b) 01-07-2011 c) 01-01-2011 d) 01-07-2012
28. In the above example if 02-01-2010 is a working day, then his next increment will accrue on
- a) 01-07-2010 b) 01-07-2011 c) 01-01-2011 d) 01-07-2012
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29. A Government servant, on promotion to a higher post, assumed charge on 01-01-2010. He was on EOL on domestic grounds on 13-02-2010. His next increment can be released on
- a) 01-07-2010 b) 01-07-2011 c) 01-01-2011 d) 01-07-2012
30. A Government servant was promoted to a post carrying the same Grade pay, which he was drawing in previous post. The net increase in pay on promotion will be
- a) 3% b) 3% + 3% c) No change d) None of the above
31. Pay protection is admissible in the following cases
- a) Temporary promotion b) Promotion on adhoc basis c) Promotion to excadre post d) Promotion on regular basis
32. Pay protection is not admissible in which of the following cases
- a) Promotion to same post c) Promotion to another permanent post on temp basis
- b) Promotion to another excadre post on same Grade pay d) Promotion to another temp. post on same grade pay
33. If a Government servant was reverted from an excadre post and promoted to another excadre post on higher grade pay, in public interest. The difference in (Pay + GP), if any, shall be protected as:
- a) Raising the pay b) Personal Pay c) Special Pay d) Overseas pay
34. In cases of penalty of withholding of next increment, the pay of Government servant during entire course of penalty shall be
- a) Increment by 1 stage b) Increased as per normal course c) Reduced by 1 increment d) Constant
35. A penalty of withholding one increment for a period of 2 years was ordered on 11-11-2009. The pay of a Government servant stands effectively reduced from:
- a) 11-11-2009 b) 01-01-2010 c) 01-07-2010 d) 01-07-2011
36. If the penalty order is silent regarding effect of penalty on completion of its tenure, then the effect of penalty shall be treated as
- a) Continuous b) Without cumulative effect c) With cumulative effect d) Null & void
37. Can a Government servant be reduced to a lower post in his pay band for unlimited period, if penalty was ordered in terms of FR.29(1)
- a) Yes b) No c) As per discretion of disciplinary authority d) In deserving cases
38. During reduction of pay ordered in terms of FR.29(1), the pay during entire course of penalty is subject to
- a) Increment by 1 stage b) Increased as per normal course c) Raised by 1 inc. after 1 year d) Constant
39. Reduction to lower post/lower pay band is permissible for
- a) Limited period b) Unlimited period c) As per discretion of disc. Authority d) All the above.
40. If the period of penalty was not mentioned in a penalty order issued in terms of FR.29(1), then the penalty is
- a) Permanent b) For 5 years c) For 7 years d) Null & void
41. In the above example, if the penalty is in terms of FR.29(2), then
- a) Permanent b) For 5 years c) For 7 years d) Null & void
42. Pay and allowances during Foreign service shall be borne by
- a) Parent office b) Foreign employer c) Govt. of India d) Ministry of finance
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43. *Joining time pay and allowance at the beginning/end of foreign services shall be paid by*
- a) *Parent office* b) *Foreign employer* c) *Govt. of India* d) *Ministry of finance*
44. *If a concession was offered by foreign employer which was not included in the terms and conditions, the same can be*
- a) *Accepted* b) *Deemed to have included* c) *Cannot be accepted* d) *50% can be availed*
45. *If a Government servant applies for leave while on foreign service, leave salary equivalent of pay will be borne by*
- a) *Parent office* b) *Foreign employer* c) *Govt. of India* d) *Ministry of finance*
46. *Allowances during leave availed during foreign service shall be borne by*
- a) *Parent office* b) *Foreign employer* c) *Govt. of India* d) *Ministry of finance*
47. *If deputation doesn't involve necessary change of residence, then Deputation duty allowance shall be a maximum of*
- a) *500* b) *1000* c) *2000* d) *4000*
48. *If deputation doesn't involve necessary change of residence, then deputation duty allowance shall be a maximum of*
- a) *3%* b) *5%* c) *8%* d) *10%*
49. *If deputation involves necessary change of residence, then Deputation duty allowance shall be a maximum of*
- a) *500* b) *1000* c) *2000* d) *4000*
50. *If deputation involves necessary change of residence, then deputation duty allowance shall be a maximum of*
- a) *3%* b) *5%* c) *8%* d) *10%*
50. *If deputation involves necessary change of residence, then deputation duty allowance shall be a maximum of*
- a) *3%* b) *5%* c) *8%* d) *10%*
51. *Whom amongst the following shall pay Leave salary and Pension contributions, while on foreign service*
- a) *Employee* b) *Employer* c) *Foreign employer* d) *DDO of parent office*
52. *The rate of Leave salary contribution shall be*
- a) *8%* b) *10%* c) *11%* d) *13%*
53. *If the pay band & grade pay offered by the foreign employer is higher than the pay band and grade pay in parent organization, the pay can be fixed in terms of*
- a) *FR.22.I(a)(1)* b) *FR.22.I(a)(2)* c) *FR.22.III* d) *FR.22.I(a)(3)*
54. *Foreign service commences from*
- a) *Date of relief in parent office* b) *Date of reporting with foreign emp.* c) *Date of office order* d) *Date after the end of Joining time*
55. *Pension contribution of the period of foreign service may be paid to general revenues by: employee/foreign employer*
- a) *Employee only* b) *Foreign employer only* c) *Equally by both of them* d) *Either of them*
-

Key:

1. c	2. b	3. d	4. c	5. b	6. d	7. a	8. b	9. d	10. d
11. a	12. b	13. a	14. c	15. b	16. a	17. b	18. a	19. d	20. a
21. c	22. b	23. b	24. c	25. c	26. d	27. a	28. b	29. b	30. c
31. d	32. c	33. b	34. d	35. c	36. b	37. b	38. d	39. d	40. d
41. a	42. b	43. b	44. c	45. a	46. b	47. c	48. b	49. d	50. d
51. a	52. c	53. a	54. a	55. d					

Central Services (Medical Attendance) Rules, 1944

1. These Rules are called Central Services (Medical Attendance) Rules, 1944.
 2. These rules shall **apply to**:
 - All Government servants;
 - All central Government servants who are on leave preparatory to retirement;
 - Officers of the General Administrative Reserve;
 - Government pensioners on their re-employment under the Central Government irrespective of the service to which they belonged at the time of retirement;
 - Defence Accounts Department personnel;
 - Civilians paid from Defence Services Estimates, with few exceptions;
 - Central Government servants on terminal leave;
 - A probationer;
 - Apprentices who are in the whole-time service of Government;
 - Police personnel with certain conditions;
 - All State Government servants on deputation with the Central Government.
 3. These rules **do not apply to**:
 - Defence Services personnel;
 - Government servants who are on leave or deputation abroad;
 - Non-Gazetted Government servants including Group 'D' and Gazetted Government servants drawing pay less than Rs.2500 (IV Pay Commission Pay scale) stationed in or passing through Calcutta for whom special arrangements for medical attendance and/or treatment have been made;
 - Retired Government officials;
 - Non-officials sent on deputation abroad;
 - Government servants who are governed by the Central Government Health Scheme while in stations where this scheme is functioning;
 - Officers of the All India Services and other persons who are governed by the All India Services (Medical Attendance) Rules, 1954; and
 - India-based officers and staff serving in Mission abroad, who are governed by the Assisted Medical Attendance Scheme.
 4. **Government Hospital** : In terms of Rule 2(d) of CSMA Rules, 1944, Government Hospital includes a departmental dispensary whether full-time or part-time established and run by a department of the Government for the medical attendance and treatment of a class or classes of Government servants and members of their families, a hospital maintained by a local authority and any other hospital with which arrangements have been made by the Government for the treatment of Government servants.
 5. **Authorized Medical Attendant** : In terms of Rule 2(a) of CSMA Rules, 1944 means
 - (A) in respect of any Government servant or any Group or Groups of Government servants in any station, a Medical Officer whether or not under the employ of the Central Government appointed by...
 - i) the Department of Health of the Government of India, where such persons are under the employ of that Department, or
 - ii) any other Department of the Government of India, in relation to persons under the employ of that Department, or
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- iii) any authority which is declared by the President, under sub-rule (10) of Rule.2 of the Supplementary Rules, to be the Head of a Department, in relation to persons under the employ of that authority, or
 - iv) the Chairman of the Central Government Employees Welfare Co-ordination Committee at stations where such Committees are functioning, in relation to the Central Government employees at that station.

Provided that no Medical Officer under the employ of a State Government or the Administrator of a Union Territory shall be appointed as an Authorized Medical Attendant except after consultation with that Government or the Administrator of that Union Territory;

(B) Where no Medical Officer is appointed as aforesaid.....

- i) in respect of a Government servant who belongs to a Central Service, Group 'A', or whose pay is not less than Rs.2,500 per mensem, the Principal Medical Officer of the district appointed by the Government to attend its officers in the district;
- ii) in respect of a Government servant not belonging to a Central Service, Group 'A', whose pay is less than Rs.2,500 but more than Rs.1,200 per mensem, an Assistant Surgeon, Grade I (Medical Graduate), or other Medical Officer, appointed by the Government to attend its officers in the station;
- iii) in respect of any other Government servant, an Assistant Surgeon, Grade II (Medical Licentiate), or where he is not available, an Assistant Surgeon, Grade I (Medical Graduate), similarly appointed.

6. Medical Attendance : In terms of Rule.2(e) of CSMA Rules, 1944, Medical Attendance means.....

(A) in relation to an Authorized Medical Attendant appointed under sub-clause (A) of Clause (a)....

- i) attendance in his consulting room or Government hospital to which he is attached or at the residence of the Government servant, including such pathological, bacteriological, radiological or other methods of examination for the purpose of diagnosis as are available in the Government hospital or consulting room or in any other nearest Government hospital and are considered necessary by the Authorized Medical Attendant and such consultation with a Specialist or other Medical Officer in service of the Government stationed in the district, as the Authorized Medical Attendant certifies to be necessary to such extent and in such manner as the Specialist or the Medical Officer may, in consultation with the Authorized Medical Attendant determine; and

(B) in relation to any other Authorized Medl. Attendant not appointed under sub-clause (A) of Clause (a)

- i) in respect of a Government servant specified in paragraph (i) of sub-clause (B) of clause (a) attendance in hospital or at the residence of the Government servant including such pathological, bacteriological, radiological or other methods of examination for the purpose of diagnosis as are available in any Government hospital in the district and are considered necessary by the Authorized Medical Attendant and such consultation with a Specialist or other Medical Officer in the Service of the Government stationed in the district as the Authorized Medical Attendant certifies to be necessary to such extent and in such manner as the Specialist or the Medical Officer may, in consultation with the Authorized Medical Attendant, determine.
 - ii) In respect of any other Government servant including a member of the Central Service, Group 'D', attendance at a hospital or in the case of illness which compels the patients to be
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confined to his residence, at the residence of the Government servant, including such methods of examination for the purposes of diagnosis as are available in the nearest Government hospital and such consultation with a specialist or other Medical Officer of the Government stationed in the district as the Authorized Medical Attendant certifies to be necessary to such extent and in such manner as the Specialist or Medical Officer may, in consultation with the Authorized Medical Attendant, determine.

7. Treatment : In terms of Rule.2(h) of CSMA Rules, 1944 Treatment means the use of all medical and surgical facilities available at the Government hospital in which the Government servant is treated and includes.....

- i) the employment of such pathological, bacteriological radiological or other methods as are considered necessary by the authorized medical attendant;
- ii) the supply of such medicines, vaccines, sera or other therapeutic substances as are ordinarily available in the hospital;
- iii) the supply of such medicines, vaccines, sera or other therapeutic substances not ordinarily so available as the authorized medical attendant may certify in writing to be essential for the recovery or for the prevention of serious deterioration in the condition of the Government servant except the items mentioned below, namely,.....
 - preparations which are not medicines but are primarily foods, tonics, toilet preparations or disinfectants as specified in Schedule I; and
 - expensive drugs, tonics, laxatives or other elegant and proprietary preparations as specified in Schedule II for which drugs of equal therapeutic value are available.
- iv) such accommodation as is ordinarily provided in the hospital and is suited to his status;
- v) such nursing as is ordinarily provided to in-patients by the hospital; and
- vi) the Specialist consultation described in Clause (e) but does not include diet or provision at the request of the Government servant or accommodations superior to that described in sub-clause (iv).

8. Family for the purpose of CSMA Rules, 1944 means.....

- i) Spouse (Wife or Husband, as the case may be, irrespective of income limit)
- ii) Son(s), till he starts earning or attaining the age of 25 years, whichever is earlier
- iii) Daughter(s), till she starts earning or gets married, whichever is earlier, irrespective of age limit.
- iv) Son suffering from any permanent disability of any kind (physical or mental), irrespective of age limit.
- v) Widowed/divorced/separated daughters
- vi) Parents including step mother
- vii) Sister(s) including widowed/divorced sisters
- viii) Brother(s)

Dependency criteria : Wholly dependent on Government servant and not earning anything more than Rs.1500 per month (including pension and pension equivalent of gratuity)

9. In terms of Rule 3(1) of CSMA Rules, 1944, A Government servant shall be entitled, free of charge, to medical attendance by the authorized medical attendant.

10. In terms of Rule 3(2), any amount paid by the Government servant on account of medical attendance shall, on production of a certificate in writing by the authorized medical attendant in this behalf, be reimbursed to him by the Central Government.

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11. In contrary to the above Rule, the Controlling Officer may reject any claim, if he is not satisfied with its genuineness on facts and circumstances of each case, after giving an opportunity to the claimant of being heard in the matter. The Controlling Officer shall communicate to the claimant the reasons, in brief, for rejecting the claim and the claimant may submit an appeal to the Central Government within a period of forty-five days of the date of receipt of the order rejecting the claim.
 12. In terms of Ruel.4(1), when the place at which the patient falls ill is more than five miles by the shortest route from the consulting room of the authorized medical attendant.....
 - i) the patient shall be entitled to Travelling Allowance for the journey to and from such consulting room; or
 - ii) if the patient is too ill to travel, the authorized medical attenant shall be entitled to Travelling Allowance for the journey to and from the place where the patient is.
 13. In terms of Rule.5(1) of CSMA Rules, 1944, if the authorized medical attendant is of opinion that the case of a patient is of such a serious or special nature as to require medical attendance by some person other than himself, he may.....
 - i) send the patient to the nearest specialist or other Medical Officer as provided in Clause (e) of Rule.2, by whom, in the opinion, medical attendance is required for the patient; or
 - ii) if the patient is too ill to travel, summon such specialist or other Medical Officer to attend upon the patient.
 14. In terms of Rule.6(1), A Government servant shall be entitled, free of charge, to treatment....
 - i) In such Government hospital at or near the place where he falls ill as can in the opinion of the authorized medical attendant provde the necessary and suitable treatment; or
 - ii) If there is no such hospital as is referred to in sub-clause (i) in such hospital other than a Government hospital at or near the place as can in the opinion of the authorized medical attendant, provide the necessary and suitable treatment.
 15. Where a Government servant who is entitled for treatment free of charge in a hospital had paid any amount on account of treatment, the same shall be reimbursed to him by the Central Government on production of a certificate in writing by the authorized medical attendant, in this behalf.
 16. The Controlling Officer can reject the claim, stated above, if he is not satisfied with its genuineness on facts and circumstances of each case, after giving an opportunity to the climant of being heard in the matter. After receiving the communication of rejection of claim, the claimant may submit an appeal to the Central Government within a period of forty-five days of the date of receipt of the rejection order of the claim.
 17. A Government servant shall be eligible to obtain medical treatment outside India or, as the case may be, to claim reimbursement of the cost of medical treatment obtained inside or outside India in accordance with the provisions of these Rules.
 18. Charges for services rendered in connection with but not incuded in medical attendance on, or treatment of, a patient entitled, free of charge, to medical attendance or treatment under these rules, shall be determined by the authorized medical attendant and paid by the patient. If any question arises as to whether any service is included in medical attendance or treatment, it shall be referred to the Government and the decision of the Government shall be final.
 19. A female member of the family of a Govt. servant may get admission into a recognized women's hospital without consulting the Authorized Medical Attendant.
 20. The lady Doctor in the hospital attending the patient or the incharge is considered as the Authorized Medical Attendant while the patient is in the hospital. Such a Doctor is not considered as AMA outside the hospital in which she works.
 21. A male child of a Govt. servant up to the age of six years may be allowed to receive medical attendance and treatment in recognized women's hospital and expenses reimbursed to the extent admissible.
 22. Judicially separated wife (whether she is receiving maintenance allowance or not) and dependent children of a Government servant, would be entitled to the medical concessions admissible under these rules and are included as members of family.
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What is TA

Travelling Allowance is a Compensatory allowance granted to a Government servant to cover the expenses which he incurs in traveling in the interests of public service. It includes allowance granted for the maintenance of Conveyance, horses and tents. [FR.9(32)]

Compensatory allowance means an allowance granted to a Government servant to meet personal expenditure necessitated by the special circumstances in which duty is performed and is in the nature of an allowance. [FR.9(5)]

An amount of Compensatory allowance, sanctioned as Travelling allowance, should be so fixed that the allowance is not on the whole a source of profit to the recipient.

[Extract of FR.44]

Travelling allowance is broadly divided into 5 kinds as detailed below :

[S.R.21]

- a) *Permanent travelling allowance;*
- b) *Conveyance or horse allowance*
- c) *Mileage allowance;*
- d) *Daily allowance*
- e) *The actual cost of travelling*

In terms of SR.22, A permanent monthly traveling allowance may be granted by a competent authority to any Government servant whose duties require him to travel extensively. Such an allowance is granted in lieu of all other forms of traveling allowance for journeys within the Government servant's sphere of duty and is drawn all the year round, whether the Government servant is absent from his headquarters or not.

In terms of SR.25, A competent authority may grant, on such conditions as it thinks fit to impose, a monthly conveyance or horse allowance to any Government servant who is required to travel extensively at or within a short distance from his headquarters under conditions which do not render him eligible for daily allowance.

Average monthly travel on official duty	Rates of conveyance allowance p.m. for journeys by	
	Owned motor car	Other modes of conveyance
201-30 km	Rs.1120	Rs.370
301-450 km	Rs.1680	Rs.480
451-600 km	Rs.2070	Rs.640
601-800 km	Rs.2430	Rs.750
Above 800 km	Rs.3000	Rs.850

In terms of SR.29, A mileage allowance is an allowance calculated on the distance traveled which is given to meet the cost of a particular journey.

In terms of SR.49, A daily allowance is a uniform allowance for each day of absence from headquarters, which is intended to cover the ordinary daily charges incurred by a Government servant in consequence of such absence.

In terms of SR.53, Unless in any case it be otherwise expressly provided in these rules, no Government servant is entitled to be provided with means of conveyance by or at the expense of Government, or to draw as traveling allowance the actual cost or part of the actual cost of travelling.

2. Entitlement to Rail accommodation

[G.O.I. decision (1) below S.R.34]

Rs.7600 and above & HAG+ pay scale and above	AC First Class entitlement
Grade Pay 4200 & above and up to Rs.6600	AC 2-tier entitlement
Grade pay below Rs.4200	First Class/AC-3 tier/AC Chair car

3. Entitlement for travel by sea/river

[G.O.I. decision (1) below S.R.40]

Grade Pay	Entitlement of Class
Rs.5400 & above	Highest class
Rs.4200, Rs.4600 & Rs.4800	If there be two classes only on the steamer, The lower class
Rs.2400 & Rs.2800	If there be two classes only, the lower class; If there be three classes, the middle or the second class; and If there be four classes; the third class.
Less than Rs.2400	The lowest class

4. Entitlement for road mileage

[G.O.I. decision (1) below S.R.46]

Sno.	Grade Pay	Entitlement
1.	Rs.10000 & those in pay scales of HAG+ and above	Actual fare by any type of public bus, including air Conditioned bus (or) at prescribed rates for AC taxi (or) at prescribed rates for ordinary taxi/Own car (or) at prescribed rates for journeys by Autorickshaw, own scooter/motor cycle, moped etc.
2.	Rs.4200 to Rs.8900	Same as (1) above with the exception that journeys by AC Taxi will not be permissible
3.	Rs.2400 & Rs.2800	Actual fare by any type of public bus other than air-conditioned bus (or) at prescribed rates for journeys by Autorickshaw, own scooter/motor cycle/moped, etc
4.	Below Rs.2400	Actual fare by ordinary public bus (or) at prescribed rates for Autorickshaw, own scooter/motor cycle/moped, etc..

5. Entitlement for travel by air is permissible on tour or on transfer

[GID(1) below SR.48-B]

Travel by air will be permissible on tour or on transfer in case of officers who are in receipt of a Grade pay of Rs.5,400 and above, at their discretion, by economy class. Further, the Officers drawing a grade pay of Rs.10000 and those in pay scales of HAG+ and above are entitled to travel by air by Business/club class.

Sno.	Grade Pay	Reimbursement of Hotel accomm.	Food bills	Travel within the city
1.	Rs.10000 & those in pay scales of HAG+ and above	Rs.5000 per day	Rs.500 per day	50 kms
2.	Rs.7600 to Rs.8900	Rs.3000 per day	Rs.300 per day	50 kms
3.	Rs.5400 & Rs.6600	Rs.1500 per day	Rs.200 per day	Rs.150 per day
4.	Rs.4200 to Rs.4800	Rs.500 per day	Rs.150 per day	Rs.100 per day
5.	Below Rs.4200	Rs.300 per day	Rs.100 per day	Rs.50 per day

The above rates were raised by 25 % w.e.f. 01-01-2011 and by 50% (another 25%) w.e.f. 01-01-2014. This increase was on account of Dearness Allowance increasing by 50 per cent.

Important Points relating to TA on TOUR :

- 1 DA can be drawn during absence on duty from Headquarters (S.R.70)
- 2 Absence from Headquarters means outside the radius of 8 Kms from Headquarters (S.R.71)
- 3 If tour is not beyond 8 Kms from Headquarters, no DA is admissible (S.R.71)
- 4 Rates of DA while on tour beyond 8 Kms from Headquarters

	Outside Hqrs.	Local Journeys	
Absence not exceeding 6 hours	NIL	NIL	(G.O.I. decision (1) below S.R.71)
Exceeding 6 hours but not exceeding 12 hours	70% (0.7)	35% (0.35)	
Exceeding 12 hours	100% (1 DA)	50% (0.5 DA)	
- 5 DA may be drawn during a halt on tour on a holiday occurring during a tour provided the officer spends the holiday actually on camp (GID (1) below S.R.72)
- 6 An exception to GID (1) below SR.71 was given to staff of I.A. & A.D. in situations where the inspection staff on Sundays and holidays have to stay while on tour at a place other than the place of duty. In such circumstances, DA is admissible to them GID (4) below SR.72
- 7 No DA is admissible to Govt. Servants, who takes Casual Leave/Restricted Holidays, while on tour GID (1) below SR.72
- 8 Where Half-a-day CL is availed by G.S. during tour, DA is admissible to him at half rate for such a half-a-day GID(3) below SR.72
- 9 A Govt. Servant is not entitled to any TA for a journey made during leave or while proceeding on or returning from leave SR.134
- 10 If a Govt. Servant starts from the headquarters earlier than it is otherwise necessary or vice versa then the controlling officer can make such deduction of DA as are excessive in his opinion GID(3) below SR.72
- 11 DA can be allowed during absence from camp on holidays provided that the controlling officer is satisfied that the claimant actually spent at least a portion of particular holiday in camp GID(1) below SR.72
- 12 DA on tour on any calendar day shall not exceed one DA (Half DA for local journeys GID (1) below SR.71

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- 13 When a Govt. Servant returns to his headquarters while on tour to an outstation, due to non-availability of proper accommodation etc., he may draw DA at the rates applicable to the place of temporary duty on all days on which he performs duty **GID (11) below SR.51**
- 14 DA is not admissible for intervening Sundays and Holidays in above cases **GID (11) below SR.51**
- 15 Transfer not exceeding 180 days is called temporary transfer. In such cases journey from hqrs. to the station of posting and back is treated as one tour. Therefore the Govt. Servant on this occasion will be entitled to : **GID(1) below SR.73**
- (a) Mileage Allowance according to his entitlement: and
- (b) Daily Allowance for first 180 days at full rates and thereon no DA is admissible
- 16 In case of tour within 8 kms from Hqrs., the Govt. Servant is entitled to actual expenses towards cost of conveyance, according to his entitlement **SR.53 readwith SR.89**
- 17 Road Mileage allowance for regular tours will be admissible from duty point/residence at Hqrs. to Railway Station/Bus Stand/Airport and **vice versa** **Note 10 of GID(1) below SR.46**
- 21 Absence from hqrs. will be reckoned in the following manner for various modes of journeys.
- Journeys by rail : With reference to scheduled departure/arrival time at railway station.
- Journeys by bus : With reference to actual departure/arrival time at bus stand.
- Journey by air : With reference to scheduled reporting/arrival time at airport.
- However, in cases of journeys, where the rail or plane is late by more than 15 minutes, then the actual arrival time will be taken into account for calculation on DA **GID(1) below SR.71**
- 22 In cases of travel by road by own car/full taxi between places connected by rail, the claim of TA should be restricted to actual charges claimed limited to fare of the entitled class by rail **G.I.D.(1) below SR.46**
- 23 A Govt. Servant is entitled to draw travelling allowance for the journey to and from the place at which he appears for an examination, provided that such travelling allowance shall not be drawn for more than twice for any particular examination **S.R.130**
- 24 Reimbursement of following charges will be admissible on tour or on transfer in the following cases when the tour or transfer is in public interest; **G.O.I.(6) below SR.34**
- a) Passenger tax
- b) Farakha Barrage charge
- c) Special Supplementary charges
- d) Reservation/Telegram charges
- e) Cancellation charges
- f) Conveyance charges for collection of tickets, etc.
- g) Tatkal Seva Charges
- 25 A Journey between two places is held to have been performed by the shortest of two or more practicable routes or by the cheapest of such routes as may be equally short **SR.30(a)**
- 26 The shortest route is that by which the traveler can most speedily reach his destination by the ordinary modes of travelling. In case of doubt a competent authority may decide which shall be regarded as the shortest of two or more routes. **SR.30(b)**

Some problems relating to regulation of Fares while on tour or transfer :

Example : An officer drawing a Grade pay of Rs.8900 and whose Headquarters is A, proceeded on tour to Station B. He traveled by AC-II tier while performing journey from Stn.A to B and availed AC-I class for return journey. Regulate his claim, if Railways charge Rs.1700 for AC-I Class & Rs.930 for AC-II tier.

Sol:

Fare from Station A to Station B	: Rs. 930
Fare from Station B to Station A	: Rs.1700
Net entitlement of the official works-out to	: Rs.2630

Example : Mr.X drawing a grade pay of Rs.2800 and whose headquarters is A, proceeded on tour to Stn.B. He traveled by sleeper class from Stn.A to Stn.X (en-route) and by AC-III tier from Stn.X to Stn.B. Regulate his claim towards fares if Railway tariff is as follows:

Class	Stn.A to Stn.X	Stn.X to Stn.B	Stn.A to Stn.B
AC-II tier	900	675	1500
AC-III tier	525	395	822
Sleeper	200	150	295

Sol:

Direct fare from Station A to Station B by entitled class i.e. AC-III tier is : Rs.822

Fare from Stn.A to Stn.X by Sleeper class : Rs.200

Fare from Stn.X to Stn.B by AC-III tier : Rs.395

As the cost involved due to break journey is less than the cost involved for direct journey by entitled class **Rs.595** (Rs.200 + Rs.395) is admissible

[In terms of SR.32-A - Every Government servant is required to travel by the class of accommodation for which traveling allowance is admissible to them. However, if a Government servant travels in a lower class of accommodation, he shall be entitled to the fare of the class of accommodation actually used.]

In the above example, if the Government servant travels by AC-II tier from Stn.X to Stn.B then regulation of TA will as follows:

Direct fare from Station A to Station B by entitled class i.e. AC-III tier is : Rs.822

Fare from Stn.A to Stn.X by Sleeper class : Rs.200

Fare from Stn.X to Stn.B by AC-III tier : Rs.395

The Government servant is still eligible for Rs.595 only, though he travelled in AC-II tier from Stn.X to Stn.B, because his eligibility class is AC-III only.

Example : Mr.X drawing a grade pay of Rs.4800 and whose headquarters is A, proceeded on tour to Stn.B (700 kms apart). For journey from A to B, he used a slightly longer route. He traveled from Stn .A to Stn.X (500 Kms) and then from Stn.X to Stn.B (300). Calculate his eligibility towards fares, if he performs the journey by entitled class. Railway tariff is as follows:

Class	Stn.A to Stn.X	Stn.X to Stn.B	Stn.A to Stn.B
AC-II tier	417	595	927
AC-III tier	319	424	690
Sleeper	95	117	179

Sol : In terms of GIO(1) below SR.34 readwith GIO(1) below SR.17, the Government servant is entitled for AC-II tier accommodation. Hence, he is eligible for One direct fare from A to B by AC-II tier i.e. Rs.927.

In the above example, if the Government servant travels from Stn.A to X by sleeper and then from Stn.X to Stn.B by AC-II tier then regulation of mileage allowance will be as follows:

Sol : In terms of GIO(3) below SR.34, if tour is performed by longer route by rail partly by lower class and partly by the entitled class then the claim should be regulated on proportionate basis. Hence mileage allowance will be regulated as below:

Divide the distance between Stn.A to X and Stn. X to B in the ratio and proportion

A to X	:	X to B	Sleeper fare	=	$3 / 8 \times 179$	=	67.13
300	:	500	AC-II tier fare	=	$5 / 8 \times 927$	=	579.38
3	:	5	Total entitlement			=	647.00

Example : Mr.X drawing a grade pay of Rs.2800 with effect from 01-01-2009 proceeded on tour from Stn.A to Stn.B. He performed the tour from 07-03-2009 to 23-03-2009. While on tour he was given MACPS promotion to a post carrying a grade pay of Rs.4200 with effect from 15-03-2009. Regulate his claim for fares, if he travels by entitled class both ways. (Fare structure as per previous Example)

Sol : At the commencement of tour, the grade pay of the Govt. servant is Rs.2800, hence his entitled class is AC-III tier. From 15-03-2009, his grade pay was raised to Rs.4200, hence he is entitled to AC-II tier from that date. If the Govt. servant used entitled class then his entitlement towards mileage allowance will be as follows:

Fare from Stn.A to Stn.B by AC-III tier	:	Rs.690
Fare from Stn.B to Stn.A by AC-II tier	:	Rs.927
Net entitlement	:	Rs.1617

Example : Mr.X drawing a grade pay of Rs.6600 performed tour from Stn.A to Stn.B. He traveled by air at a cost of Rs.5600. AC-I class fare by train is Rs.2900 from Stn.A to Stn.B. Regulate his claim of fares.

Sol: In terms of SR.48-B the Govt. servant is eligible for Air fare of Rs.5600 towards fare from Stn.A to Stn.B.

In the above example, compute the eligibility towards fares if he travelled by private airlines.

Sol : In terms of SR.48-B, the official is not eligible for air fare, as he had travelled by private airlines.

Example : Mr.X drawing a grade pay of Rs.4200 proceeded on tour from Stn.A to Stn.B. He performed journey by AC bus by paying Rs.570. However, AC-II tier fare from A to B is Rs.295 only. Calculate his admissibility towards fares.

Sol : In terms of GIO(1) below SR.46, the Government servant is eligible for reimbursement of bus fare. Hence he is eligible for Rs.570.

Example : Mr.X drawing a grade pay of Rs.7900 proceeded on tour from A to B. He performed journey by his own car. Distance from A to B is 360 Kms and prescribed rate for road journey is Rs.12 per km. AC-I class fare from A to B is Rs.1895. Regulate Mileage allowance.

Sol : In tour, in cases of travel by road by own car/full taxi between places connected by rail, the claim of Mileage allowance should be restricted to actual charges claimed limited to fare of the entitled class by rail, in terms of GIO(1) below SR.46. Hence the Govt. servant is eligible for Rs.1895 as detailed below:

Actual cost incurred for taxi = Rs.12 X 360	:	Rs.4320
Limited to, Train fare by entitled Class (AC-I class)	:	Rs.1895

Example : Mr. M drawing a Grade pay of Rs.4800 performed journey by air from Hyderabad to New Delhi and back on tour. The competent authority allowed higher entitlement of flight for onward journey due to emergent conditions. The cost of air travel is Rs.9300 and AC.II tier charges by train is Rs.1540. Calculate his entitlement towards mileage allowance.

Sol.

<i>Actual cost incurred by the Government servant for on wards & return</i>	: Rs.18600
<i>Onwards journey fare from Hyderabad to New Delhi by air</i>	: Rs.9300
<i>Return journey by train from New Delhi to Hyderabad (restricted)</i>	: Rs.1540
<i>Net entitlement</i>	: Rs.10840

Onward journey is treated as urgent and hence competent authority will allow higher entitlement for speedy reaching to destination. In case of return journey the urgency is not certified and hence restricted to entitled class by train.

Some Examples on Regulation of Daily Allowance :

Example : Mr.X drawing a grade pay of Rs.5400 proceeded on tour from Headquarters A to Stn.B. He left A on 2nd March at 6.00 PM by train. Reached Stn.B on 3rd March by 7.00 AM. On completion of duty at Station.B, he started on 16th March at 7.15 PM and reached Headquarters at 8.15 AM the next day. Regulate his DA, if he made his own arrangements for stay at Stn.B and incurred at Rs.220 per day for boarding and Rs.140 per day towards local conveyance.

Sol :

<i>Tour commenced on</i>	<i>02-03-2005</i>	<i>(18.00 Hrs.)</i>
<i>Tour ended on</i>	<i>17-03-2005</i>	<i>(08-15 Hrs.)</i>
<i>Gross D.A.s</i>	<i>= 02-03-2005</i>	<i>+ (03-03-2005 To 16-03-2005) + 17-03-2005</i>
	<i>= Nil DAs</i>	<i>14.0 DAs 0.7 Das</i>
	<i>= 14.7 D.A.s</i>	

Admissibility towards boarding charges = 14.7 X 200 = Rs.2940

Admissibility towards local conveyance = 14.7 X 140 = Rs.2058

In the above example if the Government servant stays in a lodge from 11th March 5.00 PM to 16th March 06.30 PM by paying Rs.1200 per day, then DA will be as follows:

Sol :

<i>D.A.s</i>	<i>= 11-03-2005</i>	<i>+ (12-03-2005 To 15-03-2005) + 16-03-2005</i>
	<i>= 0.7 DAs</i>	<i>4.0 DAs 1.0 Das</i>
	<i>= 5.7 D.A.s</i>	
	<i>= 5.7 DAs X 1500 = 8550</i>	

Actual lodge receipt = 5 X 1200 = 6000

Net entitlement = Rs.6000/-.

In the above example if the Lodge rent is charged as per check out time of 24 hours, then then DA will be regulated as follows:

Sol :

Entitlement towards DA = 5.7 X 1500 = Rs.8550

Actual lodge receipt = 6 X 1200 = Rs.7200

Net entitlement = Rs.7200

In the same example if the Government servant stays in a Public sector Guest House by paying Rs.500 per calendar day then the Daily Allowance will be regulated as follows:

Sol :

Entitlement towards DA = 5.7 X 1500 = Rs.8550

Actual guest house charges = 6 X 500 = Rs.3000

Net entitlement = Rs.3000

In the same example if the Government servant stays in a Lodge by paying Rs.1200 per day from 11th March 5.00 PM to 13th March 5.00 PM and then in a superior room by paying Rs.2000 per day till 16th March 06.30 PM, then DA will be as follows:

Sol :

Entitlement towards DA = 5.7 X 1500 = Rs.8550

Actual lodging charges = 2 X 1200 (+) 3 X 1500 = Rs.6900

Net entitlement = Rs.6900

Example : Mr.X drawing a grade pay of Rs.4800 and whose headquarters is Hyderabad proceeded on tour to Chennai. He left Hyderabad on 6th May at 5.20 PM and reached Chennai the next day at 6.30 AM. He occupied a lodge the same day at 7.00 AM and stayed there up to 14th May 7.00 AM by paying Rs.700 per day. He then made his own arrangements for his stay. On 19th May, at 6.30 PM he left Chennai, by air, and reached Hyderabad the same day at 8.30 P by paying Rs.6300. AC-II tier fare by rail was Rs.950. Regulate DA, if he had incurred Rs.200 per day towards boarding charges and Rs.160 towards local conveyance.

Sol :

The grade pay of the Govt. servant = Rs.4800

His entitlement towards train = AC-II tier

His entitlement towards DA = Rs.500 (Lodging) + Rs.150 (Boarding) + Rs.100 (local conveyance)

Calculation of Fares :

AC-II tier fare from Hyderabad to Chennai = Rs. 950

AC-II tier fare from Chennai to Hyderabad (restricted) = Rs. 950

Computation of DA:

Tour commenced on 06-05-2004 (17.20 Hrs.)

Tour ended on 19-05-2004 (20.30 Hrs.)

Gross D.A.s = 06-05-2004 + (07-05-2004 To 18-05-2004) + 19-05-2004
= 0.7 DAs 12 DAs 1 DA
= 13.7 D.A.s

Lodging = 07-05-2004 + (08-05-2004 To 13-05-2004) + 14-05-2004
D.A.s = 1.0 DA 6.0 DAs 0.7 DA
= 7.7 D.A.s

A. Boarding charges	: 13.7 X 150	= Rs.2055
B. Conveyance charges	: 13.7 X 100	= Rs.1370
C. Lodging charges	: 7.7 X 500	= Rs.3850

Net entitlement towards travelling allowance (fares + A + B + C) = Rs.9175

In addition to the above the Government servant is eligible for road mileages from residence/office to Railway station at Hyderabad and vice versa. In the absence of such details, the amount was not computed.

Important Points relating to TA on TRANSFER :

1 Every Govt. Servant on transfer in public interest is entitled to the following transfer travelling allowance, according to his entitlement depending on the category in which he is classified:

- a) Composite Transfer Grant
- b) Fares (For Self, Family and for Chauffer)
- c) Cost of transportation of Personal Effects
- d) Cost of transportation of Conveyance

S.R.116

2 For the Purpose of Transfer Travelling Allowance **Family** includes:-

- a) Spouse of the Govt. Servant
(only one wife, in case of male Govt. Servant)
- b) Son(s) (including major sons and adopted sons)
- c) Daughter(s) (incl. married daughter(s), widowed daughter(s))
- d) Parents
- e) Unmarried Sister(s)
- f) Minor Brother(s)
- g) Widowed Sister(s) (Provided father is either not alive or he himself is dependent on the Govt. Servant.

S.R.2 (8)

All the family members discussed above will be included in the family provided they are wholly dependent on the Govt. Servant and they are not earning more than 3,500 p.m. Further, this limit of income doesn't apply to spouse

3 **Composite Transfer Grant** : A lump sum Composite Transfer Grant equal to one month's basic pay plus grade pay and non practicing allowance will be granted to all Govt. servants transferred in public interest and involving change of station. However, Composite Transfer Grant will be restricted to one-third of the pay plus grade pay, if the transfer is within the same city or the transfer is to another station which is less than 20 kms from the old station, provided change of residence is actually involved.

**G.I.D.(1).II
below SR.116**

4 In cases where transfer of husband and wife takes place within 6 months from the same place (old headquarters) to the same place (new headquarters), but after 60 days of the transfer of the spouse, fifty per cent of the transfer grant on transfer shall be allowed to the spouse transferred later.

**G.I.D.(1).II
below SR.116**

5. *No composite transfer grant is admissible to the spouse, if the transfer takes place within 60 days from the same place (old headquarters) to the same place (new headquarters) to which earlier posting of his/her spouse was ordered.* **G.I.D.(1).II below SR.116**
6. *Composite Transfer Grant will be admissible in respect of transfers within the same city/town only if it results in an obligatory change of residence and necessitated solely on account of the transfer.* **G.I.D.(1).II below SR.116**

Fares (Self)

7. *A Govt. Servant on transfer will be eligible for mileage allowance from old headquarters to new headquarters as per the entitled class applicable to him, vide SRs 34, 40, 46 & 48-B. Further, if the journey is performed by full taxi then road mileage will be*

<i>For Self</i>	<i>One Road mileage</i>	<i>at prescribed rates at starting point</i>
<i>For Self + 2 family members</i>	<i>Two Road mileage</i>	<i>-do-</i>
<i>For Self + 3 or more family members</i>	<i>Three Road mileage</i>	<i>-do-</i>

GID(1).IV below SR. 116

8. *If Govt. Servant travels in own car, send under its own propulsion to new station, then the G.S. is not entitled to any separate fare* **Note 2. Below GID(1) V below S.R. 116**
9. *The G.S. is entitled to additional to & fro fares by entitled class if he has to leave his family behind because of non-availability of Govt. residential accommodation at the new hqrs.* **GID(1) VI below S.R. 116**

Fares (Family)

10. *The family of G.S. on his transfer to the new place of posting will be eligible for road mileage as per entitlement applicable to G.S. Vide SR 30,40,46 & 48-B* **GID(1) IV below S.R. 116**
11. *Mileage allowance will not be admissible to the members fo the family of the G.S., if they travel by conveyance transported under its own propulsion.* **Note 2 below GID(1) V below S.R. 116**
12. *Mileage allowance is admissible to the members of the family of G.S., provided they accompany him on transfer to his new station accompanying means*
- a) *Preceding/following G.S. on transfer to a station other than G.S. new headquarters for a period of one-month prior/six months after the date of handing over charge at old station.* **GID(10) below S.R.116 read with S.R. 116 (b)(iii)**
- b) *Preceding/following G.S. on transfer to the new head quarters prior to one month from the date of taking over charge at new station or 6 months after the date of taking over charge at the new station*

13 Children studying in educational institutions and who are not actually residing with their parents at the time of transfer but later come to spend the vacation with them will be treated as member(s) of family subject to conditions laid down in S.R. 2(8), and T.A. for such children will be paid from their place of study to new head quarters limited to old head quarters to new head quarters by the appropriate class of entitlement and further limited to actual class by which journey was performed **GID(6) below S.R. 116**

14 Family of G.S. is eligible for appropriate mileage allowance / fares for journey on transfer at full rate for each adult member and at half rate for each child. **Rule 116(a) I (iii)**
 General notion : No fares for children below the age of 5 yrs.
 Half fare for children between 5 to 12 yrs.

Fares (Others)

15 On transfer to new head quarters a second class rail fare will be admissible to the chauffeur (or) cleaner employed by the G.S. provided: **Note 1 of S.R. 116 (a) I (iv)**

a) The G.S. furnishes a certificate that the chauffeur is actually employed;

b) That the chauffeur (or) cleaner actually travelled by rail.

c) The conveyance is actually transported by rail

Personal Effects (Admissibility for carriage of personal effects)

Grade Pay	By Train/Steamer	Rate per km for transport by road
7600 and above	6000 Kgs by goods train/4 wheel wagon/1 double container	18.00 (Rs.0.003 per kg per km)
4200-6600	6000 Kgs by goods train/4 wheel wagon/1 single container	18.00 (Rs.0.003 per kg per km)
2800	3000 kgs	9.00 (Rs. 0.0031 per kg per km)
Below 2800	1500 kgs	4.60 (Rs. 0.0031 per kg per km)

16 The G.S. on transfer may draw the actual cost of transportation of personal effects by goods train subject to the max. restrictions prescribed above **S.R. 116 (a) I (iii)**

17 Personal effects can also be transported by passenger train, instead of goods train. However, the claim in such case will be restricted to the max. admissibility, had the personal effects been carried by goods train, whichever is less. **Note 1 below S.R. 116(a) I (iii)**

18 The rates for transporting the entitled weight by steamer will be equal to the prevailing rates prescribed by such transport in ships operated by Shipping Corporatin of India. **GID(1.III) below SR.116**

Conveyance:

- 19 A Govt. Servant on transfer is entitled for transporting his personal conveyance from his old head quarters to new head quarters. Every G.S. is eligible for transportation of one car (or) one motor cycle/scooter (or) one horse provided his grade pay is Rs. 4200/- or more. **GID(I) V below S.R. 116 read with S.R. 116(a) I (IV)**
- 20 G.S. where pay is below Rs. 4200/- can also transport car/horse from old head quarters to new head quarters on transfer. However in such case car will be classified as a part of personal effects and will be included in the max. limits prescribed for personal effects i.e. 3000 or 1500 Kgs. depending on category of pay **C&AG dec 1 below S.R. 116**
- 21 G.S. whose pay is less than Rs. 4200/- is entitled for free transport of one motor cycle/scooter or one bicycle from old head quarters to new head quarters on transfer **GID(I)(V) below S.R. 116**
- 22 A G.S. is authorized to transport his car/motor cycle/scooter by rail, he may do so by passenger train/goods train at his option, subject to following conditions :
- (a) Actual freight charged by Indian Railways if transported by passenger train
 - (b) Actual freight + Packing charges + loading charges + unloading charges + transportation of packed car etc. if transported by goods train
- Least of (a) or (b)
- 23 Where the conveyance is sent loaded on a truck, between places connected by rail, actual expenses can be drawn limited to prescribed rates of expenditure on transportation by passenger train, whichever is less will be allowed **GID(I) V below S.R. 116**
- 24 Where conveyance is sent loaded on a truck between places not connected by rail, transportation will be paid at prescribed rates of starting point **GID(I) V below S.R. 116**
- 25 Where conveyance is sent under its own propulsion between places not connected by rail, transportation will be paid at prescribed rates of starting point **GID(I) V below S.R. 116**
- 26 Where conveyance is sent under its own propulsion between places connected by rail, actual expenditure will be paid at prescribed rates of starting point limited to expenditure on transportation of conveyance by passenger train **GID(I) V below S.R. 116**

General

- 27 For journeys on transfer within the same station or to a station at a distance not more than 20 Kms. (i.e. from office to office) **GID 15 read with**
- a) If there is no change in residence no T.A. is admissible **GID(1)(II)**
-

b) *If change in residence is involved as a result of transfer, the following reimbursements are admissible below S.R. 116*

<i>Composite Transfer Grant</i>	<i>Equal to 1/3 of Basic Pay</i>
<i>Fares</i>	<i>(For self & family) actual cost of conveyance but not exceeding mileage all under 116 a II (I) & (ii)</i>
<i>Personal Effects</i>	<i>Actual cost limited to amount admissible under S.R. 116 (a) (II) (iii)</i>

28 *A Government servant transferred from one post to another, under the orders of Competent Authority, if permitted to hand over charge of his old post or to take charge of the new post at a place other than the headquarters, is entitled to the following concessions :*

a) *Travelling Allowance at tour rates for Government servant's actual journeys –*

- ❖ *from the old headquarters to the place of handing/taking over charge;*
- ❖ *from the place of handing over charge to the place of taking over; and*
- ❖ *from the place of handing/taking over charge to the new headquarters*

SR.116-A

b) *Difference of travelling allowance between transfer and tour scales for the actual distance by the shortest route from old head quarters to the new headquarters.*

c) *In addition travelling allowance for the conveyance of family and personal effects will be admissible from the old headquarters to the new headquarters at the prescribed rates and conditions*

26 *A competent authority may grant to the family of a Government Servant who dies while in service such travelling allowance as it deems fit* **SR.148 and GID(1) thereunder**

27 *A Government servant who goes on leave not exceeding six months, after he has given over charge of his old post and before he has taken charge of his new post is entitled, whether the order of transfer is received before or after the commencement of his leave, to travelling allowance under this section as for journey from his old to his new post.* **SR.124**

28 *T.A. is admissible to central Govt. servants on retirement towards settlement in any station other than last station of duty, within one year from the date of retirement, as per his entitlement as for transfer. However this concession is not admissible in cases of Resignation, dismissal, removal, compulsory retirement as* **GID(1) below S.R. 147**

measure of punishment, temporary employees retiring within 10 yrs. due to superannuation / invalidation / retrenchment.

Example : Mr.X was transferred from Stn.A to Stn.B in public interest. Distance from A to B is 900 kms. He is in receipt of a Grade pay of Rs.13500 at the time of transfer. A and B are connected by train. Railway freight for transportation is Rs.100 per quintal by Goods train and Rs.120 per quintal by Passenger train. Calculate his entitlement towards cost of transportation of personal effects in the following instances. Distance from residence to Rly stn at A is 15 kms and at B it is 12 kms.

a) If luggage is transported by goods train.

Sol : The Government servant is eligible to transport 60 quintals of luggage by Goods train. Hence his entitlement towards transportation of personal effects works out to:

$$60 \text{ quintals @ Rs.100 per quintal} = \text{Rs.6000 plus}$$

$$\text{Road mileage} = 6000 \times 0.3 \times (15 + 12) = \text{Rs.486}$$

b) If luggage weighing 50 quintals is transported by Goods train.

Sol : In this case, he is eligible for luggage actually transported by him i.e.

$$50 \text{ quintals @ Rs.100 per quintal} = \text{Rs.5000 plus}$$

$$\text{Road mileage} = 6000 \times 0.3 \times (15 + 12) = \text{Rs.486}$$

c) If luggage weighing 40 quintals is transported by Passenger train.

Sol : In this case reimbursement will be made to the extent of maximum entitlement by Goods train as detailed below:

A	Actual Expenditure by Passenger train 40 quintals @ Rs.120 per quintal	= 4800
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B	Maximum entitlement by Goods train 60 quintals @ Rs.100 per quintal	= 6000
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A is least and hence Rs.4800 is admissible

$$\text{Plus Road mileage} = 6000 \times 0.3 \times (15 + 12) = \text{Rs.486}$$

d) If luggage weighing 55 quintals is transported by Passenger train.

Sol : In this case reimbursement will be made to the extent of maximum entitlement by Goods train as detailed below:

A	Actual Expenditure by Passenger train 55 quintals @ Rs.120 per quintal	= 6600
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B	Maximum entitlement by Goods train 60 quintals @ Rs.100 per quintal	= 6000
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B is least and hence Rs.6000 is admissible

$$\text{Plus Road mileage} = 6000 \times 0.3 \times (15 + 12) = \text{Rs.486}$$

e) Luggage sent by truck at a cost of Rs.8000 towards truck charges

Sol ; Entitlement = 900 + 15 + 12 = 927 kms X Rs.18.00 per Km = Rs.16686

$$\text{Actual expenditure} = \text{Rs.8000}$$

Actual expenditure is least and hence Rs.8000 is reimbursable.

f) Luggage sent by truck for Rs.15500, excluding packing charges of Rs.400 and loading and unloading charges of Rs.1000

Sol ; Entitlement = 900 + 15 + 12 = 927 kms X Rs.18.00 per Km = Rs.16686

Actual expenditure = Rs.15500 + Rs.1000 = Rs.16500 (Packing charges not reimbursable)

Actual expenditure is least and hence Rs.16500 is reimbursable.

g) Luggage sent by Single container for Rs.7000.

Sol : In this case, the Government servant is eligible for transportation of personal effects by Single container. Hence the entire amount of Rs.7000 is reimbursable. However, Road mileages at both ends will not be given as container service is from residence to residence. Further, Loading and Unloading charges are also not reimbursable as they already stand included in Railway freight.

Example : Calculate the travelling allowance admissible to Mr.X on his transfer from Hyderabad to Chennai (790 Kms) with the following details :

- a) Pay in Pay band = Rs.38750; Grade Pay at Hyderabad : Rs.6600, Pay at Chennai on reporting to duty : Rs.7600
- b) Relieved at Hyderabad on 15-04-2009 AN.
- c) The officer is entitled to type 'E' quarter at Chennai. However, he was offered type 'C' quarter (the type inferior to his eligibility) on the grounds that no vacant quarter of his eligibility is available. The officer refused the same.
- d) He traveled alone from Hyderabad to Chennai by AC-II tier on 17-04-2009 (5-15 PM) and reached Chennai the next day at 9-00 AM, by paying a fare of Rs.1360.
- e) Returned back to Hyderabad on 24-04-2009. Travelled by air by paying Rs.6500.
- f) His family consisted of wife, son (D.O.B.—27-09-1995), Son (D.O.B —15-08-1998), Daughter (D.O.B.—24-04-2004) and mothering-law wholly dependent on the Government servant.
- g) He traveled from Hyderabad to Chennai with all his family members on 28-04-2009 and reached Chennai the next day.
- h) Distance from Residence to Railway Stn. at Hyderabad is 9 kms and at Chennai it is 16 kms.
- i) Transported his personal effects by single container by paying Rs.6300. Tariff charged by railway for goods train is Rs.98 per quintal.
- j) His car was sent loaded in a goods train for which he incurred Rs.1800 towards freight, Rs.300 towards Loading and Unloading charges, Rs.225 towards packing charges. Freight charged by Indian Railways for transportation of car by passenger train is Rs.2250

Sol. :

Grade Pay	: Rs.6600	
Entitlement for train journeys	: AC-II Class	[GIO.1 below SR.34]
Family	: Wife, Son(13), Son (10)	[SR.2(8)]
Transportation of personal effects	: 6000 Kgs by goods train (or) Single container	[GIO.1(III) below SR.116]

Trans. of personal conveyance : One Car [GIO.1(V) below SR.116]

I. Composite Transfer Grant : (Pay : Rs.38750 plus Grade Pay : Rs.6600) : Rs.45350
[GIO.1(II) below SR.116]

II. Fares :

a) Self : AC-II tier fare from Hyderabad to Chennai : Rs.1360
b) Family :
3 AC-II tier fares from Hyderabad to Chennai
@ Rs.1360 per fare for Wife, Son(13) and
at Rs.680 for Son(10) : Rs.3400
: Rs. 4760

III. Transportation of Personal Effects :

Single container fare from Hyderabad to Chennai : Rs. 6300

IV Transportation of Personal Conveyance :

a) Actuals :
Actual cost of transportation of car by goods train
Rs.1800 (freight) + Rs.300 (L & UL) + Rs.225 (packing) : Rs.2325
b) Maximum entitlement by Passenger train : Rs.2250
(b) is least and hence admissible : Rs. 2250

Gross entitlement : Rs.58660

Less : Advance already drawn : Rs. NIL

Net Entitlement : Rs. 58660

Notes:

- Denial of inferior accommodation entails forfeiture of additional to & fro fare vide clarification (i) of GIO (I)(VI) below SR.116
- Daughter born as a third child (more than two surviving child) after 01-01-1999. Hence she will be not recognized as a member of family for the purpose of TA.
- In the absence of rate of half-ticket, half the amount admissible for full fare was taken into account.
- Mother-in-law is not covered by the definition of family.
- Packing charges for transportation of car by goods train is admissible.

Example : Mr.X whose headquarters is A proceeded on leave to Stn.B on leave not exceeding six months. While on leave he was posted to Stn.C. Calculate his eligibility towards fares if he traveled by entitled class from B to C by incurring Rs.422. Direct fare from Stn A to Stn.C is Rs.396.

Sol. : In terms of GIO.1 below SR.124, the Government servant will be eligible for one direct fare by the class of accommodation actually used from old headquarters (A) to new headquarters (C). Hence, he is eligible for Rs.396 only.

Example : In the above example, if the direct fare from Stn.A to Stn.C is Rs.523 then determine his eligibility towards reimbursement of fares.

Sol. : In cases, where the direct fare from Stn.A to Stn.C is more than the actual fare incurred by the Government servant from Stn.B to Stn.C, the G.S. may be allowed direct fare from Stn.A to Stn.C i.e. Rs.523, In terms of GIO.1 below SR.124. In this case, the extract of FR.44 may not be taken into account though it becomes a source of profit to the Government servant.

Example : *In the same example, if the Government servant performs journey partly by lower class than that of his entitlement and partly by the class of accommodation he is entitled to, towards his journey from Stn.C from Stn.B, then how his claim of fares will be regulated.*

Sol. : *In case where the Government servant, who is spending his leave not exceeding six months at a place other than his old headquarters, performs journey partly by lower class of accommodation than that of his entitlement and partly by the class of accommodation to which he is entitled to, then his claim of fares will be regulated on proportionate basis as contemplated in GIO.3 below SR.34 read with Note below GIO.1 of SR.124.*

Example : *In the same example, if the Government servant is posted to Stn.B (where he is spending his leave), instead of Stn.C then how the claim will be regulated.*

Sol. : *In case the Government servant is posted to the same place where he is spending his leave not exceeding six months, he will be paid one direct fare from old headquarters to new headquarters as per his entitled class though there is no need for him to perform journey in consequence of his transfer.*

Let's check some examples on travelling allowance:

1. Travelling allowance is a
 - a) Conveyance allowance
 - b) Compensatory allowance
 - c) Transport allowance
 - d) Composite allowance
 2. Which of the following is not a kind of travelling allowance
 - a) Mileage allowance
 - b) Daily allowance
 - c) Conveyance allowance
 - d) Compensatory allowance
 3. The travelling allowance granted to Government servant whose duties require extensive travel is
 - a) Mileage allowance
 - b) Conveyance allowance
 - c) Permanent travelling allow
 - d) Daily allowance
 4. Permanent travelling allowance can be drawn during
 - a) Leave
 - b) Temporary transfer
 - c) Joining time
 - d) Stay in hqrs.
 5. Permanent travelling allowance can be granted
 - a) Monthly
 - b) Quarterly
 - c) Half yearly
 - d) Yearly
 6. Conveyance allowance is granted for journeys which do not render a GS eligible for
 - a) Compensatory allowance
 - b) Daily allowance
 - c) Dearness allowance
 - d) Hill area allowance
 7. Conveyance allowance can be drawn during
 - a) Leave
 - b) Temporary transfer
 - c) Joining time
 - d) Duty within short distance
 8. An allowance granted to meet the cost of a particular journey
 - a) Conveyance allowance
 - b) Mileage allowance
 - c) Transport allowance
 - d) Daily allowance
 9. A journey between two places shall be determined with reference to
 - a) Shortest route
 - b) Cheapest route
 - c) Least reaching time
 - d) All the above
 10. Stn A & B are connected by two alternate routes. Distance by one route is 270 Kms and by other route it is 290 Kms. Journey by shortest route will take 6 hours and by alternate route it takes 5.30 hours. Mileage allowance shall be restricted to
 - a) Shortest route
 - b) Longest route
 - c) Route actually used
 - d) Average cost
 11. Two stations are connected by alternate routes. The fare by shortest route is Rs.285 and by longer route it is Rs.345. The Government servant travelled by shortest route. His claim towards mileage allowance can be settled as
 - a) Rs.285
 - b) Rs.345
 - c) Rs.315
 - d) Rs.300
 12. In the above example if Government servant performed journey by longer route
 - a) Rs.285
 - b) Rs.345
 - c) Rs.315
 - d) Rs.300
 13. In the same example, if shortest route is closed in a particular reach due to civil commotion and GS actually travelled by longer route
 - a) Rs.285
 - b) Rs.345
 - c) Rs.315
 - d) Rs.300
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27. Which of the following elements can be disallowed from the mileage allowance claim of a Government servant who travelled by train
a) Duplicate ticket charges b) Agency charges c) Safety surcharge d) Toll taxes
28. A Government servant with Grade pay of Rs.2800 travelled by AC-2 tier on the plea that AC-3 tier accommodation is not available. His claim can be
a) Forfeited b) Allowed in full c) Restricted to AC-3 tier d) Restricted to sleeper class
29. Are tatkal seva charges reimbursable
a) Yes c) Only in emergency conditions
b) No d) At the discretion of controlling officer
30. A Government servant booked AC-2 tier accommodation for his tour. Due to domestic constraints he cancelled his tour and proceeded on leave. The cancellation charges are
a) Reimbursable b) Cannot be reimbursed c) Allowed if applied for commuted leave d) Recovered
31. In the above example, if tour was cancelled due to administrative reasons
a) Reimbursable b) Cannot be reimbursed c) Allowed if applied for commuted leave d) Recovered
32. A Government servant travelled on tour from Stn.A to B. AC-II tier accommodation from Stn.A to Stn.B was Rs.1260. However, Railways charged a concessional rate of Rs.925 to the Government servant as he is a handicapped person. His claim shall be reimbursed to the extent of
a) Rs.1260 b) Rs.925 c) Rs.955 d) Rs.1100
33. Proof of journey for actual class of accommodation availed by railways is
a) Mandatory b) Obligatory c) Discretion of controlling officer d) Discretion of GS
34. A Government servant drawing a Grade pay of Rs.5400 can travel by class by sea/river steamer
a) Highest b) Middle c) Third d) Lowest
35. A Government servant drawing a Grade pay of Rs.2000 can travel by class by sea/river steamer
a) Highest b) Middle c) Third d) Lowest
36. A Government servant with a grade pay of Rs.2800 is entitled to travel by
a) AC Taxi b) Taxi c) AC bus d) Bus
37. The claim of a Government servant who is eligible to travel by AC taxi between two stations connected by train shall be restricted to
a) AC Bus b) AC First Class c) AC-2 tier d) AC-3 tier
38. A Government servant with Grade pay of Rs.10000 can travel by
a) AC taxi b) AC bus c) Ordinary bus d) All the above
39. For journeys by taxi/autorickshaw the mileage allowance payable is
a) Rs.16/km b) Rs.8/km c) Rs.7/km d) At rates prescribed by transport authority
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40. Local journey means - journey beyondkms with in the limites of urban agglomeration
a) 5 kms b) 8 kms c) 10 kms d) 16 kms
41. Mileage allowance for tours byond 8 kms within urban agglomeration can be
a) Allowed b) Disallowed c) Discretionary d) Rejected
42. In the above example, the claim can be restricted to
a) Taxi b) Autorickshaw c) Scooter d) Bus
43. Can a Government servant claim mileage allowance for autorickshaw if tour is performed beyond 8 kms in urban agglomeration of his headquarters
a) Cannot claim b) With prior sanction c) Restricted to bus d) After journey is performed
44. If tour is within 8 kms from residence in the urban agglomeration of his headquarters, the claim for mileage allowance can be
a) Rejected b) Allowed in full c) Allowed by scooter d) Allowed by bus
45. Claim for mileage allowance can be allowed if the Government servant
a) Uses free transportation b) Uses staff car c) Actually incurs expenditure d) Exchanged transport coupons supplied by office
46. Entitlement for travel by air requires a Grade pay of
a) Rs.4800 b) Rs.5400 c) Rs.6600 d) Rs.7600
47. A Government servant with grade pay of Rs.8700 can travel by
a) Business class b) Club class c) Economyclass d) Common class
48. The entitlement of travel by club class is permissible for officials drawing Grade pay of
a) Rs.10000 b) Rs.8900 c) Rs.8700 d) Rs.7600
49. Officials entitled to travel by air shall travel by
a) Indian airlines b) Private airlines c) Chartered airlines d) All the above
50. Mileage points earned due to air journey shall be utilized for
a) Office only b) Self of GS c) Shall not be accepted d) None of the above
51. Daily allowance constitutes which of the following points
a) Lodging b) Boarding c) Local conveyance d) All the above
52. If a Government servant is entitled to free lodging, boarding and local conveyance on his tour, he is entitled to
a) $\frac{3}{4}$ th of DA b) $\frac{1}{2}$ of DA c) $\frac{1}{4}$ th of DA d) No DA
53. The entitlement for lodging charges in respect of Government servant with grade pay of Rs.8900
a) Rs.5000 per day b) Rs.3000 per day c) Rs.1500 per day d) Rs.500 per day
54. The maximum boarding charges reimbursable in respect of Government servant whose Grade Pay is Rs.4200
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- a) Rs.500 per day b) Rs.300 per day c) Rs.150 per day d) Rs.100 per day
55. DA for enforced halts, enroute, shall be regulated as
a) Tour b) Leave c) Absence d) Journey
56. DA for enforced halts, at tour station, shall be regulated as
a) Tour b) Leave c) Absence d) Journey
57. The maximum number of days for which DA for local journeys can be paid
a) 30 days b) 45 days c) 90 days d) 180 days
58. Admissibility towards DA if the absence from headquarters is 6.00 hrs
a) Nil b) 50% c) 70% d) 100%
59. Admissibility towards DA if the absence from headquarters is 12.00 hrs
a) Nil b) 50% c) 70% d) 100%
60. Admissibility towards DA if the absence from headquarters is 12.02 hrs
a) Nil b) 50% c) 70% d) 100%
61. Absence from headquarters means, outside a radius of kms from headquarters
a) 5 kms b) 8 kms c) 16 kms d) Urban agglomeration
62. DA is calculated with reference to
a) Calendar day b) Grade pay c) Absence from hqrs. d) All the above
63. A Government servant on CL/RH is entitled toDAs
a) Calendar day b) Grade pay c) Absence from hqrs. d) All the above
64. A Government servant on $\frac{1}{2}$ CL is entitled toDAs
a) Calendar day b) Grade pay c) Absence from hqrs. d) All the above
65. A Government servant on Special Casual Leave is entitled to DAs
a) Calendar day b) Grade pay c) Absence from hqrs. d) All the above
66. A Government servant on leave of kind due & admissible on tour is entitled to DAs
a) Calendar day b) Grade pay c) Absence from hqrs. d) All the above
67. A Government servant left headquarters on tour on 19th October 7.00 PM and returned back on 23rd October 6-15 AM. His eligibility towards DAs is
a) 3.0 DAs b) 3.7 DAs c) 2.7 DAs d) 4.4 DAs
68. Maximum delay in arrival of train that cannot be taken for calculation of DA
a) 5 minutes b) 10 minutes c) 15 minutes d) 30 minutes
69. The departure time of a train is 15.00 hrs. However, the train departed late and left headquarters of a Government servant at 19.15 hrs. The admissibility of DA for that day shall be
a) Nil b) 70% c) 50% d) 35%
70. The actual arrival time of a train is 5.50 AM. However, the train reached the destination at 6.03 AM. The admissibility of DA for that day shall be
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- a) Nil b) 70% c) 50% d) 35%
71. In the above example, if the train reached at 6.20 AM then DA shall be
- a) Nil b) 70% c) 50% d) 35%
72. The arrival of a train is scheduled at 11.58 AM as per railway time table. Due to late arrival of train the Government servant reached headquarters at 12.12 PM. DA admissible to him shall be
- a) Nil b) 0.35 c) 0.70 d) 1.0
73. The admissibility towards DA for the day, if the scheduled reporting time of flight is 11.00 AM and actual departure time is 12.30 PM
- a) Nil b) 70% c) 50% d) 35%
74. DA is not admissible on the following occasion during the course of a tour
- a) Sunday b) Public holiday c) Restricted holiday d) Special casual leave
75. A Government servant left tour station at 11.00 AM on a holiday and returned back the next day at 7.00 PM. His DA for the holiday will be
- a) Nil b) 50% c) 70% d) 100%
76. DA for intervening holidays during the course of a tour is payable if the Government servant actually spends his holiday at
- a) Office b) Tour station c) Residence d) Headquarters
77. TA pm transfer can be granted of the transfer on
- a) Own request b) Mutual request c) Public interest d) All the above
78. Mr. X a central Government servant was appointed to a higher post in another department on the basis of competitive examination which is open to both Government servants and others. Consequent on appointment he is eligible for
- a) Travelling allow. b) Pay protection c) Joining time d) All the above
79. Temporary transfer means, transfer not exceeding
- a) 60 days b) 90 days c) 180 days d) 30 days
80. TA on transfer is not admissible in case of
- a) Temporary transfer b) Permanent transfer c) Foreign service d) Deputation
81. Computation of composite transfer grant
- a) Pay in pay band b) Pay + Grade pay c) Pay + GP + DA d) Gross salary
82. In cases where the distance between old headquarters and new headquarters is less than 20 kms, composite transfer grant shall be equal to
- a) Full b) 50% c) 33 1/3% d) 25%
83. Distance between old headquarters and new headquarters means, distance from
- a) Residence to residence b) Office to office c) Office at old hqrs to residence at new hqrs d) Residence at old hqrs to office at new hqrs.
84. For grant of composite transfer grant, change of residence is
- a) Obligatory b) Mandatory c) Discretion of Govt. servant d) Discretion of controlling officer
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85. In case of transfer of spouse takes place within 2 months from the date of transfer of earlier, Composite transfer grant can be allowed to the later at the following rate
a) Nil b) 33 1/3% c) 50 % d) 100 %
86. In case of transfer of spouse takes place within 6 months from the date of transfer of earlier, Composite transfer grant can be allowed to the later at the following rate
a) Nil b) 33 1/3% c) 50 % d) 100 %
87. In case of transfer of spouse takes place after 6 months from the date of transfer of earlier, Composite transfer grant can be allowed to the later at the following rate
a) Nil b) 33 1/3% c) 50 % d) 100 %
88. A Government servant was transferred to another office situated 2 kms away from present place of working. Consequent on transfer he changed his residence. The quantum of Composite transfer that can be granted
a) Nil b) 33 1/3% c) 50 % d) 100 %
89. In the above example if it is mandatory to occupy the residential accommodation offered by new employer; then
a) Nil b) 33 1/3% c) 50 % d) 100 %
90. Age limit for son(s) to be excluded from the definition of family for the purpose of TA
a) 18 years b) 25 years c) 35 years d) No limit
91. Who amongst the following does not form part of definition of family for the purpose of TA
a) Married daughter b) Minor brother c) Step father d) Married son
92. The income limit for excluding a member from the list of dependents for the purpose of TA
a) Rs.1500 pm b) Rs.2550 pm c) Rs.3500 pm d) Rs.7000 pm
93. Number of wives eligible to be included in definition of family for travelling allowance
a) One b) Two c) Three d) None
94. Mr.X and his wife are both Government servants working at Stn.A. He was transferred to Stn.B and his wife remained at Stn.A. Can the gs include his wife in the definition of family for TA
a) No b) Yes c) Discretion of controlling officer d) Yes, if she actual travels
95. Restriction of two children for TA is applicable with effect from
a) 01-01-1998 b) 01-01-1999 c) 01-01-2000 d) 01-01-2001
96. The family members of a Government servant whose grade pay is Rs.4800 can travel by train in
a) AC First Class b) AC-2 tier c) AC-3 tier d) Sleeper class
97. Maximum number of road mileages that can be allowed for journey by road between places not connected by train in cases of transfer
a) 1 Road mileage b) 2 Road mileages c) 3 Road Mileages d) 4 Road mileages
98. A GS was not allotted residential accommodation at new headquarters. He is entitled to
a) One additional fare to old head quarters
b) One additional higher entitled class fare to old headquarters
c) One additional fare to & fro by entitled class
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- d) *One additional to and fro fare though journey not performed*
99. *A Government servant was allotted inferior accommodation at new headquarters and he denied it. His claim towards additional to & fro fare*
a) *Accepted* b) *Not accepted* c) *Controlling officer may allow* d) *Stands protected*
100. *Government quarters at new headquarters of a Government servant were not constructed. However the Government servant moved along with family to new headquarters. He actually performed one to and fro journey to old headquarters due to personal work. His claim towards additional fares*
a) *Accepted* b) *Not accepted* c) *Controlling officer may allow* d) *Stands protected*
101. *Fare of a minor brother is not admissible if he travels by*
a) *Train* b) *Bus* c) *Air* d) *Own car of GS*
102. *The maid cum driver of a Government servant proceeded to new headquarters consequent on transfer of Government servant. His fare can be allowed if he travels by*
a) *Bus* b) *Train* c) *GS's car* d) *air*
103. *In the above example, the entitled class for driver by train shall be*
a) *Sleeper* b) *AC-3 tier* c) *AC-2 tier* d) *First Class*
104. *A Government servant transported his personal effects by train on transfer. Which of the following is not within his entitlements if his grade pay is Rs.6600*
a) *Goods train* b) *Passenger train* c) *Wagon* d) *Double container*
105. *Consequent on transfer a Government servant transported his luggage (50 Q) by Passenger Train. His claim shall be*
a) *Allowed as per actual*
b) *Restricted to 50 quintals by goods train*
c) *Restricted to 60 quintals by goods train*
d) *Least of actuals or 60 quintals by goods train*
106. *Road mileages from residence to railway station at old headquarters and railway station to residence at new headquarters shall not be allowed if luggage is transported by*
a) *Goods train* b) *Passenger train* c) *Wagon* d) *Container*
107. *Reimbursement towards transportation of car can be allowed if the grade pay of a GS is*
a) *Rs.4200 & above* b) *Rs.2800 & above* c) *Rs.2400 & above* d) *Rs.2000 & above*
108. *A Government servant with grade pay of Rs.6600 had a motor cycle and a motor car. On transfer he can claim for transportation of*
a) *Car* b) *Motor cycle* c) *Both* d) *At his discretion*
109. *Reimbursement for conveyance of car in respect of a GS with Grade pay below Rs.4200*
a) *Cannot be allowed* b) *Can be allowed* c) *Shall be treated as part of* d) *As per discretion of cont. officer*
110. *The claim for transportation of car shall always be limited to freight by*
a) *Passenger train* b) *Goods train* c) *Wagon* d) *Truck*
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111. Loading charges and unloading charges are reimbursable if car is transported by
 a) Passenger train b) Goods train c) Wagon d) Truck
112. Packing charges are admissible, if
 a) Personal effects are transported by Goods train
 b) Personal effects are transported by Passenger train
 c) Car is transported by Goods train
 d) Car is transported by passenger train
113. If car is transported by road between places connected by train, the claim shall be restricted to
 a) Passenger train b) Goods train c) Wagon d) Truck
114. If Personal effects are transported by road between places connected by train, the claim shall be restricted to
 a) Passenger train b) Goods train c) Wagon d) Truck
115. If car is transported on its own propulsion between places not connected by train, the claim shall be allowed to the extent of prescribed rates of
 a) Rs.16 per km b) Rs.8 per km c) Reaching point d) Starting point
116. Mr. X transported his car under its own propulsion. The distance between old hqrs. and new hqrs. is 600 kms. He incurred an amount of Rs.3800 for transportation of car. Prescribed rates at starting point are Rs.7 per km. Reimbursement for transportation of car shall be
 a) Rs.3800 b) Rs.4200 c) Rs.4000 d) Rs.3900
117. If car is sent loaded in a truck, the claim shall be allowed to the extent of prescribed rates by truck of
 a) Rs.16 per km b) Rs.8 per km c) Reaching point d) Starting point

Key:

1. b	2. d	3. c	4. d	5. a	6. b	7. d	8. b	9. d	10. c
11. a	12. a	13. b	14. a	15. c	16. a	17. b	18. a	19. b	20. c
21. d	22. b	23. d	24. d	25. b	26. c	27. a	28. c	29. c	30. b
31. a	32. b	33. c	34. a	35. d	36. d	37. b	38. d	39. d	40. b
41. a	42. d	43. b	44. d	45. c	46. b	47. c	48. a	49. a	50. c
51. d	52. d	53. b	54. c	55. a	56. a	57. d	58. a	59. c	60. d
61. b	62. d	63. a	64. b	65. d	66. a	67. b	68. c	69. b	70. a
71. b	72. c	73. d	74. c	75. d	76. b	77. c	78. d	79. c	80. a
81. b	82. c	83. b	84. b	85. a	86. c	87. d	88. a	89. b	90. d
91. c	92. c	93. a	94. d	95. b	96. b	97. c	98. c	99. b	100. b
101. d	102. b	103. a	104. d	105. d	106. d	107. a	108. d	109. c	110. a
111. b	112. c	113. a	114. b	115. d	116. b	117. d			

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Leave Rules - An overview

Notes on Leave rules:

1. Leave cannot be claimed as of right.
2. Nature of leave applied can be refused or revoked, but it shall not be open to the competent authority to alter the kind of leave due and applied except at the written request of the G.S..
3. At the request of the Govt. servant, the authority which granted him leave may commute it retrospectively into leave of a different kind provided the G.S. applies the same within 30 days from joining his duty on the expiry of the leave. However, this cannot be claimed as a matter of right.
4. Except as otherwise provided in these rules, any kind of leave under these rules may be granted in combination with or in continuation of any other kind of leave.
 - Casual leave, which is not recognized as leave under these rules, shall be not combined with any other kind of leave admissible under these rules.
5. No Govt. servant shall be granted leave of any kind for a continuous period exceeding 5 years.
6. Holidays preceeding/succeeding the leave may be permitted to be prefixed/suffixed to leave.
7. Wilful absence from duty after the expiry of leave renders a Govt. servant liable to disciplinary action.

Different kinds of leave:

Nature of leave	Conditions of leave	Maximum limit
Earned leave	<ul style="list-style-type: none">❖ Earned leave will be credited at the rate of 2 ½ days for each completed month.❖ Will be given as an advance credit of 15 days each on 1st Jan. and on 1st July every year.❖ Earned leave can be accumulated up to a maximum of 300 days. The same can be en cashed at the time of final cessation of duties limited to 300 days in entire career.❖ Ensuring credit of EL would be reduced to the extent of 1/10 of Extra-ordinary leave and/or period of absence treated as dies-non, during previous half-year.❖ Unavailed Joining time can be credited to the Earned leave account, subject to the conditions laid down in Rule.6 (1) of CCS (JT) Rules, 1979, up to a maximum of 300 days.❖ While affording credit of earned leave, fractions of a day shall be rounded off to the nearest day.❖ Earned leave can be encashed while availing LTC subject to a maximum of 60 days in entire career	180 days each instance subject to title.

Half pay leave	<ul style="list-style-type: none"> ❖ HPL will be credited at the rate of 5/3 days for each completed month. ❖ Will be given as an advance credit of 10 days each on 1st Jan. and on 1st July every year. ❖ HPL can be accumulated, however there is no max. limit. ❖ Ensuring credit of HPL would be reduced to the extent of 1/18 of the period of absence treated as dies-non during previous half year, if any. ❖ Can be applied with or without medical certificate. 	No max. limit but subject to title.
Commuted leave	<ul style="list-style-type: none"> ❖ Twice the amount of HPL would be debited for each commuted leave availed ❖ It should be sanctioned only with medical certificate. ❖ Comm. leave can be sanc. without MC in following. cases <ul style="list-style-type: none"> a) For higher studies certified to be in public interest limited to 180 days in entire career.(180 HPLs) b) In continuation of Maternity leave for 60 days. c) To female Govt. servants on adoption of a child for 60 days. 	Not exceeding half the amount of Half Pay Leave
Leave not Due	<ul style="list-style-type: none"> ❖ Leave not due can be sanctioned to Government servants on medical certificate provided : <ul style="list-style-type: none"> a) The authority competent to grant leave is satisfied that there is reasonable prospect of the Govt. Servant returning to duty on its expiry; b) Leave not due shall be limited to the half pay leave he is likely to earn thereafter; c) Leave not due shall be debited against the half pay leave the Govt. servant may earn subsequently. ❖ Leave not due can be sanctioned to permanent Govt. servants only. ❖ LND can also be sanctioned to temp. Govt. servants if:- <ul style="list-style-type: none"> a) the Govt. servant has put in a minimum of one year's service; b) that the post from which the G.S. proceeds on leave is likely to last till his return to duty; c) the leave is due to his suffering from TB, Leprosy, Cancer or Mental Illness ❖ LND can be granted without medical certificate in the following cases: <ul style="list-style-type: none"> a) In continuation of maternity leave upto a maximum b) For adoptive mothers upto 60 days 	360 days during entire service

Extra-ordinary leave	<ul style="list-style-type: none"> ❖ Extraordinary Leave may be granted to a Govt. Servant in special circumstances:- <ul style="list-style-type: none"> b) when no other leave is admissible; and c) when other leave is admissible, but the Govt. servant applies in writing for the grant of such leave ❖ The authority competent to grant leave may commute retrospectively periods of absence without leave into extraordinary leave. ❖ EOL can be availed with or without medical certificate. 	No Maximum limit, however should not exceed 5 years including all kinds of leave due and admissible.
Maternity leave	<ul style="list-style-type: none"> ❖ A female Government servant with less than two surviving children may be granted maternity leave by an authority competent to grant leave for a period of 180 days. ❖ During maternity leave salary equal to the pay drawn immediately before proceeding on leave shall be paid. ❖ Maternity leave not exceeding 45 days may also be granted to a female Government servant during the entire service in case of miscarriage including abortion on production of medical certificate. ❖ Maternity leave may be combined with leave of any other kind. ❖ Can be sanctioned to female Government servant (Married/Unmarried). 	<p>Will not be sanctioned if having two surviving child.</p> <p>45 days during entire service in case of Abortion/mis-carriage.</p>
Child Care Leave	<ul style="list-style-type: none"> ❖ Women employees having minor children may be granted Child Care Leave by an authority competent to grant leave, for a maximum period of two years (i.e 730 days) during their entire service for taking care of up to two children, whether for rearing or to look after any of their needs like examination, sickness, etc. CCL may also be allowed for the third year as LND with out MC. ❖ CCL shall be admissible for 2 eldest surviving children only and is not admissible if the child is eighteen years of age or older. ❖ The CCL Account shall be maintained in the proforma prescribed ❖ CCL may not be granted in more than 3 spells in a calendar year ❖ CCL can be granted for less than 15 days also (DOPT OM No.13018/6/2013-Estt.(L) Dated 05-06-2014) ❖ CCL should not ordinarily be granted during the probation period except in case of certain extreme situations where the leave sanctioning authority is fully satisfied about the need of CCL to the probationer. It may also be ensured that the period for which this leave is sanctioned during probation is minimal ❖ In respect of disabled/mentally challenged children, it is permitted upto the age of 22 years of child subject to production of certificates. 	Can be granted up to entire 730 days in one spell

<p>Maternity leave on adoption of child</p>	<ul style="list-style-type: none"> ❖ A female government servant having less than two surviving children can be sanctioned maternity leave up to a maximum of 180 days. ❖ Leave of kind due and admissible including commuted leave not exceeding 60 days can be granted without production of medical certificate. ❖ LND and Commuted Leave shall be restricted up to one year reduced by the age of the adopted child on the date of legal adoption. While computing this period the period of Adoption leave shall not be taken into account. 	<p>180 days</p>
<p>Paternity leave</p>	<ul style="list-style-type: none"> ❖ A male Government servant with less than two surviving children, may be granted Paternity leave by an authority competent to grant leave for a period of 15 days, during confinement of his wife for childbirth i.e. up to 15 days before or up to six months from the date of delivery of the child. ❖ During Paternity leave salary equal to the pay drawn immediately before proceeding on leave shall be paid. ❖ Paternity leave may be combined with leave of any other kind. 	<p>Will not be sanctioned if having two surviving child</p>
<p>Special Disability leave for injury intentionally inflicted</p>	<ul style="list-style-type: none"> ❖ The authority competent to grant leave may grant special disability leave to a Government servant who is disabled by injury intentionally inflicted or caused in, or in consequence of the due performance of his official duties or in consequence of his official position. ❖ This leave shall not be granted unless the disability manifested within three months of the occurrence to which it is attributed. ❖ The authority competent to grant leave may, if it is satisfied as to the cause of the disability, permit leave to be granted in cases where the disability manifested itself more than three months of its occurrence ❖ Maximum limit in respect of any one disability is 24 months. ❖ Special disability leave may be combined with leave of any other kind. ❖ Leave salary will be equal leave salary while on earned leave for first 120 days. ❖ Leave salary in excess of 120 days will be paid at the rates equal to that of leave salary while on Half pay leave. ❖ Government servant may, at his option, be allowed leave salary equal to that of while on earned leave for the period exceeding 120 days, if he agrees to debit equal number of days to his Half Pay leave account. 	<p>Any number of times during entire service</p>
<p>Special Disability leave for accidental injury</p>	<ul style="list-style-type: none"> ❖ The authority competent to grant leave may grant special disability leave to a Government servant who is disabled by injury; <ul style="list-style-type: none"> b) Accidentally incurred in, or c) In consequence of, the due performance of his official duties, or 	<p>Any number of times during entire service</p>

	<p>d) In consequence of his official position, or</p> <p>e) By illness incurred in the performance of any particular duty, which has the effect of increasing his liability to illness or injury</p> <p>Beyond the ordinary risk attaching to the civil post which he holds.</p> <ul style="list-style-type: none"> ❖ The disability must be certified by an Authorized Medical Attendant to be directly due to the performance of the particular duty. ❖ Maximum leave that can be sanctioned is 120 days with leave salary equal to that of while on earned leave. ❖ Certified absence in excess of 120 days will be covered by grant of any other kind of leave. 	
Hospital leave	<ul style="list-style-type: none"> ❖ May be granted to Class.IV Government servants and such Class.III Government servant whose duties involve the handling of dangerous machinery, explosive materials, poisonous drugs and the like, or the performance of hazardous tasks. ❖ Hospital leave shall be granted on the production of medical certificate from an Authorized Medical Attendant. ❖ Leave salary will be equal leave salary while on earned leave for first 120 days. ❖ Leave salary in excess of 120 days will be paid at the rates equal to that of leave salary while on HPL. ❖ Government servant may, at his option, be allowed leave salary equal to that of while on earned leave for the period exceeding 120 days, if he agrees to debit equal number of days to his Half Pay leave account. 	Any number of times during entire service
Seamen's sick leave	<ul style="list-style-type: none"> ❖ A Government servant serving as an officer, warrant officer or petty officer on a Government vessel may, while undergoing medical treatment for sickness or injury, either on his vessel or in hospital, be granted Seamen's sick leave. ❖ Can be sanctioned for a period not exceeding six weeks on leave salary equal to full pay. ❖ This leave shall not be granted in Government Medical Officer certifies that the Government servant is malingering or that his ill-health is due to drunkenness or similar self-indulgence or to his own actions in willfully causing or aggravating disease or injury. ❖ Can be extended up to three months subject to certain conditions. 	Any number of times during entire service
Departmental leave	<ul style="list-style-type: none"> ❖ May be granted to Class.III Government servants and to Class.IV Government servants in the Survey of India, attached to Survey Parties with field and recess duties. ❖ May be granted to seasonal staff in the Posts and Telegraphs Department, whose duties are not continuous but are limited to certain fixed periods in each year. ❖ In addition to leave due and admissible, departmental leave 	

	<p>may be granted only to Government servants whose services are temporarily not required.</p> <ul style="list-style-type: none"> ❖ Departmental leave with leave salary may be granted at times other than the recess, for not more than six months at a time, provided the leave is granted in the interests of Government and not at the request of the Government servant. ❖ Departmental leave can be sanctioned with/without leave salary. ❖ A Government servant on Departmental leave with leave salary shall be paid leave salary equal to 25% of the leave salary admissible during during earned leave. No Allowance, except Dearness Allowance, shall be admissible on such leave salary. ❖ Leave Salary will be paid on the last day of a month up to first six months and thereafter it shall be paid when the Government servant returns to duty. ❖ Departmental leave may be granted when no leave is due. ❖ Departmental leave may be combined with any other kind of leave which may be due. ❖ Departmental leave does not count as duty and such leave shall not be debited to leave account. 	
Study Leave	<ul style="list-style-type: none"> ❖ Study leave may be granted to a Government servant with due regard to the exigencies of public service to enable him to undergo, in or out of India, a special course of study consisting of higher studies or specialised training in a professional or a technical subject having a direct and close connection with the sphere of his duty. ❖ Study leave shall not be granted unless <ul style="list-style-type: none"> ➤ It is certified by the authority competent to grant leave that the proposed course of study or training shall be of definite advantage from the point of view of public interests, ➤ It is for prosecution of studies in subjects other than academic or literary subject ❖ Study leave out of India shall not be granted for the prosecution of studies in subjects for which adequate facilities exist in India or under any of the Schemes administered by the Department of Economic Affairs of the Ministry of Finance or by the Ministry of Education. ❖ Study leave may be granted to a Government servant <ul style="list-style-type: none"> ➤ Who has satisfactorily completed period of probation and has rendered not less than five years' regular continuous service including the period of probation under the Government. ➤ Who is not due to reach the age of superannuation from the Government service within three years from the date on which he is expected to return to duty after the expiry of the leave and ➤ Who executes a Bond undertaking to serve the Government for a period of three years after the expiry 	24 months

	<p style="text-align: center;">of the leave.</p> <ul style="list-style-type: none"> ❖ The maximum amount of study leave, which may be granted to a Government servant shall be <ul style="list-style-type: none"> ➤ Ordinarily 12 months at any one time and ➤ 24 months in all (during entire service) ❖ Study leave can be availed of by a G/s in more than one spell subject to the maximum limit. ❖ If an official resigns from service or otherwise quits service within 3 years after return to duty or had not returned to duty, or fails to complete the course of study should refund <ul style="list-style-type: none"> ➤ The actual amount of leave salary, study allowance, cost of fees, TA and other expenses incurred by the Government; and ➤ The actual amount, if any, incurred by other agencies such as Foreign Governments, Foundations, Trusts etc. in connection with the course of study, within interest thereon at the prescribed rates. 	
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CASH OF EQUIVALENT OF LEAVE SALARY: [Rule.39]

Earned leave available at the credit of the Govt. Servant can be encashed at the time of final cessation of duties in the manner indicated below for a lump sum amount called Cash Equivalent of Leave Salary. This encashment is available at half the rates indicated below in case the Govt. Servant resigns from service.

$$\text{Cash equivalent of leave salary} = (\text{Pay} + \text{GP} + \text{DA}^*) \times \frac{\text{No. of days available at the credit of the Government servant}}{30}$$

** (admissible on the date of final cessation of duties)*

A Govt. servant may be permitted to encash earned leave up to a maximum of 10 days at the time of availing Leave Travel Concession in the same manner indicated above, while in service, subject to the conditions :-

- (a) *a balance of at least 30 days of earned leave be available to this credit after taking into account the period of encashment as well as leave;*
- (b) *the total leave so encashed during the entire career does not exceed 60 days in the aggregate;*

Half Pay leave available at the credit of the Govt. Servant can also be encashed, in the manner indicated below, at the time of final cessation of duties, in the event the encashment of earned leave is falling short of 300 days.

$$\text{Cash equivalent of leave salary} = (\text{Half Pay} + \text{Half GP} + \text{DA corresponding on the date of encashment}) \times \frac{\text{No. of days available at the credit of the Government servant}}{30}$$

The total EL and HPL so encashed shall not in any case exceed 300 days. Commuted Leave cannot be encashed.

Example : Mr. X was having a balance of 258 days of EL at his credit as on date of his retirement. He was drawing a pay of Rs.18000 in PB.2 with a Grade Pay of Rs.4200. as on date of retirement i.e. 31-10-2011. Work-out the Cash equivalent of leave salary admissible to him.

Sol.:

EL available as one date of retirement i.e. 31-10-2011	= 258 days
Pay as on date of final cessation of duties	= Rs.18000
Grade Pay as on final cessation of duties	= Rs.4200
Dearness Allowance as on final cessation of duties	= Rs.12876 (at 58% of Pay+GP)
Cash Equivalent of Leave Salary (CELS)	= (18000 + 4200 + 12876) X 258/30
	= Rs.301654 in-lump

In the above case CELS, will be the same even if the Government servant retired on superannuation or on voluntary grounds or on invalidation grounds. The amount will be the same even in case of death of Government servant while in service.

However, the amount will be equal to half the amount i.e. at Rs.150827, in case the Government servant opts for resignation.

Example : Mr. X was having a balance of 240 days of EL and 330 days of HPL at his credit as on date of his retirement i.e. 30-04-2012. Calculate the Cash Equivalent of Leave Salary admissible to him if he is receipt of the following pay and allowances and retirement benefits as on 30-04-2012:

Pay	:	Rs.22000
Grade Pay	:	Rs. 5400
Dearness Allowance	:	@65%
HRA	:	Rs. 2250
CCA	:	Rs. 300

Sol.:

EL available as on date of retirement i.e. 30-04-2012	= 240 days
HPL available as on date of retirement	= 330 days
Pay as on date of final cessation of duties	= Rs.22000
Dearness Pay as on final cessation of duties	= Rs. 5400
Dearness Allowance as on final cessation of duties	= Rs.17810 (at 65% of Pay+GP)
Cash Equivalent of Leave Salary (CELS)	= (22000 + 5400 + 17810) X 240/30
	= Rs.361680 in-lump
Half Pay	= Rs.22000/2 = Rs.11000
Half Grade Pay	= Rs. 5400/2 = Rs. 2700
Corresponding DA	= Rs.17810/2 = Rs. 8905
Cash Equivalent of Leave Salary for HPL	= (11000 + 2700 + 8905) X 60/30
	= Rs.45210
Total Cash Equivalent of Leave Salary	= Rs.361680 + Rs.45210
	= Rs.406890

A Government servant can encash a maximum of 300 days at the time of final cessation of duties. Although he is having HPL in excess of 60 considered for encashment, the same shall be treated as lapsed and cannot be commuted.

OBJECTIVE QUESTION :

- 1 Within how many days after joining duty, after availing of leave, commutation of one kind of leave into another kind of leave due is allowed
A) 7 B) 30 C) 15 D) 90
- 2 Maximum amount of continuous leave that can be allowed as per the provisions of CCS (Leave) Rules, 1972
A) 4 Years B) 3 Years C) 8 Years D) 5 Years
- 3 In which form, any Application for leave or extension of leave shall be made
A) Form.1 B) Form.2 C) Form.3 D) Form.4
- 4 Which of the following can not be combined with Earned Leave under Rule 11 of CCS(Leave) Rules, 1972
A) Half Pay Leave B) Extraordinary Leave
C) Paternity Leave D) Casual Leave
- 5 In which form, Leave Account of a Government Servant shall be maintained
A) Form.1 B) Form.2 C) Form.3 D) Form.4
- 6 In which form, Medical Fitness Certificate should be produced
A) Form.5 B) Form.2 C) Form.4 D) Form.1
- 7 The CCS(Leave)Rule that says “Wilful absence from duty after the expiry of leave renders a Government Servant liable to disciplinary action”
A) Rule 21 B) Rule 23 C) Rule 25 D) Rule 27
- 8 The amount of Earned Leave that can be earned by a Government Servant in a calendar year is
A) 30 B) 10 C) 20 D) 40
- 9 Un-availed Joining Time can be added to which of the following
A) HPL Account B) Casual Leave Account
C) EL Account D) None of these
- 10 The amount of EL that should be deducted from the EL to be afforded on the 1st day of a particular half year for the EOL/dies-non if any in the previous half year
A) 1/5th of such (EOL+dies-non) B) 1/18th of such (EOL+dies-non)
C) 1/10th of such (EOL+dies-non) D) 1/4th of such (EOL+dies-non)
- 11 The maximum amount of Earned Leave that can be accumulated by a Government servant is
A) 300 B) 240 C) 360 D) 225
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- 12 Half Pay Leave that should be afforded on the 1st day of January and July of every calendar year
A) 5 B) 10 C) 20 D) 8
- 13 The Rule number where the Provisions for Calculation of Earned Leave are discussed
A) Rule 26 B) Rule 27 C) Rule 28 D) Rule 29
- 14 The amount of HPL that should be deducted from the HPL to be afforded on the 1st day of a particular half year for the period of unauthorized absence treated as dies-non in the previous half year
A) 1/5th of such dies-non B) 1/18th of such dies-non
C) 1/10th of such dies-non D) 1/4th of such dies-non
15. Leave Not Due shall be debited against which of the following leave the Government Servant may earn subsequently
A) Earned Leave B) Paternity Leave
C) Extraordinary Leave D) Half Pay Leave
- 16 The maximum amount of Leave Not Due that may be granted to a Government Servant during the entire service on Medical Certificate is
A) 300 days B) 240 days C) 360 days D) 225 days
- 17 Medical Certificate not necessary for Leave Not Due when it is applied in continuation of which of the following leave
A) Maternity Leave B) Child Adoption Leave
C) Child Care Leave D) All the above
- 18 The total number of Earned Leave that a Government servant can encash along with Leave Travel Concession during the entire career does not exceed
A) 30 days B) 50 days
C) 60 days D) 100 days
- 19 Encashment of EL may be granted to a Government Servant who resigns or quits from service to the extent of
A) Such EL at credit B) half of such EL at credit
C) One-fourth of such EL at credit D) None of these
- 20 The HPL that can be allowed to encash at the time of retirement in respect of a government servant who has 281 days EL at his credit
A) 38 days B) 31 days
C) 19 days D) None of these
- 21 The orders on “Cash Equivalent for EL and HPL subject to overall limit of 300 days” as per the recommendations of VI CPC shall take effect from
A) 1.1.2006 B) 1.7.2007
C) 1.9.2009 D) 1.9.2008
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- 32 In which form a Gazetted Government Servant should produce a Medical Certificate
- A) Form.1 B) Form.2 C) Form.3 D) Form.4
- 33 The maximum amount of study leave that may be granted to a government servant other than Central Health Service Officers during his/her entire service shall be
- A) 12 Months B) 24 Months C) 36 Months D) 48 Months
- 34 Which of the following combinations of leave will not be accepted
- A) Spl.CL+CL B) Spl.CL+EL C) Spl.CL+RH D) CL+Spl.CL+EL
- 35 Combining half a day's Casual Leave with Regular Leave is discussed in which of the following
- A) Rule 10 B) Rule 10(GID) C) Rule 11(GID.1) D) Rule 11(GID.2)
- 36 The amount of EL and HPL to be to be afforded on 1.1.2010, who was on EOL from 9.9.09 to 8.10.09 and a period of unauthorized absence from 14.7.09 to 5.8.09 treated as dies-non
- A) EL-8 & HPL-7 B) EL-7 & HPL-7 C) EL-7 & HPL-3 D) EL-10 & HPL-9
- 37 The amount of EL to be deducted while affording credit on 1.7.2010, who was on EOL from 2.1.2010 to 21.6.2010
- A) 18 days B) 9 days C) 15 days D) 6 days
- 38 The EL to be afforded for the first half year of 2010 in respect of a government servant who was appointed on 2.2.2010
- A) 13 days B) 10 days C) 15 days D) 12 days
- 39 The maximum amount of LND that can be sanctioned to a female government servant whose date of birth is 15.3.1955 and applied LND for the first time in her career from 1.9.2010
- A) 58 days B) 9 days C) 15 days D) 85 days
- 40 The number of EL to be afforded on 1st July 2011 in respect of a government servant whose date of birth is 1st August 1951
- A) 3 days B) 5 days C) 7 days D) 9 days

KEY

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|----------|----------|----------|----------|
| 1. B | 11. A | 21. A | 31. C |
| 2. D | 12. B | 22. B | 32. C |
| 3. A | 13. B | 23. D | 33. B |
| 4. D | 14. B | 24. C | 34. D |
| 5. B | 15. D | 25. A | 35. D |
| 6. A | 16. C | 26. C | 36. D |
| 7. C | 17. D | 27. B | 37. C |
| 8. A | 18. C | 28. B | 38. B |
| 9. C | 19. B | 29. C | 39. D |
| 10. C | 20. C | 30. A | 40. A |
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Leave Travel Concession

1. These Rules are called Central Civil Services (Leave Travel Concession) Rules, 1988 and are effective from 21st May 1988.
 2. These rules shall apply to all persons-
 - who are appointed to civil services and posts including civilian Government servants in the Defence Services in connection with the affairs of the Union;
 - who are employed under a State Government and who are on deputation with the Central Govt.;
 - who are appointed on contract basis; and
 - who are re-employed after their retirement.
 3. These rules shall not apply to –
 - Government servants not in whole-time employment;
 - persons in casual and daily-rated employment;
 - persons paid from contingencies;
 - Railway servants;
 - members of the Armed Forces;
 - local recruits in Indian Missions abroad; and
 - persons eligible to any other form of travel concession available during leave or otherwise.
 - Employees and spouses of employees of Indian Railways and National Airlines, since they are entitled to “Free Pass”.
 4. Family for the purpose of LTC means :-
 - Spouse, irrespective of dependency criteria
 - Unmarried Son(s)/Daughters including step children, irrespective of whether they are residing with the Government servant or not;
 - Married daughters who have been divorced, abandoned or separated from their husbands and widowed daughters and are residing with the Government servant and are wholly dependent on the the Government servant;
 - parents and/or step mother residing with and wholly dependent on the Government servant;
 - unmarried minor brothers as well as unmarried, divorced, abandoned, separated from their husbands or widowed sisters residing with and wholly dependent on the Government servant, provided their parents are either not alive or are themselves wholly dependent on the Government servant.

The definition of family includes only two surviving children. However, in case of employees who already have more than two children born prior to 20-10-1998, this restriction doesn't apply.

All family members excluding spouse, shall forfeit their place in the definition if their income from all sources, including pension, temporary increase in pension exceeds Rs.1500 per month.
 5. Every Government servant shall declare his “Hometown” within 6 months from the date of his entry in to service.
 6. The Hometown once declared and accepted by the Controlling Officer shall be treated as final. In exceptional circumstances, the Head of the Department or if the Government servant himself is the Head of the Department, the Administrative Ministry, may authorize a change in such declaration, provided that such a change shall not be made more than once during the service of a Government servant.
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7. When the concession to visit any place in India is proposed to be availed of by a Government servant or any member of the family of such Government servant, the intended place of visit shall be declared by the Government servant, in advance to the controlling officer.
 8. The declared place of visit can be changed before the commencement of the journey with the approval of the controlling officer, but it cannot be changed once the journey had commenced.
 9. In terms of Rule.7, LTC is admissible to all persons if they have completed one years' continuous service under the Central Government on the date of journey performed by him or his family.
 10. LTC shall be admissible during any period of leave including casual leave and special casual leave, but is not admissible for journey during the weekend holidays without any leave.
 11. This concession will not, however, be admissible to a Government servant who proceeds on regular leave and then resigns his post without returning to duty.
 12. A Government servant who declares that his hometown in outside India, will also be entitled to the leave travel concession for visiting his hometown. Governments' assistance in such a case will be limited to the share of the fares for journey:
 - (i) Up to and from the railway station (by the shortest route) nearest to the hometown or
 - (ii) The railway station for the nearest port of embarkation/disembarkation in India.The term "nearest port" for this purpose means the port in India nearest to the hometown of Govt. servant.
 13. This concession is not admissible to persons while on suspension. However, the members of his family are entitled to LTC as per usual terms.
 14. Current block of LTC : 2010-2013
 15. This block of 4 calendar years is sub-divided into two sub-blocks : 2010-2011 & 2012-2013.
 16. The LTC to hometown shall be admissible irrespective of the distance between the headquarters of the Government servant and his hometown once in each sub-block.
 17. The LTC to any place in India shall be admissible irrespective of the distance of the place of visit from the headquarters of the Government servant once in a block of 4 years against one sub-block.
 18. Fresh recruits may avail the concession of LTC to their home tome on three occasions and once to any where in India, in a block of four year along with their family. This concession is admissible for the first eight years from the date of appointment.
 19. Extention of block is not admissible in the above cases.
 20. If a Government servant was unable to avail his LTC concession during a particular sub-block, the same can be carried over for a period of 1 calendar year. Concession not availed during the sub-block 2008-2009 can be availed on or before 31-12-2010.
 21. A Government servant and each member of his family may visit different places of their choice at their convenient dates against LTC any where in India.
 22. However, return journey shall be completed by each of them within six months from the date of their outward journey. In exceptional circumstances, the limit of six months can be extended by the controlling officer.
 23. The block to which the claim relates to can be ascertained from the date of outward journey. The outward journey in respect of concession intended during a sub-block should commence on or before 31st December of second calendar year of that sub-block. Return journey can be performed even during next calendar year within 6 months from the date of outward journey.
 24. Reimbursement under the Leave Travel Concession scheme shall not cover incidental expenses and expenditure incurred on local journeys. Reimbursement for expenses of journey shall be allowed on the basis of a point to point journey on a through ticket over the shortest direct route.
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25. Entitlement to Leave Travel Concession under various modes of transportation is the same for TA and LTC.
 26. Journey by private airlines is not permissible in respect of entitled officers.
 27. A claim for reimbursement of expenditure incurred on journey under leave travel concession shall be submitted within three months after the completion of the return journey, if no advance had been drawn. Failure to do so will entail forfeiture of the claim and no relaxation shall be permissible in this regard.
 28. Advance may be granted to Government servants to enable them to avail Leave Travel Concession. The amount of such advance in each case shall be limited to 90% of the estimated amount, which Government would have to reimburse in respect of the cost of the journey both ways.
 29. If the family travels separately from the Government servant, the advance may also be drawn separately to the extent admissible.
 30. The advance may be drawn both for the onward and return journeys at the time of commencement of the outward journey, provided the period of leave taken by the Government servant or the period of anticipated absence of the members of the family does not exceed three months or ninety days. If this limit is exceeded, then the advance may be drawn for the outward journey only.
 31. If a decision is taken by the Disciplinary Authority to initiate disciplinary proceedings against a Government servant on the charge of preferring a fraudulent claim of LTC, such Government servant shall not be allowed the Leave Travel Concession till the finalization of such disciplinary proceedings.
 32. If the disciplinary proceedings result in imposition of any of the penalties specified in Rule.11 of Central Civil Services (Classification, Control and Appeal) Rules, 1965, the Government servant shall not be allowed the next two sets of the Leave travel concession in addition to the sets already withheld during the pendency of the disciplinary proceedings. The Controlling Authority can also disallow more than two sets of LTC, for reasons recorded in writing.
 33. If however, a Government servant is fully exonerated of the charge of fraudulent claim of LTC, he shall be allowed to avail of the concession withheld earlier as additional set(s) in future block years but before the normal date of his superannuation.
 34. If both husband and wife are Central Government servants----
 - (a) they can declare separate home towns independently;
 - (b) they can claim LTC for their respective families, viz., while the husband can claim for his parents/minor brothers/sisters, the wife can avail for her parents/minor brothers/and sisters;
 - (c) the children can claim the concession as members of family of any one of the parents in a particular block;
 - (d) the husband or wife who avails LTC as a member of the family of the spouse, cannot claim independently for self.
 35. Between places not connected by any other means of transport, a GSs can avail animal transport like pony, camel, elephant etc.. In such cases mileage allowance will be admissible at the rate admissible for journey on transfer.
 36. If a Government servant performs journey by purchasing a circular tour ticket offered by Indian Railways, his claim will be regulated as between the Headquarters and the home town/declared place of visit by the shortest direct route by the class of accommodation for which the ticket was actually purchased or entitled class, whichever is less.
 37. LTC is not admissible for journeys performed in a private car (owned, borrowed or hired) or chartered bus, van or other vehicle owned, operated by private operators.
 38. LTC is admissible for journeys conducted by Tourism Development Corporations in the Public Sector, State Transport Corporations and Transport Services run by other Government local bodies. In such cases, the Government servant will be entitled to reimbursement of.....
 - (i) the actual hire charges on the chartered vehicle; or
 - (ii) the amount reimburseable had the journey to the declared place of visit been performed by the entitled class by rail by the shortest direct route; -----Whichever is least.
 39. Earned leave encashment can be availed for LTC for a maximum of 10 days limited to 60 days in entire career. Ten days can be encashed even if the leave for LTC is 1 day or even in case of avilment of LTC on casual leave. If both wife and husband are Government servants both can avail encashment.
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The preamble of the Constitution of India embodies the solemn resolve of the people of India :

- to constitute India into a Sovereign Socialist Secular Democratic Republic and
- to secure to all its citizens;
 - Justice – Social, Economical and Political,
 - Liberty of thought, expression, belief, faith and worship,
 - Equality of status and of opportunity; and to promote among them all
 - Fraternity assuring the dignity of the individual and the unity and integrity of the Nation.

President

Vs

Parliament

In terms of Article.54 of Constitution of India, the President is elected by electoral college consisting of

- the elected members of both Houses of Parliament; and
- the elected members of the Legislative Assemblies of the States;

Powers :

Administrative Powers : The administration of the Union is conducted in the name of the President of India. He distributes work among the Ministers and makes rules of business for the Government. As such the President of India has the power to appoint :

- The Prime Minister of India
- Ministers of the Union on the advice of the Prime Minister of India
- The Judges of the Supreme Court and High Court
- The Attorney General
- The Comptroller and Auditor General of India
- The Chairman and members of the UPSC and Joint Public Service Commission
- The Governors of the States
- The Finance Commission
- The Election Commission and the number of other Commissions etc.

He can remove :

- Ministers, individually,
- The Attorney General
- The Governor of a State
- The Chairman and members of the Union Public Service Commission.

Military Powers :

The President of India is the Supreme Commander of the Defence Forces of India. He exercises vast authority in the interest of the defence and security of the country. Although the President is vested with the Supreme command of Armed Forces, he cannot declare war against a country or employ troops without due regard to the wishes of the Parliament in terms of Article 53(2).

Diplomatic Powers :

The President of India sends and receives High Commissioners, Ambassadors and other diplomatic representatives. He negotiates with other countries, makes treaties and signs International agreements. These powers are exercised by him as the entire executive authority is vested in him.

Legislative Powers :

The President of India enjoys the following powers in relation to legislature which comprises of Rajya Sabha and Lok Sabha :

- a) Assent of Bills and power to veto (Article.111) : All bills passes by the Parliament require the assent of the President. A bill will become an Act after it receives the assent of the President. When a bill is passed by both Houses of Parliament, it should be presented to the President, who may :
 - Declare assent of the bill;
 - Declare that he withholds assent of the bill or
 - In cases of bills other than Money Bill return the bill with or without any message suggesting amendment to Parliament for re-consideration. However, on re-consideration if Parliament passes the bill for the second time with or without amendment, the President cannot withhold its assent.
 - b) Summoning, prorogation and dissolution (Article 85 & 108): The Preseident can summon, prorogue either House or both Houses of Parliament. He can also dissolve the House of People. He can also summon the joint sitting of both Houses of Parliament in cases of a deadlock between them.
 - c) Right to address and send messages (Article 86) : The President can address either House or both Houses of Parliament assembled together at any time and require for this purpose the attendance of members. He can also send message to either Houses of Parliament, whether with respect to a bill then pending in Parliament or otherwise and the House must consider the message with all convenient dispatch.
 - d) Opening Address (Article 87) : The President address both Houses of Parliament assembled together at the commencement of the first session after each general election and at the commencement of the first session of each year.
 - e) Nomiation of members (Article 80 & 330) : The President nominates twelve members to the Council of States. He can also nominate two members of the Anglo-Indian community to the House of People, if he is of the opinion that the community was not adequately represented.
 - f) Power to promulgae Ordinances (Article 123) : When both Houses of Parliament are not in session the President can promulgate Ordinances. An Ordinance will have the same effect as an Act of Parliament. However, every such ordinance must be laid before both Houses of Parliament immediately when sessions operate. The Ordinance shall have to be approved by the Parliament or otherwise it expires on completion of six weeks after the re-assembly of Parliament.
 - g) Previous sanction to legislation (Article 3,113,117 & 274) : Prior sanction of the President is necessary for introduction of certain bills in Parliament.
 - h) Prohibition and modification of application of law (Article 364) : The President can prohibit or modify the application of any law to any major port or aerodrome.
 - i) Control over State Legislature (Article 255) : The President can excise control over State Legislature through the Governor of the State, who is nominated by the President. Certain State Bills are reserved for the consideration of the President. For example Bills pertaining to subjects in the concurrent list.
 - j) Laying of certain Reports and Statements before Parliament : The President has power to cause certain reports and statements to be laid before Parliament.
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Financial Powers :

The President enjoys the following Financial powers :

- Recommendation for introduction of Money Bills (Article 117) : A money bill cannot be introduced or moved in the House of People except on the recommendation of the President.
- Appointment of Finance Commission (Article 280) : The President appoints every fifth year or at any earlier time a Finance Commission which makes recommendations on financial matters.
- Contingency Fund at his disposal (Article 267) : The Contingency Fund of India is placed at the disposal of President. He makes advances out of this Fund for the purpose of meeting unforeseen expenditure.
- Financial Control through the Indian Audit and Accounts Department (Article 148 & 151) : The President exercises vast financial control through the Indian Audit and Accounts Department. He appoints the Comptroller and Auditor General of India who submits Finance Accounts and Audit Reports to him.

Judicial Powers :

The President enjoys the following Judicial powers :

- Appoint of Chief Justice and other Judges of Supreme Court and High Courts : The President appoints the Chief Justice of Supreme Court of India and other Judges of the High Courts.
- Power to grant Pardon etc. (Article 72) : The President has the power to grant pardons or remissions of punishment or to suspend, remit or commute the sentence of any person convicted of any offence. He acts as the Appellate Authority.

Emergency Powers :

- War, external aggression or armed rebellion (Article 352) : If the President is satisfied that a grave emergency exists where by the security of India or any part thereof is threatened, whether by war or external aggression or armed rebellion, he may, by Proclamation, make a declaration to that effect, in respect of whole of India or such part of the territory thereof as may be specified in the Proclamation. Such a Proclamation may be made before the actual occurrence of war or any such situation, if the President is satisfied that there is imminent danger thereof. Such a proclamation cannot be issued unless the Union Cabinet had issued its consent in writing.
- Failure of constitutional machinery in state (Article 356) : If the President on receipt of a report from the Governor of a State or other wise is satisfied that, the Constitutional machinery in a State had failed and Government of a State cannot be carried in accordance with the provisions of the Constitution of India, he may issue Proclamation of Emergency.
- Financial emergency (Article 360) : If the President is satisfied that a situation has arisen whereby the financial stability or credit of India or of any particular part of the territory thereof is threatened, he may by a Proclamation make a declaration to that effect.

Impeachment of President of India :

Although it never happened in India, Article 61 provides for impeachment of President. If either house of Parliament preferred a charge of violation of the Constitution by the President before the other house, it shall either investigate the charge itself or cause the charge to be investigated. The President shall have the right to appear and to represent at such investigation. If as a result of the investigation, a resolution is passed by a majority not less than two-thirds of the total membership of the House by which the charge was investigated, the resolution shall have the effect of removing the President from his office from the date on which such resolution is passed.

The Comptroller and Auditor General of India

In view of the power vested within the President of India and in terms of Article 148 of the Constitution of India, the President can appoint a Comptroller and Auditor General of India. The Comptroller and Auditor General of India shall perform such duties and exercise such powers in relation to the accounts of the Union and of the States and of any other authority or body as may be prescribed by or under any law made by the Parliament (Article 149). Accordingly legislation had enacted The Comptroller and Auditor General of India (Duties, Powers and Conditions of Service) Act 1971. The following are the duties and powers of the Comptroller and Auditor General of India :

- In terms of **Section 10** of The C&AGs DPC Act, 1971 The Comptroller and Auditor General of India shall be responsible
 - (a) For compiling the accounts of the Union and of each State from the initial and subsidiary accounts rendered to the Audit and the Accounts Offices under his control by treasuries, offices or departments responsible for the keeping of such accounts; and
 - (b) For keeping such accounts to any of the matters specified in clause (a) as may be necessary
 - In terms of **Section 11** of the Act, The C&AG shall, from the accounts compiled by him or by the Government or any other person responsible on that behalf, prepare accounts showing under the respective heads the annual receipts and disbursement for the purpose of the Union of each State and of each Union Territory having a Legislative Assembly. He shall submit these accounts to the President or the Governor of a State or Administrator of the Union Territory having Legislative Assembly as the case may be on or after such dates, as he may, with the concurrence of the President determine.
 - In terms of **Section 12** of the Act, The C&AG shall, in so far as the accounts, for the compilation or keeping of which he is responsible, enable him so to do, give to the Union Government, to the State Governments or to the Governments of Union Territories having Legislative Assemblies, as the case may be, such information as they may, from time to time, require, and render such assistance in the preparation of their annual financial statements as they may reasonably ask for.
 - In terms of **Section 13** of the Act, It shall be the duty of the C&AG :
 - To audit all expenditure from the Consolidated Fund of India and of each State and of each Union Territory having Legislative Assembly and to ascertain whether the moneys shown in the accounts as having been disbursed were legally available for and applicable to the service or purpose to which they have been applied or charged and whether the expenditure conforms to the authority which governs it;
 - To audit all transaction of the Union and of the States relating to Contingency Funds and Public Accounts; and
 - To audit all trading, manufacturing, profit and loss accounts and balance-sheets and other subsidiary accounts kept in any department of the Union or of a State.
 - In terms of **Section 14** of the Act, where any body or authority is substantially financed by grants or loans from the Consolidated Fund of India or of any State or of any Union Territory having Legislative Assembly, the C&AG shall, subject to the provisions of any law from the time being in force applicable to the body or authority, as the case may be, audit all receipts and expenditure of that body or authority and to report on the receipts and expenditure audited by him.
 - In terms of **Section 15** of the Act, where a loan is given for any specific purpose from the Consolidated Fund of India or of any State or of any Union Territory having Legislative Assembly to any authority or body, not being a foreign State or international organisation, the C&AG shall scrutinize the procedures by which the sanctioning authority satisfies itself as to the fulfilment of the conditions subject to which such
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grants or loans were given and shall for this purpose have right to access, after giving reasonable previous notice, to the books and accounts of that authority or body.

- In terms of **Section 16** of the Act, it shall be the duty of the C&AG to audit all receipts which are payable into the Consolidated Fund of India and of each State and of each Union Territory having Legislative Assembly and to satisfy himself that the rules and procedures in that behalf are designed to secure an effective check and the assessment, collection and proper allocation of revenue and are being duly observed and to make for this purpose such examination of the accounts as he thinks fit and report thereon.
- In terms of **Section 17** of the Act, The C&AG shall have authority to audit and report on the accounts of stores and stock kept in any office or department of the Union or of a State.
- In terms of **Section 19** of the Act, The C&AG shall have the authority to audit the accounts of Government Companies in accordance with the provisions of the Companies Act, 1956. Further, it is the duty of the C&AG to audit the accounts of corporations established by or under law made by Parliament, in accordance with the provisions of the respective legislations.

Exclusive Powers of C&AG :

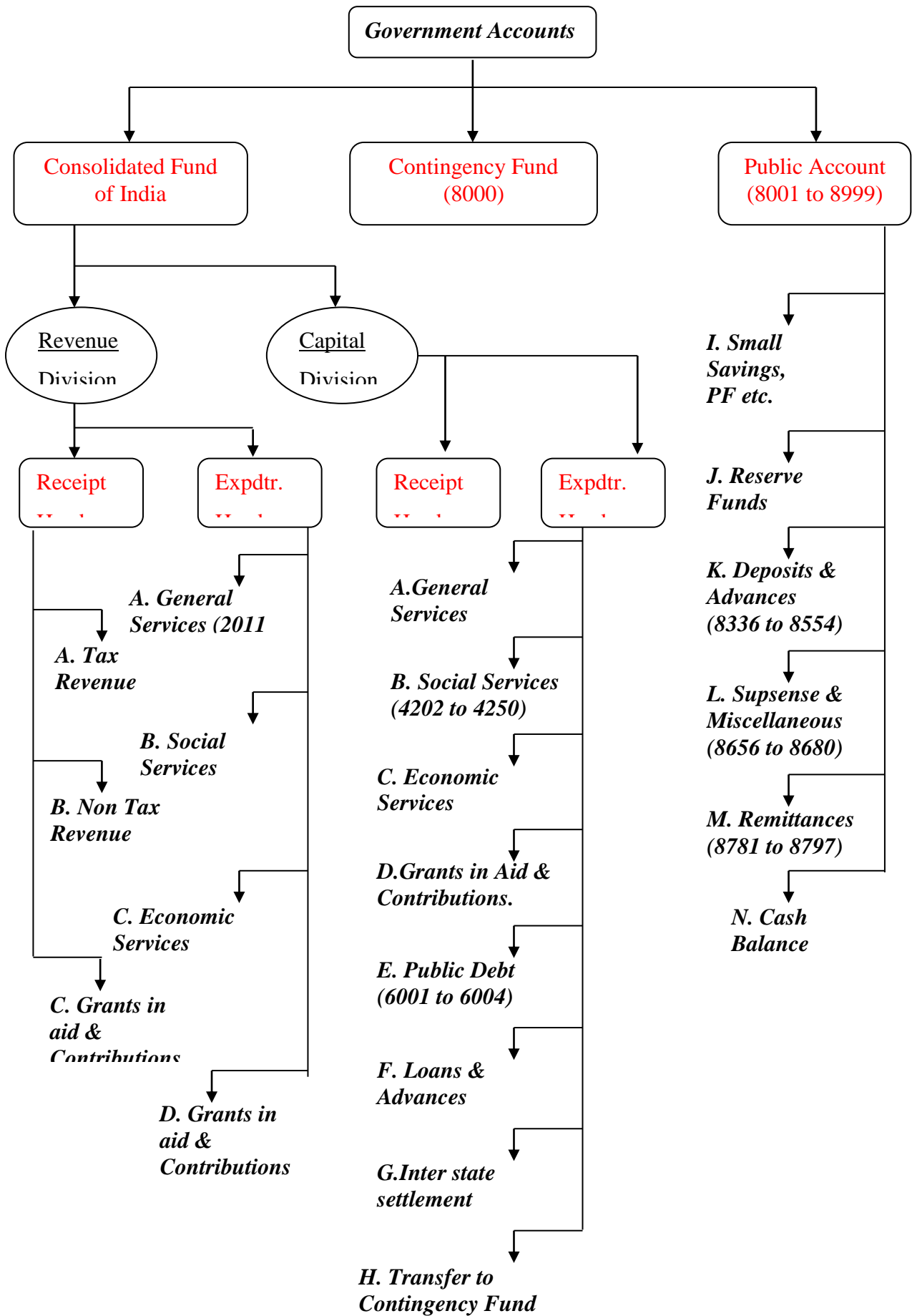
In terms of **Section 18** of C&AG DPC Act, 1971, the Comptroller and Auditor General of India shall in connection with the performance of his duties have authority :--

- To inspect any office of accounts under the control of the Union or of a State, including treasuries and such offices responsible for the keeping of initial or subsidiary accounts, which submit accounts to him;
- To require that any accounts, books, papers and other documents which del with or form the basis of or are otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may appoint for his inspection;
- To put such questions or make such observations, as he may consider necessary, to the person in charge of the office and to call for such information as he may require for the preparation of any account or report which it is his duty to prepare.

In terms of **Section 23** of the Act, The Comptroller and Auditor General is authorised to make regulations for carrying into effect the provisions of C&AG DPC Act in so far as they relate to the scope and extent of audit, including laying down for the guidance of the Government Departments the general principles of Government accounting and the broad principles in regard to audit of receipts and expenditure.

In terms of **Section 24** of the Act, The Comptroller and Auditor-General is authorized to dispense with, when circumstances so warrant, any part of detailed audit of any accounts or class of transactions and to apply such limited check in relation to such accounts or transactions as he may determine.

Structure of Government Accounting System :



Divisions of Government Accounts

In terms of Articles 266, 267 and 283 of Constitution of India read with Rule 3 and Appendix-I of Government Accounting Rules (GAR) 1990, Union Accounts are kept in three main divisions viz. Consolidated Fund, Contingency Fund and Public Account.

Part-I : Consolidated Fund of India : All revenues received by the Government of India (except certain taxes and duties, where whole or part of such proceeds are assigned to states), all loans raised by the Government by issue of treasury bills, loans or ways and means advances and all moneys received by that Government in repayment of loans form part of Consolidated Fund of India. No moneys out of the Consolidated Fund shall be appropriated except in accordance with law of appropriation.

The Consolidated Fund has the following two main divisions :

- **Revenue** : Consisting of Sections for Receipt and Expenditure Heads and it deals with the proceeds of taxation and other receipts classed as Revenue and expenditure met therefrom.
- **Capital, Public Debt, Loans etc.** : It consists of Sections for –
 - Receipts Heads (Capital Account) – deals with receipts of a capital nature which cannot be applied as a set of capital expenditure
 - Expenditure Heads (Capital Account) – deals with expenditure met usually from borrowed funds with the object of increasing concrete assets of a material and permanent character. It also includes receipts of a capital nature intended to be applied as set-off to capital expenditure.
 - Public Debt, Loans and Advances comprises of loans raised and their repayments by Govt. such as Internal Debt, External Debt of the Central Govt. and Loans and Advances made (and their recoveries) by Government. This section also includes certain special types of heads for transactions relating to “Contingency Fund” and “Inter State Settlement”.

Part-II : Contingency Fund of India : Parliament may by law establish a Contingency Fund in the nature of an imprest, into which shall be paid from time to time such sums as may be determined by such law. This Fund shall be placed at the disposal of the President to enable him to make advances, for the purposes of meeting unforeseen expenditure pending authorization of such expenditure by Parliament. The amount thus utilised shall be recouped by charging the Consolidated Fund of India, when the Parliament assembles.

Part-III : Public Account of India : All other public money received by or on behalf of the Government of India shall be credited to the Public Account of India. The Public Account has the following main divisions :

- Debt, Deposits and Advances – comprising receipts and payments other than those falling under Debt heads pertaining to Consolidated Fund, in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid together with repayments of the former (Debt and Deposits) and recoveries of the later (Advances).
- Remittances and Suspense : It embraces all merely adjusting heads, under which appear remittances of cash between treasuries and currency chests and transfer between different accounting circles. The initial debits or credits under the several heads in this division will ultimately be cleared by corresponding receipts and payments either within the same circle of account or in another account circle.

The custody of the Consolidated Fund of India, the Contingency Fund and Public account, the payment of moneys into such Funds, the withdrawal of the moneys therefrom and all other matters connected with or ancillary to matters aforesaid shall be regulated by law made by Parliament and further subject to approval of such law by the President of India.

Similar provisions and accounting procedures were made for the States. Further, Sections 47 and 48 of the Union Territories Act, 1963 contains similar provisions for Union Territories, also.

Allocation of expenditure between Capital and Revenue : (Rule 30 & 31 of G.A.R. 1990)

The principles guiding allocation of expenditure between Capital and Revenue are :

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- Expenditure of a capital nature is broadly defined as expenditure incurred with the object of either increasing concrete assets of a material and permanent character or of extinguishing or reducing recurring liabilities such as those for future pensions by payment of commuted value.
 - It is inherent in the definition of capital expenditure that the assets produced should belong to the authority incurring the expenditure. Expenditure by Government on grants-in-aid to local bodies or institutions for the purpose of creating assets, which belong to these local bodies or institutions, cannot legitimately be considered as capital expenditure.
 - Expenditure on a temporary asset cannot ordinarily be considered as expenditure of a capital nature.
 - Expenditure of a capital nature is distinguished from Revenue expenditure both in the Budget Estimates and in Government accounts.
 - Capital bears all charges for the first construction and equipment of a project as well as charges for intermediate maintenance of the work while not yet opened for service. It also bears charges of such further additions and improvements as may be sanctioned under rules made by competent authority.
 - Revenue bears all subsequent charges for maintenance and all working expenses. These embrace 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 rule made by Government are debitable to the revenue account.
 - As an exception to above point, In the case of works of renewal and replacement, which pertain both of a capital and revenue nature, the allocation of expenditure is regulated by a broad principle that Revenue pays or provides a fund for the adequate replacement of all wastage or depreciation of property originally provided out of capital grants and that only the prescribed rules or formulae or special orders of Government as may be debited to capital.
 - Expenditure on account of reparation of damage caused by extraordinary calamities such as flood, fire, earthquake, enemy action, should be charged to Capital account or to Revenue account or divided between them in such a way as may be determined by Government according to the circumstances of each case.
 - Capital receipts in so far as they relate to expenditure previously debited to Capital heads, accruing during the process of construction of a project, should be utilised in reduction of capital expenditure. Thereafter, their treatment in the accounts will depend on circumstances, but except under a special rule or order of Government, they should not be credited to the revenue account of the department or undertaking.

Public Accounts Committee :

Article 151 of the Constitution imposes on the Comptroller and Auditor General the duty of submission of his reports on the Accounts of the Union to the President who causes them to be laid before each House of Parliament. A Committee on Public Accounts is constituted by Parliament for examining the accounts and for dealing with the reports of the CAG on these accounts. The Committee consists of 15 members of the House of the People who are elected by the House every year from amongst its members and 7 members of Council of States who are nominated from amongst its members.

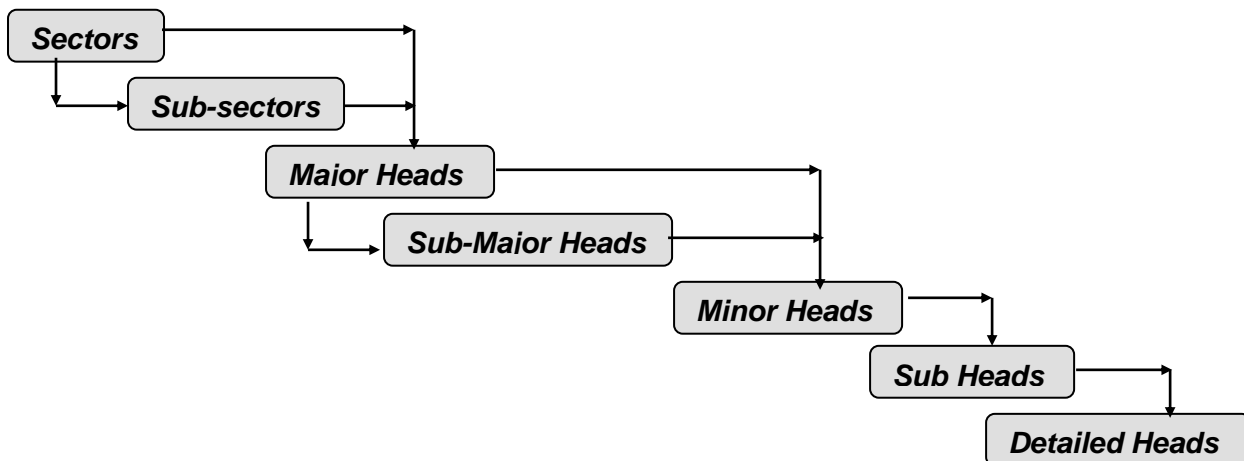
Five tier Classification of Government Accounts

Within each of the divisions and sections of the Consolidated Fund and Public Accounts, the transactions shall be grouped into **Sectors** viz. General Services, Social Services, Economic Services etc.. Sometimes, Sectors are sub-divided into **Subsectors** according to convenience. Sectors are denoted by an alphabet, which indicates a “plan”. These Sectors or subsectors, as the case may be, are further divided into **Major Heads** denoted by a 4 digit code and indicates “functions” viz. Agriculture, Education etc. In some cases Major Heads are sub-divided into **Sub-Major Heads** for the convenience of the accounts. Sub Major Heads are denoted by a 2 digit code.

Major Heads/Sub-Major Heads are further divided into **Minor Heads**, denoted by a 3 digit code and indicates Plan/Non-Plan “Programme”. Minor heads are then divided into **Sub Heads**, which indicates the “scheme” or “activity” of programme. Finally Sub Heads are divided into **Detailed Heads**, which indicates “nature or form of expenditure”, such as salary, TA, investments, loans etc. known as object classification or objects of expenditure.

The Sector (including Sub-sectors), Major Heads (including Sub-Major Heads), Minor Heads, Sub Heads and Detailed Heads together constitute a five-tier arrangement of the classification structure of Government Accounts.

In case of Contingency Fund, there shall be a single Major Head (MH-8000) and all the transactions met out of the Contingency Fund shall be recorded under it.



Primary Unit of Appropriations :

A grant or Appropriation for voted and charged expenditure is distributed by sub-heads or standard objects against which the provision for expenditure appears constitutes a primary unit of appropriation. The primary unit may include provision for both voted and charged expenditure and in that case the amount of each is shown separately. Following are few examples of primary units of appropriation:

- Salaries,
- Wages,
- Dearness Allowance,
- Travel Expenses,
- Office Expenses,
- Publications

Outlines of the system of accounts of Central Government : (Rule 14 of GAR 1990)

The broad outlines of the system of accounts of the Central Government are as follows :

- **Receipts and Payments** : All receipts in India on behalf of Central Government are paid into the bank. Drawals in India on behalf of the Central Government from the bank shall be made by cheques drawn thereon. Those are accounted for by the bank as receipts and payments on behalf of the concerned Ministry and/or Department of the Central Government. In support of receipt and payment transactions at the bank, daily receipt and payment scrolls supported by challans and paid cheques, respectively, are sent by the bank to the Accounts Officer of the Ministry or Department concerned.
 - **Miscellaneous receipts and payments** : Some miscellaneous receipt and payment transactions take place at State treasuries. Such transactions, excluding those pertaining to Civil pensions are accounted for by the treasuries in the State Section of account under the major head "8658 – Suspense Accounts" for necessary cash settlement with the Accounts Officer concerned.
 - **Detailed Accounts** : Officers of the Civil Ministries, Departments of the Central Government who are allowed to pay their receipts in the Consolidated Fund or the Public Account or withdraw moneys in lump for expenditure therefrom or from the Contingency Fund, shall submit detailed accounts of their transactions to their respective Accounts Officers. Some specified Departmental Officers (ex. CPWD, Forest Divisions) may be required to render to the Accounts Officers compiled accounts with suitable abstracts of their transactions classified under prescribed heads of accounts.
 - **Classified Abstracts** : From the accounts received from the bank and departmental officers, and from the book adjustments initiated in an Accounts Office, a Classified Abstract shall be compiled by the Pay and Accounts Officer showing the monthly receipts and payments pertaining to the Ministry, Department or Union Territory Administration under his payment control, classified under the relevant major, minor, sub and detailed heads. From the classified Abstract, a Consolidated Abstract showing the progressive totals month by month under major, minor, sub and detailed heads of accounts will be compiled.
 - **Monthly Accounts** : The Pay and Accounts Officer will send to his principal Accounts Office in the Ministry, Department or Union Territory Administration a monthly compiled account showing the receipts and payments under major, minor, sub and detailed heads of account for enabling a consolidated account of the Ministry/Department or Union Territory Administration as a whole being prepared.
 - **Monthly Account by State A.G.** : In respect of Central transactions taking place at State treasuries, as well as at Central treasuries in Union Territories whose accounts are at present maintained by State Accountants General, each State Accountants General shall send to the Controller General of Accounts, a monthly account showing the receipts and payments under major, minor, sub and detailed heads of account in respect of transactions appearing in the Central Section of his accounts.
 - **Consolidated Account** : From the compiled accounts received from Principal Accounts Offices of Ministries/Departments, Accountants General and separated accounts organizations of Union territory Governments/Administrations, the Controller General of Accounts shall prepare a Consolidated Account of the Central (Civil) transactions as a whole.
 - **Cash Balance** : The cash balance of the Central Government in the books of the Controller General of Accounts, at the close of each month will be reconciled with the statements of closing cash balance received from the Central Accounts Section of the Reserve Bank.
 - **Posts, Telecommunications and Railway Accounts** : Departmental Officers of Posts, Telecommunications and Railway Departments submit accounts of their transactions to the respective Posts, Telecommunications and Railway Accounts Officers. The Accounts Officers shall render their
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monthly accounts to the Postal Board, Telecommunication Board and the Railway Board respectively, who, in turn consolidate the accounts for their respective Departments as a whole.

- **Defence Department Accounts** : Consolidation of accounts of Defence Department as a whole is arranged by the Controller General of Defence Accounts from the accounts submitted by various Controllers of Defence Accounts functioning under him.
- **Monthly Account of Central Government** : A copy of the monthly account (Civil) shall be submitted to the Central Government in the Ministry of Finance (Department of Economic Affairs) by the Controller General of Accounts. Postal Board, Telecommunication Board, Railway Board and Controller General of Defence Accounts will submit the Consolidated monthly accounts of their respective departments separately to the Central Government.
- **Consolidated Annual Accounts** : Principal Accounts Officer of the Ministries/Departments, separated accounts organizations of Union Territory Governments/Administrations and State Accountants General shall work out during the year the progressive figures of Central transactions in their books. On closing the account for March supplementary, a progressive account of Central transactions will be furnished by them to the Controller General of Accounts. The Consolidated Annual Accounts of the Posts, Telecommunications, Railways and Defence Departments, shall also be prepared and submitted by the Postal Board, Telecommunication Board, Railway Board and the Controller General of Defence Accounts to the Controller General of Accounts, to enable him to prepare accounts relating to the annual receipts and disbursements for the purpose of the Central Govt..

Annual Accounts (Rule 4 of GAR 1990) :

Every year Annual Accounts are prepared from accounts compiled by the authorities authorized to maintain the accounts of Central Government, State Government and Union Territory Governments. These accounts show the annual receipts and disbursements, under respective heads, for the purpose of Union and of each State and of each Union Territory having a Legislative Assembly.

These are to be certified by the Comptroller and Auditor General of India. The reports of the Comptroller and Auditor General of India relating to these accounts are submitted to the President or Governor or the Administrator of a Union Territory having a Legislative Assembly, as the case may be, who causes them to be laid before the House of Parliament, Legislatures of the States and of UTs respectively.

Authority responsible for preparation of Annual accounts of Central Government : (Rule 17)

Annual Accounts of Government of India as a whole, including transactions of Defence, Departments of Posts, Telecommunications, Railways, Union Territory Administrations and transactions under Public Account of India occurring in Union Territory Governments are prepared by the Controller General of Accounts.

These accounts are prepared by the respective authorities on dates mutually agreed upon with the Comptroller and Auditor General of India in the form prescribed and furnishes it him for recording his certificate. The certified annual accounts and the Reports relating to the accounts are submitted by the C&AG to the President in accordance with the provisions of Section 11 of the C&AG DPC Act, 1971.

Authority responsible for preparation of Annual accounts of State & UT Governments : (Rule.17)

The annual accounts of State Governments and Union Territory Governments with Legislatures are prepared in the form prescribed by the President of India on the advice of the Comptroller and Auditor General of India under Article 150 of the Constitution of India. These Accounts are submitted to the respective State/Union

Territory Legislatures on or before such dates as may be determined with the concurrence of the Government concerned.

Annual accounts in respect of State Governments and Union with Legislatures are prepared by the concerned Accountant General. These accounts are then submitted to The Comptroller and Auditor General of India for his approval and transmission to the Governor of the State/Administrator of Union Territory concerned alongwith his report thereon in terms of Section 11 of C&AG DPC Act, 1971, for being laid before the Legislature.

Treatment of Losses in Government Accounts : (Rule 58 to 62 of GAR 1990)

The following directions regulate the manner of classification and adjustment of losses in Government accounts:

➤ **Losses of Receipts :**

- (i) If a claim be relinquished, its value should not be recorded on the expenditure side as a specific loss;
- (ii) If money due to Government has actually reached a Government servant and is then embezzled, stolen or lost even though it may not have reached the Treasury/Bank, it should be brought as a receipt and then shown on the expenditure side by record under a separate head as a loss.

Where losses of public money are wholly or partially met by non-issue of pay or pension the resultant balance of the claim alone should be treated as a loss, the emoluments due being debited to the pertinent head of account as if they had been drawn and used by the Government servant concerned in paying the public claim.

- **Losses of buildings, lands, stores and equipment :** Such losses or deficiencies should not be recorded under a separate head in the accounts though they should be written off any value of commercial account that may be maintained.
- **Losses of cash in hand :** Such losses or deficiencies should be recorded under separate heads in the accounts. The acceptance of counterfeit coins or notes should be regarded as loss of cash.
- **Irregular or unusual payments :** Irregular or unusual payments should be recorded in the accounts with general reference in the ordinary rules of classification according to the nature of the expenditure. As an exception, when special heads exist in the accounts for recording such charges, as compensation for damages, irrecoverable temporary loans written off and the like, that unusual or extra ordinary payment should be separately classified.
- **Inevitable losses :** Where losses are of inevitable feature of the working of a particular department, the major head of account under which the expenditure of that department is recorded shall contain separate descriptive heads under which such losses may be recorded.
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Money Bill : In terms of Article 110 of Constitution of India, A bill is deemed to be a Money Bill if it contains only provisions dealing with all or any of the following matters, namely :

- The imposition, abolition, remission, alteration or regulation of any tax;
- The regulation of the borrowing of money or the giving of any guarantee by the Government of India or the amendment of the law with respect to any financial obligation undertaken or to be undertaken by the Government of India;
- The custody of the Consolidated Fund or the Contingency Fund of India, the payment of money into or the withdrawal of money from any such Fund;
- The appropriation of moneys out of the Consolidated Fund of India;
- The declaring of any expenditure to be expenditure charged on the Consolidated Fund of India of the increasing of the amount of any such expenditure;
- The receipt of money on account of the Consolidated Fund of India or the Public Account of India or the custody or issue of such money or the audit of the accounts of the Union or of a State; or
- Any matter incidental to any of the matters specified in subclauses mentioned above.

If any question arises whether a Bill is a Money Bill or not, the decision of the Speaker of the House of the People shall be final. When a Money Bill is transmitted to the Council of States or is presented to the President for assent a certificate should be endorsed on it by the Speaker of the House of the People to the effect that it is a Money Bill.

Procedure for introduction and passage of Money Bills : (Article 109 of Constitution of India)

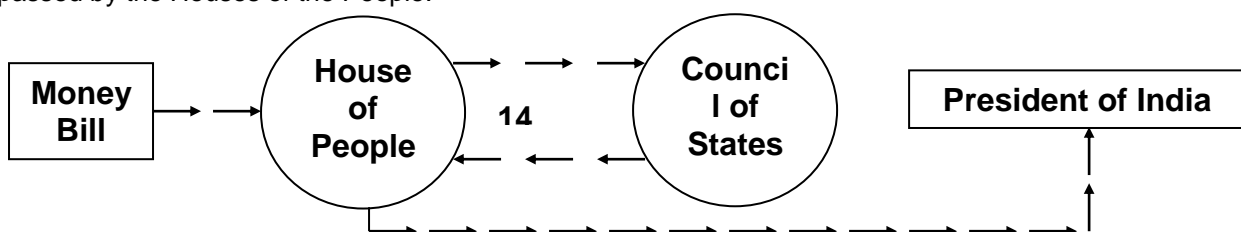
A Money Bill cannot be introduced in the Council of States and except on the recommendation of the President. Thus a Money Bill can only be introduced in the House of the People on the recommendation of the President.

After a Money Bill has been passed by the House of the People, it shall be transmitted to the Council of States for its recommendation and the Council of States shall within a period of fourteen days from the date of its receipt return the Bill to the House of the People with its recommendations and the House of People may thereupon accept or reject all or any of the recommendations of the Council of States.

If the House of the People accepts any of the recommendations of the Council of States, the Money Bill is deemed to have passed by both Houses with the amendments recommended by the Council of States and accepted by the House of the People.

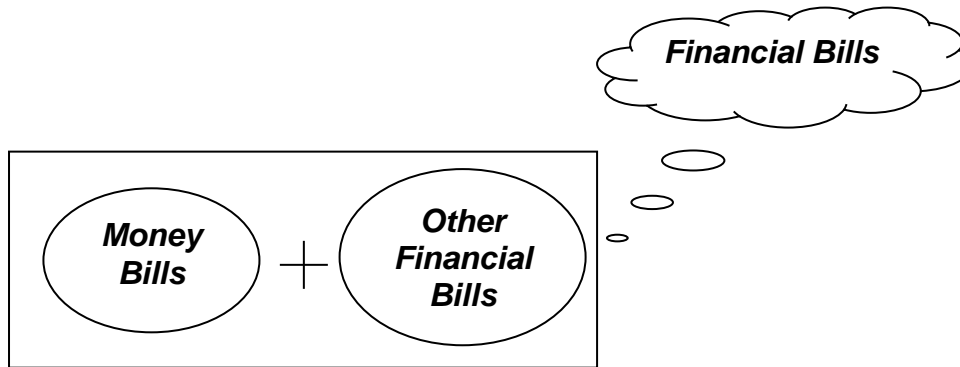
If the House of People does not accept any of the recommendations of the Council of States, the Money Bill shall be deemed to have been passed by both Houses in the form in which it was passed by the House of People without any of the amendment(s) recommended by the Council of States.

If a Money Bill passed by the House of People and transmitted to the Council of States for its recommendations is not returned to the House of People within the specified period of fourteen days, it is deemed to have been passed by both Houses, at the expiration of the said period, in the form in which it was passed by the Houses of the People.



Money Bills Vs other Financial Bills :

Our Constituion Bills containing financial provisions into several classes with different incidents. Financial Bill is a wider term, which includes Money Bills as well as other Financial Bills.



Money Bill : A Financial Bill can be termed as a Money Bill, if it deals exclusively with all or any matter specified in Article 110 of the Constitution of India.

Other Financial Bills : These are divided into two classes;

- Fiancial Bills which contain any of the matters specified in Article 110(1) but do not consist solely of these matters; and
- Financial Bills which contain provisions involving expenditure from the Consolidated Fund.

Annual Financial Statement : (Article 112)

In terms of Article 112 of the Consitution of India, 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. This is known as the “Annual Financial Statement” or ‘annual budget’. Though the term Budget is popular, the technical name is annual financial statement. The term budget was derived from a Latin word called “bougette” which means a leather pouch. The estimates of expenditure embodied in the annual financial statement shall show separately:

- the sums required to meet expenditure described by the Constitution as expenditure charged upon the Consolidated Fund of India; and
- 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.

Charged Expenditure : In terms of Articles 112(2) & 113(1) of Constitution of India readwith Rule 3 and Appendix-I of GAR 1990, The estimates of expenditure embodies in the Budget show ‘charged’ and ‘voted’ items separately. The charged items of expenditure are charge upon the Consolidated Fund of India. These are not submitted to the vote of Parliament. Only there can be discussion about those items in either House of Parliament.

Items charged on Consolidated Fund of India : The following items of expenditure are charged on the Consolidated Fund of India :

- the emoluments and allowances of the President of India and other expenditure relating to his office.
 - 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;
 - 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;
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- the salaries, allowances and pensions payable to or in respect of Judges of the Supreme Court, the pensions payable to or in respect of Judges of the Federal Court and 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 the Constitution exercised jurisdiction in relation to any area included in a Governor's Province of the Dominion of India;
 - **the salary, allowances and pension payable to or in respect of the Comptroller and Auditor General of India;**
 - any sums required to satisfy any judgement, decree or award of any Court or arbitral tribunal; and
 - in terms of Article 112(3), any other expenditure declared by the Constitution or by Parliament by law to be so charged as detailed below :
 - the administrative expenses of the Supreme Court, including salaries, allowances and pensions payable to or in respect of the officers and servants of the Supreme Court; [Article 146(3)]
 - **the administrative expenses of the office of the Comptroller and Auditor General of India, including salaries, allowances and pensions payable to or in respect of persons serving that office; [Article 148(6)]**
 - grants-in-aid to such States to be in need of assistance as Parliament may determine; [Art.275]
 - certain special expenses as mentioned in Article 290;
 - sums required for the purpose of making loans to States; [Article 293]
 - the expenses on the Union Public Service Commission including any salaries, allowances and pensions payable to or in respect of the members of the staff of the Commission. [Article 322]

Transfer of Voted item to Charged : A voted item of expenditure can be transferred to the charged category by a law of Parliament passed under the provisions of Article 112(3)(g) of the Constitution.

Further, under Article 110(1)(e) of the Constitution, a Bill which intends to declare any expenditure charged fall under a Money Bill. Therefore such a bill must pass through the stages of legislation, which are required for a Money Bill, and all the conditions essential for a Money Bill must be fulfilled.

Transfer of Charged item to Voted : The charged items of expenditure come under two categories. In the first category those items which are originally mentioned in the Constitution as charged upon the Consolidated Fund of India and in the second category are those items which are charged on the Consolidated Fund of India by subsequent legislation under the provisions of Article 112 (3)(g) read with Article 110(1)(e) of the Constitution.

The items, which are originally falling under charged category of expenditure in the Constitution, may be transferred to voted category only by a formal amendment to the Constitution. Here the provisions of Article 368, which lay down, the procedure of constitutional amendment will apply.

The terms, added as charged by subsequent legislation under the provisions of Article 112 (3) (g) may be transferred to the voted category with the passage of an Act of Parliament. Such an Act is not treated as an amendment to the Constitution.

Taxation :

In terms of Article 265 of the Constitution of India, no tax can be levied or collected except by authority of law. The Constitution does not permit levy or collection of tax by executive notification. Parliament/State Legislatures can authorize levy or collection of any tax by passing of law in respect of subjects listed in the Seventh Schedule.

Collection and distribution of taxes :

According to the Constitution of India, distribution of financial resources between Union and States has been made under several principles. The Union is empowered to levy and collect certain taxes and duties. The same is the case with the States. Whosoever collects taxes, distribution shall be made strictly according to Constitutional provisions. The following is the distribution of financial resources between the Union and States :

Taxes belonging exclusively to the Union : The Union Government possesses the exclusive power to levy, collect and appropriate certain taxes. They are :

- Custom duties
- Corporation Tax
- Taxes on capital value of assets of individuals and companies
- Fees in respect of matters in Union List

Taxes belonging exclusively to the States : The State Governments are empowered to levy, collect and appropriate certain taxes. They are :

- Land Revenue,
- Taxes on agricultural income
- Stamp duty and documents included in the State List
- Taxes on lands and buildings and mineral rights
- Sales tax
- Tolls

Duties levied by the Union but collected and appropriated by the States (Article 268) : Such stamp duties and such duties of excise on medical and toilet preparations as are mentioned in the Union List are levied by the Government of India but are collected :

- in the case where such duties are leviable within any Union territory by the Government of India; and
- in other cases, by the States within which such duties are respectively leviable.

Taxes levied and collected by the Union but assigned to the States (Article 269) : The following duties and taxes are collected by the Government of India, but are assigned to the States. They are:

- duties in respect of succession of property other than agricultural land;
- estate duty in respect of property other than agricultural land;
- terminal taxes on goods or passengers carried by railways, sea or air;
- taxes on railway fares and freights;
- taxes other than stamp duties on transactions in stock exchanges and furniture markets;
- taxes on the sale or purchase of newspapers and on advertisements published therein;
- taxes on the sale or purchase of goods other than newspapers, where such sale or purchase takes place in the course of inter-state trade or commerce
- taxes on the consignment of goods, where such consignment takes place in the course of inter-state trade or commerce.

Taxes levied and collected by the Union and distributed between the Union and States (Article 270 & 272) : Taxes on income other than agricultural income are levied and collected by the Government of India and are distributed between the Union and the States in the prescribed manner. Further, Union duties of Excise, other than such duties of excise on medicinal and toilet preparations, are levied and collected by the Union but, if Parliament by law so provide, these may be distributed between the Union and the States.

Grants from the Union to certain States : Such sums as Parliament may by law provide shall be charged on the Consolidated Fund of India in each year as grants-in-aid of the revenues of such States as Parliament may determine to be in need of assistance, and different sums may be fixed for different States.

Taxes on professions, trades, callings and employment (Article 276) : Notwithstanding any thing in Article 246, no law of the Legislature of a State relating to taxes for the benefit of the State or of a municipality district board, local board or other local authority therein in respect of professions, trades, callings or employments shall be invalid on the ground that it relates to a tax on income.

The total amount payable in respect of any one person of the State or to any one municipality, district board, local board or other authority in the State by way of taxes on professions, trades, callings and employment shall not exceed two thousand and five hundred rupees per annum.

The power of the Legislature of a State to make laws as aforesaid with respect to such taxes shall not be construed as limiting in any way the power of Parliament to make laws with respect to taxes on income accruing from or arising out of Professions, trades, callings and employments.

Net proceeds of tax – Calculation of net proceeds of a tax or duty (Article 279) :

Net proceeds of a tax means in relation to any tax or duty the proceeds there of reduced by the cost of collection. For this purpose the net proceeds of any tax or duty or of any part of any tax or duty, or attributable to any area shall be ascertained and certified by the Comptroller and Auditor General of India whose certificate shall be final.

Subject to constitutional provisions, a law made by Parliament or an order of the President may in any case where the net proceeds of any duty or tax are or may be assigned to any State provide for the manner in which the proceeds are to be calculated, for the time from or at which and the manner in which any payments; are to be made, for the making of adjustments between one financial year and another, and for any other incidental or ancillary matter.

Finance Commission (Article 280 & 281) :

A Finance Commission shall consist of a Chairman and four other members. Parliament may by law determine the qualifications, which shall be requisite for appointment as members of the Commission and the manner in which they shall be selected.

The Constitution requires the President of India to appoint a Finance Commission within two years from the commencement of Constitution and thereafter at the expiry of every fifth year or at such earlier time, as the President considers necessary. Thus the President appoints the Chairman and other four members of the Finance Commission.

It shall be the duty of the Commission to make recommendations to the President as to :

- the distribution between the Union and the States the net proceeds of taxes which are to be, divided between them and the allocation between the States and the respective shares of such proceeds;
- the principle which would govern the grants-in-aid of the revenues of the States out of the Consolidated Fund of India;
- any other matter referred to the Commission by the President in the interest of sound finance.

The Commission shall determine their own procedure in performance of their duties and shall have such powers in the performance of their functions as Parliament by law confers to them.

The President shall cause every recommendation made by Finance Commission under the provisions of the Constitution together with an explanatory memorandum as to the action taken thereon be laid before each House of Parliament.

Appropriation Bill : (Article 114)

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

- the grants so made by House of the People; and
- 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.

Provision for amendment of Appropriation Bill : No amendment shall be proposed to any such Bill in either House of Parliament which will have the effect of varying 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. The decision of the person presiding as to whether an amendment is inadmissible under this clause shall be final.

No money shall be withdrawn from the Consolidated Fund of India except under appropriation made by law. An Appropriation Bill cannot be introduced in the Rajya Sabha.

Supplementary Grants : (Article 115)

At times it is found that the provisions in the Budget are not sufficient to meet the requirements. For meeting such requirements supplementary grants are made.

The President shall, if the amount authorized in the Appropriation Act is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for supplementary or additional expenditure upon new service not contemplated in the budget, cause to be laid before both Houses of Parliament another statement showing the estimated amount of the expenditure. The procedure for passing the supplementary estimates is the same as that for the annual budget.

Vote on Account : (Article 116)

The House of the People has power to make grant in advance in respect of the estimated expenditure for a part of any financial year pending the completion of the prescribed normal procedure for the voting of such grant and passing of the law in relation to that expenditure and Parliament has power to authorize by law the withdrawal of money as granted from the Consolidated Fund of India.

Generally the voting of the demands included in the annual budget is not completed and the Annual Appropriation Act is not passed before the commencement of the new financial year. The Vote on Account, followed by the Appropriation Act is passed before the start of new financial year, authorizes the expenditure on various heads for the period which intervenes between 1st April and the passing of the Annual Appropriation Act.

Vote of Credit : (Article 116)

The House of the People to make a grant for meeting unexpected demand upon the resources of India when on account of the magnitude or indefinite character of the service the demand cannot be stated with the details ordinarily given in annual budget and Parliament has power to authorize by law the withdrawal of money as granted from the Consolidated Fund of India. Thus the Vote of credit is demanded in the form of a lump sum without details.

Excess Grants : (Article 115)

Sometimes it is found that the amount granted for any service is not sufficient for the purpose during a financial year and the President sanctions to meet the excess out of the Contingency Fund of India. The amount so spent is to be recouped from the Consolidated Fund of India and the sanction of the Parliament should be obtained as soon as possible. The procedure for passing the excess grant is the same as that for the annual budget.

There is a difference between an excess grant and a supplementary grant. The demand for excess grant is made after the expenditure is incurred and also after the financial year to which the expenditure relates over. Such is not the case with a supplementary grant.

Exceptional Grants : (Article 116)

The House of People has power to make an exceptional grant which forms no part of the current service of any financial year and Parliament has power to authorize by law the withdrawal of money as granted from the Consolidated Fund of India.

Proforma Accounts : (Rule 18 of GAR 1990)

The operation of some departments of Government sometime include undertaking of commercial or quasi-commercial character eg. industrial, factory or a store. Even though these may be maintained entirely for the benefit of department, it is necessary that the financial results of the undertaking should be expressed in the normal commercial form so that the cost of the service or undertaking may be accurately known. This implies the maintenance of suitable Capital, Manufacturing, Trading and Profit and Loss Accounts as the Government system of accounts being on purely cash basis is unsuitable for such commercial accounts. These are usually kept on the proforma basis outside the general accounts of the Government. The actual transactions entering these proforma accounts, except those adjusted on a liability basis, find a place primarily in the regular accounts and these accounts are additional as well as separate.

Suspense Accounts : (Rule 70 of GAR 1990)

Items of receipts and payments which cannot at once be taken to a final head or for any other reason may be held temporarily under the head "8658 – Suspense Account" in the Sector "L-Suspense and Miscellaneous" of the Accounts.

The head "Suspense Account" should not be utilised in the case of service receipts of which full particulars are not available. Such receipts should be credited to the minor head "Other Receipts", under the revenue Major Head to which it appears to belong pending eventual transfer to the credit of a proper head on receipt of detailed particulars.

Settlement Accounts : (Rule 16 of GAR 1990)

Transactions initially taken against the balance of a State which are eventually adjustable against the balance of another State are passed on to the Accountant General of the latter State through the "Settlement Accounts". The money settlement between the two States in respect of such transactions is effected by the Accountant General of the former State through the Central Accounts Section of the Reserve Bank of India.

Journal and Ledger : (Rule 18 of GAR 1990)

The Government Accounts are based on single entry system and the double entry system is applied only in regard to maintenance of a set of technical accounts called the Journal, Ledger and Trial Balance Sheet.

The main purpose of the Journal and Ledger is to bring out by a scientific method the balances of accounts in regard to which Government acts as banker or remitter or borrower or lender. Though such balances are worked out in the regular accounts, their accuracy can be guaranteed only by a periodical verification with the balances brought out in the double entry system.

Plus and Minus Memoranda :

Plus and Minus Memoranda should be prepared by the Treasury in Form TA.46 for the following classes of transactions :

- each class of deposits of each Local Fund
- each kind of stamps
- each class of advances which the District or other Revenue Office has authority to make

The deductions from balance should tally with the corresponding entries of receipts in the accounts and the closing balances should be certified as agreeing with the Stock Register and accounts maintained in the treasury.

Subsidiary Instructions : (Rule 5 of GAR 1990)

Subsidiary instructions that would be necessary for carrying into effect the provisions of the rules and in particular, instructions for opening new heads of accounts or modification of the existing ones or instructions relating to the content and manner of maintenance of accounts, will be issued by the Central Government in the Ministry of Finance on the advice of the Comptroller and Auditor General of India, in the form of executive orders, indicating wherever necessary, the type of cases in which the advice of the Comptroller and Auditor General could be assumed to have been obtained.

Central Road Fund :

This fund is constituted out of proceeds of excise and import duties on motor spirits earmarked for road development. The amount sanctioned each year for transfer to this fund is credited to the head "8224 – Central Road Fund" by contra debit to the Major Head "3054 – Roads and Bridges" in the accounts of the Central Government.

Service Departments : (Rule 42)

These are constituted for the discharge of functions which either :

- are inseparable from and form part of the idea of Government; (Ex. Police, Medical, Education etc)
- are necessary to and form part of the general conduct of the business of Government (Ex. Survey of India, Printing and Stationary, Public Works etc.)

Commercial Departments or Undertakings : (Rule 42)

These are maintained mainly for the purpose of rendering services or providing supplies, of certain special kinds, on payments for the services rendered or the articles supplied. They perform functions which are not necessarily Government functions. They are required to work to a financial result determined through accounts maintained on commercial principles. Ex. Indian Railways, Government Dairy Farm etc.

Accounts of Government Commercial Departments or Undertakings : (Rule 36)

Where any department or departmental undertaking of Government functions on commercial lines, the essential formalities of commercial accounts to the extent prescribed by Government should be strictly observed. In such cases, separate commercial accounts of the departments or undertakings should be kept outside the regular Government accounts. Gross receipts and expenditure of commercial departments or undertakings should be accounted for under the appropriate major and minor heads in the same way as ordinary receipt and expenditure of Government. The heads of account and the General Ledger maintained at the department or undertaking should be selected with due regard to the principles of governmental and commercial accounting so that the monthly classified account of income and expenditure of the department or undertakings may be prepared readily from the General Ledger.

Central Government Account Receipts and Payments Rules 1983

Utilisation of departmental receipts towards departmental expenditure is generally prohibited.

In terms of Rule 6(1) all moneys received by or tendered to Government officers on account of the revenues of the Union shall without undue delay be paid in full into the accredited Bank (State Bank of India) for inclusion in Government Account. Money received should not be utilised towards departmental expenditure, nor otherwise kept apart from the accounts of the Government.

However, in terms of Rule (2), the following departments were exempted from the general rule and were allowed to utilize departmental receipts for departmental expenditure:

- Posts and Telegraphs Department : In the case of cash receipts utilised in accordance with departmental regulations by Post Masters and other heads of offices of Postal Department for departmental purposes.
 - Civil, Revenue and Criminal Courts – diet money etc. : In the case of moneys received on account of the service of summons, diet money of witnesses and similar purposes, in Civil, Revenue and Criminal cases and in the case of diet money of witnesses deposited by assesseees with the Income Tax Officers.
 - Civil Court Deposits : In cases of deposits received at a Civil Court and utilised by the court to meet claims for refund of such deposits.
 - Public Works Department and other Departments in which the provisions of Central Public Works Account Code are authorized to be followed : Under departmental regulations, cash receipts can be temporarily utilised for current works expenditure.
 - Forest Department : Cash received can be utilised to meet immediate local expenditure.
 - Jails : Cash available with prisoners at the time of their admission to Jail can be used for repayment by Jail Superintendents under departmental regulations of similar sums due to other prisoners on their release.
 - Railways : Cash receipts can be utilised under departmental regulations or with the previous approval of the Government for departmental purposes.
 - Social Welfare and Rehabilitation Department : To utilize the cash received on private order works for the payment of wages of labour employed on that work.
 - National Library or any Government Library : Replacement of library books which are not returned by borrowers can be made out of their deposit money.
 - Central Research Institute, Kasauli : To utilize the cost received on account of sale of sera and vaccines produced at the Institute, for refund to the indentors of the excess amount received from them.
 - Central Institute of Psychiatry, Ranchi : To utilize the amount of advance deposited by the patients as maintenance charges at the time of their admission to the Institute, to refund the unutilized amount of maintenance charges to the patients discharged from the Institute.
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Responsibilities of DDOs for moneys withdrawn from Government account :

In terms of Rule 12 of CGA R&P Rules, 1983, the following are the responsibilities of Drawing and Disbursing Officers with regards to moneys withdrawn from Government account :

Recovery of incorrect withdrawn money : If a cheque drawing DDO receives information from the Accounts Officer that moneys have been incorrectly withdrawn and that a certain sum should be recovered in respect of any bill passed by him, he shall effect the recovery without delay and without regard to any correspondence undertaken or contemplated with reference to the retrenchment order, and shall without delay, repay the sum in such manner as the Accounts Officer may direct.

Withdrawal as per prescribed procedure : Subject as to hereinafter provided in this rule, the procedure to be observed by Government Officer in regard to moneys withdrawn from the Government account for expenditure shall be regulated by the provisions made in this behalf in these rules.

Responsible for funds supplied : A Government Officer supplied with funds for expenditure shall be responsible for such funds until an account of them has been rendered to the satisfaction of the Accounts Officer concerned.

Payment to person entitled to receive : He shall also be responsible for seeing that payments are made to persons entitled to receive them. If any doubt arises as to the identity of the Government Officer by whom an account of such funds shall be rendered, it shall be decided by the Government.

Instructions to be observed by Government Officers who are required to receive and handle cash or perform the functions of DDOs : (Rule 13)

The following are the general instructions which should be observed by Government Officers who are required to handle cash or perform the functions of DDOs :

- Every such officers should maintain a Cash-book in prescribed form.
 - All monetary transactions should be entered in cash book as soon as they occur and attested by the Head of the Office in token of check. The following are the exceptions :
 - Account Payee crossed cheques or bank drafts issued by Pay and Accounts Officer or Cheque drawing DDOs;
 - Cheques issued by the cheque drawing DDOs are required to be entered in "Register of Cheques issued";
 - Local cheques or demand drafts in favour of Pay and Accounts Officers accepted by non-cheque drawing DDOs, need not be entered in Cash-book, but should be entered in the Register of valueables and remitted into the accredited bank duly supported by challans for credit to Government account.
 - The cash book should be closed regularly and completely checked. The Head of the Office should verify the totaling of the Cash Book or have this done by some responsible subordinate other than the writer of the Cash Book and initial it as correct.
 - At the end of each month, Head of the Office should verify the cash balance in the Cash Book and record a signed and dated certificate to that effect. In case the verification of cash balance is not possible on the last working day of a month on account of disbursement of monthly salary and allowances, it may be done on the first working day of the next month before making any transactions on that day.
 - Entries made in cash book regarding remittance of receipts to the accredited bank for credit into Government account should be attested by the Head of the Office after verifying them with reference to the bank's receipt recorded on the pay-in-slips or challans. When credit appears in the receipt scroll from the bank, the actual date of realization of the cheque or draft should be indicated by cheque drawing DDO against the original entry in the Cashbook, so as to keep track of outstanding items.
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- An erasure or over-writing of an entry once made in cash book is strictly prohibited. If a mistake is discovered, it should be corrected by drawing the pen through the incorrect entry and inserting the correct one in red ink between the lines. The Head of Office should initial every such correction and invariably date his initials.
 - A Government officer who handles Government money should not, except with the special sanction of the Head of the Office be allowed to handle money which does not belong to the Government, even in official capacity. Where under any special sanction, a Government officer deals with both Government and non-Government money in his official capacity, the Government money and non-Government money should be accounted for in a separate set of books and money kept in separate chests.
 - The employment of Peons to fetch or carry money should be discouraged. When it is absolutely necessary to employ one for this purpose, a man of some length of service and proved trust-worthiness should only be selected and in case where the amount to be handled is large, one or more guards should accompany the messenger.

Instructions to be observed in preparation of bills :

In terms of Rule 33 of CGA R&P Rules, the following instructions should be observed while preparing bills :

- Printed forms of bills as prescribed under these rules or other departmental regulations should, as far as possible, be used. Bill for all debt-head items should be drawn in separate forms printed in red ink on white paper.
 - If, in any case, the use of a bill purely in any regional language becomes unavoidable, a brief abstract should be endorsed in English under the signature of the preferring officer stating the amount, the name of payee and the nature of payment.
 - All bills must be filled in and signed in ink; entries and signatures with ball-point pens are also permissible, provided the same are clear and legible. The amount of each bill should, as far as whole rupees are concerned be written in words as well as in figures.
 - All corrections and alterations in the total of a bill whether made in words or figures should be attested by the full signature, with date, of the person signing the receipt as many times as such corrections and alterations are made.
 - The full accounts classification must be recorded on each bill by the Drawing Officer, the classification in the Budget being taken as a guide. The classification should also show whether the expenditure is voted or charged; and as far as practicable, its allocation between departments or between Central Government and State Governments where necessary.
 - Charges against two or more major heads should not be included in one bill.
 - When bills are presented on account of charges incurred under any special orders, the order sanctioning the charge should be quoted and the sanction attached to the bill.
 - Dates of payment should, when possible, be noted by the payees in their acknowledgements in sub-vouchers and acquittance rolls. If, for any reason it is not possible for the dates of payment to be noted by the payees, the dates of actual payment should be noted by Disbursing Officers on the documents under their initials either separately for each payment or by groups as may be found convenient.
 - When payment is desired wholly or partly by a bank draft or by cheques in favour of another payee, formal application for the draft or cheque should accompany the bill and the manner in which the payment is desired should also be indicated in the drawer's receipt on the bill.
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- The spaces left blank either in the money column or in the columns for particulars of the bill should invariably be covered by oblique lines.
 - A note to the effect that the amount of the bill is below a specified amount expressed in whole rupees, which is slightly in excess of the total amount of the bill, should invariably be recorded in the body of the bill in red ink.

Contingencies :

In terms of Rule 96, The term “Contingent charges” or “Contingencies” includes all incidental and other expenses which are incurred for the management of an office as an office or for the working of technical establishment such as laboratory, workshop, store, depot and the like but other than expenditure which has been specifically classified as falling under some other head of expenditure eg. ‘work’, ‘tools and plant’.

Types of Contingent charges (Rule.98) :

Contract Contingencies : those for which a lump sum is placed annually at the disposal of Disbursing Officer for expenditure without further sanction of any kind. They generally consist of charges, the annual incidence of which can be averaged with reasonable accuracy.

Scale-regulated contingencies : to comprise such contingent charges as may be regulated by scales laid down by competent authority, such as rewards for destruction of wild animals.

Special contingencies : to include such contingent charges, whether recurring or non-recurring, as cannot be incurred without the previous sanction of superior authority.

Countersigned contingencies : to include such contingent charges as may require approval of some controlling authority before they can be admitted as legitimate expenditure against the Government, such approval usually taking the form of counter-signature after payment on a detailed bill submitted to the Pay and Accounts Officer.

Fully Vouched Contingencies : to comprise contingent charges, which require neither special sanction nor counter-signature, but may be incurred by the Head of Office on his own authority subject to the necessity of accounting for them. These may be passed on fully vouched bills without counter-signature.

General Limitations with regards to Contingent Expenditure : (Rule.100)

- All charges actually incurred must be paid and drawn at once and under no circumstances they may be allowed to stand over to be paid from the grant of another year. The charges relating to two or more major heads may not be included in one bill.
- No money shall be drawn from Government Account unless it is required for immediate disbursement. It is not permissible to draw money from Government Account in anticipation of demands or to prevent the lapse of Budget grants.
- No pay of any kind and no additions to pay may be drawn on bills for contingent expenditure. As an exception pay relating to hot weather establishments, mazdoors engaged on manual labour and paid daily or monthly, sweepers, other Group ‘D’ servants like Dhobies, Tailors, Syces, Grass cutters etc. may be drawn from Contingencies.
- The wages of temporary field establishments of Surveys and Settlements and of extra Potdars entertained for accompanying remittances, may also be drawn on Contingent bills.

Responsibility of Drawing Officers in respect of Contingency expenses : (Rule 107)

Every Government officer shall exercise the same vigilance in respect of contingent expenses, as a person of ordinary prudence may be expected to exercise in spending his own money. The Drawing Officer is further responsible for seeing that the rules regarding the preparation of bills are observed, that the money is either required for immediate disbursement or has already been paid from the permanent advance, that the

expenditure is within the available appropriation and that all steps have been taken with a view to obtaining an additional appropriation if the original appropriation has either been exceeded or is likely to be exceeded and that in the case of contract contingencies, the proposed expenditure does not cause any excess over the contract grant.

Responsibility of Controlling authority in respect of Contingency expenses : (Rule 108)

The countersigning officer shall be responsible for seeing that the items of expenditure included in a contingent bill are of obvious necessity and are at fair and reasonable rates, that previous sanction for any item requiring it is attached, that the requisite vouchers are all received and are in order, that the calculations are correct and specially that the grants have not been exceeded nor are they likely to be exceeded and that the Accounts Officer has been informed either by a note on the bill or otherwise of the reason for any excess over the monthly proportion of the appropriation. If expenditure be progressing too rapidly, he shall communicate with the Drawing Officer and insist on its being checked.

Personal Deposit Account : (Rule 191)

Personal Deposit Account is a device intended to facilitate the administrator thereof to credit receipts into, and effect withdrawals directly from the account subject to an overall check being 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. The administrators thereof shall be only Government Officers acting in their official or any other capacity.

Cases in which Personal Deposit Accounts are opened :

- in favour of an administrator appointed for the purpose of administering moneys tendered by or on behalf of ward and attached estates under Government management. It should also be ensured that proper arrangements are made for the maintenance and audit of connected initial accounts.
- In relation to Civil and Criminal Courts deposits, in favour of the Chief Judicial authority concerned.
- Where, under certain regulatory activities of the Government, receipts are realized and credited to a Fund or Account under the provisions of an Act to be utilized towards expenditure thereunder and no outgo from the Consolidated Fund is involved.
- Where a personal deposit account is required to be created by a law or rules having the force of law and certain liabilities devolve on the Government out of the special enactments.
- Officers commanding units and others concerned in the administration of public funds or regimental funds in the Defence Departments can be authorized to open PD accounts for such funds.

Receipts towards Personal Deposit Accounts : (Rule 193)

Moneys tendered along with the appropriate challan for credit into a personal deposit account may be received at a specified branch of the accredited bank from the Administrator of a deposit account. Details of individual items need not be indicated in or attached to the challan.

Withdrawal from Personal Deposit Accounts : (Rule 194)

Unless in any case the Government direct otherwise, withdrawals can be allowed only on cheques signed by the responsible Administrator of the Personal Deposit Account concerned. The Administrator shall ensure while issuing every cheque that there is adequate credit balance in the account for the purpose. Withdrawals shall on no account be allowed by the bank to exceed the balance at the credit in the deposit account. The payment scroll rendered to the Accounts Officer by the bank shall be supported by the original paid cheques.

Lapsed Deposits : (Rule 189)

At the close of March each year, the following deposits shall be credited to Consolidated Fund, keeping necessary note in the register of deposits. In the case of deposits, the detailed accounts of which are kept by departmental officers, a list of deposits and balances thus lapsing shall be prepared by them and sent to the Accounts Officer in accordance with the relevant directions:

- Deposits not exceeding twenty-five rupees unclaimed for one whole account year;
- Residuary balances not exceeding twenty-five rupees for deposits partly repaid during the year than closing;
- All deposits or balances in excess of the aforesaid amount, unclaimed for more than three complete years.

Procedure for repayment on Lapsed Deposits : In terms of Rule 190, the following procedure(s) are required to be followed in repayment of Lapsed Deposits :

- Deposits, the detailed accounts of which are required to be kept by the departmental officer and which are credited to Government under provisions of Rule 189 cannot be repaid without pre-check of Accounts Officer. On receipt of bill from the departmental officer, the Accounts Officer will pass the bill after exercising the following checks:
 - the item covered by the credit reported by the departmental officer as lapsed was actually credited to Government;
 - the claimants identity and title to the money are certified by the departmental officer who signed the application for refund.
- Deposits, the detailed accounts of which are kept in the Accounts Office and which were credited to Government under Rule 189, may be refunded on receipt of an application-cum-bill from the departmental officer. The Accounts Officer will pass the bill after exercising the following checks:
 - the item was really received and is traceable in his records and was carried to the credit of Government as lapsed and was not paid previously;
 - the claimant's identity and title to the money are certified by the officer counter-signing the application for the refunds;

The Deposits repaid shall be recorded in the appropriate deposit register of receipts so as to guard against second payment. If the payment is made after the Register of Receipts has been destroyed, the responsibility for verifying the claimant's title to the refund shall devolve on the authority who signs the Application-cum-bill.

Cheque drawing DDO : [Rule 2(g)]

Cheque drawing DDO means a Drawing and Disbursing Officer functioning under the Ministry or Department (including Central Public Works Department, Forest Department and Departments in which the provisions of Central Public Works Account Code are authorized to be followed) or a Union Territory, who is authorized to withdraw money for specified types of payments against an assignment account opened in his favour in a specified branch of an accredited bank.

Controller General of Accounts : [Rule 2(l)]

-- means the Controller General of Accounts in the Ministry of Finance (Department of Expenditure) who, inter alia, is responsible for establishing and maintaining a technically sound payment-cum-accounting system in the departmentalized accounts offices and for prescribing the rules for regulating the custody, payment into and withdrawal of money from the Government Account.

Bill and Voucher :

In terms of explanation below Rule 28, A bill is a statement of claims against the Government containing specification of the nature and amount of the claim, either, in gross or by items, and includes such a statement presented in the form of a simple receipt. A bill becomes voucher only when it is receipted and stamped "paid". Office copies of bills may be retained by each Drawing Officer bearing only his initials and the words "Office copy" prominently written thereon.

Permanent Advance :

In terms of Rule 99, Government Officers who have to make payment for contingent expenditure before they can place themselves in funds by drawing contingent bills may make payments out of the permanent advances or imprests which they may be permitted to hold under the orders of competent authority, subject to recoupment on presentation of contingent bills. All such claims upto Rs.500 may be disbursed out of permanent advance or imprest.

Certificate of payment :

In terms of Rule 57, In all cases in which it is not possible or expedient to support a payment by voucher or by the payee's receipt, a certificate of payment duly signed by the Disbursing Officer and countersigned by his superior officer, together with a memorandum explaining the circumstances, should invariably be placed on record and submitted to the Accounts officer, where necessary. Full particulars of the claims should invariably be set forth; and where this necessitates the use of regular bill form, the certificate itself may be recorded thereon.

Accredited Bank :

In terms of Rule 2(b), accredited bank in relation to a Ministry or Department, or Union Territory means the Reserve Bank or any bank which is appointed to transact business of the Government pertaining to that Ministry or Department or Union Territory. "Bank" in terms of Rule 2(e) means any branch of State Bank of India acting as the agent of Reserve Bank of India in accordance with the provisions of Reserve Bank of India Act, 1934.

Letter of Credit :

In term of Rule 50, The Accounts Officer concerned shall communicate to the relevant branch of the accredited bank, the amount of quarterly assignment authorized in favour of cheque-drawing DDOs, rendering account to him. A fresh letter of credit, issued after expiry of the period prescribed in the earlier letter of credit bill will 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 assignment up to the end of the quarter so that the bank is able to ensure that the total cumulative drawals from the beginning of the year do not exceed the total progressive assignments. However, the assignment remaining unspent as at the end of a financial year is not to be carried forward to the first quarter of the next financial year. The paying branch is responsible to ensure that at no time the amount assigned in the letter of credit is exceeded by the payment of any cheque. The cheques actually issued during the last quarter but presented for payment during the next quarter will be taken by the bank against the assignment of the year in which they were drawn and not against the assignment of the year in which they are paid.

Contingent Register : (Rule 110 of CGA R&P Rules)

A register of Contingent expenditure shall be kept in each office and the initials of the Head of the Office, or of a Gazetted Officer to whom this duty has been delegated by the Head of the Office, shall be entered against the date of payment of each item.

Revenue Advances : (Rule 161)

Revenue Advances include Takavi advances, advances under Land Improvement Acts and any other advances, which Revenue Officers are allowed or directed to make under the provisions of any law or under special order of the Government.

Absentee Statement : (Rule 67)

An absentee statement shall support the monthly pay bill, if a Government servant, was absent during the month either on special duty or suspension, or with or without leave other than casual leave, or when a post is left vacant substantively. This statement is required to be submitted only in respect of long leave chains/spells and other long-term vacancies caused due to death, suspension, transfer, deputation, etc., against which either postings or officiating arrangements are made.

Increment Certificate : (Rule 68)

When a periodical increment is drawn in respect of Government servant an Increment certificate should be attached to the pay bill. Of the two alternative certificates printed in the form specified for this purpose, the former may be used in any case in which the increment becomes due to the Government servant concerned for having been incumbent of the post specified for the prescribed term counting from the date of the last increment or of appointment to the post. In computation of increment periods such as of absence from duty not counting for increment and absence on extraordinary leave shall be excluded. In all other cases, the second alternative certificate shall be used and it shall be supported by an explanatory memorandum showing briefly but clearly the grounds on which the increment is claimed.

Special Seal : (Rule 53)

All orders and authorities for payment wherever required to be issued from one Accounts Office to another will be stamped with a special seal, which will remain in the personal custody of the officer signing them and specimen impression of the seal duly attested will be supplied to all Accounts Officers concerned.

Validity of Cheque : (Rule 45)

A Cheque shall be payable at any time within three month after the month of issue. Thus a cheque bearing any date in January is payable at any time up to 30th April. In all cases of loss of cheque or revalidation of time barred cheque, a fresh cheque needs to be issued in lieu of lost/time barred cheque. The system of revalidation of time barred cheque was dispensed with effect from 10th April, 1995.

Remember : In examination if a Question was asked ordering you to write the procedure of revalidation of time barred cheque, then you should indicate that the procedure of revalidation is no longer permissible and strictly the system was dispensed with effect from 10th April, 1995. Further, in all such cases a fresh cheque needs to be issued duly canceling the time barred cheque. You have to write this as your answer.

Procedure for cancellation of a cheque :

When it is necessary to cancel a cheque :

- in cases where the cheque is not issued, its cancellation should be recorded with dated signature on the counterfoil and the cheque should be destroyed;
- where it is issued and withdrawn, after similar note on its counterfoil, it should be defaced, and forwarded to Pay and Accounts Office where the drawer is a cheque-drawing DDO. Entries in the accounts should be suitably reversed.
- If the cheque is not in the drawer's possession, after satisfying himself with reference to his records that it is not paid, he should promptly send an intimation to the Bank to stop payment. In case the drawer is a cheque drawing DDO, he should inform the Pay and Accounts office.
- A cheque remaining unpaid for more than six months after the month of its issue, for any cause, and not surrendered for renewal should be cancelled by mere intimation to bank. Entries in the accounts should be suitably reversed.

Procedure for issue of fresh cheque in lieu of lost cheque :

- A request for the issue of a cheque in lieu of cheque alleged to be lost, may be entertained if the request is received by the Pay and Accounts officer or Accounts Officer or Cheque Drawing DDO, who had issued the original cheque, within a period of one year from the date of issue of the original cheque **OR** within a period of 3½ years from the date on which the relevant claim had become due at the discretion of Principal Accounts Officer.
 - The Pay and Accounts Officer shall proceed with a request, relating to a cheque issued by him and which satisfies the above conditions, in the manner stated below :
 - The Pay and Accounts Office should send an intimation by registered post, to the bank branch on which cheque was drawn, regarding the alleged loss of the cheque and advise it to stop payment if the cheque alleged to have been lost is presented for payment thereafter.
 - On receipt of such a request, the bank shall acknowledge in writing that it has kept a note of the 'stop payment order'. In case, where the currency of the cheque alleged to have been lost has expired, no acknowledgement of 'stop payment order' need be insisted.
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- The Pay and Accounts Officer should satisfy himself, from his office records, that the payment of the cheque in question has not been made. He should also keep a suitable note on the counterfoil of the lost cheque and against the relevant entries in the register of cheques delivered and paid voucher, regarding issue of a fresh cheque in lieu of lost one.
 - The party requesting for the issueance of a fresh cheque in lieu of the lost one should execute an Indemnity Bond. However, in the case of Government Departments, Public Undertakings wholly owned by Government or the bank, the execution of such an Indemnity Bond is not necessary.
 - On completion of the requirements stated above, the Pay and Accounts Officer may issue a fresh cheque in lieu of the lost one under intimation to the drawee office.
- When a cheque drawing DDO reports to the paying branch of the bank about a cheque issued by him having been lost, the bank shall record “stop payment” against the cheque and issue an acknowledgement. On receiving the acknowledgement, the cheque-drawing DDO will forward the same to Pay and Accounts Officer.

The Pay and Accounts officer concerned will after verification of relevant records such as register of cheques delivered etc. and after keeping a suitable note against relevant entry in that register, issue a non-payment certificate to the cheque-drawing DDO.

On receipt of non-payment certificate, the cheque-drawing DDO will note particulars in all relevant records against original entry. A note will also be made in the counterfoil of that cheque. After all these formalities a fresh cheque will be issued in lieu of the lost cheque.

Logically speaking, there is no question of payment of amount on first cheque, after it was reported lost and another cheque was issued in lieu of that lost cheque. Though it sounds absurd, procedure to be followed in cases where original cheque (lost cheque) was paid after the issue of second cheque was given in Rule 48(4). The question of payment of original cheque doesn't arise if all the formalities were followed carefully. However, for the purpose of Rule, the procedure to be adopted if such an instance was noticed is given below for reference:

If it is found afterwards, that the original cheque had been paid, the Pay and Accounts officer will take up the matter with the paying branch telegraphically and stop payment of the renewed cheque if not already paid. He will also reverse the entries made in the relevant record on this account on receipt of confirmation of this fact from the paying branch. In case the renewed cheque is reported to have been paid by thn, he will place the paid amount under the Head of Account “8658 – Suspense Accounts – Suspense Account (Civil) – cheques cancelled but paid”, till the matter is investigated and the amount is recovered or written off. The paid cheque will also be removed from the payment scroll and kept in the personal custody of the Pay and Accounts Officer till then. In case the fact of such payment is noticed by the Drawing and Disbursing officer, he will report the matter immediately to the paying branch and inform the Pay and Accounts Officer accordingly by a telegram for further action.

Procedure for purchase of Service Postage Stamps : (Rule 123)

Crossed "Government Account" cheque in favour of the Postmaster or State Bank of India branches which are authorized to sell stamps may be drawn or obtained by Drawing and Disbursing Officers from Pay and Accounts Office by preferring a bill indicating the value of postage stamps of various denominations required and giving a certificate that the stamps will be used on prepaying postage on communication bona fide on the public service and that expenditure could not be avoided.

General Financial Rules, 1963

Standards of Financial propriety : (GIO 1 below Rule 6)

Every officer incurring or authorizing expenditure from public moneys should be guided by high standards of financial propriety. Every officer should also enforce financial order and strict economy at every step and see that all relevant financial rules and regulations are observed, by his own office and by subordinate disbursing officers.

Among the principles on which emphasis is generally laid are the following:

- Every officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money.
- The expenditure should not be prima facie more than the occasion demands.
- No authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage.
- Expenditure from public moneys should not be incurred for the benefit of a particular person or a section of the people unless :
 - a claim for the amount could be enforced in the Court of Law, or
 - the expenditure is in pursuance of a recognized policy or custom.
- The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients.
- The responsibility and accountability of every authority delegated with financial powers to procure any item or service on Government account is total and indivisible. Government expects that the authority concerned will have the public interest uppermost in its mind while making a procurement decision. This responsibility is not discharged merely by the selection of the cheapest offer but must conform to the following yardsticks of financial propriety :
 - Whether the offers have been invited in accordance with governing rules and after following a fair and reasonable procedure in the prevailing circumstances.
 - Whether the authority is satisfied that the selected offer will adequately meet the requirement for which it is being procured.
 - Whether the price on offer is reasonable and consistent with the quality required.
 - Above all, whether the offer being accepted is the most appropriate one taking all relevant facts into account and in keeping with the standards of financial propriety.
- Wherever called for, the concerned authority must place on record in precise terms, the considerations which weighed with it while taking the procurement decision.

Conditions governing expenditure from public funds : (Rule 6 & 7)

Following are essential conditions governing expenditure from public funds :

Sanction : No authority may incur any expenditure or enter into any liability involving expenditure or transfer of moneys for investment or deposit from Government account unless such expenditure or transfer, as the case may

be, has been sanctioned by general or special orders of Government or by an authority to which power has been duly delegated in this behalf.

Observance of Financial propriety : Every officer incurring or authorizing expenditure from public moneys should be guided by high standards of financial propriety.

Expenditure within grant : A controlling officer should see that the total expenditure is kept within the limits of the authorized grant or appropriation.

Expenditure was made for intended purposes : A controlling officer should also see that funds allotted to spending units are expended in the public interest and upon objects for which the money was provided.

General principles to be observed while entering into contracts/agreements :

The following general principles should be observed by the subordinate authorities empowered to enter into contracts or agreements involving expenditure from public funds :

- (i) The **terms of contract must be precise and definite** and there must be no room for ambiguity or misconstruction therein.
 - (ii) Subject to adequate prior scrutiny of forms, general or special, if any, **standard forms of contracts should be adopted wherever possible**. The alternatives used in the standard forms, which are not applicable, should be invariably scored-out in consultation with the Ministries of Finance and Law.
 - (iii) In cases where standard forms of contracts are not used, **legal and financial advice should be taken** in drafting the contracts and before they are finally entered into.
 - (iv) **No relaxation of specifications** agreed upon in a contract or **relaxation of the terms and agreement** entered into by Government should be made without proper examination of the financial effect involved in such relaxation. The interest of the public exchequer should be taken due care of before agreeing to any relaxation of agreement or contract.
 - (v) 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. In the case of private individuals and firms tendering in foreign countries for contracts of large value, that is, contracts of over 25 lakhs, the Head of the Indian Mission/Port concerned should be consulted.
 - (vi) Save in exceptional circumstances, **no work of any kind should be commenced without prior execution of contract documents**. 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 the price.
 - (vii) Provision must be made in contracts for **safeguarding Government property** entrusted to a contractor and for recovery of hire charges, if any, therefor.
 - (viii) When a contract is likely to endure for a long period or where the contract provides for a clear schedule for the fulfilment of the various stages of the contract, it should include a **provision for unconditional power of revocation or cancellation** at the discretion of Government at any time on the expiry of reasonable notice to that effect. The period of notice should not normally be longer than 6 months.
 - (ix) All contracts should have a **provision for recovery of liquidated damages** for defaults on the part of the contractor, unless any special instructions are issued by the Competent authority.
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- (x) **‘Cost Plus’ contracts and ‘Lump sum’ contracts should not be entered** into except in cases of absolute necessity. Whenever such contracts are entered into, all possible safeguards to protect the interest of Government should invariably be provided for in the conditions of the contract.
- (xi) The term of the contract for purchase of perishable stores should invariably include a **‘warranty clause’**.
- (xii) The question whether any sales tax, purchase tax, octroi and terminal taxes and other local **taxes and duties are to be paid and, if so, by which party**, should be settled and cleared up before entering into any contract, involving transfer of movable property whatever its nature.
- (xiii) **Copies of all contracts and agreements** for purchases of and above the value of Rs.50,000 and of all rate and running contracts entered into by Civil Departments of the Government, other than the Departments like the Directorate General of Supplies and Disposals, for which a special audit procedure exists and statutory bodies like the Central Silk Board, **should be sent to the Audit Officer and/or the Accounts Officer**, as the case may be.
- (xiv) All **contracts for purchases involving import of material from abroad** should as a rule provide purchases on FOB basis and similarly all sales contracts involving transport of material from India to other countries should be entered into on CIF basis.
- (xv) Before entering into a contract or an agreement, all pros and cons should be considered and **validity of contractual documents should be ensured**. Effective administrative machinery should also be set up to keep a vigil on the performance of parties concerned.
- (xvi) **No work** should be done under an agreement/contract **beyond** the date of **expiry of its tenure**. Wherever it is considered that the work has to be continued beyond the date of expiry of the tenure, timely action should be taken for renewing the contract/agreement for the further period required, after a suitable review of the provisions of the old agreement/contract to see whether any modifications therein are required.
- (xvii) The **terms of contract once entered into should not be materially varied** without the previous consent of the authority competent to enter into the contract as so varied.
- (xviii) **No payments to contractors are allowed by way of compensation** or otherwise, outside the strict terms of the contracts, except with the previous approval of competent authority.
- (xix) Where **escalation** in respect of labour, customs, duties, freight, raw materials etc., is provided in a contract, the basis for the calculation of the same **should be clearly indicated**.
- (xx) 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 Finance Ministry**.

Cost Plus Contract : (Explanation at point no.ix of GIO below Rule 12)

A ‘Cost Plus’ contract means a contract wherein the price payable for supplies or services under the contract is determined on the basis of the actual cost of production of the supplies or services concerned plus profit either at a fixed rate per unit or at a fixed percentage on the actual cost of production.

Lumpsum Contract : In terms of Para 11.1.1 of CPWA Code, **lumpsum contract** means a contract in which the contractor agrees to execute a complete work with all its contingencies in accordance with the drawing and specifications for a fixed sum. The following are essential characteristics of lumpsum contract:

- (a) A schedule of rates is specified in order to regulate the amount to be added to or deducted from the fixed sum on account of additions and alterations not covered by the contract.
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- (b) Except as provided in clause (a), no allusion is made in the contract to the departmental estimate of work, schedule of rates or quantities of work to be done.
 - (c) Detailed measurements of the work done are not required to be recorded except in respect of additions and alterations.

Budget Estimate – Procedure for its preparation : (Rule 45,49,51 to 55 & 57)

Budget Estimate: It is a statement showing the estimated receipts and expenditure of the Central Government in respect of a financial year. It is prepared by the Finance Ministry and presented to both the Houses of Parliament, before the commencement of the financial year.

Procedure for its preparation:

1. **Submission of detailed estimates** : The Departments of the Central Govt., Administrators, Heads of Departments and Subordinate authorities submit to the Finance Ministry detailed estimates and such other material as may be called for by that Ministry from time to time.
 2. **Forms** : The detailed estimates are to be prepared by the estimating authorities in the form(s) prescribed by the Finance Ministry.
 3. **Receipt estimates** : The detailed estimates of receipts are to be prepared separately for each Major Head of account. For each major head, the estimating authorities will give break-up of estimates Minor/detailed head-wise, along with actuals of the past three years. Where necessary item wise break-up should also be furnished. Any major variations in estimates should be supported by cogent reasons.
 4. **Expenditure Estimates** : The detailed estimates of expenditure are to be prepared by each unit of appropriation (sub-detailed head) under the prescribed Major and Minor Heads of Accounts, separately for Plan and Non-Plan expenditure.
 5. **Scrutiny of Heads of Departments** : The estimates of expenditure proposed by the estimating authorities are duly scrutinized by the Heads of the Departments concerned. Thereafter, the same are forwarded to the Departments of the Central Govt. administratively concerned.
 6. **Scrutiny by the Ministries/Departments Administratively concerned** : The estimates are further scrutinized by the Ministries/Depts. Administratively concerned and processed further as per instructions.
 7. **B.E.s of Plan Expenditure** : The budget estimates of Plan expenditure are processed in consultation with the Planning Commission.
 8. **B.E.s of Non-Plan and R.E.s of both Plan & Non-Plan expenditures** : The budget estimates of Non-Plan expenditure and Revised Estimates of both Plan and Non-Plan expenditure are submitted to the Financial Adviser. After necessary scrutiny/modifications, the F.A. gets the estimates consolidated for each programme/organization to present a complete picture of their financial costs. He then obtains approval of Secretary (Expenditure) in the Ministry of Finance, where necessary.
 9. **Forwarding to Budget Divisions** : The estimates as finally approved are then forwarded to the Budget Division in the Deptt. Of Economic Affairs of the Ministry of Finance in the prescribed manner.
 10. **Incorporation in the Budget** : The estimates of receipts and expenditure received in the budget division are, after due scrutiny, accepted for incorporation in the Budget.
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Procedure to be followed by each DDO in submitting claims for money: (Rule 66)

- He should prepare and present separately bills for 'Charged' and 'Voted' expenditure.
- He should enter on each bill the complete accounts classification and state whether the expenditure is charged or voted.
- He should enter on each bill the progressive total of expenditure up-to-date under the heads or sub-heads to which the bill relates, including the amount of the bill on which the entry is made.

New Service : (Rule 70)

New items in budget constitute new services. The term "New Service" means an item, which was not previously included in the sanctioned grant or appropriation. No expenditure should be incurred during a financial budget for that year except after obtaining a supplementary grant or appropriation or an advance from the Contingency Fund during that year.

Liability Register : (GIO 1 below Rule 71)

A subordinate authority incurring the expenditure will be responsible for seeing that the allotment placed at its disposal is not exceeded and, where any excess over the allotment is apprehended, for obtaining additional allotment before incurring the excess expenditure. For this purpose, the authorities incurring expenditure should maintain a 'Liability Register'.

Re-appropriation of Funds : (Rule 72)

Re-appropriation of funds from one primary unit of appropriation to another such unit within a grant or appropriation, may be sanctioned by the competent authority at any time before the close of the financial year to which such grant or appropriation relates.

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 will not be utilized in full or that savings can be effected in the appropriation for the said unit. Funds shall not be re-appropriated from a unit with the intention of restoring the diverted appropriation to that unit when savings become available under other units later in the year.

Advances from Contingency Fund : (Rule 74)

When a need arises to incur unforeseen expenditure in excess of the sanctioned grant or appropriation or on a 'new service' not provided in the Budget and there is not sufficient time for the voting of the Supplementary Demand and the passing of the connected appropriation bill, an advance from the Contingency Fund shall be obtained before incurring the expenditure.

Inevitable Payments : (Rule 75)

Subject to the provisions of Article 114(3) of the Constitution of India, money indisputably payable by Government shall not ordinarily be left unpaid and the payment made shall not be kept out of accounts longer than it is absolutely necessary.

Irrecoverable Advances : (Rule 188)

An officer who is responsible for the detailed control, accounting and supervision of advances shall, as soon as any advance is found to be irrecoverable, take necessary steps to get the advances written off the accounts under the sanction of the appropriate authority and advise the Accounts Officer accordingly in order that he may make the necessary adjustment in the accounts and shall also maintain a record of advances so written off in order that any possible recovery may be eventually effected.

Utilisation Certificate : [Rule 151(1)]

Utilisation Certificate means a certificate of actual utilization of the grants received, for the purpose for which it was received. This certificate will be specifically insisted in respect of non-recurring grants and should be submitted within 18 months of the closure of the financial year by the institution concerned. The Administrative Ministry/Department concerned shall watch receipt of such certificate. Where such certificate is not received from the grantee within the prescribed time, the department will be at liberty to and should seriously consider blacklisting such institution from any future grant, subsidy or other type of financial support from the Government.

Dead Stock : (Rule 111)

Dead stock consists of items such as Plant, Machinery, Furniture, equipment, fixture etc.. An inventory of dead stock shall be maintained in all Government offices by the Head of the Department.

Discretionary Grants : (Rule 152)

When under orders of competent authority, an allotment for discretionary grants is placed at the disposal of a particular authority the expenditure from such grants shall be regulated by general or special orders of the competent authority specifying the object for which the grants can be made and any other condition that shall apply to them. Such grants must be non-recurring that is, not involving any future commitments.

Security Deposit : (Rule 270)

Subject to any general or special instructions prescribed by Government in this behalf, every Government servant, whether Gazetted or non-Gazetted, who is entrusted with the custody of cash or stores shall be required to furnish security, for such amount as the Department of the Central Government or an Administrator may prescribe according to circumstances and local conditions in each case, and to execute a security bond setting forth the conditions under which Government will hold the security and may ultimately refund or appropriate it.

Procedure for the control of contingent expenditure : (GIO below Rule 91)

The following special procedure is prescribed for the control of contingent expenditure :

- (a) Where an appropriation for contingent charges covers expenditure on a number of distinct and individually important objects of expenditure, such appropriation should be distributed by the Controlling Officer among the important items comprising it. If some of the items are not important, those items taken as a whole may be treated as single important item for this purpose. The expenditure on each important item should be watched and controlled separately against the allotment for it, especially when the charges are of a fluctuating nature.
 - (b) For countersigned contingencies, the monthly detailed bills provide all the information required by the Controlling Officer for checking the expenditure against the appropriation. If, in any month, the expenditure exceeds the monthly proportion of the appropriation for the year, the Disbursing Officer should send a report to the Controlling Officer along with the detailed bill, furnishing special reasons for incurring the excess expenditure.
 - (c) For contingencies, other than countersigned contingencies the Controlling Officer should get statements from each Disbursing Officer, monthly or at least quarterly, of the progressive expenditure compared with the allotment under each item for which there is a specific appropriation or allotment. If the expenditure is progressing too rapidly, he should instruct the Disbursing Officer to curtail it to the necessary extent. He should also, during his local inspections, scrutinize the contingent registers of the officers under his control and satisfy himself generally that the charges are necessary and not excessive, the rates correct and the sanction obtained adequate.
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Appropriation Accounts are accounts of the expenditure (both voted and charged) of the Government for each financial year compared with the amounts of voted grants and charged appropriations for the difference purposes as specified in the schedules appended to the Appropriation Acts passed by the Legislature. Appropriation Accounts shows the actual expenditure incurred against each grant or appropriation thereby exhibiting the saving or excess.

The responsibility of preparation of Appropriation Accounts rests with the Comptroller and Auditor General of India in terms of Article 149 of the Constitution of India read with Section 10(1) and Section 11 of the DPC Act, 1971. The Appropriation Accounts relating to State Governments are prepared by the respective State Accountants General (Accounts & Entitlements).

Appropriation Accounts include –

- A summary of Appropriation Accounts showing the total amount of funds (original and supplementary) provided by the the Legislature under each voted grant and charged appropriation, the actual expenditure incurred against each and the saving or excess under each grant or appropriation.

In the summary of Appropriation Accounts provisionis made for :

- ✓ Indicating the expenditure met out of advances from the Contingency Fund which were not recouped to the Fund before the close of the year by authorization of the Legislature.
 - ✓ Reconciliation of the total expenditure according to Appropriation Accounts with that shown in Finance Accounts with that shown in the Finance Accounts after taking into account recoveries of expenditure.
 - ✓ Drawing attention to cases of excesses over grants/appropriations requiring regularization.
- Appropriation Accounts of each grant/appropriation, indicating original grant/appropriation, additional funds provided during the year by supplementary grant/appropriation, total grant/appropriation, actual expenditure, saving or excess in the grant/appropriation as a whole and the amount surrendered during the year.

The Appropriation Account of each grant/appropriation will contain “Notes and Comments”, wherever necessary; which will bring to the notice of the Legislature excess over grants/appropriations requiring regularization, expenditure booked against the grant/appropriation but not really debitible to it, expenditure incurred on a ‘New Service’ without specific authority of the Legislature, unjustified or excessive provision of funds leading to large savings and lapses and also cases of defective control over expenditure, eg. excessive, irregular or unjustified re-appropriations or surrenders within the grant/appropriation.

The general rule is that a grant/appropriation is voted/authorised for the gross expenditure required for each service. The expenditure shown against each grant/appropriation in the Appropriation Accounts will thus exclude recoveries adjusted in the accounts as reduction of expenditure in the respective grants/appropriations. The Finance Accounts, on the other hand, will show the net expenditure after taking into account the recoveries. A reconciliation statement showing :

- ✓ Total expenditure according to Appropriation Accounts,
- ✓ Total of recoveries, and
- ✓ Net total expenditure as shown in the Finance Accounts is, therefore, included below the summary of Appropriation Accounts. A detailed statement showing recoveries relating to each grant/appropriation will also be included as an appendix to the Appropriation Accounts.

Finance Accounts ---- [Chapter-II of MSO (A&E) – Volume.II]

Finance Accounts present the account of the receipts and outgoings of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, the accounts of the public debt and the liabilities and assets of the Government concerned as worked out from the balances recorded in the accounts. Finance Accounts present the General accounts of the Government and are intended to supplement the accounts separately presented in the form of Appropriation Accounts for each grant or charged appropriation included in the Appropriation Acts passed by the Legislature. Proforma accounts bringing out the financial results of Government's commercial and trading activities are not included in the Finance Accounts.

The Finance Accounts are prepared in two parts :

Part-I : Summarised Statements : The statement in this part are intended to give in a summarized form information in regard to :

- ✓ Transactions of the year relating to the Consolidated Fund, Contingency Fund and the Public Account.
- ✓ Capital outlay
- ✓ Financial results of irrigation schemes.
- ✓ Debt position of Government including expenditure incurred on the service of debt
- ✓ Loans and advances by Government including recoveries in arrears
- ✓ Guarantees given by Government
- ✓ Cash balances and investments of cash balances
- ✓ The balances outstanding in Government accounts at the end of the year grouped under the main broad headings

Part-II : Detailed Accounts and other Statements : The detailed statements include in this part contain:

- ✓ The statements of Revenue and Expenditure under different heads expressed as a percentage of total Revenue/Expenditure
 - ✓ Statement showing the distribution between the Charged and Voted expenditure
 - ✓ Detailed accounts of revenue by minor heads of accounts
 - ✓ Detailed accounts of expenditure by minor heads
 - ✓ Particulars of capital expenditure during and at the end of the year
 - ✓ Particulars of investments of the Government in the shares of Statutory Corporations, Government Companies, other Joint Stock Companies, Cooperative banks and Societies, etc. to the end of the year
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- ✓ Statement showing capital and other expenditure to the end of the year and the principal sources from which the funds were provided for the expenditure.
 - ✓ Statement of receipts, disbursements and balances under heads of account relating to debt, deposits, remittances, Contingency Fund and Public Account.
 - ✓ Detailed Statement of debt and other interest bearing obligations of Government
 - ✓ Detailed statement of loans made by Government
 - ✓ Particulars of earmarked balances relating to Reserve Funds etc..

General checks to be exercised while preparing Finance Accounts :

- The nomenclature of the Head of Account should conform to the classification given in the list of Major and Minor Heads of Accounts
 - No unauthorized head of account should be exhibited in the Accounts
 - Reconciliation of figures in the draft Finance Accounts and the draft Appropriation Accounts should be carefully done
 - Per contra adjustments wherever carried out should be linked at different places
 - Figures exhibited in the summarized statements eg. No.1,2,4,5,7 and 8 must tally with those given in the detailed statements and those taken in Chapter I of the Audit Report.
 - Minus balances wherever occurring in the Finance Accounts should be suitably explained by means of a Footnote and should be investigated for reconciliation/rectification as they may throw up misclassification of transactions in Accounts
 - Opening balances in the Finance Accounts should invariably agree with the closing balances of the previous years accounts and any difference should be suitably explained by means of a footnote.
 - Updated position in respect of difference in the accounts figures of Deposits with the Reserve Bank and those intimated by the RBI should be exhibited in footnote below Statement No.s1,7 and 16 as also in Chapter-I of the Audit Report, and these should be the same at all these places.
 - The totals and calculations of percentages in statements should be checked and correctness ensured.
 - Advances from the Contingency Fund and their subsequent recoupment should be carefully watched so as to ensure that they are properly accounted and that there is no omission.
 - It has to be ensured that all statements forming part of the Finance Accounts are attached and that there is no omission in this regard.
 - Differences between Accounts figures and RBI Deposit figures should be reconciled. It should be ensured that payments made by RBI through daily scrolls are properly accounted for by Treasuries and that there is no omission requiring rectification.
 - Discrepancies between Statements 13 and 14 should be checked and corrected.
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ITA checks to be exercised during local scrutiny of the draft Finance Accounts :

- The working sheets received from several sections for preparation of draft Finance Accounts in Book/Finance Accounts section and Journal entries etc., as well as Ledger in Book Section from which the bulk of the statement for Finance Accounts are compiled should be checked to inter alia ensure that :
 - no unauthorized heads of accounts have been opened
 - there are no anomalies and obvious mistakes of classification do not exist
 - wide variation between Revised Estimates and actuals have been properly examined to ensure that no serious misclassifications have occurred;
 - per contra adjustments on accounts of transactions affecting different Accounts officers or appearing in the books of two different branches or sections of one and the same Accountant General have been correctly carried out in the books of both the branches/sections.
 - There are no abnormal transactions of receipts/disbursements requiring investigation, rectification or insertion of suitable footnotes.
 - Reconciliation of figures between the draft Finance Accounts and the draft Appropriation Accounts should be effected completely for all the heads of accounts.
 - Broad check over 'adverse' balances under several Debt/Deposit/Remittance heads should be carried out with a view to ensure that a true and correct explanation is given for the existence of the adverse balances wherever it is not possible to rectify such balances at the stage of finalizing the draft Finance Accounts of a particular year.
 - It should be seen that the codal provisions in Article 8.11 of the Account Code for Accountants General about transfer of entire balance under "8782 – Cash Remittances etc. – Cash Remittances between Treasuries & Currency Chests" to "8999 – Cash Balance – Remittances in Transit", have been observed, leaving no balance under the former head. If balances are shown under both these heads in Statement No.16, investigation should be done to ensure necessary corrections and observance of prescribed procedure.
 - Similarly, no balance should appear in statement No.16 against the head "8675 – Reserve Bank Deposits", the entire account balance being shown against "8999 – Cash Balance – Deposits with Reserve Bank".
 - In respect of the major head "8680 – Miscellaneous Government Account", there is a minor head "writes-off from heads of account closing to balance". The figures appearing against this head in Statement No.16, should be verified with reference to the sanctions issued by CAG or by the AG in certain cases.
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Notes on

Central Public Works Department

Central Public Works Department

Scope :

In terms of Rule.136 of General Financial Rules, 1963 "All Central Works, other than the works of Railways and Defence Department, irrespective of cost, shall primarily be executed by the Central Public Works Department (CPWD). Prior concurrence of the Department of the Central Government in administrative charge of Public Works shall be necessary for entrusting works to an agency other than the CPWD. Such concurrence may be given by general or special order.

Functions:

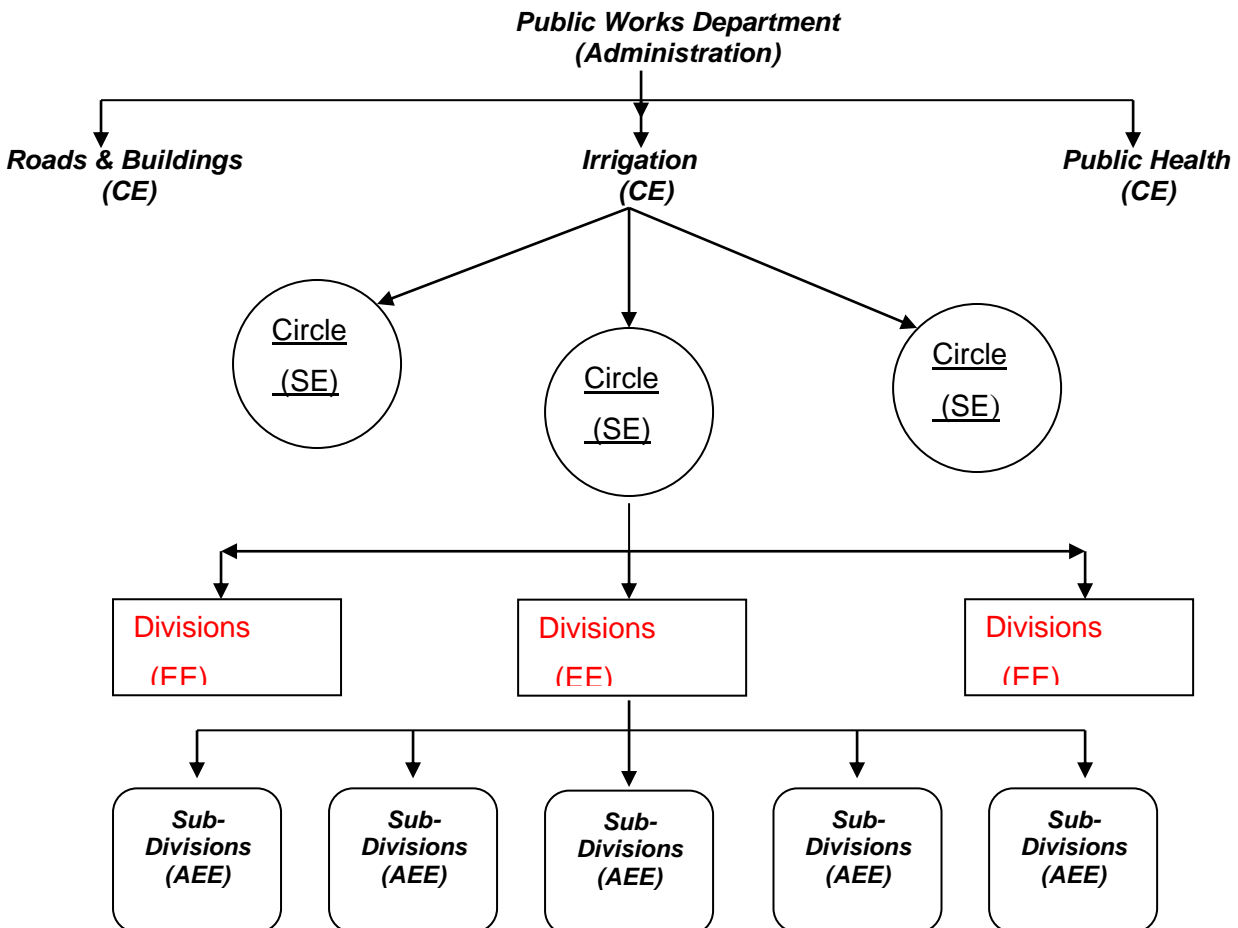
Public Works Department will look after the construction activities of Roads, Buildings, Bridges, Irrigation works, Water supply and sanitation. It looks after the construction activities and maintenance as well. As such CPWD will take care of both Capital expenditure and Revenue expenditure in respect of above works.

In addition to regular Government works, Public Works Department can be entrusted with Non-Government works viz. (a) Deposit Works, (b) Local Loan Works, and (c) Takavi Works.

Organisational Set-up:

Public Works Department as a whole is divided into three branches viz.

- a) Roads and Buildings
- b) Irrigation; and
- c) Public Health Engineering



Each branch is headed by a Chief Engineer. Each state is generally divided into circles headed by Superintending Engineers, who are under the control of Chief Engineer. Each circle will then be sub-divided into Divisions, headed by Executive Engineers, which are further divided into Sub-divisions headed by Sub-divisional Officers or Assistant Executive Engineer/Assistant Engineer.

Divisional Officer : This term is applied to an Executive Officer of the PWD who is not subordinate to another Executive or Disbursing Officer of the Department, even though the executive charge held by him may not be recognised as a "Division" by the Government concerned. Thus, **the officer in charge of an independent sub-division is also treated as a Divisional Officer** for the purpose of this Code.

Disbursing Officer of other departments, if they spend Public Works funds and are required to render their accounts direct to the Accounts Officer, are also included in the terms "Divisional Officer".

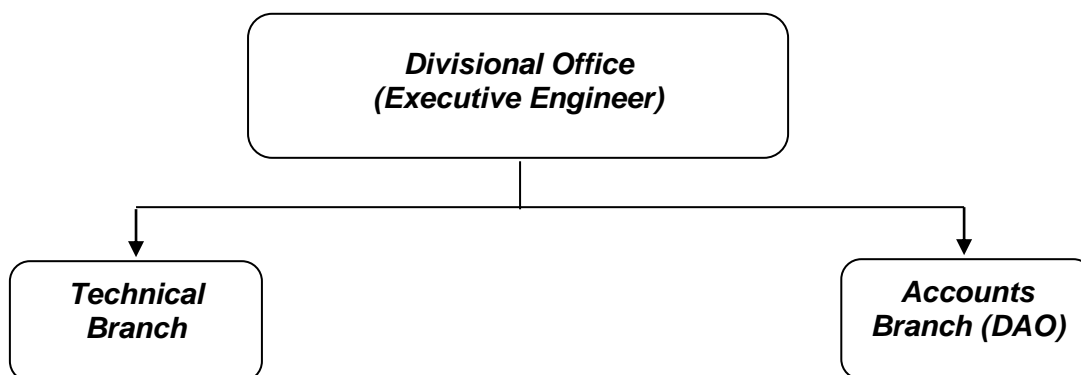
Responsibility of Disbursing Officer : (Para 3.2.2)

It is not sufficient that an Officer's accounts should be correct to his own satisfaction. He has to satisfy not only himself, but also the Audit Department,

- that the claim which was accepted is valid,
- that a voucher is a complete proof of the payment which it supports, and
- that an account is correct in all respects.

It is further essential that the records of payment, measurement and transactions in general must be clear, explicit and self-contained as to be producible as satisfactory and convincing evidence of facts, if required in a Court of Law. All transactions involving the giving or taking of cash, stores, other properties, rights, privileges and concessions, which have money values, should be brought to accounts. The record of transactions of receipt or expenditure should always be made at once under the final, debt, deposit or remittance head to which it pertains, if known. If the exact head cannot be ascertained at once, then the transactions should be classified temporarily under 'Deposits', if a receipt, or under 'Miscellaneous Public Works Advances', if a charge.

Divisional Accounts Officer : Each Divisional Office will have a technical branch and an Accounts branch. Accounts branch headed by Divisional Accounts Officer is a non-technical accountant who will check and compile the division accounts.



Divisional Accountant thus has 3 fold functions as detailed below:

- as **Accountant** : as the compiler of the accounts of the division in accordance with the prescribed rules and from the data furnished to him
 - as **Internal Checker** : he is charged with the responsibility of applying certain preliminary checks to the initial accounts, vouchers etc. and
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- (c) as **Financial Assistant** : as the general assistant and adviser to the Divisional Officer in all matters relating to the accounts and budget estimates or to the operation of financial rules.

In the discharge of these duties, he is expected to keep himself fully conversant with all sanctions and orders, passing through the office and with other proceedings of the Divisional Officer and his subordinates which may affect the estimate or accounts of actual or anticipated receipts and charges. He should advise the Divisional Officer on the financial effect of all proposals for expenditure and keep a watch, as far as possible, over all the liabilities against the grants of the division as they are incurred.

The Divisional Accountant is expected to see that the rules and orders in force are observed in respect of all the transaction of the division, which comes within his sphere of duties. If he considers that any transaction or order affecting receipts or expenditure is such as would be challenged by the Accounts Officer, it is his duty to bring this fact to the notice of the Divisional Officer with a statement of his reasons, and obtain the orders of that Officer. It will then be his duty to comply with the orders of the Divisional Officer. If he has been overruled and is not satisfied with the decision, he should at the same time make a brief note of the case in the Register of Divisional Accountant's Objections and lay the register before the Divisional Officer. This gives an opportunity to the Divisional Officer either to accept the Divisional Accountant's advice on reconsideration and ordering action accordingly, or of recording for the information of the Accounts Officer, his reasons for disregarding that advice. This register shall be made available to Accounts Officer at all the times.

- (a) _____ The Divisional Accountant is responsible for the safe custody of documents during the period when they remain in the Accounts Branch until submission to the Executive Engineer.
- (b) _____ He is responsible for the arrangements for checking the computed tenders i.e. for seeing that satisfactory and efficient arrangements are made for checking.
- (c) _____ He should conduct personally a test check of the computed and checked tenders sufficient to satisfy himself reasonably that the checking work has been properly done. In the case of lumpsum tenders, he should see that detailed drawings and specifications, duly authenticated by the competent authority form part of the notice inviting tenders and that the cost of various items forming part of the sanctioned estimate of the work is correctly assessed with reference to the relevant scheduled rates or in the case of non-scheduled items on the basis of rates supported by detailed analysis therefor sanctioned by the competent authority, and;
- (d) _____ He should see that the comparative statement correctly incorporates the totals as checked on the individual tenders.
- (e) _____ He is required to inspect periodically under the orders of the Divisional Officer, the accounts records of Sub-Divisional Officers and to check a percentage of the initial accounts. The defects noticed should be reported to the Divisional Officer for orders. But he is responsible, as far as possible, for explaining personally the defects of procedure and for imparting necessary instructions thereon to the Sub-Divisional Officers and their staff.
- (f) _____ He is responsible for reporting all defalcations or losses of public money, stores or other property to the Accounts Officer and other authorities concerned.
- (g) _____ He is responsible to bring to the notice of Divisional Officer all instances in which subordinate officers exceed the financial limitations on their powers placed by the Divisional Officer or higher authority.
- (h) _____ He may be entrusted with the duty of scrutiny of the accounts of the receipts and disbursements of subordinate officers failing with the Divisional Officer's own powers of sanction.
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- (i) _____ **He can be entrusted with the responsibility of receipt and disbursement of cash. However, he is not authorized to issue final receipts over his signature.**

Vocabulary

Public Works Department is a unique department which deals with accounts and engineering topics. In execution of works and preparation of accounts certain technical terms are used by the Department whose general meaning will not give a definite and clear idea or their meaning differs with general English. The following definitions give a precise and exact meaning of such technical terminology with reference to Public Works Department and all connected Departments. These definitions may be followed before looking at departmental accounting systems.

- **Accounts Officer** means the head of the accounts formation, namely Chief Controller of Accounts (including sub-formations), to whom the accounts of the division are rendered.
- **Audit Officer** means any officer subordinate to or under the superintendence of the Comptroller and Auditor General of India, who exercises audit functions.
- **Administrative approval** denotes the formal acceptance by the administrative department concerned of the proposals for incurring expenditure in the Public Works Department on a work initiated by, or connected with, the requirements of such administrative department. It is, in effect, an order to the Public Works Department to execute certain specific works at a stated sum to meet the administrative needs of the department requiring the work.
- **Advance Payment** means a payment made on a running account to a contractor for work done by him but not measured.
- **Appropriation** means the assignment of funds to meet specified expenditure included in a primary unit of appropriation.
- **Bank** means any office or branch of the Banking Department of the Reserve Bank of India. RBI had appointed State Bank of India as an agent to conduct Government transactions.
- **Book transfer** means financial transactions which do not involve the giving or receiving of Cash, or of stock materials, are brought to account. They usually represent liabilities and assets of Government brought to account either by way of settlement or otherwise but they may also represent corrections and amendments made in Cash, Stock, or Book transfer transactions previously taken to account
- **Contingencies (Works)** indicates the incidental expenses of miscellaneous character which cannot appropriately be classified under any distinct sub-head or sub-work, yet pertain to the work as a whole.
- **Contract and Contractor** the term “**Contract**” means any kind of undertaking, written or verbal, express or implied, by a person, not being a Government servant, or by a syndicate or firm for the construction, maintenance or repairs of one or more works, for the supply of materials, or for the performance of any service in connection with the execution of works or the supply of materials.

The term “**Contractor**” means a person, syndicate or firm that has made such an undertaking, but often its use is restricted to contractors for the execution of works or for services in connection therewith.

- **Deposit Works** is applied to works of construction or repair, the cost of which is met, not out of Government Funds, but out of the funds from non-Government sources, which may either be deposited in
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cash or otherwise placed at the disposal of the Divisional Officer. Works executed for municipalities and other public bodies fall under this category when the cost is chargeable to cash deposits made for the purpose.

- **Direct Charges** are those charges pertaining to a work, project, or job, which are incurred directly for its execution and are included in the regular accounts of it.
 - **Indirect Charges** are those charges which pertain, or are **incidental** to a work, project, workshop job or manufacture job, but which are not incurred directly or solely in connection therewith and thus cannot be taken directly into such detailed accounts of its as are incorporated in the regular accounts of the expenditure of the Department.
 - **Direct Receipts** are those items of revenue receipts which are realized in connection with a work or project, either by officers of the Public Works Department or other departments and are brought to account directly as appertaining to the work or project.
 - **Indirect Receipts** are those receipts which pertain or are incidental to scheme or work, but cannot be taken directly into such detailed accounts of it as are incorporated in the regular accounts of the receipts of the Department.
 - **Division and Divisional Office**, these terms are used to denote respectively the executive charge held by a Divisional Officer and the head office of such a charge. Thus, **the office of an independent executive Sub-division is a Divisional Office** for the purposes of this Code, as also that of the Superintendent of a Workshop working independently of a Divisional Officer.
 - **Final payment** means the last payment on a running account made to a contractor on the completion or determination of his contract and in full settlement of the account.
 - **Intermediate payment** is a terms applied to a disbursement of any kind on a running account, not being the final payment. It includes an "Advance Payment", a "Secured Advance" and "on account payment", or a combination of these.
 - **Issue Rate** denotes the **cost per unit fixed**, in respect of an article borne on the Stocks of the Department at a valuation, for the purpose of calculating the amount creditable to the sub-head concerned of the stock account by charge to the account or service concerned, when any quantity of that article is issued from Stock; "Handling charges" and other incidental "Storage charges" will be included in the "**Issue Rate**" by adding a suitable percentage based on the carriage and other incidental charges of the previous year, and storage charges as reviewed and fixed at the beginning of a year.
 - **Labour** is used when a separate materials account is kept for one or more sub-heads of an estimate and the terms '**labour**' is used in connection with such an account, it denotes all charges pertaining to each of those sub-heads, other than;
 - the cost of materials issued direct, and
 - carriage and incidental charges in connection with the materials
 - **Local Loan** indicates works executed by the Public Works Department on behalf of a Municipality, Port Trust or other corporation, when the cost of the works is to form part of a loan given to it by Government for the purpose.
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- **Major Estimate** is a term applied to the estimate for a work when the sanctioned amount of the works expenditure **exceeds Rs.10.0 Lakh**. This term is also applied for the sake of convenience, to the work itself,
 - **Market Rate** is used in respect of an article borne on the Stock accounts of a division, this term indicates the cost per unit at which the article, or an article of similar description, can be procured, at a given time from the public markets suitable to the division for obtaining supply thereof. This cost should be inclusive of carriage and incidental charges, and may even include a reasonable provision for wastage and depreciation when these are inevitable.
 - **Minor Estimate** is applied to the estimate for a work, when the sanctioned amount of the works expenditure does not exceed Rs.10.0 Lakh. This term is also applied, for the sake of convenience, to the work itself.
 - **On Account Payment** means a payment made, on a running account, to a contractor in respect of work done or supplies made by him and duly measured. Such payments may or may not be for the full value of work or supplies; if it is an intermediate payment, it is subject to final settlement of the running account on the completion of the contract for the work or supplies.
 - **Rate** means the consideration allowed for each unit of work, supply or other service, In estimates of cost, contracts, contractor's bills and vouchers.
 - **Rate of Cost** means generally the total cost of a work or supply divided by its quantity. In the accounts, it represents the recorded cost per unit, as arrived at by dividing the up-to-date final charge on a sub-head, by the up-to-date progress thereof.
 - **Inclusive Rate of Cost** means the rate of cost of the entire work relating to **sub-head**, including the cost of materials, if recorded separately in the accounts.
 - **Recoverable payment** means a payment to or on behalf of a contractor, which does not represent value creditable or payable to him for work done or supplies made by him and has, therefore, to be made good to Government by an equivalent cash recovery or short payment of dues.
 - **Running Account** is a term applied to the account with a contractor when payment for work or supplies is made to him at convenient intervals subject to final settlement of the account on the completion or determination of his contract.
 - **Secured Advance** is a term applied specifically to an advance made on the security of materials brought to site of work, to a contractor whose contract is for the completed item of work.
 - **Storage charges** mean expenditure incurred, after the acquisition of the stores, on work-charged establishment, employed on handling and keeping initial accounts, the custody of stock and the maintenance of the store godown or yards, etc. and are added on a percentage basis to the issue rate, so as to form part of the issue rate.
 - **Sub-divisional Officer** is a designation is applied primarily to an official, whether a Gazetted Officer or not, who hold the charge of a recognised sub-division subordinate to a Divisional Officer, but when the immediate executive charge of any works or stores has not been constituted into a regular sub-divisional charge, but is held by the Divisional Officer himself, the latter is also treated as the sub-divisional officer in respect of such charge. When a Divisional Officer holds the immediate charge of a recognised sub-division in addition to his own duties as the executive head of the division, he is treated as the Sub-divisional Officer in respect of the charge of the Sub-Division.
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- **Sub-head** is a term used, In the accounts of works and in working estimates, to describe the sub-divisions into which the total cost of a work is divided for purposes of financial control and statistical convenience. The several descriptions of work that have to be executed in the course of construction or maintenance of a work or sub-work, e.g. excavation, brick-work, concrete, wood work, etc., are usually treated as, the sub-heads of it.
 - **Sub-Work** is used in the case of a large work consisting of several buildings or smaller work, or groups thereof, the terms sub-work is often applied to a distinct unit of the same, if that unit is sufficiently large or important to be kept distinct for the purpose of accounts. For example, the outer wall, the solitary cells, the cook-houses, the jailor's quarters, etc., in the case of a large central jail. In the case of irrigation etc., projects the Head Works, Main Line, each branch of a canal, each group of distributaries relating to each branch separately, the drainage and protective works, the Water Course Schemes, and Special Tools and Plant, all form separate sub-works.
 - **Supervision Charges** are ordinarily applied to the charges which are levied, in addition to book value in respect of stock materials sold or transferred and are intended to cover such items of the expenditure incurred on the store as do not enter their book value.
 - **Suspense Accounts** are applied primarily to certain heads of account, falling under the minor head "Suspense" of a major head of expenditure, which are reserved for the temporary passage of such transactions as must at once be taken to the account of the sanction or grant concerned, but cannot be cleared finally either because the relevant payment, recovery, or adjustment is awaited, or because it is necessary to keep an effective watch over the values of any stock materials, until their final disposal. The charges under a suspense account are taken in enhancement of the charges under the major head of expenditure concerned, and the receipts, in reduction thereof.
 - **Takavi Works** denotes works of a construction or maintenance relating to water courses or any other works, expenditure on which is treated by Government as a takavi advance, recoverable from the party or parties concerned.
 - **Technical Sanction** means the order of competent authority sanctioning a properly detailed estimate of the cost of a work of construction or repair proposed to be carried out in the Public Works Department. Ordinarily, such sanction can only be accorded by Government in the Public Works Department or by such authorities of the Department to whom the power has been delegated by Government. Sanction accorded to a work by any other department of Government is regarded merely as an administrative approval of the work.
 - **Water Course** means any channel which is supplied with water from a canal, but which is not maintained at the cost of Government, and all subsidiary works belonging to any such channel.
 - **Work** when by itself, is used in a comprehensive sense and applies not only to works of construction or repair, but also to other individual objects of expenditure connected with the supply, repair and carriage of tools and plant, the supply or manufacture of other stores, or the operation of workshop.
 - **Works Expenditure and Works Outlay** are the terms used to indicate respectively the expenditure, and the capital charges, on the special services connected with the construction, repair and maintenance of work. The charges falling under these categories may be net when, under rule, any receipts are taken in reduction of the charges, but they do not include the cost of the general services, Tools and Plant and
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Establishment, or any charges not taken to final heads of account but kept under one of the suspense accounts.

System of Accounts

The transactions of Public Works Offices are grouped under the following heads: (Para 3.1.6)

- I. **Expenditure Heads** : for charges adjustable finally in the accounts of Divisional Officers.
- II. **Revenue Heads** : for revenue receipts creditable finally to Government in the accounts of Divisional Officers
- III. **Remittance Heads** : Receipts as well as payments for cash, stores or other values received from, or paid to or on behalf of other departments or Governments.
- IV. **Suspense and Deposit Heads** : for certain receipts and payments held in suspense or Deposit pending clearance, by payment or recovery in cash or otherwise. The suspense accounts for transaction of this group are treated either as heads subordinate to the Expenditure heads or as Independent heads of account or as sub-heads in the accounts of works.

The transactions under each of these groups are further sub-divided for purposes of accounts. In the case of Expenditure and Revenue Heads, the main unit of classification is known as the major head, and the further divisions of it as minor heads each of which has a number of subordinate heads known as sub-heads. The sub-heads are further divided into detailed heads. Sometimes major heads may be divided into sub-major heads before their further division, into minor heads.

The classification and the Heads of Accounts in which the Government transactions are adjustable shall be the same as indicated in the List of Major and Minor Heads of Accounts of Union and States as mentioned in Chapter.3 of Government Accounting Rules, 1990

For the purpose of classification, services are basically divided into three categories, viz;

- (a) General Services
- (b) Social Services
- (c) Economic services.

General Services : Public Service Commission, Police, Jails, Supplies & Disposals, Stationery & Printing, Public Works, Other Administrative Services, Contributions & recoveries, Pension & Other retirement benefits, Miscellaneous General Services, Defence Services (Army, Navy, Airforce, Defence), Ordnance Factories, Elections, Audit, Land Revenue, Stamps & Registration, Customs, Union Excise duties, State Excise, Sales Tax, Taxes on vehicles, External Affairs etc.

Social Services : Education, Sports, Art & Culture, Medical and Public Health, Family Welfare, Water Supply and Sanitation, Housing, Urban Development, Information and Publicity, Broadcasting, Labour and Employment, Social Security and Welfare and other social services.

Economic Services : Crop Husbandry, Animal Husbandry, Dairy Development, Fisheries, Forestry and Wild life, Plantations, Food Storage and warehousing, Agricultural Research and Education, Co-operation, Other Agricultural Programs, Land Reforms, Other Rural Development Programs, Hill Areas, Irrigation (Major, Medium, Minor), Power, Petroleum, Coal and Lignite, Village & Small Industries, Industries, Indian Railways, Ports & Light Houses, Shipping, Civil Aviation, Roads and Bridges, Road Transport, Inland Water Transport, Postal Receipts, Telecommunication Receipts, Other Communication Services, Atomic Energy Research, Tourism, Foreign Trade & Export Promotion, Civil Supplies & Other General Economic Services.

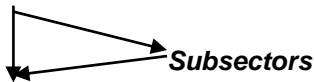
Revenue Division : Revenue Division comprises of Receipts and Payments relating to taxation, General Services, Social Services and Economic Services.

Capital Division : Capital Division comprises of:

- (a) Capital Receipts & Capital Expenditure of General, Social and Economic Services.
- (b) Public Debt, and
- (c) Loans and Advances.

Each Division is further divided into a further 5 steps to locate exact classification and book the receipt/expenditure in a proper accounting manner.

I. Sectors : Denoted by an alphabet and indicates a plan – classification



II. Major Head : Denoted by a 4 digit code and indicates functions. Eg: Agriculture, Education etc.



III. Minor Head : Denoted by a 3 digit code and indicates Plan/Non-Plan Programmes



IV. Sub Heads : Indicates the scheme or activity of programmes



V. Detailed Heads : Indicates nature or form of expenditure, such as salary, TA, investment, loans etc known as object classification or objects of expenditure.

In a 4 digit Major Head, If the first digit is 0 or 1, then it can be construed that the amount is a Revenue Receipt Head. Similarly, if the first digit is 2 or 3 then it is a Revenue Expenditure Head and if the first digit is either 4 or 5 then it is a Capital Expenditure Head. Broadly, it can be classified as:

From	0020	To	0045	→	Receipt Head of Tax Revenue
From	0046	To	0050	→	Receipt Head of Non-Tax Revenue
From	0051	To	0079	→	General Services of Non-Tax Revenue
From	0202	To	0252	→	Social Services of Non-Tax Revenue
From	0401	To	1475	→	Economic Services of Non-Tax Revenue
From	2011	To	2079	→	General Services of Revenue Expenditure
From	2202	To	2252	→	Social Services of Revenue Expenditure
From	2401	To	3475	→	Economic Services of Revenue Expenditure
From	4046	To	4076	→	Capital Expenditure of General Services
From	4202	To	4250	→	Capital Expenditure of Social Services
From	4401	To	5475	→	Capital Expenditure of Economic Services
From	6075	To	7615	→	Loans and Advances

List of Major Heads, we generally come across in Public Works :

- 0021 → Taxes on Income Other than Corporation Tax
 - 0040 → Sales Tax
 - 0059 → Public Works
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0202	→	Education, Sports , Art and Culture
0210	→	Medical & Public Health
0215	→	Water Supply and Sanitation
0216	→	Housing
0701	→	Major & Medium Irrigation
0702	→	Minor Irrigation
1054	→	Roads & Bridges
7610	→	Loans to Government Servants etc.
8009	→	State Provident Funds
8011	→	Insurance and Pension Funds
8443	→	Civil Deposits
8658	→	Suspense Accounts
8782	→	Cash Remittances and Adjustments

& Inter Government Adjustment accounts from 8786 to 8794.

Note : Some important classifications which are regularly used in Public Works transactions are given below for reference. This classification was given just for reference and unless List of Major and Minor heads are provided it is hard to remember these classifications in 5 tier mode. The examinees are requested just to give a novel reading of these classifications so that you will understand the method of classification. Points 18, 19 & 32 may be given special attention.

Important Classifications:

1	Income Tax recovery from Contractors Bills	0021 102	--	Taxes on Income Other than Corporation tax Income Tax on other than Union Emoluments including pensions. Note 2(xii) – Deductions from payments to contractors u/s 194-C of IT Act, 1961
2.	Sales Tax received on account of sale of tender forms	0040 102	--	Tax on Sales, Trade etc. Receipts under State Sales Tax Act Note 1(ii) – Tax Collections
3.	Repayment of MCA from the salary of Divisional Officer	7610 202	--	Loan to Government servants etc. Advances for purchase of motor conveyances
4.	Repayment of HBA from the Pay & Allowances of a Divisional Accountant.	7610 201	--	Loan to Government servants etc. House Building Advances.
5.	Repayment of cycle advance by a clerk in PW Department	7610 203	--	Loan to Government servants etc. Advances for purchase of other conveyances.
6.	Recovery of GPF subscription from the pay and allowances of an AE.	8009 01 101	-- - -	State Provident Funds Civil General Provident Funds
7.	Contribution to CGEGIS made from an SDO	8011 103	- -	Insurance and Pension Funds Central Govt. Employees Group Insurance Scheme & Note.4 thereunder.
8	Contributions towards CGHS recovered from an employee.	0210 01	- --	Medical and Public Health Urban Health Services Central Govt. Health Scheme
9	Security Deposit recovered from the work bill of a Contractor.	8443 108	--	Civil Deposits Public Works Deposits Read with Note.3 thereunder
10	Municipal taxes recovered from the occupants of Govt. residential buildings.	8443 800	- -	Civil Deposits Other Deposits Note.16
11	Amount received by PWD whose classification is not confirmed and whose receipt head is not known. Ex. Cash found excess	8443 108	- -	Civil Deposits Public Works Deposits Miscellaneous Deposits (Para 3.2.2. and Para 15.1.1 of CPWA Code)
12	Amount deposited by a local body for work to be done by CPWD	8443 108	- -	Civil Deposits Public Work Deposits Deposits for works to be done (Para 15.1.1)
13	Unclaimed amount by a contractor in respect of work done and measured.	8443 108	- -	Civil Deposits Public Work Deposits Sums due to contractors on closed accounts (Para 15.1.1 of CPWA Code)
14	Unspent balance in respect of a deposit work refunded back to concerned local body.	8443 108	- -	Civil Deposits Public Work Deposits Deposits for works to be done (minus credit) [Para 15.1.1 readwith Note 1 below 16.2.2]
15	Expenditure incurred on a Deposit Work	8443 108	-	Civil Deposits Public Work Deposits Deposits for works to be done
16	Security amount submitted by a cashier.	8443 108	- -	Civil Deposits Public Works Deposits. Cash Deposits of subordinates as security (para 15.1.1 of CPWA Code)
17	Amount Deposited by a local body for payment of compensation for land acquired for them	8443 117	- -	Civil Deposits Deposits for work done for public bodies or private individuals. Note.10 thereunder

18	Material purchased by a division for stores. (if payment is made during same month)	2059 80 799	- - -	Public Works General Suspense Stock (Note.9)
The amount will be classified under this head, if payment is made to the supplier during the same month. If otherwise, the amount will be debited to the same head affording credit to				
		8658 129	- -	Suspense Accounts Material Purchase settlement suspense account Note.13
Subsequently when the amount is paid to the supplier a contra entry (minus credit) will be made to this head, thus clearing the suspense.				
19	Material purchased for a work (if payment is made on the same day)			Work concerned
If payment was not made during the same day, the amount will however be debited to the work concerned and credit will be afforded to:				
		8658 129	- -	Suspense Accounts Material Purchase settlement suspense account Note.13
When the amount is actually paid to the supplier a minus credit will be afforded to this head, clearing the suspense.				
20	Remittances made by a PW Division in Bank/Treasury	8782 102	- -	Cash remittances and adjustments between offices rendering accounts to the same accounts officer Public works remittances Note1(2) 0 Remittances into Treasuries/Banks.
21	Rent received from the tenant of a Govt. Residential Building.	0216 01 106	- - -	Housing Government Residential Buildings General Pool Accommodation Note(1)(I) – Rent/License Fee.
22	Rent received by PW Dept. in respect of Office Buildings.	0059 01 011	- - -	Public Works Office Buildings Rents [Note.2]
23	Rent of PW Dept. circuit houses or Rest houses.	0059 80 011	- - -	Public Works General Rents [Note.2]
24	Sale proceeds of produce from public buildings.	0059 80 800	- - -	Public Works General Other Receipts (Note.3)
25	Recovery of cost of empty cement bags/empty bitumen containers taken by contractor.	0059 80 800	- - -	Public Works General Other Receipts Note.3
26	Profit on revaluation of stores/stores found surplus on verification.	0059 80 800	- - -	Public Works General Other Receipts Note.3 – Other items
27	Fine for delay in completion of an office building.	0059 01 800	- - -	Public Works Office buildings Other Receipts Note.3 – Other items
28	Fine for delay in completion of a jail building.	0059 60 800	- - -	Public Works Other buildings Other Receipts Note.3 – Other items
29	Fine for delay in completion of a garden.	0059 80 800	- - -	Public Works General Other Receipts Note.3 – Other items

30	Sale proceeds of dead stock/waste paper/other items; the cost of which was met from office expenses.	0059 80 800	- - -	Public Works General Other Receipts Note.3(i)
31	Receipt on account of lapsed deposit creditable to revenue in PWD	0059 80 800	- - -	Public Works General Other Receipts Note.3(ii) – Other items
32	Refund of security deposit for a Govt. work accounted for as lapsed deposit.	0059 80 800	- - -	Public Works General Other Receipts Deduct refunds (Para 15.4.3) (minus credit)
33	Recovery from contractor on account of Tools and Plant in respect of school building.	0059 80 102	- - -	Public Works General Hire charges of Machinery and Equipment.
34	Recovery of Estt. charges by PWD in r/o work done for local bodies etc.	0059 103	- -	Public Works Recovery of percentage charges Note.4
35	Profit on revaluation of Stores/Surplus on stock verification/Unclaimed balances under purchases.	0059 80 800	- - -	Public Works General Other Receipts Other items [Note.3(ii)]
36	Amount realised on account of sale of tender forms.	0059 80 800	- - -	Public Works General Other Receipts - Other items [Note.3(I)]
37	Repairs to AG Office building.	2059 01 053	- - -	Public Works Office Buildings Maintenance and Repairs (Note 4 & 11)
38	Repairs to a Government school	2059 60 053	- - -	Public Works Other Buildings Maintenance and Repairs (Note 4 & 11)
39	Repairs to a Government Park	2059 80 053	- - -	Public Works General Maintenance and Repairs (Note 4 & 11)
40	Furniture brought to AG Office by PWD	2059 80 103	- - -	Public Works Office Buildings Furnishings (Note.5)
41	Furniture brought by PWD for their own office building.	2059 80 001	- - -	Public Works General Direction and Administration (Note.2)
42	Furniture brought by PWD for a Government Hospital	2059 60 103	- - -	Public Works Other buildings Furnishings (Note.5)
43	Hire charges/Rent charges of a building for use as administrative building by police department.	2059 01 104	- - -	Public Works Office Buildings Lease charges (Note.6)
44	Cash found short in a PW Division.	2059 80 799	- - - -	Public Works General Suspense Misc. Works Advance (Note.9) Losses, retrenchments, errors etc.
45	Pay and Allowances of staff of Public Works Department.	2059 80 001	- - -	Public Works General Direction & Administration (Note.2)
46	Stationery and service postage charges incurred by a PW Division.	2059 80 001	- - -	Public Works General Direction & Administration (Note.2)

47	Unauthorised expdtr. incurred by a PW Division.	2059 80 799	- - -- -	Public Works General Suspense Misc. Works Advance (Note.9) Losses, retrenchments, errors etc.
48	Amount received in advance from another division for supply of stores.	2059 80 799	- - --	Public Works General Suspense Stores/Service rendered
49	Losses on stock due to revaluation of stores	2059 80 800	-- -- --	Public Works General Other expenditure Losses on stock – Minor works (Para 7.2.34)
50	Recovery of Estt. charges levied by PWD on work done for other deptts.	2059 80 001	- - -	Public Works General Direction & Administration (Note.2)
51	Machinery & Equipment purchased for general use by a PW Division.	2059 80 052	-- -- --	Public Works General Machinery & Equipment New Supplies (Note.8)
52	Payment made by a PW Department, the classification of which is not known exactly at the time of payment.	2059 80 799	-- -- -	Public works General Suspense Misc. Works Advances (Note.9) Other items (Para.3.2.2)
53	Expenditure in excess of Deposit made by a local body.	2059 80 799	-- -- -	Public Works General Suspense Misc. Works Advances Expenditure on a deposit work in excess of deposit received (Para 13.4.1)
54	Municipal Taxes paid by PWD in respect of a Hospital Building.	2059 60 053	-- - -	Public Works Other Buildings Maintenance & Repairs
55	Municipal taxes paid by PWD in respect of Govt. residential accomm.	2216 01 106	-- -- --	Housing Government Residential Buildings General Pool Accommodation Note 2(iii) – Maintenance & Repairs
56	Municipal taxes paid by PWD in respect of Govt. residential accomm., where such expenditure is the liability of occupants.	2059 80 799	-- -- -	Public Works General Suspense Misc. Works Advances Other items (Para 13.4.1)
57	Construction of AG Office buildings at Hyderabad.	4059 01 051	-- - -	Capital Outlay on Public Works Office Buildings Construction [Note 1 & 4
58	Construction of IG of Police Office.	4059 01 051	-- - -	Capital Outlay on Public Works Office Buildings Construction [Note 1 & 4
59	Construction of a Police Station.	4055 207	-- -	Capital outlay on police State Police Nite (1) & (3)
60	Construction of Jail Building.	4059 60 051	-- - -	Capital Outlay on Public Works Other Buildings Construction [Note 1 & 4
61	Construction of an office building for the Director of Health Services/Dist. Education Officer	4059 01 051	-- - -	Capital Outlay on Public Works Office Buildings Construction [Note 1 & 4
62	Land acquisition cost met by PWD for an Office building.	4059 01 201	-- - -	Capital outlay on Public Works Office Buildings Acquisition of land [Note-3]
63	Cost of construction of a	4202	--	Capital Outlay on Education, Sports, Art & Cul

	<i>high school building</i>	01 202	-	<i>General Education Secondary Education and Note.1</i>
64	<i>Cost of construction of a Medical College</i>	4210 02 105	-- -	<i>Capital Outlay on Medical & Public Health Medical Education Training and Research Allopathy</i>

The main features of the system of Public Works Accounts are: (Para 3.2.1)

- (a) *The Divisional Officer, is the primary Disbursing Officer of the Division, who is permitted to obtain, by cheque on the banks, the funds required for all disbursements in connection with the execution of works, pay and allowances etc. of the Gazetted and Non-gazetted staff working in Division of the CPWD as well as in the Divisions of such other departments as may be specially authorized in this behalf and contingent charges, the bills for all long-term advances and for GPF withdrawals of staff other than Group 'D' will be submitted to Pay & Accounts Offices. He also collects some of the departmental receipts of the division and pays them into the banks.*
- (b) *The accounts of these receipts and disbursements are compiled under his supervision by an Accountant and are submitted monthly to the Accounts Officer.*
- (c) *He is further required to maintain clear accounts of all stores received by him and to make these accounts available for audit by the Accounts Officer.*
- (d) *Under each major head of expenditure, the charges on each project, work, or sub-work are recorded separately in the accounts of Divisional Officers in the case of works of certain classes. Proforma accounts of all transactions connected therewith are prepared annually by the Accounts Officer or by the Divisional Officer, as may be required, and for this purpose the receipts pertaining to each work of this class are also shown separately in divisional accounts:*
 - (1) *Irrigation, etc. commercial undertakings*
 - (2) *Quasi-commercial undertakings, such as self-supporting workshops*

Except to the extent prescribed in sub-para (a), above, personal payments of all Government servants of the Department are made on bills presented at the counters of Pay and Accounts Offices in accordance with the general provisions of the Central Government Account (Receipt and Payments) Rules, 1983 and are therefore, brought to account direct by the Pay and Accounts Officer himself from the data furnished to him.

Cash : (Para 6)

The cash book is one of the most important account records of the department. Divisional Officers should maintain an account of all cash transactions in the Cash Book, in the capacity of cheque Drawing and Disbursing Officers. Government Officers entrusted with imprests or temporary advance should maintain and render accounts of their disbursements to Divisional Officers. The amounts of cheques drawn on account of pay and allowances of the staff should however, be accounted for in the Cash Book as under:

- (a) *In case of bills of staff desiring payment by cash, self-cheques should be drawn by the Divisional officers or Departmental Accounts Officers declared as Cheque Drawing Divisional Officer. The amount of each bill should be entered on the payment side in the column 'Bank' and the amount of deduction should simultaneously be entered on payment side under column 'cash' and on receipt side under column 'cash'. The payment on the payment side should be classified under the appropriate Head of Account. The recoveries on the receipts side should be classified under the respective major and minor heads. The amount of self-cheques should be simultaneously entered in the Subsidiary Cash Book maintained.*

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- (b) *The amount of cheques drawn in favour of the payees in respect of bills of the staff desiring payment by cheques should be entered on the payment side in column 'Bank' and the amount of deductions will simultaneously be entered on payment side under column 'Cash' and on receipt side under column 'Cash'. Cheques for net amounts should be drawn in the name of the payees.*

Imprest : *A standing advance of fixed sum of money given to an individual to enable him to make certain classes of disbursements which may be entrusted to his charge by the Divisional Officer in accordance with such rules, and subject to such restrictions, as may be laid down by the Administrative Ministry/Administrator concerned. The amount of an imprest should be kept as low as possible and should in no case exceed five thousand rupees without the special sanction of the Administrative Ministry/Administrator concerned.*

Temporary Advance : *When a Disbursing Officer makes a remittance to Subordinate Officer to enable him to make a number of specific petty payments on a muster roll or other voucher which has already been passed for payment, the amount remitted should be treated as a Temporary Advance and accounted for in the same way as an imprest. The account of Temporary Advance should be closed as soon as possible.*

Earnest Money Deposit : *Every tenderer at the time of submission of his tender, shall have to deposit a specified sum, along with his tender to assure the Government his earnestness in executing the work at the rates quoted in his tender. In case his tender is accepted, his Earnest Money Deposit will be kept with "8443 - Civil Deposits – PW Deposits", and will be kept until the contractor starts the work to the satisfaction of the Department. If he fails to start or execute the work in accordance with the rates and terms of the contract, his Earnest Money stands forfeited. In cases where the tender has not been accepted, the Earnest Money Deposit submitted by the Contractor will be returned back immediately.*

Security Deposit : *When a Cash transaction or work was entrusted to subordinates or contractors, Security Deposits can be collected from them. Security Deposits can be collected in cash or in any of the forms as discussed in Para 15.2.2 of CPWA Code. These deposits are covered by a bond or agreement setting forth the conditions under which the security is held and may be ultimately refunded or appropriated. Percentage deductions for security deposits, related to estimate cost of the work awarded made from contractors bills, should be credited to the head "Civil Deposits - Public Works Deposits – Cash Deposits of Contractors". As an exception to this rule, the security may be exacted by withholding from payment, the required percentage of the value of work actually measured and passed, if the total amount recoverable on this account during the official year in any case is so small that its exclusion from the works outlay of the year is not likely to affect the grants appreciably. The limit fixed for the purpose is Rs.500 for each work.*

Lapsed Deposits : *In terms of Para 15.4.1 of CPWA Code, in the accounts for March each year, the following classes of items in the Public Works Deposit account should be credited to Government as lapsed deposits :*

- (a) *Original deposits not exceeding Rs.25 remaining outstanding for one whole account year,*
- (b) *Balances not exceeding twenty five rupees of items partly cleared during the year than closing; and*
- (c) *Balances unclaimed for more than three complete account year.*

Before the amount of lapsed deposits is credited to Government as revenue, the original realization should be traced and reference to the credit should be so recorded against the original entry in the cash book and other accounts as to make the entertainment of a double or erroneous claim impossible.

Deposits credited to Government under the provisions of an agreement or bond cannot be repaid, without pre-check by the Accounts Officer who will authorize payment on ascertaining :

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- (a) that the item was really received,
 - (b) that it was credited to Government as lapsed or confiscated, and
 - (c) that the claimant's identity and title to the money are certified by the Divisional Officer.

The amount repaid should be treated as a refund of receipts under the major head to which it was credited and the repayment should be noted in the Deposit Register against the entry for its credit to Government.

Balancing Cash Book :

The cash book must be balanced on the date prescribed for closing the cash accounts of the month. When the transactions are numerous, a weekly or daily balance is recommended and it is advisable that the cash be counted whenever a balance is struck, or at convenient intervals, as this affords an independent check on the accuracy of the postings. The results of such intermediate counting should be recorded in the form of a note in the body of the cash book, so as not to interfere with the up-to-date totals, the actual balance of cash in the chest should invariably be stated in the note both in words and figures.

Rectification of Errors :

An entry once made in the cash book should in no circumstances be erased. If a mistake is discovered before cash book is closed, it should be corrected by drawing the pen through the incorrect entry and inserting the correct one in red ink between the lines. The Disbursing Officer should initial every such correction and invariably date his initials. If the accounts of the month have been closed no corrections of errors in amount, classification or name of the work, should be made in that book but a transfer entry should be prepared for the necessary correction, a suitable remark in red ink being recorded against the original erroneous entry in cash book.

Cash Verification :

The Disbursing Officer should check all the entries in his cash book as soon as possible after the date of their occurrence, and he should initial the cash book, dating his initials after the last entry checked. The cash book should be signed by him at the end of the month and such signature should be understood fixing responsibility for all entries of the month inclusive of the closing balance. The details of actual balance should be recorded and a certificate of the count of cash, specifying both in words and figures, the actual cash balance (exclusive of imprest and temporary advances with subordinates) and of reconciliation of balance, so counted with the book balance should be recorded below the closing entries of the month. The certificate should be signed by the Disbursing Officer who should invariably date his signature.

When the content of the cash chest counted doesn't agree with the balance in cash book, an entry should invariably be made in the cash book to the effect. If Cash found surplus then an entry shall be made on the receipt side of the cash book duly booking the receipt to the head of account "Public Works Deposits". If Cash was found short, then it should be treated as an expenditure of the department, initially, and the amount booked under payments side of the cash book with classification as "Miscellaneous Works Advances". The administrative action to be taken on the occurrence of the error must depend on the nature of each case.

In Public Works Department, all transaction from which final accounts are compiled falls into three categories. They are:

- (1) Payments or Receipts in cash
- (2) Issues or Receipts of Stores materials
- (3) Adjustments or Book transfers

Receipts and Payments are entered in a Cash Book, to be maintained by the Disbursing Officer (Divisional Officer/Executive Engineer) in Form.1. All Cash received by the Disbursing Officer on account of

departmental receipts and all payments made by him will be entered in this cashbook immediately on their receipt or payment. Department can utilize cash receipts for expenditure, subject to certain restrictions. However at the end of the month the Divisional Officer should see that all the receipts received by him shall be remitted to Government Accounts by endorsing a self cheque in his favour in terms of para 6.3.5 of CPWA Code.

Cash includes :-

- Legal tender coins and notes
- Cheques in favour of in-charge of cash book
- Deposit at call Receipts of Scheduled Banks
- Bank Drafts payable on demand
- Revenue Stamps
- Postal Orders
- Cheques/Demand Drafts in favour of disbursing officer including self cheques
- Imprest with sub-ordinates
- Temporary Advances with sub-ordinates
- Undisbursed wages etc. of purely work-charged establishment.
- Unpaid salaries/loans and advances received back for remittance.

Cash Book consists of mainly two divisions - Receipts and Payments. A total of 5 columns are used for entering the receipt entries. Payment entries are maintained in 7 columns. All receipts collected by the department are entered in column no.4 irrespective of the fact that the receipt is either by way of cash, cheque, Demand Draft or challan. In contrary, payments should generally be made only by cheque. However, the Executive Engineer is authorized to make payments in cash, at his discretion. Huge amounts should be paid only by way of cheque. All payments made in cash will be entered in column no.9. Payments made by cheque shall be entered in column no.11. It may be kept in mind, that all cheque transaction will not be entered in col.11. Cheques issued by the Executive Engineer from his Personal Deposit Account shall only be entered in this column. If cheques submitted by Contractors and others are remitted to bank, then entry will be made only in column no.9 and not in column no.11.

Stores :

The general administration of all the stores of a division is vested in the Divisional Officer, who primarily devolves the duty of arranging in accordance with such rules and instructions as may have been issued by Government, for

- (1) Acquisition of stores
- (2) Their custody and distribution according to the requirements of works and
- (3) Their disposal.

All transactions of receipts and issues should be recorded, strictly in accordance with the rules or procedure prescribed in General Financial Rules in the order of occurrence and as soon as they take place.

Fictitious stock adjustments are strictly prohibited. Example.:

- (1) the debiting to a work of the cost of materials not required, or in excess of actual requirements;
- (2) the debiting to a particular work for which funds are available of the value of materials intended to be utilized on another work for which no allotment has been sanctioned;
- (3) the writing back of the value of materials used on a work to avoid excess outlay over appropriation, etc.

Broadly, stores are divided into two categories, viz.

- (1) Stores debited to Suspense -
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- (i) Stock
 - (2) Stores debited to final heads –
 - (i) Tools and Plant
 - (ii) Road Metal
 - (iii) Materials charged to works.

Suspense : The accounts of stores are based on the fundamental principle that the cost of their acquisition should be debited to the particular work for which they are required, when the work is done departmentally by the contractors whose agreement are for labour only; otherwise, it should be kept in a suspense account pending clearance, as the materials are actually issued, by debit to specific heads of account or works.

Tools & Plant : The cost of supply of all stores, required as tools and plant for the general use of the division, is debited at once to the minor head machinery and equipment, subordinate to the major head under which such charges of the division are classified; and special items of tools and plant, which are required not for general purpose but for a specific work, are debited to that work.

Road metal : All road metal required for the maintenance of a road or section of a road is debited at once to the sub-head 'Maintenance and Repairs', subordinate to the relevant Minor Head under the Major Head, "3054 Roads and Bridges". When road metal is acquired specially for use in the construction of a road or other work, its cost is debited to the estimate for such construction.

Other materials : In case of other materials when purchases are made for the requirements of works, generally, the cost is accounted for under the suspense head "Stock". Further, material purchased specially for a work is however debited to that work.

Issue Rate denotes the cost per unit fixed, in respect of an article borne on the Stocks of the Department at a valuation, for the purpose of calculating the amount creditable to the sub-head concerned of the stock account by charge to the account or service concerned, when any quantity of that article is issued from Stock; "Handling charges" and other incidental "Storage charges" will be included by adding a suitable percentage based on the carriage and other incidental charges of the previous year, and storage charges as reviewed and fixed at the beginning of a year.

Labour : When a separate material account is kept for one or more sub-heads of an estimate and the terms 'labour' is used in connection with such an account, it denotes all charges pertaining to each of those sub-heads, other than;

- (1) the cost of materials issued direct, and
- (2) carriage and incidental charges in connection with the materials.

Market Rate is used in respect of an article borne on the Stock accounts of a division, this term indicates the cost per unit at which the article, or an article of similar description, can be procured, at a given time from the public markets suitable to the division for obtaining supply there-of. This cost should be inclusive of carriage and incidental charges, and may even include a reasonable provision for wastage and depreciation when these are inevitable.

Rate : In estimates of cost, contracts, contractor's bills and vouchers generally, rate means the consideration allowed for each unit of work, supply or other service.

Rate of Cost means generally the total cost of a work or supply divided by its quantity. In the accounts, it represents the recorded cost per unit, as arrived at by dividing the up-to-date final charge on a sub-head, by the up-to-date progress thereof.

Inclusive Rate of Cost means the rate of cost of the entire work relating to sub-head, including the cost of materials, if recorded separately in the accounts.

Storage charges mean expenditure incurred, after the acquisition of the stores, on work-charged establishment, employed on handling and keeping initial accounts, the custody of stock and the maintenance of the store godown or yards, etc. and are added on a percentage basis to the issue rate, so as to form part of the issue rate.

Supervision Charges : This term is ordinarily applied to the charges which are levied, in addition to book value in respect of stock materials sold or transferred and are intended to cover such items of the expenditure incurred on the store as do not enter their book value.

Goods Received Sheets : All materials received, by Divisional Officer/Sub-divisional Officer should be examined so as to ensure that they conform with the quality and specification prescribed, and counted or measured, as the case may be when delivery is taken. The record of the detailed count or measurement or weighing should be kept in the Goods Received Sheet. The Goods Received Sheets will be printed in the form of booklets and will be duly machine numbered, with the office copy intact and others perforated. These will be prepared in triplicate by carbon process in indelible ink or copying pencil, one copy being retained by the store-keeper and the other two sent to the sub-divisional office, out of which one copy will be passed on to the supplier and the other to the Divisional Office for posting the Priced Stores Ledger and making payments.

A separate Goods Received Sheet should be prepared in respect of goods purchased from one supplier. In filling up the Goods Received Sheets, the description and code numbers of materials as given in the Priced Vocabulary of Stores, should be strictly adhered to. Payments for all stock received are made on the basis of entries recorded in the Goods Received Sheets.

Priced Vocabulary of Stores : In order to ensure accuracy in posting of all transactions and facilitate the preparation and valuation of indents, a list of materials in stock, showing their correct description and identifying numbers, should be evolved on the basis of an up-to-date classification of stores, which should be uniformly adopted throughout the Department. The Issue Rates should be filled in by the Divisions concerned, who should circulate them for use by other Divisions obtaining supply of stores from them. These vocabularies should be kept up-to-date by issue of corrections slips as and when necessary.

Bin Cards : A chronological record of the receipts, issues and the running balance of each article of stock will be kept in the Bin Card, which will be kept at the place where the materials are stored. These cards will be posted from the Goods Received Sheets and the Stores Indents. The Divisional officer should arrange to have the stock balances as per Bin Cards verified periodically with those shown in the Priced Stores Ledger. This verification should in any case be conducted before any item is taken up for physical verification. Adequate care should be taken for proper maintenance and safe custody of Bin Cards. All cards should be serially numbered and a register of them should be maintained. As soon as a Bin Card is completed, it should be returned to the Divisional Officer after carrying over the balance to the new card.

Priced Stores Ledger : To record day by day transactions relating to each item of stock, a Priced Stores Ledger shall be maintained in the Accounts Branch of the Divisional Office, which will have different sections or sets of pages for different articles of stock with columns for receipts, issues and balances for both quantities and values. Separate Ledgers will be maintained for articles falling under each sub-head of Stock, as far as possible. All items of receipts and issues will be entered in the Ledger from the copies of Goods Received Sheets and the Indents, which are received daily from the sub-divisions. At the end of day's postings, the balances under each article should be worked out in respect of quantities as well as values. The ledger should be closed for both quantities

and values at the end of each month. A few pages should be reserved at the end of each ledger for abstracting the transactions (values only) pertaining to each article of stock. The monthly total of receipts, issues and balances should then be worked out for each sub-head and a consolidated abstract prepared for all the sub-heads, which should agree with the summary of stock receipts and the summary of indents.

Ordinary Tools and Plant & Special Tools and Plant : In terms of Para 7.3.1 of CPWA Code, Tools and Plant of a division are of two kinds:

- (a) General or Ordinary Tools and Plant : Tools and Plant required for general use of the division.
- (b) Special Machinery and Equipment : T & P required not for general purpose but for a specific work.

The Cost of the supply, repairs and carriage of articles of class (a), above, are charged to the minor head Tools and Plant, whereas similar charges of class (b), above, are borne by the work concerned. In both cases, the cost is charged in the accounts against sanctioned estimates, in the same way as expenditure on works, though for purposes of sanction it is treated as expenditure on tools and plant. The accounts of Tools and Plant issued for use by subordinates of the sub-division, or temporarily lent to contractors, as well as those of articles lent to local bodies and others under competent authority, should be specially reviewed periodically, and it should be seen that the articles are returned without unnecessary delay and in good condition.

Schedule of Rates : To facilitate the preparation of estimates, as also to serve as a guide in settling rates in connection with contract agreements, a schedule of rate for each kind of work commonly executed be maintained in the division and kept up to date. It should be prepared on the basis of the rates prevailing in each locality and necessary analysis of the rates for each description of work and for the varying conditions, thereof should, so far as may be practicable be recorded. The rates entered in estimates should generally agree with the scheduled rates.

Stock Receipts and Issues :

Receipts : Materials may be received on stock from the following sources:

- (a) Suppliers in India or abroad,
- (b) Other sub-divisions, divisions or departments
- (c) Manufacture, and
- (d) Works, buildings, etc..

Issues : Materials may be issued from stock for the following purposes:

- (a) for use on works either by issue to contractors or direct.
- (b) For dispatch to other sub-divisions, divisions or departments, and
- (c) For sale to contractors, employees, other persons or local bodies.

The materials should be issued only on receipt of an indent signed by the Divisional or Sub-Divisional Officer.

Transfer Entries

Transfer Entries are intended to transfer an item of receipt or charge from the account of a work in progress or a regular head of account to the account of another work or head. If an item, which properly belongs to a revenue or expenditure head, is wrongly classified under another revenue or expenditure head in the accounts, the error may be corrected at any time before the accounts of the year are closed by proposing a transfer entry. After the accounts are closed, no correction is admissible. If however, the error affects the receipts and disbursement of another Government or the transactions of a commercial department, it should be corrected by transfer in all cases as soon as the error is discovered. Transfer Entries serve the following purposes:

- (a) Corrects an error of classification in the original accounts.
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- (b) Adjusts, by debit or credit to the proper head of account (or work), an item outstanding in a suspense account or under a debt or deposit head;
- (c) Brings to account certain classes of transactions, which do not pass through the cash or stock account, eg.
- for credit to "Material Purchase Settlement Suspense Account" on account of materials received for works from sources other than stock.
 - For credit to "PW Deposit" on account of balances due to contractors on close accounts.
 - For credit to Revenue heads on account of revenue not recovered in cash including lapsed Deposits.
 - For original debits or credits to Remittance heads based on transactions not appearing in cash or stock accounts, e.g. transfer of tools and plant to another department or Government when the value is recoverable from them.
 - For credit to heads concerned of the several percentages leviable under the rules, e.g. those on account of supervision, establishment, tools and plant and workshop charges.
- (d) Responds to a remittance transaction advised by the Accounts Officer, if the corresponding debit or credit to the Remittance head has not already appeared in the accounts.
- (e) Relieves the account of a work in progress of:
- Items which have ceased to be debitable to the estimate for work, and
 - Suspense charges which can no longer be kept within the accounts of the work. Such transfer entries are necessary either when the accounts of any contractor or of the work itself are to be closed, or when any recoveries have become due, e.g. by the transfer of stores to any other work or account.
- (f) Effects periodical adjustments such as annual adjustment to credit to the head "8009 – GPF" an amount equal to total of interest accruing and afforded to various Group 'D' and Work Charged establishment accounts by contra debit to the head "2049 – Interest Payments", etc..

Posting transfer entries :

_____ When the accounts of the year in which the error takes place are not closed :

An error which affects a debt, deposit, suspense or remittance head must be corrected by transfers, however, old and small it may be. If the accounts of the year in which the errors take place are not closed, the correction should be made by the removal (through minus entry) of the item from the head under which it was wrongly taken, to that to which it properly belongs.

_____ When the accounts of the year in which the error takes place are closed, the following procedure may be adopted -----

Situation	Correction
An item taken to one debt, deposit, suspense or remittance head instead of another	by transfer from the one to the other
An item credited to a debt, deposit, suspense or remittance head instead of to a revenue head; or debited to a debt, deposit, suspense or remittance head instead of to an expenditure head	by transfer to the head under which it should originally have appeared.
An item credited to revenue head instead of to	by debiting refunds and crediting the proper head

a debt, deposit, suspense or remittance head	
An item debited to an expenditure head instead of to a debt, deposit, suspense or remittance head	by debiting the proper head and minus debiting the expenditure head which was wrongly debited crediting the relevant departmental receipt head.

Duties of Divisional Officer in relation to transfer entries :

- He should see that no transfer entry is made in the accounts unless admissible under the rules.
- He should see that transfer entry is made as soon as it becomes necessary
- He should countersign every transfer entry proposed by the sub-divisional officers, in token of his acceptance.
- All Transfer Entry Orders should set forth such explanation of the correction or adjustment proposed to be made as would establish clearly the correctness and necessity of the entry.

Revenue Receipts :

Direct Receipts are those items of revenue receipts which are realized in connection with a work or project, either by officers of the PWD or other departments and are brought to account directly as appertaining to the work or project.

Indirect Receipts are those which pertain or are incidental to scheme or work, but cannot be taken directly into such detailed accounts of it as are incorporated in the regular accounts of the receipts of the Department.

Direct Charges are those charges pertaining to a work, project, or job, which are incurred directly for its execution and are included in the regular accounts of it.

Indirect Charges are those charges which pertain, or are incidental to a work, project, workshop job or manufacture job, but which are not incurred directly or solely in connection therewith and thus cannot be taken directly into such detailed accounts of its as are incorporated in the regular accounts of the expenditure of the Department.

Recoveries treated as Revenue receipts in PW accounts : All recoveries of expenditure, appearing in the accounts of Public Works are treated as revenue receipts. Some examples are :

- (1) Recoveries of establishment charges at percentage rates in respect of works carried out on behalf of other Governments or private parties.
- (2) Recoveries of tools and plant charges at percentage rates in respect of works carried on behalf of local bodies and other Governments.
- (3) Recoveries on account of cost of Audit and Accounts in respect of works carried out on behalf of non-Government bodies or individuals.
- (4) Recoveries on account of pensionary and leave charges.

Exemptions :

- (1) **Recoveries** of Establishment charges and tools and plant at percentage rates when made from other departments of the same Government are taken as **reduction of expenditure** under the minor head "Tools and Plant" of the major head concerned.
- (2) **Prorata share of the charges** for Establishment and Tools and Plant calculated at the end of the year are treated as reduction of expenditure under minor heads "Direction and Administration" and "Tools and Plant" respectively, of the major head under which total charges were originally debited.
- (3) **Recoveries in respect of overpaymentns** made during the **current** year are adjusted by deduction from the current year's charge under the detailed head previously overcharged.

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- (4) Recoveries of **expenditure upon works in progress** comprising, inter-alia, **sale proceeds of stock materials** and **tools and plants** acquired **especially for any works** or of **materials received from dismantled structure** are taken in **reduction of expenditure** previously booked, whether or not the estimates for the work provide for such recoveries.
- (5) If cost of a **joint project** is met by one Government and its share is recovered from another Government the **recovery** is taken as **reduction of expenditure**.

Works Accounts:

Various Stages involved in a work : In Public Works set-up every work which had got executed will follow the following steps in a phased manner:

- 1) Proposal
- 2) Administrative Approval
- 3) Feasibility Report/Technical Sanction
- 4) Financial Sanction
- 5) Tenders
- 6) Identification of Contractors
- 7) Agreement with contractor and its approval
- 8) Work order
- 9) Intermediate payments to contractor
- 10) Payments to contractor(s)
- 11) Maintenance

In addition to above, a division of Inspection and Quality control will monitor the progress of the work to assure agreed quality and specifications, during the course of work execution.

Expenditure on the Construction/Maintenance of a work may be divided into two categories, viz.;

- (1) Cash
- (2) Stock charges

In addition to the above, there may be charges incurred in other divisions, Departments or Government for the work by way of materials received or by way of services rendered by them or there may be cash receipts which can be taken as reduction of expenditure in accordance with the rules.

To account for all these charges affecting cost of works, accounts are maintained in Divisional Offices/Sub-Divisional Offices for recording:

- (1) the cost of individual work; and
- (2) the transactions of individual contractors/suppliers.

These are known as works Accounts (para.10.1.1 of CPW Account Code).

1. Muster Roll: Payments to Labourers

- (a) **Departmental Labour** : All persons engaged departmentally for the execution of works are considered as day labourers and their wages should be drawn on Muster Roll (Form.21) and charged to the estimate of the works on which they are employed.

Permanent or temporary employees of the division whose pay is charged to Direction and Administration and work-charged employees are not paid on Muster Roll.

Muster Roll is prepared in two parts. The daily attendance and list of absences of labourers and the fines inflicted on them should be entered daily in Part-I. Part-II of the Muster Roll is meant for recording the progress of work done by the labour shown thereon in all cases where such work is susceptible of measurements. If otherwise, a certificate to this effect should be recorded.

After a muster roll has been closed, payment thereon should be made as expeditiously as possible, and acknowledgements (duly stamped, where necessary) obtained. Unpaid wages, if any, should be recorded in the register of unpaid wages.

Labourers may be paid more than once a month and the period covered by each payment may be determined locally. However, separate rolls must be prepared for each period of payment. Subsequent payment of unpaid wages, should be made on Hand Receipts (Form.28) and a note to that effect will be made in the Register or unpaid wages as well as the relevant Muster Roll. Wages remaining unpaid for three months should be reported to Divisional office.

In exceptional and urgent cases, where labourers are employed casually for short periods, payments may be made on a Casual Labour Roll, in which the names of the labourers need not be given, but such payments may not be made except by a Gazetted Officer.

- (b) **Labour engaged through a Contractor** : The payment to daily labour through a Contractor, instead of by a Muster Roll, is objectionable, in principle. However, this may be allowed in case of great emergency and when it is not possible to engage labourers otherwise than through contractor. In such a case, the contractor may be paid amounts at suitable rates, for disbursement to labourers, after the completion of work or at intervals during its progress.

In exigencies, if this method of payment is not practicable, it is permissible to pay the contractor on the basis of number of labourers employed, class of labourers employed plus contractor's own profit or commission (if excluded in the rates allowed as per agreed terms) or paid separately in lump-sum or at a % rates on day to day basis. (para 10.2.5)

- (c) **Travelling Expenses** : If it is necessary to bring labourers and artificers from a distance, they may be allowed wages for the number of days occupied in the journey to and from the site of the work, if they join the work with proper dispatch. At the discretion of the Divisional Officer, bonafide travelling expenses may also be allowed to them.

The above charges must be borne by the estimate of the work. (Para 10.2.6)

2. Measurement Books :

Payments for all work done otherwise than by daily labour and for all supplies required for specific works are made on the basis of measurements recorded in measurement books (Form.23). Measurement books are therefore considered as very important records, and should be so written that the transactions are readily traceable in the accounts of the Department.

All the measurement books belonging to a division should be numbered serially and a register should be maintained in the divisional office showing the serial number of each book, the names of the sub-divisions to which issued, the date of issue and the date of its return, so that its eventual return to divisional office may be watched.

Measurement books are classified as:

- (1) **Detailed Measurement Books** : All items of work in a project, irrespective of their cost, shall be measured and recorded in detailed Measurement Books. All measurements should be recorded neatly and directly, at the site of work, and nowhere else. Each set of measurements should commence with entries stating:

- (a) Full name of work as given in estimate/agreement
 - (b) Situation of work
 - (c) Name of the Contractor
 - (d) Number and date of his agreement
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- (e) Date of written order to commence work
 - (f) Date of actual completion of work
 - (g) Date of measurement; and
 - (h) Reference to the previous measurement.

The pages of the book should be machine numbered. Entries should be recorded continuously, and not blank pages or page torn out. Any pages left blank inadvertently, should be cancelled by diagonal lines and the cancellation attested with dated initials. The entries in the book are made in ink only. If a mistake was made, the entry should be corrected by crossing (leaving still legible) and inserting the corrections. The corrections thus made should be initialed with date.

When a bill is prepared for the work or supplies measured, every page containing the detailed measurements must be invariably scored out by a diagonal red ink line. On the abstract of measurements, giving a reference to the number and date of the voucher of payment. (para 10.2.18)

(2) **Standard Measurement Books** : Standard Measurement Books of buildings are maintained in order to facilitate the **preparation of estimates for periodical repairs** or for the purpose of preparation of contractors bills for such repairs. (para 10.2.10)

These books are prepared and **maintained at Divisional Office** from the measurements noted in detailed MBs. The MBs used as standard Measurement Books should be numbered an **alphabetical series**, to distinguish from detailed Measurement books.

3. Work Charged Establishment Bills :

Work-charged Establishment includes such establishment as is employed upon the actual execution of specific work or of sub-work or of sub-works of a specified project (or) upon the subordinate supervision of departmental labour, stores and machinery in connection with such work or sub-work or sub-works.

Subject to such general or specific orders as may be issued by Government, previous sanction of the Divisional Officer or the Superintending Engineer, as the case may be, is necessary which should be specify in respect of each appointment:

- (a) the scale of pay
- (b) the period of sanction, and
- (c) the full name of the work and the nature of duties on which the man engaged would be employed.

Rules for the grant of leave, gratuity, pension, travelling and other allowances, etc., to W.C Estt. are contained in the manuals of department concerned. The leave salaries, travelling and other allowances of members of the temporary establishment whose pay is charged to works are regulated by the rules applicable to temporary establishments.

Wages of members of the work-charged establishment should be drawn and paid on Form 29, "Pay Bill of Work-Charged Establishment" which is combined pay bill and acquittance roll form. A consolidated bill in this form should be prepared monthly either for the whole sub-division or for one or more sections of it, as may be convenient, but the names and claims of the entire establishment concerned including absentees, should be shown in each bill. Names should be grouped in the bill by works on which the men are employed, sanction to the entertainment of the establishment should be quoted in each case, and the Sub-Divisional Officer should certify in the space provided for the purpose, that the men were on duty during the periods shown against their names, each man being employed on the work and on the duties for which his appointment was sanctioned.

Pay bills may be signed at any time not earlier than five days before the last working day of the calendar month for which such pay and allowances are earned and shall be due for payment in the last working day of that

month. When, however, the services of an individual are dispensed with, it is permissible to settle his account at one.

In the case of work-charged staff attached to Sub-Divisions located away from the Headquarters of the Divisional Office, monthly pay bills may be signed not earlier than the 15th of the month to which the pay and allowance relate. The same will be pre-checked by the Divisional Accountant and passed by the Divisional Officer of the Division concerned well in time so as to arrange payment on the last working day of that month. Adjustments, if any, between the pay and allowance actually admissible for each month and those already drawn should be positively made at the time of actual disbursement or in the next month.

Wages remaining unpaid on the passed bill, on the date fixed for the closing of the accounts of the month, may be paid subsequently when claimed. The following procedure shall be followed:

- (a) Items remaining unpaid on the monthly bill should be entered in a simple register, full particulars of the charge, including reference to the bill, shall be noted in a Register.
- (b) Subsequent payments should be made on Hand Receipts, Form.28 with a reference to the bill in which the charge was originally passed.
- (c) Hand Receipt may then be enclosed to the bill, in which the claim was originally passed.
- (d) When making payments of arrears suitable notes of payment should be recorded against the original entries in the register, as to guard against second payment.

No bills need be prepared in support of claims for travelling expenses. Payments should be made on Hand Receipts, which should set forth all the necessary particulars of the journey performed and of the expenses claimed and should be countersigned by the Divisional Office prior to payment.

Every payment made to a member of the work-charged establishment whether on account of his wages or in recoupment of actual travelling expenses, should be debited to the work on which he is employed.

Authorised forms of bills and Vouchers maintained by CPWD :

- | | |
|--------------------------|----------|
| (a) First and Final Bill | Form .24 |
| (b) Running Account Bill | Form.26 |
| (c) Hand Receipt | Form.28 |

First and Final Bill : This form should be used for making payments both to contractors for work and suppliers, when a single payment is made for a job or contract i.e. on its completion.

Running Account Bill : This form is used for all running and final payments to contractors and suppliers.

Hand Receipt : This is a simple form of voucher intended to be used for all miscellaneous payments and advances, for which Form.24 and Form.26 are not suitable.

Running Account : It is a term applied to the account with a contractor when payment for work or supplies is made to him at convenient intervals subject to final settlement of the account on the completion or determination of his contract

Intermediate Payment is a terms applied to a disbursement of any kind on a running account, not being the final payment. It includes an "Advance Payment", a "Secured Advance" and "on account payment", or a combination of these.

Final Payment means the last payment on a running account made to a contractor on the completion or determination of his contract and in full settlement of the account.

Preparation, Examination & Payment of Contractors Bills : (Para 10.2.16 of CPWA Code)

The following are the guiding principles, which should be observed by sub-divisional officer in preparation, examination and payment of contractor's bills:

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- (a) Before the bill of a contractor is prepared, the entries in the measurement book relating to the description and quantities of work of supplies should be **scrutinized and check measured** and the calculation of "Contents or area" should be **checked arithmetically**.
- (b) The bill should then be **prepared from the measured entries**, in the forms prescribed.
- (c) The rates allowed should be **entered in the abstract of measurements** and in the bill.
- (d) **Full rates** as per agreement catalogue, indent or other order should be allowed only if the **quality** of work done or supplies made is up to the **stipulated specification**.
- (e) **Before signing the bill**, he should **compare** the quantities in the bill with those recorded in the measurement book and see that all the **rates are correctly entered** and that **calculations** have been **checked arithmetically**.
- (f) When the bill is on a **running account**, it should be **compared with the previous bill**.
- (g) **Memorandum of payments** should then be **checked**, together with recoveries, which should be made on account of the work or supply on other accounts being shown therein.
- (h) Whenever fractions of a rupee occur in the totals of contractors bills, **Fractions** less than half a rupee may be disregarded and half a rupee and over taken as a rupee.
- (i) If the **contract is for the completed items of work** and if contractor is required to **obtain materials** of any description **from Government**, it should be seen that this condition is being complied with and that necessary **recoveries** of the cost of the materials, supplied to him, **are being made**.
- (j) Before signing a **first and final bill** or **the first bill on a running account**, it should be seen that the **relevant measurement entries were marked** as pertaining to such bills by the person taking the measurements.
- (k) Bills which include charges on account of purchase of goods on which **Sales Tax** has also been **charged** should be **supported by a Certificate**, in prescribed format, by the Divisional Officer.

Recoveries from Contractors Bills :

(a) **Recoveries creditable to the work itself :**

- (1) Fine for bad work : Some times, due to negligence/non-adherence to the conditions of agreement by the contractor, the work may suffer quality. If at any time, during the execution of work by contractor, it was found/established in test check, then the Divisional Officer can impose fine on the contractor. Such fine cannot be treated as a revenue receipt of the Division. Since the work suffered loss, the amount of fine will be treated as reduction of expenditure on the work itself.
- (2) Cost of material supplied to contractor : If **contract** is for **finished item of work** and is inclusive of material, then contractor has to procure material for work. In cases, where department agrees to supply material viz. cement, steel, etc., the cost of such material will be recovered from on-account bills. While issuing material from stores, the work will be debited with the cost of material supplied. In on-account bill(s) such amount will be recovered from contractor and credited to work-head, as and when the material is used on work.
- (3) Any expenditure incurred departmentally which forms part of contractors liability as per agreement : If any expenditure is incurred departmentally, where such expenditure forms part of contractors liability, such amounts will be recovered from the contractor and credited to the work concerned.

(b) **Recovery of amounts creditable to other works or other heads of accounts :**

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- (1) Income Tax : In terms of Section.194-C of Income Tax Act, 1961, it is statutory to deduct Income –Tax at prescribed rates from payments made to contractors. The Income Tax, so recovered, should be credited to Income Tax head of Account.
- (2) Security Deposit : Normally, 10% of the value of the work done and measured will be recovered from Contractors bills towards security. Such deposits are covered by a bond or agreement setting forth the conditions under which the security is held and may be ultimately refunded or appropriated. The amount of security deposit can be adjusted against the Earnest Money Deposit paid by the contractor while filing his tender. Security Deposit recovered from Running Account bills should be credited to Civil Deposits. If the total amount recoverable from the contractor on account of security does not exceed Rs.500, then the amount may be kept within the bill i.e. it need not be recovered and deposited to Civil Deposits, in terms of para.10.2.4 of CPWA Code. As and when the amount of security exceeds Rs.500, it should be credited to civil deposits.
- (3) Fine for delay in completion of work : If contractor fails to complete the work within the stipulated period, as per agreement, then fine can be imposed upon contractor. Such fine will be treated as a revenue receipt of the department. Fine of similar nature can be imposed even in cases where the progress of work is slow.
- (4) Supervision charges : This term is ordinarily applied to the charges which are levied, in addition to book value in respect of stock materials sold or transferred and are intended to cover such items of the expenditure incurred on the store as do not enter their book value. (para 2.1.1(56))
- (5) Storage charges : Expenditure incurred after the acquisition of the stores, on work-charged establishment, employed on handling and keeping initial accounts, the custody of stock and the maintenance of the store godown or yards etc. and are added on a percentage basis to the issue rate, so as to form part of the issue rate. (para 2.1.1(52))
- Normally, storage charges will be 2% of stores acquired rates and supervision charges will be levied at 10% of acquired rate plus storage charges. In some cases, contractors will be exempt from levy of such charges either both or any one of them.
- Ex.: If 1 bag of cement was procured at a cost of Rs.100 then,
- | | | |
|---------------------|----------------------------|-------------|
| Storage charges | = 2% of Rs.100 | = Rs.2 |
| Supervision charges | = 10% of Rs.(100 + 2) | = Rs.10.20 |
| Store issue rate | = Rs.100 + Rs.2 + Rs.10.20 | = Rs.112.20 |
- (6) Hire charges of Tools & Plant : When tools and plant are lent to local bodies, contractors or others, the hire charges and other charges should be determined by locally and should be recovered regularly. These hire charges will be treated as a revenue receipt.
- (7) Court attachment : Sometimes a request will come from an arbitrator or an order will come from the court of law imposing a fine on contractor. Divisional Officer is bound to recover these amounts from the bills on hand and credit to the concerned heads.
- (8) Workman's Compensation : Contractors are bound to pay certain amounts to labourers engaged by them, if labourers were injured during the course of performance of their duties. In such cases, amounts are to be paid to labourers in accordance with Workmans's Compensation Act, 1964, by Contractor(s). In such circumstances, Divisional Officer will act as arbitrator and recovers suitable money from the concerned contractors bills on hand for payment to labourers.
- (9) Cost of material supplied to another work/Fine for bad work in respect of another work : Recoveries pertaining to another work by way of material supplied or by way of imposition of fine should
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be credited to that work. As such, recovery on this account will be made from part 8(b) for credit to concerned head.

Advances to Contractors (para 10.2.22) :

Advances to contractors are as a rule prohibited and every endeavor should be made to maintain a system under which no payments are made except for work actually done. Exemptions are, however, permitted in the following cases:

(a) Advance payment for work done but not measured:

An advance payment for work actually executed may be made with the previous sanction of the Superintendent Engineer concerned. A responsible Officer, not below the rank of SDO, should certify that value of work completed is more than advance payment proposed. This officer will be held personally responsible for overpayments, if any. Final payments may, however, in no case be made without detailed measurements.

The grant of a second advance before the first advance has been recovered is not permitted except in very exceptional circumstances.

(b) Secured Advance :

In cases where contract is for finished work, an advance on the security of materials brought to site can be allowed at the request of the contractor. This advance can be sanctioned only in respect of materials, which are of imperishable nature.

Divisional Officers, may, in such cases, sanction advances up to an amount not exceeding 75% of the assessed value. A formal agreement will be drawn up with the contractor under which Govt. secures a lien on the material and is safeguarded against losses, misuse and pilferages.

Recovery of advance should be made from contractors bills for work done as the material is used. Unlike advance payment, which will be recovered in one-lump, secured advance will be recovered in parts i.e. as and when the material is used on work.

Payment of secured advance is permissible only, if an officer not below the rank of SDO certifies that:

- (a) the material was actually brought to site.
- (b) The contractor had not received any advance on the material under question, and
- (c) The material is required by the contractor for this work.

(c) Mobilization Advance :

Mobilization Advance can be granted to contractors in respect of certain specialized and capital intensive works whose estimated cost put to tender exceeds Rs.1 crore. While sanctioning such advance due care shall be taken in deciding whether any particular work be considered as a specialized or capital intensive work.

Specialized works are those which are not of a type being normally executed by the department, but are required now and then for special occasion or prestigious buildings required occasionally. Capital intensive works are those which requires purchase of large quantum of machinery and equipment by the contractor or the execution of such work may require substantial initial outlay for ordering special material for execution of the work.

Mobilization advance can be sanctioned up to a maximum of 10% of the approved cost of work or Rs.1 Crore, whichever is less.

This advance can be sanctioned on the security of machinery and plants brought to site @ 80% of the purchase price of new equipment or @ 70% of the market value of used machinery acquired for the work, and brought to the site of the work. In such cases, the amount of advance shall not exceed Rs.10 Lakhs. Such advances shall not be given in respect of machinery which the contractor already possesses.

Interest on mobilization advance shall be made as per the orders of Government and should be treated as revenue receipts of the department. Advance against plant and machinery shall be interest-free. Interest on mobilization advance shall be credited to the head of account

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- MH 0049 - Interest receipts
03 - Other interest receipts of central Government
800 - Other receipts – Note.5

With-holding amounts in Running Account bill(s):

Occasionally, contractors neglect some little portions of work like surplus earth not removed from site, contractors balance material not cleared from site, non watering of cement works etc. To avoid negligence of contractors in above situations, the divisional officer can withhold some petty amounts from the bill, which can be released in subsequent bills. All such withheld amounts be treated as amounts kept within the work.

Normally, deductions on account of security Deposit will be deposited under “Deposits” head. However, in cases where deduction on account of security is less than Rs.500, then it can be treated as security withheld and it shall be kept within the work, until it exceeds Rs.500.

All withholds discussed above can be kept within the work as item no.5 of memorandum of payments.

All amounts withheld are required to be released in final bill. If amounts are due to be recovered, then the same are required to be released as Item no.5(b) of memorandum of payments and an equivalent sum to be recovered either as 8(a) or 8(b) recovery.

Contractors Ledger :

A personal account should be opened in the Ledger for every contractor, whether or not a formal contract has been entered into with him, unless the work or supply entrusted to him is not important and no payment is made to him except on a First and Final Bill, on completion. If only materials are issued to contractor or any payments are made on his behalf, a ledger account must be opened. [Para 10.7.2]

All the accounts relating to each contractor should be kept in a folio or folios in all cases where personal account need be maintained.

The Contractors ledger should be written up in the Divisional Office. The form of Ledger provides for the following columns:

- | | |
|-----------------------------------|---|
| 1. Date | 7. Name of the work or a/c and particulars of transactions. |
| 2. Voucher No. | 8. Debits |
| 3. Serial No. | 9. Credits |
| 4. Advance Payments | 10. Total value of work or supplies |
| 5. Secured Advances | 11. Remarks |
| 6. Contractors Other Transactions | |

Instructions for filling various columns of Contractors Ledger :

1. Advance Payments : Advance payments made to contractor in Running Account Bill(s) should be entered in this column. Net amount paid to Contractor i.e. 2(b) or “D” of memorandum of payments should be entered in this column. If 2(b) or “D” is a negative figure, then the amount may be posted with negative sign.

2. Secured Advances : In the account of Secured Advances, which is an enclosure to Running Account Bill, account will be maintained in respect of Secured Advance paid to Contractor on the security of the material brought to site. Net amount of secured advance since previous bill of this form i.e. “E” should be entered in this column together with its sign i.e. positive or negative.

3. Other transactions : Posting in this column should be made as detailed below:

- (a) In case of Running Account Bill : Figure “G” of the memorandum of payments [5(b)+8(a)] should be posted in this column. If a payment is made on a I & Final bill, no entry should be made in this column, unless a recovery is made from the contractor on any account.
- (b) In other cases : The amounts paid to or recovered from contractor should be entered in terms of their value.
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Examples :

- Cost of cement supplied to contractor for work 'P' amounting to Rs.1000 (+ entry).
- Fine amounting to Rs.1500 awarded to contractor for bad work (+ entry).
- Returned back unused wood to stores amounting to Rs.2000 (- entry).
- Transferred. surplus Iron to another work within the divn. worth Rs.1000 (- entry).
- against another work (+ entry).

4. Debits : In the case of a Running Account Bill, figure "H" of Memorandum of Payments should be entered in this column. In other cases, the total amount paid or chargeable. As such all amounts due from the contractor will be entered in this column.

5. Credits : In case of Running Account Bills, figure "F" of Part-I i.e. Account of work executed, should be entered. In other cases the amounts recovered from the Contractor shall be entered in this column.

Debit entries in the ledger should be made only on the basis of transactions recorded in the accounts, i.e. Cash Book, Stock or adjustment vouchers, value of materials supplied, if any, issued to contractor against acknowledgement. Similarly Credit entries should be made only if the bills have been passed and payments(s) made thereon.

6. Total value of work or supplies : In case of Running Account Bill, the total value of ;work done or supplies made up to date as per entry A of Part-I of Bill should be entered. While posting ;this figure, correctness of such figure may be ensured by comparing "A of previous bill" with the last entry of the work against the work concerned.

The ledger accounts should be closed and balanced monthly. After closing, the personal account should be detailed so as to show the amounts outstanding under the ;three suspense accounts viz. (1) Advance Payments, (2) Secured Advances and (3) Other transactions in respect of each work or account.

The Divisional Accountant should ensure the correctness of the Contractor's Ledger and see that there is not indication of a transaction pertaining to a running account having been settled on a form not permitted to be used for the purpose.

Periodically, all the personal accounts in the ledger should be examined to see;

- That balances do not remain outstanding for a long time without justification; and
- That in case of running accounts, bills are prepared at reasonable intervals.

Transactions that doesn't form part of Contractors Ledger :

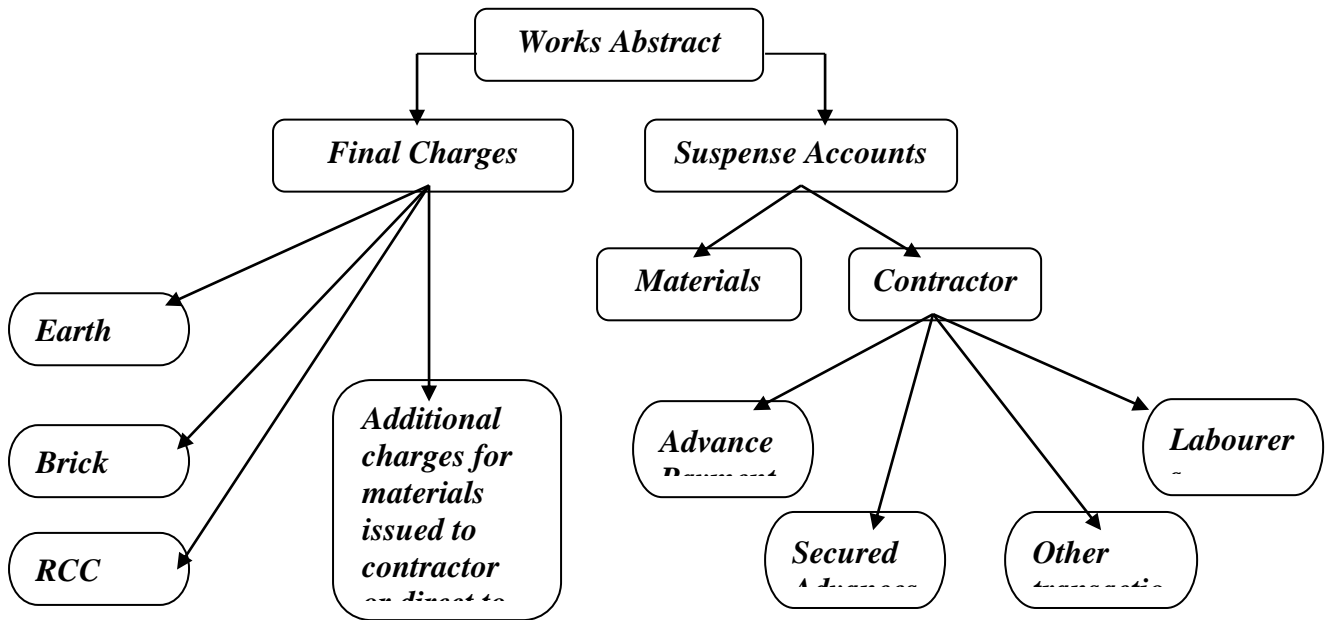
Due to traditional accounting procedures, the following transactions doesn't find place in contractors ledger:

1. Security Deposits/EMD submitted by contractors. (Note below Para 10.7.4)
2. Fine for delay.
3. Hire charges of Tools and Plant
4. Recoveries pertaining to other divisions.
5. I & Final Bill, unless a recovery is made from the contractor on any account. (Para.10.7.2)
6. Material issued to contractor where contract is for labour only.
7. Bill favouring contractor was prepared but not passed yet.
8. All charges payable by department, where such payments are the responsibility of Contractor as per agreement. (Should be posted when actually paid).

Works Abstract :

All transaction relating to a work during a month shall have to be maintained by Divisional Officer in Form.33, known as Works Abstract. (Para 10.5.1). This is a monthly account, relating to one particular work. Works Abstracts, shall have to be maintained for all the works, in the division. The entries in this

work abstract should be made in black ink and all postings of corrections made shall be in Red Ink. Works Abstract is broadly divided as follows:



Final Charges :

Final charges are divided into various sub-heads viz. Earth work, brick work, RCC work etc., as mentioned in the abstract of the estimate of the work. All expenditure incurred against the sub-work will be entered in this column. This helps to know exactly what expenditure was incurred against that particular sub-head. Further, this will enable a good watch over the expenditure as against estimate.

In addition there will be another sub-head “Additional charges for materials issued to contractor or direct to work”. This sub-head under final charges, acts as a shock absorber and receives credits or debits. This column helps to ascertain the actual cost incurred on a particular work excluding any profit/loss due to the conditions with contractor(s).

If the contract provides for issue of material to contractor at stipulated rates, there is every possibility that a difference exists between issue rate and stipulated rate. Such difference, if any, will be entered in this column. Few examples are quoted below for ready reference:

Ex.: Issued 20 MT of cement to Contractor ‘P’ at a stipulated rate of Rs.110 per standard bag. Issue rate of stores is Rs.120 per bag.

Addln. charges.....	Contractors other trans.	Total
4000	44000	48000

Ex. In the above example, if issue rate is Rs.110 per standard bag and stipulated rate is Rs.120 per bag, then:

Addln. charges.....	Contractors other trans.	Total
(-)4000	48000	44000

Suspense Accounts :

Materials : This column is used to record the transactions of cost of material issued direct to work, either executed departmentally or through a contract for labour only (para 10.5.12)

As such, the cost of material issued direct to work will directly be posted in this column. If material is issued to contractor for use on work and whose charges are recoverable from contractor then the transaction will be entered under contractors – other transactions and not under this column.

Further, issue of material direct to work will be of two kinds:

- (a) material purchased from local market/firms and issued direct to work.
- (b) Material of divisional stores issued to work.

The implication of (a) above, is it will be directly entered as an individual entry. Entry/Entries of material of divisional stores issued direct to work during a month will be consolidated and a total entry will be made as last transaction of the month in the specifically allotted row “Stock”.

Transfer entries adjusting material issued direct to work as issues to contractor will be represented as a negative figure in “material” column and with a positive figure in suspense accounts – Contractors – Other Transactions column. However the net effect on total column, will be NIL in such cases. Transfer entries of vice-versa nature will have vice-versa effect.

Example : 5 quintals of cement purchased from firm ‘B’ at a cost of Rs.100 per bag and issued direct to work.

Suspense Accounts		Total
Material	Contractors other trans.	
1000	-	1000

Example : 5 Quintals of cement issued from divisional stores direct to work at a cost of Rs.120 per bag.

Suspense Accounts		Total
Material	Contractors other trans.	
1200	-	1200

(Stock)

Example : 5 Quintals of cement issued from divisional stores to contractor at a cost of Rs. 120 per bag.

Suspense Accounts		Total
Material	Contractors other trans.	
-	1200	1200

Example : 5 Quintals of cement issued from divisional stores at Rs.120 per bag direct to work now adjusted as issued to contractor:

Suspense Accounts		Total
Material	Contractors other trans.	
(-)1200	(+)1200	NIL

Contractors (Suspense) :

Advance Payments : Advance payments made to contractors for work done but not measured will be entered in this column with a positive figure. This column will get nullified, whenever the work was measured and amount classified under final charges (sub-heads) and when on account payment was made.

Secured Advances : Secured Advance(s) paid to contractor for imperishable material brought to the work site will be entered in this column with a positive figure. As and when secured advance is recovered from on account bill, the amount thus recovered will be entered with a negative sign.

Other transactions : Transaction other than advance payments and secured advances which are recoverable from the contractor will be entered in this column with a positive sign and with a negative sign as and when they were recovered. Broadly, the transaction are:

- (1) material issued to contractor
- (2) amounts withheld

(3) *Fine for bad work/substandard work*

(4) *Payments made by department on behalf of contractor, temporarily.*

Labourers : A distinction of this COT column when compared with contractors ledger is, in ledger Other Transactions includes wages paid to labour. However, in Works Abstract under Suspense accounts of contractors sub-heads a separate column is provided for labourers. In this column unpaid wages of labourers will be posted with a negative figure. As and when wages are paid the negative figure gets nullified.

Salary paid to Work Charged Establishment are not classed under any of sub-heads under suspense transactions. Instead a separate sub-head under Final charges need be opened and the amount paid to Work Charged Establishment by way of salaries, excluding unpaid salaries, if any, may be entered under this column

Example : Rs.3000 paid on muster roll towards Earth work out of which Rs.450 remained unpaid.

Final charges		Suspense Accounts		Total
Earth Work	W.C.Estt.	Material	Labourers	
3000	---	---	(-)450	2550

Suspense Accounts : This term is applied primarily to certain heads of account, falling under the minor head "Suspense" of a major head of expenditure, which are reserved for the temporary passage of such transactions as must at once be taken to the account of the sanction or grant concerned, but cannot be cleared finally either because the relevant payment, recovery, or adjustment is awaited, or because it is necessary to keep an effective watch over the values of any stock materials, until their final disposal. The charges under a suspense account are taken in enhancement of the charges under the major head of expenditure concerned, and the receipts, in reduction thereof.

Lumpsum Contract : In terms of Para 11.1.1 of CPWA Code, **lumpsum contract** means a contract in which the contractor agrees to execute a complete work with all its contingencies in accordance with the drawing and specifications for a fixed sum. The following being the essential characteristics of a lumpsum contract:

- (d) A schedule of rates is specified in order to regulate the amount to be added to or deducted from the fixed sum on account of additions and alterations not covered by the contract.
- (e) Except as provided in clause (a), no allusion is made in the contract to the departmental estimate of work, schedule of rates or quantities of work to be done.
- (f) Detailed measurements of the work done are not required to be recorded except in respect of additions and alterations.

Intermediate payments (in the form of advance) and/or **Secured Advances** are payable if contract provides for payment of such advances.

Final payments can be made only on completion of work. In respect of additions and alterations, there should be a certificate of completion of the work according to the prescribed drawings and specifications signed by the Divisional Officer. In order to maintain proper control over payments, it is necessary that the accounts of additions and alterations should be kept quite distinct fro those of the rest of the work. There is not objection to payment for additions and alterations being made before the completion of the work, if the detailed measurements of them have been made and the contract provides for that.

Compilation of Monthly Accounts

Introductory : In terms of Article.206 of Account Code Volume.III, All the transactions of the division, as recorded in the initial accounts of cash and stock and in the Transfer Entry book, should be posted direct from those

sources in one or other of the schedules prescribed in this section, the details being in some cases recorded in supporting schedule dockets.

The cash and stock transactions booked under the head "Transfer within Division" should not be included in any of the schedules leading to the monthly accounts. Nor should the following transactions be posted in the schedules from the initial accounts specified against each:

- ❖ transactions recorded in the Cash Book under the head "Cash from Treasury".
- ❖ transactions brought to account in the initial accounts of stock through the Cash Book or the Transfer Entry Book; e.g. stock purchased in cash, stock sold for cash and stock received from works.

Before the actual compilation of the various schedules and schedule dockets, etc., is undertaken, the Abstract Book, Form P.W.A.23 may be written up from the original Cash Books. Abstracts of Receipts and Issues of Stock, and the Transfer Entry Book in accordance with the instructions printed on the standard form. The book will consolidate all the transactions of the division and will thereby facilitate the location of errors and omissions made in the compilation of the Monthly Account from the schedules and also serve as an independent check over the compiled accounts.

Schedules Dockets : As cash vouchers and transfer entry orders, relating to

- ❖ charges on works, other than percentages charged for establishment, tool and plant etc., and
- ❖ other items of expenditure or disbursement for which a contingent bill is not required

are received and are scrutinized, they should be posted into Schedule Dockets in Form P.W.A.24, a separate form being used for :

- (a) each work to be accounted for in a Schedule of Works Expenditure or in the Schedules of Deposit Works and Takavi Works
- (b) each manufacture or other item of expenditure debitable to Stock and to be accounted for in the Schedule of Debits to Stock
- (c) each separate class of charges (including refunds of revenue) for which a schedule in any other form has to be prepared under the rules in this Chapter.

Cash receipts which have to be taken in reduction of expenditure should be posted as refunds, with brief particulars of the transactions.

At the end of the month, the schedule dockets should be completed in respect of the stock transactions. All the Stock debits and credits of the month as recorded in the lower part of Forms P.W.A.5 and 6. Abstracts to Stock Receipts and Stock Issues, respectively, other than those brought to account through the Cash Book and the Transfer Entry Book, Vide Article 98, should be posted in the schedule dockets. The total of the month's Stock transactions relating to each schedule docket should be entered therein as a single figure, plus or minus according as it is debit or a credit, and if there are both debits and credits to be entered, the net result only should be posted.

The schedule dockets should then be totaled and reconciled with the works abstracts in the case of works, and with the schedules concerned in the case of dockets of class (c) of Article 209. All the vouchers (including acknowledgements for stock supplied to contractors), transfer entry orders, Survey reports and sale accounts which are required to be submitted to the Accountant General should then be attached to the respective schedule dockets which should be numbered in a separate series for each month.

For percentage recoveries made on account of establishment, tools and plant, and accounts and audit charges, a single schedule docket should be prepared in Form P.W.A.25, which should embrace all Government, as well as non-Government works on which these percentages may be leviable under rules.

Schedules :

(a) *Schedule of Monthly Settlement with Treasuries* : After the settlement of account mentioned in Article 89 has been effected with treasuries a *Schedule of Monthly Settlement with Treasuries* should be prepared in Form.PWA.26 separately in respect of treasuries of each accounts circle.

(b) *Schedule of Revenue Receipts* : The following schedules, which are only extracts of the Registers prescribed in Articles 113 to 115, should be prepared in the same form as that of corresponding register:

- (i) *Schedule of Revenue Realized*
- (ii) *Schedule of Refunds of Revenue*
- (iii) *Schedule of Receipts and Recoveries on Capital Accounts*

Schedule of Works Expenditure : After a reconciliation has been effected between the totals of works abstract and relevant schedule dockets, a *Schedule of Works Expenditure* should be prepared in Form PWA.27, separately.

Check of Monthly Accounts in Accountant General's Office :

General checks :

The work of checking of monthly account should be taken as soon as the account is received in Accountant General's office to see that :

- (i) It is complete in all respects with supporting schedules and vouchers as described in the list of accounts from CPWA.83;
- (ii) All the schedules attached with the monthly account are in proper form;
- (iii) Figures in receipts and disbursement as shown in form CPWA.80 tally with the totals of the items concerned as appearing in various schedules i.e. form CPWA.74, 76, 77, 79 etc. and also to see that these are correctly classified in the monthly account;
- (iv) The items of receipts and disbursements are arithmetically tallied and if they do not agree the difference be taken to "Miscellaneous Public Works Advance" or "Deposit" under intimation to the Divisional Office.
- (v) The opening balance agrees with the closing balance of previous months and that the figure "cash balance diminished/increased" is equal to the difference between opening and closing cash balance.
- (vi) The monthly account form CPWA.80/83 is signed by the Divisional Offices.

In addition to the general checks mentioned above the following further checks will also be applied to the various schedules accompanying the monthly account:

I. *Schedule of Revenue Realised* :

- (i) the amount brought forward from last month with reference to Form CPWA.46;
- (ii) it is arithmetically accurate;
- (iii) the amounts appearing under "Deduct refund" is supported by a separate schedule of refund of revenue and the amount of refund agrees in the amount mentioned in the schedules; and
- (iv) the totaling of schedules of refunds of revenue is done correctly and that the refunds are correctly classified.

Classified Abstract of Expenditure :

- (i) the totals under each head of account are correct; and
- (ii) the figures are tallied with those appearing in respective schedule, i.e. Form CPWA.64, 62, 73 etc. as also that the expenditure has been correctly classified.

II. *Schedule of works expenditure* :

- (i) the schedule is arithmetically accurate;
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- (ii) *the nomenclature of the works and the expenditure shown against each work during the month tallies with that shown in the schedule docket.*
 - (iii) *The figures of departmental charges are shown correctly as per Form.62*
 - (iv) *All works relating to Central Road Fund are shown in the schedule for June, September, December and March even if no expenditure appears during the month. Further, the schedule for September and March (S) shall include all works, including those relating to which no transactions have appeared in the accounts of these months.*

III. Schedule of Deposit Works :

- (i) *the opening balances as shown in Part.I & II are correctly entered as per closing balance of previous months' account;*
 - (ii) *the expenditure figures and departmental charges are correct as per schedule docket and the schedule docket for percentage recoveries;*
 - (iii) *the totals of "deposits" and Expenditure charged to Miscellaneous Works Advances agree with corresponding totals in the Schedule of Deposits and Works Advances;*
 - (iv) *the report of progress of expenditure after verification by audit, is transmitted to the responsible administrator of the Work without delay.*
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List of forms maintained in Public Works Department :

FORM NO	MAINTAINED FOR
1	CASH BOOK
1A	REGISTER OF CHEQUES ETC. RECEIVED AND ADJUSTED
2	IMPREST CASH ACCOUNT
3	RECEIPT FOR PAYMENTS TO GOVERNMENT
3A	CASH MEMO FOR GOODS SOLD BY GOVERNMENT
4	REGISTER OF REMITTANCES INTO ACCREDITED BANKS
5	CASH BALANCE REPORT (STATEMENT OF THE ACTUAL BALANCE OF CASH & STATEMENT OF OUTSTANDING IMPREST AND TEMPORARY ADVANCES WITH SUBORDINATES)
6	PUBLIC WORKS CHEQUES (CHEQUE ISSUED DURING THE MONTH BUT NOT ENCASHED, CHEQUE ISSUED DURING PREVIOUS MONTH AND ENCASHED, DETAILS OF TIME EXPIRED CHEQUE CANCELLED AND ISSUED & DETAILS OF CHEQUE REMAINING OUTSTANDING/UNENCASHED FOR MORE THAN 6MONTHS)
7	STORES INDENT
7A	REGISTER OF INDENTS
8	BIN CARD
8A	GOODS RECEIVED SHEET
9	SUMMARY OF STOCK RECEIPTS
10	SUMMARY OF INDENTS
12	PRICED STORES LEDGER
12A	REGISTER OF GOODS RECEIVED SHEETS
12B	REGISTER OF BIN CARDS
13	TOOLS AND PLANT RECEIVED SHEET
14	TOOLS AND PLANT INDENT
15	TOOLS AND PLANT LEDGER
16	STATEMENT OF RECEIPTS, ISSUES AND BALANCES OF ROAD METAL
17	ROAD METAL RATE BOOK
18	SURVEY REPORT OF STORES (REPORT OF SURVEY OF STORES WHICH HAVE BECOME UNSERVICEABLE)

19	<i>SALE ACCOUNT</i>
20	<i>REGISTER OF MUSTER ROLLS</i>
21	<i>MUSTER ROLL</i>
21A	<i>REGISTER OF UNPAID WAGES</i>
22	<i>CASUAL LABOUR ROLL</i>
23	<i>MEASUREMENT BOOK</i>
23A	<i>STANDARD MEASUREMENT BOOK</i>
24	<i>FIRST AND FINAL BILL</i>
26	<i>RUNNING ACCOUNT BILL</i>
26 A	<i>ACCOUNT OF SECURED ADVANCES</i>
27B	<i>FINAL BILL</i>
28	<i>HAND RECEIPT</i>
29	<i>PAY BILL OF WORKCHARGED ESTABLISHMENT</i>
31	<i>INDENTURE FOR SECURED ADVANCES</i>
32	<i>PETTY WORKS REQUISITION AND ACCOUNT, REPORT OF P.W. SUBORDINATE AND ESTIMATED COST, COMPLETION CERTIFICATE</i>
34	<i>WORKS ABSTRACTS</i>
35	<i>REGISTER OF MATERIAL-AT-SITE ACCOUNTS</i>
35A	<i>ACCOUNT OF MATERIAL ISSUED TO CONTRACTORS</i>
38	<i>REGISTER SHOWING THE CLEARANCE OF THE SUSPENSE HEAD "MATERIALS"</i>
39	<i>WORK'S SLIP</i>
40	<i>REGISTER OF WORKS</i>
42	<i>REGISTER OF MANUFACTURE</i>
43	<i>CONTRACTOR'S LEDGER</i>
43A	<i>ACCOUNT RELATING TO ISSUE OF MATERIAL DIRECT TO WORK</i>
44	<i>DETAILED COMPLETION REPORT</i>
45	<i>COMPLETION STATEMENT OF WORK AND REPAIRS</i>

46	<i>REGISTER OF REVENUE REALISED</i>
48	<i>STATEMENT OF LICENCE FEE RECOVERABLE IN CASH OR BY DEDUCTION FROM PAY BILLS</i>
49	<i>REGISTER OF LICENCE FEE OF BUILDINGS AND LANDS</i>
51	<i>SCHEDULE OF MONTHLY RECONCILIATION WITHBANK</i>
52	<i>REGISTER OF CHEQUE/RECEIPT BOOOKS</i>
53	<i>TRANSFER ENTRY ORDERS</i>
53A	<i>OMNIBUS TRANSFER ENTRY ORDER OF STORES RECEIVED</i>
54	<i>TRANSFER ENTRY NUMBER BOOK</i>
57	<i>REGISTER OF TRANSFERS AWAITED</i>
58	<i>REGISTER OF SANCTIONS TO FIXED CHARGES</i>
59	<i>REGISTER OF MISCELLANEOUS SANCTIONS</i>
60	<i>REGISTER OF DIVISIONAL ACCOUNTANTS OBJECTIONS</i>
61	<i>SCHEDULE DOCKET</i>
62	<i>SCHEDULE DOCKET FOR PERCENTAGE RECOVERIES</i>
64	<i>SCHEDULE OF WORKS EXPENDITURE</i>
64A	<i>SCHEDULE OF ESTABISHMENT EXPENDITURE</i>
65	<i>SCHEDULE OF DEPOSIT WORKS</i>
66	<i>SCHEDULE OF TAKAVI WORKS</i>
67	<i>SUSPENSE/ DEPOSIT REGISTER FOR PURCHASE</i>
69	<i>ABSTRACT ACCOUNT OF CREIDTS, DEBITS AND BALANCES OF THE MATERIAL PURCHASE SETTLEMENT SUSPENSE ACCOUNT</i>
70	<i>SCHEDULE OF MISCELLANEOUS WORKS ADVANCES</i>
72	<i>SCHEDULE OF DEBITS TO STOCK</i>
73	<i>STOCK ACCOUNT</i>
74	<i>CLASSIFIED ABSTRACT OF EXPENDITURE</i>
76	<i>SCHEDULE OF DEBITS/ CREDITS TO MISCELLANEOUS HEAD OF ACCOUNT</i>
76A	<i>STATEMENT OF DEBITS AND CREDITS</i>

76B	STATEMENT SHOWING ITEMS UNDER CASH SETTLEMENT & SUSPENSE ACCOUNT UNSETTLED FOR MORE THAN 6 MONTHS
77	SCHEDULE OF DEBITS/ CREDITS TO REMITTANCES
79	SCHEDULE OF DEPOSITS
80	MONTHLY ACCOUNT
81	ABSTRACT BOOK
83	LIST OF SCHEDULE SUBMITTED TO PAY & ACCOUNTS OFFICER
84	EE'S REPORT OF SCRUTINY OF ACCOUNTS
85	REGISTER OF INTEREST BEARING SECURITIES
86	ACCOUNT OF INTEREST BEARING SECURITIES
91	ANNUAL CERTIFICATES OF BALANCES <ul style="list-style-type: none"> ➤ STOCK ➤ WORKSHOP SUSPENSE ➤ OTHER SUSPENSE ACCOUNTS AND DEPOSITS ➤ WORKS ACCOUNTS ➤ ARREARS OF REVENUE ➤ CASH SETTLEMENT SUSPENSE ACCOUNT
92	REGISTER OF MEASUREMENT BOOKS
96	MEMO OF REVIEW
97	REGISTER OF DESTRUCTION OF RECORDS

List of Forms prescribed for Public Works Department in Account Code Volume – III

<i>Form No.</i>	<i>Description</i>	<i>Reference to articles</i>
<i>PWA 1</i>	<i>Cash Book</i>	<i>Art.80</i>
<i>PWA 2</i>	<i>Cash Balance Report</i>	<i>Art.82</i>
<i>PWA 3</i>	<i>Imprest Cash Account</i>	<i>Art.88</i>
<i>PWA 4</i>	<i>Register of Stock Receipts / Issues</i>	<i>Art.96</i>
<i>PWA 5</i>	<i>Abstract of Stock Receipts</i>	<i>Art.97</i>
<i>PWA 6</i>	<i>Abstract of Stock Issues</i>	<i>Art.97</i>
<i>PWA 7</i>	<i>Transfer Entry Order</i>	<i>Art.106</i>
<i>PWA 8</i>	<i>Transfer Entry Book</i>	<i>Art.110</i>
<i>PWA 9</i>	<i>Register of Revenue Realised</i>	<i>Art.113</i>
<i>PWA 10</i>	<i>Works Abstract – A</i>	<i>Art.133</i>
<i>PWA 11</i>	<i>Works Abstract – B</i>	<i>Art.133</i>

PWA 12	Register of Works – A	Art.141
PWA 13	Register of Works – B	Art.141
PWA 14	Contractors Ledger	Art.150
PWA 15	Outturn Statement of Manufacture	Art.160
PWA 16	Register of Manufacture	Art.161
PWA 17	Suspense / Deposit Register	Art.164
PWA 19	Advice of Transfer Debit / Credit	Art.183
PWA 20	Acceptance of Transfer Debit / Credit	Art.183
PWA 23	Abstract Book	Art.208
PWA 24	Schedule Docket	Art.209
PWA 25	Schedule Docket for Percentage Recoveries	Art.212
PWA 26	Schedule of Monthly Settlement with Treasuries	Art.213
PWA 27	Schedule of Works Expenditure	Art.215
PWA 28	Schedule of Debits to Stock	Art.216
PWA 29	Stock Account	Art.216
PWA 31	Abstract of Account of Credits, Debits and Balances of the Purchase Account	Art.217
PWA 32	Schedule of Miscellaneous PW Advances	Art.217
PWA 33	Schedule of Deposit Works	Art.219
PWA 35	Schedule of Deposits (Alternative Form)	Art.220
PWA 36	Schedule of Takavi Works	Art.221
PWA 37	Schedule of Debits / Credits to “Adjusting Account between Central and State Governments / Adjusting Account with Railways/Adjusting Account with P&T/Adjusting Account with Defence”	Art.222
PWA 38	Schedule of Debits / Credits to “Inter-state Suspense A/c”	Art.223
PWA 39	Schedule of Debits / Credits to Remittances	Art.224
PWA 40	Schedule of Debits/Credits to Miscellaneous Heads of A/c	Art.225
PWA 41	Classified Abstract of Expenditure	Art.227
PWA 42	Monthly Account	Art.228
PWA 44	List of Accounts submitted to Accountant General	Art.238
PWA 45	Divisional Officer’s Report of Scrutiny of Accounts	Art.238
PWA 46	Annual Certificate of Balance	Art.235

Let’s check:

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1. *Public Works Department is entrusted with following works*
 - a) *Roads & Buildings*
 - b) *Public Health*
 - c) *Irrigation*
 - d) *All the above*
 2. *Public Works Department can be entrusted with the following work*
 - a) *Marriage halls*
 - b) *Private houses*
 - c) *Municipal park*
 - d) *Apartments*
 3. *The overall incharge of a circle is*
 - a) *Chief Engineer*
 - b) *Superintending Engineer*
 - c) *Executive Engineer*
 - d) *Assistant Engineer*
 4. *The Executive Engineer can also be called as*
 - a) *Divisional Officer*
 - b) *Sub-Divisional Officer*
 - c) *Overseer*
 - d) *Divisional accountant*
 5. *The duties of a Divisional Accounts Officer are*
 - a) *Single fold*
 - b) *Double fold*
 - c) *Three folds*
 - d) *Blind fold*
 6. *Which of the following is not a non-Government work*
 - a) *Deposit work*
 - b) *Const. of police station*
 - c) *Const. of a port*
 - d) *Excavation of a agricultural well*
 7. *Takavi works re chargeable to the head of account*
 - a) *8443*
 - b) *8658*
 - c) *8550*
 - d) *8786*
 8. *The expenditure on construction of a school building is debitable to*
 - a) *4202*
 - b) *4059*
 - c) *4216*
 - d) *8658*
 9. *The expenditure on repairs to a school building is debitable to*
 - a) *2202*
 - b) *2059*
 - c) *2216*
 - d) *2210*
 10. *The cost of construction of staff quarters is debitable to head of account*
 - a) *4202*
 - b) *4059*
 - c) *4216*
 - d) *8658*
 11. *The construction of doctors residential accommodation attached to a hospital is debitable to head of account*
 - a) *4210*
 - b) *4059*
 - c) *4216*
 - d) *4202*
 12. *Repairs to Accountant General's office is debitable to head of account*
 - a) *2210*
 - b) *2059*
 - c) *2216*
 - d) *2016*
 13. *Construction of new training block at AG's Office is debitable to*
 - a) *4016*
 - b) *4216*
 - c) *4059*
 - d) *8658*
 14. *Land revenue is classified under*
 - a) *General services*
 - b) *Social services*
 - c) *Revenue services*
 - d) *Economic services*
 15. *Civil supplies is classified under*
 - a) *General services*
 - b) *Social services*
 - c) *Revenue services*
 - d) *Economic services*
 16. *The nature of imprest is*
 - a) *Temporary*
 - b) *Fixed expenses*
 - c) *Permanent*
 - d) *Salary payments in cash*
 17. *Temporary advance is granted for*
-

-
18. *Earnest money deposit is collected from contractor*
- a) *General maintenance* b) *Specific purpose* c) *Regular payments* d) *Petty payments*
19. *Security Deposit is collected from contractor*
- a) *Through RA bills* b) *After agreement is concluded* c) *With tender schedule* d) *On completion of work*
20. *Corrections identified in a Cash-book can be rectified by*
- a) *Erasing* b) *Over writing with initials* c) *Same ink* d) *Red ink*
21. *Cash book shall be closed*
- a) *Daily* b) *Weekly* c) *Monthly* d) *Yearly*
22. *Cash found short shall be treated as*
- a) *Advance* b) *Expenditure* c) *Deposit* d) *Receipt*
23. *Cash found surplus shall be treated as*
- a) *Advance* b) *Expenditure* c) *Deposit* d) *Receipt*
24. *Which of the following is not included as cash*
- a) *Legal notes* b) *Mutilated notes* c) *Counterfeit notes* d) *Revenue stamps*
25. *Which of the following can be treated as cash*
- a) *Fixed deposit receipts* b) *Cheque by name of Executive Engineer* c) *Unpaid salaries of* d) *Service Postage stamps*
26. *Which of the following doesn't form part of Opening Balance in a Cash Book*
- a) *Deposit at Call receipt* b) *Postal Order* c) *Kissan vikas patra* d) *Challan receipt*
27. *Which of the following entries find place in a cash book*
- a) *Revenue stamps sold* b) *Cheque in favour of contractor handed over to him* c) *Purchased service postage* d) *Purchased revenue stamps worth Rs.50*
28. *An AE of a division received rent towards rent of residential buildings by cash on 13th November. He remitted the amount in a nearby treasury on 15th November and handed over the challan receipt on 17th November. The entry in cash book need be posted on*
- a) *19th November* b) *17th November* c) *15th November* d) *13th November*
29. *When temporary advance is granted to a sub-ordinate, the same shall be posted in Cash Book on*
- a) *Receipt side* b) *Receipt side with red ink* c) *Payments side* d) *Payments side with red ink*
30. *A time barred cheque received in the division shall be*
- a) *Revalidated* b) *Cancelled* c) *Returned* d) *Remitted*
31. *Entry relating to reduction of imprest shall be made on*
- a) *Receipt side* b) *Receipt side with red ink* c) *Payments side* d) *Payments side with red ink*
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32. A cheque received by the division towards EMD from a contractor was remitted in to bank. Amount remitted in to bank shall be entered in column..... of cash book
- a) Column.4 b) Column.9 c) Column.11 d) Column.12
33. When the contract is for labour rates the stores issued shall be debited to
- a) Contractor b) Suspense c) Concerned head d) Misc. works advance head
34. Stores purchased to replenish stock and not for specific purpose shall be debited to
- a) Contractor b) Suspense c) Concerned head d) Misc. works advance head
35. Stores issued when the contract is for finished item of work shall be debited to
- a) Contractor b) Suspense c) Concerned head d) Misc. works advance head
36. Tools and plant purchased for general use of division shall be debited to
- a) Suspense b) Concerned work c) Machinery & equipment d) Tools & plant
37. Special tools and plant which are not required for general use of the division shall be debited to
- a) Suspense b) Concerned work c) Machinery & equipment d) Tools & plant
38. Material procured for specific work shall always be debited to
- a) Suspense b) Contractor c) Work concerned d) Misc. works advance
39. The cost per unit fixed for issue of stock at stores is called
- a) Assessed rate b) Market rate c) Agreed rate d) Issue rate
40. Issue rate includes
- a) Storage charges b) Incidental charges c) Carriage of stores d) All the above
41. All material received in the division in good condition shall be entered at once in
- a) Priced stores ledger b) Goods received sheets c) Bin cards d) Priced vocabulary of stores
42. A list of materials in stock showing their correct description and identifying numbers is called
- a) Priced stores ledger b) Goods received sheets c) Bin cards d) Priced vocabulary of stores
43. A list of running balance of each item of stock can be viewed through
- a) Priced stores ledger b) Goods received sheets c) Bin cards d) Priced vocabulary of stores
44. A record of day to day transactions relating to each item of stock is called
- a) Priced stores ledger b) Goods received sheets c) Bin cards d) Priced vocabulary of stores
45. Priced stores ledger shall be maintained by
- a) Contractor b) Stores c) Divisional office d) Sub divisional office
46. An item of expenditure wrongly classified can be rectified by way of
- a) Reduction of expenditure b) Increasing receipts c) Correct with red ink d) Transfer entry
47. The procurement charge of one tonne of steel is Rs.32000. Calculate supervision charges if storage charges and supervision charges are 2% and 10% respectively.
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- a) Rs.640 b) Rs.32000 c) Rs.3264 d) Rs.3232
48. The procurement charge of 1 cuf of wood is Rs.3500. Calculate issue rate if Service charges and supervision charges leviable are 2% and 10% respectively.
- a) Rs.35 per cuf b) Rs.350 per cuf c) Rs.3535 per cuf d) Rs.3927 per cuf
49. The form in which muster roll is maintained
- a) Form.21 b) Form.23 c) Form.24 d) Form.26
50. Measurement Book is maintained in
- a) Form.21 b) Form.23 c) Form.24 d) Form.26
51. All measurements of a work/project shall be entered in
- a) Standard Measurement book b) Permanent measurement c) Detailed measurement d) Abstract measurement
52. First and final bill is maintained in
- a) Form.21 b) Form.23 c) Form.24 d) Form.26
53. Running account bill is maintained in
- a) Form.21 b) Form.23 c) Form.24 d) Form.26
54. Hand receipt is maintained in
- a) Form.21 b) Form.23 c) Form.24 d) Form.28
55. Intermediate payment means
- a) On account payment b) Advance payment c) Secured advance d) All the above
56. Fine for bad work recovered from work bill shall be classified as
- a) Withheld b) Debit to work concerned c) Credit to work concerned d) Credit to revenue head of PWD
57. Fine for delay recovered from work bill shall be classified as
- a) Withheld b) Debit to work concerned c) Credit to work concerned d) Credit to revenue head of PWD
58. Which of the following cannot be treated as 8(a) recovery
- a) Cost of material issued b) Fine for delay c) Fine for bad work d) Expenditure incurred on behalf of contractor
59. Fine for bad work recovered in respect of another work shall be treated as recovery in memo of payments
- a) 5(b) b) 8(a) c) 8(b) d) 8(c)
60. Cost of material supplied now recovered shall be treated asrecovery in memo of payments, if the same was issued for another work other than for which the bill is being preferred
- a) 5(b) b) 8(a) c) 8(b) d) 8(c)
61. Which of the following is not recoverable from 8(b) section of memorandum of payments of a RA bill
- a) Hire charges of T&P b) Court attachment c) Workman's compensation d) Tech. supervisors salary
62. Which of the following advance is not permissible
- a) Advance payment b) Labour advance c) Secured advance d) Mobilization advance
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63. *Payment made to a contractor for work done but not measured is*
- a) *Advance payment* b) *Labour advance* c) *Secured advance* d) *Mobilization advance*
64. *An amount of Rs.40000 was advanced to a contractor for workdone but not measured in I RA bill. Indicate the value of D.*
- a) *0* b) *Rs.40000* c) *Rs. (-) 40000* d) *Rs.20000*
65. *In I RA bill advance payment made was Rs.25000. In II RA bill the entire amount was recovered. A further advance of Rs.65000 is now proposed in II RA bill. Compute "D"*
- a) *Rs.40000* b) *Rs.90000* c) *Rs. (-) 25000* d) *Rs.65000*
66. *In the above example, compute 2(b) of memo of payments*
- a) *Rs. (-) 25000* b) *Rs.65000* c) *Rs.25000* d) *Rs.90000*
67. *In the above example, compute "B"*
- a) *Rs. (-) 25000* b) *Rs.65000* c) *Rs.25000* d) *Rs.90000*
68. *A contractor was advanced Rs.30000 in I RA bill. In II RA bill he was allowed advance payment for 2 items to the extent of Rs.23000 and Rs.16000. Compute "D", if Rs.13000 is recovered from intitial advance*
- a) *Rs.30000* b) *Rs.39000* c) *Rs.26000* d) *Rs.56000*
69. *Compute "B" in the above example*
- a) *Rs.30000* b) *Rs.39000* c) *Rs.26000* d) *Rs.56000*
70. *The value of "B" in a bill in Form.24 is*
- a) *Maximum* b) *Nil* c) *50%* d) *75% maximum*
71. *The value of "D" in a final bill shall be*
- a) *Zero* b) *"B" of previous bill* c) *"-B" of prev. bill* d) *"-D" of prev. bill*
72. *The value of "B" in a final bill shall be.*
- a) *Zero* b) *"B" of previous bill* c) *"-B" of prev. bill* d) *"-D" of prev. bill*
73. *The payment in an on account bill in respect of lumpsum contract shall be treated as*
- a) *Advance payment* b) *Total value of work measured* c) *Release of withheld* d) *Temporary advance*
74. *The advance paid on the security of material brought to work site, where the contract is for labour rates is*
- a) *Secured advance* b) *Advance payment* c) *Security deposit* d) *Temporary misappropriation*
75. *Secured advance is not permissible for the following items*
- a) *Bricks* b) *Wood* c) *Glass* d) *Steel*
76. *Maximum amount of secured advance payable is% of assessed value*
- a) *25* b) *50* c) *60* d) *75*
77. *Maximum secured advance payable on wood whose assessed value is Rs.3998 per cuf*
- a) *Rs.3000 per cuf* b) *Rs.3750 per cuf* c) *Rs.2999 per cuf* d) *Rs.2998 per cuf*
78. *Calculate maximum secured advance payable for 75 MT of steel if assessed rate is RS.37600 per MT*
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- a) Rs.2115000 b) Rs.2256000 c) Rs.1974000 d) Rs.1410000
79. Determine "E" if Rs.70000 was paid to contractor in I RA bill towards secured advance
- a) Rs.0 b) Rs.35000 c) Rs.52500 d) Rs.70000
80. A contractor was allowed secured advance on 100000 bricks in I RA bill. He utilized 15000 bricks on work. He again brought 260000 bricks to worksite. Calculate maximum secured advance payable in II RA bill, if assessed rate is RS.360/100 bricks
- a) Rs.972000 b) Rs.931500 c) Rs.66150 d) Rs.61650
81. Compute "E" in the above example
- a) Rs.661500 b) Rs.616500 c) Rs.66150 d) Rs.61650
82. A contractor was allowed maximum secured advance on 50 cuf of wood in IV RA bill. He utilized 37 cuf of wood on work. Calculate net amount of secured advance since previous bill in V RA bill, if assessed rate is Rs.4442 per cuf
- a) Rs. (-) 123284 b) Rs. 123284 c) Rs.123247 d) Rs.(-)123247
83. The secured advance outstanding as of IX RA bill is Rs.183000. Calculate "C" if X RA bill is the final bill
- a) Rs.(-)183000 b) Nil c) Rs.183000 d) Details not sufficient
84. "E" in the above example is
- a) Rs.(-)183000 b) Nil c) Rs.183000 d) Details not sufficient
85. Mobilization advance can be granted for works whose estimated cost put to tender exceeds
- a) Rs.10 lakhs b) Rs.50 lakhs c) Rs.1 crore d) Rs.10 crores
86. Mobilization advance can be granted up to a maximum of% of approved cost of work
- a) 1 b) 10 c) 50 d) 75
87. If the amount of security is less than Rs.500, the amount shall be
- a) With-held b) Recovered as 8(a) recovery c) Recovered as 8(b) recovery d) Waived
88. The maximum amount of withheld that can be made in final bill
- a) 50% b) 10% c) 1% d) Nil
89. Calculate "H" if A=75000, D=85000, E=63000, G=(-)10000 and F=288000
- a) Rs.426000 b) Rs.446000 c) Rs.436000 d) Rs.(-)130000
90. A contractors ledger is maintained for
- a) Every work b) Every contractor for each work c) Every contractor for all works d) Every contractor for all works in all divisions
91. Which of the following entries need not be posted in contractors ledger
- a) Fine for bad work b) Fine for bad work in r/o another work c) Cost of material supplied recovered d) Fine for delay
92. Contractors ledger is maintained in Form
- a) 26 b) 43 c) 53 d) 33
93. Works abstract is maintained in Form
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108. Secured advance is maintained in form
- a) 24A b) 26A c) 28A d) 43A
109. Cost of stores issued to contractor where contract is for labour rates shall be debited to
- a) Final charges b) Contingencies c) Material d) Other transactions
110. Materials shall not be issued from stock for which of the following purpose
- a) Use on work b) Sale to private individuals c) Other divisions d) Sale to contractors
111. The value of stores found surplus shall be credited to
- a) Receipt b) Suspense c) Misc. Works Adv. d) Stock
112. The primary disbursing officer in Public Works Accounts system
- a) Superintending Engineer b) Executive Engineer c) Assistant Engineer d) Divisional accountant
113. Cash book is maintained in Form
- a) 1 b) 11 c) 43 d) 53
114. The travel expenses paid to artificers/labourers shall be borne by
- a) PW expenditure head b) Department expenditure head c) Work concerned d) Contractor
115. The cheque amount for the following transaction may be determined:
Gross salary – Rs.318560; Recoveries : CGHS – Rs.2000; CGEGIS – Rs.360; GPF – Rs.74000;
Festival advance : Rs.900; Recovery over payment : Rs.3100 & MCA (I) – Rs.750
- a) Rs.241450 b) Rs.237450 c) Rs.273450 d) Rs.244150
116. The agreement provides for supply of material at work site. The cost of carriage shall be debited to
- a) Material b) Other transaction c) Additional column d) Final charges
117. Cost of carriage where the agreement is for labour rates is debitable to
- a) Material b) Other transaction c) Additional column d) Final charges
118. Cost of carriage where the agreement is silent shall be debited to
- a) Material b) Other transaction c) Additional column d) Final charges
119. The value of work done up to date if A of previous bill is Rs.180000 and F of present bill is Rs.363000
- a) Rs.180000 b) Rs.534000 c) Rs.183000 d) Rs.543000
120. Compute the value of "G" if D=70000, E=63000; H=199000 & F=166000
- a) Rs.(-)100000 b) Rs.87000 c) Rs.(-)87000 d) Rs.100000

Key:

1. d	2. c	3. b	4. a	5. c	6. b	7. c	8. a	9. b	10. c
11. a	12. b	13. c	14. a	15. d	16. c	17. b	18. c	19. a	20. d
21. c	22. a	23. c	24. c	25. b	26. c	27. c	28. b	29. d	30. b
31. b	32. c	33. c	34. b	35. a	36. c	37. b	38. c	39. d	40. d
41. b	42. d	43. c	44. a	45. c	46. d	47. c	48. d	49. a	50. b
51. c	52. c	53. d	54. d	55. d	56. c	57. d	58. b	59. c	60. c
61. d	62. b	63. a	64. b	65. a	66. c	67. b	68. c	69. d	70. b
71. c	72. a	73. a	74. d	75. c	76. d	77. d	78. a	79. d	80. b
81. a	82. c	83. b	84. a	85. c	86. b	87. a	88. d	89. b	90. c
91. d	92. b	93. d	94. c	95. b	96. d	97. b	98. a	99. c	100. b
101. a	102. b	103. c	104. d	105. a	106. d	107. b	108. b	109. c	110. b
111. a	112. b	113. a	114. c	115. b	116. c	117. a	118. b	119. d	120. d

ACCOUNTS PROCEDURES OF FOREST DEPARTMENT

(As contained in Account Code Volume-III, Edition 2000)

The directions given below shall apply to the departments of Government whose initial and subsidiary accounts are compiled in whole or in part departmentally, the accounts so compiled being rendered monthly or periodically to the Account and Audit Offices.

The forms of initial and subsidiary accounts prescribed should be regarded as standard or model forms which may be modified by Government according to local requirements in consultation with the Accountant General concerned. Similarly, the Accountant General may introduce such changes in the detail of accounts returns as he may deem necessary.

CLASSIFICATION OF FOREST RECEIPTS AND EXPENDITURE

1. The Major and Minor heads prescribed for classification of forest receipts and expenditure **Art.240** are set out in Appendix.2 to Volume.1 of Account Code.
2. The sub-heads, detailed heads or units of grants and appropriation will be determined by **Art.240** the Government according to local requirements.
3. The authorized arrangement of heads should not be altered except in consultation with **Art.240** the Accountant General concerned.
4. Directions relating to adjustments with other departments and Governments in respect of **Art.241** supplies made or services rendered by or to the Forest Department were contained in Chapter.4 of Account Code Volume.I
5. Recoveries or payments made in cash should be treated like other revenue receipts or **Art.242** service payments, as the case may be.
6. When a transaction has been adjusted by book transfer, the transfer should be effected **Art.242** by debiting or crediting the amount involved to 'Book Transfers'.

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7. *Transactions relating to Book Transfers of the Central Government, Railways, P&T, Defence or other State Government's originating in the State Forest Division shall be entered in the accounts as debits or credits to the head "Book Transfers - Central", "Book Transfers - Railways" etc... Necessary adjustments will be made by the Accountant General against their respective balances.* **Art.243**
 8. *All revenue and expenditure should be recorded in the accounts of the division within which it was collected or incurred, without reference to its origin or object, and not inter-divisional adjustments should be made except under special orders of Government.* **Art.244**
 9. *Adjustments between different divisions are permissible only in cases where the Government in consultation with the Accountant General have declared so. These adjustments may be made, monthly or annually as may be found convenient.* **Art.245**
 10. *Charges on account of general services like Establishment, Live Stock, Stores and Tools & Plant should be classified under the appropriate sub-heads under the minor head "Establishment" or "Conservancy and Works".* **Art.246**
 11. *No attempt should be made to debit the individual work the portion or whole of such expenditure on account of above services, provided.* **Art.246**
 12. *The cost of material purchased for a specific work should, however, be debited to the accounts of that work.* **Art.246**
 13. *Pay and allowances of temporary establishment employed upon the actual execution, stores and machinery in connection with such works should be debited to the appropriate sub-head under "conservancy and Works" and not under "Establishment"* **Art.247**
 14. *Where Stores (building materials, small stores, house fittings etc.) debited to general sub-head for Stores and Tools & Plant, are utilized subsequently on any specific work, the value thereof shall be transferred to the accounts of the work concerned by a debit and contra debit to the general sub-head. While effecting the transfer entry care shall be taken to debit the cost of carriage etc. **(Note : Always remember that the procurement cost of any particular "goods" shall be include base cost plus carriage and all incidental charges involved in its procurement)*** **Art.248**
 15. *All sums paid into the treasury (cash or cheque) by a departmental officer or on his account, irrespective of value of cheques drawn whether encashed or not, should be debited to "Forest Remittances".* **Art.249**
 16. *Subordinate Officers who were given cash advance to enable him to make disbursements shall be booked to "Forest Advances" as an advance to the disburser concerned. When the account of the advance is rendered, the amount shall be credited to "Forest Advances" by a per contra debit.* **Art.250**
 17. *Advances to contractors, suppliers and labourers made in connection with execution of works should be debited to the head "Works Advances" subordinate to the minor head "Conservancy and Works". This advance shall have to be acknowledged by the payee.* **Art.251**
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18. *Petty advances to labourers which were made by a subordinate out of his own imprest or advance and allowed to be treated as part of the cash balance with him shall not be accounted for as "Works Advances"* **Art.252**
19. *Recoveries of service payments, if made after the close of a year in the accounts of which the payments was included, shall be credited in the accounts as miscellaneous revenue.* **Art.253**
20. *Recoveries of service payments, if made before the close of a year in the accounts of which the payment was included shall be treated as follows:* **Art.253**
- *When the recovery is in adjustment of an overcharge on account of pay or travelling allowance and is made by deduction from a bill debitable to the same detailed head the net amount only should be debited to that head.*
 - *In all other cases, the amount recovered should be entered initially in the accounts as an item of receipt under "Recoveries of Service Payments" but in the account rendered to the Accountant General the amount should appear as a minus entry under the sub-head to which it was debited originally.*
21. *Other recoveries should be recorded as pertaining to concerned heads, examples – GPF, Group Insurance etc. In case of recoveries pertaining to Central Government, P&T, Railways etc. example Income Tax, Postal Life Insurance Fund etc. shall be classified under the head "Book Transfer – Central", "Book Transfer – P&T" etc.. as the case may be.* **Art.254**
22. *Earnest Money Deposits paid by contractors or purchases of forest produce direct into a treasury or sub-treasury should be treated as Revenue Deposits and not as Forest Remittances. Similarly EMD received by a Forest Officer and remitted into treasury shall also be treated as Revenue Deposits. Such deposits should not appear in the accounts of the officers of the Forest Department.* **Art.255**

ACCOUNTS TO BE KEPT IN FOREST OFFICES

A. CASH BOOK

1. *Every Officer who is authorized to receive or disburse Government money should keep an account in Cash Book (Form FA.1) in which he should enter all money transactions and book transfers permissible as they occur.* **Art.256**
2. *Only transactions connected with the public service should be shown in the Cash Book. Sufficient details should be given in "particulars" column to ascertain readily the nature of transaction without reference to the detailed vouchers. All items of revenue must be detailed in full i.e. the forest from which the revenue is received, the person who paid it etc.. The classification of receipts and charges should be given in the column "Head of Service".* **Art.257**
3. *When a cheque is drawn in favour of self or order to replenish the cash chest, the amount of it should be entered at once as a receipt, and shall not be waited till it was encashed.* **Art.258**
4. *A cheque drawn for payment should be entered simultaneously on both sides of the Cash Book, once as a receipt of money from treasury and again as a payment to the payee concerned. The number and distinguishing letter of the cheque being specified in both the* **Art.259**
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entries.

5. *All book transfers (i.e. transactions which doesn't involve actual payment or receipt of cash) should be entered simultaneously on both sides of the Cash Book. The credit or debit to "Book Transfers" appearing on one side and an equivalent debit to an expenditure head or credit to a revenue head, on the other side.* **Art.260**
6. *Pay and allowances of Forest Officers and their establishments which are paid by cheques or out of cash obtained from the treasury should be entered in the Cash Book under the head "Establishment" without further details. These entries shall be supported by bills as vouchers.* **Art.261**
7. *If a cheque drawn and entered in the Cash Book has been cancelled subsequently, the amount of it should be accounted for on the credit side as "cancelled cheque" and the cancelled cheque being treated as voucher.* **Art.262**
Simultaneously, an entry should be made on the debit side as:
 - *If the cancelled cheque is replaced immediately by a fresh cheque, the fresh cheque should be shown as a "Forest Remittance", the number and a date of the cheque in lieu of which it was drawn being quoted in the entry*
 - *If the cancelled cheque is not replaced immediately, the expenditure in payment of which it was drawn should be written back by making an entry of the cancelled cheque on the debit side as for a cash recovery for a service payment*
8. *A lost cheque should be treated should be treated like a cancelled cheque and a certificate of non payment being regarded as a voucher in support of the entry of cancellation shall be made on the creditor side of the Cash Book* **Art.263**
9. *A lapsed or time barred cheque, if renewed, should be treated as cancelled cheque and a fresh cheque issue in lieu shall be treated as discussed in Article.262 above.* **Art.264**
10. *The Cash Book should be closed and balanced monthly. The account balance at the end of the month should be checked with actual cash balance on hand. If any excess/shortage was found, it should be entered at once as such in Cash Book on the debtor/creditor side, as the case may be.* **Art.265**
11. *Divisional Officers and others who render accounts to the Accountant General should close their books on the last working day of each month. Subordinate Officers should do so on the 27th or any earlier date as prescribed by the Divisional Officers or others, as the case may be, in order to ensure that their accounts are included by the last day of the month. For the month of March, the Divisional Officers and others should keep their accounts open until the receipt of such accounts of the subordinate officers till 31st March.* **Art.266**

B. REGISTER OF CHEQUES DRAWN

12. *A monthly register of cheques drawn on all treasuries with which the drawing officers are placed in account should be maintained in Form FA.2.* **Art.267**

C. WORKS ACCOUNTS (Muster Rolls, Measurement Books, Register of Works)

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13. For work executed by labourers whether paid by the day or otherwise, a Muster Roll should be kept in such form and in accordance with such methods as may be prescribed by Government after consultation with the Accountant General **Art.268**
14. For work done otherwise than on a lumpsum contract, and for supplies made by a contractor, a Measurement Book should be kept in such form and in accordance with such methods as may be prescribed by Government after consultation with the AG. **Art.269**
15. A detailed record of the expenditure relating to each sanctioned work should be kept in a register of works in form FA.3 **Art.270**

D. STORES ACCOUNTS

16. An account of stores such as building materials, small stores, house fittings etc. which may be held in stock for general purpose should be kept in such form as the Government may determine in consultation with AG. Material purchased for specific works shall be mixed up with these accounts. **Art.271**

E. CONTRACTORS AND DISBURSERS LEDGERS

17. A ledger shall be maintained by the Divisional Officer (form FA.4) for all accounts with disbursers and contractors. On the debtor side should be entered all payments made to them and on the creditor side the amounts of all bills passed to their credit and all sums repaid by them in cash. **Art.272**
18. Only one account should be opened with each disburser, but in the case of contractors a separate account should be kept with each person in respect of each work. **Art.273**
19. **Art.274**
- Each item entered in the Cash Book under "Forest Advances" or "Works Advances" should be posted at once in the ledger
 - When any work is accepted as having been done by a contractor, the amount covered by work done should be set off against the amount due to from the contractor.
 - When an account supported by the necessary vouchers is accepted from a disburser, the expenditure incurred should be set off against the amount due from the disburser.
 - The ledger is thus a running account with each contractor and disburser from whom the amount due can always be easily ascertained.
20. The account of each contractor/disburser should be balanced on the last day of each month. **Art.275**
21. The pages of the ledger should be numbered serially and there should be an index to the accounts it contains. Each account opened should be assigned a number which will be unique to that particular account until it is finally closed. The numbers should be given in serial order and should run in same sequence until a new ledger volume is opened. **Art.276**

F. CLOSING OF THE ACCOUNTS OF THE YEAR

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22. *Actual transactions taking place (cash/cheque transactions) after the closure of financial year should not be treated as pertaining to the year that was closed. Unadjusted outstandings of the year should be cleared before 31st March. Errors in the accounts noticed after 31st March should be rectified by transfer entries, within the accounts of the year and for this purpose the accounts shall be kept open. These accounts should be closed on 20th May or any such date as may be prescribed by the AG.* **Art.277**

G. CORRECTION OF ERRORS

23. *If an item in the Forest accounts which properly belongs to one head is classified wrongly under another head, the error, should be corrected in the following manner:* **Art.278**
- *If the error is discovered before the close of the month's accounts, the necessary correction should be made in the original entries by drawing a pen through the incorrect entry and inserting the correct one in red-ink between the lines. The disbursing officer should initial every such correction and invariably date his initials.*
 - *If the error is discovered after the close of the month's accounts, but before the accounts for March supplementary are closed, the correction should take the form of a fresh entry in the current Cash Book.*
 - *If the error is discovered after the accounts for March supplementary have been closed and despatched to the AG, it should be reported to the AG by a letter, who will deal with it in accordance with the rules in Account Code for AG and advise the Forest Officer the corrections, if any, which should make in his accounts*
 - *In all cases in which a formal correction is permissible, a suitable note (in red-ink) should be made in all the accounts concerned.*
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H. SUBSIDIARY ACCOUNTS OF COMMERCIAL UNDERTAKINGS

24. *If the activities of any individual Forest Unit or any self-contained exploitation scheme like Saw-mill, Forest Railway etc. require the maintenance of subsidiary accounts on a commercial basis, the form of accounts to be kept may be settled by Government after consultation with the AG.* **Art.279**

ACCOUNTS RETURNS RENDERED BY FOREST DEPARTMENTAL OFFICERS

1. *The following directions were given to accountants of Divisional Officers, accounts of Conservators and other Forest Officers who draw funds against their own drawing accounts and render separate accounts to the Accountant General in respect of transactions passing through them* **Art.280**
2. *Before closing the accounts of a month the Divisional Officer should satisfy himself that the accounts of his subordinate officers for the month have been examined and incorporated truly and accurately in his own accounts. For this purpose, the accounts of the latter should reach the office for compilation in time for the preparation and submission of the accounts returns on the due date. If they do not arrive in time to be so incorporated, they should be taken in the following month's accounts but such an* **Art.281**
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occurrence should be avoided as far as possible. In the case of accounts for March, however, the Divisional Officer must keep open his accounts until receipts of all the subordinates' accounts in order that all receipts and payments of the official year may, as far as possible, be brought in to the accounts of the year.

COMPILATION OF MONTHLY ACCOUNTS

3. **Cash Account** : The monthly cash account should be prepared in Form FA.1. It should show in respect of the following items merely the totals for the month and all other items of receipt or charge should be entered in detail. **Art.282**
- (a) Debtor side :
- Cheques drawn
 - Recoveries of advance from contractors and disbursers
 - Revenue received and credited in the Cash Book under "0406-Forestry and wild life"
 - Recoveries made by deduction from pay bills on account of service and other funds, provided the bills are accompanied by schedules showing full particulars of each recovery;
 - Refund of Forest Revenue taken by deduction from Revenue;
 - Receipts and recoveries creditable to the the Central Government;
 - Receipts and recoveries creditable to Railways, P&T/Defence; and
 - Receipts and recoveries creditable to other states.
- (b) Creditor side :
- Remittances to treasurers;
 - Advances made to contractors and disbursers;
 - Expenditure debited in the Cash Book to "2406 Forestry and Wild Life"
 - Expenditure debited in the Cash Book to "4406 – Capital outlay on Forestry and Wild Life"
 - Receipts and Recoveries to be deducted from capital outlay;
 - Payments debitible to the Central Government;
 - Payments debitible to Railways/P&T/Defence; and Payments debitible to other States
4. **Classified Abstract of Revenue and Expenditure** : A classified abstract of revenue and expenditure should be prepared in form FA.5, the expenditure debited to the head "4406-Capital Outlay on Forestry and Wild Life" shown separately from that debited to "2406-Forestry and Wild Life". All items of revenue and expenditure recorded in the Cash Book for month should be classified and arranged in this return in accordance with the prescribed classification – the entries being made in such detail as may be required by the Accountant General **Art.283**
5. **Schedules of Remittances to Treasuries** : A schedule of remittances to treasuries should be prepared in Form FA.6. The entries in this schedule should show each item of remittance separately and a reference to these items should be made invariably against the corresponding entries in the last column of the Consolidated Treasury Receipt received from the treasury concerned **Art.284**
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6. **Schedules of transactions with other Governments, Railways, P&T and Defence** : A **Art.285**
schedule should be prepared in form FA.7 separately for receipts and payments in which
all items of receipts and payments originating in the division on behalf of other
Governments should be detailed by each Government
7. **Abstracts of Contractors and Disbursers Ledgers** : An abstract of Contractors and **Art.286**
Disbursers Ledger should be prepared monthly in form FA.8. In this Abstract, should be
shown in consecutive order first, the contractors accounts and then the disbursers
accounts. The columns should be totalled separately for contractors and disbursers
accounts and grand totals of all accounts should be given at the foot of the Abstract.
8. The Abstract for March in each year should be accompanied by a brief statement **Art.287**
explaining the circumstances in which each item outstanding for more than twelve months
remains unadjusted and the steps which have been taken with a view to its early
clearance.

SUBMISSION TO ACCOUNTANT GENERAL

9. A copy of Monthly Register of cheques drawn (Article.267) should be submitted to the **Art.288**
Accountant General on the last day of each month.
10. The following accounts of each month should be submitted to the AG on or before 5th of **Art.288**
succeeding month:
- Monthly Cash Account
 - Classified Abstract of Revenue and Expenditure
 - Schedule of Remittances to Treasuries
 - Schedule of transactions with other Governments
 - Schedule of transactions with Railways
 - Schedule of transactions with P&T
 - Schedule of transactions with Defence
 - Abstract of contractors/disbursers Ledgers
- These returns should be accompanied by all vouchers and consolidated Treasury
Receipt. Vouchers which may be destroyed after payment need not be attached.
- Payments made on Muster Rolls should be supported by a voucher setting forth
the brief particulars of work done by the labourers and containing a certificate of the
disbursing officer to the effect that the labourers were employed actually on the work and
paid on Muster Rolls.
11. A certificate need to be attached to the Monthly Cash Account to the following effect: **Art.289**
- That the lumpsums shown agree with the details in the Cash Book and also with
the subsidiary returns after making allowance for:
 - Cash recoveries of service payments noted in the Cash Book but not
shown in the Cash Account as separate items
 - Refunds of forest revenue noted in the Cash Book but taken by deduction
from revenue in the Cash Account; and
 - Receipts and recoveries on Capital Account noted in the cash book but
deducted from the expenditure under the head "4046 – Capital Outlay on
Forestry and Wild Life" in the Cash Account
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- *That the account balance agrees with the actual cash balance.*

12. *A certificate in the following form need be attached to Classified Abstract of Expenditure:* **Art.290**

- *The expenditure entered in this account could not be avoided.*
- *The payments included in this account have been duly made to the parties entitled to receive them*
- *All vouchers for payments of salaries and travelling allowances and of refunds and advances, vouchers for all other payments above Rs.50 and vouchers for all items adjusted by book transfer with other Governments/departments etc. were attached to the account*
- *All vouchers for expenditure incurred, so far as possible, were obtained*
- *All vouchers were so destroyed that they cannot be used again.*

A certificate to the above effect shall be signed by the Divisional Officer and he will be held personally responsible for the correctness of each of the above certificates.

23. *When stores are purchased it should also be certified that:* **Art.291**

- *All the articles detailed in the vouchers attached to the account and in those retained by the Drawing Officer have been duly received in good order and accounted for in the Stock Register*
- *The quantities noted in the vouchers are correct, the quality is good, the rates paid are not in excess of the accepted/market rates and that suitable notes of payment have been recorded against the indents and invoices concerned to prevent double payment.*

24. *The divisional officers are entitled to authosie a few days delay in the submission of accounts, for special reasons. But if they are not submitted on or before 10th of the following month, the reasons for delay must be intimated invariably on that date.* **Art.292**

25. *The Schedules of transactions with other Governments, Railways, P&T, and Defence for the month of March should reach AG by 7th April and all correcting entries affecting those schedules should be intimated to AG by 12th April.* **Art.293**

26. *In addition to regular accounts for March, a supplementary account for that month, in the form of a Cash Account with necessary accompaniments, comprising the transactions, included in the supplementary account books should be submitted to AG by 1st June.* **Art.294**

27. *When the Divisional officer signs the accounts while on tour and cannot give certificates as required in articles 289 to 291, these certificates should be furnished separately when he returns to head-quarters.* **Art.295**

Similarly, when the monthly accounts have been signed and despatched by Head Clerk or other official authorized to do so, in the absence of Divisional Officer, the divisional officer on his eventual return should examine the accounts and submit the report of such examination together with changes, if any, to the AG in such a form as prescribed by him.

28. *In addition to above accounts, such other accounts of revenue due and outstanding and of timber and other transactions should be submitted to the AG as he may require from time to time.* **Art.296**

29. *The monthly abstracts of the Contractor/Disbursers Ledger (article.286) may be submitted to the AG through the Conservator or other superior officer, is so desired by the Government, to ensure the control over the adjustment of the outstanding balances by them. But these superior officers should pass on these abstracts to the AG within 10 days of their receipt by them.* **Art.297**

Manual of Standing Orders (Accounts & Entitlements)

About Manual of Standing Orders:

The provisions of the Government of India (Audit & Accounts) Order, 1936 as adapted by the India (Provisional Constitution) Order, 1947 and Article 149 of the Constitution of India, have cast responsibilities on and vested powers in the C&AG of India in relation to the accounts of the Union and the State Governments.

All essential accounting instructions of the C&AG of India were initially set out in the Account Codes. As Governmental activities grew in volume and complexity, The Manual of Standing Orders (Technical), Volume.I was issued by the C&AG of India in 1962, which incorporated a number of instructions for the guidance of the Civil Audit Offices responsible for compiling the accounts. Subsequently consistent with the principle of separation of accounts from audit, the composite offices of the Accountants General were bifurcated in March, 1984 into distinct offices with separate cadres for dealing with (a) all audit work; and (b) all accounting and entitlement work.

Accordingly MSO (Technical), Volume.I was bifurcated into two separate Manuals viz. MSO (Audit) for Audit Offices and MSO (A&E) for A&E Offices. The MSO (A&E) thus contains the accounting directions, instructions and procedures to be followed by the Offices of the Accountants General (A&E).

CHAPTER 9 - ACCOUNTS OF FORESTS

As specified in Articles 280 and 288 of Account Code Volume.III, the accountant of Divisional Officers, accounts of Conservators and other Forest Officers who draw funds against their own drawing accounts shall render the following accounts of each month on or before 5th of succeeding month to the AG

- *Monthly Cash Account*
- *Classified Abstract of Revenue and Expenditure*
- *Schedule of Remittances to Treasuries*
- *Schedule of transactions with other Governments*
- *Schedule of transactions with Railways*
- *Schedule of transactions with P&T*
- *Schedule of transactions with Defence*
- *Abstract of contractors/disbursers Ledgers*

On receipt of these accounts returns it shall be the duty of the Accountant General to check, compile and audit these returns together with their attachments. The direction relating to these duties are given below:

Cash Account : *The accounts of Receipts and Disbursement which are rendered by Divisional Forest Officers in the forms prescribed should be checked to see that the Disbursing Officers have rendered correct accounts of the transactions in their charge and that all the subsidiary accounts correctly work up to the Cash Account.*

Charges : *With reference to the particulars furnished in the vouchers it should be seen that the charges are correctly classified and in particular the allocation under 'Capital' and 'Revenue' is in accordance with the prescribed rules. In cases of doubt, the required information should be obtained from the Departmental Officers, so that the charges may be classified correctly.*

The provisions made in the annual Budget Estimates of the State Government under various Forest Major, Minor and Detailed Heads of Account should also be kept in view while looking into the classification of the charges.

Remittances : With reference to the Register of Cheques drawn (maintained as per Article.267 of Account Code Volume.III and furnished to AG on the last day of every month as per Article.288), the Divisional Forest Officer should be directed to furnish information in the form of a statement which should invariably accompany the monthly compiled account rendered, in the following format:

	Amount in Rupees
1. Total amount of cheques remained un-encashed to the end of previous month :	:
2. Total amount of cheques issued during the current month :	:
3. Sub-total (1+2) :	_____
4. Total amount of cheques encashed during the current month :	:
5. Total amount of cheques remaining un-encashed at the end of current month (3 -4) :	_____
6. Details of un-encashed cheques at the end of current month	_____
Cheque No. Date Amount	

While scrutinizing the above statement with monthly compiled account, particular attention should be paid to cheques which were shown as un-encashed for more than 3 months. Specially such cases should be taken up with Divisional Forest Officer for speedy settlement. It should also be seen that the amount shown in column 5 of the statement is correctly brought forward against column 1 of the statement in the following month.

If an individual is due to pay certain sum to forest department, for what so ever reason, he can pay it either by cash or cheque. Immediately on receipt of such Cash or Cheque, it shall be the duty of the Divisional Officer to enter the same in this Cash Book as a receipt. However, individuals have choice to remit the money directly into Treasury by way of challan or they can furnish the requisite amount through a demand draft.

Challans : The challans are either filled by the Divisional staff or filled by the party concerned and furnished before divisional staff for check of classification etc. will be handed over after scrutiny for eventual remittance of amount into treasury/bank. The duly receipted challan brought by the party should be surrendered to the Divisional Forest Officer, who on being satisfied that the receipted challan is genuine, takes an entry of this revenue on the Receipt side of the Cash Book.

Demand Drafts : If parties send Demand Drafts to the Division, they are first encashed and then the cash is remitted into treasury at which time an entry is taken in the Cash Book.

Sometimes the amount thus remitted by Cheques, Challans and Demand Drafts may not figure in the accounts of the treasury/bank, particularly at the end of the month. In order to have a proper watch over these issues, each Divisional Forest Officer should be directed to send a statement in the form given below along with the monthly account submitted to the AG:

	Amount in Rupees
1. Total amount of Forest Revenue remained un-adjusted in the books of treasury at the end of previous month :	:
2. Total amount of Revenue for the current month as incorporated in the monthly account of the division :	:

3.	Sub-total (1+2)	:	
4.	Total amount of Revenue duly adjusted by the treasury	:	
5.	Balance amount of Revenue remaining unadjusted in the books of treasury at the end of the current month (3 – 4)	:	
6.	Details of un-adjusted Revenue at the end of current month		

Sl.No	Name of the Party	Amount	Name of treasury	Reference to Register of Revenue
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During the scrutiny of the monthly compiled account it should be seen that:

- a) The closing balance shown against Column 5 of the statement is correctly shown against column 1 of the statement in the following month
- b) Items remaining unadjusted at the treasury for more than 3 months should be referred to Divisional Forest Officer for speedy settlement.

Inter-divisional adjustments : Debits and credits arising out of inter-divisional adjustments, where permissible, should be set against corresponding credits and debits respectively. Ordinarily when such transactions are paired a note of agreement should be recorded in red ink by the Accountants dealing with both the Divisions against the relevant entries in the Cash Accounts. But if the transactions are more, a suitable register may be prescribed, in addition, to facilitate proper watch over unadjusted transfer.

Transactions with other Governments, Departments etc : These transactions should be classified as pertaining to the remittance or settlement account concerned according to the rules laid down in the Account Code. Items passed through inward Remittance Accounts which are adjustable in the Forest Divisional Books should be dealt with in the manner prescribed in Article 5.13 of Account Code for Accountants General. The clearance of the head "Forest Remittances" should be watched in a Broadsheet as prescribed for Public Works Remittances.

Ledger Accounts : The Abstract of Contractors/Disbursers Ledger should be verified to see:

- All transactions pertaining thereto have been correctly posted
- The opening and closing balances are correct
- Closing balances should be reviewed to ensure that relevant rules and orders governing their clearance are being observed.
- Outstanding balances which were not cleared within a reasonable period should form the subject of special enquiry.

COMPILATION OF ACCOUNTS

- After the accounts of all the forest divisions and all others who are responsible to furnish accounts returns were received and checked in A&E Office, it shall be the duty of the Accountant General (A&E) to prepare Forest Abstract and summaries as prescribed in Chapter.2 of the Account Code for AGs.
 - Monthly reports of progress of revenue and expenditure, if required by the Conservators, should be furnished to them in such a form as may be prescribed by the State Government to suit local requirements
 - An annual summary may similarly be sent if required.
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- An annual review of the working of Forest Divisions should be prepared for each financial year and sent to the State Government by 31st December of the following financial year. This review should cover the following points:
- Extent of delay in the receipt of accounts/vouchers
 - Extent of wanting documents which should normally accompany the monthly account (Division-wise month-wise wanting documents should be prepared)
 - Amount outstanding under “III. Other Remittances – items adjustable by Forest”
 - Statement showing the amounts held under objection to the end of March
 - A statement showing the arrears of reconciliation
- In addition to the above material which should be available in A&E Office, the following material shall be obtained from Audit Office and incorporated in the annual review:
- Statement – A : Common types of irregularities noticed in Central Audit
 - Statement – B : Details of audit objections and Inspection Reports not replied
 - Statement – C : Very important irregularities noticed during local audit of Forest Divisions.

List of Forms prescribed for Forest Department in Account Code Volume – III

<i>Form No.</i>	<i>Description</i>	<i>Reference to articles</i>
FA.1	Cash Book	Art.256
FA.2	Register of cheques drawn	Art.267
FA.3	Register of Works	Art.270
FA.4	Contractor's/Disburser's Ledger	Art.272
FA.5	Classified Abstract of Revenue and Expenditure	Art.283
FA.6	Schedule of Remittances to treasuries	Art.284
FA.7	Schedule of Receipts/Payments on behalf of other Governments/Railways/P&T/Defence	Art.285
FA.8	Abstract of Entries in the Contractor's/Disburser's Ledger	Art.286
